

**City Council Meeting Agenda
City Council Chambers
December 2, 2019**

City of Benson Mission Statement

Benson is a forward looking community that values public safety,
Quality of life and treats people with dignity and respect.

Page			
	1.	5:30 p.m. Call the Meeting to Order at the Benson City Council Chambers (Mayor)	
	2.	Pledge of Allegiance	
	3.	Approval of Agenda	
		Additions? <input type="checkbox"/> None 1. _____ 2. _____	
		Any Consent Agenda items to be moved to a regular agenda item?	
		Approval of Agenda ____ as Presented or ____ Revised	Action Requested
	4.	Consent Agenda:	Action Requested
3-6	a.	Minutes: ▪ 11.18.2019 City Council Meeting	
7	b.	Applications: ▪ Doug Bangsund – Park Board	
8		▪ Tim Mattheisen – Cemetery Board	
9	c.	Correspondence: ▪ Swift County Environmental Garbage Tipping Fee Increase	
	d.	Donations: ▪ Maanum Living Trust to the Cemetery - \$10,000	
	e.	Electronic Transfers: Payroll: \$90,372.30 - November 21, 2019 Journal: \$0	
	5.	Persons With Unscheduled Business to Come Before the Council	
10-38	6.	5:30 P.M.- Truth in Taxation	Information Only
39	7.	Consider Resolution Authorizing Transfer of Xcel Energy Grant Dollars	Action Requested
40-72	8.	Consider SCBHS Draft Agreement with Carris Health	Information Only
73-74	9.	Draft Air Permit for the Power Plant	Information Only
75-75	10.	Consider Resolution Designating Polling Place for the 2020 Elections	Action Requested
76	11.	Consider Approval of 2019 Budgeted Transfers:	Action Requested
77		▪ Resolution Approving Transfer from Library Endowment Fund	
78		▪ Resolution to Approve Budgeted Transfers	
79		▪ Resolution Transferring Amount Designated for Capital Outlay to General Capital Outlay	
		▪ Resolution Transferring from EDA & Revolving Loan Fund to General Fund	

- | | | | |
|-------|-----|--|-------------------------|
| 80-81 | 12. | Consider Resolution for Assessment of Current Services | Action Requested |
| | 12. | Adjourn: Mayor | Action Requested |

In compliance with the American Disability Act, if you need special assistance to participate in this meeting, please contact the City Manager's office at 320-843-4775. Notification 48 hours prior to the meeting will enable the City of make reasonable arrangements to ensure accessibility to this meeting.

DRAFT

**MINUTES - BENSON CITY COUNCIL MEETING
NOVEMBER 18, 2019**

The meeting was called to order at 5:30 p.m. by Mayor Collins. Members present: Jack Evenson, Terri Collins, Jon Buyck, Mark Schreck & Lucas Olson. Members Absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Police Chief Ian Hodge, Public Works Director Dan Gens, City Attorney Ben Wilcox, Sara & Jonathan Reich, Chuck Wilson, Mick Boone with the Benson Lions Club and Roxy Lewis.

The Council recited the Pledge of Allegiance.

Mayor Collins asked for any changes or additions to the agenda. Two items were added: LandTeam Agreement and tree trimming. It was moved by Evenson, seconded by Schreck and carried unanimously to approve the amended agenda.

It was moved by Schreck, seconded by Evenson and carried unanimously to approve the following items on the consent agenda:

- 11.4.2019 City Council Minutes
- 11.6.2019 Special City Council Minutes
- 11.8.2019 Special City Council Minutes
- 10.7.2019 Planning Commission Minutes
- 6.10.2019 Park Board Minutes
- Annual Tobacco Compliance Contract with Countryside Public Health for 2020
- Public Works Report

Donations:

- Tim Miller – Beautify Benson - \$75.00
- Library Patrons - \$35.49

Electronic Transfers:

Payroll: \$105,945.23 11.7.2019
Journal: \$1,867,155.44 October 2019

The Mayor called for anyone with unscheduled business. Sara Reich expressed concern the City Council is considering converting the Armory into City Hall. She said she and her husband are looking into purchasing the Roller Skating business from the Svors. She said there are a wide variety of youth that continue to roller skate. People from out of town bring their kids to Benson skating which brings revenue in to other businesses in Benson. She asked the Council take into account all of the benefits the roller rink and Armory bring to the people of Benson and surrounding area when considering the Armory as the new City Hall.

Next was the variance application at 810 Kansas Avenue. Wilcox approached. Flodstrom's attorney Matthew Franzese asked to be present via telephone. Wilcox presented the Findings of Fact by the Planning Commission as well as Conclusions of Law to the Council. He said the Planning Commission, at the public hearing on November 4, 2019 voted to deny the application. After discussion it was moved by Evenson, seconded by Schreck and carried unanimously to deny the variance application at 810 Kansas Avenue. Attorney Franzese said he does not disagree with the decision as the building in question does not meet the definition of a variance. He went on to say the application was a show of good faith, and asked how can the situation be remedied. Wolfington said the homeowner needs to bring a set of plans into the Building Official and apply for a permit for review. Attorney Franzese went on to say the homeowner has spent \$10,000 on the house hitting every bench mark so far, and plans to finish all the

repairs by June 1, 2020.

Boone with the Lions Club approached the Council. He said the Park Board voted to recommend to the City Council to allow the Lion drinking fountain to be placed in the center of Roosevelt Park, instead of the south west corner. The concern about placing it on the corner is the ability to remove snow around the Lion, possibly damaging it. Boone went on to appeal to the Council the Lions Club only wants to place the Lion drinking fountain in the south west corner of Roosevelt Park, as if it is placed in the center, they don't feel it will get the recognition in the center of the park. After further discussion, it was moved by Evenson, seconded by Olson to place the Lion drinking fountain in the center of the park. Evenson asked who will pay for any damages to the Lion, to which Boone said they could get insurance on it. Boone reiterated the desire of the Lions Club to only place the drinking fountain in the south west corner of the park and therefore withdrew their offer to donate the fountain. The motion and second were withdrawn.

Wolfington presented the Western Area Power Administration (WAPA) and Missouri River Energy Services (MRES) joint contract. The contract continues to provide arrangements for administrative services between Benson and MRES. Benson shall allow MRES to continue to provide power and energy schedules to WAPA on its behalf. Benson shall also allow MRERS to continue to administer payment to WAPA on its behalf as outlined in the contract. We will be responsible for payment to WAPA in this contract, which will run from 2021 – 2050. After discussion, it was moved by Evenson, seconded by Schreck and carried unanimously approve the contract as presented.

Next Wolfington said last June the City Council directed staff to have LandTeam re-look at the Levee study conducted in 2012. The plan was changed to move the proposed levee off the utility easement south of the corporate City limits and on to resident's property. On November 6, 2019 the Council once again met with the 28 affected home owners to receive feedback. Wolfington said there were only 10 homeowners that came to the meeting. There were favorable and less favorable comments. Wolfington said there will need to be easements obtained from 3 affected property owners and one non-affected property owner. Wolfington asked for direction from the Council. He discussed the proposal from LandTeam to conduct another study to continue north along the golf course to an elevation of 1036'. He noted with this option, we will not be able to build across the utility easement. The cost of this study is \$14,000. After discussion, it was moved by Olson, seconded by Buyck and carried unanimously to accept the revised November 2019 Feasibility Study for the northwest Area Levee Construction, and direct staff to send a questionnaire asking for a vote from each affected homeowner before pursuing another study. No action was taken on the new proposed study.

It was moved by Evenson, seconded by Olson and carried unanimously to approve a pay request from LandTeam in the amount of \$9,446.52 for the 2019 Feasibility Study for the Northwest Area Levee Construction.

Gens approached to discuss the need for a mixer to be placed in the water tower. When the repairs at the water plant start this winter, we will need to keep the water tower full. Placing a mixer in the water tower to keep the water moving will keep the water from freezing. It was moved by Schreck, seconded by Buyck and carried unanimously to approve the purchase of a water tower mixer and labor to install it from KLM Engineering, Inc. in the amount of \$12,830.00.

Next Gens presented the Wastewater Treatment Facility (WWTF) filter rehabilitation bids for labor. The bids came in as follows:

Gridor Construction	\$394,000
KHC Construction	\$297,000

After discussion, it was moved by Schreck, seconded by Buyck and carried unanimously to approve the bid from KHC Construction in the amount of \$297,000.

Next Gens presented a quote for parts for the WWTF filters. It was moved by Buyck, seconded by Schreck and carried unanimously to approve the quote from TonkaWater in the amount of \$192,800.

Gens said every 36 months we are required to conduct electrical testing of the equipment in the power plant. Ziegler Power Systems has done this for us for several years, and it is time to do the testing once again. After discussion, it was moved by Evenson, seconded by Buyck and carried unanimously to approve Ziegler Power Systems conduct its regular electrical testing in the power plant for a total cost of \$29,600.00.

Gens explained the filters in the water plant have failed. The repairs from the chlorine leak will be done this winter, and the filters need to be fixed before spring. Stantec Engineers have presented an estimate for repairs. They feel it will be \$115,000 for labor, \$30,000 for materials and \$35,000 for engineering services for a total of \$180,000. After discussion it was moved by Evenson, seconded by Schreck and carried unanimously to approve the estimate not to exceed a total cost of \$180,000.

Next Wolfington discussed the lease option for the north end of the Civic Center to the school. The estimated construction costs have been dropped to \$400,000. An upper level viewing area and bathrooms were removed from the improvements. Extending the lease payments from five years to seven years was changed and equal the amount of construction costs. The school will be responsible for utilities for 6 months of the year. The terms and amount will be adjusted based on the cost of the renovations. The lease will be presented to the School Board on December 2, 2019. Cost estimates from the contractor came in at \$305,000-\$310,000. But it is dependent on what turns up during construction. Evenson expressed he does not want the City to be stuck paying for overages that may come out of the renovation. Evenson moved any expenses over the \$400,000 must get prior authorization from the City. It was seconded by Olson and the following vote was recorded: YAYS: Collins, Evenson, Buyck, Olson. NAYS: Schreck. The motion carried.

Wolfington discussed two properties in need of demotion. One dilapidated property the City received from the property owner in exchange for property tax and utility bill forgiveness. This house is located at 211 -18th St. N. It was moved by Evenson, seconded by Buyck and carried unanimously to approve the quote from T & K Kennedy in the amount of \$15,626.00 to be paid out of the Small Cities proceeds. Next Wolfington discussed a property at 703 – 15th St. S. This property's owner is deceased. The basement had significant water damage, as well as dilapidation of the house and the garage is caving in. Wolfington explained it will cost more to take this property down as the house and garage is full of garbage and junk. It was moved by Evenson, seconded by Olson and carried unanimously to approve the quote from T & K Kennedy in the amount of \$27,317.00 to be paid out of the Small Cities proceeds. Wolfington said the expenses to take this property down will be assessed to the property.

There was discussion on conversion of the Armory to City Hall. Wolfington presented an updated cost and revised floor plan. Widseth Smith and Nolting estimated the cost of the conversion will be between \$2,200,000 and \$2,990,000. Consensus was to discuss this at a future meeting.

The proposed 2020 budget was presented. The Council will review this budget before the Truth in Taxation hearing next month.

It was moved by Evenson, seconded by Schreck and carried unanimously to approve the bills and warrants in the amount of \$541,210.75.

Wolfington said according to the City ordinance, when there are tree trimming projects, it must be recognized by the Council. The electric department will be trimming the southwest area of town this winter. It will be announced in the paper. It was moved by Evenson, seconded by Olson and carried unanimously to approve the tree trimming project for the winter of 2019-2020.

There being no further business to come before the Council upon motion by Evenson, seconded by Buyck and carried unanimously to adjourn the Council meeting at 6:44 p.m.

Mayor

City Clerk

CITY OF BENSON
APPLICATION FOR APPOINTMENT TO CITY BOARDS OR COMMISSIONS

Dear Applicant:

We welcome you as an applicant for one of the City's boards or commissions. These groups play a very important role in Benson City Government. These boards and commissions serve as advisory bodies to the Benson City Council. They provide information and recommendations to the City Council so the Council can make sound decisions regarding issues and policy matters.

Please fill out the information requested below. You are encouraged to attach any additional information which you believe qualifies you for appointment to the board or commission you have selected.

.....
BOARD OR COMMISSION PREFERENCE:

- | | |
|---|--|
| <input type="checkbox"/> Airport Advisory Commission | <input type="checkbox"/> Housing & Redevelopment Authority |
| <input type="checkbox"/> Benson Area Tourism Board | <input type="checkbox"/> Library Board |
| <input type="checkbox"/> Cemetery Board | <input checked="" type="checkbox"/> Park Board |
| <input type="checkbox"/> Economic Development Authority | <input type="checkbox"/> Planning Commission |
| <input type="checkbox"/> Hospital Board | <input type="checkbox"/> Utilities Board |

RETURN APPLICATION TO:

Office of the City Manager
City of Benson
1410 Kansas Avenue
Benson, MN 56215
Telephone: 320-843-4775
Date Received: 1 / 1

PERSONAL INFORMATION:

Name Douglas Bangson Address 505 17th St. No. Benson, MN
Telephone: Home 320-842-9563 Business 320-314-2197 Zip 56215
How long have you been a resident of Benson? 51 years
Have you served previously on any of Benson's boards or commissions? YES NO
Have you served previously on any city board/commission in any other community? YES NO
Are any members of your immediate family in the same household presently employed by the City of Benson or serving on any of the City's boards or commissions? YES NO
Occupation: Retired Name of Employer: _____

I am a member of the following civic organizations: _____

CITY OF BENSON

APPLICATION FOR APPOINTMENT TO CITY BOARDS OR COMMISSIONS

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BOARD OR COMMISSION PREFERENCE:

- Airport Advisory Commission
- Benson Area Tourism Board
- Cemetery Board
- Economic Development Authority
- Hospital Board
- Housing & Redevelopment Authority
- Library Board
- Park Board
- Planning Commission
- Utilities Board

RETURN APPLICATION TO:

Office of the City Manager
City of Benson
1410 Kansas Avenue
Benson, MN 56215
Telephone: 320-843-4775
Date Received: ___/___/___

PERSONAL INFORMATION:

Name Timothy Mathisen Address 1730 STONE AVE

Telephone: Home 843-4556 Business 842-7271 Zip 56215

How long have you been a resident of Benson? Life

Have you served previously on any of Benson's boards or commission? YES NO

Have you served previously on any city board/commission in any other community? YES NO

Are any members of your immediate family in the same household presently employed by the City of Benson or serving on any of the City's boards or commissions? YES NO

Occupation: Grocer Name of Employer: Do Mats Inc

I am a member of the following civic organizations: Chamber, VFW, American Legion

Environmental Services
Scott Collins, Director



1000 Industrial Drive
P.O. Box 207
Benson, MN 56215

Phone (320) 843-2356
Fax (320) 843-9172

e-mail:
scott.collins@co.swift.mn.us

Date: November 13, 2019

To: Mattheisen Disposal
City of Appleton
City of Benson
City of Kerkhoven
City of Murdock

From: Scott Collins, Director

Re: Swift County's Tipping Fee

On November 5, 2019 the Swift County Board of Commissioners adopted an increase in the Swift County Environmental Services' tipping fee will increase from \$80/ton to \$100/ton. This will become effective January 1, 2020.

If you have any questions or comments, please do not hesitate to contact us at 843-2356.

SC/pkp

Property Tax Levy

2016 Actual Levy	Tax Capacity Levy	Market Value Levy	Final 2016 Levy
Description			
General Fund	567,531		567,531
Police Personnel	631,000		631,000
Library Fund	112,142		112,142
G.O. Equipment Bonds 2014 (Golf)	44,706		44,706
G.O. CIP Bonds 2014 (Street Garage)	69,014		69,014
G.O. Swimming Pool	0	69,807	69,807
Total Levy	1,424,393	69,807	1,494,200
			5.0%

2017 Actual Levy	Tax Capacity Levy	Market Value Levy	Final 2017 Levy
Description			
General Fund	673,792		673,792
Police Personnel	664,750		664,750
Library Fund	113,778		113,778
G.O. Equipment Bonds 2014 (Golf)	49,447		49,447
G.O. CIP Bonds 2014 (Street Garage)	68,552		68,552
G.O. Swimming Pool	0	74,332	74,332
Total Levy	1,570,319	74,332	1,644,651
			10.1%

2018 Actual Levy	Tax Capacity Levy	Market Value Levy	Final 2018 Levy
Description			
General Fund	729,946		729,946
Police Personnel	697,100		697,100
Library Fund	109,521		109,521
G.O. Equipment Bonds 2014 (Golf)	49,069		49,069
G.O. CIP Bonds 2014 (Street Garage)	67,946		67,946
G.O. Swimming Pool	0	73,377	73,377
Total Levy	1,653,582	73,377	1,726,959
			5.0%

2019 Actual Levy	Tax Capacity Levy	Market Value Levy	Final 2019 Levy
Description			
General Fund	802,600		802,600
Police Personnel	675,430		675,430
Library Fund	113,959		113,959
G.O. Equipment Bonds 2014 (Golf)	48,573		48,573
G.O. CIP Bonds 2014 (Street Garage)	72,445		72,445
G.O. CIP Bonds 2017 (Police Department)	89,329		89,329
G.O. Swimming Pool	0	72,285	72,285
Total Levy	1,802,336	72,285	1,874,621
			8.6%

2020 Proposed Levy	Tax Capacity Levy	Market Value Levy	Proposed 2020 Levy
Description			
General Fund	756,319		756,319
Police Personnel	740,033		740,033
Library Fund	117,764		117,764
G.O. Equipment Bonds 2014 (Golf)	47,959		47,959
G.O. CIP Bonds 2014 (Street Garage)	71,500		71,500
G.O. CIP Bonds 2017 (Police Department)	88,069		88,069
G.O. Swimming Pool	0	71,090	71,090
Total Levy	1,821,644	71,090	1,892,734
			1.0%

Tax Capacity Rates

2016 TAX CAPACITY \$1,969,053	BUDGETED LEVY	CAPACITY RATES
Revenue	567,531	28.857
Police Levy	631,000	32.085
Library Fund	112,142	5.702
G.O. Equipment Bonds 2014 (Golf)	44,706	2.274
G.O. Equipment Bonds 2014 (Street)	69,014	3.510
G.O. Swimming Pool of 2003 (Marke	69,807	0.041
	1,494,200	72.469
		3.6%

2017 TAX CAPACITY \$1,902,462	BUDGETED LEVY	CAPACITY RATES
Revenue	673,792	35.418
Police Levy	664,750	34.942
Library Fund	113,778	5.981
G.O. Equipment Bonds 2014 (Golf)	49,447	2.600
G.O. Equipment Bonds 2014 (Street)	68,552	3.604
G.O. Swimming Pool of 2003 (Marke	74,332	0.045
	1,644,651	82.590
		14.0%

2018 TAX CAPACITY \$1,932,633	BUDGETED LEVY	CAPACITY RATES
Revenue	729,946	37.771
Police Levy	697,100	36.070
Library Fund	109,521	5.667
G.O. Equipment Bonds 2014 (Golf)	49,069	2.539
G.O. Equipment Bonds 2014 (Street)	67,946	3.516
G.O. Swimming Pool of 2003 (Marke	73,377	0.044
	1,726,959	85.607
		3.7%

2019 TAX CAPACITY \$1,940,221	BUDGETED LEVY	CAPACITY RATES
Revenue	802,600	41.368
Police Levy	675,430	34.813
Library Fund	113,959	5.264
G.O. Equipment Bonds 2014 (Golf)	48,573	2.504
G.O. Equipment Bonds 2014 (Street)	72,445	3.734
G.O. Police Building	89,329	4.605
G.O. Swimming Pool of 2003 (Marke	72,285	0.043
	1,874,621	92.331
		7.9%

2020 TAX CAPACITY \$1,934,481	BUDGETED LEVY	CAPACITY RATES
Revenue	756,319	39.097
Police Levy	740,033	38.255
Library Fund	117,764	6.088
G.O. Equipment Bonds 2014 (Golf)	47,959	2.479
G.O. Equipment Bonds 2014 (Street)	71,500	3.696
G.O. Police Building	88,069	4.553
G.O. Swimming Pool of 2003 (Marke	71,090	3.675
	1,892,734	97.842
		6.0%

CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
GENERAL FUND REVENUES						
TAXES	1,338,192	1,426,800	791,331	1,478,030	54	1,496,352
ABATEMENTS	19					
LODGING TAXES	24,307	22,992	19,021	24,000	79	23,000
FRANCHISE FEES	227,168	217,651	163,394	227,000	72	217,000
BUSINESS LICENSES	8,593	8,295	8,565	8,500	101	8,500
NON-BUSINESS LICENSES	965	270	675	400	169	600
BUILDING PERMITS	24,887	12,367	13,804	20,000	69	12,000
LOCAL GOVERNMENT AID	992,959	1,045,773	524,481	1,048,962	50	1,135,205
HOMESTEAD & AG CREDIT AID	312	319	147			
POLICE TRAINING REIMBURSEMENT	2,225	6,699	8,948	2,500	358	8,000
INSURANCE PREMIUM TAX-FIRE	41,149					
INSURANCE PREMIUM TAX-POLICE	58,781	60,901	68,697	58,000	118	68,000
AIRPORT MAINTENANCE	23,603	28,690	10,758	24,257	44	24,257
TRANSIT REFUNDS						
OTHER FED/STATE/LOCAL GRANTS	62,473	69,688	17,787	29,000	61	25,600
POLICE SERVICES	3,109	360	275	1,000	28	500
DARE REVENUES	115	15	25			
DOG POUND REVENUES	540	255	240	500	48	500
COPS IN SCHOOLS REIMBURSEMENT	32,886	32,508	17,577	38,000	46	33,000
TOWNSHIP FIRE CONTRACTS	61,109	64,294	74,937	65,580	114	78,684
FIRE DEPARTMENT CALLS	21,565	40,102	16,300	20,000	82	20,000
RESQUE SQUAD CALLS	7,888	3,087	5,248	2,000	262	3,000
BUILDING INSPECTIONS SERVICES	38,840	41,912	31,625	40,000	79	43,000
STREET REPAIR FEES	2,700	4,300	1,200	3,500	34	3,000
EQUIPMENT RENTALS	1,588	1,400	1,375	1,500	92	1,500
WEED REMOVAL CHARGES	1,197	1,640	1,520	1,500	101	1,500
SWIMMING POOL RECEIPTS	51,293	47,084	46,075	45,000	102	46,000
POOL CONCESSION SALES	11,931	12,356	11,058	11,000	101	11,000
ARMORY USE FEES	7,864	8,361	6,150	7,000	88	8,000
PARK FEES	19,140	23,377	26,609	20,000	133	26,000
TREE REMOVAL RECEIPTS	4,395	5,155	1,068	4,000	27	4,000
BUS FARES						
BUS SIGN ADVERTISING						
HANGER RENTALS - AIRPORT	11,975	7,397	6,823	10,000	68	7,500
AIRPORT LAND REVENUES	6,995	7,529	10,397	7,500	139	10,000
SALE OF LOTS - CEMETERY	4,360	800	4,360	5,000	87	5,000
SODDING FEES - CEMETERY	1,490	1,450	850	1,000	85	1,000
CEMETERY MEMORIALS						
CEMETERY MONUMENT FEES	600	600	550	300	183	600
PARK SIGN RENTALS	150					
COURT FINES	15,379	17,019	14,821	18,000	82	17,000
PARKING FINES	1,000	3,560	2,625	1,000	263	3,000

11/26/19
14:25:20

CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
SPECIAL ASSESSMENTS	56	54				
INTEREST EARNINGS	41,711	58,445	49,806	48,000	104	56,000
UNREALIZED GAIN (LOSS) ON INVEST	(20,432)	(51,060)	23,336			
PROPERTY RENTS	6,425	7,275	4,815	5,000	96	5,000
CIVIC CENTER RENT	41,600	28,750				
DONATIONS	2,500	17,786	15,723	16,000	98	16,000
SALE OF PROPERTY	195,331	231				
REFUNDS & REIMBURSEMENTS	44,491	22,938	6,721	40,000	17	20,000
REIMBURSEMENTS - GAS & OIL	34,477	31,943	32,225	35,000	92	40,000
OTHER REVENUE	5,806	4,512	3,270	5,000	65	5,000
MANAGEMENT FEE-EDA & RL FUND	18,515	20,421		20,000		20,000
MANAGEMENT FEES - GARBAGE FUND	9,194					
MANAGEMENT FEE - WATER FUND	40,110					
MANAGEMENT FEE - ELECTRIC FUND	180,446					
MANAGEMENT FEE - LIQUOR FUND	26,640					
MANAGEMENT FEE - SEWER FUND	52,074					
MANAGEMENT FEES - TAX INCREMENT						
TRANSFER FROM OTHER FUNDS	1,516	1,648		1,600		1,600
TRANSFER FROM LIQUOR FUND	80,000	80,000	80,000	80,000	100	80,000
TRANSFER FROM UTILITY FUND	70,907					
TOTAL GENERAL FUND REVENUES	3,945,109	3,447,950	2,125,209	3,474,629	61	3,585,898
GENERAL FUND EXPENDITURES						
MAYOR & COUNCIL						
SALARIES - CITY COUNCIL	15,355	14,275	14,285	16,000	89	16,000
PENSIONS	1,175	1,092	1,093	1,200	91	1,200
ENTERPRISE FUND REIMB		(8,008)	(6,713)	(8,044)	83	(8,204)
OFFICE SUPPLIES	235	18	199	100	199	200
MAYOR & COUNCIL CONTINGENCY	60	1,149	35	1,000	3	1,000
TRAVEL EXPENSE	692	1,369	6,570	1,500	438	7,000
TRAINING & INSTRUCTION	752	1,303	1,906	1,500	127	2,000
PRINTING & PUBLISHING	4,379	2,714	3,509	5,000	70	5,000
OTHER INS - PUBLIC OFF LIAB	9,630	9,674	9,911	10,000	99	10,000
DUES & SUBSCRIPTIONS	10,392	10,389	10,352	10,000	104	10,500
ENTERPRISE FUND REIMB		(12,432)	(11,339)	(13,610)	83	(13,880)
TOTAL: MAYOR & COUNCIL	42,669	21,544	29,807	24,646	121	30,816
ADMINISTRATION & FINANCE						
SALARIES	292,045	303,591	271,362	326,500	83	328,500
PENSIONS	51,876	53,962	48,716	57,500	85	57,500
HEALTH, LIFE, DISB + CAFETERIA	70,395	64,952	58,104	66,380	88	69,120

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
ENTERPRISE FUND REIMB		(200,898)	(172,843)	(207,408)	83	(211,560)
OFFICE SUPPLIES	4,531	4,424	3,868	5,000	77	5,000
DUPLICATING & COPYING	2,863	2,798	2,337	3,000	78	3,000
POSTAGE	1,874	168	1,300	2,000	65	2,000
SAFETY AND DRUG TESTING	602	683	733	1,000	73	750
GAS & OIL	1,343	1,743	1,603	2,000	80	2,000
EQUIPMENT REPAIR PARTS	1,210	2,863	1,189	2,000	9	1,000
SMALL TOOLS AND EQUIPMENT	5,982	2,310	1,559	5,000	31	7,000
UTILITY CONTRACTED SERVICES	14,400	14,400	12,000	14,400	83	14,400
OTHER CONTRACTED SERVICES	16,652	15,831	9,461	15,000	63	15,000
CONSULTING SERVICES	18,814	50,354	15,675	40,000	39	40,000
TELEPHONE	9,332	10,205	8,767	10,000	88	10,500
TRAVEL EXPENSE	7,091	5,309	5,918	7,000	85	7,000
TRAINING & INSTRUCTION	2,498	3,181	3,416	4,000	85	3,500
PUBLIC INFORMATION						
INSURANCE	7,102	7,412	7,829	8,000	98	8,400
WORKERS COMPENSATION	1,334	1,399	1,825	1,500	122	2,000
ENTERPRISE FUNDS REIMB		(56,289)	(47,898)	(57,492)	83	(58,640)
DUES & SUBSCRIPTIONS	2,566	2,280	1,914	3,000	64	3,000
TOTAL: ADMINISTRATION & FINANCE	512,510	290,676	235,836	308,380	76	309,470
ELECTIONS						
TEMPORARY SALARIES	2,092	2,810		1,500		3,000
OFFICE SUPPLIES	3,926	4,769	2,136	3,500	61	2,000
TOTAL: ELECTIONS	6,018	7,578	2,136	5,000	43	5,000
AUDITING & ACCTING SERVICES	23,700	24,600	26,100	26,000	100	27,000
ENTERPRISE FUND REIMB		(12,105)	(10,136)	(12,160)	83	(12,400)
ASSESSING SERVICES CONTRACTED	17,204	19,035	19,038	19,000	100	19,100
CITY ATTORNEY						
OFFICE SUPPLIES	337	424	14	1,000	1	500
CITY ATTORNEY CONTRACT	18,385	21,279	16,595	26,000	64	24,000
ENTERPRISE FUND REIMB		(12,570)	(10,537)	(12,630)	83	(12,880)
TOTAL: CITY ATTORNEY	18,722	9,133	6,072	14,370	42	11,620

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
CITY HALL						
BUILDING MAINTENANCE & SUPPL	29,723	10,874	2,739	4,000	68	20,000
ENTERPRISE FUND REIMB		(3,725)	(1,551)	(1,870)	83	(1,910)
CONTRACTED SERV - CLEANING	4,080	2,080	1,600	2,000	80	2,000
INSURANCE	2,029	1,187	1,273	2,500	51	1,500
UTILITIES	7,470	7,691	6,614	8,000	83	8,000
HEATING COST	3,772	4,979	4,584	4,000	115	5,000
ENTERPRISE FUND REIMB		(8,613)	(6,418)	(7,720)	83	(7,880)
TOTAL: CITY HALL	47,075	14,473	8,841	10,910	81	26,710
POLICE DEPARTMENT						
SALARIES	535,291	541,927	442,684	550,058	80	596,650
PENSIONS	104,196	101,576	88,143	115,360	76	128,307
HEALTH, LIFE & DISB INSURANCE	105,983	98,347	84,437	95,740	88	96,076
OFFICE SUPPLIES	2,876	5,568	3,521	5,500	64	5,500
GAS & OIL	16,701	17,069	12,846	19,000	68	17,500
OPERATING SUPPLIES	10,788	15,416	8,277	20,000	41	10,000
UNIFORM ALLOWANCE	10,449	10,126	11,613	9,000	129	9,000
PERSONNEL TESTING & RECRUIT		554	1,564	1,500	104	1,500
INVESTIGATIONS	42,008	36,048	23,839	32,000	74	32,000
EQUIPMENT REPAIR PARTS	950	134	1,306	2,600	50	1,000
EQUIPMENT REPAIRS CONTRACTED	13,420	16,394	13,681	14,125	97	14,125
BUILDING REPAIRS & MAINT	1,496	9,415	4,025	2,000	201	3,000
SMALL TOOLS & EQUIPMENT	8,657	14,650	12,167	8,600	141	8,600
CONTRACTED RECORDS MAINT						
CONTRACTED SERVICES-CLEANING		4,028	4,845	4,160	116	5,200
TELEPHONE	9,929	11,343	10,731	12,000	89	12,000
DRUG EDUCATION & ENFORCEMENT	650		60	2,600	2	2,600
DARE EXPENDITURES	2,052	2,009	2,263	2,000	113	2,000
TRAVEL EXPENSE	5,731	3,483	3,776	4,000	94	4,000
TRAINING & INSTRUCTION	8,911	6,518	5,999	7,000	86	7,000
INSURANCE	12,959	14,007	13,270	14,000	95	14,000
WORKERS COMPENSATION	13,991	15,691	20,368	18,000	113	20,000
ELECTRIC UTILITIES	1,284	4,360	3,395	4,800	71	4,000
HEATING COSTS	197	1,698	1,194	2,100	57	2,100
RENTS	1,680	1,040	300	500	60	500
DUES & SUBSCRIPTIONS	3,128	3,444	3,363	3,000	112	3,600
DOG POUND EXPENSES	357	515	2,352	3,700	64	3,700
TOTAL: POLICE DEPARTMENT	913,684	935,358	780,019	953,343	82	1,003,958

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
FIRE DEPARTMENT						
PART TIME - SALARIES	58,236	60,161	6,373	59,000	11	59,000
OFFICE SUPPLIES	1,115	386		1,000		1,000
GAS & OIL	2,071	2,546	2,383	2,000	119	2,800
OPERATING SUPPLIES	2,089	3,651	2,596	5,000	52	4,000
EQUIPMENT REPAIR PARTS	1,879	2,538	6,527	5,000	131	7,000
EQUIPMENT REPAIR CONTRACTUAL	865	10,048	9,430	5,000	189	10,000
RADIO REPAIRS CONTRACTED	1,231	1,177	1,022	2,500	41	2,500
BUILDING MAINTENANCE & SUPPL	8,952	1,390	2,848	5,100	56	5,100
BUILDING REPAIRS CONTRACTED		315		8,000		7,000
SMALL TOOLS & EQUIPMENT	10,216	7,245	4,522	5,000	90	20,000
CONTRACTED SERVICES	558	2,342	793	500	159	500
TRAVEL EXPENSE	3,138	3,376	3,253	5,000	65	6,000
TRAINING & INSTRUCTION	7,250	2,743	13,045	14,000	93	10,000
INSURANCE	5,711	5,646	5,615	7,500	75	6,000
WORKERS COMPENSATION	7,011	7,090	7,728	7,000	110	8,000
UTILITIES	4,645	6,442	4,877	4,500	108	6,500
HEATING COST	2,274	2,958	1,996	3,000	67	3,000
HYDRANT RENTALS/FIRE SERVICE	10,000	10,000	8,333	10,000	83	10,000
TRUCK LEASE	46,456	91,801	76,501	90,865	84	90,865
DUES & SUBSCRIPTIONS	899	796	712	900	79	900
TOTAL: FIRE DEPARTMENT	174,597	222,651	158,553	240,865	66	260,165
BUILDING DEPARTMENT						
SALARIES	51,576	53,341	44,840	55,100	81	56,700
PENSIONS	10,183	10,502	8,993	10,200	88	11,100
HEALTH, LIFE AND DISABILITY	15,080	14,302	12,719	13,550	94	15,250
GAS	301	545	141	500	28	400
OPERATING SUPPLIES	3,757	2,296	1,579	3,000	53	3,000
CONTRACTED SERV.-OTHER EXPENSE	565	500	867	1,000	87	700
TELEPHONE	609	700	494	700	71	700
TRAVEL EXPENSE	4,512	4,907	4,782	5,000	96	5,500
TRAINING & INSTRUCTION	355	600		500		500
DUES & SUBSCRIPTIONS	75	75		100		75
TOTAL: BUILDING DEPARTMENT	87,012	87,769	74,415	89,650	83	93,925
HIGHWAY STREETS & ROADS						
SALARIES	244,719	245,768	226,335	264,600	86	285,000
PENSIONS	45,234	44,387	39,813	46,972	85	48,800
HEALTH, LIFE & DISB INSURANCE	31,836	28,649	25,304	28,055	90	30,340
OFFICE SUPPLIES	826			500		500

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DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
GAS & OIL	24,063	34,039	30,583	27,000	113	35,000
OPERATING SUPPLIES	9,180	13,736	8,972	11,000	82	11,000
STREET MARKINGS & SIGNS	4,637	2,246	5,376	12,000	45	18,000
SHOP SUPPLIES	610	362	910	1,000	91	1,000
EQUIPMENT REPAIR PARTS	23,025	11,684	13,653	12,000	114	12,000
TIRES	9,858	10,771	8,993	10,000	90	10,000
EQUIPMENT REPAIRS CONTRACTED	14,192	18,985	17,592	15,000	117	15,000
STREET MAINTENANCE-MATERIALS	6,673	12,225	14,313	15,000	95	13,000
STREET MAINT.- SEALCOATING	5,078	41,754	54,338	40,000	136	50,000
SNOW REMOVAL	4,890	8,559	4,008	10,000	40	10,000
FLOOD CONTROL			13,052			
BUILDING MAINTENANCE & SUPPL	10,217	3,819	3,049	5,000	61	5,000
SMALL TOOLS & EQUIPMENT	1,363	2,951	607	5,000	12	5,000
TELEPHONE	900	900	750	900	83	900
TRAVEL EXPENSE	117	95	107	350	31	350
TRAINING & INSTRUCTION	1,306	4,586	4,248	5,000	85	5,000
INSURANCE	10,826	10,599	10,501	12,000	88	11,000
WORKERS COMPENSATION	16,316	16,608	17,961	17,000	106	19,000
UTILITIES	5,991	6,196	4,957	6,500	76	6,500
HEATING COST	3,921	5,008	3,890	4,500	86	5,000
STREET LIGHTING UTILITIES	61,357	64,269	53,983	65,000	83	65,000
LAUNDRY	1,748	1,897	1,598	1,200	133	2,000
TOTAL: STREET DEPARTMENT	538,880	590,093	564,893	615,577	92	664,390
COMMUNITY EDUCATION FEES	30,790	31,611		35,000		35,000
SENIOR CITIZEN PROGRAM	9,507	14,640	8,138	10,600	77	9,600
SWIMMING POOL						
TEMPORARY SALARIES	50,053	51,811	54,085	53,000	102	55,600
PENSIONS	3,829	3,964	4,137	4,100	101	4,300
OPERATING SUPPLIES	11,104	9,064	8,234	12,000	69	8,000
BUILDING MAINTENANCE & SUPPL	4,866	4,781	37,257	6,000	621	10,000
BUILDING REPAIRS CONTRACTED	6,701	10,646	7,073	7,000	101	7,000
CONCESSION SUPPLIES	8,208	8,364	8,715	9,000	97	9,000
TELEPHONE	395	476	429	400	107	500
INSURANCE	12,344	11,995	12,770	13,000	98	13,000
UTILITIES	8,896	10,528	8,138	11,500	71	9,000
HEATING COST	7,986	7,420	8,647	7,500	115	8,500
TOTAL: SWIMMING POOL	114,383	119,048	149,485	123,500	121	124,900

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DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
ARMORY						
OPERATING SUPPLIES	183	137	27	500	5	500
BUILDING MAINT & SUPPLIES	1,777	3,740	597	3,000	20	3,000
CONTRACTED SERVICES	461	488	317	1,000	32	500
TELEPHONE	506	540	465	500	93	600
INSURANCE	2,733	2,401	2,469	3,000	82	3,000
UTILITIES	2,113	2,330	2,027	2,500	81	2,700
HEATING COST	1,797	2,302	1,711	2,000	86	2,500
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TOTAL: ARMORY	9,570	11,938	7,613	12,500	61	12,800
PARKS						
SALARIES	103,115	102,131	95,367	114,000	84	111,000
PENSIONS	13,771	13,501	11,679	16,120	72	14,000
HEALTH, LIFE & DISB INSURANCE	15,935	15,093	13,396	15,910	84	15,820
MOSQUITO SPRAY & SUPPLIES	6,700	5,947	2,327	10,000	23	6,000
CHEMICALS & CHEM SUPPLIES	8,587	5,801	711	9,000	8	6,000
GAS & OIL	8,342	12,080	10,388	8,000	130	11,000
OPERATING SUPPLIES	15,355	27,448	17,170	17,000	101	20,000
LANDSCAPING MATERIALS	3,349	2,495	2,981	5,000	60	5,000
BEAUTIFY BENSON		13,705	16,238	15,000	108	15,000
EQUIPMENT REPAIR PARTS	11,423	10,575	9,961	12,000	83	12,000
EQUIPMENT REPAIRS CONTRACTED	4,729	263	3,574	2,000	179	3,000
BUILDING REPAIR AND MAINT	2,447	5,930	4,401	2,500	176	10,000
SMALL TOOLS & EQUIPMENT	6,902	4,681	4,242	9,000	47	9,000
CONTRACTED SERVICES-MOWING	8,441	9,685	8,927	9,000	99	9,000
CONTRACTED SERVICES-TREE REMOV	43,141	32,084	27,575	47,000	59	45,000
CONTRACTED SERVICES-OTHER	8,073	12,514	12,197	9,000	136	9,000
TELEPHONE	584	596	331	800	41	600
TRAVEL EXPENSE	88	406	144	500	29	500
TRAINING & INSTRUCTION	167	1,236	1,046	1,500	70	1,500
INSURANCE	25,004	22,525	22,982	25,000	92	24,000
UTILITIES	6,865	7,574	8,832	8,000	110	9,000
RENT						
CEMETERY	36,076	13,313	10,026	8,000	125	18,500
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TOTAL: PARK DEPARTMENT	329,095	319,581	284,495	344,330	83	354,920
LODGING TAX EXPENSES	23,872	30,221	30,252	31,750	95	31,750
NOT ALLOCATED	18,244	11,415	5,426	15,000	36	10,000

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BUDGET PROPOSAL
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DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
PUBLIC TRANSIT						
SALARIES						
FRINGE BENEFITS						
GAS & OIL						
OPERATING SUPPLIES						
EQUIPMENT REPAIR PARTS						
TIRES						
CONTRACTED SERVICES	9,633	9,609		10,667		10,034
TELEPHONE						
TRAVEL EXPENSE						
TRAINING & INSTRUCTION						
INSURANCE						
TOTAL: PUBLIC TRANSIT	9,633	9,609		10,667		10,034
AIRPORT						
SALARIES	2,500	2,500		2,500		2,500
PENSIONS	192	192		500		500
GAS	25,406	25,507	45,056	23,000	196	30,000
OPERATING SUPPLIES	9,927	1,774	6,987	3,000	233	5,000
BUILDING MAINTENANCE & SUPPL	15,790	4,947	9,073	5,000	181	6,000
MANAGEMENT FEES	3,540					
CONTRACTED SERVICES	2,756	4,017	224	500	45	500
TELEPHONE	940	1,013	739	1,000	74	600
INSURANCE	4,491	8,598	8,571	3,000	286	9,000
UTILITIES	8,793	8,362	5,629	9,000	63	9,000
HEATING COST	750	1,069	642	1,000	64	1,000
TOTAL: AIRPORT	75,085	57,979	76,920	48,500	159	64,100
TRANSFERS						
TRANS TO CAPITAL OUTLAY FUND	610,000	550,000		550,000		400,000
TRANS TO GOLF CLUB	59,500	60,000	24,200	60,000	40	60,000
TRANSFER TO CONCRETE PROJECTS	15,000					
TRANS TO FIRE RELIEF FUND	51,149					
TRANS TO OTHER FUNDS		223,060		33,040		33,040
TRANS TO CIVIC CENTER BOARD	69,375	35,000		24,000		
TOTAL GENERAL FUND EXPENDITURES	3,807,274	3,684,905	2,482,105	3,594,468	69	3,585,898
TOTAL REVENUES LESS EXPENDITURES	137,835	(236,955)	(356,897)	(119,839)	298	

CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
LIBRARY FUND						
TAXES	113,770	109,501	61,023	113,959	54	117,764
INTEREST EARNINGS						
RENTALS						
DONATIONS	720	2,518	400			500
BUILDING DONATIONS						
SALE OF PROPERTY						
REFUNDS & REIMBURSEMENTS	2,960	2,605	2,026	2,500	81	2,500
TRANSFER FROM GENERAL FUND						
TRANSFER FROM OTHER FUNDS	326	353		400		400
TOTAL LIBRARY FUND REVENUES	117,776	114,977	63,449	116,859	54	121,164
EXPENDITURES						
OFFICE & OPERATING SUPPLIES	2,359	3,850	4,374	3,500	125	3,500
EQUIPMENT REPAIRS						
BUILDING MAINTENANCE & SUPPL	3,938	10,216	5,547	5,000	111	5,000
BUILDING REPAIRS CONTRACTED						
MANAGEMENT FEES-PIONEERLAND	83,428	85,931	88,509	88,509	100	91,164
CONTRACTED SERV - CLEANING	4,740	4,345	4,345	5,400	80	5,400
TELEPHONE	959	1,022	872	1,000	87	1,100
TRAVEL	213	217		450		300
INSURANCE	3,741	2,939	3,142	3,000	105	3,300
UTILITIES	3,835	5,369	4,412	4,000	110	5,400
HEATING COST	2,890	2,527	1,920	3,000	64	3,000
CAPITAL OUTLAY						
CAPITAL OUTLAY - BOOKS	3,000	3,000	3,000	3,000	100	3,000
TOTAL LIBRARY FUND EXPENDITURES	109,104	119,417	116,121	116,859	99	121,164
TOTAL REVENUES LESS EXPENDITURES	8,672	(4,439)	(52,673)			

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DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** WATER FUND ***						
SALE OF SERVICE	633,335	605,267	498,434	620,000	80	642,000
CONNECTION FEES		500		250		250
FIRE SERVICE FEE	10,000	10,000	8,333	10,000	83	10,000
REFUNDS & REIMBURSEMENTS	6,274	9,969	5,253	6,000	88	5,000
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TOTAL REVENUES	649,609	625,736	512,020	636,250	80	657,250
EXPENDITURES						
SALARIES	130,388	115,202	75,590	116,500	65	115,000
EARNED BENEFITS	(3,141)	(2,432)		2,000		4,000
FRINGE BENEFITS	76,800	19,134	30,731	54,690	56	54,690
OFFICE SUPPLIES	46	1,373	1,426	300	475	2,000
CHEMICALS & CHEMICAL SUPPLIES	17,984	12,357	15,814	18,000	88	18,000
GAS & OIL	3,061	3,402	2,247	3,500	64	3,500
OPERATING SUPPLIES	4,559	6,223	3,008	5,000	60	5,500
LABORATORY AND TESTING	1,779	3,669	1,178	2,000	59	4,000
EQUIPMENT REPAIR & MAINTENANCE	12,296	4,127	530	2,500	21	2,500
MAINTAIN SYSTEM	31,109	35,610	19,296	30,000	64	36,000
BUILDING REPAIR & MAINTENANCE	897	2,679	1,763	1,500	118	3,000
MANAGEMENT FEES	40,110	40,920	34,782	41,738	83	42,573
TELEPHONE	2,431	2,351	1,804	2,500	72	2,500
TRAVEL	213	618	778	800	97	1,000
TRAINING	703	2,942	2,794	3,000	93	3,000
MARKETING	611	1,109		700		1,000
INSURANCE	5,871	13,282	11,335	13,000	87	13,500
WORK COMP INSURANCE	3,041	3,846	3,765	3,300	114	4,200
ELECTRIC UTILITIES	26,685	21,736	16,482	21,000	78	20,000
DEPRECIATION	190,368	189,935	156,754	186,000	84	190,000
MISCELLANEOUS	3,553	5,747	2,455	6,000	41	6,000
INTERDEPARTMENTAL CHARGES	12,375	12,375	10,313	12,375	83	12,375
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TOTAL EXPENDITURES	561,738	496,203	392,844	526,403	75	544,338
OPERATING PROFIT/(LOSS)	87,871	129,533	119,176	109,847	108	112,912

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DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
OTHER INCOME & EXPENSE						
INTEREST INCOME	11,361	11,682	13,912	12,000	116	12,000
CONTRIBUTED CAPITAL DEPRECIAT'N						
GAIN/LOSS ON FIXED ASSET SALE	(54,044)	(49,198)	(29,139)	(47,650)	61	(42,047)
INTEREST EXPENSE						
GRANTS & CONTRIBUTED CAPITAL						
NET INCOME/(LOSS)	45,188	92,016	103,948	74,197	140	82,865

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** SEWER FUND ***						
SALE OF SERVICE	938,898	958,861	759,064	968,000	78	966,356
CONNECTION FEES		4,000		2,000		2,000
REFUNDS & REIMBURSEMENTS	1,045	14,668	349	2,000	17	2,000
TOTAL REVENUES	939,943	977,529	759,412	972,000	78	970,356
EXPENDITURES						
SALARIES	8,321	51,486	117,971	107,000	110	154,400
EARNED BENEFITS	(4,177)	(2,351)		2,000		4,000
FRINGE BENEFITS	3,230	49,605	38,680	47,365	82	53,400
OFFICE SUPPLIES	20	1,372	407	200	203	500
CHEMICALS & CHEMICAL SUPPLIES	27,765	32,494	39,601	28,000	141	40,000
GAS & OIL	2,253	1,588	4,389	2,300	191	5,000
OPERATING SUPPLIES	1,096	2,934	4,963	2,500	199	4,000
LABORATORY AND TESTING	3,406	2,456	2,586	3,000	86	4,000
CONTRACTED SERVICES-TESTING		1,649	12,884			12,000
EQUIPMENT REPAIR & MAINTENANCE	9,843	11,376	7,776	11,000	71	10,000
MAINTAIN SYSTEM	43,947	43,929	35,983	36,000	100	40,000
BUILDING REPAIR & MAINTENANCE	5,676	5,018	5,703	5,000	114	5,000
CONTRACTED OPERATIONS	244,956	229,482				
MANAGEMENT FEES	52,074	53,112	45,145	54,174	83	55,257
TELEPHONE	524	1,155	798	800	100	1,000
TRAVEL	90	951	1,346	1,000	135	2,000
TRAINING		910	3,475	2,000	174	2,500
INSURANCE	16,796	16,372	14,435	19,000	76	18,000
WORK COMP INSURANCE	160	223	1,030	3,300	31	3,000
ELECTRIC UTILITIES	50,535	51,098	48,842	51,000	96	55,000
HEAT	5,099	5,512	4,410	5,400	82	5,000
EQUIPMENT LEASE		500	37,518	45,100	83	45,100
DEPRECIATION	332,059	349,692	278,334	325,000	86	330,000
MISCELLANEOUS	4,026	6,352	1,495	6,100	25	8,100
INTERDEPARTMENTAL CHARGES	21,360	21,360	17,800	21,360	83	21,360
TOTAL EXPENDITURES	829,058	938,277	725,571	778,599	93	878,617
OPERATING PROFIT/(LOSS)	110,885	39,252	33,841	193,401	17	91,739

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
OTHER INCOME & EXPENSE						
SPECIAL ASSESSMENTS						
INTEREST INCOME	424	451	272	400	68	500
CONTRIBUTED CAPITAL DEPRECIAT'N	(49,583)	(43,978)	(24,496)	(35,300)	69	(32,350)
INTEREST EXPENSE	5,520					
GAIN/LOSS ON DISPOSAL OF ASSET						
GRANTS & CONTRIBUTED CAPITAL						
NET INCOME/(LOSS)	67,245	(4,274)	9,618	158,501	6	59,889

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** GARBAGE COLLECTION FUND ***						
REVENUES						
SALE OF GARBAGE TAGS	4,022	3,675	3,246	4,500	72	4,000
GARBAGE BILLINGS	163,242	163,769	137,694	165,000	83	165,000
OTHER REVENUE	361	99	106	200	53	100
TOTAL REVENUES	167,625	167,543	141,046	169,700	83	169,100
EXPENDITURES						
OPERATING SUPPLIES	1,621	1,071	1,102	1,500	73	1,500
MANAGEMENT FEES	9,194	9,384	7,964	9,572	83	9,764
CONTRACTED GARBAGE PICKUP	103,944	103,944	86,620	103,944	83	106,000
REFUSE DISPOSAL	43,382	44,510	36,910	45,000	82	56,000
UNCOLLECTABLE ACCOUNTS	773	1,214		1,200		1,200
TOTAL EXPENDITURES	158,914	160,123	132,597	161,216	82	174,464
OPERATING PROFIT/(LOSS)	8,711	7,420	8,450	8,484	100	(5,364)
INTEREST INCOME	2,385	2,761	3,155	2,800	113	3,000
NET INCOME/(LOSS)	11,096	10,180	11,604	11,284	103	(2,364)

CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** ELECTRIC FUND ***						
REVENUES						
SALE OF SERVICE	2,923,253	3,148,748	2,619,183	3,154,000	83	3,037,000
MISCELLANEOUS	27,562	27,510	21,666	29,000	75	27,000
ADMINISTRATIVE SERVICES	14,400	14,400	12,000	14,400	83	14,400
INTERDEPARTMENTAL CHARGES	33,735	33,735	28,113	33,735	83	33,735
REFUNDS AND REIMBURSEMENTS	28,126	30,517	24,865	20,000	124	15,000
CONSERVATION REBATES	21,576	9,478	23,052	10,000	231	15,000
TRANSMISSION REVENUE	80,588	79,816	53,356	88,600	60	82,500
GENERATION CAPACITY REVENUE						
DEDICATED CAPACITY REVENUE	333,500	332,375	270,750	325,000	83	327,000
GENERATION SALES	6,476	6,731	7,121	6,000	119	9,000
BACKUP POWER AGREEMENT	477,452	516,435				
TOTAL REVENUES	3,946,668	4,199,745	3,060,105	3,680,735	83	3,560,635
EXPENDITURES						
POWER PRODUCTION						
GAS & OIL		18,416	20,242	8,000	253	20,000
OPERATING SUPPLIES						
EQUIPMENT REPAIR & MAINTENANCE	43,866	51,458	107,110	123,000	87	63,000
BUILDING REPAIR & MAINT	4,975	653	2,618	2,500	105	2,500
MANAGEMENT FEES-POWER PRODUCT	18,045	18,408	15,645	18,774	83	19,150
MRES-OPERATION & MAINT	19,971	24,602	15,429	23,000	67	26,000
CONTRACTED SERVICES						
UTILITIES	36,534	35,570	36,829	36,000	102	42,000
MISCELLANEOUS						
TOTAL POWER PRODUCTION	123,391	149,107	197,873	211,274	94	172,650
PURCHASED POWER						
PURCHASED POWER	1,247,436	1,237,910	972,208	1,204,000	81	1,178,000
WHEELING	365,250	369,409	302,104	360,000	84	363,000
BACKUP POWER AGREEMENT COSTS	257,670	368,904	43,875			
TOTAL PURCHASED POWER	1,870,356	1,976,224	1,318,187	1,564,000	84	1,541,000

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
TRANSMISSION						
MAINTENANCE OF TRANS LINE			988	1,000	99	1,000
MANAGMENT FEES-TRANSMISSION	18,045	18,408	15,645	18,774	83	19,150
MRES-STATION & MAINT	2,553	1,272	477	2,500	19	2,500
OTHER CONTRACTED SERVICES			175			
TOTAL TRANSMISSION	20,597	19,680	17,285	22,274	78	22,650
DISTRIBUTION						
MRES - OFFICE ADDER	33,858	28,811	12,485	30,000	42	30,000
GAS & OIL	5,710	6,643	6,394	6,000	107	8,000
OPERATING SUPPLIES	19,939	17,441	11,244	18,000	62	18,000
EQUIPMENT REPAIRS & MAINT	25,638	26,896	9,151	27,000	34	20,000
MAINTAIN SYSTEM	23,992	25,291	14,986	27,500	54	27,000
MAINTAIN STREET LIGHTS	40,726	11,844	4,980	15,000	33	10,000
BUILDING REPAIR & MAINTENANCE	4,257	4,698	1,971	30,000	7	10,000
MANAGEMENT FEES-DIST	54,136	55,212	46,935	56,321	83	57,448
MISSOURI RIVER CLEARING			194,436			
MRES DISTRIBUTION	417,572	420,717	167,122	420,000	40	408,000
OTHER CONTRACTED SERVICES	6,342	2,562	235	8,000	3	6,000
TELEPHONE	5,105	4,807	3,879	5,500	71	5,500
TRAVEL EXPENSE	8,874	8,210	4,319	9,000	48	9,000
TRAINING	7,538	8,100	6,125	8,000	77	9,000
ELECTRIC UTILITIES	3,064	3,271	2,813	4,000	70	3,500
HEAT	2,376	2,963	2,616	3,000	87	3,000
MISCELLANEOUS			1	1,000	0	1,000
TOTAL DISTRIBUTION	659,127	627,465	489,693	668,321	73	625,448
ADMINISTRATION						
SALARIES	95,048	97,441	84,370	100,500	84	102,500
EARNED BENEFITS	(5,360)	1,939		2,500		2,500
FRINGE BENEFITS	56,420	37,532	37,516	47,980	78	44,340
OFFICE SUPPLIES	19,206	19,801	12,115	20,000	61	20,000
POSTAGE	1,811	206	820	1,800	46	1,000
GAS		37	35	200	17	200
MANAGEMENT FEES	81,199	82,824	70,403	84,482	83	86,174
MRES-NON UTILITY CHARGES	84,873	83,358	46,552	90,000	52	90,000
CONTRACTED SERVICES	21,705	7,409	2,968	7,000	42	7,000
DATA PROCESSING SERVICES	26,547	27,191	19,744	26,000	76	27,000
BILL PRINT SERVICES	13,493	13,777	11,466	14,000	82	14,000
TELEPHONE	7,430	9,144	7,383	9,500	78	9,500
TRAVEL EXPENSE	543	118	711	2,000	36	2,000

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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
TRAINING & INSTRUCTION	989	179	1,325	2,000	66	2,000
MARKETING	7,565	7,640	7,254	8,000	91	8,000
INSURANCE	38,742	48,295	40,315	40,000	101	50,000
DEPRECIATION	537,229	539,005	438,748	544,000	81	547,000
MISCELLANEOUS						
BAD DEBTS	15,794	15,019		15,000		15,000
DUES & SUBSCRIPTIONS	5,773	5,943	6,478	6,000	108	6,800
MRES-LOAD MANAGEMENT	8,589	5,606	2,553	8,000	32	8,000
LOAD MANAGEMENT/CONSERVATION	41,401	29,659	40,309	32,387	124	35,575
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TOTAL ADMINISTRATION	1,058,993	1,032,123	831,063	1,061,349	78	1,078,589
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GRAND TOTAL EXPENSES	3,732,465	3,804,599	2,854,101	3,527,218	81	3,440,336
OPERATING PROFIT/(LOSS)	214,204	395,146	206,004	153,517	134	120,299
OTHER INCOME & EXPENSE						
INTEREST INCOME	60,424	64,021	60,353	60,000	101	65,000
UNREALIZED GAIN (LOSS) ON INVS	(12,294)	(30,796)				
INTEREST EXPENSE	(307,881)	(90,188)	(38,276)	(95,000)	40	(85,500)
GAIN/LOSS ON DISPOSAL/ASSET	(24,756)					
SALE OF PROPERTY	35,200					
NET INCOME/(LOSS)	(35,103)	338,182	228,081	118,517	192	99,799
	=====	=====	=====	=====		=====
*** SALE OF SERVICE BREAKDOWN ***						
RESIDENTIAL LIGHTING	1,243,841	1,366,608	1,119,160	1,400,000	80	1,300,000
INTERRUPTIBLE SERVICE	71,846	91,006	71,402	95,000	75	92,000
MUNICIPAL SERVICE	212,799	204,692	184,115	212,000	87	210,000
COMMERCIAL LIGHTING	338,491	377,915	341,390	357,000	96	375,000
INDUSTRIAL SERVICE	973,909	1,023,035	832,300	1,005,000	83	975,000
STREET LIGHTING & SECURITY LIGHTS	82,367	85,492	70,816	85,000	83	85,000
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TOTAL SALES OF SERVICE	2,923,253	3,148,748	2,619,183	3,154,000	83	3,037,000
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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** LIQUOR FUND ***						
REVENUES						
SALES	1,086,322	1,152,054	913,398	1,115,000	82	1,146,000
COST OF SALES	715,733	762,225	615,128	734,350	84	757,500

GROSS PROFIT	370,589	389,829	298,269	380,650	78	388,500
RENTAL INCOME	30,293	37,907	24,235	35,000	69	35,000
MACHINE COMMISSIONS	1,731	2,120	4,019	1,800	223	7,000
MISCELLANEOUS INCOME	85		39	100	39	100

TOTAL GROSS PROFIT	402,699	429,855	326,562	417,550	78	430,600
EXPENDITURES						
SALARIES	142,126	151,700	127,241	157,000	81	164,000
FRINGE BENEFITS	63,390	43,963	44,366	54,840	81	53,000
OFFICE SUPPLIES	428	856	3,063	750	408	1,000
OPERATING SUPPLIES	4,499	4,652	3,440	5,000	69	5,000
BUILDING MAINTENANCE & SUPPLIES	7,184	23,149	9,176	10,000	92	10,000
MANAGEMENT FEES	26,640	27,168	23,094	27,712	83	28,260
CONTRACTED SERVICES - CLEANING	10,615	9,756	9,642	12,000	80	10,000
TELEPHONE EXPENSE	1,461	1,269	842	1,000	84	1,020
TRAVEL EXPENSE				100		100
TRAINING & INSTRUCTION	430	460	480	500	96	500
FREIGHT ON LIQUOR	5,332	3,725	4,836	4,500	107	4,500
ADVERTISING	6,405	6,145	3,660	7,000	52	6,000
INSURANCE	21,240	20,643	19,167	22,000	87	22,000
UTILITIES	12,757	12,513	9,655	13,000	74	12,000
HEATING COST	1,005	1,585	1,379	1,500	92	1,600
DEPRECIATION	5,386	6,235	5,030	7,000	72	7,000
MISCELLANEOUS	5,792	4,866	6,894	6,350	109	5,800
CREDIT CARD DISCOUNT	14,429	16,576	14,368	17,000	85	17,500
BAD DEBTS	1,003	1,221	176	800	22	250
LAUNDRY EXPENSE	1,174	1,174	1,000	1,200	83	1,200

TOTAL EXPENDITURES	331,296	336,656	287,510	349,252	82	350,730
OPERATING PROFIT/(LOSS)	71,403	93,200	39,052	68,298	57	79,870
INTEREST INCOME	1,044	1,167	641	1,000	64	1,000
GAIN/LOSS ON DISPOSAL/ASSET		(229)				
NET INCOME/(LOSS)	72,446	94,138	39,694	69,298	57	80,870
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CITY OF BENSON
BUDGET PROPOSAL
2020 BUDGET PROPOSAL

DESCRIPTION	2017 ACTUAL	2018 ACTUAL	2019 YTD	2019 BUDGET	PCT. BUDGET	PROPOSED 2020 BUDGET
*** LIQUOR SALES ANALYSIS ***						
OFF SALE LIQUOR & WINE SALES	360,134	389,288	300,900	375,000	80	398,000
COST OF SALES	(251,642)	(275,142)	(210,554)	(259,800)	81	(265,000)
GROSS PROFIT	108,492	114,145	90,347	115,200	78	133,000
OFF SALE BEER SALES	543,232	567,356	482,932	550,000	88	570,000
COST OF SALES	(399,042)	(415,945)	(359,502)	(404,250)	89	(430,000)
GROSS PROFIT	144,190	151,410	123,431	145,750	85	140,000
ON SALE LIQUOR & WINE SALES	58,296	61,486	40,164	60,000	67	55,000
COST OF SALES	(9,603)	(10,754)	(6,549)	(11,000)	60	(9,000)
GROSS PROFIT	48,693	50,732	33,614	49,000	69	46,000
ON SALE BEER SALES	81,183	88,844	54,200	85,000	64	80,000
COST OF SALES	(24,831)	(25,866)	(14,490)	(23,800)	61	(20,000)
GROSS PROFIT	56,352	62,978	39,710	61,200	65	60,000
MISCELLANEOUS SALES	43,477	45,080	35,201	45,000	78	43,000
COST OF SALES	(30,615)	(34,517)	(24,033)	(35,500)	68	(33,500)
GROSS PROFIT	12,862	10,562	11,167	9,500	118	9,500
TOTAL SALES	1,086,322	1,152,054	913,398	1,115,000	82	1,146,000
TOTAL COST OF SALES	(715,733)	(762,225)	(615,128)	(734,350)	84	(757,500)
TOTAL GROSS PROFIT	370,589	389,829	298,269	380,650	78	388,500

2020 General Capital Outlay Fund Budget

	Beginning Balances	Funding Sources	2020 Uses	Ending Balances
Administration	\$42,350	\$0	\$0	\$42,350
City Hall	\$210,194	\$0	\$0	\$210,194
Police Department	\$122,180	\$50,000	\$76,500	\$95,680
Fire Department	\$138,780	\$50,000	\$15,000	\$173,780
Street Department	\$237,165	\$200,000	\$286,000	\$151,165
Park Department	\$232,245	\$40,000	\$440,000	-\$167,755
Armory	\$57,185	\$40,000	\$50,000	\$47,185
Airport	<u>\$95,187</u>	<u>\$761,500</u>	<u>\$820,145</u>	<u>\$36,542</u>
Total	<u>\$1,135,286</u>	\$1,141,500	\$1,687,645	\$589,141

Administration- Capital Outlay Worksheet

Beginning Balance \$42,350

Funding Sources

General Fund Transfer

Sale of Property

Grants

Total Funding Sources \$0

Capital Outlay Purchases

1 \$0

2

3

4

5

6

Total Purchases \$0

Ending Balance \$42,350

City Hall - Capital Outlay Worksheet

Beginning Balance \$210,194

Funding Sources

General Fund Transfer \$0
 Sale of Property
 Grants

Total Funding Sources \$0

Capital Outlay Purchases

1 \$0
 2
 3
 4
 5
 6

Total Purchases \$0

Ending Balance \$210,194

Police Department - Capital Outlay Worksheet

Beginning Balance \$122,180

Funding Sources

General Fund Transfer \$50,000
Sale of Property \$0
Grants

Total Funding Sources \$50,000

Capital Outlay Purchases

1 Canine \$24,000
2 Squad Car \$42,500
3 Defibrillators \$10,000
4
5
6

Total Purchases \$76,500

Ending Balance \$95,680

Fire Department - Capital Outlay Worksheet

Beginning Balance \$138,780

Funding Sources

General Fund Transfer \$50,000

Sale of Property

Grants \$0

Total Funding Sources \$50,000

Capital Outlay Purchases

1 Pagers \$15,000

2

3

4

5

6

Total Purchases \$15,000

Ending Balance \$173,780

Street Department - Capital Outlay Worksheet

Beginning Balance \$237,165

Funding Sources

General Fund Transfer \$200,000

Bond Proceeds

Grants

Total Funding Sources \$200,000

Capital Outlay Purchases

1 Tandem Truck \$130,000

2 Street Repair Projects \$156,000

3

4

5

6

Total Purchases \$286,000

Ending Balance \$151,165

Park Department - Capital Outlay Worksheet

Beginning Balance \$232,245

Funding Sources

General Fund Transfer Parks	\$40,000
General Fund Transfer Sr Center	
General Fund Transfer Cemetery	
Total Funding Sources	\$40,000

Capital Outlay Purchases

1 Civic Center North End	\$400,000
2 72" Mower	\$40,000
3	
4	
5	
6	
7	
8	
Total Purchases	\$440,000

Ending Balance -\$167,755

Armory - Capital Outlay Worksheet

Beginning Balance \$57,185

Funding Sources

General Fund Transfer \$40,000

Utility Fund Transfer

Grants

Total Funding Sources \$40,000

Capital Outlay Purchases

1 Main Roof \$50,000

2

3

4

5

6

Total Purchases \$50,000

Reclass from other departments \$0

Ending Balance \$47,185

Airport - Capital Outlay Worksheet

Beginning Balance \$95,187

Funding Sources

General Fund Transfer	\$20,000
Sale of Property	
Grants	\$741,500
Other Governmental	
Total Funding Sources	\$761,500

Capital Outlay Purchases

1 A & D Building	\$711,345
2 Tractor	\$108,800
3	\$0
4	
5	
6	
Total Purchases	\$820,145

Reclass from Transit \$0

Ending Balance \$36,542

**RESOLUTION AUTHORIZING TRANSFER OF XCEL ENERGY GRANT DOLLARS FOR
ECONOMIC DEVELOPMENT PURPOSES
(RESOLUTION 2019-__)**

WHEREAS, the City Council of the City of Benson, County of Swift, State of Minnesota, received grant dollars from Northern State Power (Xcel Energy) as part of the Benson Power LLC biomass plant closing, and;

WHEREAS, these grant dollars are limited in use for the purposes of economic development, and;

WHEREAS, the Council has determined that sanitary sewer collection and treatment improvements qualify as an economic development purpose, and;

WHEREAS, the 2019 Sanitary Sewer WWTP Filter project is an authorized use of grant dollars, and:

WHEREAS, the estimated cost of this project is \$600,000.

NOW, THEREFORE, BE IT RESOLVED that \$37,536.33 as itemized on the attached invoices to be transferred from the NSP Grant Fund to the Sewer Fund.

OPERATING LEASE AGREEMENT
BY AND AMONG
SWIFT COUNTY-BENSON HOSPITAL DISTRICT,
CENTRACARE HEALTH SYSTEM,
AND
CARRIS HEALTH-BENSON, LLC

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OPERATING LEASE AGREEMENT

THIS OPERATING LEASE AGREEMENT (the “**Agreement**”), has been entered into effective as of [month-end date], 2019, by and among Swift County-Benson Hospital District, a Minnesota hospital district (the “**District**”), organized by Swift County, Minnesota (the “**County**”) and the City of Benson, Minnesota (the “**City**”) under Minnesota Laws 1992, Chapter 534, CentraCare Health System, a Minnesota nonprofit corporation (“**CentraCare**”) and Carris Health-Benson, LLC, a Minnesota nonprofit limited liability company (“**CCH Subsidiary**”).

PREAMBLE

WHEREAS, the District owns a 21-bed acute care hospital located at 1815 Wisconsin Avenue, Benson, Minnesota, known as Swift County-Benson Hospital (the “**Hospital**”), and provides inpatient and certain related healthcare services, including a medical clinic, an ambulance service and an outpatient surgical center. The District is the sole member of Residential Options, Inc. (“**ROI**”), which owns and operates a senior living facility. The foregoing facilities, collectively, with the Hospital, are referred to herein as the “**Benson Facilities**”; and

WHEREAS, the District has issued 2013 and 2014 revenue bonds (the “**District Bonds**”). The proceeds of the 2013 revenue bonds were used to finance improvements at the Hospital and medical clinic. The proceeds of the 2014 revenue bonds were used to refund 2007 revenue bonds, which were used to construct and equip a new surgery center and front entrance and waiting room area; and

WHEREAS, CentraCare operates a healthcare system providing services in multiple locations throughout Central and Western Minnesota, including eight acute care hospitals;

WHEREAS, CentraCare currently furnishes staffing, planning, budgeting and other management services to the Hospital under a Management Services Agreement;

WHEREAS, Carris Health (“**Carris**”), is a limited liability company, the sole member of which is CentraCare. Carris Health is the sole member of CCH Subsidiary;

WHEREAS, CentraCare and Carris established CCH Subsidiary to, among other things, acquire certain operating assets, employees and operations of the Benson Facilities; and

WHEREAS, CentraCare and the Board of Directors of the District mutually have determined to pursue an affiliation of CentraCare and the Hospital in order to best position the Hospital to provide high-quality, affordable care to patients residing in the Hospital’s service area.

NOW, THEREFORE, in consideration of the premises, covenants and agreements set forth in this Agreement, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

The following words, terms or phrases, when used in this Agreement, shall have the following meanings, unless the context clearly indicates a different meaning:

1.1 “Assigned Contracts” means the agreements entered into in connection with Benson Operations before the Possession Date, including, but not limited to, those real property leases listed on the attached Exhibit 1.1(a) and those other contracts listed on the attached Exhibit 1.1(b).

1.2 “Assumed Liabilities” means any and all liabilities, indebtedness, commitments, or obligations of any nature, of the District, the Benson Facilities relating to, or arising out of, Benson Operations, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising, other than the Excluded Liabilities, including, but not limited to the following:

(a) All payment obligations, other obligations and liabilities arising under the Assigned Contracts listed on the attached Exhibits 1.1(a) and 1.1(b);

(b) Any materialmen, mechanics or other liens against the Leased Assets or the Transferred Assets;

(c) All accounts payable, trade payables and similar liabilities arising out of Benson Operations;

(d) All payment obligations, other obligations and other liabilities arising in connection with the license agreements listed on the attached Exhibit 1.2(d)

(e) All liabilities and obligations relating to or arising under the terms of any Health Plan Contract;

(f) All claims or potential claims for medical malpractice or general liability relating to acts or omissions asserted to have occurred in connection with Benson Operations;

(g) All federal, state or local tax liabilities or obligations arising from Benson Operations including, without limitation, any withholding tax, franchise tax, tax recapture, sales and/or use tax, FICA, FUTA, and workers’ compensation taxes;

(h) All employee liabilities arising from Benson Operations, including, but not limited to, liabilities associated with any employee benefit plan maintained for persons employed at the Benson Facilities, whether arising before or after the Possession Date, or for any and all claims by or on behalf of such employees relating to periods prior to the Possession Date including, without limitation, liability for any compensation-related payments, deferred compensation, incentive compensation, fringe benefit, tuition reimbursement, severance, termination pay, change in control or retention payments, bonuses or any other employee benefit plan of whatever kind or nature or any employee

health and welfare benefit plans, liability for any EEOC claim, ADA claim, FMLA claim, wage and hour claim, unemployment compensation claim, or workers' compensation claim, and any liabilities or obligations to former employees under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended; any obligation or liability accruing, arising out of, or relating to any collective bargaining agreements relating to employees at the Benson Facilities;

(i) All civil or criminal obligations or liabilities arising in connection with Benson Operations accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, the District, the Benson Facilities or any of officer, employee, medical staff, or other agent thereof;

(j) All liabilities or obligations arising as a result of any breach by the District, or the Benson Facilities of any contract or commitment in connection with Benson Operations;

(k) All liabilities arising from, or relating to, any violation or claim of a violation by Benson Facilities of any obligation or claim of an obligation against any Benson Facility to investigate, assess, mitigate, conduct a removal action or remediate under any law or regulation relating to the protection of the environment including liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986;

(l) Any fines, penalties or other payments, or repayments, required to be made to any governmental entity (including, but not limited to, return of overpayments made by Medicare) under the federal Anti-Kickback Law, federal Physician Self-Referral Law, federal False Claims Act, federal Civil Monetary Penalties Law and other similar federal and state laws in connection with the operation and use of Hospital prior to the Possession Date;

(m) All liabilities incurred by the District for acts or omissions attributable to its elected officials, employees or agents pertaining to the ownership or operation of the Benson Facilities, or to any of the officers, employees or agents of Benson Facilities, in either case on or before the Possession Date, together with the benefit of (i) all of the defenses, privileges and immunities afforded by applicable law (including, without limitation, Minnesota Statutes, Chapter 466) and (ii) insurance with respect to such liabilities maintained by the District; and

(n) The District's loans with the Sonsteng Foundation, Bremer Financial Corporation, the Rural Electric Economic Development, Inc. and the County.

1.3 "Benson Facilities" has the meaning set forth in the Preamble hereto.

1.4 "Benson Operations" means all healthcare, administrative and related or ancillary activities conducted in connection with the operation of the Benson Facilities either prior to the Possession Date or during the Term.

- 1.5 “Bond Documents” means *[to be completed]*.
- 1.6 “Bond Reserves” means all funds (including, but not limited to, debt service reserve funds) held or otherwise required to be maintained under the Bond Documents.
- 1.7 “Breach Notice” has the meaning set forth in Section 11.5(a) below.
- 1.8 “CCH Subsidiary” has the meaning set forth in the introductory paragraph of this Agreement.
- 1.9 “CCH Subsidiary Operating Agreement” has the meaning set forth in Section 5.1 below.
- 1.10 “CCH Subsidiary Operating Committee” means the Board of Governors of CCH Subsidiary as established under the terms of the CCH Subsidiary Operating Agreement. *[Document needed]*
- 1.11 “Code” means the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Law.
- 1.12 “District” has the meaning set forth in the introductory paragraph of this Agreement.
- 1.13 “District Bonds” has the meaning set forth in the Preamble hereto.
- 1.14 “Enforcement Action” has the meaning set forth in Section 11.5(a) below.
- 1.15 “Excluded Liabilities” means all of the obligations of the District with respect to
- (a) The District Bonds, provided, however, that the Leased Assets or Transferred Assets shall remain subject to all liens, security interests and other encumbrances, if any, created with respect thereto under the terms of the District Bonds or the Bond Documents. Although the District shall continue to be solely responsible for the Excluded Liabilities, CCH Subsidiary and CentraCare shall be responsible for funding the payment of principal and interest on the District Bonds as and when due through its payment of Rent as provided in Section 3.1(a); and
 - (b) Any liabilities of the Hospital Foundation.
- 1.16 “Guarantee Agreement” has the meaning set forth in Section 3.1(b) below.
- 1.17 “Health Plan Contracts” means all health plan participation, provider, and/or reimbursement agreements of the Benson Facilities listed on attached Exhibit 1.16.
- 1.18 “Hospital” has the meaning set forth in the Preamble hereto.
- 1.19 “Hospital Accounts Receivable” means all amounts owed to the District, the Hospital or any other Benson Facility in connection with Benson Operations as of the Possession

Date whether actually billed as of the Possession Date or whether work in progress remaining to be billed.

1.20 “Hospital Assets” collectively means the Leased Assets, the Transferred Assets and all other property acquired by CCH Subsidiary or any of its affiliates or subsidiaries after the Possession Date relating to Benson Operations.

1.21 “Hospital Funds” means all of the District’s right, title and interest in or to all cash, bank accounts, savings and loan accounts, certificates of deposit, money market accounts, treasury bills, investments (whether debt or equity, liquid or illiquid), reserves, or other cash items held in the name of, or on behalf of, the District as of the Possession Date in connection with Benson Operations, including the Investment Fund but excluding any Bond Reserves.

1.22 “Hospital Medical Staff” means all medical, dental and mid-level health professionals holding appointment to the Medical Staff of the Hospital as of the Possession Date.

1.23 “Hospital Operating Expenses” means all costs and expenses, of any nature, associated the operation of the Benson Facilities, including, but not limited to, all Assumed Liabilities and all costs of maintenance and repair of Leased Assets, Transferred Assets, Improved Transferred Assets and New Property, utilities, equipment rental, professional fees, salaries, wages, employee benefits, permit fees, license fees, taxes, assessments and governmental charges and penalties that may be lawfully assessed or levied against or otherwise attributable to the business operations of the Benson Facilities during the Term.

1.24 “Improvements to Leased Assets” has the meaning set forth in Section 7.3 below.

1.25 “Improved Transferred Assets” has the meaning set forth in Section 4.2 below.

1.26 “Initial Term” has the meaning set forth in Section 2.2 below.

1.27 “Inventories of Supplies” means all items of consumable personal property located at, or used exclusively in connection with the Benson Operations that are owned by the District or any Benson Facility as of the Possession Date.

1.28 “Investment Fund” means the investments in securities and cash reflected under the heading “Noncurrent Cash and Investments” on the Hospital’s balance sheet, excluding any Bond Reserves.

1.29 “IRS” means the Internal Revenue Service.

1.30 “Leased Assets” means the District’s interest in all of the following, subject to the rights of third parties pursuant to any Assigned Contracts: the real property comprising of the Benson Facilities (including the senior living facility owned by ROI), which is more specifically described on the attached Exhibit 1.30(a), including all buildings and surrounding parking areas, improvements, fixtures, furnishings or other types of personal property incorporated into or affixed to any part of such buildings located as of the Possession Date, and any equipment treated as a capital asset by the District on its financial statements, whether or not financed or re-financed with the proceeds of the District Bonds, described on the attached Exhibit 1.30(b).

Further, for purposes of this Agreement, the term “Leased Assets” shall include all additions, alterations, improvements, changes and deletions in and to all or any part of the Leased Assets either before or after the Possession Date.

1.31 “Material Adverse Change” means any event, occurrence, fact, condition or change that is individually, or in the aggregate, materially adverse to the business, results of operations condition (financial or otherwise) or assets of the Benson Facilities, other than any claims or payments under Section 5.11(c)(1); provided, that such event, occurrence, fact, condition or change exceeds [\$200,000] individually or in the aggregate.

1.32 “New Property” has the meaning set forth in Section 4.3 below.

1.33 “Possession Date” means the date on which possession of the Leased Assets and ownership of the Transferred Assets are conveyed to CCH Subsidiary subject to the terms and conditions set forth in Article XII hereof, which the parties anticipate will occur as of [October 31, 2020].

1.34 “Possession Date Working Capital” means [TBD, insert a formula referencing items on the District’s financial statement].

1.35 “Prepayment Election” has the meaning set forth in Section 3.1(c) below.

1.36 “Renewal Term” has the meaning set forth in Section 2.2 below.

1.37 “Rent” the meaning set forth in Section 3.1(a) below.

1.38 “Section 501(c)(3) Organization” has the meaning set forth in Section 5.3(a) below.

1.39 “Term” has the meaning set forth in Section 2.2 below.

1.40 “Transferred Assets” means the following assets:

(a) All right, title, control and interest (whether held in the name of the District, the Hospital or any other Benson Facility) in the tangible and intangible personal property used in Benson Operations, including machinery, furniture and equipment, movable medical and office equipment, but specifically excluding any personal property incorporated into or affixed to the real property that is included in the Leased Assets;

(b) All interests of the District or the Benson Facilities, third party entities, joint ventures or partnerships relating to Benson Operations, including without limitation, the Hospital’s ambulance service, as well as its membership interests in Central Minnesota Diagnostics, Inc., Benson Medical Services, LLC and SISU Medical Solutions, LLC, but excluding the District’s membership interest in ROI, which the District will retain;

(c) The Hospital Accounts Receivable;

(d) The gifts, bequests, donations or other endowments specifically given for the benefit of or restricted to the use of Hospital or any part thereof, provided, however, that CCH Subsidiary will observe all conditions applicable to such gifts;

(e) All rights to receive goods or services, to use and occupy personal and leased real property or to receive payment for goods or services rendered, or other benefits arising under the Assigned Contracts;

(f) All Inventories of Supplies;

(g) All trade secrets and other confidential information concerning the operation or use of Hospital not in the public domain and in existence on the Possession Date;

(h) All books and records and other documents and information relating to the Hospital Assets and/or used in the operation of Hospital, including, without limitation, all patient medical records, hospital charts, patient lists, literature, inventory records, purchase orders and invoices, sales orders and sales order log books, patient information, patient and payor correspondence, employee payroll and personnel records, and educational and promotional literature of every kind and nature, provided, however, all existing records shall be preserved pursuant to the District's retention schedule;

(i) Hospital's current telephone listings and the right to use the telephone numbers currently being used at Hospital;

(j) All Hospital Funds;

(k) Any prepaid expenses arising from the operation or use of Hospital in existence on the Possession Date;

(l) The right to any and all recovery from all collection cases in progress on the Possession Date for goods furnished or services rendered by Hospital;

(m) All rights under the license agreements used in the Benson Operations;
and

(n) All Health Plan Contracts.

1.41 "Working Capital Reconciliation" has the meaning set forth in Section 11.4(a)(i) below.

ARTICLE II **LEASE OF ASSETS**

2.1 Lease of Leased Assets. In consideration of the agreements set forth in this Agreement, effective as of the Possession Date, the District shall lease and demise the Leased Assets to CCH Subsidiary on the terms and conditions set forth in this Agreement, and CCH

Subsidiary shall lease the Leased Assets from the District on such terms and conditions, to have and to hold for the Term, as defined in Section 2.2 below.

2.2 Lease Term and Renewal. Subject to the further provisions of this Agreement, the initial term (the “**Initial Term**”) of the lease shall commence on the Possession Date and expire at 11:59 p.m. on the day immediately prior to the thirtieth (30th) anniversary of the Possession Date. If CCH Subsidiary is then in material compliance with all of the terms and conditions of this Agreement for which the District has not waived any noncompliance, then this Agreement shall automatically renew upon the same terms and conditions, for one additional term beginning on the 30th anniversary of the Possession Date and continuing, unless earlier terminated, until 11:59 p.m. on the day immediately prior to the sixtieth (60th) anniversary of the Possession Date (the “**Renewal Term**”). The Initial Term and the Renewal Term, if any, are collectively referred to in this Agreement as the “**Term**.” If CCH Subsidiary does not desire to renew this Agreement after the Initial Term, CCH Subsidiary shall provide written notice to the District of such non-renewal on or before the twenty-eighth (28th) anniversary of the Possession Date, and this Agreement shall be terminated under Section 10.3.

2.3 Transfer of Transferred Assets. In consideration of the covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the District shall, or shall cause, all of the Transferred Assets to be transferred, assigned and conveyed to CCH Subsidiary as of the Possession Date, subject to the terms and conditions set forth in this Agreement. To the extent accounts receivable from governmental payors are not assignable to CCH Subsidiary under law or otherwise, such accounts receivable will be collected by CCH Subsidiary acting as the agent for the Hospital or the respective Benson Facility pursuant to the terms of a Billing Agent Agreement in substantially the form attached hereto as Exhibit 2.3.

2.4 CCH Subsidiary Profits. All rents, profits, gains, and other income derived from the Leased Assets and the Transferred Assets and the proceeds of accounts receivable and other assets generated in connection with Benson Operations during the Term shall be the sole property of CCH Subsidiary and will inure to and for the exclusive benefit of CCH Subsidiary. The profits realized by CCH Subsidiary, whether before, during or after the Term, shall not be subject to return to District upon termination of this Agreement or any other provision of this Agreement; provided, however, that this sentence is not intended to limit CCH Subsidiary’s liability for its specific obligations to make payments to the District, or for any event of default by it, under this Agreement.

ARTICLE III **CONSIDERATION**

In consideration of the District’s lease of the Leased Assets to CCH Subsidiary, the transfer of the Transferred Assets and income earned on such Transferred Assets to CCH Subsidiary, and all other promises and responsibilities of the District set forth in this Agreement, CCH Subsidiary agrees as follows:

3.1 Rent.

(a) CCH Subsidiary shall pay rent to the District in the amounts as set forth on attached Exhibit 3.1(a), which amounts are equal to the principal and interest payments on the District Bonds (“**Rent**”). Rent shall be due and payable on the dates set forth in Exhibit 3.1(a) and the obligation of CCH Subsidiary to make payments of Rent shall be unconditional. The District shall apply all payments of Rent to make principal and interest payments on the District Bonds as and when due.

(b) All payments of Rent shall be made by wire transfer or other mutually agreed upon means of immediately available funds to the District and if sent by wire using the wiring instructions delivered by the District to CCH Subsidiary; provided, however, that the District may require that payments of Rent be remitted by CCH Subsidiary directly to the respective bond trustees or other paying agents for the District Bonds to make the payment of principal and interest then due on the District Bonds. Pursuant to a Guarantee Agreement attached as Exhibit 3.1(b) (“**Guarantee Agreement**”), CentraCare shall guarantee CCH Subsidiary’s obligation to make all payments of Rent.

(c) At any time during the Term, CCH Subsidiary may elect to pay an amount to the District equal to the amount (including principal, accrued interest and prepayment premiums or penalties) necessary to allow the District to pay off the District Bonds to the extent allowed under the terms of the District Bonds (a “**Prepayment Election**”). CCH Subsidiary shall provide the District with not less than ninety (90) days’ prior written notice of a Prepayment Election. Upon its remittance of cash equal to the entire amount necessary to prepay the District Bonds (which, at the election of the District may be remitted directly to the respective bond trustees or other paying agents for the District Bonds), (i) the District will apply such cash to the repayment of the District Bonds and take such steps as are necessary to release Leased Assets and Transferred Assets from any lien, security interest or other encumbrance thereon securing the District’s obligations under the District Bonds, (ii) the obligation of CCH Subsidiary to make further payments of Base Rent shall terminate and (iii) any amounts remaining in the Bond Reserves shall be remitted by the District to CCH Subsidiary.

(d) The District acknowledges that the amounts held in the debt reserve account are dedicated to the Existing Bonds, and in the event that there is a reduction in the amount of the required debt reserve or CCH Subsidiary elects to pay off the District Bonds, then the amounts held in the debt reserve account shall be used to pay off the District Bonds.

(e) Payment of Operating Expenses and Taxes. During the Term, CCH Subsidiary shall pay, or otherwise cause to be paid, satisfied or discharged all Hospital Operating Expenses as and when due; provided, however, that with respect to taxes, assessments or governmental charges and penalties that may lawfully be paid in installments, CCH Subsidiary shall be obligated to pay only such installments as are due and payable during the Term. CCH Subsidiary may, at its expense and in its own name and behalf (or, to the extent lawful and pertaining to Assumed Liabilities, in the name and behalf of the District), contest in good faith any such Hospital Operating Expenses provided that such proceedings have the effect of preventing the forfeiture of the Leased Assets. The District will cooperate reasonably with CCH

Subsidiary, at CCH Subsidiary's expense, in any such contest. Any settlement by CCH Subsidiary of any claim that could potentially involve Assumed Liabilities shall require sixty (60) days prior written notice to the District.

ARTICLE IV
OPERATION, MAINTENANCE, EXPENSES, TAXES, INDEMNIFICATION AND
INSURANCE

4.1 Operation and Maintenance of Benson Facilities. CCH Subsidiary shall have sole responsibility and expense for the management, operation, administration and maintenance of the Leased Assets, and shall (i) maintain, preserve and keep the Leased Assets in good condition, repair and working order and free and clear of all liens, security interests or other encumbrances other than those imposed under the terms of the District Bonds, (ii) purchase, repair or replace any and all equipment necessary to meet then-current state licensure and Medicare certification requirements of the Hospital and the other Benson Facilities. The District acknowledges and agrees that CCH Subsidiary may, at its own expense, make or cause to be made any and all additions, alterations, changes and deletions in and to all or any part of the Leased Assets as CCH Subsidiary, in its sole discretion, deems necessary or appropriate, including without limitation additional fixed or movable equipment or other personal property, except as may otherwise be provided in this Agreement or the Bond Documents. If CCH Subsidiary is required to repair any of the Leased Assets, and the repair is attributable to conditions for which the District is the holder of a manufacturer's, supplier's, or contractor's warranty or guaranty, the District shall, upon written notice from CCH Subsidiary, undertake all reasonable steps, including legal action, to exercise the District's rights under and recover upon such warranty or guaranty; provided, however, that all expenses and costs, including legal fees, incurred in connection with the exercise of those rights shall be borne by CCH Subsidiary. In the event of recovery by the District, the District agrees to promptly remit all proceeds from the recovery, whether in cash or in kind, to CCH Subsidiary.

4.2 New Machinery and Equipment. Subject to the terms of the Bond Documents or associated covenants under the District Bonds, during the Term, in its discretion and at its cost, CCH Subsidiary may (a) install replacement or additional items of fixed or movable machinery, equipment or other types of personal property ("**New Property**"), in or at the Hospital or any other Benson Facility included in the Leased Assets, and (b) improve, replace or enhance the Transferred Assets ("**Improved Transferred Assets**"). All New Property and Improved Transferred Assets shall be the property of CCH Subsidiary.

4.3 Insurance. CCH Subsidiary will, at its expense, carry such type and amount of insurance concerning the Leased Assets as is required to satisfy the Bond Documents. In addition, CCH Subsidiary will, at its expense, carry "all-risk" property insurance, comprehensive general liability insurance, worker's compensation insurance, director and officer liability insurance, and professional liability insurance, in amounts determined by the CCH Subsidiary and consistent with policy limits for CentraCare hospitals of a similar size and nature. If the District has insurance policies that provide for coverage on a claims made basis with respect to acts prior to the Possession Date, the CCH Subsidiary either will purchase tail coverage for such claims or continue insurance for such prior acts. The CCH Subsidiary may elect to obtain such insurance as is required by this Section 4.3 by means of policies issued by insurance companies,

or by means of self-insurance. The proceeds of any property insurance on any Leased Asset will be applied as required by the Bond Documents, as long as the District Bonds remain outstanding, and then distributed to the CCH Subsidiary.

4.4 Indemnification. CCH Subsidiary will indemnify, defend and hold harmless the District and each of its current or former Board members, employees, officers, agents and contractors (District Indemnified Parties”) from and against any and all claims, losses, liabilities, damages, expenses and costs, including attorneys’ fees, incurred by any District Indemnified Party relating to, arising out of or otherwise associated with the Assumed Liabilities or the conduct of the Hospital’s operations after the Possession Date (including, but not limited to Benson Operations by CCH Subsidiary during the Term) or any challenges to the transactions contemplated by this Agreement. CCH Subsidiary shall also indemnify and hold the District Indemnified Parties and the County harmless from any and all claims, losses, liabilities, damages, expenses and costs, including attorneys’ fees, including those relating to an inquiry or adverse determination by the IRS related to the District Bonds arising out of Benson Operations by CCH Subsidiary during the Term. The terms of this Section 4.4 shall survive expiration or any earlier termination of this Agreement.

4.5 Third Party Claims. In the event of any action or proceeding involving a claim for which a District Indemnified Party seeks to be indemnified under Section 4.4, CCH Subsidiary may, to the full extent permitted by law, assume the defense of such third party action or proceeding at its own cost and expense and upon written notice to the District Indemnified Party; provided, however, that in the event of any inquiry or proceeding by the IRS with respect to the District Bonds, CCH Subsidiary shall not have any right to respond to or assume the defense thereof without written consent of District. In all cases, the District Indemnified Party shall reasonably cooperate in the defense of any such action or proceeding; provided that any expense incurred by the District Indemnified Party as the result of that cooperation shall be paid for by CCH Subsidiary.

ARTICLE V **GENERAL COVENANTS OF CCH SUBSIDIARY AND CENTRACARE**

Except as otherwise provided in this Article V, CCH Subsidiary and CentraCare hereby agrees and covenants with the District to take the following actions during the Term (or such other period as may be specified below):

5.1 Execution of CCH Subsidiary Operating Agreement. Prior to the Possession Date, but effective thereon, CCH Subsidiary and CentraCare shall have entered into that certain Member Control and Operating Agreement in substantially the form attached hereto as Exhibit 5.1 (the “**CCH Subsidiary Operating Agreement**”).

5.2 Status. CCH Subsidiary shall maintain its existence as a Minnesota nonprofit limited liability company. CCH Subsidiary has not entered into and shall not enter into any lease, management contract, service contract, or similar arrangement which would give rise to any “private business use” of the Leased Assets as defined in the Code in an amount which would cause the District Bonds to lose their tax-exempt status under the Code.

5.3 Tax-Exempt Status; Tax Covenants. CCH Subsidiary and CentraCare will not use, or permit the use of, the Leased Assets, directly or indirectly, in a manner that would adversely affect the exclusion from gross income of interest on the District Bonds. To that end, CCH Subsidiary and CentraCare covenant that during the time any of the District Bonds remain outstanding:

(a) None of the Leased Assets financed with proceeds of the District Bonds will be used in any activity which constitutes: (i) an unrelated trade or business activity of CCH Subsidiary or any other Section 501(c)(3) Organization, determined by applying Section 513(a) of the Code; or (ii) a trade or business of a person other than a Section 501(c)(3) Organization or a State of the United States or a political subdivision of a State of the United States, to the extent that such use would adversely affect the exclusion from gross income of interest on the District Bonds.

(b) CCH Subsidiary and CentraCare shall not cause the District Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code. For purposes of this Section, the District Bonds are “federally guaranteed” if the payment of principal or interest with respect to the District Bonds is guaranteed, directly or indirectly, in whole or in part, by the United States (or any agency or instrumentality thereof).

(c) CCH Subsidiary and CentraCare have no present intention to sell or otherwise dispose of any substantial portion of the property acquired, financed, or refinanced with the proceeds of the District Bonds, in whole or in part, before the final maturity date of the District Bonds except such portions of the moveable equipment as may, pursuant to the express terms of this Agreement, be disposed of in the ordinary course of business because of normal wear and tear or obsolescence. CCH Subsidiary has not been an obligor with respect to state or municipal obligations issued within thirty (30) days prior to the date hereof which were sold pursuant to a common plan of financing with the District Bonds, and CCH Subsidiary does not expect to become an obligor with respect to any such obligations within thirty (30) days after the date hereof.

(d) While any portion of the District Bonds remains outstanding, no portion of the proceeds of the District Bonds will be used to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or a store, the principal business of which is the sale of alcoholic beverages for consumption off premises.

(e) CCH Subsidiary and CentraCare shall not cause the payment of the principal of, or interest on, more than five percent of the proceeds of the District Bonds to be directly or indirectly: (i) secured by any interest in (A) property used or to be used for a private business use or (B) payments in respect of such property; or (ii) to be derived from payments in respect of property, or borrowed money, used or to be used for a private business use as defined in Section 141 of the Code (except for by a Section 501(c)(3) Organization).

(f) CCH Subsidiary and CentraCare will promptly provide District with full information as to any use of the Leased Assets financed with proceeds of the District Bonds for which the District was not aware of prior to the Possession Date by anyone

other than a Section 501(c)(3) Organization, including the revenues and square footage involved. Nothing in this paragraph is intended to give CCH Subsidiary or CentraCare rights to assign this Agreement or sublease any portion of the Leased Assets not granted in Section 7.2 (except for by a Section 501(c)(3) Organization) for a use that is not an unrelated trade or business.

(g) No portion of the proceeds of the District Bonds is to be used directly or indirectly to provide residential rental property for family units.

(h) CCH Subsidiary and CentraCare have not leased, sold, assigned, granted, or conveyed and will not lease, sell, assign, grant, or convey all or any portion of the Leased Assets or any interest therein to the United States or any agency or instrumentality thereof within the meaning of Section 149(b) of the Code.

(i) CCH Subsidiary and CentraCare are each, and throughout the term of the District Bonds will remain, a nonprofit organization described and qualified under Section 501(c)(3) of the Code, that is not a "private foundation" as defined in Section 509(a) of the Code.

(j) There is no action, proceeding, or investigation pending or threatened or any basis therefor by the IRS or authorities of the State of Minnesota which, if adversely determined, might result in a modification of the status of CCH Subsidiary or CentraCare as a nonprofit organization described and qualified under Section 501(c)(3) of the Code.

(k) No part of the Leased Assets will be subject to a contract for management services except for contracts for management services which will not adversely affect the exclusion from gross income of interest on the District Bonds. CCH Subsidiary and CentraCare will not enter into any research contracts that currently or in the future result in (i) another entity having an ownership interest in the Leased Assets; (ii) actual or beneficial use of the Leased Assets by another entity pursuant to a lease; or (iii) another party using the Leased Assets pursuant to a management or incentive payment contract.

(l) CCH Subsidiary and CentraCare shall operate the Leased Assets in a manner that complies with the requirements of Minnesota Laws 1992, Chapter 534, as amended from time to time.

(m) Any Improvements to the Leased Assets made by CCH Subsidiary or CentraCare during the term of this Agreement shall comply with the terms of the then outstanding District Bonds to which the Leased Assets are subject.

5.4 Bond Covenants. As long as the District Bonds remain outstanding, notwithstanding any other provision of this Agreement, CCH Subsidiary and CentraCare shall be subject to the agreements and covenants set forth in the Bond Documents.

5.5 Licenses and Approvals. At all times during the Term, CCH Subsidiary shall maintain such licenses and obtain such approvals as are deemed necessary by CCH Subsidiary to comply with statutes, regulations or codes applicable to the Benson Operations.

5.6 Medicare Certification. At all times during the Term, CCH Subsidiary shall maintain Medicare certification of the Hospital and the other Benson Facilities.

5.7 Medical Staff. On or before the Possession Date, CCH Subsidiary shall adopt Bylaws, Rules and Regulations of Hospital's Medical Staff in effect as of the Possession Date and shall extend privileges to all members of Hospital's Medical Staff in compliance with such Bylaws, Rules and Regulations on identical terms as in effect as of the Possession Date. CCH Subsidiary shall maintain an open Medical Staff, unless it determines otherwise based on the best interests of the community served by the Hospital.

5.8 Commitments to Serve the Community.

(a) The Hospital and the other Benson Facilities shall be open to all residents of the communities they serve on equal terms. CCH Subsidiary agrees that it will not discriminate against any person in admission, treatment or participation in its programs, services or activities or deny any person the full and equal enjoyment of its facilities, accommodations, goods, advantages or privileges based on race, color, national origin, ethnicity, culture, language, disability, age, creed, religion, sex, marital status, sexual orientation, gender identity or expression, socioeconomic status or other protected class status as provided by applicable law.

(b) CCH Subsidiary will operate the Hospital and the other Benson Facilities as a charitable healthcare organization in accordance with the "community benefit standards" as they apply to Section 501(c)(3) hospital nonprofit corporations, including the (i) acceptance of all Medicare and Medicaid patients, (ii) acceptance of all emergency patients without regard to ability to pay, (iii) maintenance of an open medical staff, (iv) provision of public health programs of educational benefit to the community, and (v) general promotion of public health, wellness, and welfare to the community through the provision of healthcare at a reasonable cost.

5.9 District Employees. All District Employees will be given an opportunity for employment with CCH Subsidiary, conditioned upon successful completion of a background study, DHS clearance if required for the position, verification of current licensure/certification and education required for the position, I-9 U.S. employment eligibility verification, satisfaction of the requirements of CentraCare Employee Health Services, such as immunizations, and subject to any prior employment history of the applicable individual with CentraCare or an affiliate. Terms and conditions of employment will be set by CentraCare, and employment will be subject to CentraCare policies and procedures. [*Subject to revision once Leased Employee Agreement is completed*]

5.10 Service Commitments.

(a) For the initial seven (7) years of the Lease, the CCH Subsidiary will operate the Hospital in Benson as a licensed general acute care hospital and furnish such services as were furnished by the Hospital immediately prior to commencement of the Lease, subject to a material change in the regulatory environment applicable to, or the economic performance of, the Hospital, in which case, with input from the CCH

Subsidiary Operating Committee and the District, and taking into account the scope of services furnished and access to providers at, and economic performance of, comparable CentraCare-affiliated hospitals, CentraCare will determine whether to continue to provide in Benson, senior services, inpatient beds, emergency department, surgery services, therapy services, and ambulance services. After the initial seven (7) years of the Lease, with input from the CCH Subsidiary Operating Committee and the District, CentraCare may modify the scope of services furnished in the Benson community.

(b) CentraCare will work collaboratively with the CCH Subsidiary to ensure the residents of Benson and the surrounding area have access to primary and specialty physician services.

(c) CentraCare will work collaboratively with the CCH Subsidiary and the District to determine what services and support will be provided by CentraCare as opposed to Carris Health and when such services and support might transition from CentraCare to Carris Health.

(d) CentraCare will install Epic electronic medical records at the Hospital, which will have a planned “go-live” date prior to January 1, 2021.

(e) CentraCare and the CCH Subsidiary will provide to the District a written annual report that identifies the capital expenditures made during each year no later than 180 days following the end of each year.

(f) CentraCare will provide required corporate support and back office services such as for physician recruitment, human resources, legal, purchasing, quality and safety programs as are provided to other hospitals owned and operated by CentraCare.

5.11 Capital Investments.

(a) CCH Subsidiary will make such capital expenditures as are determined by the CCH Subsidiary Operating Committee to be necessary and appropriate for the provision of the scope of healthcare services at the Hospital and as are consistent with the service commitments referred to in Section 5.10 above.

(b) Except as provided in Section 5.11(c), CentraCare will make capital investments at the Hospital in the amount of \$5 million over the initial five (5) years of the Lease, including without limitation capital investments related to the installation of Epic electronic medical records and other capital improvements in Exhibit 5.11(b).

(c) CentraCare’s obligation in Section 5.11(b) to make capital investments in the amount of \$5 million over the initial five (5) years of the Lease will be reduced dollar-for-dollar by any fines, penalties, damages or settlement amounts resulting from operation of the Hospital prior to commencement of the Lease; provided, that the capital investment to provide Epic in Exhibit 5.11(b) will not be reduced.

CentraCare will use reasonable efforts to contest such fines, penalties or damages, including filing appeals, and will not enter into any settlement agreement or pay any settlement amount without the District's consent, which will not be unreasonably withheld. CentraCare shall provide periodic updates regarding any fines, penalties, damages or settlements to the District Board. CCH Subsidiary and District shall not be obligated to repay CentraCare for capital investments made prior to or after the payment of any fines, penalties, damages or settlements.

(d) In addition to the \$5 million commitment referred to in Section 5.11(b), during the initial five (5) years of the Lease, the CentraCare Subsidiary will have the opportunity for further capital investment by CentraCare, on the same basis as other CentraCare-affiliated hospitals. In the event that CentraCare elects to make system-wide capital investments at all CentraCare-affiliated hospitals, such capital investments at the Hospital will not count against the \$5 million commitment.

(e) Following the initial five (5) years of the Lease, the CCH Subsidiary will be allocated capital investments on the same basis as other comparable CentraCare-affiliated hospitals.

(f) CentraCare and CCH Subsidiary shall provide to the District written annual reports that identify the capital expenditures made during the relevant period and cumulative since the Possession Date.

5.12 Corporate Support. At the request of CCH Subsidiary, CentraCare shall provide requested corporate functions and services, including back office services, physician recruitment assistance, operational support services, and quality and patient safety programs to CCH Subsidiary on the same cost basis as such functions and services are provided to other hospitals owned and operated by CentraCare or its affiliates reflecting the proportional amount of services that CentraCare provides to CCH Subsidiary.

5.13 Branding. During the Term, CCH Subsidiary will operate the Hospital under the name "Carris Health - Benson."

5.14 District Expenses. While the District remains in existence, CCH Subsidiary will make monthly payments to District equal to Districts' reasonable out-of-pocket expenses, including the cost of preparing its annual financial statement and audit, paying directors and officers liability insurance premiums, and conducting periodic meetings of the District Board.

ARTICLE VI **GENERAL COVENANTS OF DISTRICT**

The District hereby agrees and covenants with CCH Subsidiary to take the following actions during the Term (or such other period as may be specified below):

6.1 Operation in Ordinary Course. The District shall conduct Benson Operations from the date of this Agreement until the Possession Date in the ordinary course of business.

6.2 Consents and Notices. The District, prior to the Possession Date, shall obtain such consents and give such notices as may be required in connection with the assignment to CCH Subsidiary of the Assigned Contracts and the assumption by CCH Subsidiary of the Assumed Liabilities. The District shall provide CCH Subsidiary satisfactory evidence on or before the Possession Date that the District has obtained all such consents and given such notices.

6.3 Cooperation with CCH Subsidiary. The District shall cooperate reasonably with CCH Subsidiary in any manner necessary to enable CCH Subsidiary to fulfill its obligations and exercise its rights under this Agreement.

6.4 Update to Accounts Receivable, Accounts Payable Reports. The District shall deliver to CCH Subsidiary, upon request, accounts receivable and accounts payable reports as of the Possession Date.

6.5 Liens and Encumbrances. The District shall not suffer or permit any liens or encumbrances (other than any liens or encumbrances which may exist on the Possession Date) to be filed or exist against the Leased Assets except with the consent of CCH Subsidiary.

6.6 Sole and Exclusive Possession. Subject to satisfaction by CCH Subsidiary of its obligations under this Agreement, the District shall deliver to CCH Subsidiary sole and exclusive possession of the Leased Assets, and shall allow CCH Subsidiary to take and enjoy peaceful, quiet and undisputed possession of the Leased Assets, subject to the rights of third parties in such assets.

6.7 No Transfer. So long as CCH Subsidiary is not in default hereunder, the District shall not transfer its interest in the Leased Assets, except with the consent of CCH Subsidiary.

6.8 Eminent Domain. The District shall take no action to exercise the power of eminent domain or to cause any other governmental authority or person, firm or corporation acting under governmental authority to exercise such power over any of the Leased Assets.

ARTICLE VII

SALE, AFFILIATION, ASSIGNMENT, SUBLETTING AND IMPROVEMENTS

7.1 Restrictions on Sale of Leased Assets.

(a) During the Term, and so long as CCH Subsidiary is not in default hereunder, the District shall not, without first obtaining the prior affirmative consent of CCH Subsidiary, authorize any transaction providing for the sale or other disposition of any of the Leased Assets. Provided, that the District may, upon its dissolution under Minnesota law, assign this Agreement and the Leased Assets to the City and/or County.

(b) During the Term, without the prior affirmative consent of the District,
(i) CCH Subsidiary will not sell, convey or otherwise transfer any of the Leased Assets, other than for the disposition of obsolete or non-functional equipment, furnishings or other types of personal property that are replaced pursuant to Section 4.3 hereof in the normal course of business, and (ii) Carris will remain the sole member of CCH

Subsidiary and will not sell, convey or otherwise transfer any of its membership in CCH Subsidiary or admit any other party as a member of CCH Subsidiary; provided, however that Carris may transfer its membership interests in CCH Subsidiary to an affiliate of CentraCare; provided that such transfer shall not relieve CentraCare from any of its obligations under this Agreement. CentraCare agrees to cause Carris to comply with the terms of this Section 7.1(b).

7.2 Assignment and Subletting. Except as otherwise provided in this Agreement, neither CCH Subsidiary nor CentraCare shall assign this Agreement or its rights, duties and obligations hereunder to a third party without the prior written consent of the District, and the District shall not assign this Agreement or its rights, duties and obligations hereunder to a third party without the prior written consent of CentraCare. Notwithstanding the foregoing, CCH Subsidiary may (i) sublet any portion of the Leased Assets or (ii) enter into a contract for the management of one or more departments of the Leased Assets, such as radiology or emergency room, in each instance to healthcare professionals or business entities having expertise in the operation of such departments, so long as such sublease or management contract is consistent with state and federal laws and regulations and the terms of the District Bonds; provided, however, CCH Subsidiary shall not enter into a sublease, management contract, service contract, or similar arrangement that would give rise to “private business use” of the Leased Assets as defined in Section 141(b)(6) of the Code in an amount that would cause the District Bonds to lose their tax-exempt status under the Code. Notwithstanding the foregoing, District may, upon its dissolution, assign the Leased Assets and this Agreement to the City and/or County.

7.3 Improvements to the Leased Assets. From time to time CCH Subsidiary, at its cost and expense, may make improvements to the Leased Assets (“**Improvements to the Leased Assets**”) and such changes in and additions and alterations, structural or otherwise, to the Leased Assets which CCH Subsidiary deems necessary or desirable for Benson Operations, provided that all such Improvements to the Leased Assets shall be treated as Leased Assets for all purposes hereunder, provided, however, that in connection with the termination of this Agreement, the book value of the Improvements to the Leased Assets shall be treated as set forth in Section 11.4 of this Agreement.

ARTICLE VIII **DAMAGE, DESTRUCTION AND EMINENT DOMAIN**

8.1 Damage and Destruction. Subject to the requirements of the District Bonds or other permitted indebtedness then in effect, in the case of damage or destruction by fire or other casualty of the Leased Assets, the following terms shall apply. In the event that the Leased Assets, or any portion thereof, is damaged or destroyed by any casualty, then to the extent of the proceeds of the property insurance maintained by CCH Subsidiary pursuant to Section 4.3, CCH Subsidiary and CentraCare shall rebuild and restore the Leased Assets to substantially their condition immediately prior to the damage or destruction, including, without limitation: (1) all mechanical, electrical, and plumbing systems serving the Leased Assets; (2) the heating, ventilation, and air conditioning systems serving the Leased Assets; (3) the roof, foundation, and interior and exterior windows and walls of the Leased Assets; and (4) all tenant improvements to the Leased Assets constructed prior to the date of such damage or destruction. The District shall have no obligation to repair any damage to, or to replace the Leased Assets or any of CCH

Subsidiary's personal property, furnishings, fixtures, equipment, or other such property or effects of CCH Subsidiary, unless said damages are caused by the District's negligence or intentional wrongdoing. CCH Subsidiary shall commence the repairs required of it under this Section 8.1 within three hundred sixty five (365) days of the date of any damage or destruction, and the repairs shall be completed within two (2) years of commencement of repairs. In the event CCH Subsidiary is delayed in the commencement or completion of repairs by events beyond CCH Subsidiary's reasonable control, CCH Subsidiary' delay for commencement or completion of repairs shall be extended one day for each such day of delay. Notwithstanding anything to the contrary in this Section 8.1, in the event that the Leased Assets, or any portion thereof, is damaged or destroyed when less than twelve (12) months remain of the term of this Agreement, then CCH Subsidiary may, at its option, either (1) rebuild or restore the Leased Assets and repair the damaged portions thereof at its own expense as required above; or (2) terminate this Agreement effective as of the date the damage or destruction occurred, in which event all insurance proceeds shall be paid to the District, and the terms set forth in Section 11.4 shall apply to such termination. If CCH Subsidiary does not provide the District with written notice of CCH Subsidiary's exercise of its option to terminate this Agreement in accordance with this Section 8.1 within one hundred eighty (180) days after the damage or destruction, CCH Subsidiary shall have waived its option to terminate this Agreement. If material damage or destruction occurs to the Leased Assets such that they cannot be fully and completely repaired and/or reconstructed for any reason within two (2) years of the casualty, or such that they are not fully and completely repaired and/or reconstructed for any reason within two (2) years of the casualty, and CCH Subsidiary has not exercised its option to terminate the Lease in accordance with this Section 8.1, then the District may terminate this Agreement upon one hundred eighty (180) days prior written notice to CCH Subsidiary, in which event all insurance proceeds shall be paid to the District, and the terms set forth in Section 11.4 shall apply to such termination.

8.2 Eminent Domain. Subject to the requirements of the District Bonds or other permitted indebtedness then in effect, in the case that title to or the temporary use of any portion of the Leased Assets shall be taken under the exercise of the power of eminent domain by any governmental body (other than the District under Section 6.8) or by any person, firm or corporation acting under governmental authority (each, a "Taking"), the following terms shall apply. The District shall receive all Taking awards attributable to the Leased Assets with no discount for the value of the leasehold interest created by this Agreement. In the event that the Leased Assets, or any portion thereof, is subject to any Taking, then CCH Subsidiary shall, at the District's sole option and using proceeds of the Taking received by and controlled by the District, rebuild and restore the Leased Assets to substantially their condition immediately prior to the Taking to the extent reasonably practical; provided, however, that any activity taken pursuant to this Section 8.2 to rebuild or restore Leased Assets shall be paid for solely by the Taking awards received by the District, and CCH Subsidiary shall have no additional or further obligations with respect to rebuilding or restoring the applicable Leased Assets. CCH Subsidiary shall commence the repairs required of it under this Section 8.2 within three hundred sixty five (365) days of the date of any Taking, and the repairs shall be completed within two (2) years of commencement of repairs. In the event CCH Subsidiary is delayed in the commencement or completion of repairs by events beyond CCH Subsidiary' reasonable control, CCH Subsidiary' delay for commencement or completion of repairs shall be extended one day for each such day of delay. Notwithstanding anything to the contrary in this Section 8.2, in the event that the Leased Assets, or any portion thereof, is subject to any Taking when less than twelve (12) months

remain of the term of this Agreement , then CCH Subsidiary may, at its option, either (1) restore the Leased Assets and repair the damaged portions thereof as required above using the City's Taking proceeds; or (2) terminate this Agreement effective as of the date the damage or destruction occurred, in which event all Taking proceeds shall be paid to the City, as set forth in this Section 8.2. If CCH Subsidiary does not provide the District with written notice of CCH Subsidiary' exercise of its option to terminate this Agreement in accordance with this Section 8.2 within one hundred eighty (180) days after the Taking, CCH Subsidiary shall have waived its option to terminate this Agreement. If a Taking affects the Leased Assets such that they cannot be fully and completely repaired for any reason within two (2) years of the Taking, or such that they are not fully and completely repaired and/or reconstructed for any reason within two (2) years of the Taking, and CCH Subsidiary has not exercised its option to terminate the Lease in accordance with this Section 8.2, then the City may terminate this Agreement upon thirty (30) days prior written notice to CCH Subsidiary, in which event all Taking proceeds shall be paid to the City, and the terms set forth in Section 11.4 shall apply to such termination.

ARTICLE IX **REPRESENTATIONS AND WARRANTIES OF DISTRICT**

Except as otherwise noted in the District Disclosure Schedule, attached hereto as Exhibit 9, which is subject to updating by the District as of the Possession Date, the District hereby represents and warrants to CCH Subsidiary that the following representations and warranties are true and accurate as of the date hereof and as of the Possession Date:

9.1 Authority. The District has power and authority to execute and deliver this Agreement, and to carry out the transactions contemplated hereby and therein, respectively. The District Council, acting on behalf of the District in connection with this Agreement, is the properly appointed, acting, and duly authorized governing body of the District, and is acting in accordance with the provisions of the Act, or any successor or similar statute.

9.2 No Conflicts. The Agreement is duly executed and delivered and is a valid and legally binding obligation of the District enforceable in accordance with its respective terms. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, result in the creation of any lien, charge or encumbrance or the acceleration of any indebtedness or other obligation of the District, and are not prohibited by, in violation of or in conflict with any provisions of, and will not result in a default under or a breach of (i) any constitutional provision affecting the District, (ii) any ordinance, law or regulation, or (iii) any order, decree or judgment of any court or governmental agency to which the District or Hospitals a party or is bound.

9.3 Bonds. The District Bonds are the only bonds authorized and issued by the District which are outstanding as of the Possession Date and applicable to the Leased Assets.

9.4 Condition. Except as expressly stated in this Agreement, the District does not make any representations or warranties regarding the Leased Assets or the Transferred Assets, including any warranty as to merchantability or fitness for a particular purpose. CCH Subsidiary acknowledges that it is accepting the Transferred Assets and leasing the Leased Assets on an "AS IS," "WHERE IS" and "WITH ALL FAULTS" basis, based upon its own judgment.

ARTICLE X
REPRESENTATIONS AND WARRANTIES OF CCH SUBSIDIARY
AND CENTRACARE

CCH Subsidiary and CentraCare hereby represent and warrant to the District that the following representations and warranties are true and accurate as of the date hereof and as of the Possession Date:

10.1 Organization.

(a) CentraCare is a nonprofit corporation duly organized and in good standing under the laws of the State of Minnesota. CentraCare is an organization qualified under Section 501(c)(3) of the Code.

(b) Carris is a nonprofit limited liability company duly organized and in good standing under the laws of the State of Minnesota. Carris is an organization qualified under Section 501(c)(3) of the Code.

(c) CCH Subsidiary is a nonprofit limited liability company duly organized and in good standing under the laws of the State of Minnesota. As a single-member limited liability company of which the sole member is Carris, CCH Subsidiary is a disregarded entity that takes on the tax-exempt status of CentraCare, its sole owner. CCH Subsidiary has the power to lease and to own assets and to carry on its business as contemplated under this Agreement.

10.2 Authority. CentraCare and CCH Subsidiary each has the power to execute and deliver this Agreement and to carry out the transactions contemplated hereby. All actions required to be taken by CentraCare and CCH Subsidiary to authorize the execution, delivery and performance of this Agreement and all transactions contemplated hereby have been duly and properly taken.

10.3 No Conflicts. This Agreement is duly executed and delivered and is a valid and legally binding obligation of CentraCare and CCH Subsidiary and is enforceable against them in accordance with its respective terms. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, result in the creation of any lien, charge or encumbrance, or the acceleration of any indebtedness or other obligation of CentraCare or CCH Subsidiary, and are not prohibited by, in violation of or in conflict with any provision of, and will not result in a default under or a breach of (i) the articles of incorporation and bylaws of CentraCare, articles of organization or Operating Agreement of CCH Subsidiary, or any contract, agreement or other instrument to which CentraCare or CCH Subsidiary is a party or is bound, (ii) any ordinance, law or regulation applicable to CentraCare or CCH Subsidiary, or (iii) any order, decree or judgment of any court or governmental agency to which CentraCare or CCH Subsidiary is a party or is bound.

ARTICLE XI
DEFAULT, TERMINATION AND TRANSFER

11.1 Effect of Default by CCH Subsidiary or CentraCare. If (i) CCH Subsidiary or CentraCare fails to pay any Rent or other sum due under this Agreement and such failure continues for five (5) calendar days after written notice of such default from the District, (ii) CCH Subsidiary or CentraCare fails to perform any of its other material obligations under the terms of this Agreement and such failure continues for thirty (30) days after written notice of such default from the District (provided, however, that if the nature of the default is such that more than thirty (30) days are reasonably required for its cure, then CCH Subsidiary shall not be deemed to be in default if CCH Subsidiary commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion,), (iii) CCH Subsidiary, Carris or CentraCare adopts a plan of dissolution or files for bankruptcy, liquidation or receivership, or (v) the loss by the CCH Subsidiary of its tax-exempt status, then the District shall have the right to (a) terminate this Agreement upon written notice to the CCH Subsidiary at any time after expiration of the applicable cure period, if any, or (b) enforce the terms of this Agreement or the foregoing provisions of the CCH Subsidiary Operating Agreement by invoking any other right or remedy allowed at law or in equity, including without limitation an action for specific performance. If an event of default, as defined in this Section 10.1, shall occur, CentraCare shall pay to the District, on demand, all expenses incurred by the District as a result thereof, including reasonable attorneys' fees, court costs and expenses actually incurred.

11.2 Effect of Default by the District. If the District fails to perform or pay, in a full and timely manner, any of its obligations under the terms of this Agreement and such failure continues for thirty (30) days after written notice of such default from CCH Subsidiary (provided, however, that if the nature of the default is such that more than thirty (30) days are reasonably required for its cure, then the District shall not be deemed to be in default if the District commences such cure within said thirty (30) day period), or (ii) the District fails to apply all payments of Rent to make principal and interest payments on the District Bonds as and when due, then CCH Subsidiary shall have the right either to (a) terminate this Agreement upon written notice to the District at any time after expiration of the applicable cure period, if any, or (b) enforce the terms of this Agreement by invoking any other right or remedy allowed at law or in equity, including without limitation an action for specific performance.

11.3 Other Events of Termination. In addition to termination under Section 10.1 and 10.2, this Agreement will terminate:

(a) At the expiration of the Initial Term, in the event CCH Subsidiary notifies the District that it does not intend to renew this Agreement by the time period set forth in Section 2.2; or

(b) At the expiration of the Renewal Term;

11.4 Effect of Termination.

(a) Upon the termination of this Agreement for any reason other than a transfer by the District to CCH Subsidiary of the Leased Assets pursuant to Section 10.5,

in which case the provisions of Section 10.5 shall govern the termination process, the parties shall enter into negotiations to determine the time frame and conditions under which, if applicable, CCH will return the then-current Hospital operations and assets to the District. The parties shall take all steps reasonably necessary to allow the District (or such other party as the District shall designate as a successor lessee and operator of the Benson Facilities) to assume operations of the Benson Facilities so that there are no disruptions of services at the Benson Facilities, including, but not necessarily limited to, the following:

(i) CCH Subsidiary shall surrender possession of all Hospital Assets, including any improvements and additions thereto made pursuant to Sections 4.2 and 7.3, and, in the case of the Transferred Assets (including any Improved Transferred Assets and an amount of working capital equal to the Possession Date Working Capital (the “**Working Capital Reconciliation**”) and the New Property, shall take all such steps as are necessary to convey title thereto, to the District or its designee, free and clear of all liens, security interests and encumbrances, other than those relating to the liabilities assumed by the District (or its designee) pursuant to paragraph (ii) below; provided however, that nothing in this Section 11.4(a)(i) shall be interpreted to require CCH Subsidiary to return any Transferred Assets in amounts, value, or condition, consistent with the amounts, value, or condition of the Transferred Assets as of the Possession Date, including without limitation, the Hospital Funds, except for the Working Capital Reconciliation.

(ii) The District (or its designee) will assume such contracts, leases, subleases, and other agreements to which CCH Subsidiary is a party relating to Benson Operations, and the liabilities of CCH Subsidiary thereunder, that the District (or such designee) consents to assume and, from and after the termination date the District (or its designee) shall resume responsibility for Benson Operations and maintenance of the Hospital Assets; and

(iii) The District (or its designee) will have the right to offer employment to all CentraCare employees who are employed at the Benson Facilities in substantially the same manner as described in Section 5.9.

(b) If this Agreement is terminated by CCH Subsidiary under Section 10.2 (uncured default by the District), then at the time the actions in Section 11.4(a) are consummated, the District shall pay CCH Subsidiary an amount equal to the book value of all capital investments made by CCH Subsidiary in the Benson Facilities pursuant to Section 4.2 and Section 7.3 hereof prior to the termination of the Agreement.

(c) If this Agreement terminates under either Section 10.3(a) or (b) hereof due to the nonrenewal or expiration of the Term, then at the time the actions in Section 11.4(a) are consummated, the District shall pay CCH Subsidiary an amount equal to the book value of all capital investments made by CCH Subsidiary and CentraCare in the Benson Facilities pursuant to Section 4.2 and Section 7.3 hereof prior to the termination of the Agreement; provided, however, that any such payment shall be offset

(but not below zero) by the amount by which the Investment Fund on such date is less than the amount of the Investment Fund on the Possession Date.

(d) For the purposes of Section 11.4(b) and (c), the book value of CCH Subsidiary's capital investments shall be the amounts recorded as such on CCH Subsidiary's books as the date of termination of this Agreement using CCH Subsidiary's historical methods of cost depreciation consistently applied.

(e) At District's request, CentraCare will provide transition services to the District (or its designee) on a fair market value basis for a period of one (1) year after termination of this Agreement to assist in the transition of Hospital's Operations to the District or such designee. The terms of such transition services will be mutually agreed upon at the time of termination.

(f) Any proposed termination of this Agreement by the District only shall be effective upon the satisfaction of all obligations of the District set forth in this Section 11.4.

11.5 Enforcement of CCH Subsidiary and CentraCare Obligations by District.

(a) If, at any time after the Possession Date, the District makes a good faith determination that either CCH Subsidiary or CentraCare is in breach of its obligations hereunder, including but not limited to Sections 5.10 (Service Commitments) and 5.11 (Capital Commitments), then the District shall provide written notice thereof to CCH Subsidiary and CentraCare describing in reasonable detail the nature of the alleged breach and other information pertinent thereto (a "**Breach Notice**"). Upon receipt of a Breach Notice, representatives of CentraCare, CCH Subsidiary, and the District (along with their respective advisors) shall meet on a regular basis to discuss and resolve the alleged breach identified in the Breach Notice. If CCH Subsidiary, CentraCare and the District are unable to resolve the alleged breach by CCH Subsidiary or CentraCare identified in the Breach Notice to the reasonable satisfaction of the District within sixty (60) days of the delivery of the Breach Notice, then the District may bring and pursue an Enforcement Action on behalf of, and in the name of, the District with respect thereto. The District shall have the exclusive right and authority to make any and all decisions with respect to the prosecution of such Enforcement Action, including the decision to engage or dismiss legal counsel representing the District and the District in connection therewith and decisions to enter into settlement negotiations and to make and accept settlement offers with respect thereto. CentraCare and CCH Subsidiary acknowledge and agree that the District has standing to assert and bring an Enforcement Action on behalf of the District; provided, however, that the District shall only be authorized to seek equitable relief on behalf of in the form of an injunction or specific performance and shall not be authorized to seek money damages from CentraCare or CCH Subsidiary (other than specific performance of an obligation involving the payment of money) with respect thereto. "**Enforcement Action**" means any lawsuit, alternative dispute resolution process or similar proceeding brought on behalf of the District by, and at the election of, the District pursuant to this Section 11.5 in order to enforce one or more of CentraCare's or CCH Subsidiary's commitments contained herein.

(b) In the event the District Board incurs expenses following the submission of a Breach Notice to enforce the covenants of this Agreement that results in the District prevailing in an Enforcement Action, CentraCare shall be fully responsible for the reasonable expenses incurred by the District Board in connection therewith. The District Board shall provide CentraCare with invoices and other written documentation evidencing the expenses incurred by it in connection with an Enforcement Action to the extent the District prevails in an Enforcement Action against CentraCare or CCH Subsidiary.

11.6 No Termination. Neither CCH Subsidiary nor the District shall have the unilateral right to terminate this Agreement prior to the expiration of the Term, other than as set forth in this Article XI.

ARTICLE XII **CONDITIONS PRECEDENT TO CLOSING**

The obligations of the parties under this Agreement are subject to the satisfaction, on or prior to the Possession Date, of the following conditions:

12.1 There shall have been no material breach by any party in the performance of any of their respective covenants in this Agreement, each of the representations and warranties of each of them contained or referred to in this Agreement shall be true and correct in all material respects on the Possession Date as though made on the Possession Date, and there shall have been delivered to each party their respective deliveries as described in Article XIII below;

12.2 No order shall have been entered in any action or proceeding before any court or governmental agency, and no preliminary or permanent injunction by any court shall have been issued which would have the effect of (i) making the transactions contemplated by this Agreement illegal; or (ii) otherwise preventing consummation of such transactions; and there shall have been no federal or state statute, rule or regulation enacted or promulgated that could reasonably, directly or indirectly, result in any of the consequences referred to in clauses (i) or (ii) of this Section 12.2;

12.3 All necessary federal, state and local governmental approvals and consents shall have been obtained, without the imposition of any material conditions or restrictions and without the loss of any existing material waivers arising out of the closing of the transactions contemplated hereby;

12.4 If any governmental agency seeks to preliminarily enjoin the transactions contemplated hereby, either party may decide not to proceed further with the transactions; provided, however, that if both of the parties agree to contest such preliminary injunction, each party shall bear its own costs and expenses associated therewith;

12.5 All third party consents or waivers required to be obtained with respect to the proposed transactions shall have been obtained or waived;

12.6 The District shall have received consent of the bondholders of the District Bonds *[TBD by District bond counsel]*;

12.7 The District shall have received an opinion of Briggs and Morgan, Professional Association, or its successors, as bond counsel;

12.8 The District, City and County shall have approved this Agreement;

12.9 No Material Adverse Change shall have occurred;

12.10 All Exhibits and Schedules in this Agreement provided for shall be complete in form and substance;

12.11 CentraCare shall have determined in its sole discretion that the CentraCare billing and other systems, including the Epic system, are prepared to integrate the Benson Facilities, such that CentraCare systems can accommodate such integration without significant disruption;

12.12 The Benson Facilities shall have been recredentialed, to the satisfaction of CentraCare, by third-party payors, including without limitation the Centers for Medicare and Medicaid Services;

12.13 CentraCare shall have determined to its satisfaction that (a) the transactions contemplated in this Agreement will not impair the Rural Health Clinic status of the Carris physician clinic located in Benson, Minnesota (the "RHC"), or (b) the RHC has been effectively redesignated, so as to maintain its status as a Rural Health Clinic; and

12.14 CentraCare and the District shall have received confirmation from the County that the real property used to operate the Benson Facilities will be exempt from taxation, for so long as CentraCare maintains its status as a tax-exempt organization. [*TBD Subject to further discussion*]

ARTICLE XIII **POSSESSION DATE DELIVERIES**

13.1 CentraCare and CCH Subsidiary Deliveries to the District. CCH Subsidiary shall deliver the following to the District on or before the Possession Date:

(a) Certificate of Good Standing of both CentraCare and CCH Subsidiary from the Minnesota Secretary of State.

(b) A certified copy of resolutions adopted by the Board of Directors of CentraCare, authorizing and approving the execution and performance of this Agreement by CentraCare and CCH Subsidiary.

CentraCare CCH Subsidiary also shall take any and all additional actions which may be reasonably necessary in order to complete the transaction on the Possession Date.

13.2 District Deliveries to CentraCare and CCH Subsidiary. The District shall deliver the following to CentraCare and CCH Subsidiary on or before the Possession Date:

- (a) A Bill of Sale, in a form mutually agreed upon by the parties, transferring the Transferred Assets to CCH Subsidiary as of the Possession Date.
- (b) Evidence of all consents and notices required by Section 6.2.
- (c) A certified copy of resolutions adopted by the District Council authorizing and approving the execution and delivery of this Agreement.
- (d) An opinion of bond counsel as described in Section 12.6.
- (e) Consent of the bondholders of the District Bonds as described in Section 12.7.

The District also shall take any and all additional actions which may be reasonably necessary in order to complete the transaction on the Possession Date.

ARTICLE XIV
MISCELLANEOUS

14.1 Notices and Payments. All notices, requests, demands, payments and other communications to be made hereunder shall be in writing and shall be deemed to have been duly given if either mailed by certified mail, return receipt requested, postage prepaid, or hand delivered and with such delivery evidenced by a signed receipt or sworn affidavit of the deliverer, as follows:

If to the District:

Swift County Benson Hospital District
1815 Wisconsin Avenue
Benson, MN 56215
Atten: Board Chair

If to CCH Subsidiary:

Carris Health – Benson, LLC

If to CentraCare:

CentraCare Health System
1406 Sixth Avenue N
St. Cloud, MN 56303
Attention: President
With a copy to: General Counsel

or to such other address as either party hereto may request by such written notice. Any notice given in accordance with this Article shall be deemed to have been received either three (3) days after it was mailed or upon delivery, whichever first occurs.

14.2 Severability. If any provision of this Agreement or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provisions or application, and to this end the provisions of this Agreement are declared to be severable.

14.3 Entire Agreement. This Agreement, the Affiliation Agreement and the Exhibits attached hereto and thereto (including documents contained in Exhibits that are fully executed and in accordance herewith), contains the entire understanding of the District and of CCH Subsidiary with respect to the transactions contemplated hereby and supersedes all other agreements and understandings among the District, CCH Subsidiary.

14.4 Amendment. This Agreement may be amended only by a written agreement authorized by the affirmative vote of the governing body of both CentraCare and the District and executed by the authorized representatives of both parties.

14.5 Governing Law and Venue. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Minnesota. Venue shall lie exclusively in Stearns County, Minnesota.

14.6 Counterparts. This Agreement may be executed simultaneously in two (2) or more counterparts, all of which together shall constitute one and the same Agreement.

14.7 Successors and Assigns. All the terms, conditions, covenants, agreements and provisions of this Agreement shall inure to the benefit of and be binding upon the District, CentraCare and CCH Subsidiary and upon their respective successors and permitted assigns. All of the terms, conditions, covenants, agreements and provisions of this Agreement pertaining to the Leased Assets shall also be construed as covenants running with the land.

14.8 Authorization of CCH Subsidiary to Act. Notwithstanding any other provisions of this Agreement, the District hereby authorizes CCH Subsidiary, at its sole discretion, to obtain any and all zoning and/or building permits, tax divisions and certifications of tax exempt status, filing plats of subdivision, negotiated agreements with public and private utilities, and any and all other documents and/or approvals required by or from any governmental authority exercising jurisdiction over all or any part of the Leased Assets, as CCH Subsidiary, in its sole discretion, shall from time to time deem necessary or appropriate in order to carry out the healthcare purposes of CCH Subsidiary. Nothing in this Article shall be deemed or construed as in any way limiting or amending the obligations of the District under Section 6.3 to cooperate with CCH Subsidiary in any way necessary in order to enable CCH Subsidiary to exercise their rights hereunder, including without limitation, the obligation to sign any and all documents and to take any and all other steps necessary to accomplish any of the actions set forth in this Article.

14.9 No Third-Party Beneficiary. This Agreement is for the benefit solely of the District, CentraCare and CCH Subsidiary and their respective successors and permitted assigns, and it shall give rise to no third party rights and shall not be enforceable by any other party (as a third party beneficiary or otherwise), including without limitation, rights related to (a) service commitments under Section 5.10 and (b) the CCH Subsidiary medical staff under Section 5.7.

14.10 Accounts Receivable. Some of the accounts receivable being or to be assigned and transferred are or may be due from governmental authorities or agencies, or intermediaries/agents thereof, under the programs commonly known as Medicare and Medicaid/Medical Assistance. To the extent those accounts receivable are not transferable or assignable, the assigning party shall collect those receivables and remit or endorse the receipts to the other promptly. Further, the assigning party hereby appoints the other as its attorney-in-fact to collect and endorse for payment of all the receivables being assigned and transferred in any way that the assigning party could collect them and endorse payment. This appointment is irrevocable, special and coupled with an interest.

14.11 Recordation. The parties agree to execute and file of record either this Agreement or a memorandum of lease evidencing the existence of this Agreement, the Term, and the Leased Assets in this Agreement leased.

14.12 Non-Delegation. No provision of this Agreement shall be construed to permit or require the delegation by the District of any governmental function of the District.

IN WITNESS WHEREOF, the parties hereto have caused their authorized representatives to execute this Agreement in their respective names effective as of the day and year first above written.

[Signature pages follow]

General information

Public comment period begins: November 27, 2019

Public comment period ends: December 26, 2019 (4:30 p.m.)

The Minnesota Pollution Control Agency (MPCA) Commissioner has made a preliminary determination to reissue this permit for a term of approximately 5 years.

Name and address of Permittee:

Benson city of
 1410 Kansas Ave
 Benson, Minnesota 56215

Facility name and location:

Benson Municipal Utilities
 1414 Kansas Ave
 Benson, MN 56215
 Swift County
 T121N, R39W, Section 006

MPCA contact person:

Joshua Markham
 Industrial Division
 Minnesota Pollution Control Agency
 520 Lafayette Road
 St. Paul, MN 55155-2365
 Phone: 651-757-2021
 Email: Joshua.Markham@state.mn.us

File manager phone: 651-757-2728 or
 1-844-828-0942

A draft permit and supporting documentation are available for review on the MPCA Public Notices webpage at <http://www.pca.state.mn.us/publicnotices>. Additional materials relating to the issuance of this permit are available for inspection by appointment at any MPCA office (<https://www.pca.state.mn.us/about-mpca/mpca-offices>) between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday. The MPCA will mail or email a copy of the draft permit upon request. Comments, petitions, and other requests must be received at the MPCA in writing on or before the public comment period end date and time identified above.

Description of Benson Municipal Utilities

Benson Municipal Utilities provides electrical services to the City of Benson (Permittee), and is under contract to Missouri River Energy Services (MRES). The facility has five 1825 kW diesel-fired reciprocating internal combustion engine (RICE) generators, which are on standby unless called upon by MRES or needed for emergency power within the city. These five RICE have a total generating capacity of 9.125 MW. The main pollutants of concern from the facility are Nitrogen Oxides (NO_x) and Carbon Monoxide (CO). At each RICE, an oxidation catalyst reduces CO emissions by converting CO into Carbon Dioxide (CO₂). During engine operation, the oxidation catalysts are monitored for temperature and pressure drop across the catalysts. The facility is a major source under the Part 70 permitting program, but the Permittee has taken a limit on the annual emissions of NO_x to remain a minor source under the New Source Review (NSR) program. The facility is an area source under the National Emission Standards for Hazardous Air Pollutants (NESHAP) program.

The permit action is for operation of the facility. The permit action is the reissuance of the Part 70 Operating Permit; therefore, the draft permit has been placed on public notice.

A summary of the Potential to Emit (PTE) in tons per year is as follows:

Pollutant	PM	PM ₁₀	PM _{2.5}	SO ₂	NO _x	VOCs	CO	CO _{2e}	All HAPs
Total Facility PTE	12.7	12.7	12.7	0.56	225	21.45	23.5	61,250	0.59

PM = Particulate Matter
 PM_{2.5} = PM, 2.5 microns and smaller
 NO_x = Nitrogen Oxides
 CO = Carbon Monoxide
 PM₁₀ = PM, 10 microns and smaller
 SO₂ = Sulfur Dioxide
 VOCs = Volatile Organic Compounds
 CO_{2e} = Carbon Dioxide Equivalents as defined in Minn. R. 7007.0100
 HAP = Hazardous Air Pollutant

The Permittee is not required to submit a pollution prevention progress report pursuant to Minn. Stat. § 115D.08.

The preliminary determination to reissue this Air permit is tentative.

Procedure for public participation

As stated in Minn. R. chs. 7000 and 7001, there are three formal procedures for public participation in the MPCA's consideration of this matter. Interested persons may:

- (1) Submit written comments on the draft permit.
- (2) Petition the MPCA to hold a public informational meeting.
- (3) Petition the MPCA to hold a contested case hearing.

Submitting written comments

To submit comments or petitions to the MPCA through the mail or email, you must state:

- (1) Your interest in the permit application or the draft permit.
- (2) The action you wish the MPCA to take, including specific references to the section of the draft permit you believe should be changed.
- (3) The reasons supporting your position, stated with sufficient specificity as to allow the MPCA to investigate the merits of the position.

Public informational meeting

A public informational meeting is an informal meeting during which interested persons can ask questions concerning the proposed facility. MPCA staff will be present to provide information. If an interested person would like the MPCA to hold a public informational meeting, the person should include all information identified above and in addition include a statement of the reasons the person desires the MPCA to hold a public informational meeting and the issues that the person would like the agency to address at the public informational meeting.

Contested Case Hearing

A contested case hearing is a formal proceeding before an administrative law judge empowered to advise the MPCA regarding issues of fact. As described in Minn. R. 7000.1800, persons who submit petitions for a contested case hearing must also state the issues they propose to address in a contested case hearing, the specific relief requested or resolution of the matter, and the reasons (which may be in the form of proposed findings) supporting an MPCA decision to hold a contested case hearing. Failure to comply with these rules exactly may result in a denial of the request. To the extent known, the petitioner may also submit a list of prospective witnesses to be called at a hearing, a proposed list of publications, references, or studies to be introduced at a hearing and the approximate time required for the petitioner to present the matter at a hearing. The decision whether to hold a contested case hearing will be made under Minn. R. 7000.1900.

**A RESOLUTION DESIGNATING POLLING PLACE FOR 2020 ELECTIONS
(RESOLUTION NO. 2019-)**

WHEREAS, Minnesota Statutes 204B.175, subd 1a requires the City Council, by ordinance or resolution, to designate polling places for the upcoming year; and

WHEREAS, changes to the polling places locations may be made at least 90 days before the next election if one or more of the authorized polling places becomes unavailable for use; and

WHEREAS, changes to the polling place locations may be made in the case of an emergency when it is necessary to ensure a safe and secure location for voting; and

THEREFORE, BE IT RESOLVED: That the Benson City Council hereby designates the following polling place for elections conducted in the city in 2020:

Precincts 1 & 2
Benson Armory
203 – 14th Street South
Benson, MN 56215

AND BE IT FURTHER RESOLVED, that the city Clerk is hereby authorized to designate an emergency replacement polling place meeting the requirements of the Minnesota Election law for any polling place designated in the Resolution when necessary to ensure a safe and secure location for voting.

AND BE IT FURTHER RESOLVED, that the City Clerk is directed to send a copy of this resolution and any subsequent polling place designations to the Swift County Elections office.

**RESOLUTION TO APPROVE TRANSFER FROM LIBRARY ENDOWMENT FUND
(RESOLUTION NO. 2019-)**

WHEREAS, the City of Benson established the Library Endowment Fund in March of 1995 with excess dollars left over from the new building construction, and

WHEREAS, the interest earned in this fund is available for the purchase of capital equipment,
and

WHEREAS, the fund has earned \$456.10 in interest during 2019, and

WHEREAS, the City Council has budgeted to transfer interest earnings in an amount up to \$400.00.

NOW, THEREFORE BE IT RESOLVED that the \$456.10 interest earned be transferred from the Library Endowment Fund to the operating Library Fund to help cover the costs of capital equipment.

**RESOLUTION TO APPROVE BUDGETED TRANSFERS
(RESOLUTION NO. 2019-)**

WHEREAS, the City of Benson has maintained the following funds, and

WHEREAS, the City Council has determined that it is prudent to make transfers in 2019 in order to fund certain projects or programs.

NOW, THEREFORE BE IT RESOLVED that the following amounts be transferred from the following funds:

	Budgeted	Transferred
From Cemetery Perpetual Care to General Fund	1,600	2,139
TOTAL	1,600	2,139

**RESOLUTION TRANSFERRING AMOUNT DESIGNATED FOR FUTURE
CAPITAL OUTLAY TO THE GENERAL CAPITAL OUTLAY FUND
(RESOLUTION NO. 2019-)**

WHEREAS, the Benson City Council has established a fund known as the General Capital Outlay Fund, and

WHEREAS, the Council desires to track all capital outlay purchases for the General Fund through this fund, and

WHEREAS, there are monies appropriated in the General Fund 2019 Budget for this purpose.

NOW, THEREFORE, BE IT RESOLVED that the following amounts be transferred from the General Fund Appropriated Fund Balance to the General Capital Outlay Fund for:

City Hall	40,000
Police Department	57,000
Street Department	276,000
Park	157,000
Airport	20,000
TOTAL	\$550,000

**RESOLUTION TRANSFERRING \$7,475 FROM THE EDA FUND AND \$12,272 FROM THE
REVOLVING LOAN FUND TO THE GENERAL FUND
(RESOLUTION NO. 2019-)**

WHEREAS, the City of Benson is active in economic development, and

WHEREAS, the Economic Development Authority makes loans to local businesses in order to create jobs, and

WHEREAS, these loans are administered by personnel within the General Fund, and

WHEREAS, a 1% management fee on the beginning asset balance of these Funds is a reasonable fee to charge for this administration.

NOW, THEREFORE BE IT RESOLVED that the City Council authorized the transfer of \$7,475 from the EDA Fund and \$12,272 from the Revolving Loan Fund to the General Fund.

**RESOLUTION SETTING ASSESSMENTS FOR CURRENT SERVICES
BY THE CITY OF BENSON, MINNESOTA FOR 2019 PAYABLE 2020
(RESOLUTION NO. 2019-)**

BE IT RESOLVED, by the Benson City Council that the following assessments for 2019 as prepared by the City Manager are hereby approved and made a part thereof; and,

BE IT FURTHER RESOLVED, that the assessments hereinafter noted shall be submitted to the County Auditor on or before December 16, 2019 and placed on the tax roll for collection with the taxes collectable in 2020.

Charges	Name & Mailing Address	Legal Description & Parcel No.	Amnt Due
Diseased Elm Tree 305 – 19 th St. N.	Laurel Ahrndt 305 – 19 th St. S. Benson, MN 56215	Lots 4 & 5, Block 4 McKinney's 3 rd Addition 23-0531-000	\$1,242.00
Mowing 301 – 10 th St. N.	Dakota Fossan 301 – 10 th St. N. Benson, MN 56215	Lots 9, 10, Block 11 City of Benson Addition 23-0056-000	\$342.00
Diseased Elm Tree 406 – 14 th St. S.	Nicole Hadfield 406 – 14 th St. S. Benson, MN 56215	Lot 4, Block 8 McKinney's 1 st Addition 23-0461-000	\$253.00
Concrete 610 – 10 th St. S.	Wayne Jaeger 610 – 10 th St. S. Benson, MN 56215	S. 78' of N. 128' of Lot 4, Block 1 Sunnyside Addition	1,794.45
Mowing 308 – 16 th St. N.	John & Mary Jensen 4519 West Hwy 192 Kissimmee, FL 34746	Lots 11,12,13, Block 38 City of Benson Addition 23-0236-000	\$128.25
Mowing 875 Montana Ave.	Linda Love 207 – 17 th St. S. Benson, MN 56215	Lot 1, Block 1 Prairie View Addition 23-1406-000	\$427.50
Mowing 2010 McKinney Ave.	Peter Melby 220 – 60 th Ave. SW Benson, MN 56215	Lot 1, Block 3 Tatge's 1 st Addition 23-0978-000	684.00
Mowing 1505 Atlantic Ave.	NFG, LLC P.O. Box 412 Stillwell,KS 66085	MORRIS & PAYTE'S ADDITION 75X200 FT ALG RR BEG AT A PT ON THE SEC LINE BTWN SEC 5 & 6 121 39 WHERE SAID SEC LINE INTERSECTS THE S LINE OF ATLANTIC AVE THEN WLY ALONG THE SLY LINE OF SAID ATLANT AVE 200 FT; THEN SLY & AT RT ANG TO SAID FIRST LINE 75 FT, THEN ELY & PARA TO SAID LST LINE TO SAID SEC LINE BETWEEN SEC 5 & 6; THEN NO ALONG SAID SEC LINE TO BEG 23-0310-000	662.63

Diseased Elm Removal 201 – 18 th St. S.	Peter Ollendick To: Matthew Ollendick 207 – 12 th St. S. Benson, MN 56215	Lots 23,24 & N. 10' lot 22, Block 50 Stone Addition 23-0554-000	\$392.00
Diseased Elm Removal 407 – 12 th St. N.	Roberta Reitsma 2305 – 22 nd Ave. SW Willmar, MN 56201-4967	Lots 5,6 & N. 20' of 7, Block 24 City of Benson Addition 23-0147-000	\$1,568.00
TOTALS			\$7,493.83