

2012

Operating Budget

TABLE OF CONTENTS

	Page
I. Levy Information	1
Revenue Sources - General Fund	
Expenses by Departments	
Salary, Fringe and Capital Outlay	
II. Budget -	7
General Fund	
Library Fund	
Library Endowment Fund	
Perpetual Care Cemetery	
III. General Capital Outlay Fund	21
IV. Special Assessment Funds	25
V. Bonded Indebtedness	29
VI. Economic Development Authority Budget	35
VII. Liquor Fund Budget	37
VIII. Utility Fund Budget	41
IX. Garbage Collection Fund	55
X. Tax Increment Financing	57
XI. Non Budgeted Funds	59

**CITY OF BENSON
1410 KANSAS AVENUE
BENSON, MINNESOTA 56215
2012 OPERATING BUDGET**

LEGISLATIVE BODY

MayorPaul Kittelson
Council Members.....Bob Claussen
Sue Fitz
Benjamin Hess
Gary Landmark

ADMINISTRATIVE STAFF

City ManagerRobert Wolfington
City AttorneyDon Wilcox
Director of Public WorksElliot Nelson
Director of FinanceGlen Pederson
Police Chief.....Michael Jambor
Liquor Store ManagerPat McGeary
Librarian.....Kristin Woizeschke
Fire ChiefMark Schreck

SECTION I - LEVY INFORMATION

REVENUE SOURCES - GENERAL FUND

EXPENSES BY DEPARTMENTS

SALARY, FRINGE & CAPITAL OUTLAY

SECTION I

LEVY INFORMATION

This schedule shows the Outstanding Bond issues of the City of Benson, their original amounts, final maturity date, their balance due, and the past three years tax levy history. The bonds are broken down into two sections - **Issue Tax Levy** and **Issue Non-Levy**. The Issue Tax Levy Bonds are those paid off by levying taxes against the property and/or special assessments. The Issue Non-Levy Bonds have an identified revenue source other than the property tax to pay off the bonds. However, in the event these revenues are not enough to make the payments the City would have to make them from general revenues with the exception of the Electric Generation Bonds. See the Bonded Indebtedness section for additional information.

The **Historic Tax Levy** reflects the amount of dollars levied against the property in the City of Benson from 2003 - 2012. These amounts have changed considerably over the past several years due to the tax law changes and the amount of Local Government Aid the City receives.

BUDGETED REVENUE SOURCES

This schedule outlines the major revenue sources of the General Fund, the percentage each one represents of the total budget, and the percentage change from the previous year.

EXPENSES BY DEPARTMENTS

The main departments of the General Fund are listed (net of their capital outlay amounts), the percentage each one represents of the total budget, and the percentage change from the previous year.

SALARY, FRINGE AND CAPITAL OUTLAY

This schedule shows the percentage that Salaries, Fringe Benefits and the transfer to the General Capital Outlay Fund make up of the total budget and the percentage change from the previous year.

BONDED INDEBTEDNESS

ISSUE TAX LEVY

G.O. Swimming Pool Bonds of 2003 G.O. Capital Street Equipment 2006 GROSS DEBT SERVICE LEVY	ORIGINAL AMOUNT	MATURITY DATE	BALANCE DUE	2010		2011		2011		2012		2012	
				Actual TAX LEVY	TAX LEVY	DEBT SERVICE	AUTO TAX LEVY	Actual TAX LEVY	DEBT SERVICE	AUTO TAX LEVY	Actual TAX LEVY		
	965,000	2022	680,000	83,079	78,285	81,320	81,320	76,610	79,562	79,562	79,562	79,562	
	250,000	2014	90,000	38,036	35,025	35,025	35,025	33,825	35,516	35,516	35,516		
	1,215,000		770,000	121,115	113,310	116,345	116,345	110,435	115,078	115,078	115,078		

ISSUE NON-LEVY

G.O. Sewer Revenue Notes 2005	4,322,000	2024	3,107,000	0	273,637	0	0	273,519	0	0	0
Electric Revenue Bonds of 2007	6,890,000	2027	5,915,000	0	526,173	0	0	519,908	0	0	0
G.O. Water and Sewer Revenue Bonds of 2009A	1,000,000	2020	820,000	0	144,900	0	0	142,500	0	0	0
TOTAL NON-LEVY	12,212,000		9,842,000	0	944,710	0	0	935,927	0	0	0

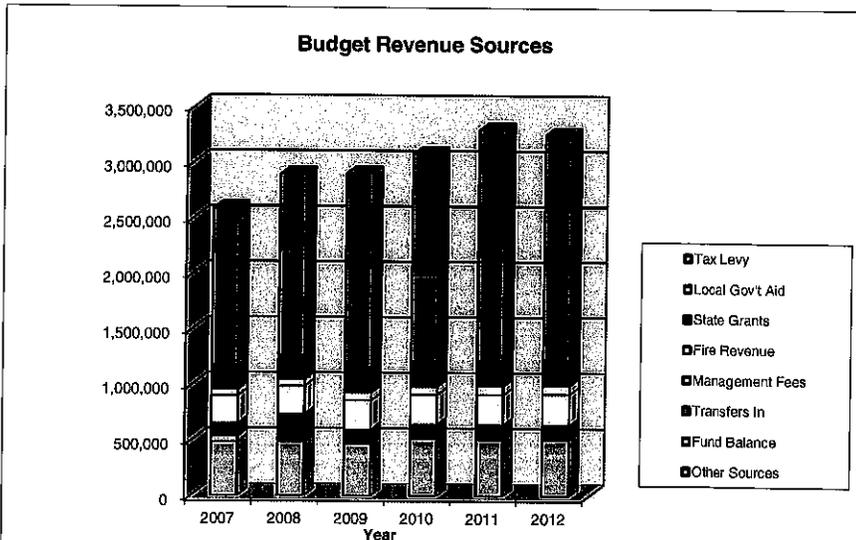
HISTORIC TAX LEVY

General Fund (Includes Streets, Park, etc.) Claussen Properties II Abatement Library fund Debt Service TOTAL TAX LEVIES	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	209,663	329,852	336,520	374,815	400,861	685,338	843,941	1,092,719	1,192,894	1,255,996
	9,000	9,000	11,000	11,000	11,000	12,000	12,000	12,000	18,700	22,000
	61,930	60,300	66,157	74,579	81,529	86,523	89,657	95,496	100,496	116,311
	85,440	167,463	170,216	170,894	210,422	115,760	118,543	121,115	116,345	115,078
	366,033	566,615	583,893	631,288	703,812	899,621	1,064,141	1,321,330	1,428,435	1,509,385
Percent increase from previous year.		54.8%	3.0%	8.1%	11.5%	27.8%	18.3%	24.2%	8.1%	5.7%

1. The legislature in 2003 reduced Local Government Aid to Cities and allowed them to levy up to 40% of that amount. For the City of Benson this amounted to \$79,039.
2. Includes \$142,477 for 2008 and 2009 unallotted aids and credits.
3. Includes \$232,413 for 2010 unallotted aids and credits.
4. Includes \$148,390 for 2011 unallotted aids and credits.

BUDGETED REVENUE SOURCES - GENERAL FUND

	2007	2008	2009 Revised	2010	2011	2012
TAX LEVY \$	400,861	685,338	843,941	1,092,719	1,184,563	1,255,996
TAX LEVY %	15.5	23.7	29.1	35.5	35.9	38.6
Change from Prev Year %	6.9%	71.0%	23.1%	29.5%	8.4%	6.0%
LOCAL GOV'T AID \$	1,014,669	944,287	898,495	776,650	897,970	776,650
LOCAL GOV'T AID %	39.2	32.6	31.0	25.2	27.2	23.8
Change from Prev Year \$	5.0%	-6.9%	-4.8%	-13.6%	15.6%	-13.5%
STATE GRANTS \$	212,864	216,315	231,315	224,995	224,395	226,327
STATE GRANTS %	8.2	7.5	8.0	7.3	6.8	6.9
Change from Prev Year \$	8.2%	1.6%	6.9%	-2.7%	-0.3%	0.9%
FIRE REVENUE \$	57,500	59,500	69,596	73,559	77,900	79,000
FIRE REVENUE %	2.2	2.1	2.4	2.4	2.4	2.4
Change from Prev Year \$	3.1%	3.5%	17.0%	5.7%	5.9%	1.4%
MANAGEMENT FEES \$	250,545	255,612	263,277	268,541	273,909	279,384
MANAGEMENT FEES %	9.7	8.8	9.1	8.7	8.3	9.3
Change from Prev Year \$	2.1%	2.0%	3.0%	2.0%	2.0%	2.0%
TRANSFERS \$	112,000	249,284	128,368	128,173	130,000	130,000
TRANSFERS %	4.3	8.6	4.4	4.2	3.9	4.0
Change from Prev Year \$	-38.4%	122.6%	-48.5%	-0.2%	1.4%	0.0%
FUND BALANCE \$	53,471	0	0	0	0	0.0
FUND BALANCE %	2.1	0.0	0.0	0.0	0.0	0.0
OTHER SOURCES \$	484,900	483,200	466,870	515,565	510,098	509,550
OTHER SOURCES %	18.7	16.7	16.1	16.7	15.5	15.0
Change from Prev Year \$	7.4%	-0.4%	-3.4%	10.4%	-1.1%	-0.1%
TOTAL \$	2,586,810	2,893,536	2,901,882	3,080,202	3,296,835	3,256,907
TOTAL %	100.0	100.0	100.0	100.0	100.0	100.0
Change from Prev Year \$	4.6%	11.9%	0.3%	6.1%	7.1%	-1.3%

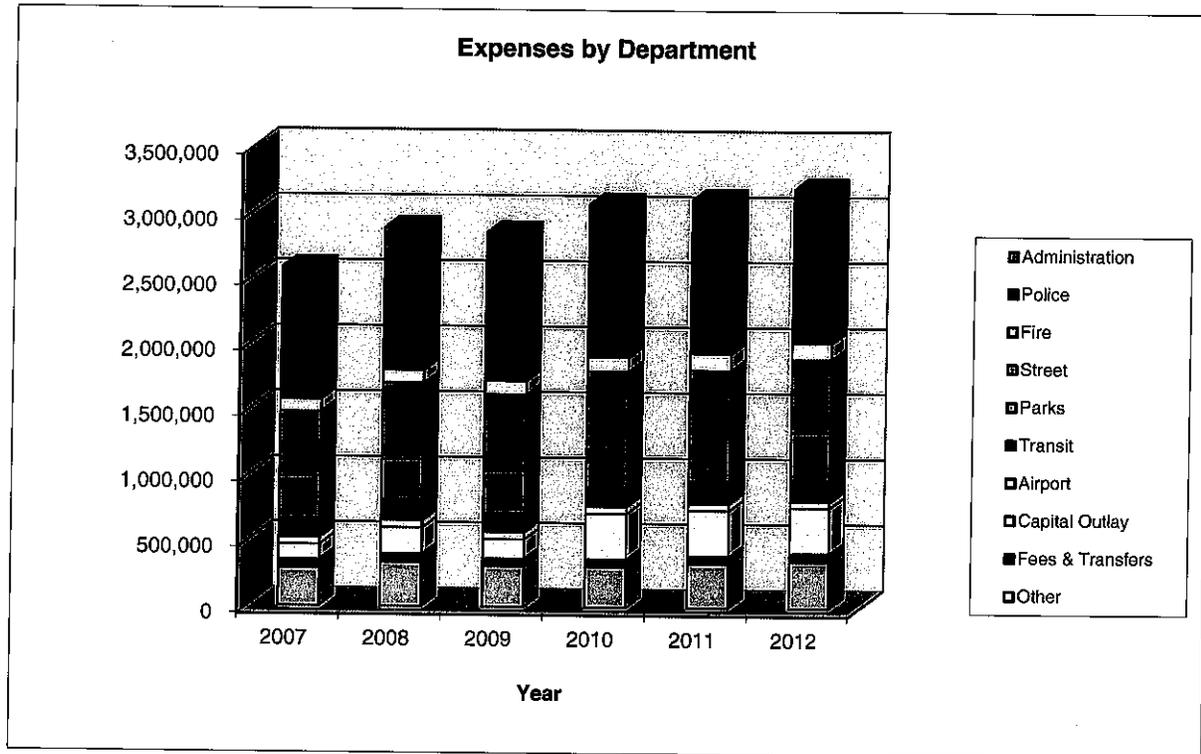


Expenses By Department

(Excluding Capital Outlay & Fees)

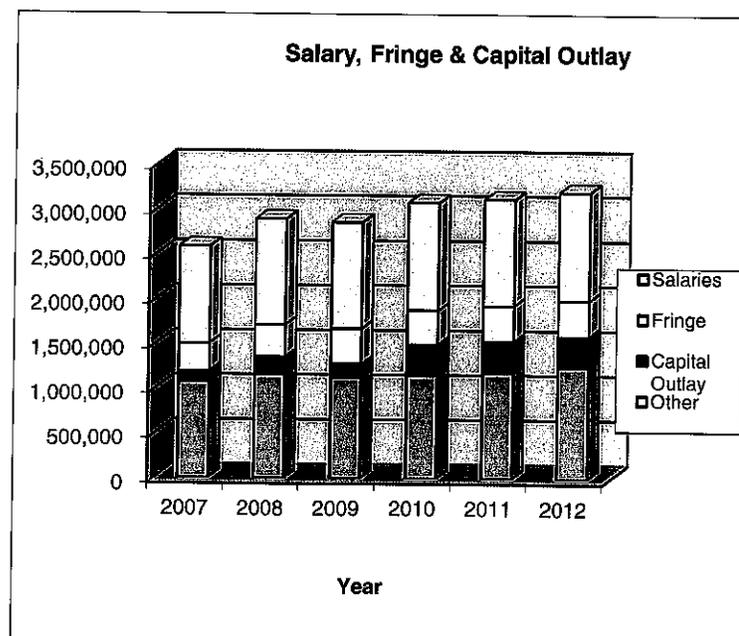
2007 - 2012

	2007	2008	2009 Revised	2010	2011	2012
ADMINISTRATION \$	392,000	439,698	456,165	466,500	500,670	442,750
ADMINISTRATION %	15.2	15.2	15.9	15.1	16.1	13.8
Change from Prev Year %	<u>4.6%</u>	<u>12.2%</u>	<u>3.7%</u>	<u>2.3%</u>	<u>7.3%</u>	<u>-11.6%</u>
POLICE \$	616,242	649,424	678,349	703,576	675,279	731,021
POLICE %	23.8	22.4	23.7	22.8	21.7	22.8
Change from Prev Year %	<u>6.7%</u>	<u>5.4%</u>	<u>4.5%</u>	<u>3.7%</u>	<u>-4.0%</u>	<u>8.3%</u>
FIRE \$	94,650	99,350	105,007	106,900	125,275	125,000
FIRE %	3.7	3.4	3.7	3.5	4.0	3.9
Change from Prev Year %	<u>2.8%</u>	<u>5.0%</u>	<u>5.7%</u>	<u>1.8%</u>	<u>17.2%</u>	<u>-0.2%</u>
STREET \$	495,900	581,700	584,730	557,350	517,410	555,360
STREET %	19.2	20.1	20.4	18.1	16.6	17.3
Change from Prev Year %	<u>6.2%</u>	<u>17.3%</u>	<u>0.5%</u>	<u>-4.7%</u>	<u>-7.2%</u>	<u>7.3%</u>
PARKS \$	321,618	307,350	319,116	328,500	329,615	365,085
PARKS %	12.4	10.6	11.2	10.7	10.6	11.4
Change from Prev Year %	<u>1.2%</u>	<u>-4.4%</u>	<u>3.8%</u>	<u>2.9%</u>	<u>0.3%</u>	<u>10.8%</u>
TRANSIT \$	143,390	160,865	146,918	144,950	172,100	165,956
TRANSIT %	5.5	5.6	5.1	4.7	5.5	5.2
Change from Prev Year %	<u>5.7%</u>	<u>12.2%</u>	<u>-8.7%</u>	<u>-1.3%</u>	<u>18.7%</u>	<u>-3.6%</u>
AIRPORT \$	51,220	54,230	53,070	54,330	51,190	45,630
AIRPORT %	2.0	1.9	1.9	1.8	1.6	1.4
Change from Prev Year %	<u>-19.3%</u>	<u>5.9%</u>	<u>-2.1%</u>	<u>2.4%</u>	<u>-5.8%</u>	<u>-10.9%</u>
CAP. OUTLAY \$	115,000	200,000	147,690	348,600	350,000	350,000
CAP. OUTLAY %	4.4	6.9	5.2	11.3	11.2	10.9
Change from Prev Year %	<u>-23.3%</u>	<u>73.9%</u>	<u>-26.2%</u>	<u>136.0%</u>	<u>0.4%</u>	<u>0.0%</u>
FEES & TRANSFERS \$	66,970	65,267	60,000	56,821	58,271	63,837
FEES & TRANSFERS %	2.6	2.3	2.1	1.8	1.9	2.0
Change from Prev Year %	<u>11.8%</u>	<u>-2.5%</u>	<u>-8.1%</u>	<u>-5.3%</u>	<u>2.6%</u>	<u>9.6%</u>
OTHER \$	289,820	335,652	309,319	312,675	337,355	356,670
OTHER %	11.2	11.6	10.8	10.2	10.8	11.1
Change from Prev Year %	<u>23.7%</u>	<u>15.8%</u>	<u>-7.8%</u>	<u>1.1%</u>	<u>7.9%</u>	<u>5.7%</u>
TOTAL \$	2,586,810	2,893,536	2,860,364	3,080,202	3,117,165	3,201,309
TOTAL %	100.0	100.0	100.0	100.0	100.0	100.0
Change from Prev Year %	<u>4.6%</u>	<u>11.9%</u>	<u>-1.1%</u>	<u>7.7%</u>	<u>1.2%</u>	<u>2.7%</u>



SALARY, FRINGE, AND CAPITAL OUTLAY 2007 - 2012

	2007	2008	2009 Revised	2010	2011	2012
SALARIES \$	1,085,706	1,179,465	1,186,278	1,202,746	1,188,650	1,210,148
SALARIES %	42.0	40.8	41.5	39.0	38.1	37.8
<u>Change from Prev Year %</u>	<u>6.3%</u>	<u>8.6%</u>	<u>0.6%</u>	<u>1.4%</u>	<u>-1.2%</u>	<u>1.8%</u>
FRINGE \$	310,939	359,842	397,774	381,310	397,674	398,565
FRINGE %	12.0	12.4	13.9	12.4	12.8	12.5
<u>Change from Prev Year %</u>	<u>-0.4%</u>	<u>15.7%</u>	<u>10.5%</u>	<u>-4.1%</u>	<u>4.3%</u>	<u>0.2%</u>
CAP. OUTLAY \$	115,000	200,000	147,690	348,600	350,000	350,000
CAP. OUTLAY %	4.4	6.9	5.2	11.3	11.2	10.9
<u>Change from Prev Year %</u>	<u>-23.3%</u>	<u>73.9%</u>	<u>-26.2%</u>	<u>136.0%</u>	<u>0.4%</u>	<u>0.0%</u>
OTHER \$	1,075,165	1,154,229	1,128,622	1,147,546	1,180,841	1,242,596
OTHER %	41.6	39.9	39.5	37.3	37.9	38.8
<u>Change from Prev Year %</u>	<u>8.7%</u>	<u>7.4%</u>	<u>-2.2%</u>	<u>1.7%</u>	<u>2.9%</u>	<u>5.2%</u>
<u>TOTAL \$</u>	<u>2,586,810</u>	<u>2,893,536</u>	<u>2,860,364</u>	<u>3,080,202</u>	<u>3,117,165</u>	<u>3,201,309</u>
<u>TOTAL %</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
<u>Change from Prev Year %</u>	<u>4.6%</u>	<u>11.9%</u>	<u>-1.1%</u>	<u>7.7%</u>	<u>1.2%</u>	<u>2.7%</u>



SECTION II - BUDGET

GENERAL FUND

LIBRARY FUND

LIBRARY ENDOWMENT FUND

PERPETUAL CARE CEMETERY

SECTION II

2012 BUDGET

General Fund, Library Fund, Library Endowment Fund, Perpetual Care Cemetery - This report shows the 2009 Actual, 2010 Actual, 2011 Budget, and 2012 Budget figures.

REVENUES -

Taxes - The General Fund Levy of \$1,255,996 is part of an overall 5.7% increase to the total City Levy. Of this amount, \$148,390 is to make up for the 2011 unallotted aids and credits from the State of Minnesota.

Abatements - The City levies this amount to rebate back to Claussen Properties the City's share of the property taxes on the Custom Roto Mold plant. 95% of this amount is returned.

Lodging Taxes - In 2006 the City adopted a lodging tax applicable to local hotels, motels and camping facilities. 95% of this tax is used for tourism expenses and administered by an advisory board.

Franchise Fees is the \$25,000 we expect to collect from Charter Communications for cable TV and \$42,000 from Centerpoint Energy for natural gas.

Local Government Aid represents 24.3% of our total General Fund Budget. At one time this aid amounted to nearly 51% of General Fund Revenues. This is the amount certified by the State that we would receive in 2012.

Police State Aid - This is State Aid we receive for our Police Department pension funding. It is based on the number of full-time officers we have in the preceding year.

Fire State Aid - This aid is transferred directly to the Fire Relief Association for firemen pensions. The City Council has approved a \$1,100 per year of service pension effective 1/1/10.

Airport Maintenance - \$22,052 is the maximum State Aid for airport maintenance we can receive. We are reimbursed two-thirds of eligible expenses.

Transit Refunds - \$115,812 represents the reimbursement from the State under our transit contract which is based on a total operating budget of \$170,456.

Township Fire Contracts and Fire Department Calls - These figures represent estimated revenues from areas outside the City of Benson under contract for fire protection and also, beginning in 2001, from fire calls located within the city limits.

Building Inspection Services - In 2006 the City again hired a full-time Building Inspector. In order to defray the cost, an agreement was entered into with the City of Morris to provide these services for two days per week with Morris reimbursing us for two-fifths of the employment costs. Late in 2008 the position was reduced by one day per week due to the drop in the number of permits being issued.

Swimming Pool Receipts - The City opened its brand new pool in June of 2004. Daily fees were increased by \$1 and passes were increased by 5% in 2009. A separate line item is shown for **Swimming Pool Concessions**.

Civic Center Rent Receipts - Rent from the north end of the building. This amount, less property taxes, is transferred to the Civic Center Board for operations and improvements.

Cemetery - Sale of Lots - Under our present ordinances, 80% of the sale of lots goes to the General Fund to be used for operating the Cemetery. The remaining 20% is deposited into the Cemetery Perpetual Care Fund.

Management Charge Economic Development Authority (EDA) and Revolving Loan Fund (RLF) - New in 2008, this charge to the EDA and the RLF is a 1% fee for administration of EDA activities and loan administration.

Management Charges - The Management Charges against the water, wastewater, electrical, and liquor funds are a fee charged to those funds for a portion of the costs generated under Mayor and Council, Administration and Finance, City Attorney, and City Building expense departments. Historically, the total amount charged to the Utility Fund has totaled approximately 45% of these departments. Sale of Service is used as the basis to divide the charges between the separate funds. A 2% increase was approved for 2012.

Transfer from Liquor Fund - \$60,000 had been the normal amount transferred from the Liquor Store. Due to reduced profits in the store, this was reduced to \$30,000 in 2009 and remains that amount for 2012.

Transfer from Utility Fund - \$100,000 represents the amount intended to be transferred from the Utility Fund to the General Fund. Our charter provides that no more than 25% of the 2011 net income from the Utility Fund may be transferred.

EXPENDITURES -

Mayor and Council - Includes all expenses directly related to the City Council including salary, travel, Public Officials Liability Insurance, publishing of legal notices, dues to belong to the League of MN Cities and Coalition of Greater MN Cities. An amount titled **Mayor and Council Contingency** is available for the Council to spend at their discretion.

Administration and Finance - This section includes salaries of the City Manager, Directors of Finance and Public Works, and secretarial staff for the City. The Health & Life Insurance line item is higher due to a retirement and severance payment. The bulk of all **Office Supplies** including copy machine supplies are charged here except for those forms and supplies used specifically by other funds. **Small Tools and Equipment** is used to purchase items that fall under the \$5,000 Capital Outlay minimum threshold. **Contracted Services** represents a fee of \$12,000 to the Utility Fund for accounting and payroll services. The **Telephone** budget provides service to all departments connected by the main telephone system except for the Utility Fund. **Public Information** is where we charge the cost of the newsletters and any other costs to provide information to the general public. The proceeds we receive from the Cable TV Franchise have been used towards this line item.

Assessing - The City of Benson contracts with the County Assessor for these services.

City Building - All expenses directly relating to City Hall.

Police Department - Salaries include the Chief, all officers and one secretarial position. The City pays \$1,200 to the Utility Fund for storage space. Wages and benefits are up with one additional officer being budgeted than in the previous year.

Fire Department - Provides salaries for meetings, drills, fires, and officers' salaries. \$10,000 is paid as **Fire Service** to the Utility Fund for maintaining the water system for fighting fires.

Swimming Pool - Repairs - Contractual is to perform shutdown and startup maintenance on the heating boilers at the pool, in hopes that it will reduce the overall repair costs. **Building Maintenance** - Has additional funding for funbrella replacements.

Organized Recreation - The City is contracting with Community Education to provide these services. A contribution of \$600 per month is made to the Senior Citizen Center.

Parks Department - Mosquito spray and supplies need to be replenished this year. **Contracted Services - Mowing** is where the City contracts with the DAC to mow some of the City parks in the summer. **Contracted Services - Trees** is for the Dutch Elm program. The Ambush Park Caretaker is paid out of the **Contracted Services - Other**. The line item for **Cemetery** covers supplies and general maintenance in the Cemetery.

Lodging Tax Expenses - 95% of taxes collected. 5% is retained for administration.

Not Allocated - This line item is used to charge items that do not fall under any other department.

Transfers to Other Funds – \$10,000 to the **Storm Water Fund** is for routine maintenance to the storm sewer system. The amount under the Transfers to **Capital Outlay Fund** is the annual amount to be set aside for capital outlay in that particular department. See that section of this publication for more information. The City routinely provides a sidewalk replacement program and \$15,000 is budgeted to be transferred this year to the **Concrete Projects Fund**. **Transfer to Civic Center** is the lease payments collected under revenues for operations and improvements at the Civic Center. A transfer to the library is included this year to cover some of the Capital Outlay costs. **Transfer to Fire Relief Fund** is the total transfer to the Benson Fire Relief Association for both the State Aid received and the Cities minimum obligation for pensions. The minimum obligation for 2012 is \$9,337.

The adopted budget identifies a \$55,598 surplus which is a hedge against any potential state aid cuts.

Library Fund - A separate levy is provided for the library operations. The City contracts with Pioneerland Library System for staffing and day-to-day operations.

Library Endowment Fund - This fund was created with monies left over from the construction of the new library. These are restricted funds and only the interest may be spent each year for Capital Outlay purposes. This fund has a cash balance at the beginning of 2012 of \$22,696.

Perpetual Care Cemetery - 20% of all lot sales are deposited into this fund. The City Council may transfer the interest earned in this fund during the year to help pay for cemetery maintenance. This fund has a cash balance at the beginning of 2012 of \$80,745.

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
GENERAL FUND REVENUES					
TAXES	845,111	1,030,875	1,184,563	1,255,996	Taxes Levied
ABATEMENTS	10,993	10,724	18,700	22,000	Claussen Properties II
LODGING TAXES	24,161	22,379	24,000	21,600	3% Tax implemented in 2006
FRANCHISE FEES	27,905	71,443	67,000	67,000	Cable TV & Beg in 2010 Natural Gas
BUSINESS LICENSES	7,145	7,165	7,200	7,200	Liquor, Cigarette, Etc.
NON-BUSINESS LICENSES	690	815	800	1,000	Dog Licenses
BUILDING PERMITS	11,935	20,198	12,000	12,000	
LOCAL GOVERNMENT AID	898,495	776,650	897,970	776,650	Full LGA Amount Certified by State
POLICE TRAINING REIMBURSEMENT	2,775	2,151	2,500	2,500	Post Board Reimbursement
POLICE STATE AID	21,307	42,468	45,000	45,000	
FIRE STATE AID	46,600	23,237	20,000	25,000	Committed to Fire Relief Assn.
AIRPORT MAINTENANCE	22,052	22,052	22,052	22,052	Annual Airport Maint.
TRANSIT REFUNDS	120,992	128,720	128,680	115,812	State Transit Aid
OTHER STATE / LOCAL GRANTS	6,163	15,622	6,163	15,963	PERA Increase, PILOTS
POLICE SERVICES	0		200	200	
POLICE IN SCHOOLS REIMBURSEMENT	32,508	33,264	33,000	33,000	Contract with Benson Public Schools
TOWNSHIP FIRE CONTRACTS	49,096	52,778	55,400	56,500	
FIRE DEPT CALLS	44,830	17,120	20,000	20,000	
RESCUE SQUAD CALLS	4,872	3,277	2,500	2,500	
DOG POUND CHARGES	810	585	500	500	
DARE REVENUES	2,080	435	1,200	1,200	
BUILDING INSPECTION SERVICES	32,704	33,298	37,000	37,000	Contract 2 days with Morris, MN
STREET REPAIR FEES	6,234	2,400	2,000	2,000	
EQUIPMENT RENTALS	12,919	9,670	5,000	8,000	
WEED REMOVAL CHARGES	661	1,830	600	600	
SWIMMING POOL ADMISSIONS	47,982	50,893	51,000	49,000	
SWIMMING POOL CONCESSIONS	10,558	12,426	13,000	12,000	
ARMORY USE FEES	10,363	8,767	9,000	9,000	
PARK FEES	17,433	17,919	18,000	17,000	Camping & Shelter Fees.
TREE REMOVAL RECEIPTS	7,744	6,205	6,000	5,000	
BUS FARES	35,475	34,326	35,000	34,000	
BUS ADVERTISING	1,090	726	700	700	
AIRPORT - HANGER RENTALS	7,855	10,420	9,000	8,000	
AIRPORT LAND REVENUES	10,651	10,684	11,000	11,000	CRP, 2012 IS FINAL CONTRACT YEAR
CEMETERY - SALE OF LOTS	3,380	4,200	3,500	3,500	80% OF LOT SALES
CEMETERY - SODDING FEES	810	675	600	600	
CEMETERY - MONUMENT FEES	245	360	300	300	
CEMETERY - MEMORIALS	0	0	0	0	
PARK SIGN RENTALS	335	290	350	300	Community Sign
COURT FINES	22,509	17,092	20,000	15,000	
PARKING FINES	1,415	2,775	2,000	2,000	
SPECIAL ASSESSMENTS	3,344	929	0	0	
INTEREST EARNINGS	26,450	24,061	15,000	20,000	
UNREALIZED GAIN (LOSS) ON INVESTMEN	3,349	(361)	0	0	Calculated at year end
PROPERTY RENTS	25	1,024	0	0	
CIVIC CENTER RENT	28,834	29,328	29,000	29,000	Committed to Civic Center Board
DONATIONS	1,030	3,590	1,000	1,000	
SALE OF PROPERTY	0	6,577	0	0	
REFUNDS AND REIMBURSEMENTS	51,086	36,563	30,000	30,000	Rink Attendant
REIMBURSEMENTS - GAS & OIL	19,899	16,801	10,000	15,000	Sale of gas at Airport
OTHER REVENUE	13,393	24,683	12,000	10,000	
MANAGEMENT CHARGE EDA & RLF	22,476	22,192	21,848	22,000	See Notes to Revenues
MANAGEMENT CHARGE GARBAGE	7,849	8,005	8,165	8,328	" " " "
MANAGEMENT CHARGES WATER	34,237	34,920	35,618	36,330	" " " "
MANAGEMENT CHARGES ELECTRIC	154,004	157,085	160,226	163,430	" " " "
MANAGEMENT CHARGES LIQUOR	22,742	23,195	23,658	24,130	" " " "
MANAGEMENT CHARGES WASTE WATER	44,446	45,336	46,242	47,166	" " " "
MANAGEMENT CHARGES OTHER	301	216	100	200	Tax Increment Program
TRANSFER FROM OTHER FUNDS	2,500	2,500	2,500	1,650	Cemetery Perpetual Care Interest
TRANSFER FROM LIQUOR FUND	30,000	30,000	30,000	30,000	
TRANSFER FROM UTILITY FUND	124,400	138,670	100,000	100,000	25% Utility Transfer
TOTAL REVENUES	3,001,248	3,112,226	3,298,835	3,256,907	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
GENERAL FUND EXPENDITURES					
Mayor & Council					
SALARIES - CITY COUNCIL	16,040	15,880	16,000	16,000	Mayor \$450, Council \$200 + special mtgs
PENSIONS	1,227	1,215	1,250	1,250	
MAYOR COUNCIL CONTINGENCY	56	1,109	400	400	
OFFICE SUPPLIES	32		400	400	
TRAVEL EXPENSE	1,065	1,613	1,300	1,300	
TRAINING & INSTRUCTION	870	1,162	1,000	1,000	
PRINTING AND PUBLISHING	3,850	2,031	2,400	2,500	
LIABILITY INSURANCE	15,820	15,017	16,000	15,000	
DUES AND SUBSCRIPTIONS	8,347	8,362	8,600	8,600	League of MN Cities/Coalition Dues
TOTAL MAYOR & COUNCIL	47,307	46,390	47,350	46,450	
Administration & Finance					
SALARIES - REGULAR	279,520	285,605	296,070	275,950	Mgr,DPW,DF,Mgr Sec.
PENSIONS	47,958	49,547	52,000	48,800	PERA, SS & Deferred Comp Matching
HEALTH & LIFE INSURANCE	58,886	60,521	90,800	59,100	Health Prem plus self funding
OFFICE SUPPLIES	4,351	6,122	6,000	6,000	
DUPLICATING & COPYING SUPPLIES	4,882	3,735	4,000	4,000	Includes lease on copier
POSTAGE	2,130	2,281	2,600	3,000	
SAFETY AND DRUG TESTING	361	486	600	600	
GAS AND OIL	2,399	2,878	2,800	3,200	
EQUIPMENT REPAIR PARTS	18	462	1,000	1,500	
SMALL TOOLS & EQUIPMENT	321	4,216	4,000	4,000	For equipment under \$5,000
TRANS. TO UTILITY FUND/CONT. SERVICE	9,000	12,000	12,000	12,000	Increased in 2010 for FT Payroll Clerk
CONTRACTED SERVICES	13,715	7,865	13,000	8,000	Computer Tech services
CONSULTING SERVICES	4,856	2,734	4,000	4,000	
TELEPHONE	11,347	10,030	10,000	10,000	
TRAVEL EXPENSE	4,328	2,906	4,000	4,000	
TRAINING & INSTRUCTION	1,376	2,197	3,000	3,000	ICMA, Mgr Conf, Clerks Conf., Etc.
PUBLIC INFORMATION	0		0	0	Newsletter & other Information
INSURANCE	1,375	1,475	1,500	1,500	
WORKERS COMPENSATION INSURANCE	1,945	2,618	3,100	3,900	
DUES AND SUBSCRIPTIONS	2,291	1,986	2,200	2,200	
TOTAL ADMINISTRATION	451,059	459,664	512,670	454,750	
Elections					
TEMPORARY SALARIES	609	1,438	1,000	2,000	Local election only in 2011
OFFICE SUPPLIES	1,606	2,391	1,800	2,500	Code voting machine
TOTAL ELECTIONS	2,215	3,830	2,800	4,500	
Internal audit					
AUDITING & ACCOUNTING SERVICES	19,995	18,100	18,500	19,000	Annual City Audit
TOTAL INTERNAL AUDIT	19,995	18,100	18,500	19,000	
CONTRACTED SERVICES- ASSESSING	17,677	17,567	17,800	17,500	Contracted with Swift County
City Attorney					
OFFICE SUPPLIES	167	1,351	200	200	
SALARIES - ATTORNEY	19,217	25,228	24,100	24,100	Civil legal
TOTAL CITY ATTORNEY	19,384	26,578	24,300	24,300	
City Building					
BUILDING MAINTENANCE & SUPPLIES	7,924	12,753	8,000	10,000	
BUILDING REPAIRS - CONTRACTUAL	0	0	0	0	
CONTRACTED SERVICES-CLEANING	3,227	2,820	3,500	3,000	
INSURANCE	3,800	3,841	4,000	4,000	
UTILITIES	9,011	9,804	11,000	11,000	
HEATING COSTS	6,241	4,845	6,500	6,500	
TOTAL CITY BUILDING	30,203	34,063	33,000	34,500	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
Police Dept					
SALARIES	402,060	403,034	410,000	427,598	Chief,5-FT,1-FT Sec
PENSIONS	71,546	69,443	77,476	79,398	PERA & SOC. SEC.
HEALTH & LIFE INSURANCE	59,517	86,578	55,583	83,972	Health Premiums plus city self funding
OFFICE SUPPLIES	3,737	5,157	6,400	6,400	
GAS AND OIL	12,682	17,434	18,000	21,000	
OPERATING SUPPLIES	13,811	10,968	10,000	10,000	
UNIFORM ALLOWANCE	5,785	5,116	8,000	8,000	
PERSONNEL TESTING & RECRUITMENT	1,488		1,500	1,500	
INVESTIGATIONS	15,325	12,602	12,000	10,000	Attorney fees
EQUIPMENT REPAIR PARTS	3,532	2,609	2,500	2,500	
EQUIPMENT REPAIR - CONTRACTUAL	10,977	9,055	9,000	9,000	
SMALL TOOLS & EQUIPMENT	7,519	7,488	9,000	9,000	For equipment under \$5,000
TELEPHONE	5,222	5,365	5,500	5,000	Fax and Telephone charges
CONTRACTED RECORDS MAINTENANCE	0	0	0	6,000	
DRUG EDUCATION & ENFORCEMENT	1,960	1,218	2,000	2,000	Dare expenditures
TRAVEL EXPENSE	2,240	1,664	3,000	3,000	
TRAINING & INSTRUCTION	4,866	4,541	5,000	5,000	
INSURANCE	14,427	15,654	16,000	16,640	
WORKERS COMPENSATION INSURANCE	16,674	16,880	20,320	21,113	
RENT - GARAGE	1,200	1,920	1,600	1,600	Garage Rent
DUES AND SUBSCRIPTIONS	713	1,777	1,800	1,800	
DOG POUND EXPENSES	1,095	1,407	1,800	1,700	
TOTAL POLICE DEPARTMENT	656,376	679,909	676,479	732,221	
Fire Department					
PART TIME SALARIES - FIREMEN	52,337	40,034	53,500	56,500	
OFFICE SUPPLIES	558	91	450	750	
GAS AND OIL	2,482	2,087	3,200	3,500	
OPERATING SUPPLIES	3,450	6,246	4,500	5,000	
EQUIPMENT REPAIR PARTS	2,572	1,964	3,500	4,000	
EQUIPMENT REPAIRS - CONTRACTUAL	2,884	4,885	4,000	5,000	
REPAIR AND MAINTENANCE - RADIOS	1,429	1,122	1,000	1,500	
BUILDING MAINTENANCE & SUPPLIES	11,003	8,638	8,000	4,000	
BUILDING REPAIRS - CONTRACTUAL	0	0	0	0	
SMALL TOOLS AND EQUIPMENT	7,883	7,425	6,000	6,000	For equipment under \$5,000
TELEPHONE	261	176	250	250	Cell Phone
CONTRACTED SERVICES	0	440	3,675	2,500	Grant administration
TRAVEL EXPENSE	294	142	700	1,500	
TRAINING & INSTRUCTION	3,931	6,201	6,500	5,000	
INSURANCE	11,580	11,535	12,000	12,500	
WORKER'S COMPENSATION INSURANCE	4,466	6,828	9,000	8,000	
UTILITIES	3,733	3,748	4,000	4,000	
HEATING COSTS	3,753	3,522	4,500	4,500	
TRAN TO UTILITY FUND/HYD RENT/FIRE S	10,000	10,000	10,000	10,000	
DUES AND SUBSCRIPTIONS	718	274	500	500	
TOTAL FIRE DEPARTMENT	123,334	115,360	135,275	135,000	
Engineering/Building Department					
SALARIES	42,985	43,613	46,480	47,410	Part time inspector contracted 2 days
PENSIONS	7,349	7,565	8,160	8,490	per week to Morris, MN
HEALTH & LIFE INSURANCE	10,689	9,669	10,640	11,220	
GAS	313	381	350	400	
OPERATING SUPPLIES	675	948	1,000	2,000	
REPAIR & MAINT EQUIPMENT	0	0	0	0	
CONTRACTED SERV. - Building Inspector	0	0	0	0	
CONT. SERV. - Related Eng./Bldg Services	0	2,291	500	5,500	
TELEPHONE	768	736	750	750	
TRAVEL EXPENSE	3,986	3,661	4,000	4,000	Mileage from Benson to Morris
TRAINING & INSTRUCTION	250	250	300	300	
DUES & SUBSCRIPTIONS	75	556	200	200	
TOTAL ENGINEERING/BUILDING DEPARTMENT	67,090	69,669	72,380	80,270	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
Street Department					
SALARIES	200,594	189,697	182,200	187,650	3-FT, 3-PT, 2-Temp
PENSIONS	32,803	32,029	30,920	32,570	
HEALTH & LIFE INSURANCE	45,041	22,943	21,240	28,490	Premiums + self funding
OFFICE SUPPLIES	264	1	350	350	
GAS AND OIL	35,655	34,761	40,000	50,000	
OPERATING SUPPLIES	8,388	7,537	8,000	8,000	
STREET MARKINGS AND SIGNS	4,284	14,011	9,000	9,000	
SHOP SUPPLIES	981	359	1,000	1,000	
EQUIPMENT PARTS	23,779	12,142	12,000	15,000	
TIRES	7,588	9,663	8,000	8,000	
EQUIPMENT REPAIRS - CONTRACTUAL	5,621	6,968	14,000	8,000	
STREET MAINTENANCE - SEALCOATING	64,329	66,786	45,000	50,000	
STREET MAINTENANCE - MATERIALS	11,265	11,076	15,000	15,000	Crackfilling & Patching Material
SNOW REMOVAL	7,899	8,997	6,000	8,000	Salt, Cutting Edges
FLOOD CONTROL				10,000	
BUILDING MAINTENANCE & SUPPLIES	2,242	5,126	2,500	2,500	
SMALL TOOLS AND EQUIPMENT	2,699	1,948	2,500	2,500	For equipment under \$5,000
TRAVEL EXPENSE	110	351	450	450	
TRAINING & INSTRUCTION	421	586	800	800	
INSURANCE	17,000	18,000	18,000	18,800	
WORKERS COMPENSATION INSURANCE	19,987	18,586	20,450	19,000	
UTILITIES	4,277	4,348	4,800	4,500	
HEATING COSTS	3,378	3,249	3,500	3,800	
STREET LIGHTING - UTILITIES	64,988	69,771	71,000	71,000	
LAUNDRY	756	751	700	950	
TOTAL STREET DEPARTMENT	564,349	539,689	517,410	555,360	
Swimming Pool					
TEMPORARY SALARIES	33,963	36,570	37,000	40,000	
PENSIONS	2,598	2,798	2,830	3,060	
OPERATING SUPPLIES	26,259	20,352	22,000	22,000	Chemicals & supplies
BUILDING MAINTENANCE & SUPPLIES	10,431	5,034	10,000	16,000	\$6,000 for fumbrellas
BUILDING REPAIRS - CONTRACTUAL	0	8,188	6,000	6,000	Annual boiler maintenance
CONCESSION SUPPLIES	7,660	8,577	8,500	9,000	
TELEPHONE	285	355	400	400	
INSURANCE	7,258	7,594	7,800	8,400	
UTILITIES	10,017	10,441	12,000	11,000	
HEATING COSTS	9,092	3,714	10,000	8,000	
TOTAL SWIMMING POOL	107,563	103,622	116,530	123,860	
Organized Recreation & Programs					
COMMUNITY EDUCATION	12,300	14,921	15,000	16,000	Community Ed Contract
SENIOR PROGRAMS	12,427	10,866	11,000	12,400	\$600 per month effective 3/2010
TOTAL ORGANIZED RECREATION	24,727	25,787	26,000	28,400	
Armory					
OPERATING SUPPLIES	60	296	400	400	
BUILDING MAINTENANCE & SUPPLIES	1,049	1,827	2,000	2,000	
CONTRACTED SERVICES	280	343	500	500	
TELEPHONE	498	502	500	500	
INSURANCE	1,200	1,400	1,400	1,500	
UTILITIES	1,929	2,548	2,600	2,600	
HEATING COSTS	2,920	2,809	3,000	3,000	
TOTAL ARMORY	7,936	9,725	10,400	10,500	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
Park Department					
SALARIES	61,012	66,678	58,400	69,740	1-FT,3-Temp
PENSIONS	7,887	9,019	8,340	9,180	
HEALTH INSURANCE	10,836	10,458	10,145	10,005	Health Premiums plus city self funding
MOSQUITO SPRAY	687		1,500	8,000	
CHEMICALS AND CHEMICAL SUPPLIES	3,692	3,036	5,000	5,000	
GAS AND OIL	3,686	8,121	6,000	8,000	
OPERATING SUPPLIES	10,631	13,597	10,000	10,000	
LANDSCAPING MATERIALS	2,380	8,093	4,000	5,000	
BUILDING REPAIR MAINTENANCE	8,575	2,816	3,500	5,000	
EQUIPMENT REPAIR PARTS	3,613	5,805	4,000	3,000	
EQUIPMENT REPAIRS - CONTRACTUAL	1,667	2,170	1,500	3,500	
SMALL TOOLS AND EQUIPMENT	2,163	4,213	2,000	2,000	For equipment under \$5,000
CONTRACTED SERVICES - MOWING	3,353	4,715	4,000	5,000	Park Mowing Contract
CONTRACTED SERVICES - TREES	24,486	15,092	25,000	25,000	Tree Contract
CONTRACTED SERVICES - OTHER	4,668	5,103	4,800	5,000	Ambush Park Caretaker
TELEPHONE	574	351	500	500	Ambush Park & Northside Rec.
TRAVEL EXPENSE	116	122	600	600	
TRAINING & INSTRUCTION	74	103	300	300	
INSURANCE	11,248	12,305	12,600	13,000	
UTILITIES	7,561	10,505	8,000	8,000	
RENT	1,800	1,800	1,800	1,800	
CEMETERY	4,274	1,983	6,500	6,500	
TOTAL PARK DEPARTMENT	174,983	186,087	178,485	204,125	
Public Transit					
SALARIES	75,051	84,295	85,500	84,800	2-Full time, 2 Part time
FRINGE BENEFITS	28,228	27,106	38,500	33,820	Health Premiums plus city self funding
GAS AND OIL	16,458	18,791	23,000	23,986	
PERSONNEL TESTING	0	0	0	0	
OPERATING SUPPLIES	1,335	2,625	1,500	1,500	
EQUIPMENT REPAIR PARTS	6,374	11,256	8,000	7,500	
TIRES	1,525	2,192	2,800	1,200	
TELEPHONE	435	482	450	450	
TRAVEL EXPENSE	115	712	250	700	
TRAINING & INSTRUCTION	167	366	250	200	
ADVERTISING	0	0	450	300	
INSURANCE	4,400	4,800	5,000	5,000	
WORKERS COMPENSATION INSURANCE	3,210	5,452	6,400	6,500	
DUES AND SUBSCRIPTIONS	0	0	0	0	
RENT	3,900	4,500	4,500	4,500	Garage Rent to Utility
TOTAL PUBLIC TRANSIT	141,198	162,577	176,600	170,456	
Airport					
SALARIES	2,500	2,500	2,500	2,500	Mowing
PENSIONS	191	191	430	430	
GAS	14,354	21,661	20,000	14,000	Gas for Sale
OPERATING SUPPLIES	1,264	5,178	3,000	3,500	
BUILDING MAINTENANCE & SUPPLIES	8,788	4,877	5,000	5,000	
MANAGEMENT FEES	4,200	6,700	4,500	4,500	Manager Contract
TELEPHONE	864	828	900	900	
INSURANCE	4,169	4,260	4,260	4,400	
UTILITIES	9,170	9,015	9,000	9,200	
HEATING COSTS	1,012	878	1,600	1,200	
TOTAL AIRPORT	46,512	56,087	51,190	45,630	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
LODGING TAX EXPENSES	26,672	23,200	23,225	28,250	Tax less 5% Administration
ABATEMENT	12,819	15,947	17,000	20,900	95% of Tax Abatement
NOT ALLOCATED	10,889	14,756	10,000	10,000	
TRANSFERS TO OTHER FUNDS					
TRANSFER TO STORM WATER FUND	10,000	10,000	10,000	10,000	Storm Water Projects
TRANSFERS TO CAPITAL OUTLAY FUND					
ADMINISTRATION	0	0	30,000	30,000	
CITY HALL	5,000	23,000	20,000	20,000	
POLICE DEPARTMENT	17,690	40,000	50,000	50,000	
FIRE DEPARTMENT	10,000	38,600	40,000	40,000	
STREET DEPARTMENT	65,300	200,000	125,000	125,000	
PARK DEPARTMENT	49,700	35,000	60,000	60,000	
ARMORY	0	5,000	0	0	
PUBLIC TRANSIT	0	0	15,000	15,000	
AIRPORT	0	7,000	10,000	10,000	
TRANSFER TO CONCRETE PROJECTS	10,000	15,000	15,000	15,000	Concrete Replacement Programs
TRANSFER TO CIVIC CENTER	26,000	26,000	26,000	26,000	Lease payments received in Revenues
TRANSFER TO LIBRARY	0	0	20,000	20,000	
TRANSFER TO FIRE RELIEF FUND	27,407	30,658	28,771	34,337	State aid plus \$9337 for unfunded liab
TRANSFER TO OTHER FUNDS	0	0	0	0	
TOTAL TRANSFERS TO OTHER FUNDS	221,097	430,258	449,771	455,337	
TOTAL GENERAL FUND EXPENDITURES	2,773,385	3,038,866	3,117,165	3,201,309	
TOTAL GENERAL FUND REVENUES	3,001,248	3,112,226	3,298,835	3,256,907	
TOTAL REVENUES LESS EXPENDITURES	<u>227,863</u>	<u>73,360</u>	<u>181,670</u>	<u>55,598</u>	

	2009 Actual	2010 Actual	2011 Budget	2012 Budget	
LIBRARY FUND					
Revenues					
TAXES	89,741	84,353	106,454	116,311	
RENTALS	120	80	100	100	
DONATIONS	3,250	25	0	0	
REFUNDS AND REIMBURSEMENTS	2,252	2,139	2,000	2,000	
TRANSFERS FROM OTHER FUNDS	695	450	20,460	20,460	General Fund & Endowment Fund Transfer
SALE OF PROPERTY	0	0	0	0	
TOTAL REVENUES	96,058	87,047	129,014	138,871	
Expenses					
OFFICE & OPERATING SUPPLIES	1,605	1,523	5,000	5,000	
EQUIPMENT REPAIRS	0	0	500	500	
BUILDING MAINT. & SUPPLIES	3,676	5,144	4,000	5,500	
BUILDING REPAIRS - CONTRACTUAL	0	0	0	0	
MANAGEMENT FEES - PIONEERLAND	61,832	67,671	72,671	72,671	
CLEANING CONTRACT	4,200	4,200	5,000	5,000	
CONTRACTED SERVICES	0	0	0	0	
TELEPHONE	956	910	950	950	
TRAVEL EXPENSE	0	0	750	750	
INSURANCE	1,900	2,300	2,300	2,500	
UTILITIES	6,078	6,253	6,100	6,100	
HEATING COSTS	1,610	1,791	1,900	1,900	
CAPITAL OUTLAY	0	0	35,000	35,000	Replace Carpet
CAPITAL OUTLAY - BOOKS	3,082	3,055	3,000	3,000	
AUTOMATION	0	0	0	0	
TOTAL EXPENSES	84,939	92,846	137,171	138,871	
LIBRARY FUND BALANCE	11,119	(5,799)	(8,157)	0	

LIBRARY ENDOWMENT FUND

	2009 Actual	2010 Actual	2011 Budget	2012 Budget
Beginning Cash	22,481	22,483	22,496	22,496
Interest Income	697	463	450	450
Donations	0	0	0	0
Total Revenues	<u>697</u>	<u>463</u>	<u>450</u>	<u>450</u>
Transfer to Library Fund	<u>695</u>	<u>450</u>	<u>450</u>	<u>450</u>
Increase (Decrease) Cash	2	13	0	0
Ending Cash	22,483	22,496	22,496	22,496

PERPETUAL CARE CEMETERY

	2009 Actual	2010 Project	2011 Budget	2012 Budget
Beginning Cash	78725	79737	79585	79735
Sale of Lots (25%)	1055	700	1000	1000
Interest Earnings	2457	1647	1650	1650
Donations	0	0	0	0
Total Revenues	3512	2347	2650	2650
Transfer to General Fund	2500	2500	2500	1650
Increase (Decrease) Cash	1012	-153	150	1000
Ending Cash	79737	79585	79735	80735

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION III

GENERAL CAPITAL OUTLAY FUND

SECTION III

GENERAL CAPITAL OUTLAY FUND

The **General Capital Outlay Fund** has been established by the City Council to provide a means of tracking the capital outlay purchases of the City and keeping the operating costs of the City separate.

An annual amount for capital outlay is determined for each department. This amount may be used completely in the current year or may be set aside and saved for use in future years.

The revenues for this fund come primarily from a direct transfer from the General Fund. Other direct revenues such as state aids or grants directly relating to the capital outlay are also recorded here.

Each department is listed separately showing their beginning balance, the amount of revenue received, what each department plans to spend in 2012 and what their ending balance for the year will be.

General Capital Outlay Fund Budget

	2010 Actual	2011 Projected	2012 Budget
BEGINNING FUND BALANCE			
ADMINISTRATION	13,074	13,074	43,074
CITY HALL	23,112	46,112	66,112
POLICE DEPARTMENT	10,089	20,281	46,947
FIRE DEPARTMENT	22,520	61,075	99,544
STREET DEPARTMENT	(1,137)	167,748	218,506
PARK DEPARTMENT	(6)	17,145	72,443
ARMORY	13,032	18,032	18,032
PUBLIC TRANSIT	18,496	18,496	33,496
AIRPORT	<u>18,542</u>	<u>19,865</u>	<u>19,294</u>
TOTAL	117,723	381,828	617,447

Revenues

AIRPORT STATE AID	50,921	42,336	Complete ALP	285,000	Hanger
TRANSIT STATE AID	0		New Transit Bus		
PARK GRANTS	525				
FIRE DEPT GRANTS		40,495	Truck & Equipment Grants		
CAPITAL EQUIPMENT BONDS(45)		22			
TRANSFER FROM COMM. DEV. REV.	0				
STREET PROJECT REVENUES					
SALE OF PROPERTY-STREET DEPT	7,029	8,206			
SALE OF PROPERTY-TRANSIT					
SALE OF PROPERTY-ADMIN					
SALE OF PROPERTY-POLICE	2,307	3,800			
SALE OF PROPERTY-FIRE					
SALE OF PROPERTY-PARK					
TRANSFER FROM EDA					
TRANSFERS FROM DEV. DISTRICT					
TRANSFERS FROM GENERAL FUND					
ADMINISTRATION	0	30,000		30,000	
CITY HALL	23,000	20,000		20,000	
POLICE DEPARTMENT	40,000	50,000		50,000	
FIRE DEPARTMENT	38,600	40,000		40,000	
STREET DEPARTMENT	200,000	125,000		125,000	
PARK DEPARTMENT	35,000	60,000		60,000	
ARMORY	5,000	0		0	
PUBLIC TRANSIT	0	15,000		15,000	
AIRPORT	<u>7,000</u>	<u>10,000</u>		<u>10,000</u>	
Total Transfers	348,600	350,000		350,000	
Total Revenues	409,337	444,859		635,000	

Purchases

ADMINISTRATION					
		0	Technology Radio Project		
Total Administration		0		0	0
CITY HALL					
	South Steps	0	Roof		25,000
	Exterior Coating	0			
	Roof	0			25,000
POLICE DEPARTMENT					
	Squad Car	32,115	Squad Car	27,134	25,000
					20,000
					Software
Total Police		32,115		27,134	45,000

General Capital Outlay Fund Budget

		2010 Actual	2011 Projected	2012 Budget	
FIRE DEPARTMENT	Fire Hose	0	Tools 42,048	15,000	
	Turnout Gear	0	Truck		
	Federal Grant Match	0			
Total Fire Department		0	42,048	15,000	
STREET DEPARTMENT	Tar Trailor	24,866	Vibrating Roller 25,757	70,000	2 blocks reconstruction
	Street Reconstruction	13,279	Bob Cat Trailer	15,000	Radio Conversion
	Crush Rock @ pit		Crushing OR	75,000	Crushing
			2 Blocks Reconst 56,691		
Total Street Dept.		38,145	82,448	160,000	
PARK DEPARTMENT	Mower	18,374	Mower Deck 4,703	10,000	Chlorine System
	Playground Set		0 School Siding	10,000	Snowblower
			0 Leasehold Imp		
			Columbarium		
Total Park Dept.		18,374	4,703	20,000	
ARMORY		0	0	0	
PUBLIC TRANSIT			New Bus		
			Bldg Imp		
Total Transit			0	0	
AIRPORT	ALP	56,597	Septic System	300,000	New Hanger
			Complete ALP 52,907		
Total Airport		56,597	52,907	300,000	
TOTAL PURCHASES		145,231	209,240	565,000	
Net Change to Fund Balance		264,105	235,619	70,000	
ENDING FUND BALANCE					
	ADMINISTRATION	13,074	43,074	73,074	
	CITY HALL	46,112	66,112	61,112	
	POLICE DEPARTMENT	20,281	46,947	51,947	
	FIRE DEPARTMENT	61,075	99,544	124,544	
	STREET DEPARTMENT	167,748	218,506	183,506	
	PARK DEPARTMENT	17,145	72,443	112,443	
	ARMORY	18,032	18,032	18,032	
	PUBLIC TRANSIT	18,496	33,496	48,496	
	AIRPORT	19,865	19,294	14,294	
Total		381,828	617,447	687,447	

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION IV

SPECIAL ASSESSMENT FUNDS

SECTION IV

SPECIAL ASSESSMENT FUNDS

Concrete Projects Fund - This fund is used to operate our sidewalk and curb and gutter replacement program in the City. All assessments and expenses are tracked through this fund. The beginning cash balance is \$30,831 and there are assessments due in 2012 of \$5,000. Each year the City funds a project with an approximate net cost of \$15,000. A transfer of \$15,000 is budgeted from the General Fund to fund this year's project.

Storm Water Fund - Similar to the concrete projects fund, this fund was established to track small improvements to the storm water collection system. In 1995, the excess funds in the Storm Sewer #4 Fund were transferred into the Storm Water Fund to help finance similar projects in the future. There are no special assessments due at this time, but there are deferred assessments on unplatted property. The beginning cash balance is \$21,777. A transfer of \$10,000 is budgeted from the general fund for 2012.

CONCRETE PROJECTS FUND

	2009 ACTUAL	2010 ACTUAL	2011 Projected	2012 Budget
REVENUES				
Special Assessments	1,505	3,661	9,455	5,000
Transfer from General Fund	<u>10,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
TOTAL REVENUES	11,505	18,661	24,455	20,000
EXPENDITURES				
Operating Supplies	0	0	0	0
Contracted Services	829	10,805	21,904	20,000
TOTAL EXPENDITURES	829	10,805	21,904	20,000
Interest Income	0	395	275	0
OPERATING PROFIT / (LOSS)	10,676	8,251	2,827	0
FUND BALANCE	20,589	28,840	31,666	31,666

STORM WATER FUND

	2009 ACTUAL	2010 ACTUAL	2011 Projected	2012 Budget
REVENUES				
Special Assessments	0	0	0	0
Storm Water Fees	0	0	0	0
Transfer from General Fund	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
TOTAL REVENUES	10,000	10,000	10,000	10,000
EXPENDITURES				
Operating Supplies	37	0	0	
Maintain System	4,871	5,222	347	5,000
Contracted Services	0	0	28,354	10,000
TOTAL EXPENDITURES	4,907	5,222	28,701	15,000
Interest Income	0	0	0	0
OPERATING PROFIT / (LOSS)	5,093	4,778	(18,701)	(5,000)
FUND BALANCE	35,700	40,478	21,778	16,778

(THIS PAGE INTENTIONALLY LEFT BLANK)

SECTION V

BONDED INDEBTEDNESS

SECTION V

BONDED INDEBTEDNESS

This section is the schedules for all currently outstanding Bond issues for the City of Benson. They show total principal and interest payments by year, the Automatic Tax Levy (if applicable), and the actual amounts levied. The final line of each schedule shows the amounts remaining of each issue including the payments due this budget year.

The first two Bond issues are classified as **Issue Tax Levy Bonds**. These are subject to an automatic tax levy that was established at the time the bonds were sold. In certain instances, these automatic tax levies can be removed if they are not needed to make the payments.

The remaining issues are **Issue Non-Tax Levy Bonds**. These are bonds sold without an automatic levy established for them because the bonds are to be paid off through other identified sources of revenues.

G.O. CAPITAL EQUIPMENT NOTES OF 2006 (\$250,000)

YEAR	RATE	PRINCIPAL	INTEREST	TOTAL	AUTO LEVY	ACTUAL LEVY
2006	3.75%	20,000	5,056	25,056	0	0
2007	3.75%	25,000	9,363	34,363	36,080	36,080
2008	4.00%	25,000	8,425	33,425	35,096	35,096
2009	4.00%	30,000	7,425	37,425	39,296	39,296
2010	4.00%	30,000	6,225	36,225	38,036	38,036
2011	4.00%	30,000	5,025	35,025	35,025	35,025
2012	4.25%	30,000	3,825	33,825	35,516	35,516
2013	4.25%	30,000	2,550	32,550	34,177	
2014	4.25%	<u>30,000</u>	<u>1,275</u>	<u>31,275</u>	<u>32,838</u>	
TOTAL		250,000	49,169	299,169	286,064	219,049
BALANCE		90,000	7,650	97,650	102,531	

G.O. SWIMMING POOL BONDS OF 2003 (\$965,000)

YEAR	RATE	PRINCIPAL	INTEREST	TOTAL	AUTO LEVY	ACTUAL LEVY
2004		0	35,378	35,378	79,803	79,803
2005	2.10%	25,000	35,115	60,115	78,596	78,596
2006	2.10%	40,000	34,433	74,433	77,714	77,714
2007	2.10%	40,000	33,593	73,593	82,082	82,082
2008	3.00%	45,000	32,498	77,498	80,664	80,664
2009	3.00%	45,000	31,148	76,148	79,247	79,247
2010	3.00%	45,000	29,798	74,798	83,079	83,079
2011	3.35%	50,000	28,285	78,285	81,320	81,320
2012	3.35%	50,000	26,610	76,610	79,562	79,562
2013	3.65%	50,000	24,860	74,860	82,895	
2014	3.65%	55,000	22,944	77,944	80,787	
2015	3.90%	55,000	20,868	75,868	83,785	
2016	3.90%	60,000	18,625	78,625	81,328	
2017	4.10%	60,000	16,225	76,225	83,995	
2018	4.10%	65,000	13,663	78,663	81,197	
2019	4.30%	65,000	10,933	75,933	83,512	
2020	4.30%	70,000	8,030	78,030	80,352	
2021	4.50%	70,000	4,950	74,950	82,294	
2022	4.50%	75,000	1,688	76,688	0	
TOTAL		965,000	429,639	1,394,639	1,462,212	722,067
BALANCE		675,000	169,394	844,394	819,707	

G.O. WATER AND SEWER REVENUE BONDS 2009A

YEAR	RATE	WATER PRINCIPAL	WATER INTEREST	WATER TOTAL	SEWER PRINCIPAL	SEWER INTEREST	SEWER TOTAL	GRAND TOTAL
2010	2.00%	60,000	13,935	73,935	0	12,007	12,007	85,942
2011	2.00%	85,000	12,900	97,900	35,000	12,000	47,000	144,900
2012	2.00%	85,000	11,200	96,200	35,000	11,300	46,300	142,500
2013	2.00%	90,000	9,450	99,450	40,000	10,550	50,550	150,000
2014	2.50%	90,000	7,425	97,425	40,000	9,650	49,650	147,075
2015	3.00%	30,000	5,850	35,850	40,000	8,550	48,550	84,400
2016	3.00%	30,000	4,950	34,950	40,000	7,350	47,350	82,300
2017	3.50%	30,000	3,975	33,975	45,000	5,963	50,963	84,938
2018	3.50%	30,000	2,925	32,925	45,000	4,388	49,388	82,313
2019	4.00%	30,000	1,800	31,800	45,000	2,700	47,700	79,500
2020	4.00%	30,000	600	30,600	45,000	900	45,900	76,500
TOTAL		590,000	75,010	665,010	410,000	85,357	495,357	1,160,367
BALANCE		445,000	48,175	493,175	375,000	61,350	436,350	929,525

G.O. PFA SEWER REVENUE BONDS

YEAR	RATE	INTEREST	PRINCIPAL	TOTAL
2006	1.98%	161,299	188,000	4,059,976
2007	1.98%	136,111	193,000	3,915,201
2008	1.98%	77,462	196,201	3,719,000
2009	1.98%	73,636	200,000	3,519,000
2010	1.98%	69,676	204,000	3,315,000
2011	1.98%	65,637	208,000	3,107,000
2012	1.98%	61,519	212,000	2,895,000
2013	1.98%	57,321	216,000	2,679,000
2014	1.98%	53,044	220,000	2,459,000
2015	1.98%	48,688	225,000	2,234,000
2016	1.98%	44,233	229,000	2,005,000
2017	1.98%	39,699	234,000	1,771,000
2018	1.98%	35,066	238,000	1,533,000
2019	1.98%	30,353	243,000	1,290,000
2020	1.98%	25,542	248,000	1,042,000
2021	1.98%	20,632	253,000	789,000
2022	1.98%	15,622	258,000	531,000
2023	1.98%	10,514	263,000	268,000
2024	1.98%	5,306	268,000	0
TOTAL		1,063,784	4,296,201	
BALANCE		447,539	3,107,000	19,496,000

ELECTRIC REVENUE BONDS, SERIES 2007A

YEAR	RATE	PRINCIPAL	INTEREST	TOTAL
2008	4.375%	250,000	341,314	591,314
2009	4.375%	230,000	292,283	522,283
2010	4.375%	240,000	282,001	522,001
2011	4.375%	255,000	271,173	526,173
2012	4.375%	260,000	259,908	519,908
2013	4.375%	275,000	248,204	523,204
2014	4.375%	285,000	235,954	520,954
2015	4.375%	300,000	223,158	523,158
2016	4.375%	310,000	209,814	519,814
2017	4.375%	325,000	195,923	520,923
2018	4.375%	340,000	181,376	521,376
2019	4.375%	355,000	166,173	521,173
2020	4.375%	370,000	150,314	520,314
2021	4.40%	385,000	133,750	518,750
2022	4.50%	405,000	116,168	521,168
2023	4.50%	420,000	97,605	517,605
2024	4.60%	440,000	78,035	518,035
2025	4.70%	460,000	57,105	517,105
2026	4.70%	480,000	35,015	515,015
2027	4.70%	505,000	11,868	516,868
TOTAL		6,890,000	3,587,141	10,477,141
BALANCE		5,915,000	2,400,370	8,315,370

SECTION VI

ECONOMIC DEVELOPMENT AUTHORITY BUDGET

SECTION VI

ECONOMIC DEVELOPMENT AUTHORITY

The Economic Development Authority Budget is a cash flow budget showing years 2008 through 20010 actual, projected numbers for 2011 and the Budget for 2012.

An investment of \$50,000 is held by the EDA in the Chippewa Valley Ethanol Plant and dividend income is received that is determined by the profitability of the operation.

In 2008 the City implemented a management fee to offset costs associated with providing staffing for the EDA. Other expenditures in 2008 included the Small Cities funding application, corn pool expenses, and racquetball and golf club funding.

The EDA supports the community by sponsoring projects and advertisements that have the potential to have a positive economic impact on the City.

2009 has interest income and State Grant income that is being used for the cleanup at the Benson Market Elevator which is budgeted under Special Projects. This project continued into 2010. Contracted Services of \$7,410 is half of the cost of the Comprehensive Plan update. \$60,000 was transferred to the General Capital Outlay Fund to help with the downtown sidewalk project. \$4,000 is for costs associated with the Small Cities Grant.

Interest rates in 2010 were at record lows. The \$4,823 in Intergovernmental revenue is the grant proceeds on the elevator cleanup. Contracted services includes the second half of the Comprehensive Plan update of \$7,410 plus another \$3,000 for a small cities grant application. Another \$7,317 was to prepare information for a proposed biochemical plant application.

In 2011 50,000 was provided to TSR Productions in the form of a 5 year grant towards the purchase and continued operations of the local movie theatre. Special projects included a truck dock cover at the civic center for Case New Holland, Benson Market demo and environmental and creamery demo and environmental.

The 2012 budget has 27,500 to purchase the East Railroad Land. Then under special projects there is 60,000 for demolition, 27, 000 for angular parking and 19,000 for landscape and sidewalk. An additional 10,000 in advertising is a marketing RFP that is funded by the Benson Industrial Development Corporation.

E D A BUDGET

	Actual 2008	Actual 2009	Actual 2010	Project 2011	Budget 2012
Beginning Cash	\$771,491.97	\$749,412.57	\$660,155.81	\$653,231.78	\$449,223.09
RECEIPTS					
Interest	\$37,858.18	\$32,779.39	\$14,439.74	\$6,523.16	\$8,984.46
Intergovernmental Revenue	\$0.00	\$21,928.44	\$4,823.95	\$8,741.61	\$10,000.00
Lease Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sale of Property	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transfers in	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan Proceeds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CVAC Income	\$0.00	\$0.00	\$33,508.00	\$34,650.00	\$5,000.00
Misc. Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL RECEIPTS	\$37,858.18	\$54,707.83	\$52,771.69	\$49,914.77	\$23,984.46
DISBURSEMENTS					
Interest	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Advertising	\$6,856.00	\$5,121.72	\$5,627.05	\$3,102.62	\$15,000.00
Contracted Services	\$0.00	\$7,410.00	\$17,727.00	\$15,109.00	\$7,500.00
Special Projects	\$25,373.64	\$50,515.19	\$22,655.80	\$217,448.65	\$111,000.00
Management Fees	\$8,215.00	\$7,994.00	\$7,722.00	\$7,033.00	\$4,492.23
Misc.	\$19,492.94	\$8,923.68	\$5,963.87	\$11,230.19	\$5,000.00
Transfer to General Capital	\$0.00	\$60,000.00	\$0.00	\$0.00	\$0.00
Transfer to Small Cities	\$0.00	\$4,000.00	\$0.00	\$0.00	\$0.00
Purchase of Property	\$0.00	\$0.00	\$0.00	\$0.00	\$27,500.00
CVAC Investment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan Reduction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DISBURSEMENTS	\$59,937.58	\$143,964.59	\$59,695.72	\$253,923.46	\$170,492.23
Increase(Decrease) Cash	(\$22,079.40)	(\$89,256.76)	(\$6,924.03)	(\$204,008.69)	(\$146,507.77)
ENDING CASH	\$749,412.57	\$660,155.81	\$653,231.78	\$449,223.09	\$302,715.32
CASH RECONCILIATION					
Ending Cash	\$749,412.57	\$660,155.81	\$653,231.78	\$449,223.09	\$302,715.32
Receivables	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payables	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
True Cash	\$749,412.57	\$660,155.81	\$653,231.78	\$449,223.09	\$302,715.32

SECTION VII

LIQUOR FUND BUDGET

SECTION VII

LIQUOR FUND

The Liquor Store budget gives history from 2008. Record sales figures of over one million dollars in 2006 makes way for sales dropping to near the 2005 level. Fewer construction workers, a smoking ban in public bars and restaurants, along with a lowering of the DWI threshold to .08 contributed to the reduction of our on-sale revenues by almost 35%. Sales are however trending upwards. We rebounded from an operating loss in 2008 to show profits in 2009, 2010 and again in 2011.

We show a much larger operation profit for 2011. This was due to a reduction in depreciation expense and an increase in pull tab revenue. Pull tabs are now sold using Liquor Store personnel as compared to prior years where we simply leased them space.

Operating expenses are budgeted to be steady and we hope to see sales come in as budgeted. A new manager and staff bring a positive outlook for the future.

A sales analysis breaks the information down between off-sale and on-sale and also between beer and liquor. The retained earnings and cash flow statement show that the \$30,000 budgeted to be transferred to the General Fund should be well covered by the 2012 sources of cash. No Capital Outlay dollars are identified, but there may be expenditures requested during the year.

Liquor Fund Budget

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 Projected	2012 BUDGET
Revenues					
Sales	947,676	976,463	989,214	986,761	999,000
Cost of Sales	<u>627,455</u>	<u>657,423</u>	<u>664,810</u>	<u>665,037</u>	<u>675,010</u>
Gross Profit	320,221	319,040	324,404	321,724	323,990
Other Revenue					
Rental Income	3,000	3,000	3,000	14,962	14,400
Machine Commissions	2,211	1,293	1,135	1,123	1,000
Miscellaneous Income	<u>1,470</u>	<u>4,150</u>	<u>700</u>	<u>425</u>	<u>1,000</u>
Total Revenue	326,902	327,483	329,240	338,234	340,390
Expenditures					
Salaries	149,601	124,882	126,293	124,005	104,400
Earned Benefits	1,902	5,556	4,155	1,219	2,800
Fringe Benefits	55,302	44,217	51,349	43,626	38,725
Office Supplies	355	332	629	887	700
Operating Supplies	7,401	5,616	6,310	5,776	6,000
Building Repair & Maint.	7,589	8,899	12,775	7,794	9,000
Management Fees	22,080	22,740	23,195	23,658	24,130
Contracted Services-Cleaning	9,264	9,329	9,249	9,300	9,000
Telephone	974	978	896	862	1,000
Travel	313	65	413	345	600
Training	717	528	278	182	800
Freight on Liquor	3,846	3,592	3,699	3,627	4,000
Advertising	14,299	17,219	15,800	17,198	18,000
Insurance	16,818	18,436	16,118	15,130	14,000
Utilities	12,812	13,735	13,900	13,417	14,000
Heating	865	1,664	1,183	1,155	1,200
Depreciation	29,382	28,581	23,577	10,147	8,840
Miscellaneous	4,135	3,994	3,537	3,519	4,500
Credit Card Discount	6,883	7,013	8,635	9,790	7,000
Bad Debts	35	971	195	941	200
Laundry	<u>1,149</u>	<u>1,018</u>	<u>1,113</u>	<u>1,022</u>	<u>1,200</u>
Total Expenditures	345,724	319,364	323,299	293,599	270,095
Operating Profit / (Loss)	(18,822)	8,119	5,941	44,635	70,295
Other Income & Expense					
Interest Income	2,765	1,291	305	151	150
Gain/Loss on Disposal of Assets					
Transfer From Other Funds					
Net Income / (Loss)	(16,057)	9,409	6,246	44,785	70,445

	2008 ACTUAL		2009 ACTUAL		2010 ACTUAL		2011 PROJECTED		2012 BUDGET	
SALES ANALYSIS										
Off Sale Liquor & Wine Sales	269,415		286,903		304,775		307,891		310,000	
Cost of Sales	<u>(190,930)</u>		<u>(203,438)</u>		<u>(218,786)</u>		<u>(217,066)</u>		<u>(221,960)</u>	
Gross Profit	78,485	29.1%	83,465	29.1%	85,989	28.2%	90,824	29.5%	88,040	28.4%
Off Sale Beer Sales	495,601		523,299		516,225		519,871		525,000	
Cost of Sales	<u>(373,536)</u>		<u>(393,523)</u>		<u>(386,621)</u>		<u>(390,176)</u>		<u>(393,750)</u>	
Gross Profit	122,065	24.6%	129,776	24.8%	129,604	25.1%	129,695	24.9%	131,250	25.0%
On Sale Liquor & Wine Sales	45,306		43,950		40,675		40,776		45,000	
Cost of Sales	<u>(5,955)</u>		<u>(6,437)</u>		<u>(5,970)</u>		<u>(5,867)</u>		<u>(6,300)</u>	
Gross Profit	39,351	86.9%	37,513	85.4%	34,704	85.3%	34,909	85.6%	38,700	86.0%
On Sale Beer Sales	96,052		82,184		85,858		75,758		75,000	
Cost of Sales	<u>(26,377)</u>		<u>(23,698)</u>		<u>(22,992)</u>		<u>(21,173)</u>		<u>(21,000)</u>	
Gross Profit	69,675	72.5%	58,486	71.2%	62,866	73.2%	54,585	72.1%	54,000	72.0%
Miscellaneous Sales	41,303		40,127		41,681		42,465		44,000	
Cost of Sales	<u>(30,657)</u>		<u>(30,328)</u>		<u>(30,440)</u>		<u>(30,755)</u>		<u>(32,000)</u>	
Gross Profit	10,646	25.8%	9,799	24.4%	11,241	27.0%	11,710	27.6%	12,000	27.3%
Total Sales	947,676		976,463		989,214		986,761		999,000	
Total Cost of Sales	<u>(627,455)</u>		<u>(657,424)</u>		<u>(664,810)</u>		<u>(665,037)</u>		<u>(675,010)</u>	
Total Gross Profit	320,221	33.8%	319,039	32.7%	324,404	32.8%	321,724	32.6%	323,990	32.4%

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 Projected	2012 BUDGET
OPERATING PROFIT/(LOSS)	(18,822)	8,119	5,941	44,635	70,295
INTEREST INCOME	2,765	1,291	305	151	150
Transfer From Other Funds	0	0	0	0	0
NON-OPERATING EXPENSE					
NET INCOME	(16,057)	9,409	6,246	44,785	70,445
TRANSFERS FROM NET INCOME	60,000	30,000	30,000	30,000	30,000
TO RETAINED EARNINGS	(76,057)	(20,591)	(23,754)	14,785	40,445
BEGINNING RETAINED EARNINGS	356,345	280,288	259,698	235,943	250,729
ENDING RETAINED EARNINGS	280,288	259,698	235,943	250,729	291,174
BEGINNING CASH BALANCE	79,440	35,316	42,474	33,912	47,597
SOURCES OF CASH					
DECREASE IN INV., REC., PREPAID	4,569	0	3,675	0	0
INCREASE IN PAYABLES, ACCRUALS	0	0	6,019	0	0
DEPOSITS & RESTRICTED ASSETS	0	0	0	0	0
DEPRECIATION	29,382	28,581	23,577	10,147	8,840
NET INCOME FROM OPERATIONS	(18,822)	8,119	5,941	44,635	70,295
INTEREST INCOME	2,765	1,291	305	151	150
NON-OPERATING INCOME	0	0	0	0	0
TOTAL SOURCE OF CASH	17,894	37,990	39,517	54,933	79,285
USES OF CASH					
CAPITAL IMPROVEMENTS	0	0	18,079	0	0
INCREASE IN INV., REC., PREPAID	2,018	832	0	11,247	0
DECREASE IN PAYABLES, ACCRUALS					
DEPOSITS & RESTRICTED ASSETS					
NON-OPERATING EXPENSE	60,000	30,000	30,000	30,000	30,000
OTHER USES OF WORKING CAPITAL	0	0	0	0	0
TOTAL USE OF CASH	62,018	30,832	48,079	41,247	30,000
ENDING CASH BALANCE	35,316	42,474	33,912	47,597	96,882

SECTION VIII

UTILITY FUND BUDGET

SECTION VIII

UTILITY BUDGET

GENERAL BACKGROUND

The Utility Fund is made up of the Electric, Water and Wastewater Departments. Each Department has its own operating budget and 10 year Capital Improvements Program.

INTERDEPARTMENTAL CHARGES

There is \$33,735 in interdepartmental charges in the 2012 Utility Budget. In the Electric Fund, the \$33,735 is for the work done by the Electrical Department which handles all office and billings operation for its billing services and its office services to Water and Wastewater. These charges show up in the expenditure side of the budget as \$12,375 to Water and \$21,360 to Wastewater.

OUTSIDE CHARGES

In the 2012 Budget, you will see there are \$12,000 of revenues under **Administrative Services** to Electrical and \$10,000 to Water. The \$12,000 in Electrical represents a payment from the General Fund to the Electrical for services provided by the Billings Office. You will find a corresponding expense entry in the administration budget of the General Fund. \$10,000 of the outside charges under revenues for Water represents a payment from the General Fund to Water for water system infrastructure provided for fire service. You will find a corresponding expense entry in Fire Department Budget of the General Fund.

MANAGEMENT FEES

Management Fees are based upon the total general government part of the General Fund Budget which includes Mayor and Council, Administration, Legal, Accounting and City Building. The Utility Fund is expected to assume approximately 45% of these costs. That amount is divided between the Water, Sewer and Electric Department by a percentage of their sales. This amount is increased each year by 2%.

WATER FUND

Sale of Service increased dramatically in 2011 due to a second consecutive year water rate increase. The 8% increase in 2010 covered the increased debt service issued to finance a new well and also to cover increased operating costs. The 2011 increase included \$5 of a potential \$10 customer charge increase that will cover a debt service payment on a water treatment plant upgrade. Another \$2.50 was added to help cover fixed costs that the prior year increase didn't quite do. A conservation rate was also added in 2010 that charges residential customers a higher rate as their usage increases. **Connection Fees** dropped considerably in 2008 due to the depressed economy. Only one connection fee is being budgeted for 2012.

A positive net income is budgeted of 148,435 for 2012. The Water Fund has a cash balance (\$543,568) that is well above its minimum working capital goal of 60% of current year's operating expenses (\$243,489).

SEWER FUND

Sale of Service through 2011 increased drastically by 78% since 2003. This was through rate increases necessary with the sale of bonds for the expansion of the wastewater treatment plant. Rates were increased 11% in 2004, 10% in 2005 and 18% in 2007. Another 18% increase was made effective 1/1/10 to cover more debt service and higher than anticipated operational costs. In 2011 a 6.5% increase was initiated to cover increased costs and the potential bond issue for Sandys Lift Station. **Connection Fees** have dropped significantly due to the drop in new construction. Our rate analysis in the past has used 8 new connections, but at this time we are only budgeting for one.

Expenses are up 3.6% in 2012 due to wages, maintain system, and a revised annual contract amount from PeopleService. A small net income is budgeted but with a large depreciation expense, cash flow is what we need to keep an eye on. Rates were increased prior to the wastewater treatment plant expansion to create reserves high enough to make the bond payments and soften the rate increases.

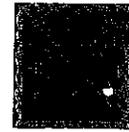
Our working capital goal for 2012 should be \$508,815 and actual cash at the beginning of the year is \$319,030.

ELECTRIC FUND

Sales of Service are up 17% from the period 2008 through 2011, but purchased power costs also continue to climb. A 7.2% rate increase in January 2010 was implemented with higher purchased power costs projected. Purchased Power increased 25.2% during this same period. Missouri River Energy Services implemented a new seasonal demand rate in 2011 which increased our summer power costs. These rates are designed to encourage conservation and for utilities to implement load management systems if they have not already done so. **Backup Power Agreement** revenue is to provide service to the new Fibrominn Power Plant. Expenses associated with providing this service is under Distribution.

Purchased power costs from Western Area power Administration will remain constant in 2012 as there was no rate increase implemented. Missouri River Energy rates have stayed the same but their demand rates have changed. Summer rates for demand increased from 16.60 to 18.85 per kW. Winter rates went from 13.60 to 14.85 per kW. The other six months will actually show a decrease from 10.60 to 8.35 kW. What type of weather we have will have a big effect on our cost of power in 2012.

Water Fund Budget



	2009 Actual	2010 Actual	2011 Budget	2012 Budget
REVENUES				
Sale of Service	300,601	328,845	480,000	540,000
Miscellaneous	3,173	5,674	3,000	4,000
Fire Service Fee	10,000	10,000	10,000	10,000
Connection Fees	250	500	250	250
Interdepartmental Charges				
Refunds & Reimbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	314,023	345,020	493,250	554,250
EXPENSES				
Salaries	71,837	95,477	96,000	100,000
Earned Benefits	(20,215)	856	1,200	1,200
Fringe Benefits	41,937	33,006	35,010	36,360
Office Supplies	2,729	769	1,000	1,000
Chemicals & Chemical Supplies	5,189	5,562	7,000	7,000
Gas & Oil	2,731	3,664	4,000	3,700
Operating Supplies	6,905	3,561	4,000	4,500
Laboratory and Testing	2,594	2,235	2,800	2,000
Equipment Repair & Maint.	7,370	7,910	7,500	6,000
Maintain System	30,092	40,871	30,000	31,000
Building Repair & Maint.	430	17,191	2,000	2,000
Management Fees	34,236	34,920	35,616	36,330
Telephone	369	314	350	350
Travel Expense	1,335	1,504	1,500	1,500
Training & Instruction	540	998	1,000	1,000
Marketing	0	0	0	1,000
Insurance	9,770	10,170	11,000	11,000
Work Comp Insurance	2,327	4,856	5,700	5,500
Utilities	45,444	43,796	50,000	45,000
Depreciation	77,702	98,606	70,200	93,000
Miscellaneous	3,603	3,542	4,000	4,000
Interdepartmental Charges	<u>12,375</u>	<u>12,375</u>	<u>12,375</u>	<u>12,375</u>
Total Expenses	339,301	422,182	382,251	405,815
OPERATING PROFIT/(LOSS)	(25,278)	(77,162)	110,999	148,435
Other Income & Expense				
Interest Income	22,909	11,498	9,000	9,000
Contributed Capital Depreciation	3,249	0	3,249	0
Gain/Loss on Fixed Asset Sale	0	(1,784)	0	0
Interest Expense	(18,063)	(16,690)	(14,900)	(52,700)
Grants & contributed Capital				
NET INCOME/ (LOSS)	<u>(17,183)</u>	<u>(84,139)</u>	<u>108,348</u>	<u>104,735</u>



Sewer Fund Budget

	2009 Actual	2010 Actual	2011 Budget	2012 Budget
REVENUES				
Sale of Service	669,081	738,634	763,400	760,000
Miscellaneous	0	0	0	0
Connection Fees	2,000	2,000	2,000	2,000
Interdepartmental Charges	0	0	0	0
Refunds & Reimbursements	<u>11,290</u>	<u>1,995</u>	<u>2,000</u>	<u>2,000</u>
TOTAL REVENUE	682,371	742,629	767,400	764,000
EXPENSES				
Salaries	74,157	6,734	6,800	13,000
Earned Benefits	(25,517)	1,202	0	0
Fringe Benefits	40,232	2,151	2,100	4,700
Office Supplies	483	255	400	300
Chemicals & Chemical Supplies	20,497	0	0	0
Gas & Oil	3,410	1,472	1,800	2,000
Operating Supplies	3,436	465	500	500
Laboratory and Testing	198	0	0	0
Contracted Services - Testing	5,489	0	0	0
Equipment Repair & Maint.	10,144	21,381	3,500	5,500
Maintain System	25,034	18,584	18,000	22,000
Building Repair & Maint.	4,206	750	0	1,000
Contracted Operations	134,503	250,440	266,000	276,400
Management Fees	44,448	45,336	46,242	47,166
Telephone	369	314	400	400
Travel Expense	399	748	500	500
Training & Instruction	762	133	400	400
Insurance	14,812	15,868	17,000	17,000
Work Comp Insurance	3,295	406	0	0
Electric Utilities	36,313	33,685	35,000	36,000
Heat	8,894	5,957	6,000	6,000
Depreciation	319,437	316,883	301,200	300,000
Miscellaneous	6,326	4,801	5,200	5,200
Interdepartmental Charges	<u>21,360</u>	<u>21,360</u>	<u>21,360</u>	<u>21,360</u>
Total Expenses	752,689	748,925	732,402	759,426
OPERATING PROFIT/(LOSS)	(70,318)	(6,296)	34,998	4,574
Other Income & Expense				
Special Assessments				
Interest Income	18,429	13,998	12,000	12,000
Contributed Capital Depreciation	6,930	0	5,853	
Interest Expense	(77,322)	(81,550)	(81,000)	(72,000)
Gain/Loss on Disposal of Asset	7,763			
Grants & Contributed Capital		18,417		
NET INCOME/ (LOSS)	<u>(114,519)</u>	<u>(55,432)</u>	<u>(28,149)</u>	<u>(55,426)</u>

TEN YEAR CAPITAL IMPROVEMENT PLAN

DEPARTMENT: Wastewater
 REVISED: 11/2011

DESCRIPTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Estimates
13th St N-Utah to Nevada (12"VCP to 12" SDR 35)(650ft)												\$110,000
18th St N-Utah to Nevada (12"Conc to 12" SDR 35)(650ft)												\$78,000
19th St N-Idaho to Nevada (8"Conc to 8"SDR 35)(325ft)												\$32,500
S of Hoban & West of 29 (8"to12"SDR 35 with Lift Station)												\$250,000
Wisconsin Av--20th St S to WWTP(24"VCP-line/replace w/SDR 35)												\$200,000
Sewer Main Lining		\$150,000										
Lift Station SCADA		\$20,000										
Column Total	\$365,000	\$170,000	\$122,000	\$575,650	\$185,000	\$224,000	\$330,000	\$333,000	\$161,500	\$175,000	\$0	\$770,500
Other Scheduled Maintenance												



Electric Fund Budget

	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Budget
REVENUES					
Sale of Service	2,796,245	3,120,366	3,237,616	3,366,000	3,361,000
Miscellaneous	38,719	56,191	38,967	37,500	46,000
Administrative Services	9,000	9,000	12,000	12,000	12,000
Interdepartmental Charges	33,735	33,735	33,735	33,735	33,735
Refunds & Reimbursements	25,340	19,345	45,645	15,000	20,000
Conservation Rebates	2,380	12,664	29,534	25,000	25,000
Generation Capacity Revenue	42,768	43,824	44,352	44,000	46,800
Dedicated Capacity Revenue	288,000	294,000	300,000	306,000	309,000
Backup Power Agreement	526,640	450,170	519,623	480,000	420,000
Generation Sales	15,021	9,975	9,335	10,000	10,000
TOTAL REVENUE	3,777,848	4,049,269	4,270,806	4,329,235	4,283,535

EXPENSES

Administration

Salaries	75,800	73,905	75,287	77,740	75,150
Earned Benefits	8,546	(9,611)	7,616	3,000	3,000
Fringe Benefits	32,764	36,818	30,064	31,360	32,420
Office Supplies	8,572	6,312	5,646	6,000	6,000
Postage	4,144	6,682	2,456	3,000	3,000
Gas & Oil	258	123	193	300	300
Management Fees	149,520	154,005	157,085	160,226	163,430
Contracted Services	5,259	15,519	8,139	10,000	15,000
Data Processing Services	20,558	21,091	23,906	23,000	25,000
Bill Print Services	11,475	10,229	12,503	13,000	12,000
Telephone	9,587	8,276	8,656	8,800	9,000
Travel Expense	2,083	2,038	1,266	2,000	2,000
Training & Instruction	1,490	1,515	754	1,900	1,400
Marketing	10,347	16,820	8,307	10,000	10,000
Insurance	14,169	23,776	21,710	22,500	24,000
Depreciation	380,815	474,310	473,335	475,300	450,000
Miscellaneous	11,095	5,050	25,219	5,000	5,000
Bad Debts	10,365	6,947	15,795	12,000	12,000
Dues & Subscriptions	4,548	4,423	5,535	6,000	6,000
Load Management	31,904	55,920	36,772	45,000	51,000
Meter Reading Services	0	0	0	0	0
Total Administration	793,298	914,147	920,245	916,126	905,700

Power Production

Gas & Oil	16,843	16,187	6,005	12,000	20,000
Operating Supplies	7,666	1,634	1,749	3,000	2,000
Equipment Repair & Maint.	38,367	36,276	44,033	36,000	36,000
Building Repair & Maint.	21,575	10,347	505	5,000	2,000
Contracted Services	7,932	8,440	1,918	3,000	3,000
Utilities	35,821	38,693	32,494	34,000	35,000
Heating Cost	0	0	0	0	0
Miscellaneous	1,558	1,367	160	1,000	500
Total Power Production	129,763	112,946	86,865	94,000	98,500

Distribution

Gas & Oil	11,192	6,478	8,325	8,000	8,000
Operating Supplies	19,182	16,677	22,927	20,000	12,000
Equipment Repair & Maint.	21,069	18,980	9,659	20,400	20,400
Maintain System	67,477	36,626	41,409	30,000	30,000
Maintain Street Lights	25,285	17,047	29,808	20,000	15,000
Building Repair & Maint.	11,997	4,119	8,952	5,000	5,000



Electric Fund Budget

	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Budget
Purchased Power	1,197,981	1,465,777	1,589,950	1,600,000	1,613,000
Wheeling	298,070	271,518	303,748	275,000	285,000
Backup Power Agreement Costs	366,401	341,294	303,095	325,000	240,000
Distribution Maintenance Contract	498,905	491,059	514,296	540,000	520,000
Telephone	1,485	1,230	1,247	1,500	1,300
Travel Expense	204	74	648	800	500
Training & Instruction	662	580	648	400	1,000
Electricity	12,335	13,717	13,644	14,000	14,000
Heating Cost	3,423	3,582	2,493	4,000	3,000
Miscellaneous	275	0	343	500	500
Total Distribution	2,535,944	2,688,756	2,851,192	2,864,600	2,768,700
TOTAL EXPENSES	3,459,004	3,715,849	3,858,301	3,874,726	3,772,900
OPERATING PROFIT/(LOSS)	318,844	333,420	412,505	454,509	510,635
Other Income & Expense					
Interest Income	170,013	64,925	75,786	70,000	80,000
Unrealized Gain (Loss) on Investments	25,324	19,698	(7,852)		
Sale of Property		52,500			
Interest Expense	(362,401)	(278,441)	(304,031)	(293,650)	(281,000)
Gain/Loss on Disposal of Assets		(14,449)	7,161		
NET INCOME/ (LOSS)	<u>151,779</u>	<u>177,652</u>	<u>183,570</u>	<u>230,859</u>	<u>309,635</u>

*** Sale of Service Breakdown ***

Residential Lighting	1,137,946	1,242,612	1,334,799	1,400,000	1,400,000
Interruptible Service	81,554	101,505	86,554	90,000	90,000
Municipal Service	219,635	225,727	223,413	230,000	235,000
Commercial Lighting	207,980	229,379	235,529	250,000	230,000
Commercial 3-Phase	117,169	123,701	133,082	140,000	130,000
Industrial Service	951,192	1,112,802	1,130,207	1,160,000	1,180,000
Street Lighting & Security Lights	80,770	84,639	94,033	96,000	96,000
Total Sales of Service	<u>2,796,245</u>	<u>3,120,365</u>	<u>3,237,617</u>	<u>3,366,000</u>	<u>3,361,000</u>

TEN YEAR CAPITAL IMPROVEMENT PLAN

DEPARTMENT: Electric Department
 REVISED: 11/2011

DESCRIPTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	BEYOND
Power Plant / Line Garage												
Replace Line Garage Floor												
Tuck point Power Plant			\$60,000									
Replace Power Plant Roof	\$60,000											
Replace Generation Fuel Tank	\$100,000											
RICE Standards Upgrade		\$400,000										
Equipment												
#2 2009 Chevrolet 3/4 T Pickup 1700 Mi.									\$35,000			
Panel Van 1989 Chevy 57000 Mi				\$30,000								
#8 Small bucket truck 2009 Ford Superduty 6300 Mi										\$130,000		
#10 48ft Bucket truck- 1995 Ford F-800/Hi Ranger 12800Mi												
# Digger/Derrick- 2002 Freightliner/Versalift 8100 Mi							\$150,000					
Boring machine- 2007 Ditch Witch 2020 300 Hr								\$160,000				
Vac Potholer 2006 Ring-O-Matic 200 Hr									\$30,000			
Chipper- 1992 Vermeer 935 550 Hr				\$30,000								
Reel Trailer- 1990 Home made	\$12,000											
Trencher- 1999 Case 560 719 hr			\$75,000									
Tensioner- 1989 Sauber												
Trailer for boring mach.- 2008 Felling									\$7,500			
Pole Trailer- 1989 Felling												
Single Phase Trailer												
AS400					\$20,000							

TEN YEAR CAPITAL IMPROVEMENT PLAN

DEPARTMENT: Electric Department
 REVISED: 11/2011

DESCRIPTION	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	BEYOND
Distribution												
Metering Improvements/AMR	\$20,000	\$20,000										
Street Lights	\$45,000	\$67,500										
Phase II - System Improvements												
Hawleywood Subdivision	\$15,000											
Homewood Subdivision			\$20,000									
Cottage Square Subdivision	\$10,000											
Loop Industrial Park with decommissioned 41,600Kv line												
System SCADA			\$100,000									
Fence for Transformers		\$6,000										
Replace OH with UG/ system upgrades			\$75,000	\$50,000	\$125,000	\$75,000	\$180,000	\$150,000	\$75,000	\$150,000		\$2,275,000
NW Corner 3φ	\$15,000		\$20,000									
NW Corner 1φ	\$15,000		\$20,000									
NE Corner 3φ			\$5,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000			
NE Corner 1φ				\$20,000	\$20,000	\$22,000	\$24,000	\$27,000	\$30,000			
US TH-12		\$275,000										
Column Total	\$292,000	\$768,500	\$375,000	\$250,000	\$185,000	\$117,000	\$374,000	\$357,000	\$177,500	\$280,000	\$0	\$2,275,000
Other Schedule Maintenance												
Meggar Testing--Generation			\$7,500					\$7,500				
Relay & Load Tap Changers Maintenance			\$7,500					\$7,500				

SECTION IX

GARBAGE COLLECTION FUND

SECTION IX

GARBAGE COLLECTION FUND

The City contracts for garbage pickup for all residential homes in the City. The report show 2008 through 2010 actual amounts and the 2011 and 2012 Budgets.

Contracted Services is the contract we have with Mattheisen Disposal for garbage pickup. Our current contract ended in 2009. **Refuse Disposal** is what we pay to the Swift County Recycling Center for the garbage we have hauled there.

City Wide Clean Up are costs associated with our Spring Clean up Program.

GARBAGE COLLECTION FUND

REVENUES					
Sale of Tags	5,070	4,251	4,396	5,000	4,000
Other Revenue	233	312	202		200
Garbage Billings	<u>163,635</u>	<u>162,949</u>	<u>163,530</u>	<u>164,000</u>	<u>163,000</u>
TOTAL REVENUES	168,938	167,512	168,128	169,000	167,200
EXPENDITURES					
Operating Supplies	1,036	667	914	1,000	1,200
Management Fee	7,620	7,848	8,005	8,166	8,328
Contracted Services	99,572	105,566	104,168	114,000	114,000
Refuse Disposal	46,146	44,121	45,578	43,000	43,000
City Wide Cleanup	1,770	1,518	0	5,000	5,000
Uncollectable Accounts	<u>2,193</u>	<u>1,245</u>	<u>900</u>	<u>2,000</u>	<u>1,000</u>
TOTAL EXPENDITURES	158,336	160,965	159,566	173,166	172,528
OPERATING PROFIT / (LOSS)	10,602	6,546	8,563	(4,166)	(5,328)
Interest Income	2,837	2,461	1,824	2,000	1,900
Transfer to other funds.	0	0	0	0	0
FUND BALANCE	88,472	97,479	107,866	105,700	102,272

SECTION X

TAX INCREMENT FINANCING

SECTION X

Tax Increment District #4 – Northview Court Townhomes

We receive tax increment on this project which in turn is paid back to the owner. There is a maximum amount to be reimbursed or the project will end in 2012. Whichever comes first.

**TAX INCREMENT DISTRICT #4
Northview Court Townhomes**

	2009 Actual	2010 Actual	2011 Project	2012 Budget
Tax Increment	6,446.53	6,627.84	7,150.16	7,200.00
Interest Income	0	0	0	0
Total Revenues	<u>6,446.53</u>	<u>6,627.84</u>	<u>7,150.16</u>	<u>7,200.00</u>
Administrative Fees	171.69	172.18	307.08	175.00
Pay as you go Payments	<u>6,318.00</u>	<u>6,412.50</u>	<u>6,843.08</u>	<u>7,025.00</u>
Total Disbursements	<u>6,489.69</u>	<u>6,584.68</u>	<u>7,150.16</u>	<u>7,200.00</u>
Increase (Decrease) Cash	<u>-43.16</u>	<u>43.16</u>	<u>0.00</u>	<u>0.00</u>
Maximum Reimbursement Due though 2012	196,588.63	190,176.13	183,333.05	176,308.05

SECTION XI

NON BUDGETED FUNDS

SECTION XI

The City of Benson has a few funds that do not have formal budgets adopted for them. The following is a list of these funds and a brief description of each one.

Community Development Revolving – This fund was used in the early 80s to provide loans and grants for housing rehabs. The loans were generally zero interest loans to be paid back at the time the homes are sold. They are slowly being paid back and there is a cash balance of \$186,841 beginning in 2012. Current uses of the money include the purchase of dilapidated houses and their demolition to provide buildable lots for new construction.

2005 Small Cities Grant Fund – This fund contains a balance of \$44,171 and was established to recover loan and grant proceeds from completed projects funded under the 2005 State of Minnesota Redistributed Federal Community Development Block grant program. The City of Benson completed the grant program goals in 2008 with 19 home rehabilitations and 10 business upgrades. The recovered grant proceeds will be reinvested in the Development District for Economic Development & Housing programs which have yet to be developed.

2009 Small Cities Grant Fund – This fund was established to recover loan and grant proceeds that were repaid from home grants issued under the State of Minnesota's Redistribution of Community Development Block grant program dollars. Benson competed for and received a Small Cities grant to rehabilitate 16 homes and 5 businesses. These home and business projects were completed in 2010 and funds derived from these projects comprise the \$503 current balance. Small Cities funds repaid to the City will be used for future economic development activities in the Benson Development District. A "Small Cities Grant Form" application was submitted to the State of Minnesota and approved for an additional 10 home rehabilitation projects under the open 2009 grant program. This fund has a cash balance at the beginning of 2012 of \$2378.

Development District – The City created the Development District to assist with its economic development activities. Tax increment dollars were at one time available to be spent within the Development District. At this time the Fund is not active.

Revolving Loan Fund – Established by a grant from the State of Minnesota and transfers from the City's General Fund, the Revolving Loan Fund is used to make loans to businesses that are unable to obtain the financing they need through banks or other investors. The cash balance in this fund is \$909,456 at the beginning of 2012.