

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
DECEMBER 20, 2010**

The meeting was called to order at 5:30 p.m. by Mayor Paul Kittelson. Members present: Sue Fitz, Ben Hess, Gary Landmark, and Paul Kittelson. Members absent: Bob Claussen. Also present: City Manager Rob Wolfington, Eric Peterson, Ron Vadnais, and Brian Samuelson.

There was no one with unscheduled business to come before the Council.

It was moved by Landmark, seconded by Hess and carried unanimously to approve the following minutes on the consent agenda:

- a. December 6, 2010 Regular City Council Meeting
- b. November 10, 2010 Benson HRA Meeting
- c. November 19, 2010 Benson EDA Meeting

The following correspondence was reviewed:

- 2011 Prom Afterbash dated 12/4/2010: There was consensus to continue this donation request to the next meeting.
- Chief Crace dated 12/9/2010 RE: Proposal to Build a Garage for the Police Department. This was informational with no action taken at this time.
- Corrine Evenson dated 12/10/2010 RE: Support of a Dog Park in Benson. This was informational with no action taken.

It was moved by Landmark, seconded by Hess and carried unanimously to approve renewal of the following 2011 Cigarette Licenses: Amoco Food Shop of Benson, Darold's Super Valu, Holiday Station, and Do-Mats Family Foods.

It was moved by Hess, seconded by Landmark and carried unanimously to approve a Special Use Permit to allow disposing of septic tank sludge and holding tank sewage into the Benson Wastewater Facility for 2011 to Slaughters Plumbing and Septic Service, Benson, MN.

Eric Peterson, Ron Vadnais and Brian Samuelson, representing the Benson Golf Club, gave a year-end financial report to the Council. They have cut expenses considerably but have not been able to replace any of the equipment. They felt this years cash flow was stable. They are anticipating a major expense in the future to replace the irrigation system. The Mayor mentioned he would like to see any financial contribution to be used for equipment capital improvements. After discussion there was consensus to table any donation request to allow time to look at the budget. Member Fitz asked if the University of Minnesota Morris golf team was using the course and she said she has heard no complaints about the course but that it is too expensive.

Council Member Landmark offered the following Resolution and moved its adoption:

**RESOLUTION ADOPTING FINAL 2010 PROPERTY
TAX LEVY, COLLECTIBLE IN 2011
(RESOLUTION NO. 2010-37)**

BE IT RESOLVED by the City Council of the City of Benson, County of Swift, Minnesota that the following sums of money be levied for the current year, collectible in 2011, upon the taxable property in the City of Benson, for the following purposes:

| | |
|--|------------------|
| General Fund Levy | 475,102 |
| 2010 Unallotted Aids and Credits | 232,413 |
| Claussen Properties II Abatement | 18,700 |
| Wages and Benefits of Police Personnel | 485,379 |
| Library Fund Levy | 100,496 |
| G.O. Capital Street Equipment 2006 | <u>35,025</u> |
| TOTAL | 1,347,115 |

BE IT FURTHER RESOLVED that the following sum of money be levied for the current year, collectible in 2011, based upon the market value of the taxable property in the City of Benson, for the following purpose:

| | |
|--------------------|-----------------|
| G.O. Swimming Pool | <u>\$81,320</u> |
| Total | \$81,320 |

The City Clerk is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Swift County, Minnesota.

Council Member Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Fitz, Hess, Kittelson. NAYS: None. ABSENT: Claussen. Thereupon the Mayor declared Resolution No. 2010-37 duly passed and adopted.

Council Member Fitz offered the following Resolution and moved its adoption:

**RESOLUTION CERTIFYING THE FINAL OPERATING BUDGET
FOR THE CALENDAR YEAR 2011 FOR THE CITY OF BENSON, MINNESOTA
(RESOLUTION NO. 2010-38)**

BE IT RESOLVED, that the Final Operating Budget for the City of Benson, Minnesota, for the fiscal year beginning January 1, 2011 and ending December 31, 2011 is hereby approved.

BE IT FURTHER RESOLVED, that the General Fund Budget is summarized as follows:

Revenues

| | |
|-----------------------|------------------|
| Taxes - General Fund | 1,203,263 |
| Taxes – Library | 106,454 |
| State Grants and Aids | 1,122,365 |
| Other Revenues | <u>995,767</u> |
| Total Revenues | 3,427,849 |

Expenditures

| | |
|-----------------------------|------------------|
| General Government | 609,070 |
| Public Safety | 884,134 |
| Highways, Streets and Roads | 517,410 |
| Parks and Recreation | 331,415 |
| Public Transit | 176,600 |
| Library | 99,171 |
| Capital Outlay | 388,000 |
| Other Expenditures | <u>248,536</u> |
| Total Expenditures | 3,254,336 |

Excess (Deficiency) of Revenues over Expenditures 173,513

BE IT FURTHER RESOLVED, that the City Manager shall cause the entire final Operating Budget to be printed and filed in the City Office for inspection and reference by the public.

Council Member Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Hess, Landmark, Kittelson. NAYS: None. ABSENT: Claussen. Thereupon the Mayor declared Resolution No. 2010-38 duly passed and adopted.

There was consensus to approve the General Capital Outlay Budget; Utility Operating Budgets and 10 Year Capital Improvement Plans for the Sewer Fund, Water Fund, and Electric Fund; Garbage Collection Fund Budget; EDA Fund Budget; and Liquor Fund Budget.

Council Member Landmark offered the following Resolution and moved its adoption:

**RESOLUTION DESIGNATING ECONOMIC DEVELOPMENT FUNDS
FOR OPERATING CAPITAL INVESTMENT
(RESOLUTION NO. 2010-39)**

WHEREAS, the City of Benson operates an Economic Development Fund to finance economic development projects and investments.

NOW. THEREFORE BE IT RESOLVED that the City Council authorizes a designated fund balance in the Economic Development fund of \$650,000 for the purchase of industrial property and industrial property investments.

Councilmember Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Hess, Fitz, Kittelson. NAYS: None. ABSENT: Claussen. Whereupon the Mayor declared Resolution No. 2010-39 duly passed and adopted.

Council Member Fitz offered the following Resolution and moved its adoption:

**RESOLUTION DESIGNATING FUND BALANCE FOR FUTURE OUTLAY
AS OUTLINED IN THE 10 YEAR UTILITY BUDGET
(RESOLUTION NO. 2010-40)**

WHEREAS, the City of Benson owns and operates a Municipal Electric, Wastewater and Water Utility.

NOW, THEREFORE BE IT RESOLVED that the City Council authorizes the designation of the following reserve funds to implement the City of Benson 10 Year Utility Capital Outlay Plan:

| | | |
|-------------------------|-------------|-------------|
| Electric Utility Fund | \$2,388,500 | 10 Year CIP |
| Water Utility Fund | \$ 657,500 | 10 Year CIP |
| Wastewater Utility Fund | \$1,206,150 | 10 Year CIP |

Council Member Landmark seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Landmark, Hess, Kittelson. NAYS: None. ABSENT: Claussen. Whereupon the Mayor declared Resolution No. 2010-40 duly passed and adopted.

Council Member Hess offered the following Resolution and moved its adoption:

**RESOLUTION DESIGNATING GENERAL FUND
RESERVE FUNDS FOR OPERATING AND CAPITAL
(RESOLUTION NO. 2010-41)**

WHEREAS, the City of Benson operates a General Fund to finance governmental operations.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes a designated fund balance in the General Fund equal to six months operating revenues plus a balance to fund employee vacation and sick leave as accounted for thru the end of 2010 fiscal year.

Council Member Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Hess, Fitz, Landmark, Kittelson. NAYS: None. ABSENT: Claussen. Whereupon the Mayor declared Resolution No. 2010-41 duly passed and adopted.

Council Member Landmark offered the following Resolution and moved its adoption:

**RESOLUTION ADJUSTING THE BALANCE OF
THE REVOLVING LOAN FUND
ALLOWANCE FOR UNCOLLECTABLE ACCOUNTS
(RESOLUTION NO. 2010-42)**

WHEREAS, the City of Benson administers a Revolving Loan Fund which loans money to local businesses, and

WHEREAS, these loans are necessary because normal bank financing is not completely available, and

WHEREAS, these loans are inheritably riskier than normal lending criteria, and

WHEREAS, the City of Benson understands that a certain amount of these loans will not be repaid in full.

NOW THEREFORE BE IT RESOLVED that the City of Benson would like to establish an allowance for uncollectable accounts in the amount of \$203,362 and directs the Director of Finance to make the necessary adjusting entries to establish such amount.

Council Member Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Hess, Fitz, Kittelson. NAYS: None. ABSENT: Claussen. Whereupon the Mayor declared Resolution No. 2010-42 duly passed and adopted.

Council Member Fitz offered the following Resolution and moved its adoption:

**RESOLUTION TO DEEM AS UNCOLLECTABLE THE
HOFLAND FOODS LIMITED EDA LOAN
(RESOLUTION NO. 2010-43)**

WHEREAS, the Benson EDA approved a loan on November 30, 2000 to Hofland Foods Inc. (owners: Lynette Hofland, Rodney Hofland, Aaron Hofland, and Shanna Hofland) doing business as Atlantic Junction Limited of 1220 Atlantic Avenue, and

WHEREAS, the amount of the EDA loan was \$32,500, and

WHEREAS, the last loan payment was received on April 1, 2003, and

WHEREAS, the owners filed bankruptcy on June 15, 2004.

NOW THEREFORE BE IT RESOLVED that the Benson City Council hereby deems the amount owed as uncollectable and directs the Director of Finance to remove from the notes receivable the Hofland Foods Limited EDA loan in the amount of \$28,611.20.

Council Member Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Hess, Landmark, Kittelson. NAYS: None. ABSENT: Claussen. Whereupon the Mayor declared Resolution No. 2010-43 duly passed and adopted.

The City Manager informed the Council that the Personnel Committee sent the LELS 2011 Union Contract back to the union because of one issue.

It was moved by Fitz, seconded by Landmark and carried unanimously to approve the following Public Utilities Bad Debts List as of December 31, 2010:

| ACCT. NO. | NAME | ELEC | WAT | SEWER | TAX | GARB | PEN | TOTAL |
|----------------|----------------------|---------|--------|--------|--------|--------|--------|---------|
| 101-0031-00-04 | Edwards/Wolney | 284.27 | 11.66 | 29.34 | 0.00 | 0.00 | 0.00 | 325.27 |
| 102-0005-00-02 | Jackie Solomon | 271.81 | 54.53 | 223.79 | 46.66 | 292.77 | 112.20 | 1001.76 |
| 103-0127-00-01 | Dave Norem | 5842.21 | 76.00 | 177.00 | 434.03 | 0.00 | 312.60 | 6841.84 |
| 103-0128-00-01 | Dave Norem | 375.65 | 0.00 | 0.00 | 50.81 | 0.00 | 37.70 | 464.16 |
| 103-0135-00-01 | Paul Kraemer | 546.46 | 183.61 | 354.90 | 180.85 | 158.00 | 83.15 | 1506.97 |
| 103-0135-00-02 | RMA Investments | 11.00 | -4.82 | 182.55 | 9.32 | 88.00 | 17.55 | 303.60 |
| 104-0095-00-05 | Bryan Fultz | 18.67 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 18.67 |
| 104-0095-00-07 | Daryl Broesder | 89.31 | .74 | 30.14 | 0.00 | 0.00 | 0.00 | 120.19 |
| 104-0127-00-02 | Ronald Baker | 31.90 | 15.73 | 86.70 | 0.00 | 23.03 | 0.00 | 157.36 |
| 104-0134-00-01 | Paul Johnson | 587.03 | 6.36 | 273.00 | 48.65 | 0.00 | 125.04 | 1040.08 |
| 104-0143-18-05 | Sharnice Wright | 132.41 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 132.41 |
| 104-0143-23-20 | Kathy Sierra | 88.58 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 88.58 |
| 205-0006-00-17 | Jesus Cordova | 31.36 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 31.36 |
| 205-0205-00-04 | Ramiro Vasquez | 47.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 47.50 |
| 205-0301-00-03 | Ariana Difede | 68.93 | 0.00 | 0.00 | 4.74 | 0.00 | 3.16 | 76.83 |
| 205-0405-00-01 | Nanette Foreman | 214.44 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 214.44 |
| 205-0413-00-18 | Timothy Pillatzki | 251.72 | 0.00 | 0.00 | 17.31 | 0.00 | 18.45 | 287.48 |
| 205-0511-00-03 | Ashley Denton | 279.58 | 0.00 | 0.00 | 8.68 | 0.00 | 14.28 | 302.54 |
| 205-0511-00-05 | Tracy Olson | 80.93 | 0.00 | 0.00 | 5.55 | 0.00 | 6.77 | 93.25 |
| 205-0527-00-03 | Sherree Luft | 235.59 | 0.00 | 0.00 | 30.33 | 0.00 | 0.00 | 265.92 |
| 205-0532-00-15 | Raymond Goulet | 13.45 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 13.45 |
| 205-0533-00-13 | TiffanyVanwatermulen | 130.85 | 0.00 | 0.00 | 9.00 | 0.00 | 8.80 | 148.65 |
| 205-0554-00-01 | Vicki Danielson | 111.37 | 0.00 | 0.00 | 7.66 | 0.00 | -6.72 | 112.31 |
| 205-0615-00-04 | J Kardell/A. Nelson | 27.12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 27.12 |

| | | | | | | | | |
|----------------|----------------------|-----------------|---------------|----------------|----------------|---------------|---------------|-----------------|
| 205-0632-00-11 | Candace Wright | 101.47 | 0.00 | 0.00 | 14.20 | 0.00 | 1.56 | 117.23 |
| 205-0655-00-15 | Marquita King | 108.38 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 108.38 |
| 301-0020-00-02 | James Maus | 167.68 | 50.21 | 34.90 | 0.00 | 0.00 | 0.00 | 252.79 |
| 301-0058-00-04 | James Maus | 113.57 | 23.28 | 29.34 | 9.18 | 14.03 | 0.00 | 189.40 |
| 302-0034-00-02 | John Larson | 78.36 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 78.36 |
| 302-0112-00-01 | Amber Wroblecki | 225.43 | 0.00 | 0.00 | 18.28 | 67.52 | 0.00 | 311.23 |
| 304-0047-00-01 | Brenda Norris | 408.25 | 0.00 | 0.00 | 20.66 | 69.67 | 47.97 | 546.55 |
| 304-0159-00-02 | Dawn Lundberg | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 500.00 |
| 305-0012-00-16 | Hose Botello | 15.52 | 0.00 | 0.00 | 1.07 | 0.00 | 0.00 | 16.59 |
| 305-0219-00-01 | Brad Nordby | 110.91 | 0.00 | 0.00 | 7.62 | 0.00 | 6.14 | 124.67 |
| 402-0068-00-03 | James Maus | 0.00 | 0.00 | 111.50 | 5.35 | 55.00 | 10.53 | 182.38 |
| 402-0068-00-04 | Chase Home Mortgage | 0.00 | 0.00 | 59.32 | 0.00 | 0.00 | 0.00 | 59.32 |
| 402-0091-00-05 | Roxanne Smith | 399.00 | 18.62 | 233.92 | 0.00 | 21.07 | 0.00 | 672.61 |
| 501-0023-00-01 | Kelly's Car Wash | 0.00 | 0.00 | 176.31 | 0.00 | 0.00 | 0.00 | 176.31 |
| 501-0090-00-02 | Brad Danielson | 164.91 | 69.01 | 144.34 | 18.44 | 0.00 | 13.92 | 410.62 |
| 502-0093-00-06 | John Larson | 334.23 | 0.00 | 0.00 | 12.85 | 48.00 | 0.00 | 395.08 |
| 502-0110-00-01 | K & K Auto | 764.56 | 74.03 | 129.39 | 57.65 | 0.00 | 20.92 | 1046.55 |
| 502-0155-00-07 | Mario Ortiz | 1386.37 | 329.07 | 615.04 | 108.84 | 0.00 | 0.00 | 2439.32 |
| 601-0053-00-02 | DeToy's Family Rest. | 79.75 | 2.76 | 7.17 | 5.67 | 0.00 | 0.00 | 95.35 |
| 304-0047-00-01 | Brenda Norris Bad Ck | 126.90 | 23.36 | 133.87 | 11.77 | 33.00 | 24.75 | 353.65 |
| 403-0069-00-09 | Ruby Pennington NSF | 78.40 | 36.11 | 0.00 | 10.89 | 29.65 | 0.00 | 155.05 |
| Swimming Pool | Sara Polensky-NSF Ck | 23.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 23.50 |
| TOTALS | | 14959.33 | 970.26 | 3032.52 | 1156.06 | 899.74 | 858.77 | 21876.68 |

During discussion of the Public Utilities Bad Debts List, there was an inquiry of why an individual would be on the list more than once. The City Manger said he would find out the answer and let the Council know.

It was moved by Landmark, seconded by Hess and carried unanimously to approve the bills and warrants in the amount of \$217,037.37.

Council Member Fitz wanted to remind residents to clear the snow around fire hydrants.

It was moved by Landmark, seconded by Fitz and carried unanimously to adjourn the meeting at 6:10 p.m.

Mayor

City Manager