

**City Council Regular Meeting Agenda**  
**City Council Chambers**  
**April 2, 2012**

- Page
- 5:30 p.m. Call the Meeting to Order at City Hall (Mayor)
1. Persons with Unscheduled Business to Come Before the City Council (Mayor)
  2. Review the Consent Agenda: (Mayor) Canary  
2-10 a. Minutes:
    - 3.19.12 City Council Meeting
    - 3.15.12 EDA Meeting
    - 3.15.12 Safety Committee Meeting
    - 2.27.12 Swift County-Benson Hospital Meeting
  - 11-38 3. Consider Resolution Providing for the Issuance & Sale of \$1,135,000 G.O. Bonds, Series 2012A Mark Ruff - Ehlers & Associates White
  - 39-41 4. Post Issuance Debt Compliance Policy Green
  - 42-47 5. Western Area Power Administration (WAPA) Reserve Contract No. 12-UGPR-576 Blue
  - 48-49 6. Department of Public Works Capital Request (Streets) Tan  
50-51
    - Radio System Upgrade (West Central Communications)
    - 6" Channel Equipment tilt Trailer \$6,182.00
  7. Benson Housing & Redevelopment Authority (HRA) Annual Report
  - 52-62 8. Benson Police Department 2011 Annual Report White
  - 63 9. Pay Request #8 – KHC Construction - Water Treatment Plant - \$140,341.00 Blue
  - 64-65 10. Benson Golf Club Request Green
  11. Additional Items from Staff, Mayor and Council:
  12. Spring City Council Tour of Benson
  13. Adjourn: Mayor

**Draft**

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING  
MARCH 19, 2012**

The meeting was called to order at 5:30 p.m. by Mayor Kittelson. Members present: Paul Kittelson, Mike Fugleberg, Ben Hess and Sue Fitz. Members absent: Gary Landmark. Also present: City Manager Rob Wolfington, Director of Public Works Elliot Nelson, Upper Minnesota Valley Regional Development Commission (UMVRDC) Director Jacki Anderson and Swift County Emergency Manager Bill McGeary

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

- February 21, 2012 Amended City Council Meeting
- March 5, 2012 City Council Minutes

It was moved by Hess, seconded by Fugleberg and carried unanimously to approve the following liquor licenses effective April 13, 2012 contingent upon receiving the necessary paperwork:

**Club On-Sale Liquor License:**

Benson VFW

**Sunday Liquor License:**

Benson VFW

Benson Bowler

Benson Golf Club

Duffy's Bar and Grill

McKinney's on Southside

**On-Sale Liquor License:**

Benson Bowler

Benson Golf Club

Duffy's Bar and Grill

Mi Mexico

McKinney's on Southside

**Sidewalk Café Permit**

Duffy's Bar and Grill

Mi Mexico

**Off-Sale 3.2 Malt Beverage License:**

Holiday Stationstore, Inc.

It was moved by Hess, seconded by Fugleberg and carried unanimously to approve the following licenses effective April 1, 2012:

**Rollerskating License:**

Svor's Family Roller Rink

**Sewer Tap License:**

Grossman Plumbing and Heating

Hawley's Inc.

Craig's Refrigeration

**Garbage Collection License:**

Mattheisen Disposal

It was moved by Fugleberg, seconded by Fitz and carried unanimously to approve a Cigarette License to Glacial Plains Cooperative that will expire December 31, 2012.

It was moved by Fitz, seconded by Hess and carried unanimously to appoint Deborah Bartelt to the Benson City Cemetery Board with her term expiring December 31, 2014.

Next Wolfington discussed paying off the 2006 G.O. Equipment Notes on April 1, 2012. We have cash reserves to pay all but \$50,000 which could come from either General Fund reserves or current year budget surplus. It was moved by Fitz, seconded by Fugleberg and carried unanimously to Pay off the \$91,912.50 G.O. Equipment Note of 2006.

Next Wolfington discussed the proposed Fund Balance Policy. After discussion, it was moved by Hess, seconded by Fitz and carried unanimously to adopt the Fund Balance Policy.

The Mayor called the Public Hearing to order at 5:38pm. Wolfington introduced Swift County Emergency Manager Bill McGeary and Jacki Anderson from the UMVRDC. They reviewed the Swift County All Hazard Mitigation Plan, and answered questions from the Council. This plan has come from the FEMA act of 2006.

Councilmember Fitz offered the following Resolution and moved its adoption:

**RESOLUTION ADOPTION OF THE SWIFT COUNTY ALL-HAZARD MITIGATION PLAN  
(RESOLUTION 2012-06)**

WHEREAS, the city of Benson has participated in the hazard mitigation planning process as established under the Disaster Mitigation act of 2000, and

WHEREAS, the Act establishes a framework for the development of a multi-jurisdictional county Hazard Mitigation Plan; and

WHEREAS, the Act as part of the planning process requires public involvement and local coordination among neighboring local units of government and businesses; and

WHEREAS, the Swift County Plan includes a risk assessment including past hazards, hazards that threaten the county, and estimate of structures at risk, a general description of land uses and development trends; and

WHEREAS, the Swift County Plan includes a mitigation strategy including goals and objectives and an action plan identifying specific mitigation projects and costs; and

WHEREAS, the Swift County Plan includes a maintenance or implementation process including plan updates, integration of the plan into other planning documents and how Swift County will maintain public participation and coordination; and

WHEREAS, the Plan has been shared with the Minnesota Division of Homeland Security and Emergency Management and the Federal Emergency Management Agency for review and comment; and

WHEREAS, the Swift County All Hazard Mitigation Plan will make the County and participating jurisdictions eligible to receive FEMA hazard mitigation assistance grants; and

WHEREAS, Swift county All-Hazard Mitigation Plan updates the existing All-Hazard Mitigation Plan adopted in September 2006; and

WHEREAS, this is a multi-jurisdictional plan and cities that participated in the planning process may choose to also adopt the County Plan.

NOW THEREFORE BE IT RESOLVED that the City of Benson supports the hazard mitigation planning effort and wishes to adopt the Swift County All-Hazard Mitigation Plan.

Council Member Fugleberg seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Fugleberg, Fitz, Hess. NAYS: None. Thereupon the Mayor declared Resolution 2012-06 duly passed and adopted.

Mayor Kittelson closed the public hearing at 5:55 pm.

Wolfington presented the first reading of an ordinance to vacate an alley where the proposed new clinic will be built on McKinney Avenue. Wolfington stated the Planning Commission has reviewed this. It was moved by Hess, seconded by Fugleberg and carried unanimously to approve the first reading of Ordinance 203, An Ordinance to Vacate Alleys. The following vote was recorded: AYES: Kittelson, Hess, Fugleberg NAYS: None ABSTAIN: Fitz

Public Works Director Nelson approached the City Council to answer questions on the US Highway 12 East Overhead to Underground Electric project. He reviewed the bids received for materials for the project. It was moved by Fitz, seconded by Hess and carried unanimously to accept the low material bids for the Highway 12 East Overhead to Underground Electric Project.

Wolfington stated he included in the packets fees and ordinance draft for a Storm Water Utility. There was concern about rates for larger parcels of land like churches and how that would affect them. He

proposed to the Council to set a public hearing, and work with the paper to develop proper advertising. The Council directed Wolfington to develop the plan.

Wolfington informed the Council he has been attending the MNDOT Area Transportation Meetings, where the public is able to give input. He discussed the State Transportation Implementation Program (STIP) which is a 5 year plan, which included work in and around Benson. Tentatively there is a plan for 2017 called the Benson Project which will be more intensive work in the city limits.

Councilmember Hess offered the following Resolution and moved its adoption:

**RESOLUTION FOR REESTABLISHING  
UNCHANGED PRECINCTS AND POLLING PLACES  
(RESOLUTION NO. 2012-07)**

BE IT RESOLVED, by the Benson City Council,

- (1) WHEREAS, the boundaries of the City of Benson Precinct 1 and Precinct 2, which consists of the City of Benson remain unchanged following state legislative redistricting, the Benson City Council hereby reestablishes these precinct with those boundaries as required by *Minnesota Statutes* 204B.14 subdivision 3 (c).
- (2) WHEREAS, the polling place for Precinct 1 and Precinct 2 remains at the Benson Armory located at 203 – 14<sup>th</sup> Street South, the Benson City Council hereby reestablishes this location as the designated polling place for these precincts in accordance with *Minnesota Statutes* 204B.16.

Council Member Fugleberg seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Fugleberg, Fitz, Hess. NAYS: None. Thereupon the Mayor declared Resolution 2012-07 duly passed and adopted.

Next there was a pay request from Stantec for the Water Treatment Plant for engineering services. It was moved by Fitz, seconded by Fugleberg and carried unanimously to approve the pay request from Stantec in the amount of \$8,469.00.

Nelson presented a change order from KHC Construction on the Water Treatment Plant. It was moved by Hess, seconded by Fugleberg and carried unanimously to approve change order #2 in the amount of \$16,997.06.

Nelson presented the low bid for tires for the Street Department from Glacial Plains Cooperative. It was moved by Fugleberg, seconded by Fitz and carried unanimously to accept Glacial Plains Tire Bid in the amount of \$9,381.92.

Next Wolfington presented bills and warrants. It was moved by Fitz, seconded by Fugleberg and carried unanimously to approve the bills and warrants in the amount of \$585,401.37.

There being no other business, a motion was made by Hess, seconded by Fugleberg and carried unanimously to adjourn the meeting at 6:15 p.m.

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Mayor

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City Clerk

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3/23/12

## **EDA Regular Meeting March 15, 2012**

- Members Present:** Mike Fugleberg, Paul Estenson , Jon Buyck, Leroy Noreen, Elaine Mitteness
- Members Absent:** Paul Kittelson, Rick Horecka
- Also Present:** Rob Wolfington, June Skarsten from Fibrominn, Superintendent Lee Westrum from Benson Schools and Kristy Haefner of Human Resources at CNH.

Chairman Estenson called the meeting to order at 12:07 p.m.

A motion was made by Noreen, seconded by Fugleberg and passed unanimously to approve the February 23, 2012 minutes.

### **Benson Schools Alumni List**

Wolfington opened discussion on the possible use of the school's alumni list to help with promoting the City. Westrum stated he felt permission would be needed for uses of the list other than school business. There was also discussion on how to use it and who would maintain the list.

### **Continued Discussion on Benson Marketing and Housing**

Wolfington invited Kristy Haefner from Case New Holland (CNH) and June Skarsten from Fibrominn to come and continue discussion on how to keep new employees in Benson. There was discussion on offering tours to prospective new employees to show what Benson has to offer. June stated they do some of that already. She also stated new employees like Benson, but the concensus between CNH and Fibrominn is if the spouse as well as the prospective employee can both get a job in Benson, is what keeps them here. There are some employees commuting to work in Benson from as far away as Litchfield and Ortonville. There was discussion on how to get homes for sale in front of the new employee. The concern is who will edit and update this information. Reed Anfinson, from the Monitor News stated he would put together the cost to print a pull out piece for the paper that could be published quarterly.

### **Loan Profile**

There was discussion on a couple loans that are delinquent, and what course of action to take with them. There was a motion by Noreen, second by Fugleberg and passed unanimously to collect on Future Products's CD used as collateral unless a \$20,000 payment is made on their 2008 loan in 30 days.

**Other Business**

Wolfington reminded the board he will be at the International Biomass Conference with Stantec in Colorado the week of April 16, 2012.

Wolfington informed the Board he was at a MnDot meeting earlier in the week, and said there will be several improvements on State Highways in the area and in Benson. There is also a 2017 Benson Project which will address Highways 12, 29 & 9, which will include sidewalk and handicapped ramps.

There was a motion by Noreen, second by Mitteness and passed unanimously to adjourn the meeting at 1:12 p.m.

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Chairman

Attest: \_\_\_\_\_  
Secretary

✓  
3/28/12

**Safety Committee Meeting**  
**Thursday, March 15, 2012**  
**9 AM**

**Members Present:** Gary Searcy, Mike Jambor, Rob Wolfington, John Goulet, Dave Thelen, Tim O'Connor and Val Alsaker

**Members Absent:** Elliot Nelson, Wade Ascherman, Mike Hoffman,

**Old Business**

1. Checklists were turned in from Streets, Transit, Wastewater, Electric, Power Plant and Water with no noted issues.
2. Water Department went to Marshall for their field trip safety observation. Gary stated it made a big impression. He stated it was very clean and orderly. One idea they took away from Marshall's plant is their water filters are open on top. They provide life rings in case someone falls into the filter. Our new water treatment plant will have the same open filters. Gary felt this is worth looking into and will check the specs for our new plant to see if this item is in there.
3. Val said May 17 & 18 will be a joint safety class with Swift County employees and Police. There will be an option to take the class the afternoon of the 17<sup>th</sup>, or the morning of the 18<sup>th</sup>. The class will cover AWAIR/Right To Know and hands on Fire Extinguisher training.
4. Rob asked how the wastewater filter plant cleaning went. There was a re-cap of safety procedures. Dave stated it went very well.

**New Business**

1. There were 3 incidents to report. First was a police officer during a dark windy snowy early morning patrol, he pulled away from a stop sign. An individual was approaching from his left without headlights and the officer collided with that car. There were no injuries, just vehicle damage. The next incident was a police officer walked into a trailer hitch of a squad car bruising their leg. Lastly was a Street department employee left the street garage yard with the box up on the dump truck and caught the cable tv overhead line pulling it down. These incidents were discussed with recommendations to be more careful driving and walking.

2. Val told the guys to check their reflective summer wear and let her know if we need to reorder shirts.

There being no other business the meeting was adjourned at 9:22 am.

SWIFT COUNTY-BENSON HOSPITAL  
BOARD OF DIRECTORS MEETING MINUTES  
Monday, February, 27 2012 -- 5:30 p.m.

cc  
4/2/12

DRAFT

**I. CALL TO ORDER & ROLL CALL**

The meeting was called to order at 5:37 p.m. by Chuck Koenigs, Chair.

**Members Present:** Chuck Koenigs, Chair, R. J. Bauer, MD, Joe Fox, Melissa Hampton, Deb Moorse, Brian Samuelson, Patty Schreck, Ed Ulmaniec, Frank Lawatsch, CEO

**Members Absent:** Anthony Hilleren, DDS

**Others Present:** Robie Carter, DON, Jayne Thielke, CFO, Dan Selander, HR, Rob Wolfington, Benson City Manager, Holly Rodahl, RN Infection Control/Risk Management, Steve Larson, NEXT, Inc

**II. FOR ACTION:**

1) **Governing Board Agenda** – The agenda was approved with motion by Joe Fox and second by Brian Samuelson and unanimously carried.

2) **Board Education Program** – Steve Larson, NEXT, Inc. presented an update on the building project details and timetable. We're anticipating the construction drawings and bid specifications to be completed early March. There will be a pre-bid meeting on March 16 and bid opening on March 30. We are tentatively planning to bring a bid recommendation to the board for approval at the April board meeting.

3) **Governing Board Minutes, Reports and Committee Minutes** - The minutes from the 1/30/2012 regular meeting and 2/6/2012 special meeting as well as reports and committee minutes were approved with motion by Patty Schreck and second by Deb Moorse and unanimously carried.

**Clinical Report** - Holly Rodahl, RN, reported on the OB services timetable. Holly has put together a timetable and will work with Matt Dammeyer, MD, Robie Carter, DON, and Frank Lawatsch, CEO to review this timetable and continue to proceed with it.

4) **Decision Items** -

- a) **NEXT Pay Request** – Brian Samuelson made a motion to approve the pay request from NEXT and also to allow the finance committee to approve the pay requests in the future. A second by Joe Fox and the motion carried unanimously.

5) **Discussion Items** -

- a) **Report on MHA Trustee Conference** – Deb Moorse, Patty Schreck, Joe Fox, Chuck Koenigs and Frank Lawatsch gave a report on the conference.

6) **Informational Items**

- a) **EMTALA incident update** – Frank Lawatsch reported that CMS has approved the corrective action plan that SCBH submitted. He also stated that we have not yet heard from OIG in regards to a fine.
- b) **Emerald Eve** is scheduled for March 31, 2012 and the theme is Sail into Spring.
- c) **Julie Suess** is no longer the Dietary Manager and Julie Wagner is acting as the interim manager.

**V. ADJOURNMENT**

With motion by Patty Schreck and a second by R. J. Bauer, MD, the meeting was adjourned at 6:40 p.m.  
Motion carried unanimously.

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M. Hampton, Secretary

### Summary:

## Benson, Minnesota; General Obligation; Non-School State Programs

#### Primary Credit Analyst:

Katilyn Pulcher, ASA, CERA, Chicago (1) 312-233-7055; katilyn\_pulcher@standardandpoors.com

#### Secondary Contact:

Linda Merus, Chicago (1) 312-233-7017; linda\_merus@standardandpoors.com

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## Summary:

# Benson, Minnesota; General Obligation; Non-School State Programs

### Credit Profile

US\$1.135 mil GO bnds ser 2012A dtd 04/26/2012 due 02/01/2022

|  |                 |          |
|--|-----------------|----------|
| <i>Long Term Rating</i>                | A+/Stable       | New      |
| Benson GO wtr & swr rev bnds ser 2009A |                 |          |
| <i>Long Term Rating</i>                | AA+/Stable      | Affirmed |
| <i>Unenhanced Rating</i>               | A+(SPUR)/Stable | Affirmed |

## Rationale

Standard & Poor's Ratings Services has assigned its 'A+' long-term rating to Benson, Minn.'s series 2012A general obligation (GO) bonds. At the same time, Standard & Poor's affirmed its 'AA+' long-term rating and 'A+' underlying rating (SPUR) on the city's series 2009A GO water and sewer revenue bonds. The outlook on all the ratings is stable.

The ratings reflect the city's GO pledge and its:

- Stable local economy with access to ample employment opportunities,
- Adequate income and market value per capita indicators,
- Maintenance and growth of very strong reserves, and
- Low debt levels.

The property tax base's moderate concentration in PowerMinn, a biomass utility company, limits the rating.

Officials intend to use bond proceeds to purchase pollution control equipment for the city's electric utility and current refund a portion of the city's series 2003A bonds for interest cost savings. The city has pledged unlimited property taxes upon all taxable properties within city boundaries as the bonds' intended repayment source. The city's GO full faith and credit pledge also secures the bonds.

Benson, Swift County's seat, is approximately 82 miles west of St. Cloud, Minn. and 48 miles south of Alexandria, Minn. The three-square-mile city serves an estimated population of 3,240. Management indicates many residents work in the city, where the leading employer is CNH America LLC (500 employees), a manufacturer of fertilizer application equipment, followed by the local school district (210), Swift County Benson Hospital (125), and county government (110). In December 2011, county unemployment was 6.8%, which was higher than the state's 5.8% rate but well below the nation's 8.3% rate. Median household effective buying income is adequate at 79% of the nation's level. In the 2010/2011 levy year, estimated full market value, which is a more accurate representation of market prices, was \$177 million, or \$54,711 per capita, which is adequate, in our opinion.

The city's property tax base growth has been healthy. Taxable market value suffered a decrease of only 0.14% from the 2008/2009 levy year to the 2009/2010 levy year, in the heart of the economic downturn. From the 2009/2010

levy year to date, taxable market value has been increasing and moderate increases are expected in the next few years.

The city's net tax capacity is moderately concentrated, in our opinion, with the leading 10 taxpayers comprising 33.8% of the total net tax capacity. PowerMinn, which is the city's leading taxpayer, accounts for 25% of the city's total net tax capacity. Management has stated that PowerMinn's operations are stable.

Benson has maintained what we consider very strong financial reserves over the past several years. From fiscal 2008 to fiscal 2010, the general fund unreserved balance increased more than 146% and ranged between 24% and 36% of expenditures. As of fiscal year-end Dec. 31, 2011, the city expects to report an unreserved general fund balance of approximately \$1.1 million, or 34.7% of expenditures. We consider this very strong. In fiscal 2011, the city was unallotted \$180,000 of state aid; management, however, was still able to end the fiscal year with a \$126,000 surplus. Management expects to receive the same amount of local government aid in 2012 as it received in 2011 but has built a small surplus of \$56,000 into its general fund budget in case it receives less. The city also charges a natural gas franchise fee to the local gas company and has locked in at least \$50,000 of revenue for the next 10 years from this source, which it can use for general operations, should further cuts in local government aid ensue. So far in 2012, management is tracking well to its budget and expects to have a \$56,000 surplus at the end of the year. Intergovernmental aid (36%) is still the city's leading revenue source, followed by property taxes (34%).

The city has additional reserves in its liquor and utility funds and makes annual transfers from each of these funds to the general fund. Liquor fund transfers over the past couple of years have been in the amount of \$30,000 and will remain at that level in 2012. However, management is expecting to transfer \$45,000-\$50,000 in 2013 and \$60,000 in future years. Transfers from utility funds to the general fund are limited to 25% of net revenues and have been in the \$125,000-\$137,000 range over the past few fiscal years. Management expects similar-sized transfers from the utility funds in future years.

Standard & Poor's considers Benson's financial management practices "standard" under its Financial Management Assessment methodology, indicating the finance department maintains adequate policies in some, but not all, key areas. Since 2009, the city has updated its general fund balance policy to be a minimum unassigned general fund balance of 40% of the annual budget for cash-flow purposes. The change in policy followed an adoption of Governmental Accounting Standards Board (GASB) 54 reporting in 2012.

Excluding self-supporting utility debt, the city's overall debt burden is moderate, in our view, at \$2,079 per capita and 3.8% of market value. Carrying charges, as a percent of total governmental funds expenditures less capital outlay, were low at 3.92% in fiscal 2010, down from 6.75% in fiscal 2008. Amortization is slightly above average, with officials planning to retire 63% of principal over 10 years. The city has issued a lot of GO debt in recent years that is supported by water and sewer revenues, some of which was issued for updates required by the Environmental Protection Agency, and some of which was required to upgrade out-of-date systems and buildings. Including the series 2012 bonds, GO debt supported by water and sewer revenues represents 50% of the city's direct debt outstanding. The city does not currently have any additional debt plans.

All full-time and certain part-time employees of the city participate in the Public Employees Retirement Association of Minnesota (PERA) pension plan. The city contributed its full annual required contribution (\$65,213) in fiscal 2010. The city also contributed its full annual required contribution to the plan in fiscal 2011. The city sponsors an other postemployment benefits (OPEB) plan, for which it carries an implicit liability. The unfunded actuarial

accrued liability (UAAL) for the OPEB plan was \$198,451 in fiscal 2010.

## Outlook

The stable outlook reflects Standard & Poor's expectation that city management will maintain at least strong reserves and that management will continue to monitor expenditures due to impending intergovernmental aid revenue reductions. We do not expect to change the rating within the outlook's two-year period, given our expectation that the city will maintain reserves in accordance with its 40% fund balance policy. However, if water and sewer revenues do not prove sufficient to substantially support similar GO debt or the city is unable to maintain a fund balance in accordance with its new policy, the rating could be pressured downward.

## Related Criteria And Research

- USPF Criteria: GO Debt, Oct. 12, 2006
- USPF Criteria: Key General Obligation Ratio Credit Ranges – Analysis Vs. Reality, April 2, 2008

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at [www.globalcreditportal.com](http://www.globalcreditportal.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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EXTRACT OF MINUTES OF A MEETING  
OF THE CITY COUNCIL  
CITY OF BENSON, MINNESOTA

HELD: April 2, 2012

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Benson, Swift County, Minnesota, was duly held at the City Hall on April 2, 2012, at 5:30 P.M, for the purpose, in part, of considering proposals and awarding the sale of \$1,135,000 General Obligation Bonds, Series 2012A.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION NO. \_\_\_\_

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$1,135,000 GENERAL OBLIGATION BONDS, SERIES 2012A AND PLEDGING FOR THE SECURITY THEREOF AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Benson, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$1,135,000 General Obligation Bonds, Series 2012A (the "Bonds" or individually a "Bond"), pursuant to Minnesota Statutes, Chapter 475, and 412; and

B. WHEREAS, the City Council has heretofore determined and declared that it is necessary and expedient to finance the purchase of various items of capital equipment for the City (the "Equipment"), in the amount of \$\_\_\_\_\_ (the "Equipment Portion of the Bonds"). Each item of Equipment to be financed by the Equipment Portion of the Bonds has an expected useful life at least as long as the term of the Equipment Portion of the Bonds. The principal amount of the Equipment Portion of the Bonds exceeds one-quarter of one percent (0.25%) of the market value of the taxable property in the City (\$\_\_\_\_\_ times 0.25% is \$\_\_\_\_\_); and

C. WHEREAS, on March \_\_, 2012, there was published in the official newspaper a resolution duly adopted by the City Council on March 5, 2012, determining to issue the Equipment Portion of the Bonds and no petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election was filed with the Clerk by March \_\_, 2012, said date being ten days after the date the resolution was published; and

D. WHEREAS, the City Council has heretofore determined and declared that it is necessary and expedient to provide moneys for a current refunding on May 15, 2012 (the "Call Date") of the City's \$965,000 original principal amount of General Obligation Swimming Pool Bonds, Series 2003A, dated July 1, 2003 (the "Prior Bonds"), which mature or are subject to mandatory redemption on and after January 1, 2013; and

E. WHEREAS, \$625,000 principal amount of the Prior Bonds which matures or are subject to mandatory redemption on and after January 1, 2013 (the "Refunded Bonds"), in the amount of \$ \_\_\_\_\_ (the "Refunding Portion of the Bonds"), is callable on the Call Date, at a price of par plus accrued interest, as provided in the Resolution of the City Council, adopted on June 23, 2003 (the "Prior Resolution"); and

F. WHEREAS, the refunding of the Refunded Bonds on the Call Date is consistent with covenants made with the holders thereof, and is necessary and desirable for the reduction of debt service cost to the City; and

G. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Ehlers; and

H. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the City Clerk/Finance Director, or designee, at the offices of Ehlers, at 12:00 noon this same day pursuant to the Terms of Proposal for the Bonds; and

I. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Benson, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of \_\_\_\_\_ (the "Purchaser"), to purchase the Bonds, in accordance with the Preliminary Official Statement established for the Bonds, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ \_\_\_\_\_, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal received, is hereby accepted and the Bonds are hereby awarded to the Purchaser.

2. Terms of Bonds.

(a) Original Issue Date; Denominations; Maturities. The Bonds shall be dated April 26, 2012, as the date of original issue and shall be issued forthwith on or after such date in fully registered form. The Bonds shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations"). The Bonds shall mature on February 1 in the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2013        |               | 2018        |               |
| 2014        |               | 2019        |               |
| 2015        |               | 2020        |               |
| 2016        |               | 2021        |               |
| 2017        |               | 2022        |               |

(b) Allocation. The aggregate principal amount of \$\_\_\_\_\_ maturing in each of the years and amounts hereinafter set forth are issued to finance the Equipment (the "Equipment Portion"); and the aggregate principal amount of \$\_\_\_\_\_ maturing in each of the years and amounts hereinafter set forth are issued to finance the refunding of the Refunded Bonds (the "Refunding Portion"):

| <u>Year</u> | <u>Equipment Portion</u> | <u>Refunding Portion</u> | <u>Total Amount</u> |
|-------------|--------------------------|--------------------------|---------------------|
| 2013        |                          |                          |                     |
| 2014        |                          |                          |                     |
| 2015        |                          |                          |                     |
| 2016        |                          |                          |                     |
| 2017        |                          |                          |                     |
| 2018        |                          |                          |                     |
| 2019        |                          |                          |                     |
| 2020        |                          |                          |                     |
| 2021        |                          |                          |                     |
| 2022        |                          |                          |                     |

If Bonds are prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, the prepayment may be allocated to either or both of the portions of debt service in such amounts as the City shall determine. If the source of the prepayment are taxes levied for the Refunding, the prepayment shall be allocated to the Refunding Portion of debt service.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO, as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.
- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.
- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
- (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced

therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

- (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
- (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.
- (ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.
- (x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.
- (d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:
  - (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.
  - (ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being

registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(e) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purposes; Findings. The Equipment Portion of the Bonds shall provide funds to finance acquisition of the Equipment. The Refunding Portion of the Bonds shall provide funds to finance for a current refunding of the outstanding Prior Bonds on the Call Date (the "Refunding"). It is hereby found and determined that the Refunding is pursuant to Minnesota Statutes, Section 475.67 and shall result in a reduction of debt service cost to the City.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2013, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

| <u>Maturity Year</u> | <u>Interest Rate</u> | <u>Maturity Year</u> | <u>Interest Rate</u> |
|----------------------|----------------------|----------------------|----------------------|
| 2013                 |                      | 2018                 |                      |
| 2014                 |                      | 2019                 |                      |
| 2015                 |                      | 2020                 |                      |
| 2016                 |                      | 2021                 |                      |
| 2017                 |                      | 2022                 |                      |

5. No Optional Redemption. The Bonds are not subject to redemption or prepayment to their maturity dates.

6. Bond Registrar. U.S. Bank National Association, in St. Paul, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
SWIFT COUNTY  
CITY OF BENSON

R- \_\_\_\_\_ \$ \_\_\_\_\_

GENERAL OBLIGATION BOND, SERIES 2012A

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|----------------------|----------------------|-------------------------------|--------------|
|                      | February 1, ____     | April 26, 2012                |              |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Benson, Swift County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, without option of prior redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2013, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the U.S. Bank National Association, in St. Paul, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of

the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

No Optional Redemption. The Bonds of this issue (the "Bonds") are not subject to redemption or prepayment prior to their stated maturity dates.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$1,135,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council of the Issuer on April 2, 2012 (the "Resolution"), for the purpose of providing funds to finance the acquisition of capital equipment and for a current refunding of the Issuer's General Obligation Swimming Pool Bonds, Series 2003A, dated July 1, 2003, which mature on and after January 1, 2013. This Bond is payable out of the General Obligation Bonds, Series 2012A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligations. The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Benson, Swift County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Clerk/Finance Director, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: U.S. BANK NATIONAL  
ASSOCIATION

\_\_\_\_\_

Payable at: U.S. BANK NATIONAL  
ASSOCIATION

BOND REGISTRAR'S  
CERTIFICATE OF  
AUTHENTICATION

CITY OF BENSON,  
SWIFT COUNTY, MINNESOTA

This Bond is one of the  
Bonds described in the  
Resolution mentioned  
within.

/s/ Facsimile  
\_\_\_\_\_  
Mayor

U.S. BANK NATIONAL  
ASSOCIATION  
St. Paul, Minnesota,  
Bond Registrar

/s/ Facsimile  
\_\_\_\_\_  
Clerk/Finance Director

By: \_\_\_\_\_  
Authorized Signature

## ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entirety

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - \_\_\_\_\_ as custodian for \_\_\_\_\_

(Cust) \_\_\_\_\_ (Minor)

under the \_\_\_\_\_ Uniform

(State)

Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Include information for all joint owners if the Bond is held by joint account.)

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Clerk/Finance Director and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of April 26, 2012. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or his, her or its attorney duly authorized in writing

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Clerk/Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth (15<sup>th</sup>) day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Clerk/Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. For the convenience and proper administration of the moneys to be borrowed and repaid on the Bonds, and to make adequate and specific security to the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be designated the "General Obligation Bonds, Series 2012A Fund" (the "Fund") to be

administered and maintained by the Clerk/Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon shall have been fully paid. In such records there shall be established accounts or accounts shall continue to be maintained as the case may be, of the Fund for the purposes and in the amounts as follows:

(a) Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Equipment Portion of the Bonds. From the Capital Account there shall be paid all costs and expenses of acquiring the Equipment, including all costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65, and a pro rata share of the costs of issuance of the Bonds. Moneys in the Capital Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Equipment Portion of the Bonds may also be used to the extent necessary to pay interest on the Equipment Portion of the Bonds due prior to the anticipated date of commencement of the collection of taxes herein levied or covenanted to be levied.

(b) Payment Account. To the Payment Account there shall be credited the proceeds of the sale of the Refunding Portion of the Bonds. From the Payment Account, on or prior to the Call Date, the Finance Director shall transfer, from the Refunding Portion of the Bonds to the paying agent for the Prior Bonds, the amount of \$ \_\_\_\_\_. The proceeds are sufficient, together with other funds on deposit in debt service fund for the Refunded Bonds, to pay the principal and interest due on the Refunded Bonds due after the Call Date, including the principal and any accrued interest due on the Refunded Bonds called for redemption on the Call Date. The remainder of the monies in the Payment Account shall be used to pay a pro rata share of the costs of issuance of the Bonds. Any monies remaining in the Payment Account after payment of all costs of issuance and payment of the Refunded Bonds shall be transferred to the Debt Service Subaccount.

(c) Debt Service Account. There shall be maintained two separate subaccounts in the Debt Service Account to be designated the "Equipment Debt Service Subaccount" and the "Refunding Debt Service Subaccount." There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Equipment Debt Service Subaccount. To the Equipment Debt Service Subaccount there is hereby pledged and irrevocable appropriated and there shall be credited: (1) all taxes herein or hereafter levied for the payment of the Equipment Portion of the Bonds and interest thereon; (2) a pro rata share of all funds paid for the Bonds in excess of the minimum bid; (3) all funds remaining in the Capital Account after payment of all costs of acquiring the Equipment and payment of the costs thereof; (4) all investment earnings on funds held in the Equipment Debt Service Subaccount; and (5) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Equipment Debt Service Subaccount. The Equipment Debt Service Subaccount shall be used solely to pay the principal and interest and any premiums for redemption of the Equipment Portion of the Bonds and any other general

obligation bonds of the City hereafter issued by the City and made payable from the Equipment Debt Service Subaccount as provided by law

- (ii) Refunding Debt Service Subaccount. To the Refunding Debt Service Account there is hereby pledged and irrevocable appropriated and there shall be credited: (1) any balance remaining after the Call Date in the Prior Bonds Debt Service Account created by the Prior Resolution; (2) all investment earnings on funds in the Refunding Debt Service Subaccount; (3) any taxes herein or hereafter levied for the payment of the Refunding Portion of the Bonds; (4) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Refunding Debt Service Subaccount. The amount of any surplus remaining in the Refunding Debt Service Subaccount when the Refunding Portion of the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Covenant Relating to the Equipment Portion of the Bonds. To provide moneys for payment of the principal and interest on the Equipment Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u>         |
|-------------------------|-------------------------------|-----------------------|
| 20__-20__               | 20__-20__                     | See attached schedule |

The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Equipment Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Equipment Portion of the Bonds. The tax levies shall be irrepealable so long as any of the Equipment Portion of the Bonds are outstanding and unpaid, provided that the City reserves the

right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

17. Covenants Relating to the Refunding Portion of the Bonds. To provide moneys for payment of the principal and interest on the Refunding Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Collection</u> | <u>Amount</u>         |
|-------------------------|---------------------------|-----------------------|
| 20__-20__               | 20__-20__                 | See attached schedule |

The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Refunding Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Refunding Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Refunding Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

Upon payment of the Refunded Bonds, the taxes levied by the Prior Resolution in the years 20\_\_ to 20\_\_ shall be canceled.

18. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

19. Prior Bonds; Security and Prepayment. Until retirement of the Prior Bonds, all provisions for the security thereof shall be observed by the City and all of its officers and agents. The Refunded Bonds shall be redeemed and prepaid on the Call Date in accordance with the terms and conditions set forth in the Notice of Call for Redemption attached hereto as Exhibit B, which terms and conditions are hereby approved and incorporated herein by reference.

20. Supplemental Resolution. The Prior Resolution authorizing the issuance of the Prior Bonds is hereby supplemented to the extent necessary to give effect to the provisions hereof.

21. Certificate of Registration. The Clerk/Finance Director is hereby directed to file a certified copy of this resolution with the County Auditor of Swift County, Minnesota, together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

22. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at [www.emma.msrb.org](http://www.emma.msrb.org) in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such amendment.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Clerk/Finance Director of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

23. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

24. Negative Covenant as to Use of Bond Proceeds and Equipment. The City hereby covenants not to use the proceeds of the Bonds or the Equipment or to use the improvements refinanced by the Prior Bonds, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Equipment, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

25. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States, if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000. For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that:

- (a) the Bonds are issued by a governmental unit with general taxing powers;
- (b) no Bond is a private activity bond;
- (c) ninety-five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City);
- (d) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code;

Furthermore, with respect to the Refunding Portion of the Bonds:

- (e) there shall not be taken into account for purposes of said \$5,000,000 limit any bond issued to refund (other than to advance refund) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond;
- (f) the aggregate face amount of the Refunding Portion of the Bonds does not exceed \$5,000,000;
- (g) each of the Prior Bonds was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;
- (h) the average maturity of the Refunding Portion of the Bonds does not exceed the remaining average maturity of the Prior Bonds; and
- (i) no part of the Refunding Portion of the Bonds has a maturity date which is later than the date which is thirty years after the date the Prior Bonds were issued.

26. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2012 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2012 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

Furthermore, with respect to the Refunding Portion of the Bonds:

- (g) each of the Refunded Bonds was designated as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code;
- (h) the aggregate face amount of the Refunding Portion of the Bonds does not exceed \$10,000,000;
- (i) the average maturity of the Refunding Portion of the Bonds does not exceed the remaining average maturity of the Refunded Bonds;
- (j) no part of the Refunding Portion of the Bonds has a maturity date which is later than the date which is thirty years after the date the Refunded Bonds were issued; and
- (k) the Refunding Portion of the Bonds are issued to refund, and not to "advance refund" the Prior Bonds within the meaning of Section 149(d)(5) of the Code, and shall not be taken into account under the \$10,000,000 issuance limit to the extent the Bonds do not exceed the outstanding amount of the Prior Bonds.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

27. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also at any time discharge its obligations with respect to any Bonds,

subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

28. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Ehlers is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

29. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank in Chaska, Minnesota, on the closing date for further distribution as directed by Ehlers.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA  
COUNTY SWIFT  
CITY OF BENSON

I, the undersigned, being the duly qualified Clerk of the City of Benson, Minnesota, do hereby certify that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to considering proposals and awarding the sale of \$1,135,000 General Obligation Bonds, Series 2012A.

WITNESS my hand on April \_\_, 2012.

\_\_\_\_\_  
Clerk

EXHIBIT A  
BID TABULATION

EXHIBIT B

NOTICE OF CALL FOR REDEMPTION  
GENERAL OBLIGATION SWIMMING POOL BONDS, SERIES 2003A  
CITY OF BENSON, SWIFT COUNTY, MINNESOTA

NOTICE IS HEREBY GIVEN that by order of the City Council of the City of Benson, Swift County, Minnesota, there have been called for redemption and prepayment on

May 15, 2012

those outstanding bonds of the City designated as General Obligation Swimming Pool Bonds, Series 2003A, dated as of July 1, 2003, having stated maturity dates or subject to mandatory redemption in the years 2013 through 2022, inclusive, and totaling \$625,000 in principal in principal amount and having CUSIP numbers listed below:

| <u>Year</u> | <u>CUSIP</u> |
|-------------|--------------|
| 2014        |              |
| 2016        |              |
| 2018        |              |
| 2020        |              |
| 2022        |              |

The bonds are being called at a price of par plus accrued interest to May 15, 2012, on which date all interest on the bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment, at Wells Fargo Corporate Trust Services, 608 2<sup>nd</sup> Avenue South, 12<sup>th</sup> Fl East, MAC: N9303-121, Minneapolis, Minnesota, 55479.

Dated: April 2, 2012

BY ORDER OF THE CITY COUNCIL

/s/ \_\_\_\_\_, Clerk/Finance Director

\*The City shall not be responsible for the selection of or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in the notice. They are included solely for the convenience of the holders.



## **City of Benson, Minnesota Post-Issuance Debt Compliance Policy**

The City Council (the “Council”) of the City of Benson, Minnesota (the “City”) has chosen, by policy, to take steps to help ensure that all obligations will be in compliance with all applicable federal regulations. This policy may be amended, as necessary, in the future.

### **Background**

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code (the “Code”) and regulations promulgated thereunder (“Treasury Regulations”) governing certain obligations (for example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various “Tax Credit” Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

### **Post-Issuance Debt Compliance Policy Objective**

The City desires to monitor these obligations to ensure compliance with the Code and Treasury Regulations. To help ensure compliance, the City has developed the following policy (the “Post-Issuance Debt Compliance Policy”). The Post-Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

### **Post-Issuance Debt Compliance Policy**

The Finance Director of the City is designated as the City’s agent who is responsible for post-issuance compliance of these obligations.

The Finance Director shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures (the “Post-Issuance Debt Compliance Procedures”). At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

1. General post-issuance compliance;
2. Proper and timely use of obligation proceeds and obligation-financed property;
3. Arbitrage yield restriction and rebate;
4. Timely filings and other general requirements;
5. Additional undertakings or activities that support points 1 through 4 above;
6. Maintenance of proper records related to the obligations and the investment of proceeds of obligations;
7. Other requirements that become necessary in the future.

The Finance Director shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the Finance Director will ensure that the Post-Issuance Debt Compliance Policy and Procedures are updated on a regular and as needed basis.

The Finance Director or any other individuals responsible for assisting the Finance Director in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the City may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the Finance Director shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

#### **Private Activity Bonds**

The City may issue tax-exempt obligations that are “private activity” bonds because either (1) the bonds finance a facility that is owned by the City but used by one or more qualified 501(c)(3) organizations, or (2) the bonds are so-called “conduit bonds”, where the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law (such as certain manufacturing projects and certain affordable housing projects). Prior to the issuance of either of these types of bonds, the Finance Director shall take steps necessary to ensure that such obligations will remain in compliance with the requirements of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., a 501(c)(3) organization or conduit borrower), the Finance Director may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the City under federal law. In a case where the Finance Director is concerned about the compliance ability of a private party, the Finance Director may require that a trustee or other independent third party be retained to assist with record keeping for the obligation and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The Finance Director is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the City is in compliance with this Post-Issuance Debt Compliance Policy.

Adopted this date  by the City Council of the City of Benson,  
Minnesota

Contract No. 12-UGPR-576  
City of Benson, Minnesota

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT TO RESERVE FIRM ELECTRIC SERVICE  
CONTRACT RATES OF DELIVERY WITH ASSOCIATED ENERGY  
FOR THE CITY OF BENSON, MINNESOTA

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT TO RESERVE FIRM ELECTRIC SERVICE  
CONTRACT RATES OF DELIVERY WITH ASSOCIATED ENERGY  
FOR THE CITY OF BENSON, MINNESOTA

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UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT TO RESERVE FIRM ELECTRIC SERVICE  
CONTRACT RATES OF DELIVERY WITH ASSOCIATED ENERGY  
FOR THE CITY OF BENSON, MINNESOTA

1. PREAMBLE: This Contract is made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, pursuant to the Acts of Congress approved June 17, 1902 (32 Stat. 388), December 22, 1944 (58 Stat. 887), August 4, 1977 (91 Stat. 565), and Acts amendatory or supplementary to the foregoing Acts between the UNITED STATES OF AMERICA, acting by and through the Administrator, Western Area Power Administration, Department of Energy, hereinafter called Western, represented by the officer executing this Contract, a duly appointed successor, or a duly authorized representative, hereinafter called the Contracting Officer, and the CITY OF BENSON, MINNESOTA, a municipal corporation, duly organized under and by virtue of the laws of the State of Minnesota, hereinafter called Benson, its successors and assigns, each sometimes hereinafter individually called Party, and both sometimes hereinafter collectively called the Parties.

2. EXPLANATORY RECITALS:

2.1 Western published the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED), 2021 Power Marketing Initiative (2021 PMI) in the Federal Register

(76 FR 71015) on November 16, 2011, to provide the basis for marketing the long-term firm hydroelectric resources of the P-SMBP--ED beyond December 31, 2020, when Western's existing Firm Electric Service contracts expire.

2.2 The 2021 PMI supports extending the existing Contract Rates of Delivery (CROD) with associated energy to existing long-term firm power customers reduced by up to 1 percent for each new resource pool in 2021, 2031, and 2041.

2.3 Benson is an existing firm power customer recognized under the 2021 PMI. As an existing firm power customer, Benson has certain resource planning responsibilities. Western supports those resource planning activities by reserving Benson's existing CROD under this Contract.

2.4 The purpose of this Contract is to affirm the commitment Western made through the 2021 PMI. Therefore, the Parties choose to enter into this Contract to reserve Benson's existing CROD, until the Parties enter into a new long-term Firm Electric Service Contract for a term of January 1, 2021, through December 31, 2050.

2.5 The Parties understand the CROD reserved in this Contract may be adjusted in accordance with Benson's existing Firm Electric Service Contract and the 2021 PMI.

2.6 The Parties recognize this Contract only reserves the CROD with associated energy and does not include terms and conditions for delivery. Those details will be included in the new Firm Electric Service Contract.

3. AGREEMENT: The Parties agree to the terms and conditions set forth herein.

4. TERM AND TERMINATION OF CONTRACT:

4.1 This Contract shall become effective on the date specified above, and shall remain in effect through midnight on December 31, 2050, subject to the provisions of Subsections 4.2 and 4.3 below;

4.2 This Contract shall automatically terminate if the Parties fail to enter into a new Firm Electric Service Contract before January 1, 2021, unless otherwise agreed to in writing by the Parties prior to January 1, 2021.

4.3 Provided further, this Contract shall automatically terminate upon the Parties entering into a new Firm Electric Service Contract before January 1, 2021, with a contract term of January 1, 2021, through December 31, 2050.

5. CONTRACT RATES OF DELIVERY TO BE RESERVED: In accordance with the 2021 PMI, Western reserves Benson's existing CROD with associated energy as identified in Benson's existing Firm Electric Service Contract. This existing CROD with associated energy is subject to reductions, withdrawals, restrictions, limits, penalties, termination, and any other applicable adjustments under Benson's existing Firm Electric Service Contract and the 2021 PMI, and subject to any approved assignments. Such CROD with associated energy will be set forth in a new Firm Electric Service Contract offered by Western, with a contract term of January 1, 2021, through December 31, 2050.

IN WITNESS WHEREOF, the Parties have caused this Contract to be executed the day and year first above written.

WESTERN AREA POWER ADMINISTRATION

By \_\_\_\_\_

Title Power Marketing Manager

Address P.O. Box 35800

Billings, MT 59107-5800

(SEAL)

CITY OF BENSON, MINNESOTA

By \_\_\_\_\_

Title \_\_\_\_\_

Address 1410 Kansas Avenue

Benson, MN 56215-1718

Attest:

By \_\_\_\_\_

Title \_\_\_\_\_



612 Industrial DR SW, Willmar, MN 56201  
320-235-0811 [DaveS@WCCwireless.com](mailto:DaveS@WCCwireless.com)

March 27 2012

City of Benson  
Rob Wolfington  
Elliot Nelson

Re: Radio communications upgrade for the City of Benson.

From our last discussion I have put together some information and prices for options to be considered for a new radio system.

We will install a new repeater using your existing antenna system on the power plant. The new repeater will offer you better unit to unit range than what you presently experience, and allow the use of portable radios which you have not be able to use in the past. The old Fire portables are capable of the new FCC mandate of "narrow band" and can be used for this system. I have an option to convert your present remotes at City hall to be interface with a new mobile which can be used on this system.

Finally I have an interoperable option for the City so they can be interfaced into the new County wide ARMER radio system (800Mhz system).

|   |  |           |
|---|--|-----------|
| 1 | XPR 8400 repeater 45 watt, wall mount, preselector, with sales tax | \$3660.47 |
|---|--|-----------|

One of the following duplexers is required for repeater above,  
this is determined by frequencies giving by FCC.

|   |  |             |
|---|--|-------------|
| 1 | 4.5Mhz duplexer with sales tax   | \$534.00    |
| 1 | 1.5Mhz duplexer with sales tax   | \$1923.00   |
| 1 | Optional grounding of repeater   | \$208.41    |
| 1 | Labor to set up, program and install, travel                           | \$653.00    |
| 1 | FCC License  | \$750.00    |
|   | Estimated price to program mobile or portable radios for new channels. | \$20.00each |

Base interface for City Hall remotes: This will allow present remote controls at City Hall to work with new repeater system.

|   |  |           |
|---|--|-----------|
| 1 | Mobile radio, PM 400, remote adaptor, antenna system, with sales tax | \$1031.35 |
| 1 | Labor to set up, program and install, travel                         | \$556.00  |

---

Patch System: This will patch the City of Benson VHF radio system to the County ARMER radio system. The first unit would be mounted in Elliot's vehicle, and the second unit would be installed in the EOC room in the basement of City Hall.

|   |   |           |
|---|---|-----------|
| 1 | Mobile patch, VHF radio, ARMER radio, antenna system, sales tax | \$5276.47 |
|   | Labor to interface and install                                  |           |
| 1 | EOC Patch, VHF Radio, ARMER radio, Antenna system, sales tax    | \$5468.75 |
|   | Labor to interface and install                                  |           |

Notes: The ARMER radio does not include programming.

Please review and if either of you have any questions or would like further detailed information, please let me know.

David Sisser



**Central Trailer Sales, Inc**  
 (763) 434-2277  
 Retail



**6" Channel Equipment Tilt (T6)**

| T            | 6 | J       | 1 | 6              | 7 | 2 | B     | T | T    | K     |       |
|--------------|---|---------|---|----------------|---|---|-------|---|------|-------|-------|
| 1            | 2 | 3       | 4 | 5              | 6 | 7 | 8     | 9 | 10   | 11    | Other |
| PRODUCT LINE |   | COUPLER |   | LENGTH IN FEET |   |   | AXLES |   | TAIL | COLOR |       |

|                    |                                 |                   |
|--------------------|---------------------------------|-------------------|
| <b>T6J1672BTTK</b> | 16' x 6" Channel Equipment Tilt | \$5,301.00        |
| <b>T6J1872BTTK</b> | 18' x 6" Channel Equipment Tilt | \$5,422.00        |
| <b>T6J2072BTTK</b> | 20' x 6" Channel Equipment Tilt | \$5,543.00        |
| <b>T6J2272BTTK</b> | 22' x 6" Channel Equipment Tilt | \$5,664.00        |
| <b>T6J2472BTTK</b> | 24' x 6" Channel Equipment Tilt | <b>\$5,785.00</b> |

**Standard Features**

- 14,000 lb. G.V.W.R.
  - 7,000 lb. x 2 G.A.W.R.
  - 2 5/16" Adjustable Ball Coupler
  - Safety Chains
  - 1 - Drop Leg Jack (10,000 lb.)
  - 2 - Posi-lube Brake Axles (7,000 lb.)
  - Torsion Suspension
  - 4 - 16" White Spoke Wheels
  - 4 - 235/80R16 Radial Tires (3,520 lb.)
  - Stake Pockets & Rubrail
  - Electric Breakaway Kit w/ Charger
  - 9" x 72" Treadplate Removable Steel Fenders
  - 11 Degree Tilt Pitch
  - 3" x 16" Cylinder
  - 6" Channel Frame & Tongue
  - 3" Channel Crossmembers 16" on Center
  - 2" Treated Pine Lumber Deck
  - 74" Wide Tilttable Deck
  - 82" Between Fenders
  - DOT Approved Flushmount Lifetime LED Lights
  - Sealed Wire Harness w/ 7-Way RV Plug
  - Sand Blasted, Acid Washed, Powder Coated
- Triple Axle Available on 20 ft. and up w/ 8" Channel upgrade

*\$6,182.72*

# 6" Channel Equipment Tilt (T6) Options

## Coupler Options:

| Code | Description  | Incl.    |
|------|--|----------|
| J*   | BP 2 5/16" Adjustable (14,000 lb.)                 | Incl.    |
| B    | BP 2 5/16" Adjustable Rigid Mount (25,000 lb.)     | \$86.00  |
| H    | GN 2 5/16" Round (30,000 lb.) w/ Toolbox           | \$919.00 |
| L    | GN Load-Leveling 2 5/16" Square (30,000 lb.) & Tbx | \$685.00 |
| P    | 3" Pintle Eye - Channel-mount (20,000 lb.)         | \$0.00   |
| Q    | GN 2 5/16" Square (30,000 lb.) w/ Toolbox          | \$919.00 |
| R    | GN 2 5/16" Round (25,000 lb.) w/ Toolbox           | \$685.00 |
| S    | GN 2 5/16" Square (25,000 lb.) w/ Toolbox          | \$685.00 |
| T    | HD 2 5/16" Adjustable Channel Mount 3 Bolt Coupler | \$53.00  |

\* The trailer G.V.W.R. cannot exceed the coupler rating.

## Axle Options:

| Code  | Description   | Included   |
|-------|---|------------|
| 72BT* | (2) 7,000# Electric / Torsion   | Included   |
| 72GT  | (2) 7,000# Elec/Hyd Drum (1,000 PSI Pump) / Torsion <sup>2</sup>                          | \$1,376.00 |
| 72HT  | (2) 7,000# Elec/Hyd Disk (1,600 PSI Pump) / Torsion <sup>2</sup>                          | \$1,497.00 |
| 72KT  | (2) 7,000# Surge Disk / Torsion <sup>2</sup>  | \$1,506.00 |
| 72ST  | (2) 7,000# Surge / Hydraulic Drum w/ Surge Coupler / Torsion <sup>2</sup>                 | \$765.00   |
| R2BT  | (2) 7,000# Dexter Electric / Torsion <sup>2</sup>   | \$626.00   |
| 92BT  | (2) 7,000# Load Range G 14ply Tires Electric / Torsion                                    | \$665.00   |
| 92HT  | (2) 7,000# Load Range G 14ply Tires Elec/Hyd Disk (1,600 PSI Pump) / Torsion <sup>2</sup> | \$2,053.00 |

## Tail Options:

| Code | Description   | Incl. |
|------|---------------|-------|
| T*   | 16' Tilt Deck | Incl. |

## Color Options:

| Code | Description                 | Incl.    |
|------|-----------------------------|----------|
| K*   | Black Powdercoat            | Incl.    |
| G    | Grey Powdercoat             | \$242.00 |
| R    | Red Powdercoat              | \$242.00 |
| W    | White Powdercoat            | \$242.00 |
| Y    | Equipment Yellow Powdercoat | \$242.00 |

## Other Options:

| Code | Description                                  | Incl.      |
|------|--|------------|
| 0    | Cold Weather Wiring Harness (7-Way RV)       | \$27.00    |
| 1    | 18ft Power Up/Down Tilt Deck                 | \$655.00   |
| 2    | 20ft Power Up/Down Tilt Deck                 | \$821.00   |
| 3    | 22ft Power Up/Down Tilt Deck                 | \$987.00   |
| 4    | Plate for Winch                              | \$144.00   |
| 6    | 6" Taller GN Riser                           | \$151.00   |
| 7    | Douglas Fir Lumber                           | \$2.00/ft  |
| 8    | 8" Channel Upgrade                           | \$26.00/ft |
| 9    | 9,990 G.V.W.R.                               | \$0.00     |
| C    | 12"oc Crossmembers                           | \$189.00   |
| D    | 1 Pair D-Rings                               | \$38.00    |
| E    | Rough Oak Floor                              | \$14.00/ft |
| F    | Weld-On Strap Ratchets (2)                   | \$60.00    |
| G    | 2nd Jack (Bumper Pull)                       | \$197.00   |
| H    | Power up Power down Tilt                     | \$703.00   |
| M    | Mount Only for Spare Tire                    | \$45.00    |
| P    | Steel Floor & 4 D-Rings                      | \$29.00/ft |
| Q    | Front Toolbox (Bumper Pull & Pintle)         | \$189.00   |
| T    | Spare Tire and Mount (Bumper Pull)           | \$197.00   |
| U    | Deck on the Neck (GN Only)                   | \$597.00   |
| W    | Winch 12VDC (12,000 lb.) Incl. Front Toolbox | \$2,563.00 |
| X    | 2-speed Jack (12,000 lb.)                    | \$378.00   |
| Z    | Roller on Front of Deck for Winch Cable      | \$151.00   |

## Notes:

<sup>2</sup> Special Order Option: Requires additional confirmation lead-time.

Handwritten notes in a box: 2/18, 8/29, 1/4/11

# Benson Police Department



## 2011 Annual Report

Presented on April 2nd

March 26, 2012

Rob Wolfington, City Manager  
City of Benson

Re: 2011 Annual Report

Dear Rob,

This report contains a detailed overview of the Benson Police Department's activity for 2011. Included in the report are statistics related to the department's calls for service and total offenses charged. Also included is information regarding Police Department activities and updates on some of our significant programs for your review.

This report is not an all- inclusive document, but rather a synopsis of events occurring in 2011, along with explanations/opinions on why we are seeing these trends. Also attached to this report is an all- inclusive list of statistics without any explanations of trends.

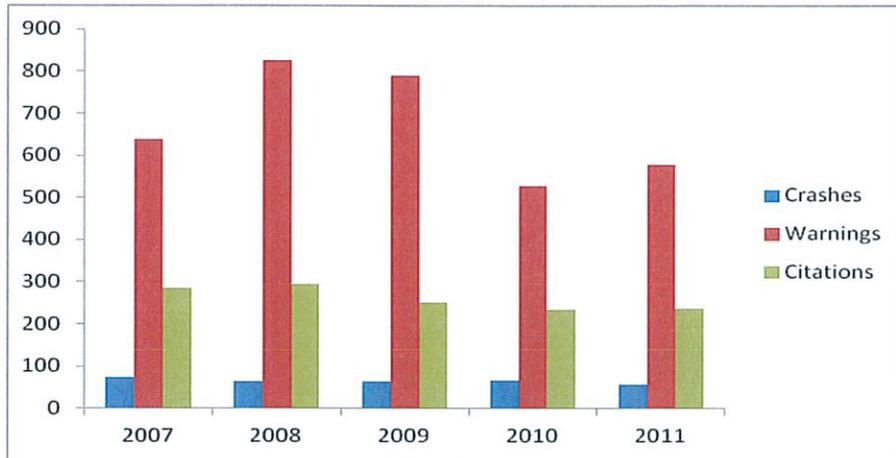
I hope you enjoy the reading and if you or anyone else should have any questions regarding this document they should feel free to call or see me. I do plan to present this at the next city council meeting and ask that you have this item put on the agenda for discussion. Thank you for your support in 2011!

Respectfully,

Mike Jambor  
Chief of Police

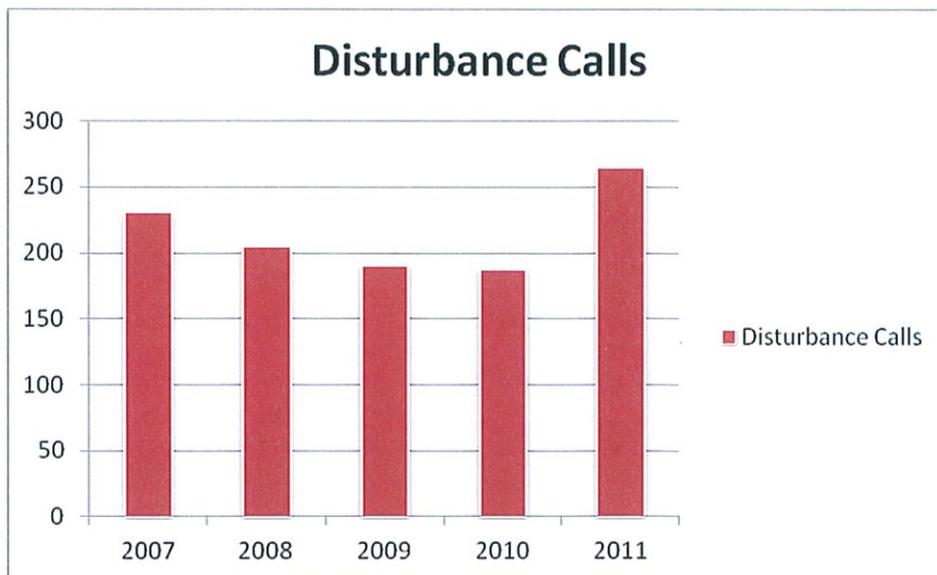
## Traffic Crashes / Traffic Citations

Since 2007, we have seen an average of 65 crashes per year. Things seem to have dropped off over the past few years to 58 in 2011. Effective January 1, 2006, the department started to document all traffic warnings in order to have a more accurate picture of our traffic contacts with the public. In 2011, BPD officers issued 578 warnings for various traffic offenses and 238 citations. As a whole, BPD officers issued 2.42 warnings for every citation written.



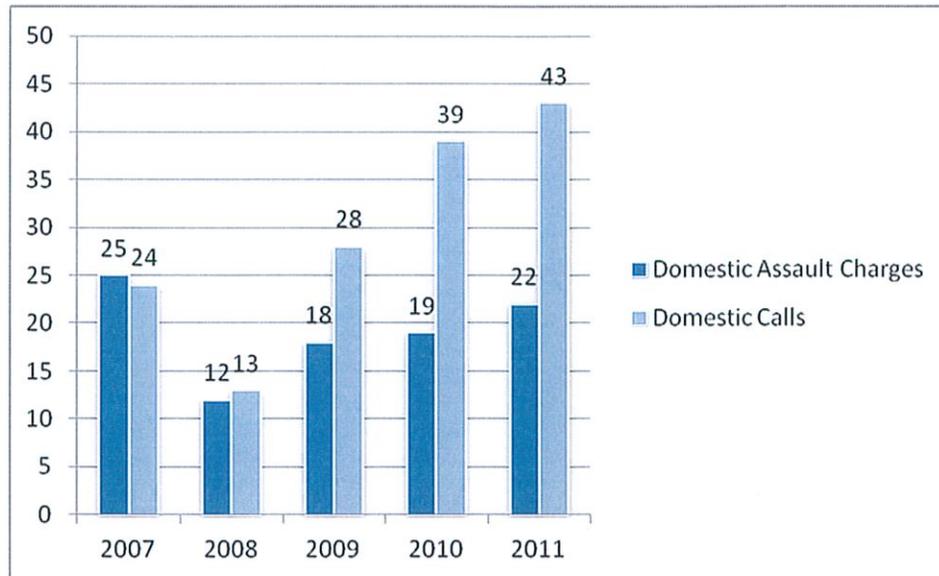
## Disturbance Calls

Our calls for *Disturbances* have increased from 231 complaints in 2007 to 265 complaints in 2011.



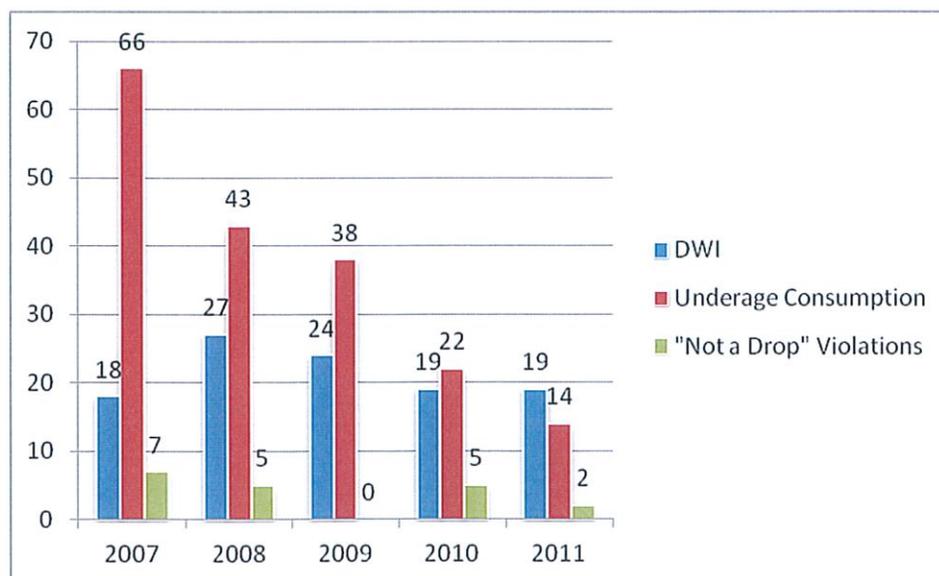
## Domestics Situations

We have experienced very slight increase in reports of *Domestic Assault* and *Domestic Disturbance* in 2011, although we are at a five year high for both categories. The department continues to work closely with the Swift County Attorney's Office, Swift County Human Services and Victim's Advocates Teams in these cases. Out of the 43 Domestic Calls in 2011, 22 suspects were charged with Domestic Assault.



## Alcohol Offenses

This year we experienced an overall decrease in Alcohol Related violations for the 5<sup>th</sup> year in a row. The number of *DUI* arrests is below average when compared to the previous 5 years. *Underage Drinking Offenses* also dropped 79% overall since our high in 2007 as illustrated in the table below.

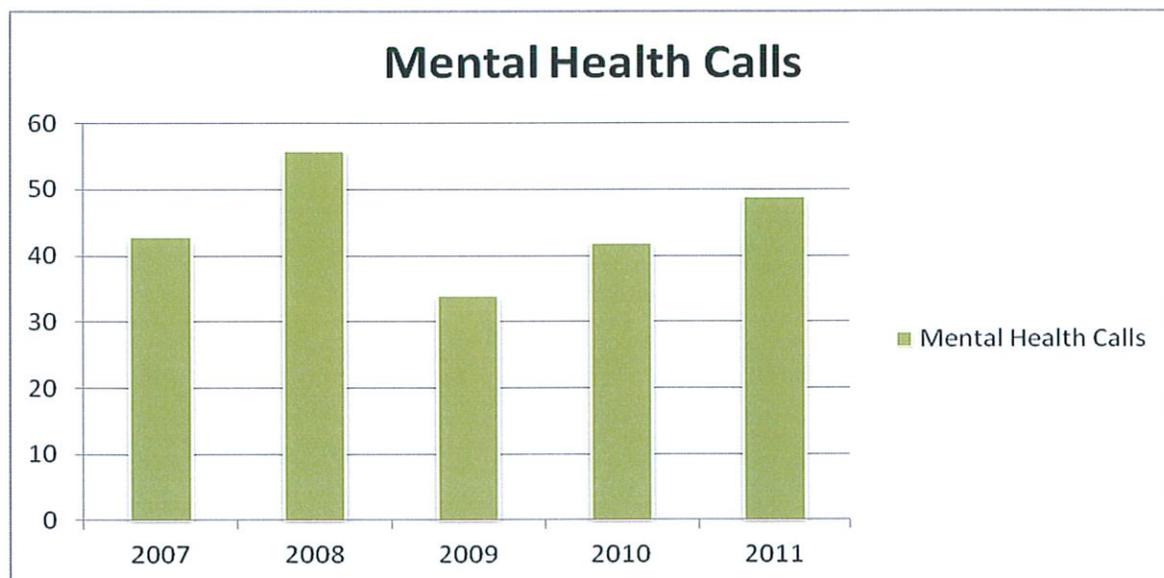


## Mental Health Calls

In 2011, we responded to 49 *Mental Health* calls. This number still represents a decrease from what we saw in 2008; however, it is a slight increase from the previous year.

As your Chief of Police, I still believe there is great value in having well trained and prepared officers to handle *Mental Health* calls. Currently, the department has all but our newest Officer trained as Crisis Intervention Team members. Additionally, three of our six part-time Officers are also trained in the curriculum.

We also continue to work closely with Swift County Human Services, Swift County Sheriff's Office and the Appleton Police Department to assist and update each other on the status of people within our community that may suffer from mental health issues.

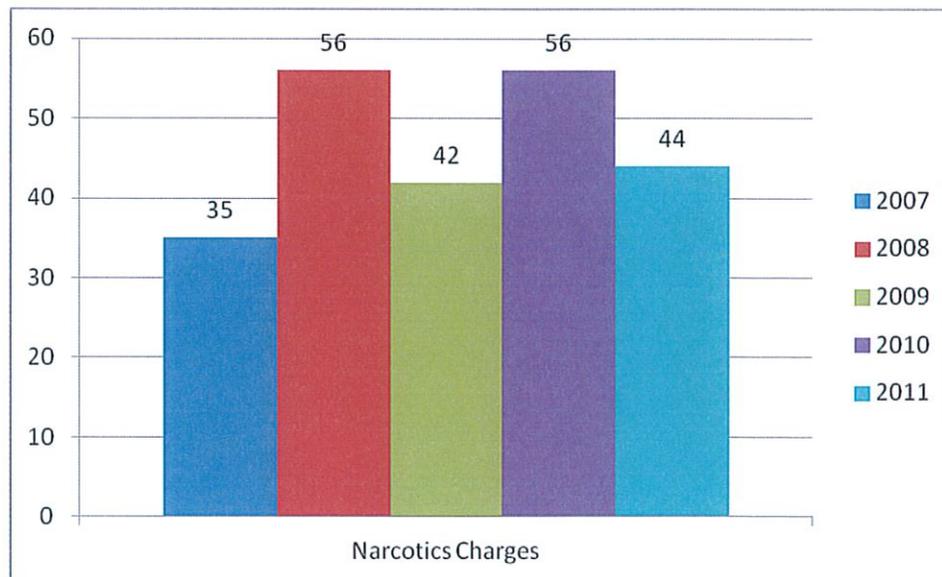


# Narcotics Investigations

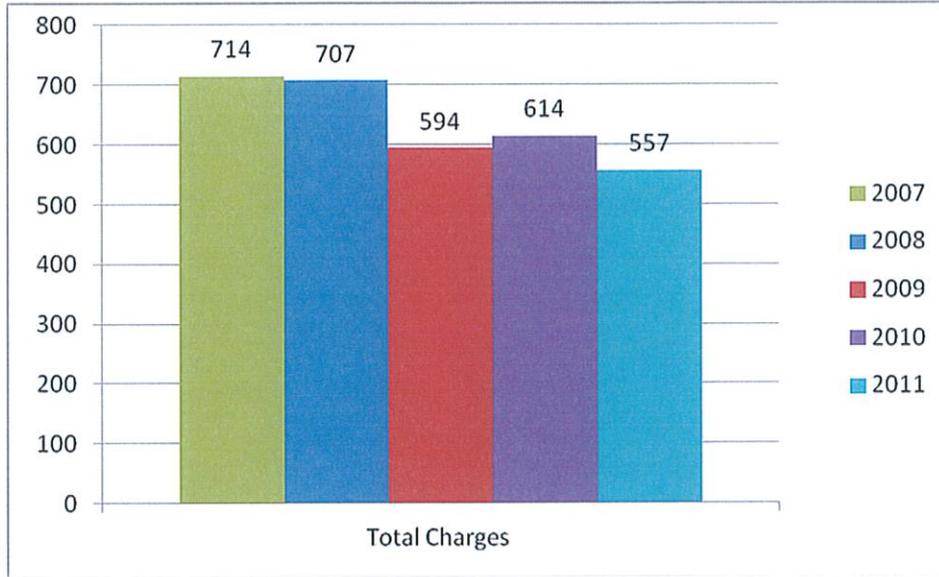
We saw a decrease in *Drug Related Calls* in 2011. We have answered these calls with insistent investigation and enforcement. We continue to have an officer, when time permits, working directly with the CEE VI Drug Task Force to combat these problems.

BPD's drug enforcement efforts in 2011 resulted in 44 local charges. These statistics represent narcotics incidents that the Benson Police Department investigated either as the primary agency within the City of Benson, or as an assisting agency- assisting the CEE VI Drug Task Force in close proximity to the City of Benson.

Sgt. Larson is assigned as a Liaison Officer to the CEE VI Drug Task Force. His work involves generating informants that assist in task force investigations. BPD submitted 16 narcotics Intelligence Reports to the CEE VI - DTF. Naturally, not all Intelligence Reports result in an arrest. Our efforts resulted in 2 Narcotics Investigation Operations which resulted in 2 felony charges. It should be noted that all of the investigations were directly related to narcotics trafficking going in and out of Benson. There is a great deal of work yet to be done in this area. I look forward to increasing Narcotics Investigations with our current staffing level. As you may know, the Department's Canine Major, passed away in February of last year. Therefore, there are no canine statistics available.

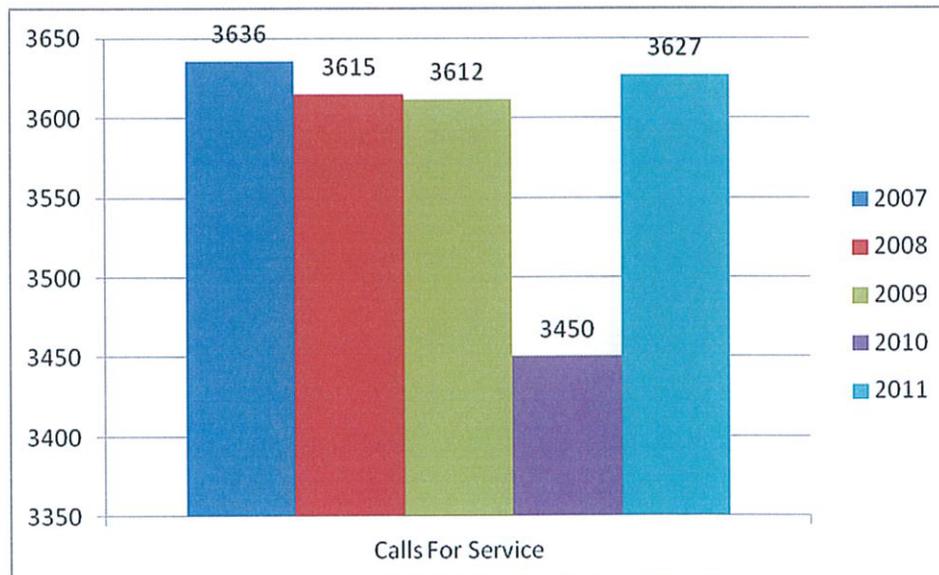


## Total Charges



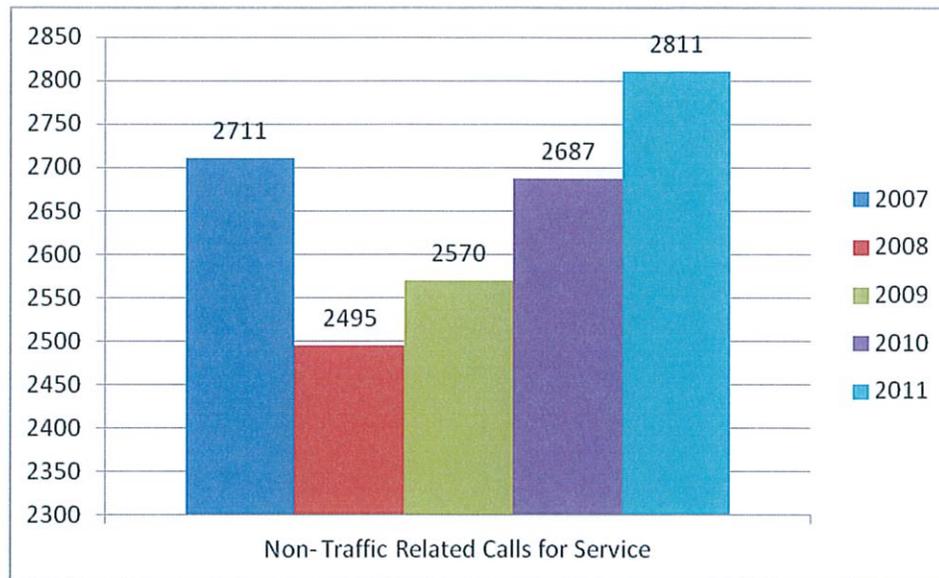
## Total Calls for Service

Your police department answered 3627 calls for service in 2011. Due to being staffed at 6 FT officers; staffing was spread thin again in 2011. As a result, each officer handled a larger call load than in recent years.



Above you will see the total calls for service. This number represents every call the Police Department answered and initiated in 2011 including traffic stops.

## Non-Traffic Related Calls for Service



Above you will see calls for service that were answered by the Police Department in 2011. I removed all traffic stops to give a true representation of the call load that our Officers are handling. Please take notice that the call load of the department has been steadily increasing since 2008.

## Twenty-Four Hour Patrol

In 2011, the Benson Police Department continued providing our community with 24 hour Police patrol. We continue to believe that this is a necessity in the current day in age. During overnight hours, Officers focus their patrols on businesses both by vehicle and foot patrols. Officers continued to discover numerous open doors to businesses. Our 24 hour patrol was again instrumental in solving thefts from vehicles, burglaries and also responding to medical emergencies.

We continued to provide this 24 hour coverage despite decreased staffing levels. We are currently staffed at 7 Full Time Employees, including the Chief of Police and we plan to continue at this level for the foreseeable future.

## Technology Advancements



The Benson Police Department believes that technology helps us provide a better service to our community. In 2011, we worked closely with the Swift County Sheriff's Office and Appleton Police Department to reach an agreement with the Law Enforcement Technology Group (LETG). The three agencies worked well together in organizing the future purchase of a new joint records system. We have a goal of this system being installed and operational by July of 2012.

## Community Involvement

The Benson Police Department continues to be very active in and involved with the community. Officers are currently involved in a number of Community Policing Projects to include:

- Senior Citizen Assistance Program
- Child Seat Assistance Program
- School Resource Officer Program
- DARE Program
- Safe Communities Coalition
- CEE VI Drug Task Force Liaison
- Bullying Prevention Committee
- Health and Safety Committee- Benson H.S.
- Healthy Community / Healthy Youth Program
- Firearms Safety (Volunteer)
- Benson Schools Crisis Team (when needed)
- Driver's Education
- Crosswalk Safety Campaign
- Crisis Intervention Team
- Safe & Sober
- Swift County Child Protection Team
- Swift County Adult Protection Team

In addition, Chief Jambor is a member of the Benson Kiwanis, Minnesota Chiefs of Police Association, CEE-VI Drug and Gang Task Force Board of Directors and is also a member of the Region 6 Chiefs of Police Association. He also is involved with the Swift County Emergency Management Organization, Restorative Justice Program and the City of Benson Safety Committee.

## Training

Police Officers have to put their life on the line occasionally, but they make life and death decisions on a regular basis. They also make decisions on whether or not to take away someone's freedom by incarcerating them. With this in mind, proper training is paramount to the successful delivery of effective service to the community. Benson Police Officers are trained to the highest level possible while staying within budget constraints. Last year your officers received countless hours of training in areas ranging from Active Shooter to Crisis Intervention and many other things in between. Proper training is directly related to quality delivery of service to the community and also minimizes potential for litigation. Officers attended the following courses in 2011:

- MN BCA Leadership Courses
- CLEO and Command Academy
- Firearms Qualification Courses
- Use of Force Refresher Courses
- High Risk Traffic Stops Course
- Crisis Intervention Team- Military Reintegration Training
- Open Area Tactical Searching

In January 2011, the Benson Police Department again entered into a cooperative agreement with the Appleton Police Department and the Swift County Sheriff's Office. The contract was for 48 hours of training for each officer. The intent our cooperative agreement was to have all police officers in the county trained in the same manner and to the same level in regards to officer tactics. Due to the program's success, the Benson Police Department, Swift County Sheriff's Office and the Appleton Police Department have continued the agreement in 2012. We also send officers to selected classes and participate in a MN LMC web based training program which covers a wide array of legal topics and offers new classes every month.







# Benson Golf Club

2222 Atlantic Avenue - Benson, Minnesota 56215

Phone: (320) 842-7901 – Fax: (320) 842-3014

March 29, 2012

Dear members of the city council;

On behalf of the Benson Golf Club Board, I would like to request the council consider providing assistance in the cost of removing our Dutch Elm Diseased trees for the 2011 season. The total bill is \$2,648 for removing 5 trees. The Board would like the council to also consider the removal of diseased trees on the golf course in the future, the same as other city property such as the city parks and recreational areas. Your consideration is greatly appreciated.

Since it opened in 1925, the club has been a positive asset to the community. Over the past few years, the golf industry has suffered financially. The current board of directors has made a big push to get business back to the course and community. We offer reduced green fees during off-peak play and have recently added a reciprocity program with Montevideo's club members in hopes to add additional revenue. There are also stay and play packages that benefit other local businesses as well.

Last year the club showed an \$800.00 net profit. Included in this total is \$10,000 contribution from Scotty's Bar, \$10,000 from the city of Benson, \$1,800 from the Tourism board, and \$3,350 in insurance proceeds for a total of \$25,350. Had we not received these funds, our operating budget would be at a \$25,000 loss. If you factor in \$17,500 in depreciation expenses for operations, it's easy to see that there isn't a lot of room for extra expenses. The outlook for memberships this year has been good so far with the hope to gain at least a 5% growth over last year.

Typically, Dutch Elm Diseased trees are identified in-house. We remove the trees we can ourselves, however the lack of equipment restrict us on the size, and at times locations, of the trees we take down. We then call Duane Hopp to mark the trees to get them removed by professionals. Should the council accept this proposal, the course would continue to remove trees they are able to help keep any costs down.

Throughout the Benson community, it is very evident of the hard work and money that goes into keeping it up. Benson is a great place to live and work and it is obvious the city council and staff members have a similar opinion. The club would like to thank you for your efforts in helping us continue functioning as an asset in this great community.

Best Regards,

Sally Jones  
Golf Course Superintendent

Email: [bensongolfclub@yahoo.com](mailto:bensongolfclub@yahoo.com) - [www.bensongolfclub.club](http://www.bensongolfclub.club)

# City of Benson

1410 Kansas Ave.  
Benson, MN 56215  
(320) 843-4775

## Invoice

| DATE      | INVOICE # |
|-----------|-----------|
| 11/4/2011 | 5097      |

**BILL TO**

Benson Golf Club  
2222 Atlantic Ave.  
Benson, MN 56215

| P.O. NO. | TERMS  | PROJECT |
|----------|--------|---------|
|          | Net 30 |         |

| QUANTITY                              | DESCRIPTION                                 | RATE         | AMOUNT            |
|---------------------------------------|---|--------------|-------------------|
| 1                                     | Diseased Elm Removed by 14th Green          | 625.10       | 625.10            |
| 1                                     | Diseased Elm Removed by 14th Green          | 312.55       | 312.55            |
| 1                                     | Diseased Elm Removed by 14th Green          | 329.00       | 329.00            |
| 1                                     | Diseased Elm Removed by 14th Green          | 279.65       | 279.65            |
| 1                                     | Diseased Elm Removed by 14th Green          | 296.10       | 296.10            |
| 1                                     | Diseased Elm Removed by 14th Green          | 427.70       | 427.70            |
| 1                                     | Diseased Elm Removed by lady's 15th Tee Box | 378.35       | 378.35            |
|                                       | MN Sales Tax                                | 6.875%       | 0.00              |
| <b>Please remit to above address.</b> |   | <b>Total</b> | <b>\$2,648.45</b> |

COPY