

**City Council Regular Meeting Agenda**  
**City Council Chambers**  
**June 25, 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)
  - a. Minutes:
    - 2-4           ▪ 6.4.12           City Council Meeting
    - 5-6           ▪ 6.4.12           Planning Commission Meeting
  - b. Correspondence:
    - 7             ▪ Swift County-Benson Hospital Auxiliary Golf Outing Request
  - c. Applications:
    - Vacancies on Boards & Commissions:
      - Airport Advisory – 1
      - Park Board – 2
    - 8-9           ▪ Gambling Permit - Northern Lights Trails
    - 10-11        ▪ Gambling Permit - Swift County Gobblers
  - d. Overnight Travel:
- 12-122 3. 2011 Audit Report
- 123-124 4. Fire Damaged Garage at 212 – 15<sup>th</sup> St. S. – No improvements have been made - pictures
- 125-126 5. Seal Coat Bids
  - 125        ▪ Morris Sealcoat           \$39,492.50
  - 126        ▪ Caldwell Asphalt         \$42,977.00
6. Bull Riding Event & Beer Garden Request July 28, 2012
- 127-131 7. Abandoned Vehicle Ordinance – 2<sup>nd</sup> Reading
- 132-133 8. Stormwater Utility Ordinance & Resolution – 2<sup>nd</sup> Reading
- 134 9. City Hall Air Conditioner/Roof
- 135-138 10. Pay Requests:
  - Stantec Consulting Service – Water Treatment Plant - \$13,031.87
  - Ziegler Cat – Equipment Sale Testing Switchgear System - \$8,656.88
- 139 11. Increase City Manager Credit Card Limit from \$5,000-\$10,000
- 140-160 12. Budget Report – May 31, 2012
- 161-183 13. Bills & Warrants
14. Adjourn: Mayor

**Draft**

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING  
JUNE 4, 2012**

The meeting was called to order at 5:30 p.m. by Mayor Kittelson. Members present: Paul Kittelson, Gary Landmark, Ben Hess, Mike Fugleberg, and Sue Fitz. Members Absent: None. Also present: Director of Finance Glen Pederson, City Manager Rob Wolfington, Director of Public Works Elliot Nelson.

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

- May 21, 2012 City Council Meeting
- May 17, 2012 Safety Committee Meeting
- May 18, 2012 EDA Meeting

Wolfington reminded the Council of board vacancies on the Airport Advisory Board and Park Board.

The Mayor will be attending the Annual LMCIT Conference in Duluth June 20-22, 2012. The City Manager will be attending FEMA training in Maryland June 17-22, 2012, and on vacation the week before.

The Council reviewed the service agreement with DeWild, Grant, Reckert & Associates (DGR) to implement the RICE standards on our generators. Wolfington stated the cost will be 12% of the project cost, and recommended approval. It was moved by Fitz, seconded by Fugleberg and carried unanimously to approve DGR's CAT Generator RICE Upgrade Service Agreement.

Wolfington presented the Feasibility Study for the Northwest Area Levee Construction from Landteam, Inc. to be located in the northwest corner of town. Wolfington stated he placed this in the packet for review and discussion. Permanent levee construction costs are \$255,904.00, with added temporary barriers construction costs. He also stated the levee would not be constructed to flood level. It is not a FEMA certified levee, and homeowners with a mortgage will still be required to carry flood insurance. Costs would be assessed to the 27 affected homeowners. Those in the lowest areas would pay more. The assessment would be spread over 10 years. The decision will be left up to the homeowners whether to proceed with the levee construction or not. The vote of the Council to proceed would require a super majority. To avoid this there would need to be a petition from 70% of the homeowners. Some costs of the project will not be recoverable. Land acquisition from landowners to the north of the City limits where the levee will be placed also needs to be discussed.

Wolfington stated staff received notice of a Redevelopment Grant through the Department of Employment and Economic Development (DEED). We can devise a plan for a project and if awarded the grant, we can have 5 years to implement the plan. There would be some application expense. The BIDC may be interested in sharing the cost. Wolfington recommended we apply for the Grant to redevelop the creamery building site.

Councilmember Landmark offered the following resolution and moved its adoption:

**DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT (DEED)  
REDEVELOPMENT GRANT RESOLUTION  
(RESOLUTION 2012-11)**

BE IT RESOLVED that the City of Benson act as the legal sponsor for project(s) contained in the Redevelopment Grant Program to be submitted on June 5, 2012 and that the City Manager is hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of Benson.

BE IT FURTHER RESOLVED that the City of Benson has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project identified.

BE IT FURTHER RESOLVED that the City of Benson has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Benson may enter into an agreement with the State of Minnesota for the above referenced project(s), and that the City of Benson certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.

NOW, THEREFORE BE IT FINALLY RESOLVED that the Mayor and the City Manager are hereby authorized to execute such agreements as are necessary to implement the project on behalf of the City of Benson.

Member Hess seconded the foregoing motion and the following vote was recorded: AYES: Landmark, Fugleberg, Kittelson, Hess, Fitz. NAYS: None: Whereupon the Mayor declared Resolution No. 2012-11 duly passed and adopted.

Next the Council reviewed proposed language addressing abandoned vehicles. Wolfington, Police Chief Mike Jambor and City Attorney Don Wilcox met this morning. They would like to expand on the language about citations, and also address commercial businesses. After discussion, it was moved by Landmark, seconded by Fitz and carried unanimously to approve the 1<sup>st</sup> Reading of City Ordinance Chapter 95: Abandoned and Other Nuisance Vehicles.

Next was review of the Stormwater Utility Ordinance and Resolution. The sample resolution is proposing a \$2.00 base rate fee. After discussion, it was moved by Fitz, seconded by Fugleberg and carried unanimously to approve the 1<sup>st</sup> Reading of An Ordinance Amending the City Code Chapter 50 By Establishing a Stormwater Utility

Nelson requested permission to go out for bids for the new hangar at the airport. He is working with TKDA to complete specs, which will have to go through the Airport Commission first. It was moved by Hess, seconded by Landmark and carried unanimously to authorize staff to go out for bids for the new airport hangar.

Nelson reviewed the 2012 Bituminous Bid results. The two lowest bids were from Riley Brothers Construction in Morris and Mark Lee Asphalt & Paving from Alexandria. Both bids were for the same amount. Nelson recommended going with Riley Brothers Construction as they are closer and will result in a hotter mix being delivered. It was moved by Landmark, seconded by Hess and carried unanimously to approve Riley Brothers Construction's bid for \$58 per ton.

There was a pay request from Stantec for general engineering services. It was moved by Fitz, seconded by Fugleberg and carried unanimously to approve the pay request to Stantec in the amount of \$6,229.54.

There was a second pay request from Stantec for general engineering services at the Water Treatment Plant. It was moved by Fitz, seconded by Fugleberg and carried unanimously to approve Stantec's pay request in the amount of \$13,384.22.

Nelson informed the Council the new Water Treatment plant is making water. They started chlorinating, filtering and pumping the water into the system Thursday, May 31. KHC Construction has a punch list of items to complete the project. Nelson presented a pay request from KHC Construction for the water treatment plant. It was moved by Hess, seconded by Fugleberg and carried unanimously to approve KHC Construction's pay request #10 in the amount of \$213,418.59 upon completion of items listed by Nelson.

It was the consensus of the Council to move the next City Council meeting to June 25, 2012 to allow the City Manager to be present for the presentation of the 2011 City audit.

It was moved by Fitz, seconded by Hess and carried unanimously to accept the Certificate of Completion of the Water Treatment Plant from KHC Construction.

There being no other business, it was the consensus of the Council to adjourn the meeting at 6:10 p.m.

---

Mayor

---

City Clerk

**MINUTES – BENSON PLANNING COMMISSION – REGUALR  
MEETING**

**JUNE 4, 2012 AT 12:00 NOON**

**Members Present:** Ronan Rolland, Karen Evenson, Sue Fitz, Ron Laycock and Mark Schreck  
**Members Absent:** Delbert Gonnerman, David Stewart  
**Also Present:** Rob Wolfington

**Review Minutes**

The May 7, 2012 Planning Commission minutes were reviewed. There was a motion by Fitz to approve the minutes, second by Schreck. The motion passed unanimously.

**Railroad Right-of-Way**

Rob informed the Board the City has purchased the land south of the railroad track across from the old Benson Market site. The renter on the land has been served with a vacation notice. If he has no interest in removing the grain bins, there are other parties that are interested in them. Rob went on to say he received notice of a redevelopment grant we could apply for with provisions to devise a plan for development in 5 years. This could be useful for the Benson Market South and Creamery area. The Commission agreed to try to develop a plan to market the area.

**Street Reconstruction**

Rob discussed the 5 year MNDOT STIP Plan for highway construction in the area. It includes all highway hubs that come into Benson. Rob will propose straightening out highway 9 west to MNDOT.

Rob also informed the Commission the City Council instructed him to check into costs in purchasing the land on the east side of the Benson Market project east to across from the Benson Liquor Store, and possibly turning this area into a green space. There was discussion on semi trucks currently stopping in that lot and business parking space.

**New APMC CLINIC**

Rob said the City is working on underground utilities. Cable TV, telephone and 3 phase electric are all going underground.

**North West Flood Prevention Plan**

Rob stated the Council received the engineer's report on the northwest flood control project. There would be hard and soft costs associated with the project, with a percentage assessed to the affected property owners over ten years. The dike that would be built is not a FEMA certified dike, and homeowners with a mortgage would still be required to carry flood insurance. This will be brought to all affected parties this summer.

**Other Business**

The City hung a 12' X 18' flag on the pole by the community sign over Memorial Day. This Flag will be flown on special holidays and occasions.

There is currently new ordinance language being proposed to address abandoned vehicles in the City. First the citizen would receive a letter, then a citation. Fitz stated she has had positive feedback on the change.

The Council will also review the first reading on the new storm water utility.

The new Water Treatment plant went on line last Friday. The project went well. Kudos to Elliot Nelson for making it a smooth process.

Benson Family Dental Office is looking at expanding their building. They are in the planning phase.

The underground conversion on highway 12 east will start this summer.

**Adjournment**

There was a motion by Fitz, second by Evenson and passed unanimously to adjourn the meeting at 12:54 p.m.



1815 WISCONSIN AVENUE  
BENSON, MN 56215  
320.843.4232  
FAX 320.843.4172  
WWW.SCBH.ORG

## SWIFT COUNTY - BENSON HOSPITAL

Swift County Benson Hospital Auxiliary  
14<sup>th</sup> Annual Golf Outing  
Sunday, August 12, 2012  
Registration 12:00 pm Shot-gun start 1:00 pm  
Dinner and short program to follow

Thank you for your past support of the SCBH Auxiliary Golf Outing. Our event could not be the success that it is without Hole Sponsorship and donations from people like you! In last year's golf outing over 60 golfers participated and over \$11,500 was raised to support the hospital in various ways. The Golf Outing is one of our most important and attended fundraising events of the year. It allows donors the chance to come together and enjoy a fun filled day that supports our worthy mission. **Join us at the Benson Golf Course on Sunday, August 12 for a wonderful day of golf, camaraderie, and philanthropic support.**

Sponsorships and player participation are the core of the outing fundraising. We invite you to support the Hospital by **continuing** to be or becoming a **Hole Sponsor**. You may also contribute to this event by donating to our raffle, golfing as an individual or making a cash donation. **Please check the level of sponsorship you would like to commit to and return this form along with your sponsorship. Make checks payable to SCBH Auxiliary. If you are donating an item for the raffle please indicate the item. We will arrange a time to pick it up from you. Mail checks to Molly Hanson 800 12<sup>th</sup> St. South, Benson, MN 56215.**

**\_\_\_ \$150 Hole Sponsorship** A 12X18 inch flag will be placed at a hole with the business/organization name and logo on it. There will be at least one sponsorship for each tee box and one for each green. For those businesses or individuals who sponsored a flag in previous years, an additional star will be added to your flag to represent the number of years you have been a sponsor. Holes will be assigned on a first come first serve basis. If you have a preference for a hole or green, please contact Laree Breen at 320-843-2054. A sponsorship includes one ticket to golf, cart rental, a raffle ticket, a packet of golf goodies, dinner and a complimentary drink ticket.

**\_\_\_ Raffle Donation** You may donate an item from your business/organization, a gift certificate from your business or a donation. We are looking for prizes with a variety of dollar values.

**\_\_\_ Cash Donation** You may choose to make a cash donation towards the fundraising effort. Cash donations should be mailed to Molly Hanson at 800 12<sup>th</sup> St. South, Benson, MN 56215. Please indicate if you would like an invoice for your records.

**\_\_\_ Individual Golfer** We encourage your employees and friends to attend the golf outing. We want to make it a fun day to benefit a worthy cause. Entry fee is \$80 and includes 18 holes of golf, cart rental, a raffle ticket, a packet of golf goodies, dinner and a complimentary drink ticket.

If you have any questions please do not hesitate to contact us at the numbers listed below. Join us as we work together to support our vital local hospital!

Wendy Johnson  
320-843-2662

Laree Breen  
320-843-2054

Molly Hanson  
320-843-3040

Jan Baukol  
320-843-3039

SCBH is an equal opportunity employer and provider.

# LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:  
 - conducts lawful gambling on five or fewer days, and  
 - awards less than \$50,000 in prizes during a calendar year.

Application fee	
If application postmarked or received:	
less than 30 days before the event	more than 30 days before the event
<b>\$100</b>	<b>\$50</b>

ORGANIZATION INFORMATION		Check# _____ \$ _____
Organization name <b>Northern Lights Trails</b>		Previous gambling permit number <b>X-04998-12-001</b>
Minnesota tax ID number, if any	Federal employer ID number, if any <b>41-1872708</b>	
<b>Type of nonprofit organization.</b> Check one. <input type="checkbox"/> Fraternal <input type="checkbox"/> Religious <input type="checkbox"/> Veterans <input checked="" type="checkbox"/> Other nonprofit organization		
Mailing address <b>P.O. BOX153</b>	City <b>Benson</b>	State Zip Code County <b>MN 56215 Swift</b>
Name of chief executive officer (CEO) <b>Sheri Gades</b>	Daytime phone number <b>320 842 7201 X3</b>	Email address <b>Sheri.Gades@mn.nacdnet.net</b>
<b>Attach a copy of ONE of the following for proof of nonprofit status.</b>		
Do not attach a sales tax exempt status or federal employer ID number as they are not proof of nonprofit status.		
<input checked="" type="checkbox"/> <b>Nonprofit Articles of Incorporation OR a current Certificate of Good Standing .</b> Don't have a copy? This certificate must be obtained each year from: Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155 Phone: 651-296-2803		
<input type="checkbox"/> <b>IRS income tax exemption [501(c)] letter in your organization's name.</b> Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.		
<input type="checkbox"/> <b>IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)</b> If your organization falls under a parent organization, attach copies of <u>both</u> of the following: a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and b. the charter or letter from your parent organization recognizing your organization as a subordinate.		
<b>GAMBLING PREMISES INFORMATION</b>		
Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place. <b>Patricks Pub &amp; Grill</b>		
Address (do not use PO box) <b>1301 Pacific Ave</b>	City or township <b>Benson</b>	Zip Code County <b>56215 Swift</b>
Date(s) of activity (for raffles, indicate the date of the drawing) <b>11-03-2012</b>		
Check the box or boxes that indicate the type of gambling activity your organization will conduct:		
Bingo* <input checked="" type="checkbox"/> Raffles	Paddlewheels*	Pull-Tabs*    Tipboards*
<p>* <b>Gambling equipment</b> for pull-tabs, bingo paper, tipboards, and paddlewheels must be obtained from a distributor licensed by the Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.</p> <p>To find a licensed distributor, go to <a href="http://www.gcb.state.mn.us">www.gcb.state.mn.us</a> and click on List of Licensed Distributors, or call 651-639-4000.</p>		

**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT**

**If the gambling premises is within city limits,** a city official must check the action that the city is taking on this application and sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name \_\_\_\_\_  
*On behalf of the city, I acknowledge this application.*  
**Signature** of city personnel receiving application

Title \_\_\_\_\_ Date \_\_\_\_\_

**If the gambling premises is located in a township,** a county official must check the action that the county is taking on this application and sign the application. **A township official is not required to sign the application.**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name \_\_\_\_\_  
*On behalf of the county, I acknowledge this application.*  
**Signature** of county personnel receiving application

Title \_\_\_\_\_ Date \_\_\_\_\_

**(Optional) TOWNSHIP:** *On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]*

Print township name \_\_\_\_\_  
**Signature** of township official acknowledging application

Title \_\_\_\_\_ Date \_\_\_\_\_

**CHIEF EXECUTIVE OFFICER'S SIGNATURE**

*The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.*

Chief executive officer's signature *Shew Doder* Date 6-1-12

**Complete a separate application** for each gambling event:

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

**Send application with:**

- a copy of your proof of nonprofit status, and
- application fee for each event

Make check payable to "State of Minnesota."

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

**Financial report and recordkeeping required**

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.gcb.state.mn.us](http://www.gcb.state.mn.us). Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

**Questions?**  
 Call the Licensing Section of the Gambling Control Board at 651-639-4000.

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

**Data privacy notice:** The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application.

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that: - conducts lawful gambling on five or fewer days, and - awards less than \$50,000 in prizes during a calendar year. If total prize value for the year will be \$1,500 or less, contact the licensing specialist assigned to your county.	<b>Application fee</b>	
	If application posted or received: less than 30 days before the event <b>\$100</b>	more than 30 days before the event <b>\$50</b>

**ORGANIZATION INFORMATION**

Organization name NWTF Swift County Gobblers Previous gambling permit number X-92184

Minnesota tax ID number, if any \_\_\_\_\_ Federal employer ID number (FEIN), if any \_\_\_\_\_

**Type of nonprofit organization. Check one.**

Fraternal   
  Religious   
  Veterans   
  Other nonprofit organization

Mailing address 525-50th St. NW City Benson State MIN Zip code 56215 County Swift

Name of chief executive officer (CEO) Justin Sanders Daytime phone number 320-760-2846 E-mail address \_\_\_\_\_

**NONPROFIT STATUS**

Attach a copy of ONE of the following for proof of nonprofit status.

- Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.  
 Don't have a copy? This certificate must be obtained each year from:  
 Secretary of State, Business Services Div., 60 Empire Drive, Suite 100, St. Paul, MN 55103  
 Phone: 651-296-2803
- IRS income tax exemption [501(c)] letter in your organization's name.  
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact  
 the IRS at 877-829-5500.
- IRS - Affiliate of national, statewide, or international parent nonprofit organization [charter]  
 If your organization falls under a parent organization, attach copies of both of the following:  
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and  
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place.  
Benson Bowler

Address [do not use PO box] 2205 Minnesota Ave City or township Benson Zip code 56215 County Swift

Date[s] of activity. For raffles, indicate the date of the drawing.  
07-27-2012

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

Bingo\*   
  Raffle   
  Paddlewheels\*   
  Pull-tabs\*   
  Tipboards\*

\*Gambling equipment for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to [www.gcb.state.mn.us](http://www.gcb.state.mn.us) and click on **Distributors** under the **WHO'S WHO? LIST OF LICENSEES**, or call 651-639-4000.

**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT**

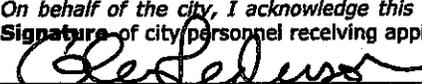
**If the gambling premises is within city limits,** a city official must check the action that the city is taking on this application and sign the application.

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print city name Benson

On behalf of the city, I acknowledge this application.  
 Signature of city personnel receiving application  


Title City Clerk Date 6/20/12

**If the gambling premises is located in a township,** a county official must check the action that the county is taking on this application and sign the application. **A township official is not required to sign the application.**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print county name \_\_\_\_\_

On behalf of the county, I acknowledge this application.  
 Signature of county personnel receiving application  
 \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

**(Optional) TOWNSHIP:** On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]

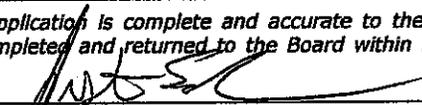
Print township name \_\_\_\_\_

Signature of township official acknowledging application  
 \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

**CHIEF EXECUTIVE OFFICER'S SIGNATURE** Print form and have CEO sign

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.

Chief executive officer's signature  Date \_\_\_\_\_

**Complete a separate application** for each gambling event:

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

**Send application with:**

- a copy of your proof of nonprofit status, and
- application fee for each event

Make check payable to "State of Minnesota."

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

**Financial report and recordkeeping required**

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.gcb.state.mn.us](http://www.gcb.state.mn.us). Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

**Questions?**  
 Call the Licensing Section of the Gambling Control Board at 651-639-4000.

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

**Data privacy notice:** The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application.

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

**Reset Form**

CITY OF BENSON, MINNESOTA

MANAGEMENT LETTER

DECEMBER 31, 2011

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

CITY OF BENSON, MINNESOTA

TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2011

	<u>Page</u>
Required Communications	1-3
Schedule of Findings on Internal Accounting Issues and Internal Controls	4-5
Revenue and Expenditure Comparison - General Fund	6
Revenue and Expense Comparison - Liquor Fund	7
Revenue and Expense Comparison - Water Fund	8
Revenue and Expense Comparison - Sewer Fund	9
Revenue and Expense Comparison - Electric Fund	10
Governmental Funds Revenues - Comparable Cities	11
Governmental Funds Expenditures - Comparable Cities	12
Water Fund - Comparable Cities	13
Sewer Fund - Comparable Cities	14
Electric Fund - Comparable Cities	15



Quality | Dedication | Integrity

Honorable Mayor and City Council  
City of Benson  
Benson, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, for the year ended December 31, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 13, 2012. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Benson, Minnesota, are described in the notes to the financial statements. As described in the notes to the financial statements, the City implemented Governmental Accounting Standards Board Statement No. 54. Adoption of the provisions of this statement results in significant changes to the classifications of the components of fund balance. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper

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

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

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

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. A schedule summarizing the uncorrected misstatements of the financial statements has been made available to management. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

*Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 25, 2012.

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

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

*Other Information in Documents Containing Audited Financial Statements*

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

City of Benson

Page 3

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

Very Truly Yours,

*Conway, Deuth & Schmiesing, PLLP*

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

June 25, 2012

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS ON INTERNAL ACCOUNTING ISSUES AND INTERNAL CONTROLS

Current Year Recommendation:

RECOMMENDATION #1

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Debt Burden</u>	Ratio of gross debt less bonds fully supported from enterprise fund revenues over the estimated full value of taxable property:		
Bonded Debt	$\frac{\$ 920,000}{\$ 154,708,600}$	$\frac{\$ 845,000}{\$ 156,822,700}$	$\frac{\$ 765,000}{\$ 157,820,900}$
Market Value of Property	=0.595%	=0.539%	=0.480%

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

<u>Debt per Capita</u>	Ratio of gross debt less bonds fully supported from enterprise fund revenues over the City's population:		
Bonded Debt	$\frac{\$ 920,000}{3,390}$	$\frac{\$ 845,000}{3,390}$	$\frac{\$ 765,000}{3,390}$
Population	=\$271	=\$249	=\$226

<u>Net Operating Revenue per Capita</u>	Ratio of General Fund revenues, over the City's population:		
Total Revenue	$\frac{\$ 2,844,345}{3,390}$	$\frac{\$ 2,930,271}{3,390}$	$\frac{\$ 3,097,954}{3,390}$
Population	=\$839	=\$864	=\$914

<u>Percent of Intergovernmental to Total Revenue</u>	Ratio of General Fund intergovernmental revenue to total General Fund revenue:		
Intergovernmental Revenue	$\frac{\$ 1,214,322}{\$ 2,844,345}$	$\frac{\$ 1,060,164}{\$ 2,930,271}$	$\frac{\$ 1,142,680}{\$ 3,097,954}$
Total Revenue	=42.69%	=36.18%	=36.88%

<u>Net Operating Expenditures per Capita</u>	Ratio of General Fund expenditures, over the City's population:		
Net Operating Expenditures	$\frac{\$ 2,580,089}{3,390}$	$\frac{\$ 2,665,258}{3,390}$	$\frac{\$ 2,738,029}{3,390}$
Population	=\$761	=\$786	=\$807

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS ON INTERNAL ACCOUNTING ISSUES AND INTERNAL CONTROLS

Current Year Recommendation (Cont'd):

RECOMMENDATION #1 (Cont'd)

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Percent of Fund Balance Restricted	Ratio of restricted balance, over the City's governmental fund balance:		
Restricted Total Fund Balance	$\frac{\$ 117,879}{\$ 2,245,091} = 5.25\%$	$\frac{\$ 135,373}{\$ 2,593,099} = 5.22\%$	$\frac{\$ 147,962}{\$ 2,767,221} = 5.35\%$

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>REVENUES</b>					
Taxes and Assessments	\$ 372,884	\$ 634,298	\$ 787,672	\$ 1,087,086	\$ 1,189,086
Licenses and Permits	58,631	66,076	47,675	28,178	19,352
Intergovernmental	1,298,053	1,176,223	1,214,322	1,060,164	1,142,680
Charges for Services	252,501	244,759	266,697	257,067	241,402
Fines, Forfeits and Other	<u>526,102</u>	<u>645,972</u>	<u>527,979</u>	<u>497,776</u>	<u>505,434</u>
 Total Revenues	 <u>2,508,171</u>	 <u>2,767,328</u>	 <u>2,844,345</u>	 <u>2,930,271</u>	 <u>3,097,954</u>
 <b>EXPENDITURES</b>					
General Government	570,232	607,548	587,839	620,946	611,508
Public Safety	769,588	798,411	807,117	825,924	823,999
Public Works	615,474	672,571	631,832	609,356	678,852
Economic Development				15,947	17,206
Recreation and Parks	310,811	317,608	315,210	351,221	365,865
Other	<u>295,267</u>	<u>266,889</u>	<u>238,091</u>	<u>241,864</u>	<u>240,599</u>
 Total Expenditures	 <u>2,561,372</u>	 <u>2,663,027</u>	 <u>2,580,089</u>	 <u>2,665,258</u>	 <u>2,738,029</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ (53,201)</u>	 <u>\$ 104,301</u>	 <u>\$ 264,256</u>	 <u>\$ 265,013</u>	 <u>\$ 359,925</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Sales	\$ 1,046,786	\$ 947,677	\$ 976,462	\$ 989,215	\$ 986,761
Cost of Sales	<u>673,122</u>	<u>627,455</u>	<u>657,424</u>	<u>664,809</u>	<u>665,037</u>
Gross Profit	373,664	320,222	319,038	324,406	321,724
Other Operating Revenues	<u>4,701</u>	<u>3,681</u>	<u>5,443</u>	<u>1,835</u>	<u>1,550</u>
Total Operating Revenues	378,365	323,903	324,481	326,241	323,274
Operating Expenses	<u>357,589</u>	<u>345,722</u>	<u>319,365</u>	<u>323,299</u>	<u>296,960</u>
Operating Income (Loss)	20,776	(21,819)	5,116	2,942	26,314
Nonoperating Revenues (Expenses)	<u>7,462</u>	<u>5,761</u>	<u>4,294</u>	<u>3,304</u>	<u>15,113</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 28,238</u>	<u>\$ (16,058)</u>	<u>\$ 9,410</u>	<u>\$ 6,246</u>	<u>\$ 41,427</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operating Revenues	\$ 330,110	\$ 305,856	\$ 315,094	\$ 345,019	\$ 477,357
Operating Expenses	<u>365,525</u>	<u>325,877</u>	<u>340,371</u>	<u>422,181</u>	<u>411,472</u>
Operating Income (Loss)	(35,415)	(20,021)	(25,277)	(77,162)	65,885
Nonoperating Revenues (Expenses)	<u>41,483</u>	<u>8,789</u>	<u>4,846</u>	<u>(6,977)</u>	<u>(8,391)</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 6,068</u>	<u>\$ (11,232)</u>	<u>\$ (20,431)</u>	<u>\$ (84,139)</u>	<u>\$ 57,494</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operating Revenues	\$ 693,631	\$ 675,317	\$ 682,370	\$ 742,629	\$ 765,266
Operating Expenses	<u>698,491</u>	<u>734,994</u>	<u>752,685</u>	<u>748,927</u>	<u>769,024</u>
Operating Income (Loss)	(4,860)	(59,677)	(70,315)	(6,298)	(3,758)
Nonoperating Revenues (Expenses)	<u>(43,340)</u>	<u>(42,131)</u>	<u>(51,134)</u>	<u>(49,134)</u>	<u>(64,548)</u>
Income (Loss) Before Transfers and Other Items	<u>\$ (48,200)</u>	<u>\$ (101,808)</u>	<u>\$ (121,449)</u>	<u>\$ (55,432)</u>	<u>\$ (68,306)</u>

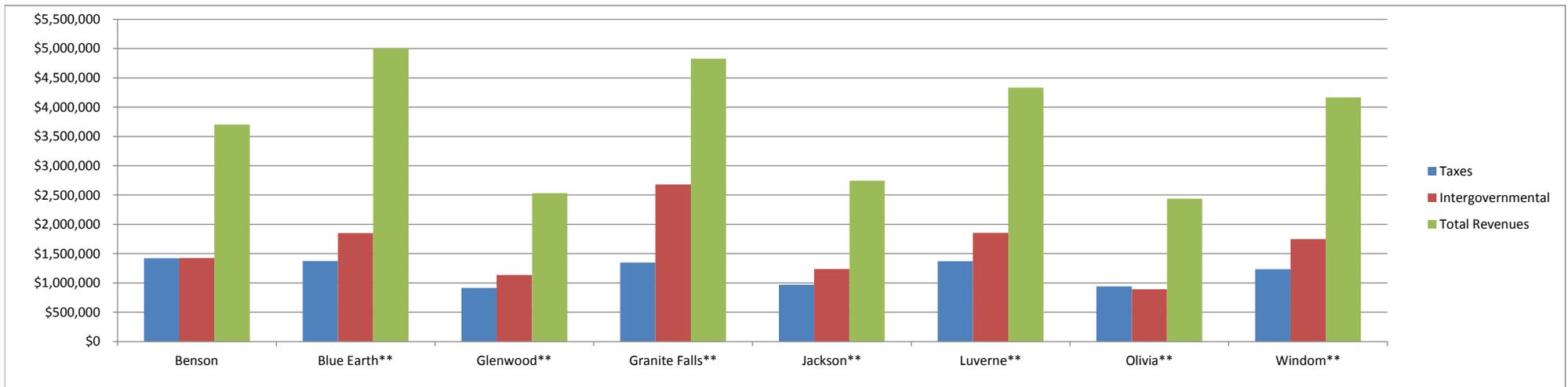
CITY OF BENSON, MINNESOTA  
REVENUE AND EXPENSE COMPARISON  
ELECTRIC FUND  
YEARS ENDED DECEMBER 31,

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operating Revenues	\$ 4,266,221	\$ 3,777,850	\$ 4,101,769	\$ 4,270,808	\$ 4,251,058
Operating Expenses	<u>3,732,427</u>	<u>3,459,005</u>	<u>3,715,853</u>	<u>3,858,300</u>	<u>3,825,643</u>
Operating Income (Loss)	533,794	318,845	385,916	412,508	425,415
Nonoperating Revenues (Expenses)	<u>61,477</u>	<u>(203,737)</u>	<u>(245,633)</u>	<u>(235,321)</u>	<u>(203,708)</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 595,271</u>	<u>\$ 115,108</u>	<u>\$ 140,283</u>	<u>\$ 177,187</u>	<u>\$ 221,707</u>

CITY OF BENSON, MINNESOTA  
 GOVERNMENTAL FUNDS REVENUES - COMPARABLE CITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	REVENUES											OTHER SOURCES			
	Population	Taxes	Special Assessments	Licenses and Permits	INTERGOVERNMENTAL			Total Inter-Governmental	Charges for Services / Fines	Interest Earnings	All Other Revenues	Total Revenues	Borrowing / Other	Transfers In	Total Other Sources
					Federal Grants	State Grants	Local Grants								
Benson	3,390	\$ 1,419,149	\$ 10,043	\$ 19,352	\$ 65,264	\$ 1,360,524	\$	\$ 1,425,788	\$ 257,938	\$ 38,213	\$ 530,530	\$ 3,701,013	\$ 3,520	\$ 531,453	\$ 534,973
Blue Earth**	3,353	1,372,891	206,528	28,456		1,851,617		1,851,617	1,033,147	38,921	468,771	5,000,331	1,822,596	349,083	2,171,679
Glenwood**	2,564	914,498	32,683	36,080		774,036		1,135,845	331,426	44,153	36,602	2,531,287	7,002	508,562	515,564
Granite Falls**	2,897	1,348,432	117,607	32,873	159,685	2,517,669	2,090	2,679,444	197,305	27,328	424,390	4,827,379	595,700	701,644	1,297,344
Jackson**	3,299	968,656	19,940	49,624	9,426	1,229,970		1,239,396	233,438	125,990	105,641	2,742,685	78,700	599,500	678,200
Luverne**	4,745	1,370,032	92,247	86,731	231,101	1,625,184		1,856,285	646,693	170,990	109,113	4,332,091	758,106	1,265,757	2,023,863
Olivia**	2,484	939,791	139,179	24,068		888,671	3,000	891,671	125,723	175,224	143,827	2,439,483	3,478	834,880	838,358
Windom**	4,646	1,233,024	231,275	69,349	61,659	1,686,333		1,747,992	700,965	50,219	132,962	4,165,786		2,473,326	2,473,326

\*\* Based on 2010 data.

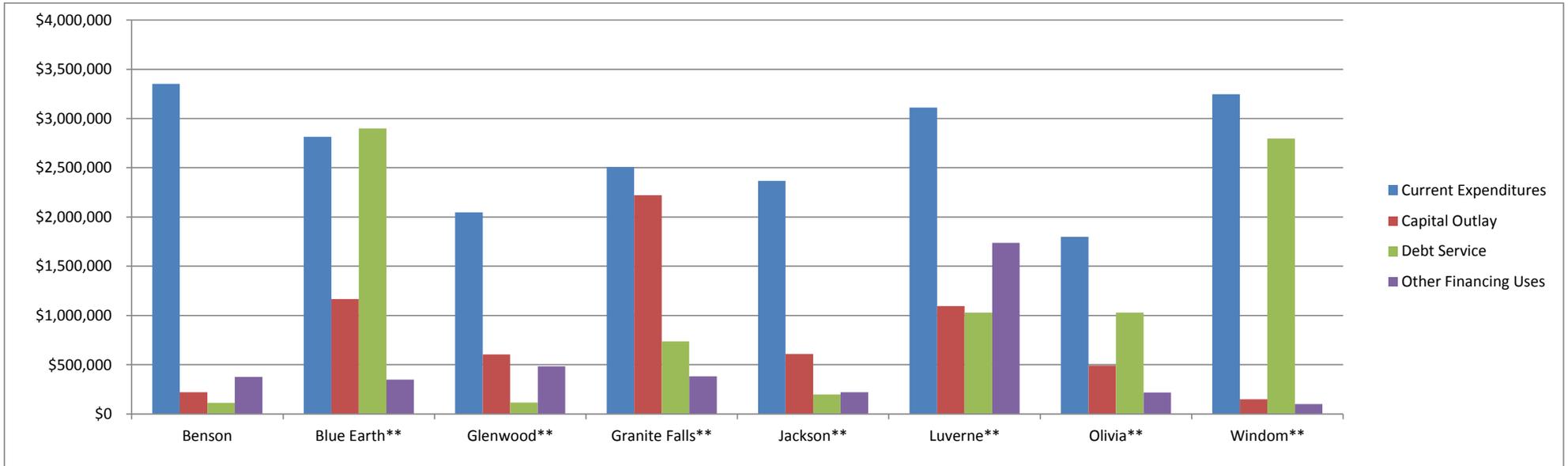


Benson	38.34%	0.27%	0.52%	1.76%	36.76%	0.00%	38.52%	6.97%	1.03%	14.33%	100.00%
Blue Earth**	27.46%	4.13%	0.57%	0.00%	37.03%	0.00%	37.03%	20.66%	0.78%	9.37%	100.00%
Glenwood**	36.13%	1.29%	1.43%	14.29%	30.58%	0.00%	44.87%	13.09%	1.74%	1.45%	100.00%
Granite Falls	27.93%	2.44%	0.68%	3.31%	52.15%	0.04%	55.51%	4.09%	0.57%	8.79%	100.00%
Jackson**	35.32%	0.73%	1.81%	0.34%	44.85%	0.00%	45.19%	8.51%	4.59%	3.85%	100.00%
Luverne**	31.63%	2.13%	2.00%	5.33%	37.52%	0.00%	42.85%	14.93%	3.95%	2.52%	100.00%
Olivia**	38.52%	5.71%	0.99%	0.00%	36.43%	0.12%	36.55%	5.15%	7.18%	5.90%	100.00%
Windom**	29.60%	5.55%	1.66%	1.48%	40.48%	0.00%	41.96%	16.83%	1.21%	3.19%	100.00%

CITY OF BENSON, MINNESOTA  
GOVERNMENTAL FUNDS EXPENDITURES - COMPARABLE CITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Population	CURRENT EXPENDITURES						Total Current Expenditures	Total Capital Outlay	Total Debt Service	Total Expenditures	Total Other Uses
		General Government	Public Safety	Streets and Highways	Culture and Recreation	Housing and Economic Development	All Other					
Benson	3,390	\$ 611,508	\$ 823,999	\$ 729,917	\$ 460,962	\$ 484,951	\$ 240,599	\$ 3,351,936	\$ 219,168	\$ 113,660	\$ 3,684,764	\$ 377,100
Blue Earth**	3,353	402,114	681,970	661,822	373,618	342,556	353,534	2,815,614	1,165,676	2,899,979	6,881,269	349,083
Glenwood**	2,564	352,786	566,370	259,966	321,745	407,153	139,471	2,047,491	603,668	114,858	2,766,017	483,562
Granite Falls**	2,897	380,824	568,817	414,017	203,938	718,953	222,285	2,508,834	2,219,826	736,083	5,464,743	381,197
Jackson**	3,299	721,758	716,316	516,980	146,527	8,570	256,851	2,367,002	609,971	198,141	3,175,114	219,621
Luverne**	4,745	492,799	1,081,976	564,898	690,957	32,472	249,329	3,112,431	1,095,426	1,029,417	5,237,274	1,738,202
Olivia**	2,484	423,633	558,181	539,572	121,459	118,055	38,072	1,798,972	491,148	1,028,386	3,318,506	216,554
Windom**	4,646	365,693	1,172,699	527,330	445,312	659,376	77,579	3,247,989	147,627	2,795,840	6,191,456	98,897

\*\* Based on 2010 data.

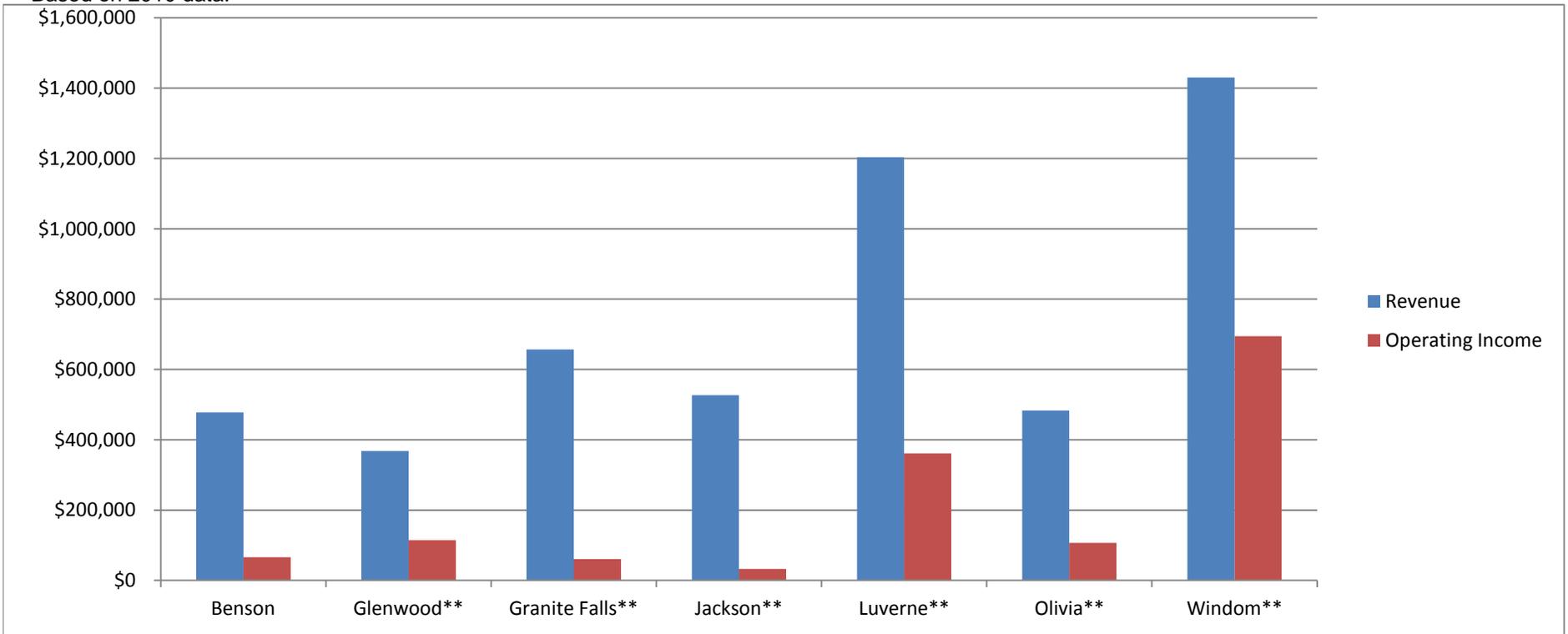


Benson	16.60%	22.36%	19.81%	12.51%	13.16%	6.53%	90.97%	5.95%	3.08%	100.00%
Blue Earth**	5.84%	9.91%	9.62%	5.43%	4.98%	5.14%	40.92%	16.94%	42.14%	100.00%
Glenwood**	12.75%	20.48%	9.40%	11.63%	14.72%	5.04%	74.02%	21.82%	4.15%	100.00%
Granite Falls**	6.97%	10.41%	7.58%	3.73%	13.16%	4.07%	45.91%	40.62%	13.47%	100.00%
Jackson**	22.73%	22.56%	16.28%	4.61%	0.27%	8.09%	74.55%	19.21%	6.24%	100.00%
Luverne**	9.41%	20.66%	10.79%	13.19%	0.62%	4.76%	59.43%	20.92%	19.66%	100.00%
Olivia**	12.77%	16.82%	16.26%	3.66%	3.56%	1.15%	54.21%	14.80%	30.99%	100.00%
Windom**	5.91%	18.94%	8.52%	7.19%	10.65%	1.25%	52.46%	2.38%	45.16%	100.00%

CITY OF BENSON, MINNESOTA  
 WATER FUND - COMPARABLE CITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Population	OPERATING			NON-OPERATING		Capital Outlay	DEBT SERVICE		
		Revenue	Expense	Operating Income (Loss)	Revenue (Expense)	Net Income (Loss)		Principal	Interest	Total Debt Service
Benson	3,390	\$ 477,357	\$ 411,472	\$ 65,885	\$ (8,391)	\$ 57,494	\$ 1,730,659	\$ 1,620,071	\$ 13,533	\$ 1,633,604
Glenwood**	2,564	368,460	254,398	114,062	(4,074)	109,988		89,000	24,520	113,520
Granite Falls**	2,897	656,596	595,686	60,910	41,949	102,859	490,616		12,630	12,630
Jackson**	3,299	526,768	493,787	32,981	11,223	44,204	10,845	12,000	2,183	14,183
Luverne**	4,745	1,203,897	842,436	361,461	(66,201)	295,260	63,551	114,000	68,896	182,896
Olivia**	2,484	483,001	376,063	106,938	(20,084)	86,854	12,290	115,000	30,686	145,686
Windom**	4,646	1,430,117	735,371	694,746	(54,619)	640,127	14,072	764,310	68,971	833,281

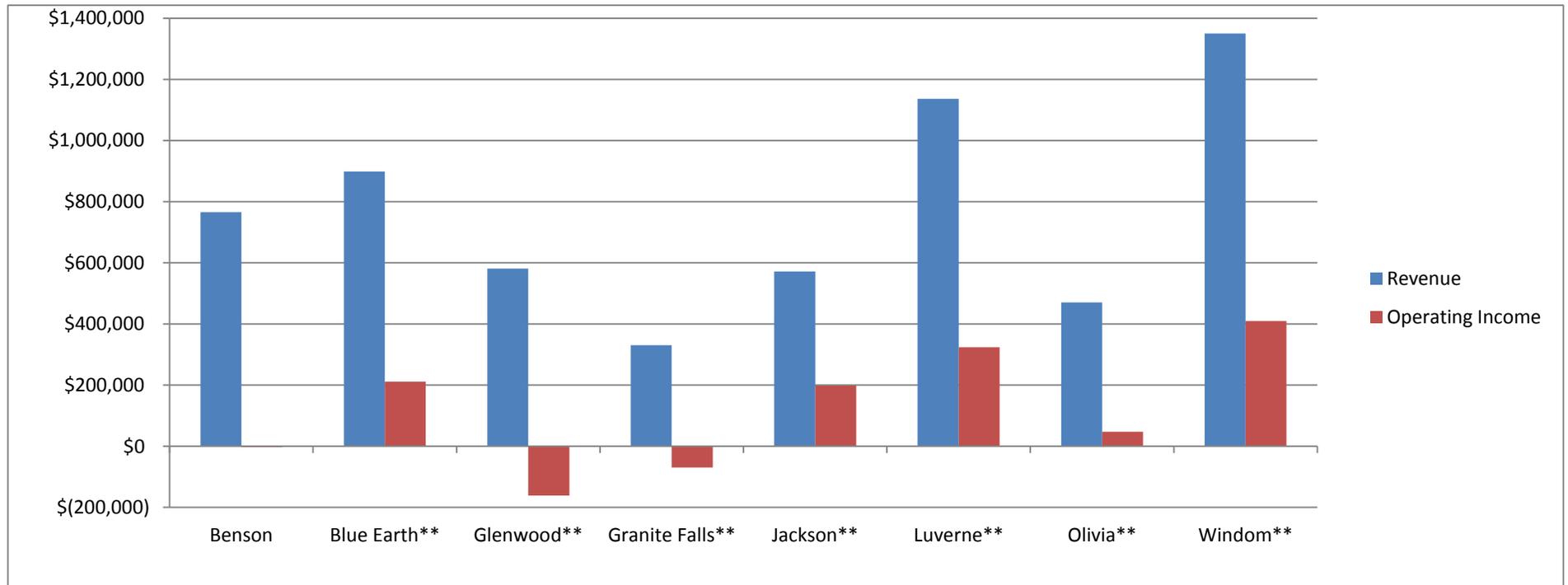
\*\* Based on 2010 data.



CITY OF BENSON, MINNESOTA  
SEWER FUND - COMPARABLE CITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Population	OPERATING			NON-OPERATING		Capital Outlay	DEBT SERVICE		
		Revenue	Expense	Operating Income (Loss)	Revenue (Expense)	Net Income (Loss)		Principal	Interest	Total Debt Service
Benson	3,390	\$ 765,266	\$ 769,024	\$ (3,758)	\$ (64,548)	\$ (68,306)	\$ 326,862	\$ 447,000	\$ 77,812	\$ 524,812
Blue Earth**	3,353	898,254	687,106	211,148	(22,335)	188,813	2,271,808	296,248	51,405	347,653
Glenwood**	2,564	581,361	742,840	(161,479)	74,927	(86,552)	279,022			
Granite Falls**	2,897	330,541	400,076	(69,535)	2,017	(67,518)				
Jackson**	3,299	571,385	372,818	198,567	11,892	210,459		78,000	5,413	83,413
Luverne**	4,745	1,135,984	812,483	323,501	349	323,850	71,532	96,000	52,536	148,536
Olivia**	2,484	470,533	423,312	47,221	(15,169)	32,052	12,290	56,855	20,709	77,564
Windom**	4,646	1,349,777	940,651	409,126	(40,823)	368,303	7,296	270,083	51,264	321,347

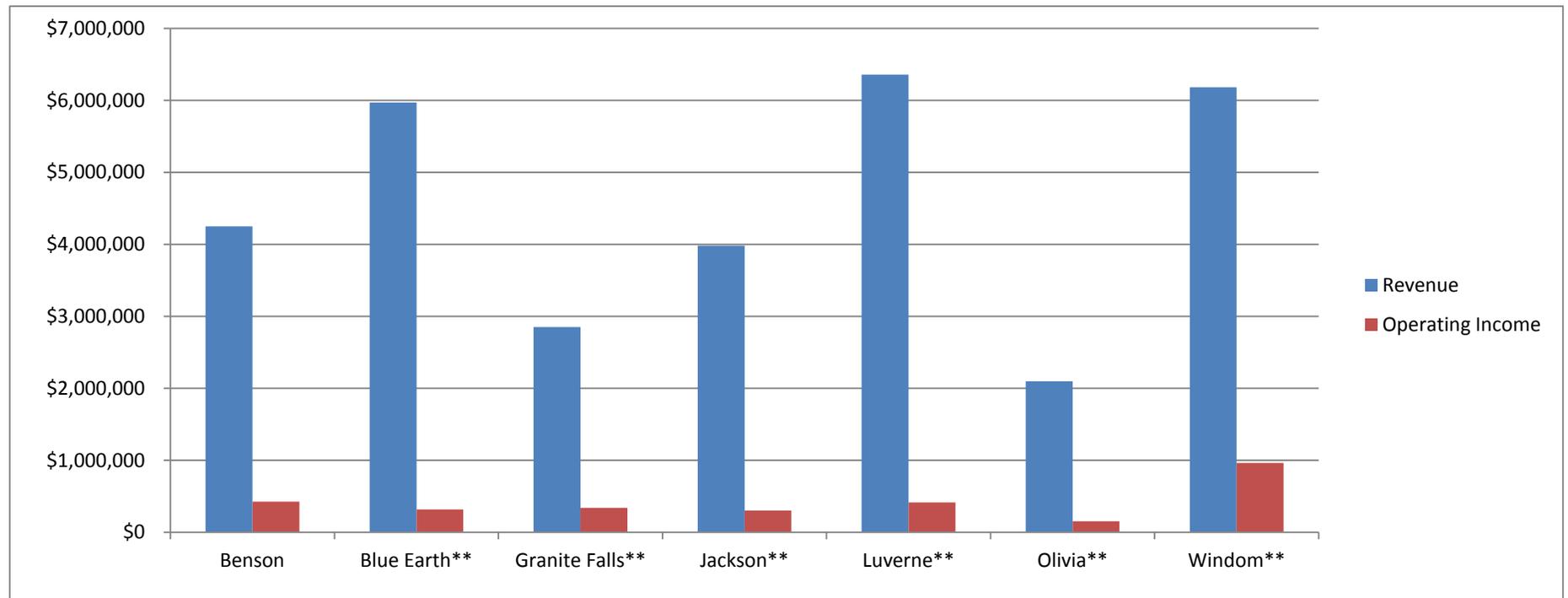
\*\* Based on 2010 data.



CITY OF BENSON, MINNESOTA  
ELECTRIC FUND - COMPARABLE CITIES  
FOR THE YEAR ENDED DECEMBER, 31, 2011

	Population	OPERATING		NON-OPERATING		Capital Outlay	DEBT SERVICE			
		Revenue	Expense	Operating Income (Loss)	Revenue (Expense)		Net Income (Loss)	Principal	Interest	Total Debt Service
Benson	3,390	\$4,251,058	\$3,825,643	\$ 425,415	\$ (203,708)	\$ 221,707	\$ 109,447	\$3,275,000	\$ 271,604	\$3,546,604
Blue Earth**	3,353	5,969,689	5,652,857	316,832	(127,246)	189,586	877,602	452,962	92,172	545,134
Granite Falls**	2,897	2,850,663	2,509,639	341,024	(76,686)	264,338	5,141	134,735	135,000	269,735
Jackson**	3,299	3,978,924	3,676,782	302,142	(674,595)	(372,453)	442,872	160,000	175,918	335,918
Luverne**	4,745	6,356,768	5,941,701	415,067	78,686	493,753	390,543			
Olivia**	2,484	2,097,220	1,944,196	153,024	133,249	286,273	281,243		113	113
Windom**	4,646	6,183,122	5,218,889	964,233	23,369	987,602	373,174			

\*\* Based on 2010 data.



CITY OF BENSON, MINNESOTA  
AUDITED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2011

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

CITY OF BENSON, MINNESOTA

TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2011

	<u>PAGE</u>
ELECTED AND APPOINTED OFFICIALS	1
INDEPENDENT AUDITOR'S REPORT	2-3
REQUIRED SUPPLEMENTARY INFORMATION	
Management's Discussion and Analysis	4-12
BASIC FINANCIAL STATEMENTS	
Statement of Net Assets	13
Statement of Activities	14
Balance Sheet - Governmental Funds	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	19
Statement of Net Assets - Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22-23
Statement of Fiduciary Net Assets - Trust Fund	24
Statement of Changes in Fiduciary Net Assets - Trust Fund	25
Notes to the Financial Statements	26-49

CITY OF BENSON, MINNESOTA

TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2011

	<u>PAGE</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedules of Funding Progress and Employer Contributions	50
SUPPLEMENTARY INFORMATION	
COMBINING STATEMENTS OF NONMAJOR FUNDS	
Combining Balance Sheet - Nonmajor Governmental Funds	51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	52
Combining Balance Sheet - Special Revenue Nonmajor Funds	53
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Nonmajor Funds	54
Combining Balance Sheet - Capital Projects and Debt Service Nonmajor Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Projects and Debt Service Nonmajor Funds	56
INDIVIDUAL FUND STATEMENTS	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	57-61
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Library Special Revenue Fund	62
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Library Endowment Special Revenue Fund	63
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Cemetery Perpetual Care Special Revenue Fund	64
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Community Development Revolving Loan Special Revenue Fund	65
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - 2005 Small Cities Grant Special Revenue Fund	66
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - 2009 Small Cities Grant Special Revenue Fund	67

CITY OF BENSON, MINNESOTA

TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2011

	<u>PAGE</u>
SUPPLEMENTARY INFORMATION (Cont'd)	
INDIVIDUAL FUND STATEMENTS (Cont'd)	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Tax Increment Financing District #4 Special Revenue Fund	68
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Tax Increment Financing District #5 Special Revenue Fund	69
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Economic Development Authority Special Revenue Fund	70
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	71-72
Schedule of Expenditures of Federal Awards	73
Notes to Schedule of Expenditures of Federal Awards	74
STATISTICAL SECTION	
Tax Capacity, Tax Levy, and Tax Capacity Rates	75
Liquor Fund - Gross Profit Schedule	76
Electric Fund - Five-Year Comparison - Gross Income per KW	77
COMPLIANCE SECTION	
Independent Auditor's Report on Minnesota Legal Compliance	78
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	79-80
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	81-82
Schedule of Findings and Questioned Costs	83-84

CITY OF BENSON, MINNESOTA  
ELECTED AND APPOINTED OFFICIALS  
DECEMBER 31, 2011

<u>Name</u>	<u>Position</u>	<u>Term of Office Expires</u>
Paul Kittelson	Mayor	December 31, 2011
Ben Hess	Council Member	December 31, 2013
Gary Landmark	Council Member	December 31, 2013
Sue Fitz	Council Member	December 31, 2011
Robert Claussen	Council Member	December 31, 2011
Robert Wolfington	City Manager	Appointed
Glen Pederson	Director of Finance	Appointed
Donald Wilcox	City Attorney	Appointed



Quality | Dedication | Integrity

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of Benson  
Benson, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of December 31, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in the notes to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011. Adoption of the provisions of this statement results in significant changes to the classifications of the components of fund balance.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The Elected Officials page and supplementary information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining nonmajor and individual fund financial statements and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The Elected Officials page and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on the information presented.

*Conway, Deuth & Schmiesing, PLLP*

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

June 25, 2012

REQUIRED SUPPLEMENTARY INFORMATION

## CITY OF BENSON, MINNESOTA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the basic financial statements of the City of Benson (the City) presents a discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2011. Please read it in conjunction with the City's basic financial statements following this section.

#### Financial Highlights

- The assets of the City exceeded liabilities by just under \$22 million for the year ended 2011. Of this amount, \$6.0 million may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies in 2011. This is a reduction of \$1.6 million from 2010.
- The City's total net assets decreased by \$23,862 or less than 1% of beginning balances.
- The City's governmental funds reported combined ending fund balances of \$2,767,221 in 2011 which is an increase of \$174,122. Of this total amount, approximately 90% is available for spending at the City's discretion. The General Capital Outlay Fund increased by \$235,619 due to equipment not purchased or projects not implemented. The General Fund increased by \$144,448 and the Economic Development Authority was reduced by \$204,009.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$996,321, or 37% of total General Fund expenditures of \$2,738,029. A larger utility fund transfer and operating expenditures coming in under budget resulted in this balance increasing this year by \$144,448.

#### Using this Annual Report

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

#### The City as a Whole: Statement of Net Assets and Statement of Activities

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

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

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

*Governmental Activities* - Most of the City's basic services are reported here, including public safety, public works, parks departments, and general administration. Property taxes, franchise fees, and state and federal grants finance most of these activities.

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

The City's Most Significant Funds: Fund Financial Statements

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

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

The governmental fund financial statements can be found on pages 15-19 of this report.

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

The proprietary fund financial statements can be found on pages 20-23 of this report.

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

The fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-49 of this report.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Net Assets

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

	<u>Governmental Activities</u>		Change
	<u>2011</u>	<u>2010</u>	
Current and Other Assets	\$ 2,979,046	\$ 2,753,225	\$ 225,821
Net Capital Assets	10,066,809	10,504,293	(437,484)
Total Assets	<u>\$ 13,045,855</u>	<u>\$ 13,257,518</u>	<u>\$ (211,663)</u>
Current and Other Liabilities	\$ 44,290	\$ 39,901	\$ 4,389
Long-Term Liabilities	1,023,825	1,107,750	(83,925)
Total Liabilities	<u>1,068,115</u>	<u>1,147,651</u>	<u>(79,535)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	9,301,809	9,659,293	(357,484)
Restricted	132,145	81,344	50,801
Unrestricted	2,543,786	2,369,230	174,556
Total Net Assets	<u>11,977,740</u>	<u>12,109,867</u>	<u>(132,127)</u>
Total Liabilities and Net Assets	<u>\$ 13,045,855</u>	<u>\$ 13,257,518</u>	<u>\$ (211,663)</u>

	<u>Business-Type Activities</u>		Change
	<u>2011</u>	<u>2010</u>	
Current and Other Assets	\$ 5,829,665	\$ 5,893,359	\$ (63,694)
Net Capital Assets	16,332,998	15,052,640	1,280,358
Total Assets	<u>\$ 22,162,663</u>	<u>\$ 20,945,999</u>	<u>\$ 1,216,664</u>
Current and Other Liabilities	\$ 445,790	\$ 460,517	\$ (14,727)
Long-Term Liabilities	11,712,607	10,589,481	1,123,126
Total Liabilities	<u>12,158,397</u>	<u>11,049,998</u>	<u>1,108,399</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	4,785,927	4,627,640	158,287
Unrestricted	5,218,339	5,268,361	(50,022)
Total Net Assets	<u>10,004,266</u>	<u>9,896,001</u>	<u>108,265</u>
Total Liabilities and Net Assets	<u>\$ 22,162,663</u>	<u>\$ 20,945,999</u>	<u>\$ 1,216,664</u>

CITY OF BENSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Net assets of the City's governmental activities decreased by \$132,127. Table 3 presents the key elements of the decrease.

Business-Type Activities

The net assets of our business-type activities increased by \$108,265. The increase was due to the following funds change in net assets: Water - \$57,494, Sewer - \$(102,372), Electric - \$131,420, Liquor - \$11,427, and Sanitation - \$10,296. A comparison of the 2011 and 2010 changes in net assets is as follows:

	2011	2010	Increase (Decrease)	Analysis
Water	\$ 57,494	\$ (84,139)	\$ 141,633	Rates Increased
Sewer	(102,372)	(74,600)	(27,772)	Higher expenses
Electric	131,420	57,685	73,735	Lower Debt Cost
Liquor	11,427	(23,754)	35,181	Reduced expense
Sanitation	10,296	10,387	(91)	
	<u>\$ 108,265</u>	<u>\$ (114,421)</u>	<u>\$ 222,686</u>	

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Activities

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

	Governmental Activities		Change
	2011	2010	
<b>REVENUES</b>			
Program Revenues			
Fees, Fines, and Charges for Services	\$ 799,439	\$ 796,280	\$ 3,159
Operating Grants and Contributions	418,927	468,262	(49,335)
Capital Grants and Contributions	82,831	50,921	31,910
General Revenues			
Property Taxes	1,344,106	1,237,378	106,728
Grants and Contributions Not Restricted	887,046	841,503	45,543
Interest Income	38,213	41,997	(3,784)
Other	142,886	119,068	23,818
Total Revenues	<u>3,713,448</u>	<u>3,555,409</u>	158,038
<b>EXPENSES</b>			
General Government	865,540	971,269	(105,729)
Public Safety	964,412	948,842	15,570
Public Works	1,008,437	918,586	89,851
Recreation and Parks	496,787	485,744	11,043
Urban Development	34,942	6,757	28,185
Economic Development	253,923	59,696	194,227
Library	121,337	109,158	12,179
Airport and Public Transit	222,026	217,773	4,253
Interest on Long-Term Debt	32,523	50,837	(18,314)
Total Expenses	<u>3,999,928</u>	<u>3,768,662</u>	231,266
Change in Net Assets Before Transfers	(286,481)	(213,253)	(73,228)
TRANSFERS	<u>154,353</u>	<u>168,670</u>	(14,317)
Change in Net Assets	(132,127)	(44,583)	(87,544)
NET ASSETS, BEGINNING OF YEAR	<u>12,109,867</u>	<u>12,147,873</u>	(38,006)
NET ASSETS, END OF YEAR	<u>\$ 11,977,740</u>	<u>\$ 12,103,290</u>	\$ (125,550)

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

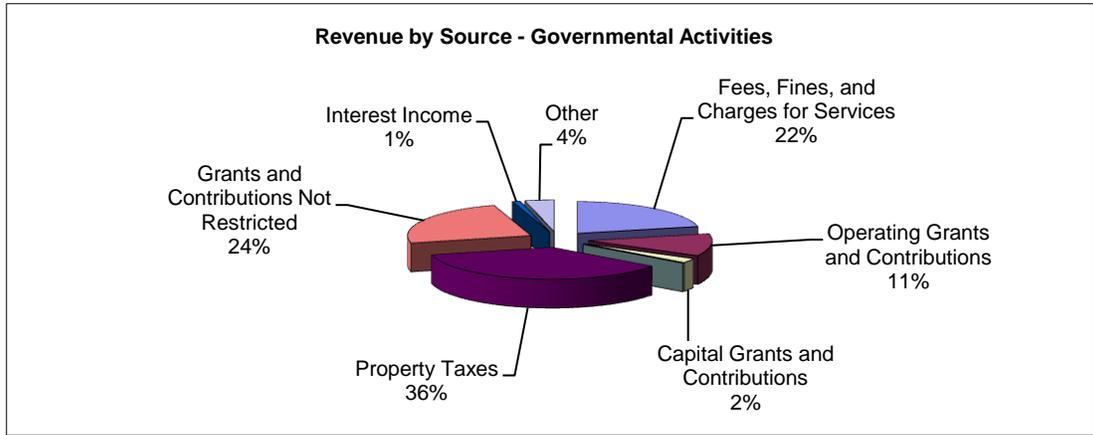
	Business-Type Activities		Change
	2011	2010	
<b>REVENUES</b>			
Program Revenues			
Fees, Fines, and Charges for Services	\$ 6,616,523	\$ 6,479,552	\$ 136,971
General Revenues			
Interest Income	93,807	153,078	(59,271)
Other	63,754	59,499	4,255
Gain on Disposal of Assets		5,377	(5,377)
Total Revenues	<u>6,774,084</u>	<u>6,697,506</u>	<u>76,577</u>
<b>EXPENSES</b>			
Water	426,283	438,871	(12,588)
Sewer	845,808	830,477	15,331
Electric	4,118,790	4,226,236	(107,446)
Liquor	961,997	988,108	(26,111)
Sanitation	158,588	159,565	(977)
Total Expenses	<u>6,511,466</u>	<u>6,643,257</u>	<u>(131,791)</u>
Change in Net Assets Before Transfers	262,618	54,249	208,369
<b>TRANSFERS</b>	<u>(154,353)</u>	<u>(168,670)</u>	<u>14,317</u>
Change in Net Assets	108,265	(114,421)	222,686
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>9,896,001</u>	<u>10,010,422</u>	<u>(114,421)</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 10,004,266</u>	<u>\$ 9,896,001</u>	<u>\$ 108,265</u>

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

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



Financial Analysis of the City's Funds

General Fund - The change in the City's General Fund balance was \$144,448 for 2011. This is the fourth year of a positive increase after 3 years of negative postings. The City Council recognizes the challenge it faces in being able to maintain the Fund Balance level with additional pending cuts to State Aids. This increase brings the total closer to the cities goal of 40% of the annual budget.

Property taxes increased 8.1% this year providing the majority of the additional funding. Special levies of \$485,379 for wages and benefits of police personnel and \$232,413 for 2010 - 2011 unallotted aids and credits allowed for this increase over and above state levy limits.

Revenues came in higher than anticipated primarily due to a larger than projected 25% utility fund transfer, federal flood aid, and despite additional cuts to state aids. The Market Value Credit was cut an additional \$77,253 of which \$68,987 was the portion applicable to the General Fund. This reduction along with the original LGA reduction of \$155,160 were eligible 2011 special levies.

The added revenues and reduced expenditures resulted in the \$144,448 change in fund balance which will be used to help buffer any additional state aid reduction in future years.

General Capital Outlay - The change in the City's General Capital Outlay Fund balance was an increase of \$235,619 for 2011. The fund was projected to only add \$40,100 to fund balance but some projects and expenditures were not completed. The uncertainty of LGA funding contributed to these being delayed. They included City Hall improvements, Park and Street equipment, cemetery columbarium, and two blocks street reconstruction project.

Special Revenue Funds – The change in the City's special revenue fund balances was \$(193,531). The EDA shoulders the entire reduction with the remaining funds, except for the Community Development Revolving Loan Fund, showing an increase.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Capital Project Funds - The capital project fund balances - both major and nonmajor - increased by \$219,010. Most of this increase was in the General Capital Outlay Fund, but the Concrete Projects Fund also saw an increase.

Debt Service Funds – The debt service fund balances increased by \$4,195, which is the state mandated extra amount built into all debt service levies.

Sewer Fund - Revenues came in on budget but expenses were over in personnel and contracted services.

Water Fund - Water revenues did not quite meet budget with a lower than anticipated amount of water being pumped. Revenues were up however with a \$7.50 increase to the minimum charge to cover operational costs and future debt service on the water treatment plant. Expenses were down slightly from the previous year.

Liquor Fund - Total revenues held steady in 2011 and the shift from On-Sale to Off-Sale seems to have leveled off. Rental income increased significantly with the new pull tab selling arrangement with the Benson Hockey Association. Expenses were down in depreciation and personnel costs with one full time position vacant towards the end of the year.

Factors affecting the City's proprietary funds for 2012 are as follows:

Water rates were increased again for 2012. The second of a two stage increase for new debt service necessitated the increase. Large increases the last couple of years to water and sewer rates has made these charges a significant portion of our residential customers utility bill. What was once a reasonably priced service now needs to be closely monitored by the consumers in order to control their costs.

In the Electric Fund no major changes are anticipated. Cost of power has stabilized and no major projects are anticipated. An effort to convert a portion of our distribution system from overhead to underground will begin and continue for several years.

General Fund Budgetary Highlights

Over the course of the year, the City of Benson did not revise its original budget. The City adopted a budget with a surplus in anticipation of reduced state aids. There was a potential for Local Government Aid to be cut but the amount was unknown. Projects were also delayed pending these potential cuts.

Capital Assets

At the end of 2011, the City of Benson had \$54,666,505 invested in a broad range of capital assets. Refer to Note 5 of the Notes to the Financial Statements for a schedule showing the City's capital asset activity.

The City of Benson's fiscal year 2012 capital outlay plan has just over \$565,000 in budgeted purchases. This is about average for our city. \$300,000 at the Airport for a new hanger is dependent on the receipt of federal grant monies.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets (Cont'd)

The Water Fund will be finalizing the construction of upgrading the water filter plant located near the municipal golf course. This was recommended as part of the water system improvement study that was completed in 2008. Other purchases include continuing to replace meters for connection to the automated reading system. Service charges were increased \$5.00 in order to cover debt service for the upgraded water treatment plan bonds.

The Sewer Fund has budgeted \$150,000 to be used for a slip line project in 2011.

The Electric Fund has planned improvements to the exhaust system of the backup generation equipment in order to meet new federal emissions standards. Metering updates and street light replacement are also planned. Conversions from overhead to underground distribution continues.

Long-Term Debt

At year-end, the City of Benson had \$12,312,071 in bonds and other long-term notes outstanding. Refer to Note 7 of the Notes to the Financial Statements for a schedule showing the City's long-term debt activity.

Economic Factors and Next Year's Budget

The overall economy continues to show signs of improvement according to national news reports. The City's condition during this time has remained relatively stable and, in fact, our tax capacity has actually increased where many communities have seen large decreases. The City Council's prudent approach to conservative spending has helped manage the budget during these uncertain times and has been able to increase our General Fund reserves. The continued uncertainty with aid from the State of Minnesota will most likely lead to reductions in this traditional source of revenue. The threat of levy limits placed on the City Council will also limit the Council's ability to recover losses in these state aids. The Council is considering a storm water utility to cover associated operating expenses. Service levels by the General Fund may require a rethinking of priorities and possible cuts.

The 2012 Property Tax Levy of \$1,509,385 is a 5.7% increase over 2011 and included \$148,390 in reduced state aids from 2011. This special levy allows us to fund another year of capital outlay transfers at a normal level. In future years this will be difficult to maintain if levy limits continue to be imposed. This was not the maximum levy as the Council reduced the levy by \$50,000 in order to limit the amount of property tax increase. The expenditure budget shows a 2.7% increase over the 2011 budget. Personnel changes include the removal of retirement funding of the Administrative Assistant in the Administration and Finance Department, the addition of one full time police officer, and increased wages in the Street and Park Departments. The Street Department is also showing an increase in seal coating expenses and an added line item for flood control. In addition to our normal transfers we have included \$20,000 for the Library to pay for some maintenance items such as carpeting. The Council has included a surplus in the 2012 budget of \$55,598 to allow for any further cuts in state aids.

Contacting the City's Financial Management

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

## BASIC FINANCIAL STATEMENTS

## CITY OF BENSON, MINNESOTA

STATEMENT OF NET ASSETS  
DECEMBER 31, 2011

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 2,563,742	\$ 4,378,299	\$ 6,942,041
Receivables			
Accounts	59,961	582,938	642,899
Property Taxes	41,225		41,225
Special Assessments	31,271	30,190	61,461
Notes	103,196		103,196
Loans	50,000		50,000
Accrued Interest	13,699	20,471	34,170
Inventories	16,843	394,113	410,956
Internal Balances	(409)	409	
Prepaid Items	99,518	83,676	183,194
Capital Assets			
Assets Not Being Depreciated	1,109,082	2,030,567	3,139,649
Other Capital Assets, Net of Depreciation	8,957,727	14,302,431	23,260,158
Net Capital Assets	10,066,809	16,332,998	26,399,807
Deferred Charges		339,569	339,569
<b>Total Assets</b>	<b>\$ 13,045,855</b>	<b>\$ 22,162,663</b>	<b>\$ 35,208,518</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 29,610	\$ 329,539	\$ 359,149
Accrued Interest Payable	14,680	54,355	69,035
Customer Deposits		61,896	61,896
Noncurrent Liabilities			
Due Within One Year	163,822	690,824	854,646
Due in More Than One Year	860,003	11,021,783	11,881,786
<b>Total Liabilities</b>	<b>1,068,115</b>	<b>12,158,397</b>	<b>13,226,512</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	9,301,809	4,785,927	14,087,736
Restricted			
Debt Service	85,539		85,539
Economic Development	46,606		46,606
Unrestricted	2,543,786	5,218,339	7,762,125
<b>Total Net Assets</b>	<b>11,977,740</b>	<b>10,004,266</b>	<b>21,982,006</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 13,045,855</b>	<b>\$ 22,162,663</b>	<b>\$ 35,208,518</b>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2011

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 865,540	\$ 389,227	\$ 179,624	\$ 40,495	\$ (296,689)	\$	\$ (296,689)
Public Safety	964,412	163,376	34,687		(725,855)		(725,855)
Public Works	1,008,437	5,503	5,895		(997,040)		(997,040)
Recreation and Parks	496,787	120,455			(376,332)		(376,332)
Urban Development	34,942		187,621		152,678		152,678
Economic Development	253,923	11,607			(242,316)		(242,316)
Library	121,337		11,100		(110,237)		(110,237)
Airport and Public Transit	222,026	109,272		42,336	(70,418)		(70,418)
Interest on Long-Term Debt	32,523				(32,523)		(32,523)
Total Governmental Activities	3,999,928	799,439	418,927	82,831	(2,698,731)	0	(2,698,731)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Water	426,283	477,206				50,923	50,923
Sewer	845,808	765,266				(80,542)	(80,542)
Electric	4,118,790	4,223,682				104,892	104,892
Liquor	961,997	987,884				25,887	25,887
Sanitation	158,588	162,485				3,897	3,897
Total Business-Type Activities	6,511,466	6,616,523	0	0	0	105,057	105,057
Total	\$ 10,511,394	\$ 7,415,962	\$ 418,927	\$ 82,831	(2,698,731)	105,057	(2,593,674)
<b>GENERAL REVENUES</b>							
Taxes							
Property Taxes							
					1,344,106		1,344,106
Grants and Contributions Not Restricted to Specific Programs							
					887,046		887,046
Interest Income							
					38,213	93,807	132,020
Other							
					142,886	63,754	206,640
<b>TRANSFERS</b>							
					154,353	(154,353)	
Total General Revenues and Transfers							
					2,566,604	3,208	2,569,812
Change in Net Assets							
					(132,127)	108,265	(23,862)
NET ASSETS, BEGINNING OF YEAR							
					12,109,867	9,896,001	22,005,868
NET ASSETS, END OF YEAR							
					\$ 11,977,740	\$ 10,004,266	\$ 21,982,006

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011

	General	General Capital Outlay	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 915,500	\$ 624,457	\$ 1,023,785	\$ 2,563,742
Receivables				
Accounts	54,864		5,097	59,961
Property Taxes	34,003	12	7,210	41,225
Special Assessments	9,373		21,898	31,271
Notes			103,196	103,196
Loans			50,000	50,000
Interest	11,226		2,473	13,699
Due from Other Funds	228			228
Inventories		16,843		16,843
Prepaid Items	96,616		2,902	99,518
	<u>96,616</u>	<u>16,843</u>	<u>2,902</u>	<u>99,518</u>
<b>Total Assets</b>	<b><u>\$ 1,121,810</u></b>	<b><u>\$ 641,312</u></b>	<b><u>\$ 1,216,561</u></b>	<b><u>\$ 2,979,683</u></b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 21,574	\$ 6,353	\$ 1,683	\$ 29,610
Due to Other Funds	178		459	637
Deferred Revenue	7,121		175,094	182,215
<b>Total Liabilities</b>	<b><u>28,873</u></b>	<b><u>6,353</u></b>	<b><u>177,236</u></b>	<b><u>212,462</u></b>
<b>Fund Balance</b>				
Nonspendable	96,616	16,843	2,902	116,361
Restricted			147,962	147,962
Assigned		618,116	888,461	1,506,577
Unassigned	996,321			996,321
<b>Total Fund Balance</b>	<b><u>1,092,937</u></b>	<b><u>634,959</u></b>	<b><u>1,039,325</u></b>	<b><u>2,767,221</u></b>
	<u>\$ 1,121,810</u>	<u>\$ 641,312</u>	<u>\$ 1,216,561</u>	<u>\$ 2,979,683</u>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 1,121,810</u></b>	<b><u>\$ 641,312</u></b>	<b><u>\$ 1,216,561</u></b>	<b><u>\$ 2,979,683</u></b>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2011

Total Fund Balances - Governmental Funds	\$ 2,767,221
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	
Governmental Capital Assets	25,748,652
Less: Accumulated Depreciation	(15,681,843)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Deferred Special Assessments	29,019
Economic Development Loans and Notes	153,196
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Bonds and Notes Payable	(765,000)
Compensated Absences	(179,141)
Accrued Interest Payable	(14,680)
Net OPEB Liability	(79,684)
	<hr/>
Total Net Assets - Governmental Activities	<u>\$ 11,977,740</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2011

	General	General Capital Outlay	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 1,188,224	\$ 22	\$ 230,903	\$ 1,419,149
Special Assessments	862		9,181	10,043
Licenses and Permits	19,352			19,352
Intergovernmental	1,142,680	82,831	200,277	1,425,788
Charges for Services	241,402			241,402
Fines and Forfeits	16,536			16,536
Investment Income	27,840		10,373	38,213
Rents	61,368			61,368
Refunds and Reimbursements	372,748	8,206	10,460	391,414
Donations	25,412		4,000	29,412
Other	1,530	3,800	43,006	48,336
Total Revenues	<u>3,097,954</u>	<u>94,859</u>	<u>508,200</u>	<u>3,701,013</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Government	611,508			611,508
Public Safety	823,999			823,999
Public Works	678,852		51,065	729,917
Culture and Recreation	365,865		95,097	460,962
Airport	58,175			58,175
Public Transit	160,842			160,842
Tourism	21,582			21,582
Urban Development			213,820	213,820
Economic Development	17,206		253,925	271,131
Capital Outlay		209,240	9,928	219,168
Debt Service			113,660	113,660
Total Expenditures	<u>2,738,029</u>	<u>209,240</u>	<u>737,495</u>	<u>3,684,764</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	359,925	(114,381)	(229,295)	16,249
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	156,003	350,000	25,450	531,453
Transfers Out	(375,000)		(2,100)	(377,100)
Sale of Property	3,520			3,520
Total Other Financing Sources (Uses)	<u>(215,477)</u>	<u>350,000</u>	<u>23,350</u>	<u>157,873</u>
Net Change in Fund Balances	144,448	235,619	(205,945)	174,122
FUND BALANCE, BEGINNING OF YEAR	<u>948,489</u>	<u>399,340</u>	<u>1,245,270</u>	<u>2,593,099</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,092,937</u>	<u>\$ 634,959</u>	<u>\$ 1,039,325</u>	<u>\$ 2,767,221</u>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2011

Total Net Change in Fund Balances - Governmental Funds	\$	174,122
--	----	---------

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital Outlay	209,240
Depreciation Expense	(646,724)
Capital Asset Disposals	(25,350)
Accumulated Depreciation Related to Capital Asset Disposals	25,350

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred Revenue, December 31, 2011	182,215
Deferred Revenue, December 31, 2010	(136,042)

In the Statement of Activities, certain operating expenses - other post-employment benefits and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Compensated Absences	7,376
Net OPEB Liability	(3,451)

Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net assets in the Statement of Activities.	80,000
--	--------

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

1,137
-------

Change in Net Assets - Governmental Activities	\$	<u>(132,127)</u>
--	----	------------------

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,173,750	\$ 1,173,750	\$ 1,188,224	\$ 14,474
Special Assessments			862	862
Licenses and Permits	20,000	20,000	19,352	(648)
Intergovernmental	1,242,878	1,242,878	1,142,680	(100,198)
Charges for Services	248,800	248,800	241,402	(7,398)
Fines and Forfeits	22,000	22,000	16,536	(5,464)
Investment Income	15,000	15,000	27,840	12,840
Rents	63,350	63,350	61,368	(1,982)
Refunds and Reimbursements	372,857	372,857	372,748	(109)
Donations	2,200	2,200	25,412	23,212
Other	2,000	2,000	1,530	(470)
<b>Total Revenues</b>	<b>3,162,835</b>	<b>3,162,835</b>	<b>3,097,954</b>	<b>(64,881)</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Government	666,420	666,420	611,508	(54,912)
Public Safety	840,525	840,525	823,999	(16,526)
Public Works	589,790	589,790	678,852	89,062
Culture and Recreation	357,415	357,415	365,865	8,450
Economic Development	17,000	17,000	17,206	206
Airport	51,190	51,190	58,175	6,985
Public Transit	176,600	176,600	160,842	(15,758)
Tourism	23,225	23,225	21,582	(1,643)
<b>Total Expenditures</b>	<b>2,722,165</b>	<b>2,722,165</b>	<b>2,738,029</b>	<b>15,864</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	440,670	440,670	359,925	(80,745)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	132,500	132,500	156,003	23,503
Transfers Out	(395,000)	(395,000)	(375,000)	20,000
Sale of Property	3,500	3,500	3,520	20
<b>Total Other Financing Sources (Uses)</b>	<b>(259,000)</b>	<b>(259,000)</b>	<b>(215,477)</b>	<b>43,523</b>
<b>Net Change in Fund Balances</b>	<b>\$ 181,670</b>	<b>\$ 181,670</b>	<b>144,448</b>	<b>\$ (37,222)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<b>948,489</b>	
<b>FUND BALANCE, END OF YEAR</b>			<b>\$ 1,092,937</b>	

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2011

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Investments	\$ 561,664	\$ 319,031	\$ 3,342,360	\$ 50,198	\$ 105,046	\$ 4,378,299
Receivables						
Accounts	2,132	12,253	567,052	1,493	8	582,938
Accrued Interest			20,471			20,471
Special Assessments	1,889	28,301				30,190
Inventories	31,616	6,913	233,836	121,748		394,113
Prepaid Expenses	10,774	16,666	46,008	10,229		83,677
Due from Other Funds	33,252	59,389	178		13,107	105,926
<b>Total Current Assets</b>	<b>641,327</b>	<b>442,553</b>	<b>4,209,905</b>	<b>183,668</b>	<b>118,161</b>	<b>5,595,614</b>
<b>Noncurrent Assets</b>						
<b>Capital Assets</b>						
Assets Not Being Depreciated	1,660,089	265,618	66,919	37,941		2,030,567
Other Capital Assets, Net of Depreciation	2,026,289	5,196,431	7,018,025	61,686		14,302,431
<b>Net Capital Assets</b>	<b>3,686,378</b>	<b>5,462,049</b>	<b>7,084,944</b>	<b>99,627</b>	<b>0</b>	<b>16,332,998</b>
Deferred Charges	8,510	6,106	324,953			339,569
<b>Total Noncurrent Assets</b>	<b>3,694,888</b>	<b>5,468,155</b>	<b>7,409,897</b>	<b>99,627</b>	<b>0</b>	<b>16,672,567</b>
<b>Total Assets</b>	<b>\$ 4,336,215</b>	<b>\$ 5,910,708</b>	<b>\$11,619,802</b>	<b>\$ 283,295</b>	<b>\$ 118,161</b>	<b>\$22,268,181</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$ 7,447	\$ 105	\$ 309,222	\$ 12,765	\$	\$ 329,539
Accrued Interest Payable	5,088	27,134	22,133			54,355
Customer Deposits	17,614		44,282			61,896
Due to Other Funds			105,517			105,517
Current Portion of Long-Term Debt	164,987	250,527	265,413	9,897		690,824
<b>Total Current Liabilities</b>	<b>195,136</b>	<b>277,766</b>	<b>746,567</b>	<b>22,662</b>	<b>0</b>	<b>1,242,131</b>
<b>Noncurrent Liabilities</b>						
Note Payable	1,705,071	3,107,000				4,812,071
Bonds Payable	445,000	375,000	5,915,000			6,735,000
Compensated Absences	36,243	41,365	38,194	9,897		125,699
Net OPEB Liability	4,422	8,857	13,279	13,279		39,837
Less Current Portion of Debt	(164,987)	(250,527)	(265,413)	(9,897)		(690,824)
<b>Total Noncurrent Liabilities</b>	<b>2,025,749</b>	<b>3,281,695</b>	<b>5,701,060</b>	<b>13,279</b>	<b>0</b>	<b>11,021,783</b>
<b>Total Liabilities</b>	<b>2,220,886</b>	<b>3,559,461</b>	<b>6,447,627</b>	<b>35,941</b>	<b>0</b>	<b>12,263,915</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	1,536,307	1,980,049	1,169,944	99,627		4,785,927
Unrestricted	579,022	371,198	4,002,231	147,727	118,161	5,218,339
<b>Total Net Assets</b>	<b>2,115,329</b>	<b>2,351,247</b>	<b>5,172,175</b>	<b>247,354</b>	<b>118,161</b>	<b>10,004,266</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 4,336,215</b>	<b>\$ 5,910,708</b>	<b>\$11,619,802</b>	<b>\$ 283,295</b>	<b>\$ 118,161</b>	<b>\$22,268,181</b>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2011

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
<b>OPERATING REVENUES</b>						
Sales and Charges for Services	\$ 477,206	\$ 765,266	\$ 4,189,947	\$ 322,847	\$ 162,485	\$ 5,917,751
Interfund			33,735			33,735
Other	151		27,376	427	4,359	32,313
Total Operating Revenues	<u>477,357</u>	<u>765,266</u>	<u>4,251,058</u>	<u>323,274</u>	<u>166,844</u>	<u>5,983,799</u>
<b>OPERATING EXPENSES</b>						
Personal Services	132,882	25,160	121,321	172,210		451,573
Supplies	18,784	3,268	60,006	6,663	1,265	89,986
Other Services and Charges	147,342	413,498	3,173,297	107,940	157,323	3,999,400
Interfund	12,375	21,360				33,735
Depreciation	100,089	305,738	471,019	10,147		886,993
Total Operating Expenses	<u>411,472</u>	<u>769,024</u>	<u>3,825,643</u>	<u>296,960</u>	<u>158,588</u>	<u>5,461,687</u>
Operating Income (Loss)	65,885	(3,758)	425,415	26,314	8,256	522,112
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income	6,420	12,236	72,960	151	2,040	93,807
Interest and Fiscal Charges	(12,182)	(75,854)	(270,243)			(358,279)
Rents			16,479	14,962		31,441
Amortization	(2,629)	(930)	(22,904)			(26,463)
Total Nonoperating Revenues (Expenses)	<u>(8,391)</u>	<u>(64,548)</u>	<u>(203,708)</u>	<u>15,113</u>	<u>2,040</u>	<u>(259,494)</u>
Income (Loss) before Transfers	57,494	(68,306)	221,707	41,427	10,296	262,618
<b>TRANSFERS AND OTHER ITEMS</b>						
Transfers to Other Funds		(34,066)	(90,287)	(30,000)		(154,353)
Change in Net Assets	57,494	(102,372)	131,420	11,427	10,296	108,265
NET ASSETS, BEGINNING OF YEAR	<u>2,057,835</u>	<u>2,453,619</u>	<u>5,040,755</u>	<u>235,927</u>	<u>107,865</u>	<u>9,896,001</u>
NET ASSETS, END OF YEAR	<u>\$ 2,115,329</u>	<u>\$ 2,351,247</u>	<u>\$ 5,172,175</u>	<u>\$ 247,354</u>	<u>\$ 118,161</u>	<u>\$ 10,004,266</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2011

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts From Customers	\$ 479,192	\$ 788,650	\$ 4,065,567	\$ 986,391	\$ 162,477	\$ 6,482,277
Payments Received From Other Sources	151	8,466	156,911	427	4,359	170,314
Payments to Suppliers	(192,283)	(447,438)	(3,155,224)	(790,613)	(158,915)	(4,744,473)
Payments to Employees	(133,728)	(23,420)	(125,738)	(167,632)		(450,518)
Net Cash Provided (Used) by Operating Activities	153,332	326,258	941,516	28,573	7,921	1,457,600
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers Out		(34,066)	(90,287)	(30,000)		(154,353)
Rents			16,479	14,962		31,441
Net Cash Provided (Used) by Noncapital Financing Activities	0	(34,066)	(73,808)	(15,038)	0	(122,912)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Long-Term Debt Principal Payments	(85,000)	(243,000)	(255,000)			(583,000)
Interest Paid on Bonds	(13,533)	(77,812)	(271,604)			(362,949)
Proceeds from Notes Payable	1,705,071					1,705,071
Acquisition and Construction of Capital Assets	(1,730,659)	(326,862)	(109,447)			(2,166,968)
Net Cash Provided (Used) by Capital and Related Financing Activities	(124,121)	(647,674)	(636,051)	0	0	(1,407,846)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Investment Income	6,420	12,236	81,446	151	2,040	102,293
Net Increase (Decrease) in Cash and Cash Equivalents	35,631	(343,246)	313,103	13,686	9,961	29,135
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>526,033</b>	<b>662,277</b>	<b>3,029,257</b>	<b>36,512</b>	<b>95,085</b>	<b>4,349,164</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 561,664</b>	<b>\$ 319,031</b>	<b>\$ 3,342,360</b>	<b>\$ 50,198</b>	<b>\$ 105,046</b>	<b>\$ 4,378,299</b>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2011

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 65,885	\$ (3,758)	\$ 425,415	\$ 26,314	\$ 8,256	\$ 522,112
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation	100,089	305,738	471,019	10,147		886,993
(Increase) Decrease in Assets						
Receivables	1,986	31,850	(28,580)	(1,493)	(8)	3,755
Inventories	(2,127)	2,054	51,214	(9,564)		41,577
Prepaid Items	(429)	(384)	17,195	839		17,221
Due from Other Funds	(12,084)	(7,982)	(178)		(264)	(20,508)
Increase (Decrease) in Liabilities						
Accounts Payable	457	35	(12,372)	(2,248)		(14,128)
Customer Deposits	460		2,373			2,833
Due to Other Funds	(59)	(3,035)	19,847		(63)	16,690
Compensated Absences	(1,373)	(3,222)	(10,067)	2,743		(11,919)
Net OPEB Liability	527	4,962	5,650	1,835		12,974
Total Adjustments	<u>87,447</u>	<u>330,016</u>	<u>516,101</u>	<u>2,259</u>	<u>(335)</u>	<u>935,488</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 153,332</u>	<u>\$ 326,258</u>	<u>\$ 941,516</u>	<u>\$ 28,573</u>	<u>\$ 7,921</u>	<u>\$ 1,457,600</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF FIDUCIARY NET ASSETS  
TRUST FUND  
ECONOMIC DEVELOPMENT REVOLVING LOAN TRUST  
DECEMBER 31, 2011

	<u>Private-Purpose Trust</u>
ASSETS	
Cash and Investments	\$ 909,456
Loans Receivable, Net of Allowance for Uncollectible Accounts	<u>394,619</u>
Total Assets	<u>\$ 1,304,075</u>
NET ASSETS	
Funds Held in Trust	<u>\$ 1,304,075</u>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
TRUST FUND  
ECONOMIC DEVELOPMENT REVOLVING LOAN TRUST  
YEAR ENDED DECEMBER 31, 2011

	<u>Private-Purpose Trust</u>
ADDITIONS	
Interest	\$ 19,398
DEDUCTIONS	
Economic Development	<u>19,481</u>
Change in Net Assets	(83)
NET ASSETS, BEGINNING OF YEAR	<u>1,304,158</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,304,075</u></u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

The financial statements present the City and its component units. The City includes all funds, account groups, organizations, institutions, agencies, departments and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and is able to impose its will on the organization by significantly influencing the programs, projects, activities or level of services performed or provided by the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

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

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

For each of the categories above, the specific entities are identified as follows.

Blended Component Unit

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is also considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

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

The City reports the following major enterprise funds:

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

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

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

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. DEPOSITS AND INVESTMENTS

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

Minnesota Statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool. Investments are stated at fair value.

Cash and investments at December 31, 2011, were comprised of deposits, brokered certificates of deposits, government bonds, and commercial paper.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

D. DEPOSITS AND INVESTMENTS (Cont'd)

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

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

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

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

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

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

E. RECEIVABLES AND PAYABLES

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

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

E. RECEIVABLES AND PAYABLES (Cont'd)

The City levies its property tax for the subsequent year during the month of December. December 28th is the last day the City can certify a tax levy to the County Auditor for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Swift County is the collecting agency for the levy and remits the collections to the City three times a year. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due on October 15. Taxes not collected by the City as of December 31 each year are shown as taxes receivable.

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

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

F. PREPAID ITEMS

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

G. INVENTORIES

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

H. RESTRICTED ASSETS

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

I. CAPITAL ASSETS

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

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

I. CAPITAL ASSETS (Cont'd)

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

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

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

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

J. DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

K. COMPENSATED ABSENCES

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

L. LONG-TERM OBLIGATIONS

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

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

M. FUND BALANCE

The City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011. This standard changed fund balance classifications within the fund level statements.

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

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

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

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

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

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

As of December 31, 2011, the City had not formally adopted a fund balance policy. The City will reduce committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

N. NET ASSETS

Net assets represent the difference between assets and liabilities in the government-wide financial statements and fund financial statements of the proprietary and fiduciary funds. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted when there are limitations on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

O. USE OF ESTIMATES

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

1. Budget requests are submitted by all department heads to the City Finance Director. The City Finance Director compiles the budget requests into an overall preliminary City budget. The City Administrator presents the proposed budget to the City Council.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments. The budget resolution adopted by the City Council sets forth the budgets at the function level for the General and Special Revenue Funds.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with U.S. generally accepted accounting principles.
5. Expenditures may not legally exceed budgeted appropriations at the department level. No fund's budget can be increased without City Council approval. The City Council may authorize transfer of budgeted amounts between departments within any fund. Management may amend budgets within a department level, so long as the total department budget is not changed.
6. Annual appropriated budgets are adopted during the year for the General and Special Revenue Funds. Annual appropriated budgets are not adopted for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls and formal appropriated budgets are not adopted.
7. Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original amounts budgeted. Budgeted expenditure appropriations lapse at year-end.

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

B. FUND DEFICITS

The City did not have any funds operating with a deficit balance at December 31, 2011.

C. EXPENDITURES EXCEEDING BUDGET

For the year ended December 31, 2011, the following funds had expenditures that exceeded budget.

	<u>Budget</u>	<u>Actual</u>
General	\$ 2,722,165	\$ 2,738,029
Special Revenue		
Economic Development Authority	117,032	253,925
TIF District #5		18,032
TIF District #4	6,800	7,150
2009 Small Cities Grant		178,879
2005 Small Cities Grant		685
Community Development Revolving Loan		9,074
Library Endowment		6,928

NOTE 3. DEPOSITS AND INVESTMENTS

A. DEPOSITS

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

Custodial Credit Risk - Deposits: As of December 31, 2011, the City's bank balances were not exposed to custodial credit risk because they were fully insured through the FDIC as well as collateralized with securities held by the pledging financial institution's trust department or agent and in the City's name.

Checking	\$ 355,361
Money Market Accounts at Depositories	914,343
Nonnegotiable Certificates of Deposit	<u>190,000</u>
Total Deposits	<u><u>\$ 1,459,704</u></u>

B. INVESTMENTS

As of December 31, 2011, the City had the following investments:

	Fair Value	Credit Ratings	
		<u>S &amp; P</u>	<u>Moody</u>
Brokered Certificates of Deposit	\$ 2,853,988	N/A	N/A
Government Securities	3,483,255	AA+	AAA
Commercial Paper	<u>50,000</u>	N/A	N/A
Total Investments	<u><u>\$ 6,387,243</u></u>		

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 3. DEPOSITS AND INVESTMENTS (Cont'd)

B. INVESTMENTS (Cont'd)

The issuers and amounts that exceed five percent of the City's total investments are as follows:

Investment Type	Percent	Amount
Government Securities		
Federal Home Loan Mortgage Corp	36.84%	\$ 2,353,037
Federal Home Loan Bank	10.96%	700,357
Federal National Mortgage Association	6.65%	424,803

The following is a summary of total deposits and investments:

Petty Cash	\$ 4,550
Deposits (Note 3.A.)	1,459,704
Investments (Note 3.B.)	<u>6,387,243</u>
Total Deposits and Investments	<u><u>\$ 7,851,497</u></u>

Deposits and investments are presented in the December 31, 2011, basic financial statements as follows:

Statement of Net Assets	
Governmental Activities	
Cash and Investments	\$ 2,563,742
Business-Type Activities	
Cash and Investments	4,378,299
Statement of Fiduciary Net Assets	
Cash and Investments	<u>909,456</u>
Total Cash and Investments	<u><u>\$ 7,851,497</u></u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 4. RECEIVABLES

Receivables as of December 31, 2011, for the City's governmental activities and business-type activities are as follows:

	Total Receivables	Amounts not Scheduled for Collection During the Subsequent Year
<b>Governmental Activities</b>		
Accounts	\$ 59,961	\$
Accrued Interest	13,699	
Property Taxes	41,225	
Special Assessments	31,271	21,741
Notes	103,196	103,196
Loans	50,000	50,000
	<u>\$ 299,352</u>	<u>\$ 174,937</u>
<b>Business-Type Activities</b>		
Accounts	\$ 582,938	\$
Accrued Interest	20,471	
Special Assessments	30,190	25,461
	<u>\$ 633,599</u>	<u>\$ 25,461</u>

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, Not Being Depreciated</b>				
Land	\$ 950,387	\$	\$	\$ 950,387
Construction in Progress	49,097	109,598		158,695
Total Capital Assets, Not Being Depreciated	999,484	109,598	0	1,109,082
<b>Capital Assets, Being Depreciated</b>				
Buildings	4,178,681			4,178,681
Improvements Other than Buildings	2,012,423			2,012,423
Infrastructure	14,951,954			14,951,954
Machinery and Equipment	3,422,220	99,642	(25,350)	3,496,512
Total Capital Assets, Being Depreciated	24,565,278	99,642	(25,350)	24,639,570

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 5. CAPITAL ASSETS (Cont'd)

	Beginning Balance	Increase	Decrease	Ending Balance
<u>Governmental Activities</u> (Cont'd)				
Less Accumulated Depreciation for				
Buildings	\$ 1,268,924	\$ 93,594	\$	\$ 1,362,518
Improvements Other than Buildings	1,043,962	71,666		1,115,628
Infrastructure	10,841,182	274,792		11,115,974
Machinery and Equipment	1,906,401	206,672	(25,350)	2,087,723
Total Accumulated Depreciation	<u>15,060,469</u>	<u>646,724</u>	<u>(25,350)</u>	<u>15,681,843</u>
 Total Capital Assets, Being Depreciated, Net	 <u>9,504,809</u>	 <u>(547,082)</u>	 <u>0</u>	 <u>8,957,727</u>
 Governmental Activities Net Capital Assets	 <u>\$ 10,504,293</u>	 <u>\$ (437,484)</u>	 <u>\$ 0</u>	 <u>\$ 10,066,809</u>
	Beginning Balance	Increase	Decrease	Ending Balance
<u>Business-Type Activities</u>				
Capital Assets, Not Being Depreciated				
Land	\$ 93,427	\$	\$	\$ 93,427
Construction in Progress	61,609	1,875,531		1,937,140
Total Capital Assets, Not Being Depreciated	155,036	1,875,531	0	2,030,567
 Capital Assets, Being Depreciated				
Buildings	8,111,580			8,111,580
Generator and Treatment Plant	4,730,128	89,693		4,819,821
Improvements Other than Buildings	11,684,159	192,433		11,876,592
Machinery and Equipment	2,069,982	9,694		2,079,676
Total Capital Assets, Being Depreciated	26,595,849	291,820	0	26,887,669
 Less Accumulated Depreciation for				
Buildings	3,778,740	220,465		3,999,205
Generator and Treatment Plant	2,588,627	188,365		2,776,992
Improvements Other than Buildings	4,098,961	377,890		4,476,851
Machinery and Equipment	1,231,917	100,273		1,332,190
Total Accumulated Depreciation	<u>11,698,245</u>	<u>886,993</u>	<u>0</u>	<u>12,585,238</u>
 Total Capital Assets, Being Depreciated, Net	 <u>14,897,604</u>	 <u>(595,173)</u>	 <u>0</u>	 <u>14,302,431</u>
 Business-Type Activities Net Capital Assets	 <u>\$ 15,052,640</u>	 <u>\$ 1,280,358</u>	 <u>\$ 0</u>	 <u>\$ 16,332,998</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 5. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
General Government	\$ 5,436
Public Safety	92,930
Public Works	352,008
Recreation and Parks	108,121
Library	16,312
Airport and Public Transit	71,917
	<hr/>
Total Depreciation Expense - Governmental Activities	<u>\$ 646,724</u>
Business-Type Activities	
Water	\$ 100,089
Sewer	305,738
Electric	471,019
Liquor	10,147
	<hr/>
Total Depreciation Expense - Business-Type Activities	<u>\$ 886,993</u>

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of December 31, 2011, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water	Electric	\$ 33,252
Sewer	Electric	58,930
Sewer	Nonmajor Governmental Funds	459
Sanitation	Electric	13,107
Electric	General	178
General	Electric	228
		<hr/>
		<u>\$ 106,154</u>

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Cont'd)

B. INTERFUND TRANSFERS

The composition of interfund transfers as of December 31, 2011, is as follows:

Transfers Out	Transfers In			Total
	General	General Capital Outlay	Nonmajor Governmental Funds	
General	\$	\$ 350,000	\$ 25,000	\$ 375,000
Sewer	34,066			34,066
Electric	90,287			90,287
Liquor	30,000			30,000
Nonmajor Governmental Funds	1,650		450	2,100
<b>Total Interfund Transfers</b>	<b>\$ 156,003</b>	<b>\$ 350,000</b>	<b>\$ 25,450</b>	<b>\$ 531,453</b>

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

NOTE 7. LONG-TERM DEBT

A. GENERAL OBLIGATION BONDS

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

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

B. COMPONENTS OF LONG-TERM DEBT

	Original Amount Issued	Final Maturity Date	Interest Rates	Balance Outstanding
<u>Governmental Activities</u>				
G.O. Bonds				
G.O. Swimming Pool Bond 2003A	\$ 965,000	1/1/2022	2.10-4.50%	\$ 675,000
Notes				
G.O. Capital Equipment Notes 2006	250,000	10/1/2014	3.75-4.25%	90,000
Compensated Absences				179,141
Other Postemployment Benefits				79,684
<b>Total Governmental Activities</b>				<b>\$ 1,023,825</b>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

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

	Original Amount Issued	Final Maturity Date	Interest Rates	Balance Outstanding
<u>Business-Type Activities</u>				
G.O. Bonds				
Electric Revenue Bond of 2007	\$ 6,890,000	6/1/2027	4.375-4.70%	\$ 5,915,000
G.O. Revenue Bond of 2009	1,000,000	2/1/2017	2.00 - 4.00%	820,000
Notes				
PFA Wastewater Revenue Note	4,322,000	8/20/2024	1.98%	3,107,000
PFA Drinking Water Revolving Fund	1,705,071	*	*	1,705,071
Compensated Absences				125,731
Other Postemployment Benefits				39,837
				<u>\$ 11,712,639</u>
Total Business-Type Activities				<u>\$ 11,712,639</u>

\* - Final details not known until the related project is complete.

C. CHANGES IN LONG-TERM LIABILITIES

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
G.O. Capital					
Equipment					
Notes 2006	\$ 120,000	\$	\$ (30,000)	\$ 90,000	\$ 30,000
G.O. Swimming Pool					
Bond 2003A	725,000		(50,000)	675,000	50,000
Compensated					
Absences	186,517	81,074	(88,450)	179,141	83,822
Other Postemployment					
Benefits	76,233	3,451		79,684	
Total Governmental Activities	<u>\$ 1,107,750</u>	<u>\$ 84,525</u>	<u>\$ (168,450)</u>	<u>\$ 1,023,825</u>	<u>\$ 163,822</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

C. CHANGES IN LONG-TERM LIABILITIES (Cont'd)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Business-Type Activities</u>					
G.O. PFA Wastewater Revenue Note	\$ 3,315,000	\$	\$ (208,000)	\$ 3,107,000	\$ 212,000
G.O. PFA Drinking Water Revolving Fund		1,705,071		1,705,071	76,460
Electric Revenue Bond of 2007	6,170,000		(255,000)	5,915,000	260,000
G.O. Revenue Bond of 2009	940,000		(120,000)	820,000	120,000
Compensated Absences	137,618	26,187	(38,074)	125,731	22,364
Other Postemployment Benefits	26,863	12,974		39,837	
	<u>26,863</u>	<u>12,974</u>		<u>39,837</u>	
 Total Business-Type Activities	 <u>\$ 10,589,481</u>	 <u>\$ 1,744,232</u>	 <u>\$ (621,074)</u>	 <u>\$ 11,712,639</u>	 <u>\$ 690,824</u>

Long-term bonded indebtedness listed above was issued to finance acquisition and construction of capital facilities or to refinance (refund) previous bond issues.

The General Fund has historically been used to liquidate the outstanding governmental activities compensated absences.

The Water, Sewer and Electric Funds have historically been used to liquidate the outstanding business-type activities compensated absences.

Annual debt service requirements to maturity for all bonded debt and notes outstanding are as follows:

Governmental Activities

Year Ending December 31	General Obligation Notes and Bonds	
	Principal	Interest
2012	\$ 80,000	\$ 30,754
2013	80,000	27,679
2014	85,000	24,538
2015	55,000	20,868
2016	60,000	18,625
2017-2021	330,000	53,800
2022	75,000	1,688
	<u>\$ 765,000</u>	<u>\$ 177,952</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

C. CHANGES IN LONG-TERM LIABILITIES (Cont'd)

Business-Type Activities \*

Year Ending December 31	Revenue Bonds		PFA Wastewater Note	
	Principal	Interest	Principal	Interest
2012	\$ 380,000	\$ 282,408	\$ 212,000	\$ 61,519
2013	405,000	268,204	216,000	57,321
2014	415,000	253,029	220,000	53,044
2015	370,000	237,558	225,000	48,688
2016	380,000	222,114	229,000	44,233
2017-2021	2,075,000	850,786	1,216,000	151,292
2022-2026	2,205,000	383,928	789,000	31,442
2027	505,000	11,868		
	<u>\$ 6,735,000</u>	<u>\$ 2,509,895</u>	<u>\$ 3,107,000</u>	<u>\$ 447,539</u>

\* - Does not include the PFA Drinking Water Revolving Fund of 2011 since final details are not known.

NOTE 8. BOND DISCOUNTS/ISSUANCE COSTS

In governmental fund types, bond discounts and issuance costs are recognized as expenditures when issued. Bond discounts and issuance costs for proprietary fund types, governmental activities, and business-type activities are deferred and amortized over the term of the bonds using the bonds outstanding method. Issuance costs and the accumulated amortization as of December 31, 2011, are as follows:

Water Fund			
Issuance Costs	\$ 29,811		
Accumulated Amortization	<u>(21,301)</u>		
		\$ 8,510	
Sewer Fund			
Issuance Costs	\$ 7,931		
Accumulated Amortization	<u>(1,825)</u>		
		6,106	
Electric Fund			
Issuance Costs	\$ 457,752		
Accumulated Amortization	<u>(132,799)</u>		
		<u>324,953</u>	
Total Deferred Charges			<u>\$ 339,569</u>

NOTE 9. LEASE AGREEMENTS

The City leases the north end of the Benson Civic Center to another local company for light manufacturing. The lease calls for monthly payments of \$2,167 and the initial term of the lease was from September 1, 2003 through August 31, 2004 with automatic renewals of one year increments until terminated by either party. This lease is still in effect.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 10. RISK MANAGEMENT

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

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

At December 31, 2011, there are no other claims liabilities reported in the funds based on the requirements of accounting standards, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. PLAN DESCRIPTION

All full-time and certain part-time employees of the City of Benson, Minnesota, are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF) which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire-fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

A. PLAN DESCRIPTION (Cont'd)

For all PEPFF members and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree, no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org), by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

B. FUNDING POLICY

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.25%, respectively, of their annual covered salary in 2011. PEPFF members were required to contribute 9.6% of their annual covered salary in 2011.

In 2011, the City of Benson was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan members, 7.25% for Coordinated Plan members, and 14.4% for PEPFF members.

The City's contributions to the Public Employee Retirement Fund for the years ending December 31, 2011, 2010, and 2009 were \$65,771, \$65,213, and \$64,188, respectively. The City's contributions to the Public Employees Police and Fire Fund for the years ending December 31, 2011, 2010, and 2009 were \$52,685, \$52,355, and \$50,829, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION

The City engaged an actuary to determine the City's liability for postemployment healthcare benefits other than pensions as of December 31, 2011.

A. PLAN DESCRIPTION

The City operates a single-employer retiree benefit plan ("the Plan") that provides health insurance to eligible employees and their spouses through the City's commercial insurance plan. There are 26 active participants and 3 retired participants. Benefit and eligibility provisions are established through negotiations between the City and employee groups including a union. The union contract is renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

B. FUNDING POLICY

Contribution requirements are also negotiated between the City and employees. The City contributes 0% of the cost of current-year premiums for eligible retired plan members and their spouses. For 2011, the City contributed \$10,129 to the Plan.

C. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

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

Annual Required Contribution (ARC)	\$ 28,392
Interest on Net OPEB Obligation	4,124
Adjustment to Annual Required Contribution	(5,962)
Annual OPEB cost	<u>26,554</u>
Contributions Made	<u>(10,129)</u>
Increase (Decrease) in Net OPEB Obligation	16,425
Net OPEB Obligation, Beginning of Year	103,096
Net OPEB Obligation, End of Year	<u><u>\$ 119,521</u></u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan and the net OPEB obligation for 2011 and the preceding two years was:

Fiscal Year Ended	Annual OPEB Cost	Annual Plan Sponsor Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2011	\$ 26,554	\$ 10,129	38.14%	\$ 119,521
12/31/2010	40,148	11,386	28.36%	103,096
12/31/2009	40,802	4,160	10.20%	74,334

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

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

D. FUNDED STATUS AND FUNDING PROGRESS

As of December 31, 2011, the most recent actuarial valuation date, the City's unfunded actuarial accrued liability (UAAL) was \$216,331. The annual payroll for active employees covered by the Plan in the actuarial valuation was \$1,496,855 for a ratio of UAAL to covered payroll of 14.45%.

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

E. ACTUARIAL METHODS AND ASSUMPTIONS

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

In the December 31, 2011 actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions include an annual healthcare cost trend rate beginning at 10.0% for fiscal year 2011 and declining over 10 years by 0.5% per year to 5.0%. Both rates include a 4% discount rate. The actuarial value of assets was not determined as the City has not advance-funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount over 30 years. The remaining amortization period at December 31, 2011, was 30 years.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 13. FUND BALANCE

Portions of the City's fund balance are nonspendable, restricted due to legal restrictions, committed by Council action, assigned by City management, or unassigned. The following is a summary of fund balance components at December 31, 2011:

	General	General Capital Outlay	Nonmajor Governmental Funds	Total
Nonspendable				
Inventories	\$	\$ 16,843	\$	\$ 16,843
Prepaid Items	96,616		2,902	99,518
Total Nonspendable	<u>96,616</u>	<u>16,843</u>	<u>2,902</u>	<u>116,361</u>
Restricted for				
Debt Service			101,356	101,356
Revolving Loans			46,606	46,606
Total Restricted	<u>0</u>	<u>0</u>	<u>147,962</u>	<u>147,962</u>
Assigned				
Fund Operations		618,116	888,461	1,506,577
Unassigned	<u>996,321</u>			<u>996,321</u>
Total	<u>\$ 1,092,937</u>	<u>\$ 634,959</u>	<u>\$ 1,039,325</u>	<u>\$ 2,767,221</u>

NOTE 14. ECONOMIC DEVELOPMENT REVOLVING LOANS

The City has made economic development revolving loans totaling \$1,255,457 which are recorded in a trust fund. The purpose of this fund is to provide economic development loans to local businesses, utilizing City funds. The outstanding balance at December 31, 2011 was \$603,598.

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

An allowance is provided for possible uncollectible accounts. At December 31, 2011, this amount was \$208,979.

NOTE 15. GENERAL FUND REIMBURSEMENTS

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

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 16. HOUSING REHABILITATION LOANS

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

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

The total balance due from these loans, of \$103,196, is recorded as notes receivable and deferred revenue due to the uncertainty and timing of future payments.

NOTE 17. DEFERRED COMPENSATION PLAN

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

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES

A. SWIFT COUNTY/BENSON HOSPITAL

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

B. BENSON GOLF CLUB

During 2001, the City entered into an agreement to guarantee a \$50,000 loan of the Benson Golf Club for five years. In 2006, the guarantee was increased to \$100,000 and the agreement was extended and is reviewed annually.

NOTE 19. CLAIMS AND JUDGMENTS

The City participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of December 31, 2011, significant amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 20. COMMITMENT

The City has the following project in progress as of December 31, 2011:

<u>Project</u>	<u>Original Contract Amount</u>	<u>Remaining Commitment</u>
Water Treatment Plan Improvements	\$ 2,750,000	\$ 1,374,590

NOTE 21. RECLASSIFICATIONS

Certain prior year financial statement amounts have been reclassified to conform to current year's presentation. This includes restated prior year fund balance classifications within each fund to conform with the requirements of GASB 54. There was no affect on total Net Assets or Fund Balance.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BENSON, MINNESOTA

SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
DECEMBER 31, 2011

Schedule of Funding Progress

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

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Employer Contribution	Percentage Contributed	Net Obligation
2011	\$ 28,392	\$ 10,129	38.14%	\$ 119,521
2010	41,474	11,386	28.36%	103,096
2009	41,474	4,160	10.20%	74,334

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

SUPPLEMENTARY INFORMATION

CITY OF BENSON, MINNESOTA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2011

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 874,156	\$ 52,609	\$ 97,020	\$ 1,023,785
Receivables				
Accounts	4,538	559		5,097
Delinquent Property Taxes	2,874		4,336	7,210
Special Assessments		21,898		21,898
Notes	103,196			103,196
Loans	50,000			50,000
Interest	2,473			2,473
Prepaid Items	2,902			2,902
	<u>\$ 1,040,139</u>	<u>\$ 75,066</u>	<u>\$ 101,356</u>	<u>\$ 1,216,561</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 1,683	\$	\$	\$ 1,683
Due to Other Funds		459		459
Deferred Revenue	153,196	21,898		175,094
	<u>154,879</u>	<u>22,357</u>	<u>0</u>	<u>177,236</u>
 <b>Fund Balance</b>				
Nonspendable	2,902			2,902
Restricted	46,606		101,356	147,962
Assigned	835,752	52,709		888,461
	<u>885,260</u>	<u>52,709</u>	<u>101,356</u>	<u>1,039,325</u>
<b>Total Fund Balance</b>	<u>\$ 885,260</u>	<u>\$ 52,709</u>	<u>\$ 101,356</u>	<u>\$ 1,039,325</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,040,139</u>	<u>\$ 75,066</u>	<u>\$ 101,356</u>	<u>\$ 1,216,561</u>

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2011

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 115,533	\$	\$ 115,370	\$ 230,903
Special Assessments		9,181		9,181
Intergovernmental	198,841		1,436	200,277
Investment Income	9,049	275	1,049	10,373
Refunds and Reimbursements	10,460			10,460
Donations	4,000			4,000
Other	43,006			43,006
<b>Total Revenues</b>	<b>380,889</b>	<b>9,456</b>	<b>117,855</b>	<b>508,200</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Urban Development	213,820			213,820
Culture and Recreation	95,097			95,097
Economic Development	253,925			253,925
Public Works		51,065		51,065
<b>Capital Outlay</b>				
Culture and Recreation	9,928			9,928
<b>Debt Service</b>				
Principal			80,000	80,000
Interest and Fiscal Costs			33,660	33,660
<b>Total Expenditures</b>	<b>572,770</b>	<b>51,065</b>	<b>113,660</b>	<b>737,495</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(191,881)	(41,609)	4,195	(229,295)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	450	25,000		25,450
Transfers Out	(2,100)			(2,100)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,650)</b>	<b>25,000</b>	<b>0</b>	<b>23,350</b>
<b>Net Change in Fund Balances</b>	<b>(193,531)</b>	<b>(16,609)</b>	<b>4,195</b>	<b>(205,945)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>1,078,791</b>	<b>69,318</b>	<b>97,161</b>	<b>1,245,270</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 885,260</b>	<b>\$ 52,709</b>	<b>\$ 101,356</b>	<b>\$ 1,039,325</b>

CITY OF BENSON, MINNESOTA  
 COMBINING BALANCE SHEET  
 SPECIAL REVENUE NONMAJOR FUNDS  
 DECEMBER 31, 2011

	Library	Library Endowment	Cemetery Perpetual Care	Community Development Revolving Loan	2005 Small Cities Grant	2009 Small Cities Grant	Economic Development Authority	Development District	Totals
<b>ASSETS</b>									
Cash and Investments	\$ 38,570	\$ 22,697	\$ 80,746	\$ 186,842	\$ 44,171	\$ 2,379	\$ 497,962	\$ 789	\$ 874,156
Receivables									
Accounts	4,412		70			56			4,538
Delinquent Property Taxes	2,874								2,874
Notes				103,196					103,196
Loans							50,000		50,000
Interest							2,473		2,473
Prepaid Items	2,902								2,902
<b>Total Assets</b>	<b><u>\$ 48,758</u></b>	<b><u>\$ 22,697</u></b>	<b><u>\$ 80,816</u></b>	<b><u>\$ 290,038</u></b>	<b><u>\$ 44,171</u></b>	<b><u>\$ 2,435</u></b>	<b><u>\$ 550,435</u></b>	<b><u>\$ 789</u></b>	<b><u>\$ 1,040,139</u></b>
<b>LIABILITIES AND FUND BALANCE</b>									
<b>Liabilities</b>									
Accounts Payable	\$ 471						\$ 1,212		\$ 1,683
Deferred Revenue				103,196			50,000		153,196
<b>Total Liabilities</b>	<b>471</b>	<b>0</b>	<b>0</b>	<b>103,196</b>	<b>0</b>	<b>0</b>	<b>51,212</b>	<b>0</b>	<b>154,879</b>
<b>Fund Balance</b>									
Nonspendable	2,902								2,902
Restricted					44,171	2,435			46,606
Assigned	45,385	22,697	80,816	186,842			499,223	789	835,752
<b>Total Fund Balance</b>	<b><u>48,287</u></b>	<b><u>22,697</u></b>	<b><u>80,816</u></b>	<b><u>186,842</u></b>	<b><u>44,171</u></b>	<b><u>2,435</u></b>	<b><u>499,223</u></b>	<b><u>789</u></b>	<b><u>885,260</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 48,758</u></b>	<b><u>\$ 22,697</u></b>	<b><u>\$ 80,816</u></b>	<b><u>\$ 290,038</u></b>	<b><u>\$ 44,171</u></b>	<b><u>\$ 2,435</u></b>	<b><u>\$ 550,435</u></b>	<b><u>\$ 789</u></b>	<b><u>\$ 1,040,139</u></b>

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE NONMAJOR FUNDS  
DECEMBER 31, 2011

	Library	Library Endowment	Cemetery Perpetual Care	Community Development Revolving Loan	2005 Small Cities Grant	2009 Small Cities Grant	Tax Increment Financing District #4	Tax Increment Financing District #5	Economic Development Authority	Development District	Totals
<b>REVENUES</b>											
Taxes	\$ 90,351	\$	\$	\$	\$	\$	\$ 7,150	\$ 18,032	\$	\$	\$ 115,533
Intergovernmental	4,120	7,100				178,879			8,742		198,841
Investment Income		479	1,651		308	88			6,523		9,049
Refunds and Reimbursements	1,777				6,839	1,844					10,460
Donations	4,000										4,000
Sale of Property			880	7,475							8,355
Other									34,651		34,651
<b>Total Revenues</b>	<b>100,248</b>	<b>7,579</b>	<b>2,531</b>	<b>7,475</b>	<b>7,147</b>	<b>180,811</b>	<b>7,150</b>	<b>18,032</b>	<b>49,916</b>	<b>0</b>	<b>380,889</b>
<b>EXPENDITURES</b>											
<b>Current</b>											
<b>Urban Development</b>											
Supplies				9,074							9,074
Contracted Services					685	178,879	307				179,871
Other							6,843	18,032			24,875
<b>Culture and Recreation</b>											
Supplies	8,219										8,219
Utilities	6,673										6,673
Contracted Services	76,871										76,871
Other	3,334										3,334
<b>Economic Development</b>											
Management Fees									7,033		7,033
Special Projects									223,204		223,204
Contracted Services									17,609		17,609
Other									6,079		6,079
<b>Capital Outlay</b>											
Culture and Recreation	3,000	6,928									9,928
<b>Total Expenditures</b>	<b>98,097</b>	<b>6,928</b>	<b>0</b>	<b>9,074</b>	<b>685</b>	<b>178,879</b>	<b>7,150</b>	<b>18,032</b>	<b>253,925</b>	<b>0</b>	<b>572,770</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,151</b>	<b>651</b>	<b>2,531</b>	<b>(1,599)</b>	<b>6,462</b>	<b>1,932</b>	<b>0</b>	<b>0</b>	<b>(204,009)</b>	<b>0</b>	<b>(191,881)</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers In	450										450
Transfers Out		(450)	(1,650)								(2,100)
<b>Total Other Financing Sources (Uses)</b>	<b>450</b>	<b>(450)</b>	<b>(1,650)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,650)</b>
<b>Net Change in Fund Balances</b>	<b>2,601</b>	<b>201</b>	<b>881</b>	<b>(1,599)</b>	<b>6,462</b>	<b>1,932</b>	<b>0</b>	<b>0</b>	<b>(204,009)</b>	<b>0</b>	<b>(193,531)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>45,686</b>	<b>22,496</b>	<b>79,935</b>	<b>188,441</b>	<b>37,709</b>	<b>503</b>			<b>703,232</b>	<b>789</b>	<b>1,078,791</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 48,287</b>	<b>\$ 22,697</b>	<b>\$ 80,816</b>	<b>\$ 186,842</b>	<b>\$ 44,171</b>	<b>\$ 2,435</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 499,223</b>	<b>\$ 789</b>	<b>\$ 885,260</b>

Supplementary Information - See Auditor's Report

CITY OF BENSON, MINNESOTA

COMBINING BALANCE SHEET  
 CAPITAL PROJECTS AND DEBT SERVICE NONMAJOR FUNDS  
 DECEMBER 31, 2011

	<u>Concrete Projects</u>	<u>Storm Water</u>	<u>Total Capital Projects</u>	<u>GO Swimming Pool-2003</u>	<u>GO Capital Equipment Notes-2006</u>	<u>Total Debt Service</u>
<b>ASSETS</b>						
Cash and Investments	\$ 30,832	\$ 21,777	\$ 52,609	\$ 90,134	\$ 6,886	\$ 97,020
Receivables						
Accounts	559		559			
Delinquent Property Taxes				3,293	1,043	4,336
Special Assessments	<u>16,093</u>	<u>5,805</u>	<u>21,898</u>			
Total Assets	<u>\$ 47,484</u>	<u>\$ 27,582</u>	<u>\$ 75,066</u>	<u>\$ 93,427</u>	<u>\$ 7,929</u>	<u>\$ 101,356</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Due to Other Funds	\$	\$ 459	\$ 459	\$	\$	\$
Deferred Revenue	<u>16,093</u>	<u>5,805</u>	<u>21,898</u>			
Total Liabilities	16,093	6,264	22,357	0	0	0
<b>Fund Balance</b>						
Restricted				93,427	7,929	101,356
Assigned	<u>31,391</u>	<u>21,318</u>	<u>52,709</u>			
Total Fund Balance	<u>31,391</u>	<u>21,318</u>	<u>52,709</u>	<u>93,427</u>	<u>7,929</u>	<u>101,356</u>
Total Liabilities and Fund Balance	<u>\$ 47,484</u>	<u>\$ 27,582</u>	<u>\$ 75,066</u>	<u>\$ 93,427</u>	<u>\$ 7,929</u>	<u>\$ 101,356</u>

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 CAPITAL PROJECTS AND DEBT SERVICE NONMAJOR FUNDS  
 YEAR ENDED DECEMBER 31, 2011

	<u>Concrete Projects</u>	<u>Storm Water</u>	<u>Total Capital Projects</u>	<u>GO Swimming Pool-2003</u>	<u>GO Capital Equipment Notes-2006</u>	<u>Total Debt Service</u>
<b>REVENUES</b>						
General Property Taxes	\$	\$	\$	\$ 83,892	\$ 31,478	\$ 115,370
Special Assessments	9,181		9,181			
Intergovernmental						
Market Value Credit					1,436	1,436
Investment Income	<u>275</u>		<u>275</u>	<u>855</u>	<u>194</u>	<u>1,049</u>
Total Revenues	9,456	0	9,456	84,747	33,108	117,855
<b>EXPENDITURES</b>						
Current						
Public Works						
Contracted Services	21,905	28,354	50,259			
Other		806	806			
Debt Service						
Principal				50,000	30,000	80,000
Interest and Fiscal Costs				<u>28,635</u>	<u>5,025</u>	<u>33,660</u>
Total Expenditures	21,905	29,160	51,065	78,635	35,025	113,660
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,449)	(29,160)	(41,609)	6,112	(1,917)	4,195
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	<u>15,000</u>	<u>10,000</u>	<u>25,000</u>			
Net Change in Fund Balances	2,551	(19,160)	(16,609)	6,112	(1,917)	4,195
FUND BALANCE, BEGINNING OF YEAR	<u>28,840</u>	<u>40,478</u>	<u>69,318</u>	<u>87,315</u>	<u>9,846</u>	<u>97,161</u>
FUND BALANCE, END OF YEAR	<u>\$ 31,391</u>	<u>\$ 21,318</u>	<u>\$ 52,709</u>	<u>\$ 93,427</u>	<u>\$ 7,929</u>	<u>\$ 101,356</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
<b>Taxes</b>					
Property Taxes	\$ 1,082,750	\$ 1,082,750	\$ 1,089,575	\$ 6,825	\$ 992,335
Franchise Fees	67,000	67,000	75,363	8,363	71,443
Lodging Tax	24,000	24,000	23,286	(714)	22,379
Total Taxes	1,173,750	1,173,750	1,188,224	14,474	1,086,157
Special Assessments			862	862	929
<b>Licenses and Permits</b>					
Business	7,200	7,200	7,110	(90)	7,165
Non-business	12,800	12,800	12,242	(558)	21,013
Total Licenses and Permits	20,000	20,000	19,352	(648)	28,178
<b>Intergovernmental</b>					
Local Government Aid	897,970	897,970	776,650	(121,320)	776,650
Public Transit	128,680	128,680	136,218	7,538	128,720
Market Value Credit	120,513	120,513	49,668	(70,845)	49,264
Airport Maintenance	22,052	22,052	22,052		22,052
Other	73,663	73,663	158,092	84,429	83,478
Total Intergovernmental	1,242,878	1,242,878	1,142,680	(100,198)	1,060,164
<b>Charges for Services</b>					
Weed and Tree Removal	6,600	6,600	7,693	1,093	8,035
Park Fees	18,000	18,000	17,355	(645)	17,919
Swimming Pool	64,000	64,000	59,509	(4,491)	63,319
Transportation	35,700	35,700	34,697	(1,003)	35,052
Police Services	33,700	33,700	33,815	115	33,849
Fire Contracts	55,400	55,400	55,361	(39)	52,778
Fire and Rescue Calls	22,500	22,500	23,357	857	20,397
Other Charges	12,900	12,900	9,615	(3,285)	25,718
Total Charges for Services	248,800	248,800	241,402	(7,398)	257,067
Fines and Forfeits	22,000	22,000	16,536	(5,464)	19,867
Investment Income	15,000	15,000	27,840	12,840	23,690

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES (Cont'd)</b>					
<b>Miscellaneous</b>					
Rent	\$ 63,350	\$ 63,350	\$ 61,368	\$ (1,982)	\$ 70,183
Refunds and Reimbursements	372,857	372,857	372,748	(109)	377,611
Donations	2,200	2,200	25,412	23,212	4,025
Other	2,000	2,000	1,530	(470)	2,400
Total Miscellaneous	<u>440,407</u>	<u>440,407</u>	<u>461,058</u>	<u>20,651</u>	<u>454,219</u>
Total Revenues	3,162,835	3,162,835	3,097,954	(64,881)	2,930,271
<b>EXPENDITURES</b>					
<b>Current</b>					
<b>General Government</b>					
<b>Mayor and Council</b>					
Personal Services	17,250	17,250	17,273	23	17,095
Supplies	400	400	89	(311)	1,109
Other Services	2,700	2,700	2,265	(435)	2,775
Other Charges	27,000	27,000	25,505	(1,495)	25,410
Total Mayor and Council	<u>47,350</u>	<u>47,350</u>	<u>45,132</u>	<u>(2,218)</u>	<u>46,389</u>
<b>Administration and Finance</b>					
Personal Services	438,870	438,870	388,036	(50,834)	395,672
Supplies	20,400	20,400	19,527	(873)	19,694
Other Services	51,200	51,200	47,158	(4,042)	42,311
Other Charges	2,200	2,200	2,301	101	1,986
Total Administration and Finance	<u>512,670</u>	<u>512,670</u>	<u>457,022</u>	<u>(55,648)</u>	<u>459,663</u>
<b>Election and Voters' Registration</b>					
Personal Services	1,000	1,000	960	(40)	1,438
Supplies	1,800	1,800	2,998	1,198	2,391
Total Election and Voters' Registration	<u>2,800</u>	<u>2,800</u>	<u>3,958</u>	<u>1,158</u>	<u>3,829</u>
Accounting and Auditing	18,500	18,500	18,600	100	18,100
Assessor	17,800	17,800	17,413	(387)	17,567
<b>Legal</b>					
Supplies	200	200	220	20	1,351
Other Services	24,100	24,100	26,890	2,790	25,228
Total Legal	<u>24,300</u>	<u>24,300</u>	<u>27,110</u>	<u>2,810</u>	<u>26,579</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011				2010
	Budgeted Amounts		Actual	Over (Under) Final Budget	Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
General Government (Cont'd)					
Other					
Other Charges	\$ 10,000	\$ 10,000	\$ 6,426	\$ (3,574)	\$ 14,756
City Buildings					
Supplies	8,000	8,000	7,269	(731)	12,753
Other Services	25,000	25,000	28,578	3,578	21,310
Total City Buildings	<u>33,000</u>	<u>33,000</u>	<u>35,847</u>	<u>2,847</u>	<u>34,063</u>
Total General Government	666,420	666,420	611,508	(54,912)	620,946
Public Safety					
Police Department					
Personal Services	543,059	543,059	515,114	(27,945)	559,053
Supplies	59,400	59,400	49,366	(10,034)	54,137
Other Services	68,820	68,820	64,604	(4,216)	61,614
Other Charges	5,200	5,200	4,566	(634)	5,104
Total Police Department	<u>676,479</u>	<u>676,479</u>	<u>633,650</u>	<u>(42,829)</u>	<u>679,908</u>
Fire Department					
Personal Services	53,500	53,500	43,738	(9,762)	40,034
Supplies	17,650	17,650	19,729	2,079	17,813
Other Services	63,625	63,625	89,338	25,713	57,237
Fire Relief	28,771	28,771	37,255	8,484	30,658
Other Charges	500	500	289	(211)	274
Total Fire Department	<u>164,046</u>	<u>164,046</u>	<u>190,349</u>	<u>26,303</u>	<u>146,016</u>
Total Public Safety	840,525	840,525	823,999	(16,526)	825,924
Public Works					
Building, Planning and Zoning					
Personal Services	65,780	65,780	61,929	(3,851)	60,847
Supplies	1,350	1,350	2,056	706	1,329
Other Services	5,050	5,050	10,242	5,192	6,938
Other Charges	200	200	158	(42)	556
Total Building, Planning and Zoning	<u>72,380</u>	<u>72,380</u>	<u>74,385</u>	<u>2,005</u>	<u>69,670</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
Public Works (Cont'd)					
Highways, Streets, and Roads					
Personal Services	\$ 234,360	\$ 234,360	\$ 235,885	\$ 1,525	\$ 244,669
Supplies	163,350	163,350	256,261	92,911	179,375
Other Services	119,000	119,000	111,427	(7,573)	114,891
Other Charges	700	700	894	194	751
Total Highways, Streets, and Roads	517,410	517,410	604,467	87,057	539,686
Total Public Works	589,790	589,790	678,852	89,062	609,356
Recreation and Parks					
Organized Recreation					
Summer Recreation	15,000	15,000	15,712	712	14,921
Civic Center	26,000	26,000	26,000		26,000
Senior Citizen Center	11,000	11,000	12,625	1,625	10,866
Total Organized Recreation	52,000	52,000	54,337	2,337	51,787
Swimming Pool					
Personal Services	39,830	39,830	41,533	1,703	39,368
Supplies	40,500	40,500	39,460	(1,040)	33,963
Other Services	36,200	36,200	28,775	(7,425)	30,292
Total Swimming Pool	116,530	116,530	109,768	(6,762)	103,623
Parks					
Personal Services	76,885	76,885	84,321	7,436	86,156
Supplies	32,900	32,900	32,950	50	40,775
Other Services	9,800	9,800	8,370	(1,430)	9,402
Other Charges	62,800	62,800	71,034	8,234	57,495
Cemetery	6,500	6,500	5,085	(1,415)	1,983
Total Parks	188,885	188,885	201,760	12,875	195,811
Total Recreation and Parks	357,415	357,415	365,865	8,450	351,221
Economic Development					
Other Charges	17,000	17,000	17,206	206	15,947
Airport					
Personal Services	2,930	2,930	2,691	(239)	2,691
Supplies	23,000	23,000	26,102	3,102	26,839
Other Services	25,260	25,260	29,382	4,122	26,558
Total Airport	51,190	51,190	58,175	6,985	56,088

Supplementary Information - See Auditor's Report

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
Public Transit					
Personal Services	\$ 124,000	\$ 124,000	\$ 109,060	\$ (14,940)	\$ 111,400
Supplies	35,300	35,300	34,430	(870)	34,864
Other Services	12,800	12,800	12,852	52	11,812
Other Charges	4,500	4,500	4,500		4,500
Total Public Transit	<u>176,600</u>	<u>176,600</u>	<u>160,842</u>	<u>(15,758)</u>	<u>162,576</u>
Tourism	<u>23,225</u>	<u>23,225</u>	<u>21,582</u>	<u>(1,643)</u>	<u>23,200</u>
Total Expenditures	<u>2,722,165</u>	<u>2,722,165</u>	<u>2,738,029</u>	<u>15,864</u>	<u>2,665,258</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	440,670	440,670	359,925	(80,745)	265,013
OTHER FINANCING SOURCES (USES)					
Transfers In	132,500	132,500	156,003	23,503	171,170
Transfers Out	(395,000)	(395,000)	(375,000)	20,000	(373,600)
Sale of Property	3,500	3,500	3,520	20	10,777
Total Other Financing Sources (Uses)	<u>(259,000)</u>	<u>(259,000)</u>	<u>(215,477)</u>	<u>43,523</u>	<u>(191,653)</u>
Net Change in Fund Balances	<u>\$ 181,670</u>	<u>\$ 181,670</u>	144,448	<u>\$ (37,222)</u>	73,360
FUND BALANCE, BEGINNING OF YEAR			<u>948,489</u>		<u>875,129</u>
FUND BALANCE, END OF YEAR			<u>\$ 1,092,937</u>		<u>\$ 948,489</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 LIBRARY SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 97,087	\$ 97,087	\$ 90,351	\$ (6,736)	\$ 80,097
Intergovernmental	9,367	9,367	4,120	(5,247)	4,256
Donations			4,000	4,000	25
Rents	100	100		(100)	80
Refunds and Reimbursements	2,000	2,000	1,777	(223)	2,139
<b>Total Revenues</b>	<b>108,554</b>	<b>108,554</b>	<b>100,248</b>	<b>(8,306)</b>	<b>86,597</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
<b>Culture and Recreation</b>					
Supplies	9,500	9,500	8,219	(1,281)	6,667
Utilities	8,000	8,000	6,673	(1,327)	8,044
Contracted Services	77,671	77,671	76,871	(800)	71,871
Travel	750	750		(750)	
Telephone	950	950	894	(56)	910
Insurance	2,300	2,300	2,440	140	2,300
<b>Capital Outlay</b>					
Culture and Recreation	38,000	38,000	3,000	(35,000)	3,055
<b>Total Expenditures</b>	<b>137,171</b>	<b>137,171</b>	<b>98,097</b>	<b>(39,074)</b>	<b>92,847</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(28,617)</b>	<b>(28,617)</b>	<b>2,151</b>	<b>30,768</b>	<b>(6,250)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	20,460	20,460	450	(20,010)	450
<b>Net Change in Fund Balances</b>	<b>\$ (8,157)</b>	<b>\$ (8,157)</b>	<b>2,601</b>	<b>\$ 10,758</b>	<b>(5,800)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<b>45,686</b>		<b>51,486</b>
<b>FUND BALANCE, END OF YEAR</b>			<b>\$ 48,287</b>		<b>\$ 45,686</b>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 LIBRARY ENDOWMENT SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Intergovernmental	\$	\$	\$ 7,100	\$ 7,100	\$
Investment Income	450	450	479	29	463
Total Revenues	450	450	7,579	7,129	463
EXPENDITURES					
Capital Outlay					
Culture and Recreation			6,928	6,928	
Excess (Deficiency) of Revenues Over (Under) Expenditures	450	450	651	201	463
OTHER FINANCING SOURCES (USES)					
Transfers Out	(450)	(450)	(450)		(450)
Net Change in Fund Balances	\$ 0	\$ 0	201	\$ 201	13
FUND BALANCE, BEGINNING OF YEAR			22,496		22,483
FUND BALANCE, END OF YEAR			\$ 22,697		\$ 22,496

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CEMETERY PERPETUAL CARE SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Investment Income	\$ 1,650	\$ 1,650	\$ 1,651	\$ 1	\$ 1,648
Sale of Property	1,000	1,000	880	(120)	1,050
Total Revenues	2,650	2,650	2,531	(119)	2,698
EXPENDITURES					
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,650	2,650	2,531	(119)	2,698
OTHER FINANCING SOURCES (USES)					
Transfers Out	(2,500)	(2,500)	(1,650)	850	(2,500)
Net Change in Fund Balances	\$ 150	\$ 150	881	\$ 731	198
FUND BALANCE, BEGINNING OF YEAR			79,935		79,737
FUND BALANCE, END OF YEAR			\$ 80,816		\$ 79,935

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COMMUNITY DEVELOPMENT REVOLVING LOAN SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Sale of Property	\$	\$	\$ 7,475	\$ 7,475	\$
EXPENDITURES					
Current					
Urban Development Supplies			9,074	9,074	128
Net Change in Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	(1,599)	<u>\$ (1,599)</u>	(128)
FUND BALANCE, BEGINNING OF YEAR			<u>188,441</u>		<u>188,569</u>
FUND BALANCE, END OF YEAR			<u>\$ 186,842</u>		<u>\$ 188,441</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 2005 SMALL CITIES GRANT SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011				2010
	Budgeted Amounts		Actual	Over (Under) Final Budget	Actual
	Original	Final			
REVENUES					
Investment Income	\$	\$	\$ 308	\$ 308	\$ 391
Refunds and Reimbursements			6,839	6,839	11,048
Total Revenues	0	0	7,147	7,147	11,439
EXPENDITURES					
Current					
Urban Development					
Contracted Services			685	685	
Net Change in Fund Balances	\$ 0	\$ 0	6,462	\$ 6,462	\$ 11,439
FUND BALANCE, BEGINNING OF YEAR			37,709		26,270
FUND BALANCE, END OF YEAR			\$ 44,171		\$ 37,709

CITY OF BENSON, MINNESOTA

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

2009 SMALL CITIES GRANT SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2011

WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Intergovernmental	\$	\$	\$ 178,879	\$ 178,879	\$ 270,466
Investment Income			88	88	18
Refunds and Reimbursements			1,844	1,844	485
Total Revenues	0	0	180,811	180,811	270,969
EXPENDITURES					
Current					
Urban Development					
Contracted Services			178,879	178,879	270,466
Net Change in Fund Balances	\$ 0	\$ 0	1,932	\$ 1,932	503
FUND BALANCE, BEGINNING OF YEAR			503		
FUND BALANCE, END OF YEAR			\$ 2,435		\$ 503

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 TAX INCREMENT FINANCING DISTRICT #4 SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Taxes	\$ 6,800	\$ 6,800	\$ 7,150	\$ 350	\$ 6,628
EXPENDITURES					
Current					
Urban Development					
Contracted Services	175	175	307	132	172
Other					
Tax Increment Payments	<u>6,625</u>	<u>6,625</u>	<u>6,843</u>	<u>218</u>	<u>6,413</u>
Total Expenditures	<u>6,800</u>	<u>6,800</u>	<u>7,150</u>	<u>350</u>	<u>6,585</u>
Net Change in Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	0	<u>\$ 0</u>	43
FUND BALANCE, BEGINNING OF YEAR					<u>(43)</u>
FUND BALANCE, END OF YEAR			<u>\$ 0</u>		<u>\$ 0</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 TAX INCREMENT FINANCING DISTRICT #5 SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			Over (Under) Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$	\$	\$ 18,032	\$ 18,032	\$ 14,940
Other					769
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>18,032</b>	<b>18,032</b>	<b>15,709</b>
<b>EXPENDITURES</b>					
Current					
Urban Development					
Other			18,032	18,032	44
Debt Service					
Principal					14,951
Interest					204
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>18,032</b>	<b>18,032</b>	<b>15,199</b>
<b>Net Change in Fund Balances</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 0</b>	<b>510</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>					<b>(510)</b>
<b>FUND BALANCE, END OF YEAR</b>			<b>\$ 0</b>		<b>\$ 0</b>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011				2010
	Budgeted Amounts		Actual	Over (Under) Final Budget	Actual
	Original	Final			
<b>REVENUES</b>					
Intergovernmental	\$	\$	\$ 8,742	\$ 8,742	\$ 4,824
Investment Income	18,065	18,065	6,523	(11,542)	14,439
Other			34,651	34,651	33,508
<b>Total Revenues</b>	<b>18,065</b>	<b>18,065</b>	<b>49,916</b>	<b>31,851</b>	<b>52,771</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
<b>Economic Development</b>					
Advertising	5,000	5,000	3,103	(1,897)	5,627
Management Fees	6,532	6,532	7,033	501	7,722
Special Projects	102,500	102,500	223,204	120,704	33,159
Supplies			101	101	216
Contracted Services	3,000	3,000	17,609	14,609	10,317
Travel			2,875	2,875	2,654
<b>Total Expenditures</b>	<b>117,032</b>	<b>117,032</b>	<b>253,925</b>	<b>136,893</b>	<b>59,695</b>
<b>Net Change in Fund Balances</b>	<b>\$ (98,967)</b>	<b>\$ (98,967)</b>	<b>(204,009)</b>	<b>\$ (105,042)</b>	<b>(6,924)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<b>703,232</b>		<b>710,156</b>
<b>FUND BALANCE, END OF YEAR</b>			<b>\$ 499,223</b>		<b>\$ 703,232</b>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	Water	Sewer	Electric	Liquor	Sanitation	Totals	
						2011	2010
<b>OPERATING REVENUES</b>							
Sales and Cost of Sales							
Sales	\$	\$	\$	\$ 986,761	\$	\$ 986,761	\$ 989,215
Cost of Sales				665,037		665,037	664,809
Gross Profit	0	0	0	321,724	0	321,724	324,406
<b>Other Revenues</b>							
Charges for Services	458,536	756,800	4,094,147		162,485	5,471,968	5,368,945
Outside Charges	10,000		12,000			22,000	22,000
Interfund			33,735			33,735	33,735
Refunds and Reimbursements	8,670	8,466	83,800			100,936	52,039
Rents							13,758
Vending Machine Commissions				1,123		1,123	1,135
Miscellaneous Revenue	151		27,376	427	4,359	32,313	36,807
Total Other Revenues	477,357	765,266	4,251,058	1,550	166,844	5,662,075	5,528,419
Total Operating Revenues	477,357	765,266	4,251,058	323,274	166,844	5,983,799	5,852,825
<b>OPERATING EXPENSES</b>							
Freight				3,627		3,627	3,699
Salaries	95,584	15,771	72,827	127,364		311,546	303,791
Earned Benefits	1,065	1,065	2,746	1,219		6,095	13,959
Pension	17,211	2,575	13,225	21,615		54,626	52,188
Supplies	5,490	562	10,408	5,776	1,265	23,501	34,710
Contracted Services	7,416	282,373	568,990	9,300	103,944	972,023	943,884
Load Management			11,172			11,172	10,289
Purchased Electricity and Wheeling			2,137,804			2,137,804	2,196,793
Utilities	40,629	42,105	61,950	14,572		159,256	157,055
System Maintenance	23,448	13,382	81,882			118,712	108,626
Building Repair and Maintenance	2,845	1,114	8,387	7,794		20,140	40,173
Equipment Repair and Maintenance	11,192	6,741	51,848			69,781	85,761
Insurance	16,843	16,581	21,938	15,130		70,492	69,128
Depreciation	100,089	305,738	471,019	10,147		886,993	912,401
Interdepartmental Charges	12,375	21,360				33,735	33,735
Management Fees	35,618	46,242	160,226	23,658	8,166	273,910	268,541
Bad Debts	479	1,424	11,497	941	607	14,948	20,893
Gas and Oil	3,644	2,281	35,111			41,036	19,659
Travel and Training	1,674	273	4,392	527		6,866	7,390
Office Supplies	561	416	14,487	887		16,351	15,604
Miscellaneous	4,503	3,263	39,485	15,193		62,444	72,257
Health and Life Insurance	19,022	5,749	32,523	22,012		79,306	64,254
Lab Supplies and Chemicals	9,089	9				9,098	7,797
Advertising	2,695		13,726	17,198		33,619	24,107
Refuse Disposal					44,606	44,606	45,578
Total Operating Expenses	411,472	769,024	3,825,643	296,960	158,588	5,461,687	5,512,272
Operating Income (Loss)	65,885	(3,758)	425,415	26,314	8,256	522,112	340,553

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2011  
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2010

	Water	Sewer	Electric	Liquor	Sanitation	Totals	
						2011	2010
NONOPERATING REVENUES (EXPENSES)							
Investment Income	\$ 6,420	\$ 12,236	\$ 72,960	\$ 151	\$ 2,040	\$ 93,807	\$ 153,078
Interest and Fiscal Charges	(12,182)	(75,854)	(270,243)			(358,279)	(440,185)
Reimbursements							18,417
Rent			16,479	14,962		31,441	3,000
Gain (Loss) on Disposal of Assets							5,377
Amortization	(2,629)	(930)	(22,904)			(26,463)	(25,991)
Total Nonoperating Revenues (Expenses)	(8,391)	(64,548)	(203,708)	15,113	2,040	(259,494)	(286,304)
Income (Loss) Before Transfers	57,494	(68,306)	221,707	41,427	10,296	262,618	54,249
TRANSFERS							
Transfers to Other Funds		(34,066)	(90,287)	(30,000)		(154,353)	(168,670)
Change in Net Assets	57,494	(102,372)	131,420	11,427	10,296	108,265	(114,421)
NET ASSETS, BEGINNING OF YEAR	2,057,835	2,453,619	5,040,755	235,927	107,865	9,896,001	10,010,422
NET ASSETS, END OF YEAR	\$ 2,115,329	\$ 2,351,247	\$ 5,172,175	\$ 247,354	\$ 118,161	\$ 10,004,266	\$ 9,896,001

CITY OF BENSON, MINNESOTA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2011

Federal Grantor\ Pass Through Grantor\ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Expenditures
Department of Housing and Urban Development			
Minnesota Department of Employment and Economic Development			
Development Block Grants/State's Program and Non- Entitlement Grants in Hawaii	14.228	N/A	\$ 178,879
Department of Transportation			
Minnesota Department of Transportation			
Airport Improvement Program	20.106	N/A	42,336
Formula Grants for Other Than Urbanized Areas	20.509	N/A	45,500
Environmental Protection Agency			
Minnesota Public Facilities Authority			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	N/A	1,843,836
Department of Homeland Security			
Direct			
Assistance to Firefighters Grant	97.044	N/A	40,495
Disaster Grants - Public Assistance	97.036	N/A	29,949
Total Federal Awards			<u>\$ 2,180,995</u>

Supplementary Information - See Accompanying Notes to Schedule of Expenditures of Federal Awards and Auditor's Report

CITY OF BENSON, MINNESOTA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2011

NOTE 1. REPORTING ENTITY

The Schedule of Expenditures of Federal Awards presents the federal awards programs expended by the City of Benson, Minnesota. The City's reporting entity is defined in Note 1 to the financial statements.

NOTE 2. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2011. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through grant numbers were not assigned by the pass-through agencies.

NOTE 4. SUBRECIPIENTS

During the year ended December 31, 2011, the City did not pass any federal money to subrecipients.

STATISTICAL SECTION

CITY OF BENSON, MINNESOTA

TAX CAPACITY, TAX LEVY, AND TAX CAPACITY RATES

	Budgeted Tax Levy	Total Capacity Rates
<u>2011 TAX CAPACITY \$1,952,534</u>		
Revenue	\$ 707,515	36.236 %
Police Levy	485,379	24.859
Library Fund	100,496	5.147
2006 Capital Street Equipment Bonds	35,025	1.794
Abatement	18,700	0.958
G.O. Swimming Pool of 2003 (Market Referendum)	81,320	4.165
Totals	\$ 1,428,435	73.158 %
<u>2010 TAX CAPACITY \$1,936,365</u>		
Revenue	\$ 563,588	29.105 %
Police Levy	529,131	27.326
Library Fund	95,496	4.932
2006 Capital Street Equipment Bonds	38,036	1.964
Abatement	12,000	0.620
G.O. Swimming Pool of 2003 (Market Referendum)	83,079	4.290
Totals	\$ 1,321,330	68.238 %
<u>2009 TAX CAPACITY \$1,916,037</u>		
Revenue	\$ 342,639	17.881 %
Police Levy	501,302	26.164
Library Fund	89,657	4.680
2006 Capital Street Equipment Bonds	39,296	2.051
Abatement	12,000	0.627
G.O. Swimming Pool of 2003 (Market Referendum)	79,247	0.052
Totals	\$ 1,064,141	51.455 %
<u>2008 TAX CAPACITY \$1,724,837</u>		
Revenue	\$ 685,338	39.733 %
Library Fund	86,523	5.017
2006 Capital Street Equipment Bonds	35,096	2.035
Abatement	12,000	0.696
G.O. Swimming Pool of 2003 (Market Referendum)	80,664	0.057
Totals	\$ 899,621	47.538 %
<u>2007 TAX CAPACITY \$1,293,959</u>		
Revenue	\$ 400,861	30.977 %
Library Fund	81,529	6.301
1991 Library Bonds	26,350	2.037
2002 Fire Equipment	50,100	3.872
2006 Capital Street Equipment Bonds	36,080	2.789
Abatement	11,000	0.851
G.O. Fire Equipment of 1992 (Market Referendum)	15,810	0.014
G.O. Swimming Pool of 2003 (Market Referendum)	82,082	0.071
Totals	\$ 703,812	46.912 %

CITY OF BENSON, MINNESOTA

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

2011				
	Sales	Cost of Sales	Gross Profit	%
<b>OFF SALE</b>				
Liquor and Wine	\$ 307,891	\$ 217,066	\$ 90,825	29.5 %
Beer	519,871	390,176	129,695	24.9
Total Off Sale	<u>827,762</u>	<u>607,242</u>	<u>220,520</u>	<u>26.6</u>
<b>ON SALE</b>				
Liquor and Wine	40,776	5,867	34,909	85.6
Beer	75,758	21,173	54,585	72.1
Total On Sale	<u>116,534</u>	<u>27,040</u>	<u>89,494</u>	<u>76.8</u>
MISCELLANEOUS	<u>42,465</u>	<u>30,755</u>	<u>11,710</u>	<u>27.6</u>
Total	<u>\$ 986,761</u>	<u>\$ 665,037</u>	<u>\$ 321,724</u>	<u>32.6 %</u>
2010				
	Sales	Cost of Sales	Gross Profit	%
<b>OFF SALE</b>				
Liquor and Wine	\$ 304,775	\$ 218,786	\$ 85,989	28.2 %
Beer	516,225	386,621	129,604	25.1
Total Off Sale	<u>821,000</u>	<u>605,407</u>	<u>215,593</u>	<u>26.3</u>
<b>ON SALE</b>				
Liquor and Wine	40,675	5,970	34,705	85.3
Beer	85,858	22,992	62,866	73.2
Total On Sale	<u>126,533</u>	<u>28,962</u>	<u>97,571</u>	<u>77.1</u>
MISCELLANEOUS	<u>41,681</u>	<u>30,440</u>	<u>11,241</u>	<u>27.0</u>
Total	<u>\$ 989,214</u>	<u>\$ 664,809</u>	<u>\$ 324,405</u>	<u>32.8 %</u>
2009				
<b>OFF SALE</b>				
Liquor and Wine	\$ 286,902	\$ 203,438	\$ 83,464	29.1 %
Beer	523,299	393,523	129,776	24.8
Total Off Sale	<u>810,201</u>	<u>596,961</u>	<u>213,240</u>	<u>26.3</u>
<b>ON SALE</b>				
Liquor and Wine	43,950	6,437	37,513	85.4
Beer	82,184	23,698	58,486	71.2
Total On Sale	<u>126,134</u>	<u>30,135</u>	<u>95,999</u>	<u>76.1</u>
MISCELLANEOUS	<u>40,127</u>	<u>30,328</u>	<u>9,799</u>	<u>24.4</u>
Total	<u>\$ 976,462</u>	<u>\$ 657,424</u>	<u>\$ 319,038</u>	<u>32.7 %</u>

Statistical Table - See Auditor's Report

CITY OF BENSON, MINNESOTA

ELECTRIC FUND  
FIVE-YEAR COMPARISON - GROSS INCOME PER KW

	KW Sold	Gross Income	Income Per KW
<u>2011</u>			
Residential	13,838,402	\$ 1,343,964	9.71 Cents
Interruptible	2,075,262	84,802	4.09 Cents
Municipal	3,337,431	319,399	9.57 Cents
Commercial	2,284,259	225,581	9.88 Cents
Commercial 3 Phase	1,311,399	126,143	9.62 Cents
Large Power	15,592,511	1,169,106	7.50 Cents
Totals	<u>38,439,264</u>	<u>\$ 3,268,995</u>	8.50 Cents
<u>2010</u>			
Residential	13,562,305	\$ 1,334,799	9.84 Cents
Interruptible	2,111,805	86,554	4.10 Cents
Municipal	3,171,404	317,446	10.01 Cents
Commercial	2,325,565	235,529	10.13 Cents
Commercial 3 Phase	1,367,411	133,082	9.73 Cents
Large Power	14,829,808	1,130,207	7.62 Cents
Totals	<u>37,368,298</u>	<u>\$ 3,237,616</u>	8.66 Cents
<u>2009</u>			
Residential	13,526,589	\$ 1,242,612	9.19 Cents
Interruptible	2,231,122	101,505	4.55 Cents
Municipal	3,385,103	310,366	9.17 Cents
Commercial	2,419,574	229,379	9.48 Cents
Commercial 3 Phase	1,343,707	123,701	9.21 Cents
Large Power	15,039,436	1,112,802	7.40 Cents
Totals	<u>37,945,531</u>	<u>\$ 3,120,366</u>	8.22 Cents
<u>2008</u>			
Residential	13,374,751	\$ 1,137,946	8.51 Cents
Interruptible	2,042,924	81,554	3.99 Cents
Municipal	3,512,548	300,405	8.55 Cents
Commercial	2,441,035	207,980	8.52 Cents
Commercial 3 Phase	1,377,014	117,169	8.51 Cents
Large Power	13,634,409	951,192	6.98 Cents
Totals	<u>36,382,681</u>	<u>\$ 2,796,245</u>	7.69 Cents
<u>2007</u>			
Residential	13,719,347	\$ 1,052,166	7.67 Cents
Interruptible	1,770,639	65,997	3.73 Cents
Municipal	3,436,718	266,613	7.76 Cents
Commercial	2,376,670	190,243	8.00 Cents
Commercial 3 Phase	1,432,836	110,342	7.70 Cents
Large Power	13,963,481	873,948	6.26 Cents
Totals	<u>36,699,691</u>	<u>\$ 2,559,309</u>	6.97 Cents

Statistical Table - See Auditor's Report

COMPLIANCE SECTION



Quality | Dedication | Integrity

## INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and City Council  
City of Benson  
Benson, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 25, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions* covers seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the City of Benson, Minnesota, complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of the City Council, management, and the Office of the State Auditor and is not intended to be and should not be used by anyone other than those specified parties.

*Conway, Deuth & Schmiesing, PLLP*

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

June 25, 2012



Quality | Dedication | Integrity

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

Honorable Mayor and City Council  
City of Benson  
Benson, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs, as finding 2006-01 to be a material weakness.

Compliance and Other Matters

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

We noted certain other matters that we reported to management of the City of Benson, Minnesota, in a separate letter dated June 25, 2012.

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's response and, accordingly, we express no opinion on it.

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

*Conway, Deuth & Schmiesing, PLLP*

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

June 25, 2012



Quality | Dedication | Integrity

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Mayor and City Council  
City of Benson  
Benson, Minnesota

Compliance

We have audited the City's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City of Benson, Minnesota, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City of Benson, Minnesota, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specific parties.



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

June 25, 2012

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011

I. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses unqualified opinions on the basic financial statements of the City of Benson, Minnesota.
2. One significant deficiency in internal control over financial reporting was disclosed by the audit of financial statements of the City of Benson, Minnesota, and is reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." The significant deficiency is considered a material weaknesses.
3. No instances of noncompliance material to the financial statements of the City of Benson, Minnesota were disclosed during the audit.
4. No significant deficiencies in internal control over compliance were disclosed by the audit of the major federal award programs were reported in the "Independent Auditor's Report on Compliance with Requirements that Could Have A Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133."
5. The auditor's report on compliance for the major federal award programs for the City of Benson, Minnesota, expresses an unqualified opinion.
6. No findings were disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following program was tested as a major program:

<u>Program Name</u>	<u>CFDA No.</u>
Capitalization Grants for Drinking Water	
State Revolving Funds	66.468
8. The threshold for distinguishing between Types A and B programs was \$300,000.
9. The City of Benson, Minnesota, was not determined to be a low-risk auditee.

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011

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

PREVIOUSLY REPORTED ITEM NOT RESOLVED

FINDING: 2006-01 LIMITED SEGREGATION OF DUTIES

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

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

Questioned Costs: None

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

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

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

MANAGEMENT'S RESPONSE

The City is aware of the lack of segregation of duties situation and have implemented supplemental measures as we feel necessary. We continue to monitor work flow and look for opportunities to improve accountability. Being a small unit of government makes it difficult to employ the number of people to have complete segregation. We will continue to determine areas for improvement and divide duties, as appropriate, with our existing staff.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

None



10-20-12



CITY OF

**BENSON**

MINNESOTA

**REQUEST FOR QUOTES**

June 6, 2012

**TO:** Morris Sealcoat & Trucking, Inc.  
46253 208<sup>th</sup> Street  
Morris, MN 56267

**FROM:** City of Benson  
Elliot C. Nelson  
1410 Kansas Avenue  
Benson, MN 56215

**RE:** Quotes for Applying Material for Chip Sealing

The City of Benson is requesting quotes to apply contractor furnished oil and apply cover coat of City owned chips. Contractor is to compact with a pneumatic roller. Contractor will make arrangements for transporting oil to Benson. The City will sweep the areas prior to the application; however, additional sweeping may be required by the contractor. The City will remove the excess chips after application. The City will furnish a loader that will be located at the City street garage, 2175 Kansas Avenue. The City will cover manholes and notify residents. Approximately 1200 square yards applied material will be in parking lots and remainder will be City streets. Work is requested to be completed by September 17, 2012.

Qty.	Description	Quote
12,000 Gal. more or less	Apply Oil at an appropriate rate for chips	\$ <u>.25/per gal</u> 3,000.00
550 Ton more or less	Apply FA2 - FA3 Chips <u>8.75/ton</u>	\$ <u>4812.50</u>
12,000 Gal. CRS-2P	Price per gallon delivered	\$ <u>2.64/gallon</u> 31,680-
	Total	\$ <u>39,492.50</u>

Please submit quote by e-mail [elliot.nelson@co.swift.mn.us] or mail [City of Benson, Attn: Elliot C. Nelson, 1410 Kansas Avenue, Benson, MN 56215] on or before 11:00 a.m. on June 21, 2012. **Please note:** It is the bidder's responsibility to ensure that the quote is received by the City of Benson by 11:00 a.m. on June 21, 2012. If you have any questions, please call Elliot C. Nelson at City Hall: 320-843-5444 or Cell: 320-760-0911.

Thank you.

1410 KANSAS AVE. • BENSON, MINNESOTA 56215

City Offices: 320-843-4775

City Fax: 320-842-7151

Municipal Utilities: 320-843-3707

WWW.BENSONMN.ORG

E-MAIL: STAFF@BENSONMN.ORG

CITY OF



MINNESOTA

REQUEST FOR QUOTES

June 6, 2012

✓ **TO:** Caldwell Asphalt Co., Inc.  
24060 – 175<sup>th</sup> Street NE  
Hawick, MN 56246-9702

**FROM:** City of Benson  
Elliot C. Nelson  
1410 Kansas Avenue  
Benson, MN 56215

**RE:** Quotes for Applying Material for Chip Sealing

The City of Benson is requesting quotes to apply contractor furnished oil and apply cover coat of City owned chips. Contractor is to compact with a pneumatic roller. Contractor will make arrangements for transporting oil to Benson. The City will sweep the areas prior to the application; however, additional sweeping may be required by the contractor. The City will remove the excess chips after application. The City will furnish a loader that will be located at the City street garage, 2175 Kansas Avenue. The City will cover manholes and notify residents. Approximately 1200 square yards applied material will be in parking lots and remainder will be City streets. Work is requested to be completed by September 17, 2012.

Qty.	Description	Quote
12,000 Gal. more or less	Apply Oil at an appropriate rate for chips	\$ <u>0.72/gal.</u> = \$ <u>8640<sup>00</sup></u>
550 Ton more or less	Apply FA2 – FA3 Chips	\$ <u>3.74/ton</u> = \$ <u>2057<sup>00</sup></u>
12,000 Gal. CRS-2P	Price per gallon delivered	\$ <u>2.69/gal</u> = \$ <u>32,280<sup>00</sup></u>
Total		\$ <u>42,977<sup>00</sup></u>

Please submit quote by e-mail [elliot.nelson@co.swift.mn.us] or mail [City of Benson, Attn: Elliot C. Nelson, 1410 Kansas Avenue, Benson, MN 56215] on or before 11:00 a.m. on June 21, 2012. **Please note:** It is the bidder's responsibility to ensure that the quote is received by the City of Benson by 11:00 a.m. on June 21, 2012. If you have any questions, please call Elliot C. Nelson at City Hall: 320-843-5444 or Cell: 320-760-0911.

Thank you.

1410 KANSAS AVE. • BENSON, MINNESOTA 56215

City Offices: 320-843-4775

City Fax: 320-842-7151

Municipal Utilities: 320-843-3707

WWW.BENSONMN.ORG

E-MAIL: STAFF@BENSONMN.ORG

Dan Kobbermann 6-21-12

I am putting a bull riding event on at the riding arena in Benson at the Shamrock best riding arena on the evening of July 28 at 6:30 p.m. I am asking for the opportunity to serve food along with a beer garden for the event. I have talked with Scott Vick to cater the event for us. I would possibly have other food vendors as well to serve food to cater to the kids ect. Such as candy, pop, popcorn.

## CHAPTER 95: ABANDONED AND OTHER NUISANCE VEHICLES

### Section

95.01 Definitions

95.02 Applicability of provisions

95.03 Administrative Citation

~~95.03-04 Abandonment~~ Abandoned and/or junk vehicles prohibited

~~95.04-05~~ Nuisance declared

~~95.05-06~~ Abatement

~~95.06-07~~ Impoundment notice and procedure

~~95.07-08~~ Reclamation; rights of lienholders preserved

~~95.08-09~~ Disposition of unclaimed vehicles; proceeds of sale; title

#### **Cross-reference:**

*Unclaimed property, see § 33.30 et seq.*

### **§ 95.01 DEFINITIONS.**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**ABANDONED MOTOR VEHICLE.** As defined in Minnesota Statutes §169B.011. ~~Any motor vehicle as defined in M.S. § 169.01 that:~~

- ~~(1) — Has remained illegally on public property for a period of more than 48 hours; or~~
- ~~(2) — Has remained on public property for a period of more than 48 hours and is lacking any vital component parts; or~~
- ~~(3) — Is lacking any vital component parts and has remained on private property with or without the consent of the person in control of such property for a period of more than 72 hours after notice thereof is sent to the registered owner of the vehicle by certified mail directed to the address shown on the vehicle registration.~~

**JUNK MOTOR VEHICLE.** As defined in Minnesota Statutes §169B.011.

**PRIVATE PROPERTY.** All property that is not public property as defined in this section.

**PUBLIC PROPERTY.** Property under the control of any unit of government or agency thereof including that portion of the right-of-way of any street lying between the traveled portion thereof and the adjacent property line.

## Benson - General Regulations

**STREET.** Any public street, avenue, highway, alley, or other roadway located within the limits Of the city.

~~**VITAL COMPONENT PARTS.** Any part of a motor vehicle which is necessary for the legal operation of such motor vehicle upon a street, including but not limited to the motor, drive train, wheels, lights, windshield, and current vehicle license.~~  
(75 Code, § 7.165(2)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

### § 95.02 APPLICABILITY OF PROVISIONS.

The provisions of this chapter shall not apply to any person or corporation whose principal business is that of selling, trading, or repairing motor vehicles, and motor vehicles are held, stored, or parked upon his or her premises in the normal course of his or her business operation.  
(75 Code, § 7.165(8)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

### § 95.03 ADMINISTRATIVE CITATION.

(A) Any person, firm, or corporation who does any of the following shall be issued an administrative citation:

(1) Abandons a motor vehicle on any public or private property without consent of the person in control of such property;

(2) Allows an abandoned motor vehicle or junk motor vehicle to remain on private property for a period of more than \_\_\_\_\_ hours;

(B) The administrative citation must be issued in person or by mail to the person responsible for the violation or attached to the motor vehicle. The citation must state the date, time and nature of the offense, the name of the peace officer issuing the citation, the amount of the penalty, the manner for paying the penalty, and that the violator has the right to contest the citation. The amount of the penalty for the first administrative citation shall be \$ \_\_\_\_\_.

(C) If, after receiving an administrative citation, the vehicle has not been moved within 24 hours, a second administrative citation will be issued with a fine double the amount of the penalty of the first citation.

(D) The amount of the penalty for the administrative citations described in this section may be amended by a resolution of the City Council.

### § 95.03-04 ~~ABANDONMENT~~ ABANDONED AND/OR JUNK VEHICLES PROHIBITED.

Any person who does any of the following fails to remove an abandoned motor vehicle or junk motor vehicle within 24 hours of receipt of the second administrative citation pursuant to § 95.03 shall

be guilty of a misdemeanor;

(A) ~~Abandons a motor vehicle on any public or private property without consent of the person in control of such property;~~

(B) ~~Fails to remove an abandoned motor vehicle from private property after receipt of notice pursuant to subsection (3) of the definition of "abandoned motor vehicle" in § 95.01. ('75 Code, § 7.165(9)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97) Penalty, see § 10.99~~

### **§ 95.04-05 NUISANCE DECLARED.**

(A) Abandoned motor vehicles and junk motor vehicles are hereby declared to be public nuisances because they constitute a hazard to the health and welfare of the people of the city in that such vehicles can harbor noxious diseases, furnish shelter and breeding places for vermin, present physical dangers to the safety and wellbeing of children and other citizens, and constitute a blight on the landscape of the city and therefore a detriment to the environment, and may be abated as provided herein or as provided under any other ordinance of the city or the statutes of the state.

(B) Any motor vehicle that is found impeding fire fighting, street sweeping, snow removal or plowing, or the orderly flow of traffic is declared to be a public nuisance and may be abated as provided herein or as provided under any other ordinance of the city or the statutes of the state. ('75 Code, § 7.165(1)) (Ord, 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

***Cross-reference:***

*Nuisances, see Ch. 93*

**§ 95.05-06 ABATEMENT.**

(A) Any motor vehicle or abandoned motor vehicle which constitutes a public nuisance, as determined by the Zoning Administrator, other duly appointed official of the city, or any police officer of the city, may be removed, impounded, and sold or otherwise disposed of in the manner provided herein.

(B) Any vehicle determined to constitute a public nuisance shall be transported to a facility designated by the city for the storage of such vehicles. Any police officer or other person authorized by the city shall be empowered to enter upon private property for the purpose of removing and transporting such vehicle. Any impounded vehicle shall be tagged for identification which tag shall show the date of and reason for impoundment.

(C) The police officer or other authorized person responsible for the impoundment of a vehicle shall prepare and file in the office of the Police Department a written report which shall contain the make of the vehicle, the name and address of the owner of the vehicle, the license number, the date of license, the motor number, identification of missing vital component parts, a general description of the condition of the vehicle, identification of any personal property located in the vehicle, and such other information as may be necessary to adequately describe the vehicle.  
(75 Code, § 7.165(3)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

**§ 95.06-07 IMPOUNDMENT NOTICE AND PROCEDURE.**

For impounded vehicles, the city shall give notice of the impoundment of said vehicle within ten days thereof to the registered owner and lienholders of record by first class mail sent to the address shown on the vehicle's registration. The notice shall:

(A) Set forth the date and place of the impoundment and the year, make, model, and serial number of the impounded motor vehicle if such information can be reasonably obtained, and the place where the vehicle is being held;

(B) Inform the owner and any lienholders of their right to reclaim the vehicle under § 95.07-08 of this chapter; and

(C) State that failure of the owner or lienholders to exercise their right to reclaim the vehicle and contents shall be deemed a waiver by them of all right, title, and interest in the vehicle and contents and a consent to the sale of the vehicle and contents at a public auction pursuant to § 95.08-09 of this chapter. (75 Code, § 7.165(5)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

**§ 95.07-08 RECLAMATION; RIGHTS OF LIENHOLDERS PRESERVED.**

The owner or any lienholder of a motor vehicle impounded pursuant to this chapter shall have a right

to reclaim such vehicle from the city within 15 days after the date of the notice required by § 95.07-08 of this chapter upon payment of all towing and storage charges resulting from the impoundment of said vehicle. Nothing in this chapter shall be construed to impair any lien of a garage keeper under the laws of this state or the right of a lienholder to foreclose. For the purpose of this section, *GARAGE KEEPER* is an operator of a parking place or establishment, an operator of a storage facility, or an operator of an establishment for the servicing, repair, or maintenance of motor vehicles.

('75 Code, § 7.165(6)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

**§ 95.08-09 DISPOSITION OF UNCLAIMED VEHICLES; PROCEEDS OF SALE; TITLE.**

(A) A motor vehicle impounded pursuant to this chapter and not reclaimed under § 95.08 shall be sold to the highest bidder at a public auction or sale following reasonable published notice thereof. The purchaser shall be given a receipt which shall be sufficient title to dispose of the vehicle. The receipt shall also entitle the purchaser to register the vehicle and receive a certificate of title free and clear of all liens and claims of ownership.

(B) From the proceeds of the sale of any vehicle, the city shall reimburse itself for the cost of towing, preserving, and storing the vehicle and all administrative, notice, and publication costs incurred in handling the vehicle pursuant to this chapter. Any remainder from the proceeds of the sale shall be held for the owner of the vehicle or entitled lienholder for 90 days and then shall be deposited in the General Fund of the City Treasury.

('75 Code, § 7.165(7)) (Ord. 1052.84, passed 12-20-84; Am. Ord. 1100.97, eff. 8-20-97)

**AN ORDINANCE OF THE CITY OF BENSON MINNESOTA AMENDING THE CITY CODE  
CHAPTER 50 BY ESTABLISHING A STORMWATER UTILITY AT SECTION 55 OF THE  
CITY CODE**

**CHAPTER 50: UTILITIES**

**Section 55 STORMWATER UTILITY**

**§55.01 STATUTORY AUTHORITY.**

Minnesota Statute § 444.075 authorizes cities to impose just and equitable charges for the use and availability of storm sewer facilities. By this section the City elects to exercise such authority. The stormwater utility shall be part of the Public Works Department and subject to the administration of the Director of Public Works.

**§55.02 PURPOSE.**

It is the intent of this article to establish a stormwater utility to collect charges to finance costs associated with the operation and maintenance of the city's storm sewer system, implementation of stormwater management programs, and stormwater improvements. Revenues received from charges should be placed in a separate stormwater utility fund and used for any purpose as permitted by Minnesota Statute §444.075.

**§55.03 RATE STRUCTURE.**

The charges imposed as a part of this stormwater utility shall be derived from a parcel's net acreage and residential equivalency factor (REF). The REF is defined as the ratio of runoff volume generated by one acre of non-residential land to the runoff volume generated by one acre of residential land. The residential equivalency factors for each land use established as part of this stormwater utility shall be as follows:

**LAND USE/REF TABLE:**

Land Use	REF
Residential	1.0
Non-Residential	9.0

Residential stormwater utility fees shall be charged on a per parcel basis at the base rate as established by the City Council.

Non-residential stormwater utility fees shall be calculated based on the following formula:

$$9.0 \times (\text{Base Rate as established by the City Council}) \times (\text{Parcel(s) Acreage})$$

The base rate shall be determined by Resolution of the City Council.

**RESOLUTION ESTABLISHING STORM WATER UTILITY BASE RATE  
(RESOLUTION No. 2012- )**

**WHEREAS**, the Benson City Council has adopted an ordinance establishing Section 55, Stormwater Utility and

**WHEREAS**, the rate structure uses a base rate that is charged to each residential parcel and is also used to calculate the non-residential Stormwater fee.

**NOW, THEREFORE**, be it resolved that the following rate is hereby adopted:

Stormwater Base Rate \$2.00

**To: Rob Wolfington**  
**From: Glen Pederson, Director of Finance**  
**Re: City Hall Air Conditioning and Roof**  
**Date: June 22, 2012**



During the week of the 18<sup>th</sup> we turned on the A/C units for city hall that are located on top of the roof. One failed to cool so we called Hawley's to check it. Turns out that there is a hole in the coil and all of the coolant had leaked out. They looked into a repair but the parts and labor costs are more than we would want to put into a unit that was installed back in 1977. Also, the coolant used in all of the units is being phased out.

The roof of city hall is also in need of replacement. We have funds available and it is in the budget to be done. If the mounts or openings for the new A/C unit needs to be changed it should be done before the new roof is installed.

A few things come to mind:

- Should we simply replace the one unit with similar equipment?
- Or review all units in light of efficiency, rebates, cost of operation, etc.
- Should we look at heat pumps or geothermal like the library?
- What about an air exchange system?
- What type of roof and specifications should we use for bidding?

Most of this is too technical for staff to research. I would like the Council to consider hiring a firm to do an HVAC study on the building and make a recommendation on how to proceed. They would also prepare specifications on the roof replacement and help evaluate bids. We met with one company last year but I'm sure there are others that would be able to help us.



**INVOICE**

<b>Invoice Number</b>	597610
<b>Invoice Date</b>	June 14, 2012
<b>Customer Number</b>	92404
<b>Project Number</b>	193800109

**Bill To**

City of Benson  
Accounts Payable  
1410 Kansas Avenue  
Benson MN 56215  
United States

**Please Remit To**

Stantec Consulting Services Inc. (SCSI)  
13980 Collections Center Drive  
Chicago IL 60693  
United States  
Federal Tax ID 11-2167170

---

**Project Description:** 000037-10121-1 Benson Water Treatment Plant Improvments

<b>Stantec Project Manager:</b>	Capelle, Ryan J
<b>Stantec Office Location:</b>	St. Paul MN
<b>Current Invoice Due:</b>	\$13,031.87
<b>For Period Ending:</b>	June 8, 2012

---

**Due on Receipt**

**INVOICE**

Invoice Number 597610  
Project Number 193800109

**Top Task 112**

**Construction Observation**

Observation of media placement and discussions regarding skimming. Meeting with contractor regarding sod and seed for project. On site for commissioning of WTP. Preparing for pumping water to distribution. Evaluation of chemical feed systems, construction completion items and controls. Observation of filter backwash sequence and assistance on setting time duration needed for each step in the backwash procedure.

Professional Services

Category/Employee

Project Manager

Hours	Rate	Current Amount
58.50	144.00	8,424.00
<u>58.50</u>		<u>8,424.00</u>
<b>Professional Services Subtotal</b>		<b><u>8,424.00</u></b>

**Top Task 112 Total**

**8,424.00**

**Top Task 113**

**Project Management**

Pay application review and communications with auditor/KHC regarding certified payroll and subcontractors list.

Professional Services

Category/Employee

Project Manager

Hours	Rate	Current Amount
14.50	144.00	2,088.00
<u>14.50</u>		<u>2,088.00</u>
<b>Professional Services Subtotal</b>		<b><u>2,088.00</u></b>

**Top Task 113 Total**

**2,088.00**

**Top Task 114**

**Construction Engineering**

Coordination with KHC regarding start-up and controls integration. Resolving questions regarding filter media conditioning and chlorine needed for disinfection. Calculating chlorine and polyphosphate feed rates and coordinating with Vessco regarding chlorine feed system and problems with the booster pump.

Professional Services

Category/Employee

Project Manager

Hours	Rate	Current Amount
10.50	144.00	1,512.00
<u>10.50</u>		<u>1,512.00</u>
<b>Professional Services Subtotal</b>		<b><u>1,512.00</u></b>

**Top Task 114 Total**

**1,512.00**

**Top Task ZZZ**

**Direct Project Expenses**

Overnight stays for start-up.

Disbursements

Current Amount

Direct - Meals & Entertainment

32.94

**INVOICE**

**Invoice Number**  
**Project Number**

597610  
193800109

Direct - Postage & Courier	17.09
Direct - Travel/Accommodation	261.30
Direct - Vehicle (mileage)	696.54
<b>Disbursements Subtotal</b>	<b><u>1,007.87</u></b>
<b>Top Task ZZZ Total</b>	<b><u>1,007.87</u></b>

Total Fees & Disbursements \$13,031.87

**INVOICE TOTAL (USD)** **\$13,031.87**



901 West 94th Street  
Minneapolis MN 55420-4236

MINNESOTA - 952-445-4292 888-320-4292  
IOWA - 515-957-3800 800-342-7002  
WISCONSIN - 515-957-3800 800-342-7002

Page: 1

Sold To: CITY OF BENSON  
1410 KANSAS AVE  
BENSON MN 56215-1718

Invoice Number: E8011001

Date: 6/15/12

Account No.: 0835200

Ship To:

Agreement: E80110	P/O Number: DGR APPROVAL	Store: 05
Ship Date: 6/15/12	Ship Via:	Salesman: 021-2
Quantity	Description	Total
1.0	EQUIPMENT SALE ID NO: Z5779 SERIAL NO: Z5779	8100.00
	SWITCHGEAR SYSTEM TESTING WITH ZIEGLER AND SHALLBETTER TECHNICIAN	
	MN SALES TAX-6.875%	556.88
	NET 20 DAYS	
	INVOICE TOTAL	8,656.88

NET 20 DAYS  
A service charge of 1 1/2 % per month will be assessed on all past due accounts.

To ensure proper credit, please detach this portion, at the perforation, and return with remittance.

CITY OF BENSON  
1410 KANSAS AVE  
BENSON MN 56215-1718

Account Number: 0835200  
Invoice Number: E8011001  
Invoice Date: 6/15/12

Please remit to:  
ZIEGLER INC.  
SDS 12-0436  
PO BOX 86  
MINNEAPOLIS, MN 55486-0436

Amount Due:

\$8,656.88

Amount Enclosed:

**REQUEST FOR BUSINESS/CORPORATE CREDIT CARDHOLDER CHANGES**

COMPANY NAME: City of Benson  
 STREET ADDRESS: 1410 Kansas Ave  
 CITY, ST, ZIP: BENSON MN 56215  
 TAX ID #: 41-6004975 ANNUAL REVENUE: \$ 5,000,000

**INCREASE IN CURRENT CREDIT LIMIT(S)**

Cardholder Name	Card Number	Current Limit	Allow ATM (Cash) Access?	New Limit Requested Purchase / ATM (Cash)
<u>Robert J Wolfington</u>		<u>5000 --</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<u>10,000</u>
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

**NEW CREDIT CARD(S) REQUESTED**

Cardholder Name	Social Security #	Allow ATM (Cash) Access?	Limit Requested (Purchases / ATM & Cash Advances)
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	

Issue Within Existing Credit Limit: \_\_\_\_\_ Request Increase Of Total Limit To: 25,500<sup>00</sup>

If the last approval date is more than 90 days from the date of this request, please answer the following questions, **During the past 12 months:**

- Did the Company become a party to a claim or lawsuit?  Yes  No
- Did the Company or any guarantor of any of the Company's obligations owing to Bank of the West or First Hawaiian Bank declare bankruptcy?  Yes  No
- Did the Company become delinquent in the payment of FICA or sales taxes?  Yes  No
- Did the Company add or move to a new business location?  Yes  No
- Has there been a change in the ownership of the company?  Yes  No
- Has there been a change in the company's name, address, legal status or corporate status?  Yes  No

If you answered "yes" to any of the above questions, please explain:

By signing below, the Company hereby (a) requests Bank of the West to increase the credit limit amount for the Company's BusinessCard, Purchasing Card or Corporate Card (collectively the "Card") to the amount requested above and to issue in the name of the Company such additional Cards(s) as are requested above, each bearing, in addition to the name of the Company, the name(s) of the above officer(s), members(s), manager(s), partner(s), agent(s), employee(s), or representative(s) of the Company, (b) agrees that the Company's Card line of credit, as amended pursuant to this request, and such additional Cards as are issued pursuant to this request shall be subject to and governed by the terms and conditions of the Business Credit Card Application, the Business Credit Card Agreement, the Purchasing Card Agreement and the Corporate Card Agreement executed by the Company in connection with the opening of this credit account, together with all prior amendments to such application and agreement, if any, (collectively the "Agreement"), all of which are by this reference hereby incorporated herein as though fully set forth herein, (c) agrees that, except as amended by this request, the Agreement remains in full force and effect and that in the event of a conflict between the terms of this request and the terms of the Agreement, the terms of this request shall control, and (d) ratifies, reaffirms, and remakes, as of the date hereof, each representation and warranty in the Agreement, if any, as if each were set forth herein.

Date: 6-11-12 Company Name: City of Benson  
 By: Glen Pederson Glen Pederson Director of Finance  
Authorized Signature Print Name Title  
 By: \_\_\_\_\_  
Authorized Signature Print Name Title

**For Bank Use Only**

Name _____	Branch CC# _____	Date Site Visited _____
Ch Rep _____	Sales ID # _____	Phone No. (____) _____
<input type="checkbox"/> Recommended By: _____ <small>Signature Emp #</small>		<input type="checkbox"/> Approved By _____ <small>Signature Emp #</small>

**Budget Report Comments**  
**Month Ended May 31, 2012**

The May budget report is submitted for your review. 42% of the year is completed.

**General Fund**

**Revenues:**

Total revenues received are 13.2% of budget compared to 11.8% in 2011.

1. Taxes. The budget amount has \$148,390 for 2011 Local Gov't Aid and Market Value Aid reductions..
2. Local Government Aid will be the same amount we received in 2011.
3. Police Services is the new Traffic Enforcement Diversion Program revenue.
4. Fire Calls has \$10,370 in CRP controlled burn revenues.
5. Swimming Pool Receipts. Community Ed did not pre-sell pool passes this year.
6. Interest Income is up with higher fund balance. We have \$2.3 million in investments vs \$1.8 last year.
7. Civic Center Rent. Timing of payments and property tax reimbursement.
8. Refunds & Reimbursements has a \$9,455 Work Comp Insurance refund.

**Expenditures:**

Mayor & Council Contingency has Ipad purchases.

Administration Wages & Benefits in 2011 has portion of severance payment for Admin Secretary.  
Other Contracted Services. Ordinance book updating last year.

Elections Special election to fill Senator Kubly's seat.

Police Dept. Salaries and Benefits has one more full time position.  
Operating Supplies has offsetting revenues from forfeiture & diversion funds  
Equipment Repair Contracted has a transmission for the Impala.

Fire Dept. Building Repairs contracted. Changing duct work last year.  
Contracted Services. Shared services contract last year.

Street Dept. Gas and Oil last year. Snow removal? Flood fight?  
Sealcoating. Crackfiller purchased last year.  
Flood Control expenses last year. We were reimbursed \$29,948 in 2011 and \$8,984 in 2012.

Swimming Pool Operating Supplies has \$2,832 for a 50% down payment on lift. Chemicals last year but none yet this year.  
Building Repairs contracted on \$1,296 engineering fees on new chlorine system.

Parks Salaries are up as we needed to start mowing earlier.  
We needed to purchase Mosquito Spray & Supplies this year.  
Contracted Services – Other has painting and lawn treatments.

Not Allocated Higher ditch assessments and paid entire amount of civic center taxes.

Airport Gas. Timing of purchases and amount. 1022 gals vs. 4502 gals

Transfer to Golf Club Cash Transfer last year. This year is tree removal bill forgiveness.

### **Water Fund**

Water revenues are up 24% over 2011 and 83% from 2010 with the rate increases that have gone into effect over the past two years. This amount appears to be right on budget. We approved a \$2.50 increase to the base rate plus an additional \$5.00 for the proposed Water Treatment Plant Improvement bonding.

Interest expense includes a semiannual interest payment on the new PFA bonds for the water treatment plant.

### **Sewer Fund**

Revenues are similar to last year. Refunds and Reimbursements has a receivable from last year in relation to the Sandy's Lift Station project.

The only wages charged now are call out hours provided on weekends by the Water Department or other maintenance by city employees. Equipment Repair last year included repairs to the Fibrominn Lift station that was eventually partially reimbursed to us.

Interest income is down as we elected to pay for the Sandy's Lift Station project rather than bond for it.

### **Electric Fund**

Sale of Service Down across the board except for Industrial. Purchased power cost is also down.

Refunds and Reimbursements has a payment from Agvice for the change to their service. Last year a \$69,520 MISO refund was received.

Conservation rebates are from Missouri River which we pass on to our customers.

#### **Administration**

Fringe Benefits last year has a portion of Admin Secretary severance pay.  
Contracted Services has the Hometown Connections Org. check up in 2011.  
Conservation includes the rebate payments from MRES that we pay out.

#### **Power Production**

Fuel for generators. Timing of purchases. Our contract with MRES required us to have more fuel in the tanks.  
Equipment Repair has oil filters and Oil for the generators.  
Contracted Services has engineering fees for the Rice Standards, and controls

#### **Distribution**

Distribution Contract May bill is estimated. Actual was \$212,419 in 2011 and \$198,062 in 2010.

### **Liquor Fund**

The store continues its fantastic start to the year. Overall sales are up 16% with all categories showing an increase. Two thirds of the gross profit increase is attributable to the On-Sale.

Off Sale Liquor and Wine sales are up 14% over the past two years and even surpasses the "Shakers Phenomenon" of 2003. Off Sale Beer is up 8% also over the past two years and looks to be the highest amount ever for this time period.

On Sale sales have also rebounded with an increase of about 57% over last year. Not quite up to the level of 2005 which we use as a "base" comparison year but encouraging none the less.

Pull tab revenues has five full months of selling behind the bar. Building Maintenance has an upgrade to the camera surveillance system.

Glen Pederson, Director of Finance

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 1

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
GENERAL FUND REVENUES						
TAXES	981,610.86	1,072,820.97	14,140.23	15,970.37	1,255,996.00	1
ABATEMENTS	10,723.74	16,753.82	156.93	248.64	22,000.00	1
LODGING TAXES	22,378.67	23,286.16	6,637.99	9,153.84	21,600.00	42
FRANCHISE FEES	71,443.30	75,363.00	11,733.95	11,505.11	67,000.00	17
BUSINESS LICENSES	7,165.00	7,110.00	7,070.00	7,566.01	7,200.00	105
NON-BUSINESS LICENSES	815.00	945.00	455.00	585.00	1,000.00	59
BUILDING PERMITS	20,198.05	11,296.50	3,374.50	3,768.50	12,000.00	31
LOCAL GOVERNMENT AID	776,650.00	776,650.00			776,650.00	
HOMESTEAD & AG CREDIT AID	49,264.00	49,668.03				
POLICE TRAINING REIMBURSEMENT	2,150.97	2,272.35			2,500.00	
INSURANCE PREMIUM TAX-FIRE	23,237.00	27,484.00	6,000.00	1,000.00	25,000.00	4
INSURANCE PREMIUM TAX-POLICE	42,468.00	43,793.00			45,000.00	
AIRPORT MAINTENANCE	22,052.00	22,052.00			22,052.00	
TRANSIT REFUNDS	128,720.00	136,218.30	57,122.89	53,633.86	115,812.00	46
OTHER FED/STATE/LOCAL GRANTS	15,622.00	84,543.12	7,935.00	9,438.62	15,963.00	59
POLICE SERVICES				3,808.86	200.00	1904
DARE REVENUES	434.82	1,611.50	25.00	384.42	1,200.00	32
DOG POUND REVENUES	585.00	740.00	330.00	90.00	500.00	18
COPS IN SCHOOLS REIMBURSEMENT	33,264.00	33,075.00	6,993.00	7,182.00	33,000.00	22
TOWNSHIP FIRE CONTRACTS	52,778.00	55,361.00	55,361.00	58,131.00	56,500.00	103
FIRE DEPARTMENT CALLS	17,120.00	23,220.00	4,975.00	22,330.00	20,000.00	112
RESQUE SQUAD CALLS	3,276.50	136.76	136.76		2,500.00	
BUILDING INSPECTIONS SERVICES	33,298.20	31,087.74	10,535.06	11,959.64	37,000.00	32
STREET REPAIR FEES	2,400.00	1,530.00	300.00	300.00	2,000.00	15
EQUIPMENT RENTALS	9,669.50	3,972.50	3,212.50	825.00	8,000.00	10
WEED REMOVAL CHARGES	1,829.70	2,345.40		130.00	600.00	22
SWIMMING POOL RECEIPTS	50,892.54	48,516.90	4,947.21	1,889.48	49,000.00	4
POOL CONCESSION SALES	12,425.65	10,991.99			12,000.00	
ARMORY USE FEES	8,767.15	8,323.00	2,997.50	2,884.50	9,000.00	32
PARK FEES	17,918.79	17,354.82	4,097.41	8,568.72	17,000.00	50
TREE REMOVAL RECEIPTS	6,205.46	5,348.33		(320.63)	5,000.00	(6)
BUS FARES	34,326.03	34,127.11	14,103.46	13,199.20	34,000.00	39
BUS SIGN ADVERTISING	726.00	570.00	216.00	282.00	700.00	40
HANGER RENTALS - AIRPORT	10,420.00	8,450.00	3,125.00	4,145.00	8,000.00	52
AIRPORT LAND REVENUES	10,684.00	10,164.00			11,000.00	
SALE OF LOTS - CEMETERY	4,200.00	3,520.00	1,360.00		3,500.00	
SODDING FEES - CEMETERY	675.00	840.00	280.00	210.00	600.00	35
CEMETERY MEMORIALS						
CEMETERY MONUMENT FEES	360.00	500.00	75.00	75.00	300.00	25
PARK SIGN RENTALS	290.00	210.00	75.00	85.00	300.00	28
COURT FINES	17,092.21	14,196.11	6,786.88	6,832.48	15,000.00	46
PARKING FINES	2,775.00	2,340.00	925.00	740.00	2,000.00	37

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 2

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
SPECIAL ASSESSMENTS	929.48	861.51		(251.10)		
INTEREST EARNINGS	24,060.63	29,060.76	12,134.90	16,337.50	20,000.00	82
UNREALIZED GAIN (LOSS) ON INVEST	(361.27)	(1,221.42)				
PROPERTY RENTS	1,024.00	300.00		150.00		
CIVIC CENTER RENT	29,328.04	29,948.04	8,666.68	12,991.35	29,000.00	45
DONATIONS	3,590.00	23,800.00	1,100.00		1,000.00	
SALE OF PROPERTY	6,576.60					
REFUNDS & REIMBURSEMENTS	36,563.35	21,562.11	5,437.04	17,117.13	30,000.00	57
REIMBURSEMENTS - GAS & OIL	16,801.10	25,585.51	7,664.22	8,215.22	15,000.00	55
OTHER REVENUE	24,682.79	8,275.13	4,596.86	941.26	10,000.00	9
MANAGEMENT FEE-EDA & RL FUND	22,192.00	20,075.00			22,000.00	
MANAGEMENT FEES - GARBAGE FUND	8,005.00	8,166.00	3,349.00	3,470.02	8,328.00	42
MANAGEMENT FEE - WATER FUND	34,920.00	35,618.00	14,840.55	15,137.50	36,330.00	42
MANAGEMENT FEE - ELECTRIC FUND	157,085.00	160,226.00	66,760.62	68,095.60	163,430.00	42
MANAGEMENT FEE - LIQUOR FUND	23,195.00	23,658.00	9,857.50	10,054.40	24,130.00	42
MANAGEMENT FEE - SEWER FUND	45,336.00	46,242.00	19,267.45	19,652.48	47,166.00	42
MANAGEMENT FEES - TAX INCREMENT	216.09	527.20			200.00	
TRANSFER FROM OTHER FUNDS	2,500.00	1,650.00			1,650.00	
TRANSFER FROM LIQUOR FUND	30,000.00	30,000.00			30,000.00	
TRANSFER FROM UTILITY FUND	138,670.00	124,353.00			100,000.00	
<b>TOTAL GENERAL FUND REVENUES</b>	<b>3,112,225.95</b>	<b>3,257,475.25</b>	<b>389,158.09</b>	<b>428,512.98</b>	<b>3,256,907.00</b>	<b>13</b>
<b>GENERAL FUND EXPENDITURES</b>						
<b>MAYOR &amp; COUNCIL</b>						
SALARIES - CITY COUNCIL	15,880.00	16,045.00	6,850.00	6,390.00	16,000.00	40
PENSIONS	1,214.88	1,227.50	524.05	488.86	1,250.00	39
OFFICE SUPPLIES	1,109.35	88.54	34.20	81.98	400.00	20
MAYOR & COUNCIL CONTINGENCY				2,341.52	400.00	585
TRAVEL EXPENSE	1,612.94	1,398.57	681.96	498.80	1,300.00	38
TRAINING & INSTRUCTION	1,162.00	866.00	465.00	870.00	1,000.00	87
PRINTING & PUBLISHING	2,031.46	2,562.62	755.01	581.18	2,500.00	23
OTHER INS - PUBLIC OFF LIAB	15,017.00	14,667.00	14,667.00	15,888.00	15,000.00	106
DUES & SUBSCRIPTIONS	8,362.00	8,275.00	4,936.00	4,925.00	8,600.00	57
<b>TOTAL: MAYOR &amp; COUNCIL</b>	<b>46,389.63</b>	<b>45,130.23</b>	<b>28,913.22</b>	<b>32,065.34</b>	<b>46,450.00</b>	<b>69</b>
<b>ADMINISTRATION &amp; FINANCE</b>						
SALARIES	285,604.84	271,234.27	115,236.02	111,074.45	275,950.00	40
PENSIONS	49,546.74	46,309.83	19,140.06	19,301.28	48,800.00	40
HEALTH, LIFE, DISB + CAFETERIA	60,520.93	70,491.25	41,084.55	25,873.65	59,100.00	44
OFFICE SUPPLIES	6,121.86	6,762.17	2,785.85	3,037.62	6,000.00	51
DUPLICATING & COPYING	3,734.91	3,602.80	1,421.05	1,521.25	4,000.00	38

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 3

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
POSTAGE	2,281.05	2,973.65	1,316.90	1,884.35	3,000.00	63
SAFETY AND DRUG TESTING	486.06	309.50	64.50		600.00	
GAS & OIL	2,877.75	3,203.53	1,366.61	1,200.05	3,200.00	38
EQUIPMENT REPAIR PARTS	462.35	1,628.70	682.20	1,348.89	1,500.00	90
SMALL TOOLS AND EQUIPMENT	4,216.03	1,354.54	1,354.54	1,183.90	4,000.00	30
UTILITY CONTRACTED SERVICES	12,000.00	12,000.00	5,000.00	5,000.00	12,000.00	42
OTHER CONTRACTED SERVICES	7,864.86	11,881.00	7,439.25	2,640.00	8,000.00	33
CONSULTING SERVICES	2,734.37	1,500.00	1,500.00	2,360.96	4,000.00	59
TELEPHONE	10,029.77	10,168.73	4,371.78	3,377.92	10,000.00	34
TRAVEL EXPENSE	2,906.14	4,522.37	1,962.54	3,283.70	4,000.00	82
TRAINING & INSTRUCTION	2,197.43	1,570.95	1,038.25	1,255.17	3,000.00	42
PUBLIC INFORMATION						
INSURANCE	1,475.00	1,503.00	1,128.00	1,360.00	1,500.00	91
WORKERS COMPENSATION	2,618.00	3,702.00	3,702.00	2,647.00	3,900.00	68
DUES & SUBSCRIPTIONS	1,985.81	2,300.54	1,588.54	1,512.98	2,200.00	69
TOTAL: ADMINISTRATION & FINANCE	459,663.90	457,018.83	212,182.64	189,863.17	454,750.00	42
ELECTIONS						
TEMPORARY SALARIES	1,438.14	960.42		1,551.16	2,000.00	78
OFFICE SUPPLIES	2,391.38	2,997.78		776.46	2,500.00	31
TOTAL: ELECTIONS	3,829.52	3,958.20		2,327.62	4,500.00	52
AUDITING & ACCTING SERVICES	18,100.00	18,600.00			19,000.00	
ASSESSING SERVICES CONTRACTED	17,567.00	17,413.00	17,413.00	17,380.00	17,500.00	99
CITY ATTORNEY						
OFFICE SUPPLIES	1,350.66	220.27	77.69	367.65	200.00	184
CITY ATTORNEY CONTRACT	25,227.75	26,889.75	10,858.25	7,933.00	24,100.00	33
TOTAL: CITY ATTORNEY	26,578.41	27,110.02	10,935.94	8,300.65	24,300.00	34
CITY HALL						
BUILDING MAINTENANCE & SUPPL	12,753.40	13,118.98	1,221.56	1,646.90	10,000.00	16
CONTRACTED SERV - CLEANING	2,820.35	2,959.53	1,176.00	1,167.00	3,000.00	39
INSURANCE	3,841.00	3,480.00	3,480.00	4,100.00	4,000.00	103
UTILITIES	9,803.66	10,523.96	5,478.00	4,081.00	11,000.00	37
HEATING COST	4,844.58	5,764.25	4,267.56	2,773.18	6,500.00	43
TOTAL: CITY HALL	34,062.99	35,846.72	15,623.12	13,768.08	34,500.00	40

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 4

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
<b>POLICE DEPARTMENT</b>						
SALARIES	403,033.65	385,710.07	150,129.23	162,583.13	427,598.00	38
PENSIONS	69,442.77	68,281.48	26,609.05	28,642.91	79,398.00	36
HEALTH, LIFE & DISB INSURANCE	86,578.44	61,122.47	25,580.68	31,206.19	83,972.00	37
OFFICE SUPPLIES	5,157.25	4,097.71	1,709.07	2,029.53	6,400.00	32
GAS & OIL	17,433.93	21,873.85	9,791.64	9,230.93	21,000.00	44
OPERATING SUPPLIES	10,968.31	6,996.56	2,480.08	6,917.36	10,000.00	69
UNIFORM ALLOWANCE	5,116.47	5,504.74	1,741.86	4,856.15	8,000.00	61
PERSONNEL TESTING & RECRUIT INVESTIGATIONS	12,601.68	3,317.26	2,657.50	541.70	1,500.00	36
EQUIPMENT REPAIR PARTS	2,608.51	784.57	369.28	67.29	2,500.00	3
EQUIPMENT REPAIRS CONTRACTED	9,054.65	8,078.06	2,519.90	6,192.44	9,000.00	69
SMALL TOOLS & EQUIPMENT	7,488.09	4,250.15	772.50	46.01	9,000.00	1
CONTRACTED RECORDS MAINT					5,000.00	
TELEPHONE	5,364.87	5,857.41	2,199.13	3,041.58	6,000.00	51
DARE EXPENDITURES	1,218.00	2,116.58	946.00	690.00	2,000.00	35
TRAVEL EXPENSE	1,664.26	2,993.83	2,663.90	838.35	3,000.00	28
TRAINING & INSTRUCTION	4,540.82	5,387.10	4,542.10	3,768.68	5,000.00	75
INSURANCE	15,654.00	15,570.00	15,570.00	16,037.00	16,640.00	96
WORKERS COMPENSATION	16,880.00	18,969.00	18,969.00	17,835.00	21,113.00	84
RENTS	1,920.00	1,680.00	500.00	740.00	1,600.00	46
DUES & SUBSCRIPTIONS	1,776.59	1,114.95	1,114.95	2,038.31	1,800.00	113
DOG POUND EXPENSES	1,406.75	1,771.06	280.00	340.00	1,700.00	20
<b>TOTAL: POLICE DEPARTMENT</b>	<b>679,909.04</b>	<b>633,649.28</b>	<b>271,145.87</b>	<b>300,692.56</b>	<b>732,221.00</b>	<b>41</b>
<b>FIRE DEPARTMENT</b>						
PART TIME - SALARIES	40,034.35	43,738.10	1,614.75	2,825.81	56,500.00	5
OFFICE SUPPLIES	91.32	1,299.83	483.46	238.17	750.00	32
GAS & OIL	2,087.17	2,791.07	937.45	1,910.03	3,500.00	55
OPERATING SUPPLIES	6,246.42	4,273.57	670.47	2,094.78	5,000.00	42
EQUIPMENT REPAIR PARTS	1,963.55	4,973.17	1,744.43	162.61	4,000.00	4
EQUIPMENT REPAIR CONTRACTUAL	4,885.31	2,499.49	2,246.50	3,926.24	5,000.00	79
RADIO REPAIRS CONTRACTED	1,121.90	410.47	226.74	105.00	1,500.00	7
BUILDING MAINTENANCE & SUPPL	8,638.30	5,165.98	3,982.72	862.49	4,000.00	22
BUILDING REPAIRS CONTRACTED		7,627.00	7,627.00			
SMALL TOOLS & EQUIPMENT	7,425.27	6,390.73	4,624.82	950.46	6,000.00	16
TELEPHONE	176.05	188.80	72.31	58.64	250.00	23
CONTRACTED SERVICES	440.00	28,893.13	14,439.80	241.38	2,500.00	10
TRAVEL EXPENSE	142.26	100.43	63.83		1,500.00	
TRAINING & INSTRUCTION	6,201.22	8,140.52	5,664.67	1,360.00	5,000.00	27
INSURANCE	11,535.00	11,958.00	11,958.00	12,760.00	12,500.00	102

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 5

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
WORKERS COMPENSATION	6,828.00	7,563.00	7,563.00	6,746.00	8,000.00	84
UTILITIES	3,748.26	3,739.56	1,535.38	1,698.28	4,000.00	42
HEATING COST	3,521.65	3,052.49	2,176.72	1,151.58	4,500.00	26
HYDRANT RENTALS/FIRE SERVICE	10,000.00	10,000.00	4,166.65	4,166.65	10,000.00	42
DUES & SUBSCRIPTIONS	274.00	289.00	249.00	290.00	500.00	58
<b>TOTAL: FIRE DEPARTMENT</b>	<b>115,360.03</b>	<b>153,094.34</b>	<b>72,047.70</b>	<b>41,548.12</b>	<b>135,000.00</b>	<b>31</b>
<b>BUILDING DEPARTMENT</b>						
SALARIES	43,613.44	44,262.40	16,093.76	18,543.63	47,410.00	39
PENSIONS	7,564.74	7,785.54	2,818.25	3,246.10	8,490.00	38
HEALTH, LIFE AND DISABILITY	9,668.60	9,672.80	4,053.66	4,210.80	11,220.00	38
GAS	381.22	417.13	110.28	238.23	400.00	60
OPERATING SUPPLIES	947.67	1,638.68	932.99	271.87	2,000.00	14
CONTRACTED SERV.-OTHER EXPENSE	2,291.25	6,124.41	1,002.50	49.00	5,500.00	1
TELEPHONE	735.74	739.44	308.20	311.24	750.00	41
TRAVEL EXPENSE	3,660.58	3,332.18	1,483.08	1,587.52	4,000.00	40
TRAINING & INSTRUCTION	250.00	255.00	130.00	291.52	300.00	97
DUES & SUBSCRIPTIONS	555.94	75.00	75.00	75.00	200.00	38
<b>TOTAL: BUILDING DEPARTMENT</b>	<b>69,669.18</b>	<b>74,386.06</b>	<b>27,007.72</b>	<b>28,824.91</b>	<b>80,270.00</b>	<b>36</b>
<b>HIGHWAY STREETS &amp; ROADS</b>						
SALARIES	189,696.81	178,517.17	68,750.74	74,298.29	187,650.00	40
PENSIONS	32,029.12	30,461.97	11,498.67	12,613.14	32,570.00	39
HEALTH, LIFE & DISB INSURANCE	22,943.47	26,907.24	13,129.82	10,808.92	28,490.00	38
OFFICE SUPPLIES	1.26	169.43		45.40	350.00	13
GAS & OIL	34,761.25	38,717.30	20,274.15	11,589.67	50,000.00	23
OPERATING SUPPLIES	7,537.35	8,118.26	3,105.60	4,501.56	8,000.00	56
STREET MARKINGS & SIGNS	14,011.49	8,466.35	6,138.27	4,771.21	9,000.00	53
SHOP SUPPLIES	359.42	897.98	68.56	329.53	1,000.00	33
EQUIPMENT REPAIR PARTS	12,141.79	12,513.99	5,067.95	8,559.93	15,000.00	57
TIRES	9,663.36	7,102.65	6,833.39	7,007.50	8,000.00	88
EQUIPMENT REPAIRS CONTRACTED	6,967.52	22,779.24	3,155.41	1,480.50	8,000.00	19
STREET MAINTENANCE-MATERIALS	11,075.81	101,069.80	378.34	1,192.00	15,000.00	8
STREET MAINT.- SEALCOATING	66,785.57	5,411.67	5,247.07		50,000.00	
SNOW REMOVAL	8,997.48	5,646.17	2,598.77	3,827.57	8,000.00	48
FLOOD CONTROL		40,020.23	35,050.23	480.00	10,000.00	5
BUILDING MAINTENANCE & SUPPL	5,126.42	3,437.61	1,055.79	1,407.35	2,500.00	56
SMALL TOOLS & EQUIPMENT	1,948.03	1,242.27	775.27	853.40	2,500.00	34
TELEPHONE				375.00		
TRAVEL EXPENSE	351.39	330.98	53.55	208.94	450.00	46
TRAINING & INSTRUCTION	586.40	995.59	525.50	806.93	800.00	101

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 6

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
INSURANCE	18,000.00	18,338.00	18,338.00	18,859.00	18,800.00	100
WORKERS COMPENSATION	18,586.00	18,448.00	18,355.00	17,445.00	19,000.00	92
UTILITIES	4,348.09	4,045.99	1,843.20	1,696.19	4,500.00	38
HEATING COST	3,248.65	2,923.48	2,340.00	959.64	3,800.00	25
STREET LIGHTING UTILITIES	69,770.84	66,344.85	28,464.32	26,670.52	71,000.00	38
LAUNDRY	751.31	894.39	389.39	359.67	950.00	38
<b>TOTAL: STREET DEPARTMENT</b>	<b>539,688.83</b>	<b>603,800.61</b>	<b>253,436.99</b>	<b>211,244.86</b>	<b>555,360.00</b>	<b>38</b>
<b>ORGANIZED RECREATION</b>						
MANAGEMENT FEES	14,920.69	15,712.48			16,000.00	
SENIOR CITIZEN PROGRAM	10,866.48	12,625.02	3,407.43	3,279.41	12,400.00	26
<b>TOTAL: ORGANIZED RECREATION</b>	<b>25,787.17</b>	<b>28,337.50</b>	<b>3,407.43</b>	<b>3,279.41</b>	<b>28,400.00</b>	<b>12</b>
<b>SWIMMING POOL</b>						
TEMPORARY SALARIES	36,570.13	38,580.60			40,000.00	
PENSIONS	2,797.76	2,951.51			3,060.00	
OPERATING SUPPLIES	20,352.25	24,497.47	5,106.98	4,415.28	22,000.00	20
BUILDING MAINTENANCE & SUPPL	5,033.64	6,559.59	820.25	1,779.43	16,000.00	11
BUILDING REPAIRS CONTRACTED	8,187.72	1,956.37		1,296.00	6,000.00	22
CONCESSION SUPPLIES	8,576.60	8,403.10	796.40	1,088.20	9,000.00	12
TELEPHONE	355.23	399.12	158.67	213.99	400.00	53
INSURANCE	7,594.00	8,467.73	8,124.00	8,483.46	8,400.00	101
UTILITIES	10,441.10	10,777.80	599.44	393.26	11,000.00	4
HEATING COST	3,713.78	7,174.43	68.00	65.61	8,000.00	1
<b>TOTAL: SWIMMING POOL</b>	<b>103,622.21</b>	<b>109,767.72</b>	<b>15,673.74</b>	<b>17,735.23</b>	<b>123,860.00</b>	<b>14</b>
<b>ARMORY</b>						
OPERATING SUPPLIES	296.11	84.20			400.00	
BUILDING MAINT & SUPPLIES	1,826.99	573.86	179.36	294.04	2,000.00	15
CONTRACTED SERVICES	343.45	313.56	162.88	186.26	500.00	37
TELEPHONE	501.51	502.37	209.65	209.94	500.00	42
INSURANCE	1,400.00	1,479.00	1,479.00	1,800.00	1,500.00	120
UTILITIES	2,548.34	1,801.37	911.33	884.76	2,600.00	34
HEATING COST	2,808.67	2,473.67	1,772.52	1,051.08	3,000.00	35
<b>TOTAL: ARMORY</b>	<b>9,725.07</b>	<b>7,228.03</b>	<b>4,714.74</b>	<b>4,426.08</b>	<b>10,500.00</b>	<b>42</b>
<b>PARKS</b>						
SALARIES	66,678.38	66,185.57	20,068.00	27,621.61	69,740.00	40
PENSIONS	9,018.93	8,890.09	2,767.38	3,980.07	9,180.00	43

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 7

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
HEALTH, LIFE & DISB INSURANCE	10,457.77	9,245.79	3,703.34	4,095.64	10,005.00	41
MOSQUITO SPRAY & SUPPLIES				6,697.43	8,000.00	84
CHEMICALS & CHEM SUPPLIES	3,036.06	1,961.57	996.27		5,000.00	
GAS & OIL	8,121.28	9,617.81	2,934.12	2,921.37	8,000.00	37
OPERATING SUPPLIES	13,596.53	10,553.18	4,366.59	3,936.90	10,000.00	39
LANDSCAPING MATERIALS	8,093.16	2,221.54	1,978.62	2,575.05	5,000.00	52
EQUIPMENT REPAIR PARTS	5,805.14	7,937.42	3,058.09	5,808.20	5,000.00	116
EQUIPMENT REPAIRS CONTRACTED	2,170.09	4,239.12	990.10	289.22	3,000.00	10
BUILDING REPAIR AND MAINT	2,816.17	3,412.47	911.82	2,415.45	3,500.00	69
SMALL TOOLS & EQUIPMENT	4,213.09	8,106.95	3,729.48	668.08	2,000.00	33
CONTRACTED SERVICES-MOWING	4,715.29	3,705.24	594.43	1,172.62	5,000.00	23
CONTRACTED SERVICES-TREE REMOV	15,092.44	16,443.10		3,473.45	25,000.00	14
CONTRACTED SERVICES-OTHER	5,102.85	4,261.95	573.60	2,779.36	5,000.00	56
TELEPHONE	351.48	352.23	147.00	272.24	500.00	54
TRAVEL EXPENSE	122.43	262.46	96.56	482.54	600.00	80
TRAINING & INSTRUCTION	103.30	135.75	75.75	309.73	300.00	103
INSURANCE	12,305.00	12,516.00	12,516.00	13,262.00	13,000.00	102
UTILITIES	10,504.98	7,600.45	2,171.89	2,673.52	8,000.00	33
RENT	1,800.00	1,800.00	750.00	750.00	1,800.00	42
CEMETERY	1,983.08	5,084.86	1,412.00	794.85	6,500.00	12
TOTAL: PARK DEPARTMENT	186,087.45	184,533.55	63,841.04	86,979.33	204,125.00	43
LODGING TAX EXPENSES	23,199.89	21,582.44	11,797.65	9,473.39	28,250.00	34
PROPERTY TAX ABATEMENTS	15,947.02	17,205.64			20,900.00	
NOT ALLOCATED	14,756.37	6,426.04	2,398.81	6,247.58	10,000.00	62
PUBLIC TRANSIT						
SALARIES	84,294.66	80,383.83	29,591.26	36,629.51	84,800.00	43
PENSIONS	11,785.08	11,498.66	4,212.19	5,207.21	11,500.00	45
HEALTH, LIFE & DISB INSURANCE	15,321.12	17,176.85	6,378.35	6,519.17	22,320.00	29
GAS & OIL	18,791.26	26,282.27	11,435.92	10,665.10	23,986.00	44
PERSONNEL TESTING						
OPERATING SUPPLIES	2,624.99	1,158.98	491.35	855.06	1,500.00	57
EQUIPMENT REPAIR PARTS	11,256.48	5,872.09	934.77	771.58	7,500.00	10
TIRES	2,191.79	1,115.77	1,115.77	776.26	1,200.00	65
TELEPHONE	482.11	478.78	199.98	200.56	450.00	45
TRAVEL EXPENSE	711.61	17.92		511.05	700.00	73
TRAINING & INSTRUCTION	366.00	316.00	116.00	124.00	200.00	62
ADVERTISING					300.00	
INSURANCE	4,800.00	4,872.00	4,872.00	4,900.00	5,000.00	98

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 8

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
WORKERS COMPENSATION	5,452.00	7,167.00	6,712.00	6,178.00	6,500.00	95
RENT	4,500.00	4,500.00	1,875.00	1,875.00	4,500.00	42
DUES AND SUBSCRIPTIONS						
<b>TOTAL: PUBLIC TRANSIT</b>	<b>162,577.10</b>	<b>160,840.15</b>	<b>67,934.59</b>	<b>75,212.50</b>	<b>170,456.00</b>	<b>44</b>
<b>AIRPORT</b>						
SALARIES	2,500.00	2,500.00			2,500.00	
PENSIONS	191.25	191.25			430.00	
GAS	21,660.93	22,432.86	4,660.32	18,975.04	14,000.00	136
OPERATING SUPPLIES	5,177.59	3,668.73	975.01	843.91	3,500.00	24
BUILDING MAINTENANCE & SUPPL	4,876.52	9,329.11	5,031.46	3,493.16	5,000.00	70
MANAGEMENT FEES	4,200.00	4,200.00	1,750.00	1,750.00	4,500.00	39
CONTRACTED SERVICES	2,500.00			220.00		
TELEPHONE	828.01	842.28	350.63	350.38	900.00	39
INSURANCE	4,260.00	4,297.00	4,297.00	4,600.00	4,400.00	105
UTILITIES	9,014.61	9,989.20	3,969.12	3,542.20	9,200.00	39
HEATING COST	878.24	724.52	573.82	291.43	1,200.00	24
<b>TOTAL: AIRPORT</b>	<b>56,087.15</b>	<b>58,174.95</b>	<b>21,607.36</b>	<b>34,066.12</b>	<b>45,630.00</b>	<b>75</b>
<b>TRANSFERS</b>						
TRANSFER TO LIBRARY FUND					20,000.00	
TRANSFER TO FIRE DEPT BOND FND						
TRANS TO CAPITAL OUTLAY FUND	348,600.00	350,000.00			350,000.00	
TRANS TO GOLF CLUB FUND		10,000.00	10,000.00	2,648.45		
TRANSFER TO CONCRETE PROJECTS	15,000.00	15,000.00			15,000.00	
TRANS TO STORM WATER FUND	10,000.00	10,000.00			10,000.00	
TRANS TO FIRE RELIEF FUND	30,658.00	37,255.00	6,000.00	1,000.00	34,337.00	3
TRANS TO OTHER FUNDS						
TRANS TO CIVIC CENTER	26,000.04	26,000.04	10,833.35	10,833.35	26,000.00	42
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>3,038,866.00</b>	<b>3,112,358.35</b>	<b>1,126,914.91</b>	<b>1,097,916.75</b>	<b>3,201,309.00</b>	<b>34</b>
<b>TOTAL REVENUES LESS EXPENDITURES</b>	<b>73,359.95</b>	<b>145,116.90</b>	<b>(737,756.82)</b>	<b>(669,403.77)</b>	<b>55,598.00</b>	<b>(1204)</b>

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 9

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
LIBRARY FUND						
TAXES	84,353.05	94,470.79	1,171.76	1,344.46	116,311.00	1
INTEREST EARNINGS					100.00	
RENTALS	80.00					
DONATIONS	25.00	4,000.00		1,115.00		
BUILDING DONATIONS						
SALE OF PROPERTY						
REFUNDS & REIMBURSEMENTS	2,138.78	1,776.97	616.42	787.50	2,000.00	39
TRANSFER FROM GENERAL FUND					20,000.00	
TRANSFER FROM OTHER FUNDS	450.00	450.00			460.00	
TOTAL LIBRARY FUND REVENUES	87,046.83	100,697.76	1,788.18	3,246.96	138,871.00	2
EXPENDITURES						
OFFICE & OPERATING SUPPLIES	1,522.78	2,226.72	825.11	389.51	5,000.00	8
EQUIPMENT REPAIRS					500.00	
BUILDING MAINTENANCE & SUPPL	5,144.06	5,992.98	1,253.32	1,834.21	5,500.00	33
BUILDING REPAIRS CONTRACTED						
MANAGEMENT FEES-PIONEERLAND	67,671.00	72,671.00	36,335.50	36,335.50	72,671.00	50
CONTRACTED SERV - CLEANING	4,200.00	4,200.00	1,750.00	1,750.00	5,000.00	35
TELEPHONE	909.75	893.73	369.30	388.41	950.00	41
TRAVEL					750.00	
INSURANCE	2,300.00	2,440.00	2,440.00	2,900.00	2,500.00	116
UTILITIES	6,252.92	4,904.10	1,968.23	1,815.87	6,100.00	30
HEATING COST	1,790.71	1,768.60	892.57	446.50	1,900.00	24
CAPITAL OUTLAY					35,000.00	
CAPITAL OUTLAY - BOOKS	3,054.77	3,000.00	3,000.00	3,000.00	3,000.00	100
TOTAL LIBRARY FUND EXPENDITURES	92,845.99	98,097.13	48,834.03	48,860.00	138,871.00	35
TOTAL REVENUES LESS EXPENDITURES	(5,799.16)	2,600.63	(47,045.85)	(45,613.04)		

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 10

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** WATER FUND ***						
SALE OF SERVICE	328,845.42	458,536.28	178,519.95	221,290.96	540,000.00	41
CONNECTION FEES	500.00				250.00	
FIRE SERVICE FEE	10,000.00	10,000.00	4,166.66	4,166.66	10,000.00	42
REFUNDS & REIMBURSEMENTS	5,674.46	8,820.82	6,110.57	3,211.43	4,000.00	80
TOTAL REVENUES	345,019.88	477,357.10	188,797.18	228,669.05	554,250.00	41
EXPENDITURES						
SALARIES	95,477.11	97,494.60	37,190.30	39,744.31	100,000.00	40
EARNED BENEFITS	856.37	(845.18)			1,200.00	
FRINGE BENEFITS	33,006.20	36,233.81	15,894.07	14,513.70	36,360.00	40
OFFICE SUPPLIES	769.45	560.69	37.47		1,000.00	
CHEMICALS & CHEMICAL SUPPLIES	5,561.92	7,989.64	2,854.74	3,042.11	7,000.00	43
GAS & OIL	3,663.88	3,644.10	1,475.09	1,458.16	3,700.00	39
OPERATING SUPPLIES	3,560.53	5,489.76	1,041.96	963.34	4,500.00	21
LABORATORY AND TESTING	2,234.80	1,099.43	420.44	588.49	2,000.00	29
EQUIPMENT REPAIR & MAINTENANCE	7,909.50	754.09	286.67	1,270.44	6,000.00	21
MAINTAIN SYSTEM	40,870.69	41,301.77	4,463.30	7,771.04	31,000.00	25
BUILDING REPAIR & MAINTENANCE	17,191.30	2,845.05	2,411.47	93.18	2,000.00	5
MANAGEMENT FEES	34,920.00	35,618.00	14,840.60	15,137.50	36,330.00	42
TELEPHONE	313.94	279.61	111.51	481.95	350.00	138
TRAVEL	1,503.59	594.49	432.95	265.18	1,500.00	18
TRAINING	997.73	1,080.35	585.25	628.26	1,000.00	63
MARKETING		2,695.33	2,175.33	360.99	1,000.00	36
INSURANCE	10,170.00	10,342.00	4,309.40	4,487.20	11,000.00	41
WORK COMP INSURANCE	4,856.00	6,501.00	2,058.75	1,975.00	5,500.00	36
ELECTRIC UTILITIES	43,795.69	40,628.79	19,948.23	12,675.65	45,000.00	28
DEPRECIATION	98,605.63	100,088.73	37,896.01	41,127.35	93,000.00	44
MISCELLANEOUS	3,542.39	4,702.55	3,477.49	2,896.86	4,000.00	72
INTERDEPARTMENTAL CHARGES	12,375.00	12,375.00	5,156.25	5,156.25	12,375.00	42
TOTAL EXPENDITURES	422,181.72	411,473.61	157,067.28	154,636.96	405,815.00	38
OPERATING PROFIT/(LOSS)	(77,161.84)	65,883.49	31,729.90	74,032.09	148,435.00	50

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 11

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
OTHER INCOME & EXPENSE						
INTEREST INCOME	11,497.51	6,419.80	2,768.24	4,441.88	9,000.00	49
CONTRIBUTED CAPITAL DEPRECIAT'N						
GAIN/LOSS ON FIXED ASSET SALE	(1,784.00)					
INTEREST EXPENSE	(16,690.31)	(14,811.37)	(2,060.44)	(9,564.28)	(50,700.00)	19
GRANTS & CONTRIBUTED CAPITAL						
NET INCOME/ (LOSS)	(84,138.64)	57,491.92	32,437.70	68,909.69	106,735.00	65
	=====	=====	=====	=====	=====	

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 12

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** SEWER FUND ***						
SALE OF SERVICE	738,633.77	756,800.39	311,504.12	306,673.48	760,000.00	40
CONNECTION FEES	2,000.00				2,000.00	
REFUNDS & REIMBURSEMENTS	1,994.86	8,466.46	298.39	(1,763.12)	2,000.00	(88)
<b>TOTAL REVENUES</b>	<b>742,628.63</b>	<b>765,266.85</b>	<b>311,802.51</b>	<b>304,910.36</b>	<b>764,000.00</b>	<b>40</b>
EXPENDITURES						
SALARIES	6,733.88	15,097.19	2,071.21	2,284.77	13,000.00	18
EARNED BENEFITS	1,202.24	1,739.99				
FRINGE BENEFITS	2,151.03	8,323.96	4,338.48	785.56	4,700.00	17
OFFICE SUPPLIES	254.53	135.94			300.00	
CHEMICALS & CHEMICAL SUPPLIES						
GAS & OIL	1,471.95	2,280.98	578.92	543.02	2,000.00	27
OPERATING SUPPLIES	465.01	561.96	92.21	261.33	500.00	52
LABORATORY AND TESTING		8.85				
CONTRACTED SERVICES-TESTING						
EQUIPMENT REPAIR & MAINTENANCE	21,380.56	6,740.96	4,765.27	1,283.64	5,500.00	23
MAINTAIN SYSTEM	18,584.47	22,102.80	3,827.02	3,860.60	22,000.00	18
BUILDING REPAIR & MAINTENANCE	750.40	1,114.02	734.05	35.00	1,000.00	4
CONTRACTED OPERATIONS	250,440.00	273,652.00	117,370.00	121,945.00	276,400.00	44
MANAGEMENT FEES	45,336.00	46,242.00	19,267.50	19,652.50	47,166.00	42
TELEPHONE	313.91	279.57	111.49	102.44	400.00	26
TRAVEL	748.39	19.69		234.46	500.00	47
TRAINING	133.33	252.54	100.00	172.50	400.00	43
INSURANCE	15,868.00	16,282.00	6,784.40	6,945.30	17,000.00	41
WORK COMP INSURANCE	406.00	299.00	299.00	527.00		
ELECTRIC UTILITIES	33,684.53	36,269.36	16,887.34	15,753.06	36,000.00	44
HEAT	5,956.55	5,835.89	3,546.38	2,114.62	6,000.00	35
DEPRECIATION	316,883.23	305,737.51	125,877.24	128,800.86	300,000.00	43
MISCELLANEOUS	4,801.06	4,686.48	3,075.26	1,756.98	5,200.00	34
INTERDEPARTMENTAL CHARGES	21,360.00	21,360.00	8,900.00	8,900.00	21,360.00	42
<b>TOTAL EXPENDITURES</b>	<b>748,925.07</b>	<b>769,022.69</b>	<b>318,625.77</b>	<b>315,958.64</b>	<b>759,426.00</b>	<b>42</b>
OPERATING PROFIT/(LOSS)	(6,296.44)	(3,755.84)	(6,823.26)	(11,048.28)	4,574.00	(242)

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 13

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
OTHER INCOME & EXPENSE						
SPECIAL ASSESSMENTS						
INTEREST INCOME	13,997.59	12,236.46	5,650.05	2,783.46	12,000.00	23
CONTRIBUTED CAPITAL DEPRECIAT'N						
INTEREST EXPENSE	(81,549.90)	(76,783.89)	(10,391.54)	(9,765.10)	(72,000.00)	14
GAIN/LOSS ON DISPOSAL OF ASSET						
GRANTS & CONTRIBUTED CAPITAL	18,416.67					
NET INCOME/(LOSS)	(55,432.08)	(68,303.27)	(11,564.75)	(18,029.92)	(55,426.00)	33
	=====	=====	=====	=====	=====	

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 14

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** GARBAGE COLLECTION FUND ***						
REVENUES						
SALE OF GARBAGE TAGS	4,395.99	4,080.72	2,016.68	1,093.73	4,000.00	27
GARBAGE BILLINGS	163,530.20	162,484.58	67,904.65	67,559.04	163,000.00	41
OTHER REVENUE	202.15	279.39	260.56	344.81	200.00	172
TOTAL REVENUES	168,128.34	166,844.69	70,181.89	68,997.58	167,200.00	41
EXPENDITURES						
OPERATING SUPPLIES	914.45	1,265.42	1,265.42	862.98	1,200.00	72
MANAGEMENT FEES	8,005.00	8,166.00	3,348.92	3,470.00	8,328.00	42
CONTRACTED GARBAGE PICKUP	104,167.92	103,944.00	43,310.00	43,310.00	114,000.00	38
REFUSE DISPOSAL	45,578.40	44,606.40	17,477.60	17,488.80	48,000.00	36
UNCOLLECTABLE ACCOUNTS	899.74	607.35			1,000.00	
TOTAL EXPENDITURES	159,565.51	158,589.17	65,401.94	65,131.78	172,528.00	38
OPERATING PROFIT/(LOSS)	8,562.83	8,255.52	4,779.95	3,865.80	(5,328.00)	(73)
INTEREST INCOME	1,824.43	2,039.60	829.32	906.97	1,900.00	48
NET INCOME/(LOSS)	10,387.26	10,295.12	5,609.27	4,772.77	(3,428.00)	(139)

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 15

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** ELECTRIC FUND ***						
REVENUES						
SALE OF SERVICE	3,237,616.40	3,268,994.73	1,365,576.79	1,293,314.63	3,361,000.00	38
MISCELLANEOUS	38,966.50	46,313.00	13,191.67	14,494.94	46,000.00	32
ADMINISTRATIVE SERVICES	11,999.99	12,000.01	5,000.04	5,000.04	12,000.00	42
INTERDEPARTMENTAL CHARGES	33,735.00	33,735.00	14,056.25	14,056.25	33,735.00	42
REFUNDS AND REIMBURSEMENTS	45,644.59	83,799.90	71,683.65	26,761.56	20,000.00	134
CONSERVATION REBATES	29,534.11	22,140.50	10,503.50	23,874.49	25,000.00	95
GENERATION CAPACITY REVENUE	44,352.00	45,730.00	18,656.00	19,918.00	46,800.00	43
DEDICATED CAPACITY REVENUE	300,000.00	306,000.00	127,500.00	128,700.00	309,000.00	42
GENERATION SALES	9,334.95	13,929.00	2,251.38	2,527.60	10,000.00	25
BACKUP POWER AGREEMENT	519,622.95	434,894.95	133,301.67	141,362.05	420,000.00	34
	-----	-----	-----	-----	-----	-----
TOTAL REVENUES	4,270,806.49	4,267,537.09	1,761,720.95	1,670,009.56	4,283,535.00	39
EXPENDITURES						
ADMINISTRATION						
SALARIES	75,287.45	79,655.27	28,965.61	33,595.69	75,150.00	45
EARNED BENEFITS	7,616.21	(4,417.09)			3,000.00	
FRINGE BENEFITS	30,063.92	46,082.51	27,181.51	13,507.52	32,420.00	42
OFFICE SUPPLIES	5,646.24	6,359.89	2,321.36	2,957.94	6,000.00	49
POSTAGE	2,456.25	2,756.05	1,270.30	1,715.70	3,000.00	57
GAS	193.12	353.66	140.76	94.66	300.00	32
MANAGEMENT FEES	157,085.00	160,226.00	66,760.60	68,095.60	163,430.00	42
CONTRACTED SERVICES	8,139.35	14,069.22	12,021.17		15,000.00	
DATA PROCESSING SERVICES	23,906.11	22,349.10	3,048.19	6,303.52	25,000.00	25
BILL PRINT SERVICES	12,502.79	11,152.15	3,679.43	2,831.22	12,000.00	24
TELEPHONE	8,656.13	9,110.10	3,858.53	3,524.81	9,000.00	39
TRAVEL EXPENSE	1,265.90	2,534.59	1,229.06	960.48	2,000.00	48
TRAINING & INSTRUCTION	754.00	707.50	332.50	303.04	1,400.00	22
MARKETING	8,307.34	13,726.17	3,718.54	3,348.63	10,000.00	33
INSURANCE	21,710.00	21,938.00	9,573.20	9,954.00	24,000.00	41
DEPRECIATION	473,334.93	471,018.92	179,730.02	193,194.86	450,000.00	43
MISCELLANEOUS	25,218.80	14,620.31	2,354.58	3,332.43	5,000.00	67
BAD DEBTS	15,794.60	11,497.29			12,000.00	
DUES & SUBSCRIPTIONS	5,534.67	5,372.00	5,147.00	5,563.00	6,000.00	93
LOAD MANAGEMENT/CONSERVATION	36,772.20	35,279.23	16,491.35	34,538.38	51,000.00	68
	-----	-----	-----	-----	-----	-----
TOTAL ADMINISTRATION	920,245.01	924,390.87	367,823.71	383,821.48	905,700.00	42

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED - 31May2012

PAGE # 16

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
<b>POWER PRODUCTION</b>						
GAS & OIL	6,005.00	24,316.40		24,393.00	20,000.00	122
OPERATING SUPPLIES	1,748.78	1,093.60	204.54	218.30	2,000.00	11
EQUIPMENT REPAIR & MAINTENANCE	44,033.47	34,831.97	14,515.03	22,214.45	36,000.00	62
BUILDING REPAIR & MAINT	505.04	4,094.51	464.56	237.72	2,000.00	12
CONTRACTED SERVICES	1,918.00	8,620.35	116.00	8,943.50	3,000.00	298
UTILITIES	32,493.92	34,742.22	20,671.79	15,967.88	35,000.00	46
MISCELLANEOUS	160.32	758.19	126.40	1,418.50	500.00	284
<b>TOTAL POWER PRODUCTION</b>	<b>86,864.53</b>	<b>108,457.24</b>	<b>36,098.32</b>	<b>73,393.35</b>	<b>98,500.00</b>	<b>75</b>
<b>DISTRIBUTION</b>						
GAS & OIL	8,325.02	10,440.98	4,444.56	4,338.80	8,000.00	54
OPERATING SUPPLIES	22,927.13	9,314.28	4,170.07	7,902.89	12,000.00	66
EQUIPMENT REPAIRS & MAINT	9,658.64	17,015.82	11,447.62	8,731.59	20,400.00	43
MAINTAIN SYSTEM	41,409.46	41,178.90	901.42	6,082.29	30,000.00	20
MAINTAIN STREET LIGHTS	29,808.06	40,703.15	4,005.71	985.40	15,000.00	7
BUILDING REPAIR & MAINTENANCE	8,952.08	4,291.59	3,578.79	1,021.82	5,000.00	20
PURCHASED POWER	1,589,950.48	1,587,071.12	635,361.59	615,448.94	1,613,000.00	38
WHEELING	303,747.73	286,004.81	112,942.60	124,655.04	285,000.00	44
BACKUP POWER AGREEMENT COSTS	303,094.70	264,728.10	115,566.50	91,148.31	240,000.00	38
MISSOURI RIVER CONTRACT	514,295.53	512,798.98	199,094.41	202,557.65	520,000.00	39
TELEPHONE	1,247.15	1,070.80	405.32	534.44	1,300.00	41
TRAVEL EXPENSE	647.93	317.50	27.88	498.75	500.00	100
TRAINING	648.34	831.29	618.75	1,433.00	1,000.00	143
ELECTRIC UTILITIES	13,643.58	14,749.71	8,694.44	6,890.01	14,000.00	49
HEAT	2,493.08	2,277.12	2,201.72	1,200.24	3,000.00	40
MISCELLANEOUS	342.72				500.00	
<b>TOTAL DISTRIBUTION</b>	<b>2,851,191.63</b>	<b>2,792,794.15</b>	<b>1,103,461.38</b>	<b>1,073,429.17</b>	<b>2,768,700.00</b>	<b>39</b>
<b>GRAND TOTAL EXPENSES</b>	<b>3,858,301.17</b>	<b>3,825,642.26</b>	<b>1,507,383.41</b>	<b>1,530,644.00</b>	<b>3,772,900.00</b>	<b>41</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>412,505.32</b>	<b>441,894.83</b>	<b>254,337.54</b>	<b>139,365.56</b>	<b>510,635.00</b>	<b>27</b>

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 17

DESCRIPTION	2010 YEAR END -----	2011 YEAR END -----	2011 YTD FOR SAME TIME PERIOD -----	2012 YTD -----	ADOPTED BUDGET -----	PERCENT -----
OTHER INCOME & EXPENSE						
INTEREST INCOME	75,786.12	90,395.99	31,916.31	25,662.60	80,000.00	32
UNREALIZED GAIN (LOSS) ON INVS	(7,852.26)	(17,435.53)				
INTEREST EXPENSE	(304,030.79)	(293,147.97)	(124,676.88)	(120,028.44)	(281,000.00)	43
GAIN/LOSS ON DISPOSAL/ASSET SALE OF PROPERTY	7,161.32					
PRIOR PERIOD ADJUSTMENT						
NET INCOME/(LOSS)	183,569.71 =====	221,707.32 =====	161,576.97 =====	44,999.72 =====	309,635.00 =====	15
*** SALE OF SERVICE BREAKDOWN ***						
RESIDENTIAL LIGHTING	1,334,799.16	1,343,963.84	548,164.84	501,106.44	1,400,000.00	36
INTERRUPTIBLE SERVICE	86,553.63	84,802.30	58,723.56	41,726.62	90,000.00	46
MUNICIPAL SERVICE	223,413.35	230,128.54	113,540.90	91,747.51	235,000.00	39
COMMERCIAL LIGHTING	368,610.67	351,723.68	155,806.08	148,202.81	360,000.00	41
INDUSTRIAL SERVICE	1,130,207.00	1,169,106.14	451,431.58	474,349.75	1,180,000.00	40
STREET LIGHTING & SECURITY LIGHTS	94,032.59	89,270.23	37,909.83	36,181.50	96,000.00	38
TOTAL SALES OF SERVICE	3,237,616.40 =====	3,268,994.73 =====	1,365,576.79 =====	1,293,314.63 =====	3,361,000.00 =====	38

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 18

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** LIQUOR FUND ***						
REVENUES						
SALES	989,214.11	986,760.86	362,548.65	422,255.20	999,000.00	42
COST OF SALES	664,809.65	665,036.81	245,466.68	274,978.15	675,010.00	41
GROSS PROFIT	324,404.46	321,724.05	117,081.97	147,277.05	323,990.00	45
RENTAL INCOME	3,000.00	14,961.80	4,336.60	7,320.00	14,400.00	51
MACHINE COMMISSIONS	1,135.00	1,123.16	429.97	662.62	1,000.00	66
MISCELLANEOUS INCOME	700.25	424.73	149.73	807.50	1,000.00	81
TOTAL GROSS PROFIT	329,239.71	338,233.74	121,998.27	156,067.17	340,390.00	46
EXPENDITURES						
SALARIES	130,448.25	128,582.33	51,169.46	52,361.30	107,200.00	49
FRINGE BENEFITS	51,349.36	43,626.19	19,242.90	15,536.00	38,725.00	40
OFFICE SUPPLIES	628.67	886.66	270.45	101.33	700.00	14
OPERATING SUPPLIES	6,310.37	5,775.67	2,530.47	2,383.98	6,000.00	40
BUILDING MAINTENANCE & SUPPLIES	12,774.52	7,794.09	2,920.96	5,348.48	9,000.00	59
MANAGEMENT FEES	23,195.00	23,658.00	9,857.50	10,054.40	24,130.00	42
CONTRACTED SERVICES - CLEANING	9,249.15	9,300.00	3,875.00	3,875.00	9,000.00	43
TELEPHONE EXPENSE	895.58	862.14	374.22	498.62	1,000.00	50
TRAVEL EXPENSE	413.00	345.00	345.00	447.43	600.00	75
TRAINING & INSTRUCTION	277.90	182.31	167.31	69.12	800.00	9
FREIGHT ON LIQUOR	3,698.85	3,626.85	1,367.35	1,414.70	4,000.00	35
ADVERTISING	15,800.02	17,198.03	7,050.19	6,816.56	18,000.00	38
INSURANCE	16,118.38	15,130.00	6,304.40	5,524.40	14,000.00	39
UTILITIES	13,899.86	13,417.04	4,909.44	5,493.34	14,000.00	39
HEATING COST	1,182.72	1,154.76	954.68	411.16	1,200.00	34
DEPRECIATION	23,577.48	10,147.32	4,228.05	4,228.05	8,840.00	48
MISCELLANEOUS	3,536.89	3,519.03	1,233.23	1,496.35	4,500.00	33
CREDIT CARD DISCOUNT	8,635.06	9,789.88	3,618.71	4,864.18	7,000.00	69
BAD DEBTS	195.48	940.98	534.41	407.19	200.00	204
LAUNDRY EXPENSE	1,112.63	1,021.53	435.96	558.11	1,200.00	47
TOTAL EXPENDITURES	323,299.17	296,957.81	121,389.69	121,889.70	270,095.00	45
OPERATING PROFIT/(LOSS)	5,940.54	41,275.93	608.58	34,177.47	70,295.00	49
INTEREST INCOME	305.29	150.69	45.41	77.65	150.00	52
GAIN/LOSS ON DISPOSAL/ASSET						
NET INCOME/(LOSS)	6,245.83	41,426.62	653.99	34,255.12	70,445.00	49
	=====	=====	=====	=====	=====	

06/15/12  
10:57:57

CITY OF BENSON  
BUDGET REPORT  
FOR MONTH ENDED 31May2012

PAGE # 19

DESCRIPTION	2010 YEAR END	2011 YEAR END	2011 YTD FOR SAME TIME PERIOD	2012 YTD	ADOPTED BUDGET	PERCENT
	-----	-----	-----	-----	-----	-----
*** LIQUOR SALES ANALYSIS ***						
OFF SALE LIQUOR & WINE SALES	304,775.18	307,890.82	115,860.19	132,166.10	310,000.00	43
COST OF SALES	(218,786.37)	(217,066.35)	(81,845.52)	(92,609.98)	(221,960.00)	42
GROSS PROFIT	85,988.81	90,824.47	34,014.67	39,556.12	88,040.00	45
OFF SALE BEER SALES	516,225.40	519,870.68	189,299.46	204,339.57	525,000.00	39
COST OF SALES	(386,621.21)	(390,175.51)	(142,141.55)	(152,543.53)	(393,750.00)	39
GROSS PROFIT	129,604.19	129,695.17	47,157.91	51,796.04	131,250.00	39
ON SALE LIQUOR & WINE SALES	40,674.68	40,776.23	14,987.20	25,920.04	45,000.00	58
COST OF SALES	(5,970.21)	(5,866.98)	(2,334.22)	(3,718.28)	(6,300.00)	59
GROSS PROFIT	34,704.47	34,909.25	12,652.98	22,201.76	38,700.00	57
ON SALE BEER SALES	85,857.81	75,758.36	28,060.13	41,654.85	75,000.00	56
COST OF SALES	(22,991.96)	(21,173.10)	(7,888.51)	(11,115.89)	(21,000.00)	53
GROSS PROFIT	62,865.85	54,585.26	20,171.62	30,538.96	54,000.00	57
MISCELLANEOUS SALES	41,681.04	42,464.77	14,341.67	18,174.64	44,000.00	41
COST OF SALES	(30,439.90)	(30,754.87)	(11,256.88)	(14,990.47)	(32,000.00)	47
GROSS PROFIT	11,241.14	11,709.90	3,084.79	3,184.17	12,000.00	27
TOTAL SALES	989,214.11	986,760.86	362,548.65	422,255.20	999,000.00	42
TOTAL COST OF SALES	(664,809.65)	(665,036.81)	(245,466.68)	(274,978.15)	(675,010.00)	41
TOTAL GROSS PROFIT	324,404.46	321,724.05	117,081.97	147,277.05	323,990.00	45
	=====	=====	=====	=====	=====	

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.32100 2)BUSINESS LICENSES	1)GENERAL FUND LIQUOR LICENSE REFUND	912.33	DUFFY'S BAR AND GRILL	042600 M-05312012-184	35
101.34720 2)SWIMMING POOL RECEIPTS	1)GENERAL FUND POOL START UP CASH	272.00	BANK OF THE WEST	042604 M-05312012-184	48
101.41110.331 2)MAYOR & COUNCIL	1)GENERAL FUND 3)TRAVEL EXPENSE LODGING	170.28	BANKCARD CENTER	D-05312012-182	496
101.41110.350 2)MAYOR & COUNCIL	1)GENERAL FUND 3)PRINTING & PUBLISHING MOSQUITO SPRAYING & ORDI	228.49	MONITOR & NEWS	D-05312012-182	425
101.41300.201 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)OFFICE SUPPLIES PAPER ADDRESS LABELS LEAGUE DIRECTORY CREDIT CARD ANNUAL FEES	45.95 138.51 54.61 70.00	BACKSTREET PRINTING MONITOR PRINTING LEAGUE OF MINN CITIES BANKCARD CENTER	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	259 282 480 497
101.41300.202 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)DUPLICATING & COPYING COPIER MAINT COPIER PAYMENT COPY PAPER	81.67 193.44 112.38	COPIER BUSINESS SOLUTION TOSHIBA FINANCIAL SERVIC WEST CENTRAL SALES	D-05312012-182 D-05312012-182 D-05312012-182	69 195 384
101.41300.203 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)POSTAGE STAMPS	48.00	INCIDENTAL FUND	D-05312012-182	254
101.41300.209 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)GAS & OIL GAS GAS	236.60 115.23	GLACIAL PLAINS COOPERATI BANKCARD CENTER	D-05312012-182 D-05312012-182	83 499
101.41300.221 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)EQUIPMENT REPAIR PARTS OIL FILTER - ELLIOT	4.24	NORTHSIDE AUTO	D-05312012-182	397
101.41300.309 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)CONTRACTED SERVICES COMP TIME/DATA ENTRY	1,000.00	ELECTRIC FUND	D-05312012-182	21
101.41300.310 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)CONTRACTED SERVICES SPAM FILTERING TECH SUPPORT SVC	36.00 527.50	MINN OFFICE OF ENTERPRIS SWIFT COUNTY	D-05312012-182 D-05312012-182	92 109

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.41300.321	1) GENERAL FUND				
2) ADMINISTRATION & FINANCE	3) TELEPHONE				
	LONG DISTANCE CHARGES	126.36	CENTURYLINK	D-05312012-182	80
	MONTHLY PRI CHARGE	434.30	CENTURYLINK	D-05312012-182	188
	CELL PHONE REIMBURSEMENT	96.85	WOLFINGTON/ROB	D-05312012-182	267
	CELL PHONE-ADMIN	110.42	VERIZON	042603 M-05312012-184	1
101.41300.331	1) GENERAL FUND				
2) ADMINISTRATION & FINANCE	3) TRAVEL EXPENSE				
	PLANNING COMMITTEE MTG	53.77	DAROLD'S SUPER VALUE	D-05312012-182	417
	MEAL	23.44	BANKCARD CENTER	D-05312012-182	500
101.41300.332	1) GENERAL FUND				
2) ADMINISTRATION & FINANCE	3) TRAINING & INSTRUCTION				
	AWAIR TRAINING	23.04	RISC	D-05312012-182	485
101.41300.433	1) GENERAL FUND				
2) ADMINISTRATION & FINANCE	3) DUES & SUBSCRIPTIONS				
	MCFOA - MN MEMBERSHIP	35.00	MUN CLERKS & FIN. OFF. A	D-05312012-182	289
	PDRSN KIWANIS DUES/MEALS	137.00	BENSON KIWANIS CLUB	D-05312012-182	311
	WLFGTN KIWANIS DUES/MEAL	137.00	BENSON KIWANIS CLUB	D-05312012-182	312
	MCFOA MEMBERSHIP	35.00	MUN CLERKS & FIN. OFF. A	D-05312012-182	454
	ICMA DUES	666.83	BANKCARD CENTER	D-05312012-182	498
101.41410.201	1) GENERAL FUND				
2) ELECTIONS	3) OFFICE SUPPLIES				
	SPECIAL ELECTION COSTS	625.64	SWIFT COUNTY AUDITOR	D-05312012-182	270
	SPECIAL ELECTION NOTICE	28.48CR	MONITOR & NEWS	D-05312012-182	423
101.41610.201	1) GENERAL FUND				
2) CITY ATTORNEY	3) OFFICE SUPPLIES				
	POSTAGE, FILE LIEN	18.60	WILCOX LAW OFFICE, P.A.	D-05312012-182	58
101.41610.304	1) GENERAL FUND				
2) CITY ATTORNEY	3) CITY ATTORNEY CONTRACT				
	ATTORNEY FEES	1,870.50	WILCOX LAW OFFICE, P.A.	D-05312012-182	56
101.41940.235	1) GENERAL FUND				
2) CITY HALL	3) BUILDING MAINTENANCE & SUPPL				
	MATS	24.97	BENSON LAUNDRY-MAT HOUSE	D-05312012-182	60
	MATS	24.97	BENSON LAUNDRY-MAT HOUSE	D-05312012-182	353
	MATS	24.97	BENSON LAUNDRY-MAT HOUSE	D-05312012-182	354
	FIRE EXT. MAINTENANCE	147.91	AMERICAN WELDING-WILLMAR	D-05312012-182	371
	CITY OFFICE PLANTS	83.13	THE FLOWER BASKET	D-05312012-182	389
	AIR FRESHNER, COFFEE	24.88	DAROLD'S SUPER VALUE	D-05312012-182	418
101.41940.310	1) GENERAL FUND				
2) CITY HALL	3) CONTRACTED SERV - CLEANING				
	CLEAN CITY HALL	223.00	SWIFT COUNTY DAC	D-05312012-182	275

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.41940.381 2)CITY HALL	1)GENERAL FUND 3)UTILITIES UTILITIES	478.10	MUNICIPAL UTILITIES	D-05312012-182	93
101.41940.383 2)CITY HALL	1)GENERAL FUND 3)HEATING COST NATURAL GAS	16.38	CENTER POINT ENERGY	D-05312012-182	159
101.42100.201 2)POLICE DEPARTMENT	1)GENERAL FUND 3)OFFICE SUPPLIES TONER COPIER PAYMENT GLOVES HANDGUN PERMITS ENVELOPES COPIER MAINTENANCE	8.60 168.86 93.73 61.99 259.51 45.66	COPIER BUSINESS SOLUTION TOSHIBA FINANCIAL SERVIC NORTHERN SAFETY CO.INC. MINNESOTA CHIEFS OF POLI MONITOR PRINTING COPIER BUSINESS SOLUTION	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	70 186 244 250 283 392
101.42100.209 2)POLICE DEPARTMENT	1)GENERAL FUND 3)GAS & OIL GAS GAS AT PETRO SERVE GAS	1,973.80 47.07 26.89	GLACIAL PLAINS COOPERATI PUCKETT/JOSIAH BANKCARD CENTER	D-05312012-182 D-05312012-182 D-05312012-182	84 279 506
101.42100.210 2)POLICE DEPARTMENT	1)GENERAL FUND 3)OPERATING SUPPLIES BIKE HELMETS PEN AMPOULE METH/ECSTACY NON PROCESSIBLE DISPOSAL PARK VIEW PRESENTATION MEMORY CARD FIRE EXT MAINTENANCE FUSES, BATTERY DONUTS; SUCKERS BATTERIES & ANNUAL FEE	224.03 91.75 16.00 10.50 32.05 189.41 11.73 34.04 48.94	CLARK'S REXALL DRUG STOR MEDIMPEX UNITED INC SWIFT CO ENVIRONMENTAL S BENSON BAKERY BREENS THRIFTY WHITE DRU AMERICAN WELDING-WILLMAR RUNNINGS FARM & FLEET DOMAT'S FAMILY FOODS BANKCARD CENTER	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	233 284 339 366 367 376 440 462 508
101.42100.211 2)POLICE DEPARTMENT	1)GENERAL FUND 3)FORFEITURE EXPENDITURES TITLE TRANSFER AIRSOFT PISTOLS & GUN LIGHT,DOOR/SWITCH FORFEITURE 10% FEE FORFEITURE 10% FEE	43.00 432.84 176.31 105.29 113.10	INCIDENTAL FUND MINCO TECHNOLOGY CENTER STREICHER'S COMM OF MMB, TREAS DIV COMM OF MMB, TREAS DIV	D-05312012-182 D-05312012-182 D-05312012-182 042599 M-05312012-184 042599 M-05312012-184	253 285 316 34 56
101.42100.213 2)POLICE DEPARTMENT	1)GENERAL FUND 3)UNIFORM ALLOWANCE UNIFORM ALLOWANCE BLACK T-SHIRTS/BURTON	31.96 49.98	DOSDALL/NANCY STREICHER'S	D-05312012-182 D-05312012-182	297 317

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
101.42100.221 2)POLICE DEPARTMENT	1)GENERAL FUND 3)EQUIPMENT REPAIR PARTS WIPER BLADES	44.87	AUTO VALU BENSON		D-05312012-182	261
101.42100.223 2)POLICE DEPARTMENT	1)GENERAL FUND 3)EQUIPMENT REPAIRS CONTRACTED 0815 SQUAD PUSH BUMPER OIL CHANGES	26.00 118.25	SOUTHSIDE BODY SHOP GLACIAL PLAINS COOPERATI		D-05312012-182 D-05312012-182	315 412
101.42100.318 2)POLICE DEPARTMENT	1)GENERAL FUND 3)DARE EXPENDITURES DARE KIDS TO SAINTS GAME	690.00	BANKCARD CENTER		D-05312012-182	507
101.42100.321 2)POLICE DEPARTMENT	1)GENERAL FUND 3)TELEPHONE MONTHLY PRI CHARGE LOCAL SERVICE CELL PHONE STIPEND-MAY CELL PHONE STIPEND JAN-MAY CELL PHONE STIPE JAN-MAY CELL PHN STPND CELL PHONE BILL CELL PHONE-POLICE	100.00 59.11 40.00 40.00 200.00 200.00 105.48 130.10	CENTURYLINK CENTURYLINK PUCKETT/JOSIAH BADOWICH/BENJAMIN BURTON/DUSTY LARSON/PAUL VERIZON VERIZON		D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 M-05312012-184	189 197 278 307 309 318 343 2
101.42100.331 2)POLICE DEPARTMENT	1)GENERAL FUND 3)TRAVEL EXPENSE MAEALS AT TRAINING MEALS & LODGING	100.66 413.43	PUCKETT/JOSIAH BANKCARD CENTER		D-05312012-182 D-05312012-182	280 504
101.42100.332 2)POLICE DEPARTMENT	1)GENERAL FUND 3)TRAINING & INSTRUCTION SWAT BASIC OFF. PUCKETT LDRSHP ACDMY P LARSON AWAIR TRAINING BCA USERS CONFERENCE	150.00 485.00 80.64 213.04	CITY OF FARGO ND MINNESOTA CHIEFS OF POLI RISC BANKCARD CENTER		D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	234 249 486 505
101.42100.411 2)POLICE DEPARTMENT	1)GENERAL FUND 3)RENT GARAGE RENT	100.00	ELECTRIC FUND		D-05312012-182	29
101.42100.433 2)POLICE DEPARTMENT	1)GENERAL FUND 3)DUES & SUBSCRIPTIONS ANNUAL SUB. MONITOR NEWS KIWANIS DUES/MEALS	35.00 137.00	MONITOR & NEWS BENSON KIWANIS CLUB		D-05312012-182 D-05312012-182	276 310
101.42100.439 2)POLICE DEPARTMENT	1)GENERAL FUND 3)DOG POUND EXPENSES POUND BOARDING	90.00	H & H VETERINARY SERVICE		D-05312012-182	314

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.42200.210	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)OPERATING SUPPLIES				
	ATV RENTAL	75.00	SCHRECK/MARK	D-05312012-182	237
	ATV RENTAL	100.00	LEE/ROB	D-05312012-182	238
	ATV RENTAL	100.00	HOBERG/ROBERT	D-05312012-182	239
	ATV RENTAL	75.00	ASCHEMAN/TOM	D-05312012-182	240
	FIRE EXT MAINTENANCE	852.44	AMERICAN WELDING-WILLMAR	D-05312012-182	375
	SHIPPING CHARGE	10.00	TRACE ANALYTICS INC	D-05312012-182	430
	ROUTINE ANANLYSIS	75.00	TRACE ANALYTICS INC	D-05312012-182	431
101.42200.221	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)EQUIPMENT REPAIR PARTS				
	MALE RIG	9.61	NORTHSIDE AUTO	D-05312012-182	393
101.42200.223	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)EQUIPMENT REPAIR CONTRACTUAL				
	GROMETS ON FD TARP	90.61	JIM'S UPHOLSTRY	D-05312012-182	429
101.42200.310	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)CONTRACTED SERVICES				
	CLEAN FIRE HALL	14.70	SWIFT COUNTY DAC	D-05312012-182	274
101.42200.321	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)TELEPHONE				
	CELL PHONE-FIRE	14.65	VERIZON	042601 M-05312012-184	45
101.42200.381	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)UTILITIES				
	UTILITIES	209.40	MUNICIPAL UTILITIES	D-05312012-182	95
101.42200.383	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)HEATING COST				
	NATURAL GAS	11.33	CENTER POINT ENERGY	D-05312012-182	160
101.42200.418	1)GENERAL FUND				
2)FIRE DEPARTMENT	3)FIRE SERVICE FEE				
	FIRE SERVICE	833.33	WATER FUND	D-05312012-182	24
101.42600.209	1)GENERAL FUND				
2)ENGINEERING DEPARTMENT	3)GAS				
	GAS	118.55	GLACIAL PLAINS COOPERATI	D-05312012-182	86
101.42600.210	1)GENERAL FUND				
2)ENGINEERING DEPARTMENT	3)OPERATING SUPPLIES				
	MARKING PAINT	5.87	ZOSEL'S TRUE VALUE	D-05312012-182	404
	SPRAY PAINT	10.67	RUNNINGS FARM & FLEET	D-05312012-182	447
	CREDIT CARD ANNUAL FEE	35.00	BANKCARD CENTER	D-05312012-182	503

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.42600.321 2)ENGINEERING DEPARTMENT	1)GENERAL FUND 3)TELEPHONE CELL PHONE-M JACOBSON	62.47	VERIZON	042603 M-05312012-184	6
101.42600.332 2)ENGINEERING DEPARTMENT	1)GENERAL FUND 3)TRAINING & INSTRUCTION AWAIR TRAINING	11.52	RISC	D-05312012-182	487
101.43100.209 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)GAS & OIL GAS	3,417.16	GLACIAL PLAINS COOPERATI	D-05312012-182	87
101.43100.210 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)OPERATING SUPPLIES WELDING GAS VENTED CAPS SHIRTS BATTERY, MOP GLOVES, HELMET, BOOTS	92.77 35.80 92.13 57.44 170.72	AMERICAN WELDING-WILLMAR NORTHERN SAFETY CO.INC. CORPORATE CONNECTION ZOSEL'S TRUE VALUE RUNNINGS FARM & FLEET	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	196 246 300 406 446
101.43100.212 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)STREET MARKINGS & SIGNS STREET SIGNS	57.40	M-R SIGN CO., INC.	D-05312012-182	288
101.43100.215 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)SHOP SUPPLIES 1/2 DR 6 PT	11.32	AUTO VALU BENSON	D-05312012-182	263
101.43100.221 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)EQUIPMENT REPAIR PARTS PRIMER BULB FUEL CAP FILTER CREDIT FILTERS, FLASHER BATTERY PIN, WASHER - #40	4.18 12.81 129.96CR 75.07 30.98 906.88	ERIC'S MOTORSPORTS AUTO VALU BENSON ARNOLD'S OF WILLMAR, INC NORTHSIDE AUTO RUNNINGS FARM & FLEET POWER PLAN	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	223 262 358 398 443 467
101.43100.223 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)EQUIPMENT REPAIRS CONTRACTED TIRE REPAIR UNIT 4	46.96	GLACIAL PLAINS COOPERATI	D-05312012-182	414
101.43100.227 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)STREET MAINTENANCE-CONTRACTU CHLORIDE APPLICATION	1,192.00	SWIFT COUNTY TOWNSHIP AS	D-05312012-182	477
101.43100.235 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL OIL FILTER DISPOSAL FIRE EXT MAINTENANCE	95.00 713.92	SWIFT CO ENVIRONMENTAL S AMERICAN WELDING-WILLMAR	D-05312012-182 D-05312012-182	340 377

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.43100.321	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)TELEPHONE				
	MONTHLY CELL PHONE ALLOW	25.00	ASCHEMAN/WADE	D-05312012-182	200
	MONTHLY CELL PHONE ALLOW	25.00	OLSON/RUSSELL	D-05312012-182	201
	MONTHLY CELL PHONE ALLOW	25.00	HOFFMAN/MIKE	D-05312012-182	202
101.43100.332	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)TRAINING & INSTRUCTION				
	AWAIR TRAINING	46.08	RISC	D-05312012-182	488
101.43100.381	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)UTILITIES				
	UTILITIES	216.20	MUNICIPAL UTILITIES	D-05312012-182	96
	ELEC SERVICE-DUMP/PIT	85.84	AGRALITE ELECTRIC COOPER	042597 M-05312012-184	31
101.43100.383	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)HEATING COST				
	NATURAL GAS	16.67	CENTER POINT ENERGY	D-05312012-182	161
101.43100.386	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)STREET LIGHTING UTILITIES				
	UTILITIES	4,563.07	MUNICIPAL UTILITIES	D-05312012-182	472
101.43100.438	1)GENERAL FUND				
2)HIGHWAY STREETS & ROADS	3)LAUNDRY				
	MATS & TOWELS	32.80	BENSON LAUNDRY-MAT HOUSE	D-05312012-182	62
	MATS & TOWELS	34.94	BENSON LAUNDRY-MAT HOUSE	D-05312012-182	355
101.45121.235	1)GENERAL FUND				
2)ORGANIZED RECREATION	3)BUILDING MAINTENANCE & SUPPL				
	SR CENTER LITES	31.51	BORDER STATES ELECTRIC S	D-05312012-182	400
101.45121.310	1)GENERAL FUND				
2)ORGANIZED RECREATION	3)SENIOR CITIZEN PROGRAM				
	MONTHLY CONTRIBUTION	600.00	SENIOR ADVOCACY CORPORAT	D-05312012-182	28
	M&B FIREARMS TRNG	25.00	SENIOR ADVOCACY CORPORAT	D-05312012-182	255
101.45124.210	1)GENERAL FUND				
2)SWIMMING POOL	3)OPERATING SUPPLIES				
	FIRST AID SUPPLIES	53.62	NORTHERN SAFETY CO.INC.	D-05312012-182	247
	EYEWASH STATION	360.09	USA BLUE BOOK	D-05312012-182	322
	SIGNAGE	189.87	IN THE SWIM	D-05312012-182	361
	CELL PHONE-POOL	26.02	VERIZON	042601 M-05312012-184	46
101.45124.235	1)GENERAL FUND				
2)SWIMMING POOL	3)BUILDING MAINTENANCE & SUPPL				
	MOWER REPAIRS	116.02	ERIC'S MOTORSPORTS	D-05312012-182	225
	REPAINT ELECRIC PANELS	467.48	BENSON BODY SHOP	D-05312012-182	236
	#7 STOCK - POOL	14.62	DAKOTA SUPPLY GROUP	D-05312012-182	350
	FIRE EXT MAINTENANCE	46.00	AMERICAN WELDING-WILLMAR	D-05312012-182	372
	SWITCH, BOX, PLATE	550.01	ZOSEL'S TRUE VALUE	D-05312012-182	407

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.45124.235	1)GENERAL FUND				
2)SWIMMING POOL	3)BUILDING MAINTENANCE & SUPPL				
	SPRAYER, BLEACH, PAINT	391.03	RUNNINGS FARM & FLEET	D-05312012-182	444
	BROOM, PIPE	120.60	RUNNINGS FARM & FLEET	D-05312012-182	449
101.45124.254	1)GENERAL FUND				
2)SWIMMING POOL	3)CONCESSION FOOD AND SUPPLIES				
	CONCESSION SNACKS	1,088.20	MONTE CANDY COMPANY	D-05312012-182	212
101.45124.321	1)GENERAL FUND				
2)SWIMMING POOL	3)TELEPHONE				
	LOCAL SERVICE	85.78	CENTURYLINK	D-05312012-182	178
101.45124.381	1)GENERAL FUND				
2)SWIMMING POOL	3)UTILITIES				
	UTILITIES	118.80	MUNICIPAL UTILITIES	D-05312012-182	98
101.45124.383	1)GENERAL FUND				
2)SWIMMING POOL	3)HEATING COST				
	NATURAL GAS	20.31	CENTER POINT ENERGY	D-05312012-182	162
	NATURAL GAS	45.30	CENTER POINT ENERGY	D-05312012-182	364
101.45181.310	1)GENERAL FUND				
2)ARMORY	3)CONTRACTED SERVICES				
	CLEAN ARMORY	29.40	SWIFT COUNTY DAC	D-05312012-182	273
101.45181.321	1)GENERAL FUND				
2)ARMORY	3)TELEPHONE				
	LOCAL SERVICE	41.97	CENTURYLINK	D-05312012-182	179
101.45181.381	1)GENERAL FUND				
2)ARMORY	3)UTILITIES				
	UTILITIES	128.85	MUNICIPAL UTILITIES	D-05312012-182	99
101.45181.383	1)GENERAL FUND				
2)ARMORY	3)HEATING COST				
	NATURAL GAS	30.29	CENTER POINT ENERGY	D-05312012-182	163
101.45200.209	1)GENERAL FUND				
2)PARKS	3)GAS & OIL				
	GAS	1,570.99	GLACIAL PLAINS COOPERATI	D-05312012-182	88
101.45200.210	1)GENERAL FUND				
2)PARKS	3)OPERATING SUPPLIES				
	TRIMMER LINE	21.27	ERIC'S MOTORSPORTS	D-05312012-182	221
	SAFETY GLASSES	11.43	NORTHERN SAFETY CO.INC.	D-05312012-182	242
	SAFETY GLASSES	22.86	NORTHERN SAFETY CO.INC.	D-05312012-182	243
	VENTED CAPS	53.70	NORTHERN SAFETY CO.INC.	D-05312012-182	245
	FILTERS, PLIER	226.68	AUTO VALU BENSON	D-05312012-182	265
	SHIRTS	46.02	CORPORATE CONNECTION	D-05312012-182	299
	SS LAGS	30.35	A.F. BUILDING MATERIALS	D-05312012-182	313

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
101.45200.210	1)GENERAL FUND					
2)PARKS	3)OPERATING SUPPLIES					
	STIHL TRIMMER REPAIR	121.14	ERIC'S MOTORSPORTS		D-05312012-182	346
	CONTROL	9.61	NORTHSIDE AUTO		D-05312012-182	396
	FERTILIZER	35.88	ZOSEL'S TRUE VALUE		D-05312012-182	403
	WEED KILLER	138.92	RUNNINGS FARM & FLEET		D-05312012-182	442
	BOOTS, EXT. CORD	510.32	RUNNINGS FARM & FLEET		D-05312012-182	448
	12 X 18 FLAG	307.80	BANKCARD CENTER		D-05312012-182	501
101.45200.211	1)GENERAL FUND					
2)PARKS	3)LANDSCAPING MATERIALS					
	FLOWERS	139.34	THE FLOWER BASKET		D-05312012-182	335
	ARBOR DAY TREES	394.90	THE FLOWER BASKET		D-05312012-182	336
	PLANTS	7.21	EDEN'S GREEN NURSERY		D-05312012-182	345
	ROSEVELT PARK	170.62	THE FLOWER BASKET		D-05312012-182	390
	PARKS FLOWERS	895.83	THE FLOWER BASKET		D-05312012-182	391
	TOP SOIL	25.52	RUNNINGS FARM & FLEET		D-05312012-182	445
	SEEDING BENSON MRKT SITE	811.84	LAWN & DRIVEWAY SERVICE		D-05312012-182	483
101.45200.221	1)GENERAL FUND					
2)PARKS	3)EQUIPMENT REPAIR PARTS					
	GOLF CART, SPREADER BATT	224.22	TOM'S SERVICE, INC		D-05312012-182	329
	WHEELS	167.24	ARNOLD'S OF WILLMAR, INC		D-05312012-182	359
	SPINDLE, BLADE	434.92	ARNOLD'S OF WILLMAR, INC		D-05312012-182	360
	AIR FILTER	9.07	NORTHSIDE AUTO		D-05312012-182	395
	APRIL OVERPMT - PARTS	66.45CR	JOHN DEERE FINANCIAL	042598	M-05312012-184	32
	PARTS	488.32	JOHN DEERE FINANCIAL	042598	M-05312012-184	33
101.45200.223	1)GENERAL FUND					
2)PARKS	3)EQUIPMENT REPAIRS CONTRACTED					
	FIX TRIMMER	36.63	ERIC'S MOTORSPORTS		D-05312012-182	222
	SNAPPER MOWER REPAIR	167.30	ERIC'S MOTORSPORTS		D-05312012-182	224
	TIRE REPAIR	37.30	GLACIAL PLAINS COOPERATI		D-05312012-182	413
101.45200.235	1)GENERAL FUND					
2)PARKS	3)BUILDING MAINTENANCE & SUPPL					
	MAY RENT	34.20	WEST ACRES WATER SYSTEMS		D-05312012-182	328
	FIRE EXT MAINT- CIVIC CE	121.41	AMERICAN WELDING-WILLMAR		D-05312012-182	370
	FIRE EXT. MAINTENANCE	176.91	AMERICAN WELDING-WILLMAR		D-05312012-182	374
	SOAP - NS REC	48.04	WEST CENTRAL SALES		D-05312012-182	382
	TISSUE, TOWELS	115.52	WEST CENTRAL SALES		D-05312012-182	383
	CLEANER	36.51	ZOSEL'S TRUE VALUE		D-05312012-182	405
	MATS	27.04	BENSON LAUNDRY-MAT HOUSE		D-05312012-182	470
101.45200.240	1)GENERAL FUND					
2)PARKS	3)SMALL TOOLS & EQUIPMENT					
	TAPER PUNCH	28.62	AUTO VALU BENSON		D-05312012-182	264
	2 TRIMMERS AND STRING	512.79	ERIC'S MOTORSPORTS		D-05312012-182	347

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.45200.310 2) PARKS	1) GENERAL FUND 3) CONTRACTED SERVICES-MOWING MOWING	823.32	SWIFT COUNTY DAC	D-05312012-182	272
101.45200.311 2) PARKS	1) GENERAL FUND 3) CONTRACTED SERVICE - OTHER PARK CARETAKER 4/20-5/31	877.50	LANDMARK/LONI	D-05312012-182	198
101.45200.321 2) PARKS	1) GENERAL FUND 3) TELEPHONE LOCAL SERVICE MONTHLY CELL PHONE ALLOW	29.43 25.00	CENTURYLINK HOPP/DUANE	D-05312012-182 D-05312012-182	181 205
101.45200.332 2) PARKS	1) GENERAL FUND 3) TRAINING & INSTRUCTION AWAIR TRAINING	57.60	RISC	D-05312012-182	489
101.45200.381 2) PARKS	1) GENERAL FUND 3) UTILITIES UTILITIES	1,071.98	MUNICIPAL UTILITIES	D-05312012-182	100
101.45200.412 2) PARKS	1) GENERAL FUND 3) RENT GARAGE RENT	150.00	ELECTRIC FUND	D-05312012-182	22
101.46102.310 2) SHADE TREE DISEASE CONTROL	1) GENERAL FUND 3) CONTRACTED SERV-TREE REMOVAL TREE RMVL THRGHOUT CITY	3,370.43	CARR'S TREE SERVICE	D-05312012-182	428
101.46500.343 2) TOURISM	1) GENERAL FUND 3) LODGING TAX EXPENDITURES TOURISM REIMBURSEMENT KID DAY ACTIVITIES MEALS	1,000.00 1,500.00 15.20	CHAMBER OF COMMERCE CHAMBER OF COMMERCE HARRISON/KAY	D-05312012-182 D-05312012-182 D-05312012-182	68 298 471
101.49010.210 2) CEMETERY	1) GENERAL FUND 3) OPERATING SUPPLIES LAMINATE REGISTRY MARKING FLAGS CEMETERY ADS GARBAGE CAN, FERTILIZER	67.06 20.00 219.24 98.24	BACKSTREET PRINTING SWIFT COUNTY SWCD MONITOR & NEWS RUNNINGS FARM & FLEET	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	258 269 424 441
101.49200.430 2) UNALLOCATED	1) GENERAL FUND 3) MISCELLANEOUS POP FOR SAFETY PICNIC SAFETY PICNIC COOKIES	20.52 180.77 32.40	BENSON LIQUOR STORE DAROLD'S SUPER VALUE DOMAT'S FAMILY FOODS	D-05312012-182 D-05312012-182 D-05312012-182	308 416 463

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.49300.731 2) TRANSFERS	1) GENERAL FUND 3) TRANSFER TO OTHER GOVERNMENTS MONTHLY RENT	2,166.67	BENSON CIVIC CENTER BOAR	D-05312012-182	175
101.49800.209 2) PUBLIC TRANSIT	1) GENERAL FUND 3) GAS & OIL GAS	2,340.02	GLACIAL PLAINS COOPERATI	D-05312012-182	89
101.49800.210 2) PUBLIC TRANSIT	1) GENERAL FUND 3) OPERATING SUPPLIES FIRE EXTINGUISHER MAINTENANCE	142.91	AMERICAN WELDING-WILLMAR	D-05312012-182	373
101.49800.221 2) PUBLIC TRANSIT	1) GENERAL FUND 3) EQUIPMENT REPAIR PARTS GLASS-B1 ALL BUSES - CLEANER	40.47 76.93	NORTH CENTRAL BUS SALES NORTHSIDE AUTO	D-05312012-182 D-05312012-182	281 394
101.49800.223 2) PUBLIC TRANSIT	1) GENERAL FUND 3) EQUIPMENT REPAIRS CONTRACTED BUS 12 OIL CHG/AC SERVICE BUS 1 OIL CHG TIRE REPAIR	166.94 45.57 25.34	TOM'S SERVICE, INC TOM'S SERVICE, INC GLACIAL PLAINS COOPERATI	D-05312012-182 D-05312012-182 D-05312012-182	330 331 415
101.49800.321 2) PUBLIC TRANSIT	1) GENERAL FUND 3) TELEPHONE LOCAL SERVICE	39.93	CENTURYLINK	D-05312012-182	182
101.49800.331 2) PUBLIC TRANSIT	1) GENERAL FUND 3) TRAVEL EXPENSE MEAL	15.47	BANKCARD CENTER	D-05312012-182	502
101.49800.412 2) PUBLIC TRANSIT	1) GENERAL FUND 3) RENT GARAGE RENT	375.00	ELECTRIC FUND	D-05312012-182	23
101.49810.210 2) AIRPORT	1) GENERAL FUND 3) OPERATING SUPPLIES FIRE EXT. MAINTENANCE	15.00	AMERICAN WELDING-WILLMAR	D-05312012-182	368
101.49810.235 2) AIRPORT	1) GENERAL FUND 3) BUILDING MAINTENANCE & SUPPL MATS WATER AIRPORT SEPTIC TANK PUMP MAY RENT	14.37 23.46 110.00 20.84	BENSON LAUNDRY-MAT HOUSE CULLIGAN SOFT WATER SLAUGHTERS PLUMBING & SE WEST ACRES WATER SYSTEMS	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	61 71 271 327
101.49810.307 2) AIRPORT	1) GENERAL FUND 3) MANAGEMENT FEES AIRPORT MANAGER	350.00	LYNCH LAKE FLYING CLUB	D-05312012-182	38

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
101.49810.321 2)AIRPORT	1)GENERAL FUND 3)TELEPHONE LOCAL SERVICE	69.94	CENTURYLINK		D-05312012-182	183
101.49810.381 2)AIRPORT	1)GENERAL FUND 3)UTILITIES ELECTRIC SERVICE-AIRPORT	611.43	AGRALITE ELECTRIC COOPER	042597	M-05312012-184	30
101.49810.383 2)AIRPORT	1)GENERAL FUND 3)HEATING COST NATURAL GAS	17.03	CENTER POINT ENERGY		D-05312012-182	473
211.45500.201 2)LIBRARY	1)LIBRARY FUND 3)OFFICE SUPPLIES INK CARTRIDGES	61.29	BACKSTREET PRINTING		D-05312012-182	260
211.45500.210 2)LIBRARY	1)LIBRARY FUND 3)OPERATING SUPPLIES WEB HOST,SUPPLIES, FEE	266.62	BANKCARD CENTER		D-05312012-182	509
211.45500.235 2)LIBRARY	1)LIBRARY FUND 3)BUILDING MAINTENANCE & SUPPL MATS FLOWERS/PLANTS LIBRARY MATS FIRE EXT. MAINTENANCE QTRLY SR CNTR MONITOR	28.30 408.40 28.30 10.00 89.61	BENSON LAUNDRY-MAT HOUSE MORNING SKY GREENERY BENSON LAUNDRY-MAT HOUSE AMERICAN WELDING-WILLMAR HEARTLAND SECURITY SERVI		D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	63 344 356 369 388
211.45500.307 2)LIBRARY	1)LIBRARY FUND 3)MANAGEMENT FEES-PIONEERLAND 2ND QTR REQUEST	18,167.75	PIONEERLAND LIBRARY SYST		D-05312012-182	207
211.45500.310 2)LIBRARY	1)LIBRARY FUND 3)CONTRACTED SERV - CLEANING CLEAN LIBRARY	350.00	MCGEARY/PAT		D-05312012-182	26
211.45500.321 2)LIBRARY	1)LIBRARY FUND 3)TELEPHONE LOCAL SERVICE	76.01	CENTURYLINK		D-05312012-182	184
211.45500.381 2)LIBRARY	1)LIBRARY FUND 3)UTILITIES UTILITIES	369.20	MUNICIPAL UTILITIES		D-05312012-182	101
211.45500.590 2)LIBRARY	1)LIBRARY FUND 3)CAPITAL OUTLAY - BOOKS 2012 BOOK REQUEST	3,000.00	PIONEERLAND LIBRARY SYST		D-05312012-182	208

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
228.46500.201 2) PROGRAM COSTS	1) SMALL CITIES GRANT FUND 2005 3) OFFICE SUPPLIES LUBERTS RELEASE FILING	46.00	SWIFT COUNTY RECORDER	042605	M-05312012-184	52
401.43100.501 2) HIGHWAY STREETS & ROADS	1) GENERAL CAPITAL OUTLAY FUND 3) CAPITAL OUTLAY 2012 PJ T6242 TRAILOR	6,233.98	CENTRAL TRAILER SALES IN	042602	M-05312012-184	47
401.45124.501 2) SWIMMING POOL	1) GENERAL CAPITAL OUTLAY FUND 3) CAPITAL OUTLAY CHLORINE EQUIPMENT EXTERNAL ALARM	10,794.38 360.05	HAWKINS, INC. HAWKINS, INC.		D-05312012-182 D-05312012-182	215 216
401.45200.501 2) PARKS	1) GENERAL CAPITAL OUTLAY FUND 3) CAPITAL OUTLAY COUNTRYSIDE PLAYSTRUCTR	14,850.00	PLAY POWER LT, INC	042594	M-05312012-184	29
401.49810.501 2) AIRPORT	1) GENERAL CAPITAL OUTLAY FUND 3) CAPITAL OUTLAY MAY ENGINEERING-HANGER	4,947.40	TKDA		D-05312012-182	479
502.43150.210 2) STORM DRAINAGE	1) STORM WATER FUND 3) OPERATING SUPPLIES STORMLIDS, GRATES	2,447.44	ESS BROTHERS & SONS INC.		D-05312012-182	229
502.43150.226 2) STORM DRAINAGE	1) STORM WATER FUND 3) MAINTAIN SYSTEM CONCRETE SEALER	12.79	RUNNINGS FARM & FLEET		D-05312012-182	439
515.46500.310 2) GENERAL	1) ECONOMIC DEV. AUTHORITY FUND 3) CONTRACTED SERVICES CURB 52' @ BENSON MKT SEEDING BENSON MRKT SITE BENSON MKT INVEST	884.00 811.83 211.05	B.G. AMUNDSON CONSTRUCTI LAWN & DRIVEWAY SERVICE MINN DEPT OF AGRICULTURE	003445	D-05312012-182 D-05312012-182 M-05312012-184	305 484 44
515.46500.331 2) GENERAL	1) ECONOMIC DEV. AUTHORITY FUND 3) TRAVEL EXPENSE EDA MEETING EDA MTG MEAL & LODGING	63.39 35.57 154.06	DAROLD'S SUPER VALUE DOMAT'S FAMILY FOODS BANKCARD CENTER		D-05312012-182 D-05312012-182 D-05312012-182	421 464 493
601.16590 2) CONSTRUCTION IN PROGRESS	1) WATER FUND SOILS & MATERIALS TESTNG WATER TREATMENT PLANT	585.00 152,162.00	AMERICAN ENGINEERING TES KHC CONSTRUCTION INC	033584	D-05312012-182 M-05312012-184	478 39
601.20200 2) ACCOUNTS PAYABLE	1) WATER FUND CMMNTY WTR SPPLY CNCT FE	2,299.00	MINNESOTA DEPT OF HEALTH		D-05312012-182	290

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
601.37101 2)WATER SALES	1)WATER FUND PRORATED WATER	11.90	CR DUFFY'S BAR AND GRILL	D-05312012-182	457
601.49400.208 2)WATER DEPARTMENT	1)WATER FUND 3)CHEMICALS & CHEM SUPPLIES TAX ADJUSTMENT ROLLER ASSEMBLY CHLORINE, CAUSTIC SODA	88.82 77.51 2,412.57	CR HAWKINS, INC. HAWKINS, INC. HAWKINS, INC.	D-05312012-182 D-05312012-182 D-05312012-182	217 218 219
601.49400.209 2)WATER DEPARTMENT	1)WATER FUND 3)GAS & OIL GAS	347.03	GLACIAL PLAINS COOPERATI	D-05312012-182	131
601.49400.210 2)WATER DEPARTMENT	1)WATER FUND 3)OPERATING SUPPLIES BORSTAD FUNERAL ROUND UP WASHER FLUID	32.06 18.16 4.04	HEATHER FLORAL AND NURSE ZOSEL'S TRUE VALUE RUNNINGS FARM & FLEET	D-05312012-182 D-05312012-182 D-05312012-182	334 408 434
601.49400.217 2)WATER DEPARTMENT	1)WATER FUND 3)LAB EQUIPMENT & SUPPLIES COLIFORM TEST TESTING SUPPLIES	120.00 120.77	COUNTRYSIDE PUBLIC HEALT USA BLUE BOOK	D-05312012-182 D-05312012-182	235 323
601.49400.223 2)WATER DEPARTMENT	1)WATER FUND 3)EQUIPMENT REPAIRS CONTRACTED PUMP REPAIR	1,048.73	DK DIESEL OF MONTEVIDEO	D-05312012-182	231
601.49400.227 2)WATER DEPARTMENT	1)WATER FUND 3)MAINTAIN COLLECTION SYSTEM RISER RINGS CURB & GUTTER @ SANDYS IRON PVC, CURB STOP HOSE & FITTINGS HOSE HOSE CURB BOX, COPPER, BALL V BALL CORP STOP	160.31 916.00 389.44 2,130.21 765.74 30.96 98.27 1,480.69 111.14	ESS BROTHERS & SONS INC. B.G. AMUNDSON CONSTRUCTI USA BLUE BOOK DAKOTA SUPPLY GROUP ABNER SALES RUNNINGS FARM & FLEET RUNNINGS FARM & FLEET MILBANK WINWATER WORKS MILBANK WINWATER WORKS	D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	228 306 324 348 351 436 437 468 469
601.49400.235 2)WATER DEPARTMENT	1)WATER FUND 3)BUILDING MAINTENANCE & SUPPL FIRE EXT MAINTENANCE	37.00	AMERICAN WELDING-WILLMAR	D-05312012-182	379
601.49400.307 2)WATER DEPARTMENT	1)WATER FUND 3)MANAGEMENT FEES MANAGEMENT FEES	3,027.50	GENERAL FUND	D-05312012-182	13

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
601.49400.321	1)WATER FUND				
2)WATER DEPARTMENT	3)TELEPHONE				
	MONTHLY CELL PHONE ALLOW	25.00	SEARCY/GARY	D-05312012-182	203
	MONTHLY CELL PHONE ALLOW	25.00	BORSTAD/RUSSELL	D-05312012-182	204
	WTP PHONE LINE	129.50	CENTURYLINK	D-05312012-182	303
	CELL PHONE-ON CALL	20.43	VERIZON	033592 M-05312012-184	17
601.49400.332	1)WATER FUND				
2)WATER DEPARTMENT	3)TRAINING & INSTRUCTION				
	AWAIR TRAINING	11.52	RISC	D-05312012-182	490
	MEMBERSHIP DUES	112.50	MINN RURAL WATER ASSOC	033591 M-05312012-184	50
601.49400.343	1)WATER FUND				
2)WATER DEPARTMENT	3)ADVERTISING				
	CONSERVE WATER ADS	360.99	MONITOR & NEWS	D-05312012-182	426
601.49400.381	1)WATER FUND				
2)WATER DEPARTMENT	3)UTILITIES				
	UTILITIES	2,470.95	MUNICIPAL UTILITIES	D-05312012-182	141
601.49400.430	1)WATER FUND				
2)WATER DEPARTMENT	3)MISCELLANEOUS				
	DRINK WATER REPORT	597.28	MONITOR & NEWS	D-05312012-182	427
602.37210	1)SEWER COLLECTION & DISPOSAL				
2)SEWER COLLECTIONS					
	PRORATED SEWER	34.30	CR DUFFY'S BAR AND GRILL	D-05312012-182	458
602.43250.209	1)SEWER COLLECTION & DISPOSAL				
2)SEWAGE COLLECTION & DISPOSAL	3)GAS & OIL				
	GAS	293.01	GLACIAL PLAINS COOPERATI	D-05312012-182	132
602.43250.221	1)SEWER COLLECTION & DISPOSAL				
2)SEWAGE COLLECTION & DISPOSAL	3)EQUIPMENT REPAIR PARTS				
	BALL BEARINGS	136.78	AUTO VALU BENSON	D-05312012-182	266
	FITTINGS	40.04	RUNNINGS FARM & FLEET	D-05312012-182	435
602.43250.223	1)SEWER COLLECTION & DISPOSAL				
2)SEWAGE COLLECTION & DISPOSAL	3)EQUIPMENT REPAIRS CONTRACTED				
	TRK IDLR SET MACH & LBR	375.00	CUSTOM FABRICATION AND R	D-05312012-182	301
602.43250.226	1)SEWER COLLECTION & DISPOSAL				
2)SEWAGE COLLECTION & DISPOSAL	3)MAINTAIN SYSTEM				
	FRAMES	3,536.49	ESS BROTHERS & SONS INC.	D-05312012-182	227
602.43250.307	1)SEWER COLLECTION & DISPOSAL				
2)SEWAGE COLLECTION & DISPOSAL	3)MANAGEMENT FEES				
	MANAGEMENT FEES	3,930.50	GENERAL FUND	D-05312012-182	14

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
602.43250.311 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)PEOPLESERVICE CONTRACT MAY SERVICE CONTRACT	24,389.00	PEOPLE SERVICE INC.	033586	M-05312012-184	42
602.43250.321 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)TELEPHONE CELL PHONE-ON CALL	20.42	VERIZON	033592	M-05312012-184	18
602.43250.332 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)TRAINING & INSTRUCTION MEMBERSHIP DUES	112.50	MINN RURAL WATER ASSOC	033591	M-05312012-184	51
602.43250.381 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)UTILITIES UTILITIES ELECT-SEWER LIFT	2,150.21 63.65	MUNICIPAL UTILITIES AGRALITE ELECTRIC COOPER		D-05312012-182 M-05312012-184	142 16
602.43250.383 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)HEATING COST NATURAL GAS SERVICE	220.99	CENTER POINT ENERGY		D-05312012-182	363
602.43250.430 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)MISCELLANEOUS EMER PLAN STORAGE REPT	100.00	MINN DEPT OF PUBLIC SAFE	033590	M-05312012-184	49
604.14300 2)INVENTORY CONTROL	1)ELECTRIC FUND INVENTORY	6,534.88	BORDER STATES ELECTRIC S		D-05312012-182	402
604.16480 2)ELECTRICAL DISTRIBUTION SYST	1)ELECTRIC FUND SINGLE PHASE PAD MOUNT	856.07	T & R ELECTRIC		D-05312012-182	321
604.16590 2)CONSTRUCTION IN PROGRESS	1)ELECTRIC FUND 2011 ELEC LN CONV ENGR HWY 12 UNDERGRD TRANSFRM HWY 12 UNDERGROUND PRJCT	64.00 15,584.51 26,213.23	DGR T & R ELECTRIC DAKOTA SUPPLY GROUP		D-05312012-182 D-05312012-182 D-05312012-182	296 319 349
604.20210 2)SALES TAX PAYABLE	1)ELECTRIC FUND REFUND ON DEMAND/WATER	6.40	DUFFY'S BAR AND GRILL		D-05312012-182	456
604.22500 2)BONDS PAYABLE	1)ELECTRIC FUND ELEC REV BOND PRIN	260,000.00	US BANK TRUST NATIONAL A	033585	M-05312012-184	40
604.37407 2)COMMERCIAL INDUSTRIAL	1)ELECTRIC FUND REFUND ON DEMAND	105.00	DUFFY'S BAR AND GRILL		D-05312012-182	455

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
604.49540.480	1)ELECTRIC FUND				
2)LOAD MANAGEMENT	3)LOAD MANAGEMENT				
	AMP BOARD REPAIR	2,243.00	OMNI-PRO SOFTWARE	D-05312012-182	251
	WATER HEATER REBATE	175.00	VADNAIS/BEN	D-05312012-182	268
	WATER HEATER REBATE	175.00	PILLATZKI/MARK	D-05312012-182	277
604.49550.221	1)ELECTRIC FUND				
2)POWER PRODUCTION	3)EQUIPMENT REPAIR PARTS				
	PARTS	347.01	ZIEGLER	D-05312012-182	450
604.49550.235	1)ELECTRIC FUND				
2)POWER PRODUCTION	3)BUILDING MAINTENANCE & SUPPL				
	FIRE EXT MAINTENANCE	45.00	AMERICAN WELDING-WILLMAR	D-05312012-182	380
604.49550.381	1)ELECTRIC FUND				
2)POWER PRODUCTION	3)UTILITIES				
	UTILITIES	2,495.56	MUNICIPAL UTILITIES	D-05312012-182	143
604.49550.430	1)ELECTRIC FUND				
2)POWER PRODUCTION	3)MISCELLANEOUS				
	1ST QTR 2013 ASSESSMENT	684.47	MINNESOTA DEPT OF COMMER	D-05312012-182	451
604.49570.209	1)ELECTRIC FUND				
2)TRANSMISSION & DISTRIBUTION	3)GAS & OIL				
	GAS	1,116.08	GLACIAL PLAINS COOPERATI	D-05312012-182	133
604.49570.210	1)ELECTRIC FUND				
2)TRANSMISSION & DISTRIBUTION	3)OPERATING SUPPLIES				
	CHAIN SAW SAFETY GEAR	178.74	ERIC'S MOTORSPORTS	D-05312012-182	226
	GLOVES	37.33	NORTHERN SAFETY CO.INC.	D-05312012-182	241
	INK CARTRIDGES	144.06	BACKSTREET PRINTING	D-05312012-182	257
	MACS LIQUID CAR SHAMPOO	7.18	NORTHSIDE AUTO	D-05312012-182	399
	WRENCH, BIT	18.46	ZOSEL'S TRUE VALUE	D-05312012-182	409
	HELMET, CHAPS	181.67	ZOSEL'S TRUE VALUE	D-05312012-182	410
	CHAIN, STRAP	378.24	RUNNINGS FARM & FLEET	D-05312012-182	433
	GLOVES	11.99	RUNNINGS FARM & FLEET	D-05312012-182	438
	UPS CHARGES	16.25	GROSSMAN, DEPUTY REGISTR	D-05312012-182	452
604.49570.221	1)ELECTRIC FUND				
2)TRANSMISSION & DISTRIBUTION	3)EQUIPMENT REPAIR PARTS				
	ALTNATOR	286.15	NELSON INTERNATIONAL DIV	D-05312012-182	209
	BORING MACHINE REPAIR	214.07	DITCH WITCH OF MINNESOTA	D-05312012-182	294
	HYD MOTOR	663.23	DITCH WITCH OF MINNESOTA	D-05312012-182	295
	NOZZLE	164.42	POWER PLAN	D-05312012-182	465
	NOZZLE	164.42	POWER PLAN	D-05312012-182	466
	HOSE & FITTINGS	248.93	ABNER SALES	D-05312012-182	476
	HYGARD	75.97	JOHN DEERE FINANCIAL	033588 M-05312012-184	43

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
604.49570.226	1) ELECTRIC FUND					
2) TRANSMISSION & DISTRIBUTION	3) MAINTAIN SYSTEM					
	MATS & TOWELS	26.44	BENSON LAUNDRY-MAT HOUSE		D-05312012-182	115
	SHIRTS	80.00	LLJ EMBROIDERY		D-05312012-182	291
	DGA & BASIC PACKAGE	368.72	T & R ELECTRIC		D-05312012-182	320
	DOG PARK SERVICES	847.85	BORDER STATES ELECTRIC S		D-05312012-182	401
	DOG PARK, CLOTHING	1,380.78	RUNNINGS FARM & FLEET		D-05312012-182	432
604.49570.235	1) ELECTRIC FUND					
2) TRANSMISSION & DISTRIBUTION	3) BUILDING MAINTENANCE & SUPPL					
	NON PROCESSIBLE DISPOSAL	270.00	SWIFT CO ENVIRONMENTAL S		D-05312012-182	338
	FIRE EXT MAINT	64.00	AMERICAN WELDING-WILLMAR		D-05312012-182	378
604.49570.321	1) ELECTRIC FUND					
2) TRANSMISSION & DISTRIBUTION	3) TELEPHONE					
	CELL PHONE-ELECTRIC	158.22	VERIZON	033592	M-05312012-184	19
604.49570.331	1) ELECTRIC FUND					
2) TRANSMISSION & DISTRIBUTION	3) TRAVEL EXPENSE					
	TRAVEL MEAL	7.83	KRUMWIEDE/DON		D-05312012-182	387
604.49570.381	1) ELECTRIC FUND					
2) TRANSMISSION & DISTRIBUTION	3) UTILITIES					
	UTILITIES	503.14	MUNICIPAL UTILITIES		D-05312012-182	144
604.49580.201	1) ELECTRIC FUND					
2) BILLING OFFICE	3) OFFICE SUPPLIES					
	COPIER MAINT	72.87	COPIER BUSINESS SOLUTION		D-05312012-182	192
	COPIER PAYMENT	116.49	TOSHIBA FINANCIAL SERVIC		D-05312012-182	193
	FILE FOLDERS	29.82	BACKSTREET PRINTING		D-05312012-182	256
604.49580.310	1) ELECTRIC FUND					
2) BILLING OFFICE	3) CONTRACTED SERVICES					
	METER SRVC	54.00	AUTOMATED ENERGY INC		D-05312012-182	252
604.49580.311	1) ELECTRIC FUND					
2) BILLING OFFICE	3) BILL PRINT SERVICES					
	APRIL SERVICES	941.42	IMPACT		D-05312012-182	248
604.49580.332	1) ELECTRIC FUND					
2) BILLING OFFICE	3) TRAINING & INSTRUCTION					
	AWAIR TRAINING	23.04	RISC		D-05312012-182	491
604.49590.201	1) ELECTRIC FUND					
2) ADMINISTRATION & GENERAL	3) OFFICE SUPPLIES					
	CREDIT CARD ANNUAL FEE	35.00	BANKCARD CENTER		D-05312012-182	494
604.49590.307	1) ELECTRIC FUND					
2) ADMINISTRATION & GENERAL	3) MANAGEMENT FEES					
	MANAGEMENT FEES	13,619.20	GENERAL FUND		D-05312012-182	15

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
604.49590.321 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)TELEPHONE PHONE MAINT MONTHLY PRI CHARGE UTILITY PHONE CELL PHONE-ELLIOT/S CREW	  147.84 300.00 205.64 78.06	  CENTURYLINK CENTURYLINK CENTURYLINK VERIZON	    033589	  D-05312012-182 D-05312012-182 D-05312012-182 M-05312012-184	  126 187 302 20
604.49590.331 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)TRAVEL EXPENSE MEALS & LODGING	  388.23	  BANKCARD CENTER		D-05312012-182	495
604.49590.343 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)MARKETING UTILITY ADS REG ADS, MEM DAY, SR NIT	  494.24 364.50	  MONITOR & NEWS K S C R - FM		D-05312012-182 D-05312012-182	138 213
604.49590.430 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)MISCELLANEOUS 65 GOPHER STATE CALLS UTILITY BILL REFUND UTILITY BILL REFUND	  88.55 609.51 1,821.66	  GOPHER STATE ONE CALL BEYER/ARLENE BROWN/BARBARA	   033593 033594	D-05312012-182 M-05312012-184 M-05312012-184	148 54 55
604.49590.475 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)CONSERVATION PROGRAMS DEHUMIDIFIER REBATE CLOTHES WASHER REBATE TRADE ALLY MTG 1/2 CTRG CLOTHES WASHER REBATE REFRIGERATOR REBATE HEATING & COOLING REBATE HEATING / COOLING REBATE HVAC REBATE LIGHTING REBATE	  10.00 50.00 189.35 50.00 50.00 200.00 200.00 200.00 72.00	  LANG/DOUGLAS ANDERSON/ROB MISSOURI RIVER ENERGY SE LEE/HERBERT HUGHES/ANDREW KAGERMEIER/JAMES KAGERMEIER/JAMES KWILINSKI/LEONARD ZOSEL'S TRUE VALUE		D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	230 232 286 292 293 332 333 481 482
604.49590.611 2)ADMINISTRATION & GENERAL	1)ELECTRIC FUND 3)INTEREST ON BOND PAYMENTS ELEC REV BOND INTEREST	  132,797.52	  US BANK TRUST NATIONAL A	033585	M-05312012-184	41
609.14200 2)OFF SALE LIQUOR INVENTORY	1)LIQUOR FUND LIQUOR INVENTORY BLACK BOX CABERNET LIQUOR INVENTORY LIQUOR INVENTORY LIQUOR INVENTORY LIQUOR INVENTORY FREIGHT CREDIT PER TIM	  5,762.03 95.25 7,096.94 6,800.46 2,293.05 119.02CR	  JOHNSON BROTHERS LIQUOR WINE MERCHANTS WIRTZ BEVERAGE MINNESOTA SOUTHERN WINE & SPIRITS PHILLIPS WINE & SPIRITS SOUTHERN WINE & SPIRITS		D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182 D-05312012-182	214 325 326 337 342 459
609.14210 2)OFF SALE BEER INVENTORY	1)LIQUOR FUND BEER BEER	  2,801.60 20,070.41	  BEVERAGE WHOLESALERS INC H. BOYD NELSON		D-05312012-182 D-05312012-182	116 134

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
609.14210	1) LIQUOR FUND					
2) OFF SALE BEER INVENTORY						
	BEER	3,280.85	BEVERAGE WHOLESALERS INC		D-05312012-182	474
	BEER	4,489.50	BEVERAGE WHOLESALERS INC		D-05312012-182	475
	BEER	5,708.84	H. BOYD NELSON	021218	M-05312012-184	21
	BEER	4,530.05	H. BOYD NELSON	021218	M-05312012-184	37
	BEER	2,533.40	BEVERAGE WHOLESALERS INC	021219	M-05312012-184	22
	BEER	2,852.70	BEVERAGE WHOLESALERS INC	021219	M-05312012-184	38
609.49750.210	1) LIQUOR FUND					
2) LIQUOR	3) OPERATING SUPPLIES					
	LIQUOR STORE SUPPLIES	347.54	WEST CENTRAL SALES		D-05312012-182	385
	PRODUCE	60.69	DAROLD'S SUPER VALUE		D-05312012-182	419
609.49750.235	1) LIQUOR FUND					
2) LIQUOR	3) BUILDING MAINTENANCE & SUPPL					
	SALT	41.95	CULLIGAN SOFT WATER		D-05312012-182	121
	FIRE EXT / FRYER MAINTEN	125.00	AMERICAN WELDING-WILLMAR		D-05312012-182	381
	CLEANING SUPPLIES	49.27	ZOSEL'S TRUE VALUE		D-05312012-182	411
	CLEAN EYES ON ICE MACHN	73.00	CRAIGS, INC.		D-05312012-182	453
609.49750.254	1) LIQUOR FUND					
2) LIQUOR	3) OFF SALE MIX PURCHASES					
	ICE	267.12	ARCTIC GLACIER INC.		D-05312012-182	112
	OFF SALE MIX	167.51	PEPSI		D-05312012-182	149
	MIX	383.05	VIKING COCA COLA BOTTLIN		D-05312012-182	155
	7 UP FOR OFF SALE	97.00	MADISON BOTTLING CO.		D-05312012-182	210
	CAN COOLERS	264.56	BELLBOY CORPORATION		D-05312012-182	460
	CREDIT PER TIM OCONNER	4.12CR	BELLBOY CORPORATION		D-05312012-182	461
609.49750.292	1) LIQUOR FUND					
2) LIQUOR	3) ON SALE MISC PURCHASES					
	SNACKS	1,161.29	APPERT'S FOODSERVICE		D-05312012-182	111
	PREMIX	200.00	VIKING COCA COLA BOTTLIN		D-05312012-182	156
	SNACKS	83.85	MONTE CANDY COMPANY		D-05312012-182	211
	PIZZAS	460.25	HARRYS FROZEN FOOD		D-05312012-182	220
	MEDIUM BUNS	9.57	BENSON BAKERY		D-05312012-182	365
	TACO FIXINGS	39.97	DAROLD'S SUPER VALUE		D-05312012-182	420
609.49750.307	1) LIQUOR FUND					
2) LIQUOR	3) MANAGEMENT FEES					
	MANAGEMENT FEES	2,010.80	GENERAL FUND		D-05312012-182	16
609.49750.310	1) LIQUOR FUND					
2) LIQUOR	3) CONTRACTED SERVICES-CLEANING					
	LIQUOR STORE CLEANING	725.00	KIMBERLY M BENSON		D-05312012-182	4
609.49750.321	1) LIQUOR FUND					
2) LIQUOR	3) TELEPHONE					
	MONTHLY CELL PHONE	25.00	O'CONNOR/TIMOTHY		D-05312012-182	206
	LIQUOR STORE PHONE	74.20	CENTURYLINK		D-05312012-182	304

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
609.49750.331 2) LIQUOR	1) LIQUOR FUND 3) TRAVEL EXPENSE MILEAGE	49.95	O'CONNOR/TIMOTHY	D-05312012-182	341
609.49750.332 2) LIQUOR	1) LIQUOR FUND 3) TRAINING & INSTRUCTION AWAIR TRAINING	69.12	RISC	D-05312012-182	492
609.49750.333 2) LIQUOR	1) LIQUOR FUND 3) FREIGHT ON LIQUOR FREIGHT	218.70	COUNTRY PET FOODS	D-05312012-182	119
609.49750.343 2) LIQUOR	1) LIQUOR FUND 3) ADVERTISING LIQUOR ADS LIQUOR ADS MEAT MAY 18 ENTERTAINMENT	119.00 464.99 60.00 250.00	K B M O MONITOR & NEWS DOMAT'S FAMILY FOODS GOOD TIME DJ	D-05312012-182 D-05312012-182 D-05312012-182 021217 M-05312012-184	137 139 362 36
609.49750.381 2) LIQUOR	1) LIQUOR FUND 3) UTILITIES UTILITIES	1,111.70	MUNICIPAL UTILITIES	D-05312012-182	146
609.49750.430 2) LIQUOR	1) LIQUOR FUND 3) MISCELLANEOUS CABLE SERVICE	118.89	CHARTER COMMUNICATIONS	D-05312012-182	118
609.49750.433 2) LIQUOR	1) LIQUOR FUND 3) LICENSES MN HOSPITALITY FEE	35.00	MINNESOTA DEPARTMENT OF	D-05312012-182	287
609.49750.438 2) LIQUOR	1) LIQUOR FUND 3) LAUNDRY MATS, TOWELS, & MOPS MOPS TOWELS AND MATS	54.96 55.33	BENSON LAUNDRY-MAT HOUSE BENSON LAUNDRY-MAT HOUSE	D-05312012-182 D-05312012-182	114 357
653.43240.210 2) GARBAGE DISPOSAL	1) GARBAGE COLLECTION FUND 3) OPERATING SUPPLIES TIRES-CITY WIDE CLEAN UP	20.00	GLACIAL PLAINS COOPERATI	D-05312012-182	422
653.43240.307 2) GARBAGE DISPOSAL	1) GARBAGE COLLECTION FUND 3) MANAGEMENT FEES MANAGEMENT FEES	694.00	GENERAL FUND	D-05312012-182	51
653.43240.310 2) GARBAGE DISPOSAL	1) GARBAGE COLLECTION FUND 3) CONTRACTED SERVICES GARBAGE CONTRACT	8,662.00	MATTHEISEN DISPOSAL, INC	D-05312012-182	7

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
653.43240.384	1) GARBAGE COLLECTION FUND				
2) GARBAGE DISPOSAL	3) REFUSE DISPOSAL				
	TIPPING FEES	4,232.80	SWIFT CO ENVIRONMENTAL S	D-05312012-182	154
801.46510.430	1) REVOLVING LOAN FUND				
2) TAX INCREMENT	3) MISCELLANEOUS				
	SMITH RELEASE FILING	46.00	SWIFT COUNTY RECORDER	042605 M-05312012-184	53

GOVERNMENT FINANCIAL SYSTEM  
06/08/2012 13:10:46

Disb. Validation Listing

CITY OF BENSON  
GL060S-V07.20 RECAPPAGE  
GL304LD

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	61,143.36
211	LIBRARY FUND	22,855.48
228	SMALL CITIES GRANT FUND 2005	46.00
401	GENERAL CAPITAL OUTLAY FUND	37,185.81
502	STORM WATER FUND	2,460.23
515	ECONOMIC DEV. AUTHORITY FUND	2,159.90
601	WATER FUND	172,026.58
602	SEWER COLLECTION & DISPOSAL	35,334.29
604	ELECTRIC FUND	476,352.24
609	LIQUOR FUND	77,466.20
653	GARBAGE COLLECTION FUND	13,608.80
801	REVOLVING LOAN FUND	46.00
TOTAL ALL FUNDS		900,684.89

BANK RECAP:

BANK	NAME	DISBURSEMENTS
GREN	GENERAL BANK CHECKING ACCT	123,736.88
LIQR	LIQUOR FUND	77,466.20
NAVY	ENTERPRISE FUNDS	697,321.91
RUST	ECONOMIC DEV. AUTHORITY CHKN	2,159.90
TOTAL ALL BANKS		900,684.89