

**CITY OF PINE ISLAND
250 SOUTH MAIN STREET
PINE ISLAND, MN 55963**

**CITY COUNCIL MEETING
Tuesday May 15th, 2012
Second Floor – City Hall
7:00 PM**

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. CONSENT AGENDA*
 - A. City Council Regular Meeting Minutes-April 17th, 2012.
 - B. Board Of Equalization Meeting Minutes April 23rd, 2012
 - C. P & Z Commission Minutes-Regular Meeting May 8th, 2012.
- IV. ADMINISTRATION AND LEGAL
 - A. Approve Library Director Salary Recommendations.
 - B. Approve Changes to Lumber Yard Buyout Agreement.
 - C. Lumber Yard Relocation and TIF project Schedule -Staff report to Council.
 - D. **Resolution 12-029** Eliminating Parcels from Tax Increment Financing District 1-2 in Development District No. 1
 - E. **Resolution 12-030** Authorizing Amendment of the Tax Increment Financing Plan for Tax Increment Financing District 1-2.
 - F. **Resolution 12-031** Providing for the Use of Tax Increment Revenues Derived from Tax Increment District 1-2 within Development District No. 1.
 - G. **Public Hearing** on TIF District 1-14.
 - H. **Resolution 12-032** Establishing Tax Increment Financing District No. 1-14 (Progressive Commercial Park Project) Within Development District No. 1 and Adopting a Tax Increment Plan.
 - I. **Public Hearing** on the adoption and approval of Abatement for Progressive Commercial Park Property.
 - J. **Resolution 12-033** Approving A Property Tax Abatement for Certain Property in the City of Pine Island; Approving an Abatement Plan, and Approving a Tax Abatement Agreement between the City and Independent School District No. 255.
 - K. **Resolution 12-034** Authorizing Inter-fund Loan for Advance of Certain Costs in Connection with Progressive Commercial Park.
 - L. **Resolution 12-035** Authorizing the Issuance and Sale of the City's Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012; Authorizing the Pledge of Certain Revenues for the Payment, and Fixing its Form and Specifications; and Directing its Execution and Delivery.
 - M. **Public Hearing** on Business Subsidy to Pine Island Lumber, Inc.
 - N. **Resolution 12-036** Approving Contract for Private Development between City and Pine Island Lumber, Inc. which includes A Business Subsidy Agreement.
 - O. **Charitable Gambling** St. Michael's catholic Church September 23rd OR 30th 2012.
 - P. **Dance Permit** – Pine Island Sports Bar – June 8th and 9th 2012.
 - Q. **Pine Island Fire Department** Dance Permit.
 - R. **Pine Island Fire Department** – One Day Consumption Permit.

- S. **Approve Agreement** for Asset Management with Wells Fargo Bank.
- T. **Resolution 12-037** Decertifying TIF District 1-9 Ridgeway Estates.
- U. **Resolution 12-038** Absentee Board.
- V. **Resolution 12-039** Adopting Performance Measures.
- W. Ordinance 117 Second Series – City Utilities Permit.
- X. **Resolution 12-040** Awarding the Sale of General Obligation Improvement and Advance Refunding Bonds, Series 2012B, in the Amount of \$4,305,000;
- Y. Authorization to File Funding Application-Department of Commerce

V. PLANNING COMMISSION

- A. **Progressive Commercial Park** – Planned Unit Development Preliminary and Final Plat approval.
- B. **Sign Code Review Section 11.71** – *See May 8th P&Z Minutes. Sign Code Public Hearing is on June 12th.*

VI. PUBLIC WORKS & ENGINEERING

- A. **Final Pay Request** Minnowa Construction – 511th Bridge in the amount of \$2,017.50.
- B. **Pay Request Number 1** Schumacher Excavating 2012 NW Street project in the amount of \$36,065.90.
- C. Elk Run Interchange Project Update.
- D. 125th Street Project update.
- E. East Frontage Road update.
- F. WWTP Bar Screen Bid Opening, May 30th.
- G. Golf Course Park update.

VII PUBLIC INPUT

VIII LEGAL

- A. Attorney's Report

IX CLAIMS

X DEPARMENT MONTHLY REPORTS**:

- A. Library
- B. Public Works.
- C. Fire Department
- D. Goodhue County Board Minutes-available www.co.goodhue.mn.us

** Listing of enclosed reports.

XI ADJOURN

All Council Meetings are audio tape-recorded.

Pine Island City Council Agenda is available on line:

City Council agendas and support documents available in electronic form and is posted on the Pine Island City Web Site www.pineislandmn.com under **GOVERNMENT TAB** in .pdf file format.

* ITEMS LISTED ON THE CONSENT AGENDA ARE CONSIDERED ROUTINE. THERE WILL BE NO SEPARATE DISCUSSION ON THESE ITEMS UNLESS A COUNCIL MEMBER, CITY STAFF, OR CITIZEN REQUESTS, IN WHICH CASE, THE ITEM WILL BE CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA. If you need special accommodation to participate in the meeting, please contact Abraham Algadi, City Administrator at 507-35-4591 at least five (5) business days before the meeting.

STATE OF MINNESOTA
CITY OF PINE ISLAND
COUNTIES OF GOODHUE/OLMSTED
REGULAR COUNCIL MEETING
APRIL 17, 2012

Pursuant to due call, and notice thereof, Mayor Perry, called the council meeting to order at, 7:00 PM, in the council chambers, at city hall.

Members Present: Perry, Vettel, Weis, Strande, Steele

Others Present: Courtney Schaefer, Jayne Krause, Tony Love, James Hitchcock, Steve Oelkers, Jon Eickhoff, Neil Britton, Abraham Algadi, Peter Bushman, Evonne Bushman, Karen Doll,, Mike Bubany, Doug Alm, Mark Swarthout, Craig Britton, Paul Haas, Chris Haas, Alice Duschanek Myers, Pat Walter, Jim Walter, Darrin Westphal, Eric Jarmuz, Bonnie Gathje, Morgan Hanson, Bob Vose, Randy Bartz, and Cindy Oelkers.

Consent Agenda: Strande made the motion, seconded by Weis, to approve the consent agenda.
Approved 5-0-0.

Resolution 12-024-Calling for Public Hearing on Modification of Municipal Development District No. 1 TIF District 1-15. Weis made the motion seconded by Steele, to approve resolution 1-024, scheduling the Public Hearing for June 19, 2012. Approved 5-0-0.

Resolution 12-025-Setting Business Subsidy Hearing-TIF Project 1-15-
Weis made the motion, seconded by Strande, to schedule the Business Subsidy Hearing for June 19, 2012. Approved 5-0-0.

Fire Works Permit-Cheese Fest- Friday, June 8-Alternate date, June 10-
Vettel made the motion, seconded by Weis, to approve the Fireworks Permit. Approved 5-0-0.

Approve Business Buy Out Purchase Agreement-Pine Island Lumber Yard-
Steele made the motion, seconded by Strande, to approve the Purchase Agreement. Approved 5-0-0.

City Financial Advisor Mike Bubany of David Drown and Associates gave his Bond recommendations for financing the 2012 Street Project and refunding outstanding 2003A and 2005A Bond Issues-
Weis made the motion, seconded by Strande, to approve Bubany's recommendations and instructed Bubany to present a proposal at the May 15, council meeting. Approved 5-0-0.

Resolution 12-021-Approve Nursing Home Bond Sale-
Vettel made the motion, seconded by Strande, to approve resolution 12-021 with a change to the 2016 interest rate on the bond from 1.300 to 1.350. Approved 5-0-0.

Pine Island Pool and Pins-Request to sell 3.2 Off Site License-
Weis made the motion, seconded by Strande, to approve the license contingent that Pine Island Pool and Pins submit the proper application and insurance liability. Approved 5-0-0.

Courtney Schaefer of Twin Cities Rod and Custom-Request to close Main Street from Second ST S to Third ST South, on May 18, 2012, 6:30 to 9:30 PM, and the parking lot on Main ST and Third ST S, plus the parking spaces on the east side of Main ST, on Saturday, May 19.

Weis made the motion, seconded by Strande, to approve the closing of Main Street, Friday, May 18, 2012, 6:30 – 9:30 PM, the closing of the parking lot on Saturday, May 19, and only the three parking spaces south of Shear Perfection, contingent on the approval from Goodhue County. Approved 5-0-0.

Resolution 12-027-EDA Loan Application-

EDA Director Karen Doll submitted a Revolving Loan Application, for J & D Schrom Properties, LLC, a soil sampling and agricultural equipment business. The loan is for \$40,000 at an interest rate of 4.5%, amortized over ten years with a balloon payment after five years.

Strande made the motion, seconded by Steele, to approve resolution 12-027. Approved 5-0-0.

EDA Director Karen Doll gave her annual report to the council.

Resolution 12-026-Approving Post Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds-

Vettel made the motion, seconded by Strande, to approve resolution 12-026. Approved 5-0-0.

EDA Appointment-

Weis made the motion, seconded by Strande, to approve the appointment of Randy Bates to the EDA Board. Approved 5-0-0.

Resolution 12-028-Approving conveyance of land related to plat of Pine Haven Community-

A resolution authorizing the Mayor and City Administrator to sign quit claim deeds, in the conveyance of land, within the Pine Haven Community. Approved 5-0-0.

Planning Commission is working on Section 11.71-Sign Code, of the Pine Island City Code Book.

Resolution 12-022-Authorize Plans and Specs- Progressive Business Park Infrastructure-

Weis made the motion, seconded by Vettel, to approve resolution 12-022. Approved 5-0-0.

Resolution 12-023-Authorize Feasibility Study East Frontage Road-

Strande made the motion, seconded by Weis, to approve resolution 12-023. Approved 5-0-0.

Authorize Advertising for Bids- Waste Water Treatment Plant Bar Screen-

Steele made the motion, seconded by Strande, to approve advertising for bids. Approved 5-0-0.

City Engineer Craig Britton gave an update on the 2012 NW Street Project.

City Engineer Neil Britton gave an update on 125th Street and the Elk Run Interchange.

REGULAR COUNCIL MEETING
APRIL 17, 2012
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Public Works Director Mark Swarthout gave a report on the Variable Frequency Drives Motor. Swarthout stated it will cost \$12,000 for a new one.

Swarthout also introduced Doug Alms, of Goodhue Environmental Services. The City contracts with Alms, for the use of his A Wastewater License at the WWTP.

James Hitchcock and Mark Swarthout reported on the changes at the WWTP.

Public Works-Steve Oelkers requested authorization to purchase a new Ranger. Oelkers submitted two quotes. The Park Board recommended the quote from M&M Lawn and Leisure. Vettel made the motion, seconded by Strande, to accept the quote from M&M Lawn and Leisure in the amount of \$14,847.72. Approved 5-0-0.

James Hitchcock also reported on the cost for a new Dialer at the WWTP. Cost will be \$1,600.

PUBLIC INPUT

American Legion-Linda Kelley submitted an application for Excluded Bingo, during Cheese Fest. Weis made the motion, seconded by Strande, to approve the application. Approved 5-0-0.

Van Horn Librarian Morgan Hansen reported on the Library.

City Attorney Vose reported on items he is working on for the City.

Claims- Weis made the motion, seconded by Strande, to approve April claims. Approved 5-0-0.

There being no further business, Vettel made the motion, seconded by Strande, to adjourn the meeting. Approved 5-0-0.

Respectfully submitted,

Cindy Oelkers
Deputy Clerk

STATE OF MINNESOTA
COUNTIES OF GOODHUE/OLMSTED
CITY OF PINE ISLAND
BOARD OF EQUALIZATION
APRIL 23, 2012

Pursuant to due call, and notice thereof, Pro Tem Mayor Vettel, called the Board of Equalization Meeting to order, at 5:30 PM, in the council chambers, at city hall.

Members Present: Vettel, Weis, Strande

Members Absent: Perry, Steele

Others Present: Abraham Algadi, Alice Duchanek Myers, Cindy Oelkers, Goodhue County Assessor Lavon Augustine, Brian Ducklow, Olmsted County Assessor Kathy Frette and Steve Oelkers.

Olmsted County:

Olmsted County Assessor Kathy Frette stated there was only one change to the commercial property, in Rolling View Lane. There was no other business from Olmsted County.

Goodhue County:

Goodhue County Assessor Kathy Augustine stated there were 18 sales; the value in these sales were reduced up to 8%, 4-5% overall.

Jerry Vettel has purchased the house at 200 Third Ave SW. Augustine will set up a time to meet with him to view the property.

There being no further business, Weis made the motion, seconded by Strande, to adjourn the meeting at 6:00 PM.

Respectfully submitted,

Cindy Oelkers
Deputy Clerk

**City of Pine Island
Planning and Zoning Commission
Minutes
Tuesday, May 8th, 2012
7:00 PM – City Hall**

Roll Call: Meeting called to order by Chairman Hames at 7:00 PM

Present: T.J. Schutz, Grant Friese, Ken Hames and Harlan Pahl.

Absent: Roy Larson.

Also present: Neil Britton, Scott Zwart, Wendy Rollie, Rick Keane, Bob Doll, Craig Ritter, John Anderson, Council Liaison Rod Steele and Abraham Algadi.

Minutes of April 10th 2012. Motion by Schutz and second by Friese approved 4-0-0.

Chairman Hames opened Progressive Commercial Park Planned Unit Development Public Hearing - Preliminary and final plat.

Staff shared plat summary and date of public hearing along with agency notification. Neil Britton presented on proposed plat layout. Chairman Hames asked about access to north Main Street. Neil said that MNDOT and the city attorney are verifying access control status.

Rick Keane asked about utility easements and shared a plat layout proposed from EDA.

Discussion followed with outlot "A" and "B" becoming utility and access easement to make for easier joint maintenance.

Rod Steele Council Liason asked who is buying the property. Answer is the City. Is there WAC/SAC and park fees? Staff said Yes and they will be calculated once plat is complete.

Set back will be predetermined as part of PUD once we know what the Lumberyard construction requirements are. It could be set at 10' minimum and that final plat documents to city council will show above changes.

Motion to close hearing by Pahl and second by Schutz. Approved 4-0-0.

Motion to approve Preliminary Plat for Progressive Commercial Park by Friese and second by Schutz with the following conditions:

- Clarification on existing property easement with outlets "A" & "B" treated as easements in the new plat completed.
- Title opinion work by City Attorney.
- Set Back @ 10' from ROW & lot lines.
- Adjust property line on final plat to accommodate Lumberyard lot size.
- Comply with City code Sub 12 WAC/SAC and Park Fees.
- Access to and drainage for PTM Plastics building (lot1).
- Add Planned Unit Development (PUD) to the name of plat.

Approved 4-0-0.

Motion to approve Final Plat for Progressive Commercial Park by Friese and second by Pahl.

Approved 4-0-0.

John Anderson went over sign ordinance. Staff shared with commission need to eliminate billboards from all roads except on US 52 as suggested by Jerry Vettel. Change Subd. 4(B) to allow on US 52 and within C-2 on future county 5/12 over the Elk Run interchange..

Motion to adjourn at 8:42 PM by Pahl, second by Schutz. Approved 4-0-0.

Respectfully Submitted,
Abraham Algadi

Van Horn Library Board Minutes

Wednesday, April 18, 2012

1. 7:01pm meeting called to order: Deb, Morgan, Ed, Charlie, Jay, Patty, Abraham and Rae
2. Approval of meetings agenda.
 - a. Changed order of agenda to start the meeting with Transfer of Funds (unfinished business (a))
 - b. Charlie 1st; Rae 2nd
3. Approval of March 2012 minutes.
4. Librarians Report
 - a. Second meeting on April 9th to discuss the contract negotiations for Goodhue County. Group of Librarians have decided to switch their strategy for these negotiations and plan to request that the county fund them at the level that is equal to the actual cost of providing the library service instead of a flat amount.
 - b. Budget Update: 30.5% of the budget has been spent over 4 months.
5. Annual Report Summary ~ Please see attached for Morgan's summary.
6. Unfinished Business
 - a. Transfer of surplus funds to SELCO Foundation
 1. First, is this lawful?
 2. Is this money considered additional operating revenue and then must stay within the cash flow of the operation? How can the library keep the money separate from the general city capital funds? How is the board able to see this money each month? Report from city?
 3. Donation money can continue to filter to the Foundation
 4. Morgan to touch base with Ann Hutton, SELCO executive director and/or SELCO attorney to review our position and the city's to see if this money should be mixed into capital reserves within the city or if this money can lawfully be moved to foundation.
 5. Morgan to also set up meeting with Ann Hutton, SELCO executive director and/or SELCO attorney with as many board members attending as possible

b. By-laws

1. Increase in board members: Morgan to discuss with Ann Hutton, SELCO executive director and/or SELCO attorney to see if by-laws read that entire board will need to be eliminated and then reconfirmed with City Council if additional board members are added.
2. Voting rights of City Council liaison ~ Tabled for next meeting as no vote was taken.

c. Morgan's review & Salary Increase ~ Approved by board for a 6-month salary increase to \$42,860 based upon her review results.

- d. Building expansion ~ Morgan presented her project timetable, which will be used as a working document. Prior to receiving the 8 hours of consulting time (SELCO covers that payment), Morgan to research the laws that go with that Van Horn building itself to see if moving is even an option or if expansion is the only option to the city.

7. New Business ~ None

Next Meeting will be Monday, May 21, 2012 at 7pm at the Library.

Meeting adjourned at 8:37pm. Ed 1st; Rae 2nd

City of Pine Island Progressive Business Park Development Schedule

<u>Due Date</u>	<u>Required Action</u>	<u>Responsible Party</u>
March 20, 2012	<ol style="list-style-type: none"> 1. Council authorizes preparation of TIF Plan and Tax Abatement Plans for City and School 2. Council adopts Resolution Calling Public Hearing (TIF) 3. Council adopts Resolution Calling Public Hearing (Tax Abatement) 4. Council approves Resolution Calling Public Hearing (Bus. Subsidy) 	
Prior to March 20, 2012	City Staff contacts School District officials to determine appetite for a cooperative “backend” tax abatement	
March 26, 2012	PIEDA reviews request by City for use of Telephone Company Revolving Loan funds (USDA).	
March 28, 2012	Notice of Public Hearing for Planning Commission meeting sent to newspaper	City
Week of April 2, 2012	<ol style="list-style-type: none"> 1. TIF Plan and Abatement Plan sent to group for review 2. Preliminary Agreements with Lumberyard (including escrow of buyout funds) sent to group for review 	DD K&G
April 4, 2012	PIEDA reviews TIF Plan and adopts resolution giving recommendation for approval	DD; K&G Reviews
Week of April 9, 2012	PIEDA Loan Documents/City Bond Issuer documents sent to group for review	K&G
Prior to April 13, 2012	Copies of TIF Plan sent to County and School for review and comment	DD
April 16, 2012	School adopts Resolution Calling Public Hearing for	DD; K&G

	Tax Abatement	Reviews
Week of April 16, 2012	Contracts for Private Development and Abatement Agreement between City & School District sent to group for review	K&G
April 17, 2012	City Council adopts resolution approving Preliminary Agreements with Lumber yard (including agreement on flood buyout monies)	K&G
Week of April 23	Submit notices of public hearing (4) to official newspapers*	DD; City
Week of April 30	Publication of Notices of Public Hearing for: TIF District/Plan Business Subsidy Hearing – Lumber yard City Tax Abatement School Tax Abatement	DD; City
Week of April 30	Lumberyard submits “but for” letter	PIEDA, DD
May 1, 2012	PIEDA adopts resolution approving documents related to City’s loan from Telephone Company Revolving Loan funds (USDA).	K&G
May 8, 2012	Planning Commission holds public hearing regarding preliminary plat and final plat. <i>Special P&Z Meeting is required PRIOR to May 25th to approve preliminary & Final plat due to changes in size of Lumber Yard lot size.</i>	City
May 14 th 2012	Meeting to discuss plat and CPD	Project Partners
May 15, 2012	<ol style="list-style-type: none"> 1. City Council holds Public Hearings on: 2. TIF District/Plan 3. Tax Abatement 4. Business Subsidy – Lumberyard <ol style="list-style-type: none"> 5. City Council adopts resolutions approving: 6. Removing parcels from TIF District 1-2 to include in new TIF District 7. Amendment of TIF Plan for TIF District 1-2 to use excess funds for new improvements Preliminary and Final plat for Progressive Commercial Park.	City DD; K&G reviews

Special City Council Meeting is required PRIOR to June 5th to approve preliminary & Final plat due to changes in size of Lumber Yard lot size.

8. Contract for Private Development – Lumber yard –*If not ready could be added to special Council meeting agenda.*
9. TIF Plan/Establishment of TIF District
10. Tax Abatement
11. City Bond Issue/EDA Loan Documents.

Week of May 20th

Enter into temporary lease with Lumber Yard to continue to operate while constructing new facilities at “Progressive Commercial Park”. This could be addressed in the Buyout Agreement Language. See Item IV-B – May Council agenda.

May 21, 2012

School District holds Public Hearing on Abatement and adopts resolution approving Abatement

DD; K&G reviews

Week of May 28

1. Buyout closing for Lumber Yard
2. Development/Purchase Agreement executed by Lumber yard
3. City and School District execute Abatement Agreement
4. Plat filed
5. City deeds parcels to Developer
6. EDA Loan documents executed and Loan funded
7. **City acquires Zwart property**
8. Request for certificate of TIF District Filed

K&G

June 20, 2012
Prior to July 1, 2012

Lumber Yard pulls construction building permit
Lumberyard MUST begin construction on private improvements

Developer

* *News Record* publishes notices on Wednesday; deadline for publication is 5:00 p.m. the Friday before.

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-029

**RESOLUTION ELIMINATING PARCELS FROM
TAX INCREMENT FINANCING DISTRICT NO. 1-2
IN DEVELOPMENT DISTRICT NO. 1**

BE IT RESOLVED by the City Council (the “Council”) of the City of Pine Island Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. The City has previously established its Municipal Development District No. 1 (the “Development District”) pursuant to Minnesota Statutes, Section 469.124 through 469.134, as amended (the “Development District Act”) and on April 17, 2007, the Council adopted Resolution no. 07-014, which enlarged the Development District to be coterminous with City limits.

1.02. On May 24, 1988, the Council approved a Tax Increment Financing Plan (the “TIF Plan”) for the Tax Increment Financing District No. 1-2 (the “TIF District 1-2”) located within the Development District pursuant to Minnesota Statutes, Sections 469.174 through 469.1799, as amended (the “TIF Act”).

1.03. TIF District No. 1-2 includes the properties with the following property tax identification numbers (the “Parcels”):

681200022
681200030
681200031
687000080
687000081
687000082

1.04. The City has been requested to modify TIF District No. 1-2 by eliminating the Parcels from TIF District No. 1-2 and to create the proposed Tax Increment Financing District No. 1-14 (“TIF District No. 1-14”), which would include the Parcels.

1.05. Pursuant to Minnesota Statutes, Section 469.175, Subdivision 4, the City may eliminate parcels of land from a tax increment financing district without the modification process required by Minnesota Statutes, Section 469.175, Subdivision 4 if the current net tax capacity of the parcel eliminated from the tax increment district equals or exceeds the net tax capacity of the parcel in the district’s original net tax capacity.

1.06. The City has determined that the current net tax capacity of each of the Parcels is greater than the net tax capacity of each of the Parcels when TIF District No. 1-2 was established.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pine Island, that:

1. The elimination of the Parcels from TIF District No. 1-2 is hereby approved and adopted.
2. The City Administrator is authorized and directed to file a copy of this resolution with the Minnesota Commissioner of Revenue and the County Auditor as required by the TIF Act.

Approved by the City Council of the City of Pine Island this 15th day of May, 2012.

Mayor

ATTEST:

City Administrator

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-030

**RESOLUTION AUTHORIZING AMENDMENT OF THE TAX INCREMENT
FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 1-2**

BE IT RESOLVED by the City Council (the "Council") of the City of Pine Island Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The City has previously established its Municipal Development District No. 1 (the "Development District") pursuant to Minnesota Statutes, Section 469.124 through 469.134, as amended (the "Development District Act") and on April 17, 2007, the Council adopted Resolution no. 07-014, which enlarged Development District to be coterminous with City limits.

1.02. On May 24, 1988, the Council approved a Tax Increment Financing Plan (the "TIF Plan") for the Tax Increment Financing District No. 1-2 (the "TIF District") located within the Development District pursuant to Minnesota Statutes, Sections 469.174 through 469.1799, as amended (the "TIF Act").

1.03. The TIF Plan was previously amended on May 21, 1996 (to amend the budget and the amount of bonded indebtedness), October 20, 1998 (to remove a parcel of property from the TIF District), and October 21, 2008 (to amend the budget).

1.04. Pursuant to Minnesota Statutes, Section 469.175, subd. 4(b), a tax increment financing plan may be modified without public hearing or the findings required to be made for the original tax increment financing plan if the modification does not include: (i) any reduction or enlargement of the geographic area of the project or tax increment financing district; (ii) an increase in the amount of bonded indebtedness; (iii) a determination to capitalize interest on debt if that determination was not a part of the original plan; (iv) an increase in the portion of the captured net tax capacity to be retained by the City; (v) an increase in the estimated cost of the project, including administrative expenses, to be paid or financed with tax increment from the district; or (vi) the designation of additional property to be acquired by the authority.

1.05. By this resolution, the City proposes to modify the TIF Plan to allow the City to use tax increment generated from the TIF District for street, water, and sanitary sewer improvements (the "Public Infrastructure") to be constructed within the Development District but outside of the TIF District.

1.06. The proposed Public Infrastructure will provide a public road and municipal water and sewer service to undeveloped commercial lots that are restricted as to growth due to a lack of adequate ingress, and water and sanitary sewer service. The Public Infrastructure will promote development and redevelopment within the Development District by providing the necessary services for expanded development. In addition, the proposed Public Infrastructure will allow an existing lumberyard business to move from its current site to a new site. The former site is flood prone and contributes to blighting conditions within the Development District. After the Public Infrastructure is constructed and the lumberyard business moves to its new location, the flood prone property will be cleared of buildings and restricted as to new uses so that no additional buildings are built on the property, which will permanently remove blighting conditions from the Development District. The anticipated cost of the proposed Public Infrastructure is approximately \$161,000 and this cost is too heavy a burden for individual developers to bear.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pine Island, Minnesota that:

1. The estimated uses of tax increment revenues from the TIF District are modified as follows:

Project/Financing Costs	Existing Budget	Modified Budget
Land/Building Acquisition	\$564,417	\$300,000
Site Improvements/Preparation	648,417	300,000
Utilities	732,209	913,653
Other Qualifying Improvements	482,262	913,652
Administrative Costs	273,432	273,432
Total Tax Increment Project Capital Costs	\$2,700,737	2,700,737

2. The City Administrator is authorized and directed to file a copy of this resolution with the Minnesota Commissioner of Revenue and the County Auditor as required by the TIF Act.

Adopted by City Council of the City of Pine Island this 15th day of May, 2012.

Mayor

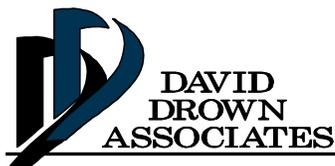
Attest:

City Administrator

City of Pine Island, Minnesota[#]

Tax Increment Financing Plan for Tax Increment Financing District No. 1-14 (Progressive Commercial Park Project)

Adopted: 15 May, 2012



Minneapolis Office:
5029 Upton Avenue South
Minneapolis, MN 55410
612-920-3320 (phone); 612-605-2375 (fax)
www.daviddrown.com

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Tax Increment Financing Plan for Tax Increment Financing District No. 1-14

Section 1 Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"City" means the City of Pine Island, Minnesota.

"City Council" means the City Council of the City of Pine Island, Minnesota.

"County" means Goodhue County, Minnesota.

"County Board" means the County Board of Goodhue County.

"Developer" means Pine Island Lumber, Inc., Olson Motor Repair and any other related entities, and any successors to the original developer(s).

"Development District" means Development District No. 1 in the City.

"Development Program" means the Development Program for the Development District.

"Project Area" means the geographic area of the Development District.

"School District" means the School District No. 255.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1799, both inclusive.

"TIF District" means Tax Increment Financing District No. 1-14.

"TIF Plan" means the tax increment financing plan for the TIF District (this document).

Section 2 Statement of Need and Public Purpose

See the Development Program for Development District No. 1 adopted on May 5, 1981 which is on file at the City Administrator's office at City Hall in Pine Island.

Section 3 Statutory Authorization

The City is empowered under the provisions of the TIF Act to establish a tax increment financing district.

Section 4 Statement of Objectives

The objectives of this tax increment financing plan are consistent with the objectives outlined in the Development Program.

Section 5 Development Activities for which the City has Designated a Developer

In September 2010 the City of Pine Island suffered serious flooding of the Zumbro River. The resulting damage was significant enough for Goodhue County to be included in a disaster declaration signed by the Governor of Minnesota. The disaster declaration made flooded properties within Pine Island eligible for grant assistance, including a buyout program funded by the Minnesota Division of Homeland Security and the Minnesota Department of Natural Resources. Properties that were damaged by the flood were potentially eligible for buyout.

Two such properties that have elected to take advantage of the buyout program are Pine Island Lumber, Inc. and Olson Motor Repair, both of which are currently located on County Road 11 on the north side of town not too distant from the Zumbro River. Both businesses need a new location to rebuild their businesses and at a price that is not cost prohibitive. The City desires to assist in the relocation of these businesses due to the fact

that they employ multiple employees and provide a positive ripple effect in the local economy due to the nature of their commerce.

The City intends to issue a Taxable Tax Increment Financing and Tax Abatement Revenue Note for the purposes of acquiring land. The land will be developed into the Progressive Commercial Park and a portion will be sold and/or conveyed to the two businesses at reduced or no up front cost. Both Pine Island Lumber, Inc. and Olson Motor Repair are hereby designated as Developers for this project. Pine Island Lumber, Inc. is expected to build new offices, show room space, and storage facilities. Olson Motor Repair is expected to rebuild its shop, approximately 3,200 square feet in size.

The City is in the process of working with other developers to develop the remaining property within the TIF District.

Section 6 Property to be Included in the TIF District

The TIF District initially will include each of the following six (6) parcels:

- 681200022
- 681200030
- 681200031
- 687000080
- 687000081
- 687000082

See the map attached as Exhibit 1 which shows the exact boundaries of the TIF District. The boundaries of the TIF District shall include all street rights-of-way and utility or drainage easements located upon or adjacent to the parcels described above.

These parcels will be re-platted into the Progressive Commercial Park. The City expects the PINs noted above will be replaced with new PINs once the new plat is recorded. The boundaries of the re-platted lots will align with the boundaries of the TIF District described above.

Section 7 Estimated Sources and Uses of Funds (Public Costs)

The City intends to purchase all six parcels noted in Section 6 above, a total of 6.33 acres. This land shall be re-platted and developed into the Progressive Commercial Park. The City intends to use tax increment financing to acquire roughly 2.7 of those acres. The acquisition of the remaining 3.63 acres and the cost to install public improvements shall be paid for using non-tax increment related sources.

The TIF Act requires that tax increments not be comingled with any other funds. Therefore, the budget below only represents the portion of costs directly associated with the use of tax increment financing. The projected expenditures within the TIF District which are eligible for reimbursement with tax increments and the projected sources of revenue available to fund these costs are summarized below:

Uses of Funds

<u>Capital Costs:</u>	
Land Acquisition	<u>182,674</u>
	\$182,674
 <u>Finance Costs:</u>	
Note Principal Payments	182,674
Note Interest Payments	<u>15,215</u>
Subtotal Finance Costs	\$197,889

Section 10 Property to be acquired in the TIF District / Requirement for Agreements

The City intends to issue a Taxable Tax Increment Financing and Tax Abatement Revenue Note to support the purchase of approximately 6.33 acres located on the north side of town for \$427,389. The Tax Increment Financing portion of the Note shall only cover a portion of that cost, estimated to be \$182,674. This represents 2.7 acres of the total to be purchased with tax increments. The purchase of the remaining 3.63 acres of land will be financed utilizing a variety of different revenue sources.

The following parcels are hereby authorized to be purchased by the City using tax increments:

681200022
681200030
681200031
687000080
687000081
687000082

In addition, the City may purchase interest in land for road right-of-way and utility purposes.

Section 11 Estimated Amount of Bonded Indebtedness

The maximum principal amount of bonds (as defined in the TIF Act) secured with tax increments is \$182,674. The City initially plans to issue bonds only in the form of a revenue note, but reserves the right to issue bonds in any form, including without limitation any interfund loan with interest not to exceed the maximum permitted under Section 469.178, subd. 7 of the TIF Act.

Section 12 Designation of TIF District as an Economic Development District

Economic development districts are a type of tax increment financing district which consists of any project which the City finds to be in the public interest because:

1. it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality;
2. it will result in increased employment in the state; or
3. it will result in preservation and enhancement of the tax base of the state.

The TIF District qualifies as an economic development district in that the proposed development described in this TIF Plan (see Sections 5 and 17) will preserve tax base within the City. Without establishment of the TIF District, the proposed development would not occur within the City and one of the Developers would likely close its business and the other would possibly move to another city. The proposed development will also result in maintaining existing jobs, creating construction jobs, and preservation of tax base in both the City and the State.

Section 14 Original Net Tax Capacity

The County Auditor will certify the Original Net Tax Capacity of the TIF District, which will be the total Net Tax Capacity of all property in the TIF District as certified by the State Commissioner of Revenue. For districts certified between January 1 and June 30, inclusive, this value is based on the previous assessment year. For districts certified between July 1 and December 31, inclusive, this value is based on the current assessment year.

The City intends to file the request for certification prior to July 1, 2012. As such, the Original Tax Capacity will be the net tax capacity as of January 2, 2011.

The Market Value of all property within the TIF District as of January 2, 2011 for taxes payable in 2012 is \$148,300. At this value, the Original Net Tax Capacity of the TIF District would be approximately \$2,225.

Each year the County Auditor will certify the amount that the Original Net Tax Capacity has increased or decreased as a result of:

1. changes in the tax-exempt status of property;
2. reductions or enlargements of the geographic area of the TIF District;
3. changes due to stipulation agreements or abatements; or
4. changes in classification rates.

Section 14 Original Local Tax Rate

The County Auditor shall also certify the Original Local Tax Rate of the TIF District. This rate shall be the sum of all local tax rates that apply to property in the TIF District. This rate shall be for the same taxes payable year as the Original Net Tax Capacity.

In future years, the amount of tax increment generated by the TIF District will be calculated using the lesser of (a) the sum of the current local tax rates at that time or (b) the Original Local Tax Rate of the TIF District.

As noted in Section 13, the City intends to file the TIF District for certification prior to July 1, 2012; therefore, the Original Local Tax Rate will be the rate that applies for taxes payable in 2012, which is 152.830% (not including State property taxes).

<u>Taxing Jurisdiction</u>	<u>2011/2012 Local Tax Rate</u>
City of Pine Island	79.819%
Goodhue County	46.444%
School District 255	25.783%
Other	<u>0.784%</u>
Total	152.830%

The projected original local tax rate does not include the State of Minnesota property tax rate on commercial, industrial and seasonal recreation property, which is estimated to be 51.1% for 2012. The state property tax is *not* captured as tax increment.

Section 15 Projected Retained Captured Net Tax Capacity and Tax Increment

Each year the County Auditor will determine the current net tax capacity of all property in the TIF District. To the extent that this total exceeds the Original Net Tax Capacity, the difference shall be known as the Captured Net Tax Capacity of the TIF District. It is the City’s intention to retain 100% of the Captured Net Tax Capacity of the TIF District.

Exhibit 3 estimates the total amount of retained net captured tax capacity, gross tax increments, adjustments, and the net tax increment revenues which will be available annually and cumulatively over the life of the TIF District.

Section 16 Statutory Duration of the TIF District

Economic development districts may remain in existence for eight years from the date of receipt of the first tax increment. This produces nine (9) annual collections of tax increments. Modifications of this plan (see Section 28) may not extend these limitations unless the City elects under certain circumstances to extend the duration of TIF District in order to recover eligible pollution cleanup costs incurred by the City (see M.S. Section 469.176, Subd. 1g for details).

The City intends to request certification of this TIF District prior to July 1st, 2012. As such, the City expects 2013 to be the first year to collect tax increment revenues. It is anticipated that the tax increment collected in the first year will be comprised of mostly of tax increments caused by the increased value of the raw land. The City expects this TIF District to remain in existence the maximum duration allowed by law. Therefore, the expected date of required decertification is stated as December 31st, 2021.

Section 17 Use of Tax Increments – Economic Development Districts

Generally, pursuant to Minnesota Statutes Section 469.176 Subd. 4, tax increments from an economic development district must be used solely to provide improvements, loans, subsidies, grants, interest rate subsidies, or other assistance in which at least 85% of the square footage of the facilities to be constructed are used for any of the following purposes:

1. manufacturing, production, or processing of tangible personal property;
2. warehousing, storage and distribution of tangible personal property, excluding retail sales;
3. research and development related to the activities listed in (1) or (2) above;
4. telemarketing if that activity is the exclusive use of the property;
5. tourism facilities as defined in M.S. Section 469.174, Subdivision 22; or
6. space necessary for and related to the activities listed in (1) through (5) above.

However, the Jobs Bill (Chapter 216 - House File 2695) enacted in 2010 and later extended in 2011 (Chapter 112 - HF 1219), includes several provisions which liberalize the use of tax increment financing in order to stimulate job creation. Tax increment authorities may create economic development districts for most types of development, including traditional commercial uses, if:

- (a) the municipality finds the project will create or retain jobs in the state, including construction jobs, and the construction of the project would not have commenced before July 1, 2012 without the assistance to be provided;
- (b) construction of the project begins no later than July 1, 2012; and
- (c) the request for certification of the district is made to the county no later than June 30, 2012.

Pine Island Lumber, Inc. has communicated to the City that if it cannot find appropriately priced land on which to relocate that the owners of the company intend to dissolve the company. Olson Motor Repair has communicated to the City that it has been considering locations outside of Pine Island if the owners of the company cannot find an appropriately priced site within the City. In either case, it would result in the loss of jobs and tax base. Due to the use of tax increment financing to lower the cost of land, both Developers intend to begin construction prior to July 1, 2012 within the Progressive Commercial Park. The construction of new facilities by both Developers will maintain existing jobs in the City and create construction jobs. Further, the City intends to request certification of the TIF District prior to July 1st. Therefore, the City finds that all three requirements listed above will be satisfied and the development contemplated in this Plan is allowable.

If the Jobs Bill is extended, and the Developers need additional time to commence construction of the proposed development, the City will allow the Developers to commence construction based on the requirements set forth in the extended Jobs Bill.

The City is in the process of working with other developers to develop the remaining property within the TIF District. If the Jobs Bill is extended, such developers will have the opportunity to build additional commercial or industrial facilities within the Progressive Commercial Park pursuant to the requirements set forth in the extended Jobs Bill. If the Jobs Bill is not extended, the other developers will need to comply with the requirements of economic development districts set forth in M.S. Section 469.176, Subd. 4c, which are listed above.

Section 18 Use of Tax Increments – General

Each year County Treasurer shall deduct an estimated 0.36% of the annual tax increment generated by the TIF District and pay such amount to the state general fund. Such amounts will be appropriated to the state auditor for the cost of financial reporting and auditing of tax increment financing information throughout the state. Exhibit 3 shows the projected deduction for this purpose over the anticipated life of the TIF District.

The City has determined that it will use 100% of the remaining tax increment generated by the TIF District for any of the following purposes:

1. Pay for the estimated public costs of the TIF District (including administrative expenses, see Section 7) and City administrative costs associated with the TIF District (see Section 29);
2. pay principal and interest on tax increment bonds, notes or other financial obligations issued to finance the public costs of the TIF District;
3. accumulate a reserve securing the payment of tax increment bonds or other bonds issued to finance the public costs of the TIF District;
4. pay all or a portion of the County road costs as may be required by the County Board under M.S. Section 469.175, Subdivision 1a; or
5. return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates.

Tax increments from property located in one county must be expended for the direct and primary benefit of a project located within that county, unless the County Board involved waives this requirement. Tax increments shall not be used to circumvent levy limitations.

Tax increment may not be used to finance the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the State or Federal government. Further, tax increments may not be used to finance: a commons area used as a public park; facilities used for social or recreational purposes (whether public or private); or publicly-owned facilities used for conference purposes; provided that tax increment may be used for a privately owned conference facility, and for parking structures whether public or privately owned and whether or not they are ancillary to one of the otherwise prohibited uses described above.

If there exists any type of agreement or arrangement providing for the developer, or other beneficiary of assistance, to repay all or a portion of the assistance that was paid or financed with tax increments, such payments shall be subject to all of the restrictions imposed on the use of tax increments. Assistance includes sales of property at less than the cost of acquisition or fair market value, grants, ground or other leases at less than fair market rent, interest rate subsidies, utility service connections, roads, or other similar assistance that would otherwise be paid for by the developer or beneficiary.

Section 19 “Green Acres”

The TIF District may not include parcels that qualified as “green acres” in any of the five (5) years preceding the request for certification, unless 85% of development in the district is restricted to Qualified Facilities which pay at least 90% of employees wages equal to or greater than 160% of the federal minimum wage.

None of the parcels located within the TIF District was enrolled in the Green Acres program (see M.S. 273.111) within the prior five years of the anticipated certification request date.

Section 20 4-Year Knock-Down Rule

If after four years from certification of the TIF District no demolition, rehabilitation, renovation, or qualified improvement of an adjacent street has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the Original Net Tax Capacity shall be adjusted

accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall certify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the Net Tax Capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the Original Net Tax Capacity of the TIF District.

Section 21 Tax Increment Pooling – 5-year Rule

At least 80% of the tax increments from the TIF District must be expended on activities within the district or to pay for bonds used to finance the estimated public costs of the TIF District. No more than 20% of the tax increments may be spent on costs outside of the TIF District, but within the boundaries of the Project Area. All administrative expenses are considered to have been spent outside of the TIF District. Tax increments are considered to have been spent within the TIF District if such amounts are:

1. actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
2. used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
3. used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.

Beginning with the sixth year following certification of the TIF District, at least 80% of the tax increments must be used to pay outstanding bonds or make contractual payments obligated within the first five years. When outstanding bonds have been defeased and sufficient money has been set aside to pay for such contractual obligations, the TIF District must be decertified.

The City does not anticipate the need to pool tax increment revenues between this TIF District and future TIF Districts within Development District No. 1.

Section 22 Excess Tax Increment

On December 31st of each year, the City must determine the amount of excess increments for the TIF District. See M.S. Section 469.176 subdivision 2 for a complete definition. Excess increments may only be used to:

1. prepay any outstanding tax increment Bonds;
2. discharge the pledge of tax increments on any outstanding Bonds.
3. pay amounts into an escrow account dedicated to the payment of any outstanding Bonds; or
4. return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates. The County Auditor must report to the Commissioner of Education the amount of any excess tax increment redistributed to the School District within 30 days of such redistribution.

Allocation of excess increments must be completed by September 30th in the year following the year in which

excess increments were generated.

Section 23 Limitation on Administrative Expenses

Administrative expenses are defined as all costs of the City other than:

1. amounts paid for the purchase of land;
2. amounts paid for materials and services, including architectural and engineering services directly connected with the proposed development within the TIF District;
3. relocation benefits paid to, or services provided for, persons or businesses located within the TIF District; or
4. amounts used to pay interest on, fund a reserve for, or sell at a discount, tax increment bonds.
5. amounts used to make payments on other financial obligations used to finance costs outlines above.

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and actual costs incurred by the City in administering the TIF District. For TIF Districts with certification request dates after July 31, 2001 tax increments may be used to pay administrative expenses of the TIF District up to the lesser of (a) 10% of the total tax increment expenditures authorized by the TIF plan or (b) 10% of the total tax increments received by the TIF District. However, tax increments used to pay County expenses pursuant to M.S. Section 469.176 Subd. 3(d) are not subject to these percentage limits.

The City intends to retain only 2% of tax increments collected to pay its expenses related to administering the TIF District, but reserves the right to collect the maximum allowed by law. See Exhibit 3.

Section 24 Prior Planned Improvements

The City shall accompany its request for certification to the County Auditor with a listing of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan. The County Auditor shall increase the Original Net Tax Capacity of the TIF District by the net tax capacity of each improvement for which a building permit was issued.

The City has issued no building permits for properties within the TIF District during the past 18 months.

Section 25 Development Agreements

If more than 10% of the acreage of a project (which contains an economic development district) is to be acquired by the City with proceeds from tax increment bonds then, prior to such acquisition, the City must enter into an agreement for the development of the property. Such agreement must provide recourse for the City should the development not be completed.

The portion of land to be purchased with tax increments represents roughly 2.7 acres of the total 6.33 acres (see Section 10). Prior to acquisition, the City will enter into the necessary agreements with Pine Island Lumber, Inc. and/or Olson Motor Repair to develop at least 90%, or 2.43 acres, of the 2.7 acres being purchased with proceeds of a tax increment bond. Such agreements will provide recourse for the City should development not be completed.

Section 26 Business Subsidy Laws

Minnesota Statutes 116J.991 requires a City or Authority providing a business with a subsidy worth \$25,000 or more to complete a subsidy approval process as described below. Housing projects and many redevelopment projects are exempt from the requirements.

Before granting a business subsidy, the City must complete the following:

1. Adopt criteria for awarding business subsidies following a public hearing.
2. Enter into a subsidy agreement which must include the following information and requirements:
 - a. A description of the subsidy.
 - b. A statement of the public purpose and goals of the subsidy.
 - c. Wage and job creation goals (or job retention goals, if job loss is imminent and demonstrable) to be achieved within 2 years of receiving the subsidy;
 - d. A description of the recipient's financial obligation if the goals are not met. The recipient must pay back the assistance with interest if goals are not met, although pro-ration to reflect partial fulfillment of goals is permitted.
 - e. A statement of why the subsidy is needed.
 - f. A commitment from the recipient to continue operations at the site for at least 5 years;
 - g. The name and address of the parent company of the recipient;
 - h. A list of all other financial assistance to the project; and
 - i. A requirement for the recipient to provide the City and the Department of Trade and Economic Development with annual information regarding goals for two years after receiving the subsidy or until the goals are achieved. The reports must be filed by March 1 for the prior year.

If the business subsidy exceeds \$150,000, the City must conduct a public hearing on the subsidy, after providing at least 10 days published notice in the local newspaper.

Section 27 Assessment Agreements

The City may, upon entering into a development agreement, also enter into an assessment agreement with the Developer or any other person, which establishes a minimum market value of the land and improvements for each year during the life of the TIF District.

The assessment agreement shall be presented to the County or City Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land, and so long as the minimum market value contained in the assessment agreement appears to be a reasonable estimate, shall certify the assessment agreement as reasonable. The assessment agreement shall be filed for record in the office of the County Recorder of each county where the property is located. Any modification or premature termination of this agreement must first be approved by the City, and if the project is valued below the minimum market value, also approved by the County and School District.

Section 28 Modifications of the Tax Increment Financing Plan

Any reduction or enlargement in the geographic area of the Project Area or the TIF District; increase in the amount of bonded indebtedness to be incurred; increase in the amount of capitalized interest; increase in that portion of the Captured Net Tax Capacity to be retained by the City; increase in the total estimated capital and administrative costs; or designation of additional property to be acquired by the City shall be approved only after satisfying all the necessary requirements for approval of the original TIF Plan. This paragraph does not apply if:

1. the only modification is elimination of parcels from the Project Area or the TIF District; and
2. the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's Original Net Tax Capacity, or the City agrees that the TIF District's Original Net Tax Capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the Project Area or the TIF District. The geographic area of the TIF District may be reduced but not enlarged after

five years following the date of certification.

Section 29 Administration of the Tax Increment Financing Plan

After adoption of the TIF Plan, the City shall submit a copy of such plan to the State Auditor's Office. The City shall also request that the County Auditor certify the Original Net Tax Capacity and Net Tax Capacity Rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements. The City shall also send the County Assessor any assessment agreement establishing the minimum market value of land and improvements in the TIF District, and shall request that the County Assessor review and certify this assessment agreement as reasonable.

The County shall distribute to the City the amount of tax increment as it becomes available. The amount of tax increment in any year represents the applicable property taxes generated by the Retained Captured Net Tax Capacity of the TIF District. The amount of tax increment may change due to development anticipated by the TIF Plan, other development, inflation of property values, or changes in property classification rates or formulas.

In administering and implementing the TIF Plan, the following actions should occur on an annual basis:

1. Prior to July 1, the City shall notify the County Assessor of any new development that has occurred in the TIF District during the past year to insure that the new value will be recorded in a timely manner.
2. If the County Auditor receives the request for certification of a new TIF District, or for modification of an existing TIF District, before July 1, the request shall be recognized in determining local tax rates for the current and subsequent levy years. Requests received on or after July 1 shall be used to determine local tax rates in subsequent years.

Each year the County Auditor shall certify the amount of the Original Net Tax Capacity of the TIF District. The amount certified shall reflect any changes that occur as a result of the following:

1. the value of property that changes from tax-exempt to taxable shall be added to the Original Net Tax Capacity of the TIF District. The reverse shall also apply;
2. the Original Net Tax Capacity may be modified by any approved enlargement or reduction of the TIF District;
3. if laws governing the classification of real property cause changes to the percentage of Estimated Market Value to be applied for property tax purposes, then the resulting increase or decrease in net tax capacity shall be applied proportionately to the Original Net Tax Capacity and the Retained Captured Net Tax Capacity of the TIF District.

The County Auditor shall notify the City of all changes made to the Original Net Tax Capacity of the TIF District.

Section 30 Financial Reporting and Disclosure Requirements

The City is responsible for information and financial reporting on the activities of the TIF District. These responsibilities include:

1. Prepare and Publish an Annual Statement. No later than August 1 of each year, the City must prepare and publish an annual statement which includes at least the following information:
 - (a) tax increment received and expended in that year
 - (b) Original Net Tax Capacity
 - (c) captured Net Tax Capacity
 - (d) amount of outstanding bonded indebtedness
 - (e) increments paid to other government bodies

- (f) administrative costs
- (g) increments paid directly or indirectly outside of the district
- (h) if a fiscal disparities contribution is computed under section 469.177, Subd. 3(a), the increase in property tax imposed on other properties in the municipality as a result of the fiscal disparities contribution in the manner prescribed by the commissioner of revenue.

A copy of the annual statement must also be provided to the State Auditor, county board and county auditor, school board, and the municipality.

2. Prepare an Annual Report. (469.175 Subds. 5 and 6) The State Auditor enforces the provisions of the TIF Act and has full responsibility for financial and compliance auditing of the City's use of tax increment financing. The State Auditor's office provides detailed tax increment reporting forms for use in complying with annual reporting requirements. On or before August 1 of each year, the City and/or the City must prepare a status and financial report for the TIF District and submit it to the state auditor, the county board, the county auditor, the school board, and the governing body of the municipality, if the municipality is not also the City.
3. Prepare a Minnesota Business Assistance Form. (116J.991) By April 1, the City must submit a report to the Department of Trade and Economic Development on wage and job goals and progress made in achieving them. A reporting form is provided by the Department, and must be submitted for each business which has received TIF assistance.

Section 31 Findings and Need for Tax Increment Financing

In establishing the TIF District, the City makes the following findings:

1. The TIF District qualifies as an economic development district;

The TIF District qualifies as an economic development district in that the proposed development described in this TIF Plan (see Section 5) meets all of the criteria listed in Sections 12, 17 and 18 above.

2. The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future, and the increased market value of the site that could reasonably be expected to occur without the use of tax increment would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan;

The reasons and supporting facts for this finding are that both Pine Island Lumber, Inc. and Olson Motor Repair have stated to the City that they will either close down or potentially relocate outside of the City if land cannot be provided at a reduced cost.

The above finding is based in part on letters submitted by the Developers and communications with City staff.

The City has further determined that no other development is expected to occur that would create a greater market value than that proposed, adjusting for the tax increment assistance. Any other development of the TIF District would have to create a market value increase of more than \$545,298 in order to exceed the value increase expected under the current proposal, after subtracting the present value of the tax increment for 9 years (See Market Value Analysis, Exhibit 5). In fact, due to the limited space available and high cost of development, the City has no reason to expect any significant development to occur on this site without tax increment assistance. Therefore, the City reasonably believes that the expected increase in market value at this site without TIF assistance is limited to

appreciation in existing real estate value, estimated to be approximately \$32,626 over the life of the TIF District.

To summarize the basis for the City's findings, the City makes the following determinations:

- a) *The City's estimate of the amount by which the market value of the site will increase without the use of tax increment financing is \$32,626 (for the reasons described above).*
 - b) *If the proposed development to be assisted with tax increment occurs in the TIF District, the total increase in market value would be approximately \$731,700. The increase in market value would be due primarily to new construction within the TIF District. (See Exhibit 3)*
 - c) *The present value of tax increments from the TIF District for the maximum duration of the district permitted by the TIF Plan is estimated to \$186,402 (See Exhibit 5)*
 - d) *Even if some development other than the proposed development were to occur, the City Council finds that no alternative would occur that would produce a market value increase greater than \$545,298 (the amount in clause b less the amount in clause c) without tax increment assistance.*
3. The TIF Plan conforms to the general plan for development or redevelopment of the City as a whole.

The reasons and facts supporting this finding are that the Planning Commission of the City has reviewed the TIF Plan and opined that the development proposed for the TIF District is generally consistent with the City's development plan and zoning ordinances, and serves to promote the City's development objectives.

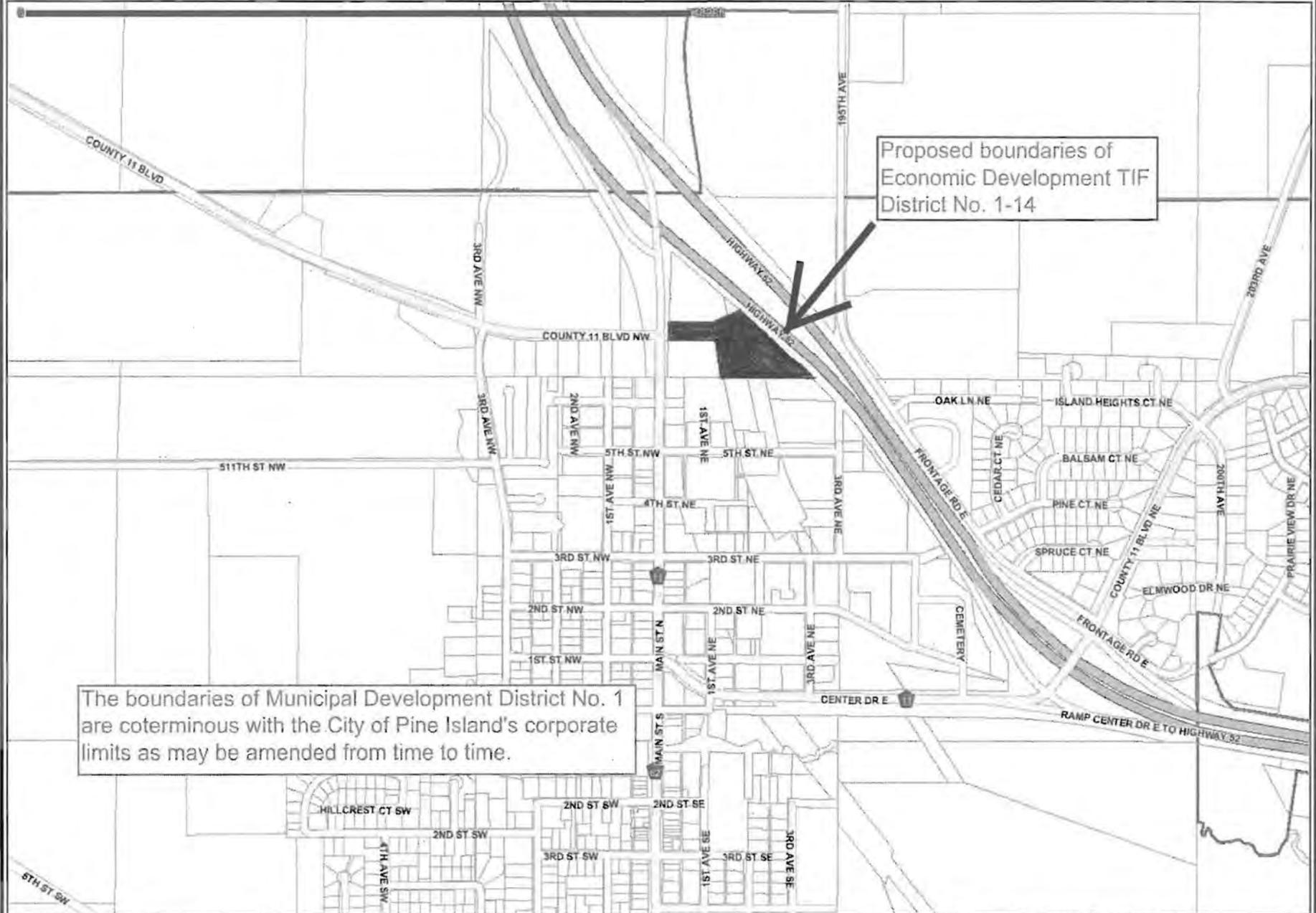
4. The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the Project Area by private enterprise.

The reasons and facts supporting this finding is that the assistance provided in this TIF Plan will assist in retaining two successful commercial enterprises and associated employment levels within the City. The assistance shall also assist in the construction of new commercial facilities.

Exhibits

Map of Tax Increment Financing District and Project Area Exhibit 1
Parcels and Valuations..... Exhibit 2
Tax Increment Projections Exhibit 3
Statement of Fiscal and Economic Impacts..... Exhibit 4
Market Value Analysis Exhibit 5

City of Pine Island, MN



This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. Created From Goodhue County Online Mapping Site. Sources: Goodhue County, MN. Map Created: 3/21/2012

**City of Pine Island, Minnesota
Economic Development Tax Increment Financing District No. 1-14
Parcel Summary -- Areas, Values & Conditions**

2012 Progressive Commercial Park Project

<u>Property Owner</u>	<u>Original Parcel ID Nos.*</u>	<u>Market Value Building</u>	<u>Market Value Land</u>	<u>TOTAL MARKET VALUE</u>	<u>Estimated Original Tax Capacity</u>
Progressive Tool & Manufacturing Company	681200022	\$0	\$34,600	\$34,600	\$519
Progressive Tool & Manufacturing Company	681200030	\$0	\$46,500	\$46,500	\$698
Progressive Tool & Manufacturing Company	681200031	\$0	\$27,400	\$27,400	\$411
Progressive Tool & Manufacturing Company	687000080	\$0	\$29,900	\$29,900	\$449
Progressive Tool & Manufacturing Company	687000081	\$0	\$7,500	\$7,500	\$113
Zwank, LLC	687000082	\$0	\$2,400	\$2,400	\$36
TOTALS		\$ -	\$ 148,300	\$ 148,300	\$ 2,225

* These parcels are in the process of being replatted and PINs are subject to change.

**City of Pine Island, Minnesota
Economic Development Tax Increment Financing District No. 1-14**

2012 Progressive Commercial Park Project

Tax Increment Projections

Valuations & Projected Increases

	Market Value	Tax Capacity
Original Values*	\$ 148,300	\$ 2,225
New Values after Initial Development	\$ 880,000	\$ 16,850
Captured Values	\$ 731,700	\$ 14,626

Tax Rate Assumptions:

	2011/2012 Rate*
City of Pine Island	79.819%
County of Goodhue	46.444%
ISD No. 255	25.783%
Other	0.784%
	<u>152.830%</u>

Projected Tax Increment

2.0% MV Inflation

Adjustments

Payable Year	Original Tax Capacity	Projected Tax Capacity	Net Captured Tax Capacity	Less Fiscal Disparities	Retained Net Captured Tax Capacity	Projected Tax Rate*	Gross Tax Increment	2.00% Admin. Retainage	0.36% State Auditor's Deduction	TOTAL NET REVENUES
2012	2,225	2,225	-	-	-	152.830%	-	-	-	-
2013	2,225	8,000	5,776	-	5,776	152.830%	8,827	176	32	8,619
2014	2,225	16,850	14,626	-	14,626	152.830%	22,352	445	80	21,826
2015	2,225	17,187	14,963	-	14,963	152.830%	22,867	456	82	22,329
2016	2,225	17,531	15,306	-	15,306	152.830%	23,393	466	84	22,842
2017	2,225	17,881	15,657	-	15,657	152.830%	23,928	477	86	23,365
2018	2,225	18,239	16,014	-	16,014	152.830%	24,475	488	88	23,899
2019	2,225	18,604	16,379	-	16,379	152.830%	25,032	499	90	24,443
2020	2,225	18,976	16,751	-	16,751	152.830%	25,601	510	92	24,999
2021	2,225	19,355	17,131	-	17,131	152.830%	26,181	522	94	25,565
							<u>202,656</u>	<u>4,039</u>	<u>730</u>	<u>197,888</u>

NET PRESENT VALUE @ 1.50% \$ 182,674
(anticipated borrowing rate)

NOTES:

* Original Values and Local Tax Rate will be based upon Taxes Payable Year 2011/2012 as request for certification will take place before June 30, 2012.

**City of Pine Island, Minnesota
Economic Development Tax Increment Financing District No. 1-14**

2012 Progressive Commercial Park Project

STATEMENT OF FISCAL AND ECONOMIC IMPACTS OF PROPOSED TIF DISTRICT

Taxing Jurisdiction	Without TIF District		With TIF District					
	2012 Taxable Net Tax Capacity ⁽¹⁾	2012 Local Tax Rate	2012 Taxable Net Tax Capacity ⁽¹⁾	Projected PV Captured Net Tax Capacity	Hypothetical Tax Generated By TIF	New Taxable Net Tax Capacity	Hypothetical Adjusted Local Tax Rate	Hypothetical Decrease in Tax Rate
City of Pine Island, Minnesota	2,135,339	79.819%	2,135,339	14,626	11,674	2,149,965	79.276%	0.543%
Goodhue County, Minnesota	56,267,233	46.444%	56,267,233	14,626	6,793	56,281,859	46.432%	0.012%
ISD No. 255	5,722,603	25.783%	5,722,603	14,626	3,771	5,737,229	25.717%	0.066%
Other ⁽²⁾	--		--	-	-	--	0.00%	--
Totals		152.046%			22,237		151.425%	0.621%

Statement #1: If all of the projected captured net tax capacity of the project were hypothetically immediately available to each taxing jurisdiction if TIF were not used, the tax capacities of each jurisdiction would be increased by the amounts shown above, and the local tax rates of each jurisdiction would be decreased by the amounts shown.

Statement #2: As the projected captured tax capacity of the project would not be available without the use of TIF, the tax capacities and tax rates of each jurisdiction will not be affected.

Statement #3: The estimated amount of tax increment (gross increment less State Auditor's deduction) generated over the life of the TIF District is estimated to be \$201,927.

Statement #4: A description of the probable impact of the TIF District on City services as a result of the creation of this TIF District would include the following: The City will be collecting an estimated \$105,461 in city property tax revenue from the proposed project area and applying it to project related expenses rather than general services such as police, fire, and other services not paid by user fees.

Statement #5: The estimated amount of increment attributed to the school districts' tax levies and captured as a result of the creation of this TIF District is \$34,066 for School District 255.

Statement #6: The estimated amount of increment attributed to the county tax levy and captured as a result of the creation of this TIF district is \$61,364.

Statement #7: The final Original Net Tax Capacity and Local Tax Rate of the TIF District will be based upon data for taxes payable 2012 as the Authority intends to request certification of the TIF District prior to July 1, 2012.

⁽¹⁾ Taxable net tax capacity = total net tax capacity less value captured in TIF Districts and powerline value.

⁽²⁾ The impacts upon other taxing jurisdictions not included since they represent a small percentage of the total tax rate.

City of Pine Island, Minnesota
Economic Development Tax Increment Financing District No. 1-14
2012 Progressive Commercial Park Project

Market Value Analysis

Increased Market Value of Site	\$	731,700
Less Present Value of TIF Revenues	\$	<u>186,402</u>
	\$	545,298
Estimated Increased Site Value w/out TIF*	\$	<u>32,626</u>
Net Value Increase	\$	512,672

Present Value of Tax Increments

Calculation Date: 12/31/2012
Present Value Factor: 1.50%

#	Year	Tax Increment	Present Value
0	2012	-	-
1	2013	8,795	8,665
2	2014	22,272	21,618
3	2015	22,785	21,790
4	2016	23,308	21,961
5	2017	23,842	22,132
6	2018	24,387	22,303
7	2019	24,942	22,474
8	2020	25,509	22,645
9	2021	26,087	22,815
		<u>201,927</u>	<u>186,402</u>

* Without the use of Tax Increment Financing no development is expected to occur on the site. Therefore, the Estimated Site Value without TIF is expected to be restricted to MV inflation only of approximately 2% per year.



**PINE ISLAND
LUMBER**

Quality Building Materials

Rec'd
5/2/2012.

April 28, 2012

Abraham Algadi, Administrator
City of Pine Island
PO Box 1000, 250 S. Main
Pine Island, MN 55963

Dear Mr. Algadi:

The business subsidy being requested by Pine Island Lumber, Inc. is crucial for the company to proceed with business relocation. Without the assistance, the company could not and would not proceed due to high relocation costs which will exceed 3-4 times the amount received from flood buy-out proceeds.

Pine Island Lumber has been a part of the Pine Island community for over 23 years. The company currently provides employment for 6 full-time and 3 part-time positions that are well above living wage standards and include vacation, sick leave, and retirement benefits. But for business subsidy assistance, the company will be faced with liquidating assets and closing.

Sincerely,



Craig Ritter
President



Bob Doll
Vice president

Revised.
5/2/12.

Pine Island Lumber, Inc. sale to City of Pine Island

1. Statement of Voluntary Participation for Acquisition of Property Open Space

- * Seller should be Pine Island Lumber, Inc., a Minnesota corporation, instead of Craig Ritter & Bob Doll.

2. Purchase Agreement

Para 4, Improvements: Seller has option to relocate structures highlighted on attached Exhibit D. By what date must buildings be relocated?

Para 6, Contingencies: Also should be contingent upon successful simultaneous closing of relocation property between City of Pine Island as seller and Pine Island Lumber, Inc. as purchaser (or a successor entity such as a limited liability company which Craig Ritter and Robert Doll intend to create).

Also should be contingent upon approval of TIF district by governing authorities.

Para 7, Title: Abstract or other title search to be at Buyer expense.

Para 10, Special Assessments: Include that Buyer to assume any levied or pending special assessments in the event that such assessments are not waived.

Para 13, Closing Costs: Buyer will also be responsible for updating of abstracts or other title searches. Delete 2nd sentence as that conflicts with 1st sentence.

Para 14, Hazardous Substances: Lumber yard has been in existence since 1940s. Craig and Bob purchased in 1989. It is unknown what other substances may have been used in building materials, etc. Conveyance of site should be "As Is". Seller will agree to remove the items specified such as fuel, paint containers, solvents, poisons, etc. But, if there are any other hazardous materials found during or after demolition by the City, Seller cannot be held responsible for mitigation and should be held harmless.

Other items to add:

- * Seller reserves right to continue business operations on the existing lumber yard site until January 31, 2013. The parties agree to sign a lease agreement giving seller this retained right of possession for \$0.00 rent or \$1.00 rent. Seller will maintain adequate levels of hazard and liability insurance. Lease agreement should also indicate deadline when structures to be removed and relocated to new building site.

3. Purchase Agreement, Exhibit C

Para 2: there will be no executed construction contract. The new LLC to be formed by Craig and Bob and their spouses will be acting as general contractor. Also, should include construction of improvements and costs of relocating existing structures from old site to new site. Also, third sentence should be changed to "If such evidence is not provided to Buyer and Escrow Agent" Also, any of its own materials that Pine Island Lumber, Inc. uses for new construction should also be subject to reimbursement with escrowed funds.

4. Conveyance of relocation property from City of Pine Island to LLC to be formed by Craig Ritter and Robert Doll and spouses. Need to review these proposed documents including purchase agreement showing lot price of \$0.00. Also need to review any TIF related docs to be signed by Buyer of relocation property.

CITY OF PINE ISLAND, MINNESOTA

Council member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 12-032

RESOLUTION ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-14 (PROGRESSIVE COMMERCIAL PARK PROJECT) WITHIN DEVELOPMENT DISTRICT NO. 1 AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.

BE IT RESOLVED by the City Council (the "Council") of the City of Pine Island, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The Council of the City has heretofore established Development District No. 1 (the "Development District") and adopted the Development Program therefor. It has been proposed by the City that the City establish Tax Increment Financing District No. 1-14 (Progressive Commercial Park Project) (the "TIF District") therein and adopt a Tax Increment Financing Plan therefor (the "TIF Plan"); pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.134 and 469.174 to 469.1799, inclusive, as amended, (the "TIF Act") all as reflected in the TIF Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the TIF Plan and has caused the TIF Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the TIF District and the adoption and approval of the proposed TIF Plan, including but not limited to conducting a duly noticed public hearing thereon, at which the views of all interested parties were heard and providing the proposed TIF Plan and the estimates of the fiscal and economic implications of the TIF Plan to the School Board of Independent School District No. 255 and to the County Board of Commissioners of Goodhue County at least thirty days prior to the public hearing held on May 15, 2012.

1.04. Certain written reports (the "Reports") relating to the TIF Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the TIF Plan. The Reports include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05. The City is not modifying the boundaries of Development District No. 1.

Section 2. Findings for the Adoption and Approval of the TIF Plan.

2.01. The Council hereby finds that the TIF Plan is intended and, in the judgment of this Council, the effect of such actions will be, to provide an impetus for development and accomplish certain objectives as specified in the TIF Plan, which are hereby incorporated herein.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-14.

3.01. The Council hereby finds that the TIF District is in the public interest and is an "economic development district" under Minnesota Statutes, Section 469.174, Subd. 12.

3.02. The Council finds that the proposed development would not occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan, that the TIF Plan conforms to the general plan for the development or redevelopment of the City as a whole; and that the TIF Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development of the TIF District by private enterprise.

3.03. The reasons and facts supporting all the above findings are set forth in the TIF Plan and are incorporated herein by reference. This City Council has also relied upon the Reports and recommendations of its staff and consultants, as well as the personal knowledge of members of the City Council, in reaching its conclusions regarding the TIF Plan.

Section 4. Public Purpose

4.01. The adoption of the TIF Plan conforms in all respects to the requirements of the TIF Act and will result in increased employment in the state, and will result in preservation and enhancement of the tax base of the State and thereby serves a public purpose. For the reasons described in the TIF Plan, the City believes these benefits are directly derived from the tax increment assistance provided under the Plan. The developers will receive only the assistance needed to make the proposed development financially feasible. As such, any private benefits received by the developers are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the TIF Plan.

5.01. The TIF Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the City Administrator.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the TIF Plan and to negotiate, draft, prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.

5.03. The Auditor of Goodhue County is requested to certify the original net tax capacity of the TIF District, as described in the TIF Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the City Administrator is authorized and

directed to forthwith transmit this request to the Auditor of Goodhue County in such form and content as the County Auditor may specify, together with a list of all properties within the TIF District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The City Administrator is further authorized and directed to file a copy of the TIF Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

The motion for the adoption of the foregoing resolution was duly seconded by Council member _____ and upon a vote being taken thereon, the following voted in favor thereof:

Abstained:

and the following voted against the same:

Dated: May 15, 2012

Members Present:

Members Absent:

Dated: May 15, 2012

Mayor

ATTEST:

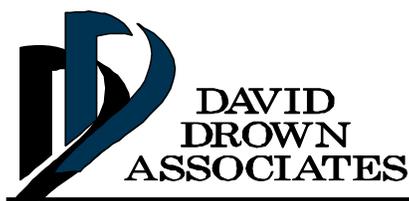
City Administrator

City of Pine Island, Minnesota
Pine Island Public Schools (ISD 255), Minnesota

**2012 Cooperative Property Tax Abatement Plan
(Progressive Commercial Park Project)**

Adopted by City of Pine Island: May 15th, 2012

Adopted by Pine Island Public Schools: May 21st, 2012



Minneapolis Office:
5029 Upton Avenue South
Minneapolis, MN 55410-2244
612-920-3320 (phone); 612-605-2375 (fax)
www.daviddrown.com

2012 Cooperative Property Tax Abatement Plan (Progressive Commercial Park Project)

Introduction

In September 2010 the City of Pine Island (the "City") suffered serious flooding of the Zumbro River. The resulting damage was significant enough for Goodhue County to be included in a disaster declaration signed by the Governor of Minnesota. The disaster declaration made flooded properties in Pine Island eligible for grant assistance, including a buyout program funded by the Minnesota Division of Homeland Security and the Minnesota Department of Natural Resources. Properties that were damaged by the flood were potentially eligible for buyout.

Two such properties that have elected to take advantage of the buyout program are Pine Island Lumber, Inc. and Olson Motor Repair both of which are currently located on County Road 11 on the north side of town not too distant from the Zumbro River. Both businesses need a new location to rebuild their businesses and at a price that is not cost prohibitive. The City desires to assist in the relocation of these businesses due to the fact that they employ multiple employees and provide a positive ripple effect in the local economy due to the nature of their commerce.

The City intends to issue a Taxable Tax Increment Financing and Tax Abatement Revenue Note, possibly in combination with an interfund loan, for the purposes of acquiring land. The land will be developed into the Progressive Commercial Park and a portion will be sold and/or conveyed to these two businesses at reduced or no up front cost. Both Pine Island Lumber, Inc. and Olson Motor Repair are hereby designated as Developers for this project. Pine Island Lumber, Inc. is expected to build new offices, show room space, and storage facilities. Olson Motor Repair is expected to rebuild its shop, approximately 3,200 square feet in size.

The City has requested Pine Island Public Schools, ISD 255 (the "School District") to participate cooperatively in abating taxes on said commercial park to produce the necessary revenues to move the project forward.

Section 1 Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"Captured Tax Base" means tax capacity in excess of \$2,225 resulting from new development on the parcels whose taxes are to be abated.

"City" means the City of Pine Island, Minnesota.

"Developer" means Pine Island Lumber, Inc., Olson Motor Repair and any other related entities, and any successors to the original developer(s).

"Plan" means the Tax Abatement Plan associated with financing the cost of acquiring land utilizing authority in Tax Abatement Law (this document).

“Project” means the City’s acquisition of land which will be resold and/or conveyed to the Developer(s) at reduced or no up front cost.

“School District” means School District No. 255

"State" means the State of Minnesota.

“Tax Abatement Law” means Minnesota Statutes, Sections 469.1812 to 469.1815, both inclusive.

Section 2 Statutory Authority

The City and School are empowered under the provisions of Tax Abatement Law to authorize property tax abatements.

Section 3 Statement of Need and Public Purpose

Pine Island Lumber, Inc. has communicated to the City that if it cannot find appropriately priced land on which to relocate that they intend to dissolve the company after the flood buyout described in the Introduction. Olson Motor Repair has communicated to the City that they have been considering locations outside of Pine Island and possibly ISD 255 if they cannot find an appropriately priced site with the City. In either case, it would result in the loss of jobs and tax base for both the City and School District.

As discussed in the Introduction, the City and School District will act cooperatively to utilize authority under Tax Abatement Law to finance the acquisition of land that will be improved and resold and/or conveyed to Pine Island Lumber, Inc. and Olson Motor Repair at reduced or no up front cost.

The project thereby serves the following public purposes listed under State Statute 469.1813, Subdivision 1:

1. the Project will result in preservation of tax base;
2. the Project will provide employment opportunities in the City and School District.

Section 4 Specific Development Expected

The City intends to issue a Taxable Tax Increment Financing and Tax Abatement Revenue Note, possibly in combination with an interfund loan, to finance the acquisition of land. The City is requesting the School District to enter into a Tax Abatement Revenue Sharing Agreement in order to repay said note/interfund loan.

Specifically, the City plans to acquire 6.33 acres of land on the north side of town directly across from County Road 11 and develop it into the Progressive Commercial Park. However, the aforementioned Taxable Tax Increment Financing and Tax Abatement Revenue Note and/or interfund loan will not fully fund the acquisition of land. It is anticipated to only cover the cost of approximately 3 acres. The cost of acquiring the remaining acres and installation of public improvements will be paid for with a combination of other funds of the City. Specifically, the City will also utilize a combination of cash reserves and tax increment financing to finance the acquisition of land.

The land will be sold to Pine Island Lumber, Inc. and Olson Motor Repair at a reduced cost. Pine Island Lumber, Inc. is expected to build new offices, show room space, and

storage facilities. Olson Motor Repair is expected to rebuild their shop, approximately 3,200 square feet in size.

Pine Island Lumber, Inc. and Olson Motor Repair will only purchase approximately 4 acres, leaving about 2 acres available for an additional future business.

Section 5 Property to be Included

The property whose taxes are to be abated under this Plan is initially made up the following six (6) parcels:

- 681200022
- 681200030
- 681200031
- 687000080
- 687000081
- 687000082

These parcels are located on the north side of Pine Island on the east side of Main Street directly across from County Road 11. Please refer to Exhibit 1 showing a map of the area to be included. The City intends to re-plat this area into the Progressive Commercial Park and the PINs listed above are expected to change.

Section 6 Estimated Sources and Uses of Funds (Public Costs)

The estimated costs for this Plan are summarized below. Only those costs and revenues directly associated with the tax abatement contemplated in this Plan are accounted for here:

Uses of Funds:

<u>Capital Costs:</u>	
Land Acquisition	<u>200,000</u>
Subtotal Capital Costs	\$200,000
 <u>Finance Costs:</u>	
Note/Interfund Loan Principal	200,000
Note/Interfund Loan Interest (estimated)	<u>47,000</u>
Subtotal Finance Costs	\$247,000
 Total Uses of Funds	 \$447,000

Sources of Funds:

Note/Interfund Loan Proceeds	200,000
City Property Tax Abatements	150,000
School District Tax Abatements	50,000
Other Revenues of the City	<u>47,000</u>
 Total Sources of Funds	 \$447,000

Section 7 Estimated Revenues

The total initial tax capacity of all six parcels included in the abatement for taxes payable 2012 is calculated to be \$2,225. The City and School District shall only abate their

respective share of taxes on tax base above this amount (the "Captured Tax Base"). The City shall abate up to \$1 over an eleven year period commencing with taxes payable 2022. The reason for the deferred start of the abatement is due to the establishment of a TIF District on said parcels which is expected to be in existence through 2021. In no year during the abatement period shall the amount of the abatement exceed the Captured Tax Base times the City's local tax capacity rate. The School District shall abate up to \$50,000 over an eleven year period also commencing with taxes payable 2022. However, in no year shall the amount of the abatement exceed the Captured Tax Base times the School District's local tax capacity rate.

Please refer to Exhibit 2 for an estimate of the abatement to be received from the properties to be abated.

Section 8 Duration Limit

Pursuant to Tax Abatement Law (specifically Section 469.1813 Subd. 6), a local taxing jurisdiction may grant an abatement for a period of up to 15 years if specifically mentioned in the authorizing Resolution. In this case, the City and School District will limit themselves to a cooperative tax abatement for a period of eleven (11) years commencing with taxes payable 2022. The reason for the deferred start of the abatement is due to the establishment of a TIF District on said parcels in the early years.

Section 9 Funding Mechanism

The City intends to repay up to \$200,000 in Taxable Tax Abatement Revenue Bonds and/or interfund loans for the purpose of financing the acquisition of land as previously discussed. Section 469.1814 Subd. 5 of Tax Abatement Law authorizes the use of Tax Abatement bond proceeds to pay for the acquisition and conveyance of land or other property so long as the maximum principal amount of the bonds does not exceed the estimated sum of abatements from the property abated. The City will abate up to \$150,000 in taxes over an eleven year period commencing with taxes payable 2022.

The School District will enter into a Tax Abatement Revenue Sharing Agreement with the City pledging to collect and pay to the City a maximum of \$50,000 in tax abatement over an eleven year period commencing with taxes payable 2022. See Section 7 for details.

Please refer to Exhibit 2 for a proposed cash flow.

Pursuant to Section 469.1814 Subd. 4 of Tax Abatement Law, following the issuance of abatement bonds, the abatement may not be modified or changed during its term.

Section 10 Wage & Job Goals

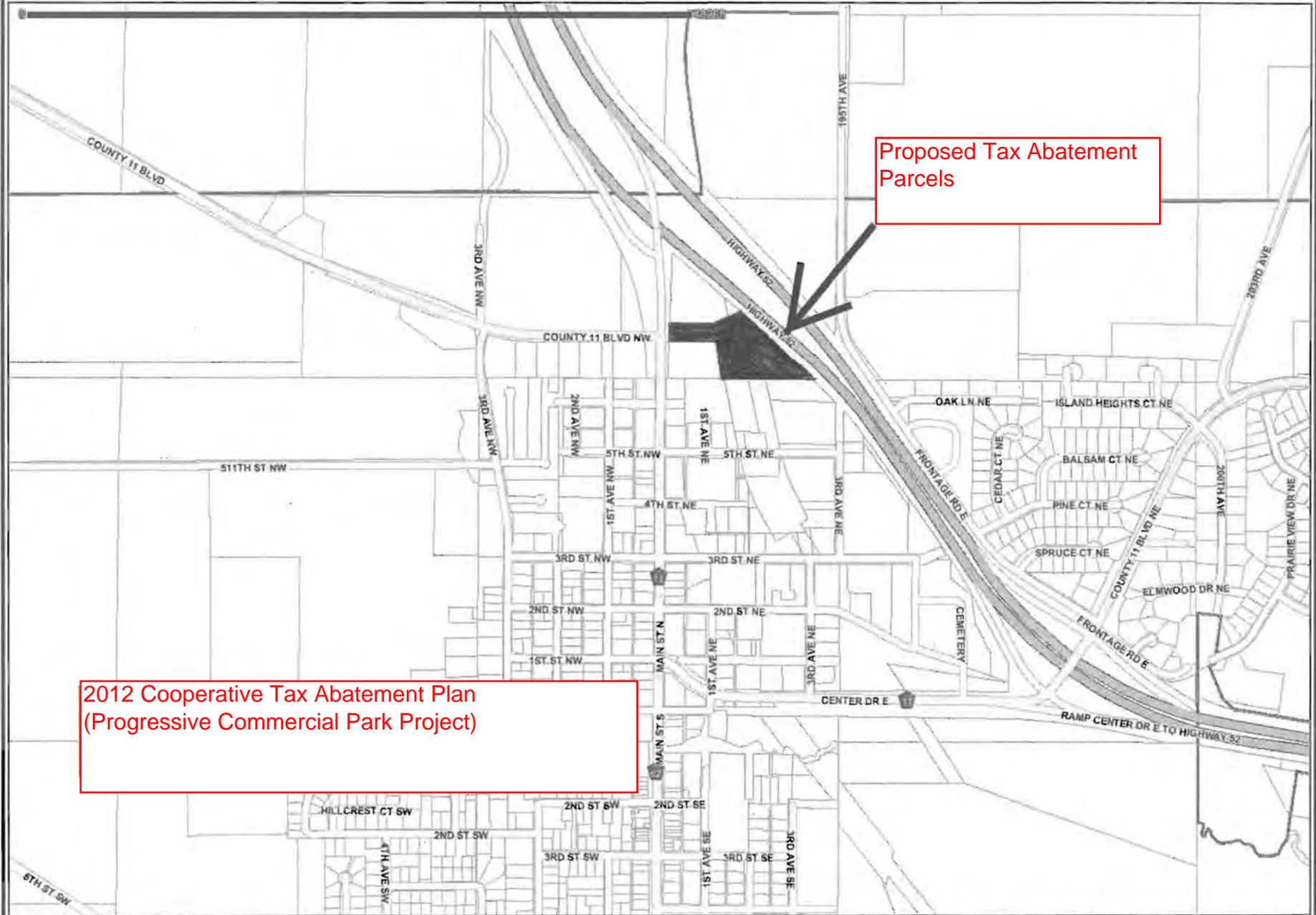
Minnesota Statutes Sections 116J.991 to 116J.993 (the "Business Subsidy Act") require a business receiving certain types of state or local government assistance to create a net increase in jobs in Minnesota within two years of receiving assistance and meet wage level and job creation goals established by the state or local government. Businesses not meeting these conditions must repay the assistance to the state or local government.

Both Pine Island Lumber, Inc. and Olson Motor Repair shall enter into Business Subsidy Agreements with the City. The benefit to Pine Island Lumber, Inc. is anticipated to exceed \$150,000 and shall be subject to a public hearing.

Exhibits

ABATEMENT MAP..... EXHIBIT 1
PARCELS, VALUATIONS AND PROJECTED CASH FLOW EXHIBIT 2

City of Pine Island, MN



Proposed Tax Abatement
Parcels

2012 Cooperative Tax Abatement Plan
(Progressive Commercial Park Project)

This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. Created From Goodhue County Online Mapping Site. Sources: Goodhue County, MN. Map Created: 3/21/2012

Parcels Included in Tax Abatement & Original Values*

PIN	Current Market Value	Current Tax Capacity
681200022	\$34,600	\$519
681200030	\$46,500	\$698
681200031	\$27,400	\$411
687000080	\$29,900	\$449
687000081	\$7,500	\$113
687000082	\$2,400	\$36
TOTALS	\$148,300	\$2,225

* These parcels are to be re-platted into the Tomahawk Commercial Park and will be assigned new PINs.

Estimation of Tax Abatement Revenue

YEAR	Original Tax Capacity	Projected New Tax Capacity	Captured Tax Capacity	Estimated City Local Tax Capacity Rate	City Abatement	Estimated School District Local TC Rate	School District Abatement
2022	2,225	19,500	17,275	79%	13,636	26%	4,545
2023	2,225	19,500	17,275	79%	13,636	26%	4,545
2024	2,225	19,500	17,275	79%	13,636	26%	4,545
2025	2,225	19,500	17,275	79%	13,636	26%	4,545
2026	2,225	19,500	17,275	79%	13,636	26%	4,545
2027	2,225	19,500	17,275	79%	13,636	26%	4,545
2028	2,225	19,500	17,275	79%	13,636	26%	4,545
2029	2,225	19,500	17,275	79%	13,636	26%	4,545
2030	2,225	19,500	17,275	79%	13,636	26%	4,545
2031	2,225	19,500	17,275	79%	13,636	26%	4,545
2032	2,225	19,500	17,275	79%	13,636	26%	4,545
					150,000		50,000

Cash Flow

200000 Amount of Taxable Tax Abatement Revenue Note and/or Interfund Loan
1.5% Anticipated Interest Rate*
6/1/2012 Dated Date (assumed)

DATE	BEG BAL	CURRENT INT	City Abatement	School Abatement	Other City Revenue	END BAL
2/1/2013	200,000	2,000	-	-	2,000	200,000
2/1/2014	200,000	3,000	-	-	3,000	200,000
2/1/2015	200,000	3,000	-	-	3,000	200,000
2/1/2016	200,000	3,000	-	-	3,000	200,000
2/1/2017	200,000	3,000	-	-	3,000	200,000
2/1/2018	200,000	3,000	-	-	3,000	200,000
2/1/2019	200,000	3,000	-	-	3,000	200,000
2/1/2020	200,000	3,000	-	-	3,000	200,000
2/1/2021	200,000	3,000	-	-	3,000	200,000
2/1/2022	200,000	3,000	-	-	3,000	200,000
2/1/2023	200,000	3,000	13,636	4,545	3,000	181,818
2/1/2024	181,818	2,727	13,636	4,545	2,727	163,636
2/1/2025	163,636	2,455	13,636	4,545	2,455	145,454
2/1/2026	145,454	2,182	13,636	4,545	2,182	127,273
2/1/2027	127,273	1,909	13,636	4,545	1,909	109,091
2/1/2028	109,091	1,636	13,636	4,545	1,636	90,909
2/1/2029	90,909	1,364	13,636	4,545	1,364	72,727
2/1/2030	72,727	1,091	13,636	4,545	1,091	54,545
2/1/2031	54,545	818	13,636	4,545	818	36,363
2/1/2032	36,363	545	13,636	4,545	545	18,181
2/1/2033	18,181	273	13,636	4,545	273	(0)
		47,000	150,000	50,000		

Second Draft
Friday, May 11, 2012

TAX ABATEMENT AGREEMENT

between

CITY OF PINE ISLAND, MINNESOTA

and

INDEPENDENT SCHOOL DISTRICT NO. 255

Dated as of: June __, 2012

This document was drafted by:

KENNEDY & GRAVEN, Chartered (JAE)
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, Minnesota 55402
(612) 337-9300
<http://www.kennedy-graven.com>

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TAX ABATEMENT AGREEMENT

THIS AGREEMENT, made as of the ___ day of June, 2012, by and between the City of Pine Island, Minnesota, a municipal corporation and political subdivision of the State of Minnesota (the “City”), and Independent School District No. 255, a political subdivision of the State of Minnesota (the “School District”).

WITNESSETH:

WHEREAS, the City proposes to purchase 6.33 acres of land located on the north side of the City adjacent to Highway 52 (the “Abatement Property”), as legally described in EXHIBIT A attached hereto and made a part hereof, and proposes to plat and develop such land into the Progressive Commercial Park; and

WHEREAS, the City has approved the creation of Tax Increment Financing District No. 1-14 (the “TIF District”) within Development District No. 1 (the “Development District”), pursuant to the terms of Minnesota Statutes, Sections 469.124 through 469.134 (the “Municipal Development Act”) and Minnesota Statutes, Sections 469.174 through 469.1799 (the “TIF Act”); and

WHEREAS, the TIF District includes all of the Abatement Property; and

WHEREAS, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815 (the “Tax Abatement Act”), the City and the School District are each authorized to abate property taxes in order to increase or preserve tax base and provide employment opportunities; and

WHEREAS, pursuant to a resolution adopted by the City Council of the City on May 15, 2012, the City approved a property tax abatement (the “City Tax Abatement”) for the Abatement Property over a term not to exceed eleven years, in the maximum amount of \$150,000, to commence with in the taxes payable year following the decertification of the TIF District (expected to be 2022); and

WHEREAS, the City has requested that the School District grant a property tax abatement on a portion of the increased School District property taxes levied on specific improvements on specified parcels of the Abatement Property for eleven years pursuant to the Tax Abatement Act in order to, among other things, increase and preserve the tax base and provide employment opportunities for residents of the City and the School District; and

WHEREAS, pursuant to a resolution adopted by the Board of the School District on May 21, 2012, the School District agreed to provide the City with a property tax abatement (the “School District Tax Abatement”) for the Abatement Property over a term not to exceed eleven years, in the maximum amount of \$50,000, to commence with taxes payable in 2022 following the termination of the TIF District in 2021; and

WHEREAS, in order to finance the acquisition of the Abatement Property and the construction of public infrastructure thereon, the City has authorized the issuance of its Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012 (the “Note”), and establish an interfund loan in the amount of \$_____ (the “Interfund Loan”); and

WHEREAS, such Note shall be repaid with (i) tax increment revenues derived from the TIF District; (ii) the City Tax Abatement in the maximum amount of \$150,000; (iii) the School District Tax Abatement in the maximum amount of \$50,000; and (iv) other revenues pledged to the Note pursuant to the resolution adopted by the City authorizing the issuance of the Note; and

WHEREAS, the City intends to repay the Interfund Loan with (i) the City Tax Abatement for a period of eleven years in the maximum amount of \$150,000, following the termination of the TIF District; (ii) the School District Tax Abatement for a period of eleven years in the maximum amount of \$50,000, following the termination of the TIF District; and (iii) other available revenues; and

WHEREAS, the City and the School District believe that the development of the Abatement Property and the fulfillment of this Agreement are vital and are in the best interests of the City and the School District, will result in preservation and enhancement of the tax base, will provide employment opportunities and are in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the development has been undertaken and is being assisted; and

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

(The remainder of this page is intentionally left blank.)

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Abatement Property means the property legally described in EXHIBIT A;

Agreement means this Tax Abatement Agreement, as the same may be from time to time modified, amended or supplemented;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

City means the City of Pine Island, Minnesota;

City Tax Abatement means the real property taxes (i) generated in any tax-payable year by extending the City's local tax rate against the tax capacity of all development on the Abatement Property, excluding the tax capacity of the land (as established for tax-payable year 2012 to be equal to \$2,225), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the County;

County means Goodhue County, Minnesota;

Event of Default means any of the events described in Section 4.1;

Interfund Loan means the interfund loan established by the City in the amount of \$_____ to be used to finance a portion of the acquisition of the Abatement Property and the construction of public infrastructure thereon;

Note means the City's Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012, issued in the original aggregate principal amount of \$375,000;

School District means Independent School District No. 255;

School District Tax Abatement means the real property taxes (i) generated in any tax-payable year by extending the School District's local tax rate against the tax capacity of all development on the Abatement Property, excluding the tax capacity of the land (as established for tax-payable year 2012 to be \$2,225), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the School District (after the School District receives it from the County);

State means the State of Minnesota;

Tax Abatement Act means Minnesota Statutes, Sections 469.1812 through 469.1815;

Tax Abatements means, collectively, the City Tax Abatement and the School District Tax Abatement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation and a political subdivision of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The City has approved a resolution in accordance with the Tax Abatement Act authorizing the City Tax Abatement described in this Agreement.

(3) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the City is now a party or by which it is bound, or constitutes a default under any of the foregoing.

Section 2.2 Representations and Warranties of the School District. The School District makes the following representations and warranties:

(1) The School District is a political subdivision of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) To assist the City with the costs of developing the Abatement Property, the School District proposes, subject to the further provisions of this Agreement, to pay the School District Tax Abatement to the City under the terms and conditions set forth in this Agreement.

(3) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the School District is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(4) The School District acknowledges that the School District Tax Abatement will be used to pay a portion of the debt service on the Note and the Interfund Loan.

(The remainder of this page is intentionally left blank.)

ARTICLE III

UNDERTAKINGS BY SCHOOL DISTRICT AND CITY

Section 3.1 Payment of School District Tax Abatement to City.

(a) Unless an Event of Default has occurred and is continuing, the School District shall pay to the City, on a semiannual basis not later than January 15 and July 15 of each year during the term of the School District Tax Abatement, but only to the extent such taxes are paid to the School District by the County. The City and the School District agree that the commencement of payment of the Tax Abatements will commence with the taxes payable year following the year the TIF District is decertified, which is expected to be 2022. The School District will add to its levy each year the estimated amount of School District Tax Abatement from the Abatement Property, based on the actual value as of January 2 in the year of assessment (for collection the following year). The Tax Abatements will be calculated excluding the tax capacity of the land (in the amount of \$2,225) and any portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F.

(b) In no event will the Tax Abatements be collected for more than eleven years. In no event shall the aggregate total of School District Tax Abatement paid to the City hereunder exceed \$50,000 in total. The School District represents that the projected School District Tax Abatement under this Agreement, together with the projected amount of any abatements approved under the Tax Abatement Act before the date of this Agreement, will not exceed the maximum amount of abatements permitted under Section 469.1813, subdivision 8 of the Tax Abatement Act. After the date of this Agreement the School District may grant any other abatements permitted under the Tax Abatement Act, provided that to the extent the total abatements payable by the School District in any year exceed the maximum annual abatement under Section 469.1813, subdivision 8 of the Tax Abatement Act, such maximum abatement amount is allocated first to the School District Tax Abatement pledged under this Agreement (subordinate only to any other abatements approved prior to the date of this Agreement).

(The remainder of this page is intentionally left blank.)

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1. Events of Default Defined. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement, the failure of the City or the School District to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

Section 4.2. Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the non-defaulting party may take any one or more of the following actions after the giving of thirty (30) days’ written notice to the other party that cites with specificity the item or items of default and notifying the other party that it has thirty (30) days within which to cure said Event of Default. If the Event of Default has not been cured within said thirty (30) days:

- (a) Suspend performance under this Agreement until it receives adequate assurances from the other party that the other party will cure the default and continue its performance under this Agreement; or
- (b) Terminate the Agreement; or
- (c) Take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

Section 4.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

(The remainder of this page is intentionally left blank.)

ARTICLE V

ADDITIONAL PROVISIONS

Section 5.1 Conflicts of Interest. No member of the governing body or other official of the School District shall participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the School District shall be personally liable to the School District in the event of any default or breach by the City or successor or on any obligations under the terms of this Agreement.

Section 5.2 Titles of Articles and Sections. Any titles of the several parts, articles and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 5.3 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, or sent by a nationally recognized overnight commercial courier providing proof of delivery, and

- (1) in the case of the City is addressed to or delivered personally to:

City of Pine Island, Minnesota
P.O. Box 1000
Pine Island, MN 55963
Attn: City Administrator

- (2) in the case of the School District is addressed to or delivered personally to:

Pine Island Public Schools
223 First Avenue SE
Pine Island, MN 55963
Attn: District Clerk

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 5.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 5.5 Law Governing. This Agreement will be governed and construed in accordance with the laws of the State of Minnesota.

Section 5.6 Duration. This Agreement shall remain in effect until the earlier of the following: (a) the School District has made the School District Tax Abatement Payments to the City in the total amount of \$50,000 or (b) until School District Tax Abatement Payments have been paid to the City for eleven years.

IN WITNESS WHEREOF, the City has caused this Tax Abatement Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

CITY OF PINE ISLAND, MINNESOTA

By: _____
Its: Mayor

By: _____
Its: City Administrator

IN WITNESS WHEREOF, the School District has caused this Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

INDEPENDENT SCHOOL DISTRICT NO. 255

By: _____
Its: Chair

By: _____
Its: District Clerk

EXHIBIT A
DESCRIPTION OF ABATEMENT PROPERTY

[Insert legal description]

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-033

RESOLUTION APPROVING A PROPERTY TAX ABATEMENT FOR CERTAIN PROPERTY IN THE CITY OF PINE ISLAND; APPROVING AN ABATEMENT PLAN THEREFOR; AND APPROVING A TAX ABATEMENT AGREEMENT BETWEEN THE CITY AND INDEPENDENT SCHOOL DISTRICT NO. 255

BE IT RESOLVED by the City Council (the “City Council”) of the City of Pine Island, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. The City has proposed to acquire approximately 6.33 acres of land with the property identification numbers set forth in Exhibit A attached hereto (the “Abatement Property”) in order to facilitate development within the City, which the City proposes to plat and develop into the Progressive Commercial Park.

1.02. In order to finance the acquisition of the Abatement Property and the construction of public infrastructure thereon, the City intends to issue its Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012 (the “Note”), in the maximum aggregate principal amount of \$375,000 and establish an interfund loan in the amount necessary to fund the gap in financing (the “Interfund Loan”).

1.03. The City has determined a need to approve a property tax abatement (the “City Tax Abatement”) pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815 (the “Tax Abatement Act”) on the Abatement Property in order to finance, in part, the acquisition of the Abatement Property.

1.04. On May 21, 2012, Independent School District No. 255 (the “School District”) will also consider granting an abatement of a portion of the taxes payable on the Abatement Property (the “School District Tax Abatement”) in accordance with the Tax Abatement Act.

1.05. The City intends to repay the Note with (i) tax increment revenues derived from TIF District No. 1-14 (the “TIF District”) within Development District No. 1 in the City for a period of nine years; (ii) the City Tax Abatement for a period of eleven years in the maximum amount of \$150,000, following the termination of the TIF District; (iii) the School District Tax Abatement for a period of eleven years in the maximum amount of \$50,000, following the termination of the TIF District; and (iv) other revenues pledged to the Note pursuant to the resolution adopted by the City authorizing the issuance of the Note. The City intends to repay the Interfund Loan with (i) the City Tax Abatement for a period of eleven years in the maximum amount of \$150,000, following the termination of the TIF District; (ii) the School District Tax Abatement for a period of eleven years in the maximum amount of \$50,000, following the termination of the TIF District; and (iii) other available revenues.

1.06. There has been presented to the City Council a 2012 Cooperative Tax Abatement Plan and a Tax Abatement Agreement (the “Abatement Agreement”) between the City and the School District, pursuant to which the School District will agree to provide the City with the School District Tax Abatement for a maximum of eleven years and in the maximum amount of \$50,000.

1.07. On the date hereof, the City Council conducted a duly noticed public hearing relating to the City Tax Abatement proposed to be granted by the City. The views of all interested persons were heard at the public hearing.

1.08. On May 21, 2012, the Board of Education of the School District will conduct a public hearing on the proposed School District Tax Abatement.

Section 2. Findings.

2.01. The recitals set forth above are incorporated into this Resolution.

2.02. The 2012 Cooperative Tax Abatement Plan is incorporated into this Resolution by reference; provided, however, if any conflicts arise between this resolution and the 2012 Cooperative Tax Abatement Plan, the terms of this resolution shall prevail.

2.03. It is hereby found and determined that the benefits to the City from the City Tax Abatement will be at least equal to the costs to the City of the City Tax Abatement, because (a) the City believes that the development to be facilitated is not reasonably likely to occur absent the City Tax Abatement and other business subsidies provided by the City and the abatement to be provided by the School District, and (b) the long-term taxes collected from the Abatement Property after termination of the City Tax Abatement will exceed the amount of the City Tax Abatement.

2.04. It is hereby found and determined that the City Tax Abatement is in the public interest because such action will preserve and enhance the tax base and maintain employment opportunities in the City.

2.05. It is further specifically found and determined that the City Tax Abatement is expected to result in the following public benefits:

- (a) Creation of an estimated \$750,000 increase in market value for property tax purposes, which will be available to all taxing jurisdictions after expiration of the City Tax Abatement.
- (b) The maintenance of a minimum of six full-time jobs in the City and two part-time jobs in the City.
- (c) Facilitate future development of the surrounding properties within the City's Progressive Commercial Park.

Section 3. Actions Ratified; City Tax Abatement Approved.

3.01. The City Council hereby ratifies all actions of the City's staff and consultants in arranging for approval of this Resolution in accordance with the Tax Abatement Act.

3.02. Subject to the provisions of the Tax Abatement Act, the City Tax Abatement is hereby approved and adopted subject to the following terms and conditions:

- (a) The term "City Tax Abatement" means the real property taxes generated in any tax-payable year by extending the City's total tax rate for that year against the tax capacity of all development on the Abatement Property in accordance with the Abatement Agreement, excluding the tax capacity of the land (as established for tax-payable year 2012 as \$2,225), and excluding the portion of the tax

capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year.

(b) The City Tax Abatement will be used by the City to pay a portion of the debt service on the Note and the Interfund Loan.

(c) In accordance with Section 469.1813, subdivision 8 of the Tax Abatement Act, in no year shall the City Tax Abatement, together with all other abatements approved by the City under the Tax Abatement Act and paid in that year exceed the greater of 10% of the net tax capacity of the City for that year or \$200,000 (the "Abatement Cap"). The City may grant any other abatements permitted under the Tax Abatement Act after the date of this Resolution, provided that to the extent the total abatements in any year exceed the Abatement Cap, the allocation of Abatement Cap to such other abatements is subordinate to the City Tax Abatement granted pursuant to this Resolution.

(d) The City Tax Abatement shall commence in the taxes-payable year following the decertification of the TIF District (which is anticipated to be 2022).

(e) In no event shall the payment of City Tax Abatement exceed \$150,000 or continue to be paid for more than eleven years.

(f) The City Tax Abatement is subject to modification in accordance with the Tax Abatement Act, subject to the terms of the Abatement Agreement.

(g) In accordance with Section 469.1815 of the Tax Abatement Act, the City will add to its levy in each year during the term of the City Tax Abatement the total estimated amount of current-year City Tax Abatement granted under this Resolution.

(h) The City makes no warranties or representations regarding the amount or availability of the City Tax Abatement.

(i) The City Tax Abatement shall be provided pursuant to the terms and conditions of the Abatement Agreement as approved by the City Council.

Section 4. Approval of Abatement Agreement. The Mayor and the City Administrator, or their designated assignees, are authorized and directed to execute and deliver the Abatement Agreement, and any additional agreements, certificates or other documents that the City determines are necessary to implement this Resolution.

Section 5. Effective Date. This Resolution is effective upon execution in full of the Abatement Agreement.

Approved by the City Council of the City of Pine Island, Minnesota, this 15th day of May, 2012.

Mayor

Attest:

City Administrator

EXHIBIT A TO ABATEMENT RESOLUTION

ABATEMENT PROPERTY

That real property in the City of Pine Island, Goodhue County, State of Minnesota, with the following property identification numbers:

681200022
681200030
681200031
681200080
681200081
681200082

It is expected that the Abatement Property will be replatted and that the above parcel identification numbers will be reassigned.

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-034

**RESOLUTION AUTHORIZING INTERFUND LOAN FROM
GENERAL FUND FOR ADVANCE OF CERTAIN COSTS IN
CONNECTION WITH PROGRESSIVE COMMERCIAL PARK**

BE IT RESOLVED By the City Council of the City of Pine Island, Minnesota (the “City”) as follows:

Section 1. Background.

1.01. The City intends to acquire 6.33 acres of land located on the north side of the City adjacent to Highway 52 (the “Business Park Property”) and proposes to plat and develop the Business Park Property into the Progressive Commercial Park. The cost to acquire the Business Park Property is estimated to be \$427,388 and the cost to construct various public infrastructure improvements on the Business Park Property (the “Infrastructure Improvements”) is estimated to be \$225,000, for a total project cost of \$652,388.

1.02. The Pine Island Telephone Company (the “Telephone Company”) has agreed to loan the City funds in order to pay for a portion of the acquisition of the Business Park Property and the construction of the Infrastructure Improvements. In exchange for the funds, the City Council has authorized the City to issue its Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012 (the “Note”), in the maximum aggregate principal amount of \$375,000, and delivery such Note to the Telephone Company, which is payable solely from certain pledged revenues, which include but are not limited to tax increment revenues derived from Tax Increment Financing District No. 1-14 (the “TIF District No. 1-14”) located within Development District No. 1 (the “Development District”) in the City and tax abatement from the City for eleven years in the maximum amount of \$150,000 (the “City Tax Abatement”), tax abatement from Independent School District No. 255 (the “School District”) for eleven years in the maximum amount of \$50,000 (the “School District Tax Abatement”).

1.03. The City will also use tax increment revenue in the approximate amount of \$161,000 transferred from Tax Increment Financing District No. 1-2 (the “TIF District No. 1-2”) within the Development District to finance the acquisition of the Business Park Property and the construction of the Infrastructure Improvements.

1.04. In order to finance the remaining portion of the costs associated with the acquisition of the Business Park Property and the construction of the Infrastructure Improvements in the amount of \$116,388, the City intends to advance funds from the General Fund of the City and proposes to designate such advance as an interfund loan (the “Interfund Loan”) in accordance with the terms of this resolution.

Section 2. Repayment of Interfund Loan.

2.01. The City shall borrow from the General Fund of the City moneys to pay the remaining amount needed to acquire the Business Park Property and construct the Infrastructure Improvements thereon in a principal amount of up to \$120,000. Interest shall accrue on the principal amount from the disbursement date of the Interfund Loan at a rate not to exceed 1% per annum.

2.02. The Interfund Loan is payable from any available source of revenues, including but not limited to the City Tax Abatement and the School District Tax Abatement.

2.03. Principal and interest payments (the "Payments") on the Interfund Loan shall be made at the times any revenue sources are available to make installment payments. Payments will be credited to the General Fund of the City, from which the Interfund Loan was drawn. All Payments shall be applied first to accrued interest, and then to unpaid principal of the Interfund Loan.

2.04. The principal sum and all accrued interest payable under the Interfund Loan is prepayable in whole or in part at any time by the City without premium or penalty.

2.05. The City may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

2.06. The City may from time to time amend the terms of this resolution to the extent permitted by law, including without limitation, amendment to the payment schedule and the interest rate.

Section 3. Effective Date. This resolution is effective upon approval.

Approved by the City Council of the City of Pine Island, Minnesota, this 15th day of May, 2012.

Mayor

Attest:

City Administrator

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-035

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE CITY'S TAXABLE TAX INCREMENT AND TAX ABATEMENT REVENUE NOTE, SERIES 2012; AUTHORIZING THE PLEDGE OF CERTAIN REVENUES FOR THE PAYMENT THEREFOR; FIXING ITS FORM AND SPECIFICATIONS; AND DIRECTING ITS EXECUTION AND DELIVERY

BE IT RESOLVED By the City Council (the "City Council") of the City of Pine Island, Minnesota (the "City") as follows:

Section 1. Authorization and Recitals.

1.01. Proposed Development. The City proposes to purchase 6.33 acres of land located on the north side of town adjacent to Highway 52 and legally described in Exhibit A attached hereto (the "Development Property") and construct certain public infrastructure on the land in order to create the "Progressive Business Park." The City intends to replat the property and convey the property to one or more developers, including Pine Island Lumber, Inc., a Minnesota corporation (the "Developer").

1.02. TIF District.

(a) Pursuant to a resolution adopted on the date hereof, the City has duly established Tax Increment Financing District No. 1-14 (the "TIF District") within Development District No. 1 (the "Development District") pursuant to Minnesota Statutes, Sections 469.124 to 469.134, as amended (the "Municipal Development Act") and Minnesota Statutes, Sections 469.174 to 469.1799, as amended (the "TIF Act"). The TIF District includes all of the Development Property. The City has further approved a Tax Increment Plan (the "TIF Plan") for the TIF District.

(b) The City is authorized by Section 469.178 of the TIF Act to issue and sell bonds to pay all or a portion of the public development costs related to the TIF District as identified in the TIF Plan.

1.03. Abatement.

(a) Pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Act"), the City and Independent School District No. 255 (the "School District") are authorized to grant a property tax abatement on specified parcels in order to accomplish certain public purposes, including situations where the abatement will increase or preserve tax base, provide or help acquire or construct public facilities, help redevelop or renew blighted areas, help provide access to services for City residents, or finance or provide public infrastructure.

(b) The City is authorized under Section 469.1814 of the Abatement Act to issue bonds to pay for public improvements that benefit the property that is the source of the abatement.

(c) Pursuant to a resolution adopted by the City Council on the date hereof following a duly noticed public hearing (the “Abatement Resolution”) and an Abatement Plan, dated May 15, 2012 (the “Abatement Plan”), the City Council approved a property tax abatement (the “City Tax Abatement”) for the Development Property over a term not to exceed eleven years, in the maximum amount of \$150,000. The City Tax Abatement shall commence following the termination of the TIF District.

(d) The School District intends to hold a duly noticed public hearing on May 21, 2012, and following the public hearing, consider the Abatement Plan and a resolution granting an abatement (the “School District Tax Abatement”) for the Development Property over a term not to exceed eleven years, in the maximum original aggregate principal amount of \$50,000. The School District Tax Abatement shall also commence following the termination of the TIF District.

(e) Pursuant to a proposed Abatement Agreement, to be dated on or after May 21, 2012, between the City and the School District, the School District will agree to provide the City with an abatement of its share of the property taxes on the Development Property in the maximum amount of \$50,000 for the purposes of the acquisition of the Development Property and the construction of public improvements on the Development Property necessary to create the Progressive Business Park.

1.04. Contract for Private Development. On the date hereof, the City Council authorized the execution of a Contract for Private Development (the “Contract”) between the City and the Developer. Pursuant to the terms of the Contract, the Developer has agreed to relocate its current business, which was seriously damaged by flooding in 2010, and construct a new lumberyard facility, including offices, showroom space, and storage facility (the “Minimum Improvements”). If the Developer does not build the Minimum Improvements by a date established in the Contract, the City shall be reimbursed for the land acquisition costs related to the portion of the Development Property to be conveyed to the Developer pursuant to the Contract from an escrow fund established pursuant to the terms of an Escrow Agreement, dated on or after May 15, 2012 (the “Escrow Agreement”) between the Developer, the City, and the escrow agent named therein.

Section 2. Issuance of Note; Terms of Purchase of Note.

2.01. Issuance of Note. The City finds and determines it is necessary and appropriate to issue its Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012 (the “Note”) in the maximum principal amount of \$375,000, the proceeds of which will be used to purchase a portion of the Development Property.

2.02. Purchase of Note by Pine Island Telephone Company. In order to finance the acquisition of the Development Property, the Pine Island Telephone Company (the “Purchaser”) has agreed to purchase the City’s Note with the funds available from the Telephone Company Revolving Loan Fund (USDA). The Pine Island Economic Development Authority (the “Authority”) has agreed to administer the loan of funds and act as agent for the Purchaser for purposes of disbursing and administering the loan from the Purchaser to the City.

2.03. Terms of Note. The City will sell the Purchaser its Note in the aggregate principal amount of \$375,000, originally dated as of delivery. The Note shall bear simple interest at the annual interest rate of 1.0%. The Note shall mature on February 1, 2033. The principal of and interest on the Note shall be paid semiannually on February 1 and August 1, commencing February 1, 2013 from the Pledged Revenues described in Section 3.02 hereof.

2.04. Bifurcation of Note. Of the principal amount of \$375,000, \$200,000 of the principal amount of the Note is an “Abatement Note” issued pursuant to the Abatement Act and \$175,000 of the principal amount of the Note is a “TIF Note” issued under the TIF Act. The proceeds of the TIF Note will be used specifically to purchase approximately 2.7 acres of the Development Property which will be conveyed to Developer on or before July 1, 2012 for the purposes of relocating its lumberyard business.

2.05. Administrative Fee. On each February 1 during the term of the Note, the City shall pay the Authority an administrative fee in the amount of 0.5% of the principal amount of the Note outstanding on such date.

2.06. Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the City without premium or penalty.

Section 3. Revenues Pledged to the Payment of Principal and Interest on the Note.

3.01 Special Limited Revenue Obligation. The Note is not a general or moral obligation of the City and the taxing power or general assets or revenues of the City is not pledged to the payment of the Note or the interest thereon. The Note is a special limited revenue obligation of the City payable solely from the Pledged Revenues described below. The Note and the interest thereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Pledged Revenues, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

3.02. Pledged Revenues. The principal of and interest on the Note is payable solely from the following sources of funds:

- (a) Available Tax Increment (as defined in the Note) derived from the TIF District in the maximum principal amount of \$175,000, plus interest thereon (currently capped at a maximum amount of \$201,926 pursuant to the TIF Plan);
- (b) City Available Tax Abatement (as defined in the Note) in the maximum amount of \$150,000;
- (c) School District Available Tax Abatement (as defined in the Note) in the maximum amount of \$50,000;
- (d) Rents from or proceeds of the sale of all or any portion of the Development Property, including but not limited to receipts from bill board rentals or rental of the Development Property for other than economic development purposes, subject to Section 3.03 hereof; and
- (e) Any payments made by one or more developers under a contract for private development or any guaranty provided by the Developer, including but not limited to any payments from the Developer and/or the Escrow Fund, subject to Section 3.03 hereof.

3.03. Sale of Development Property. The City is purchasing the Development Property in order to allow existing businesses to relocate within the City and away from flood-prone areas and to generally promote economic development within the City. The City may, at its discretion, convey all or any portion of the Development Property to one or more developers for economic development purposes for a price that is less than fair market value or for a nominal amount. If the City sells any portion of the

Development Property for more than a nominal amount, such sale proceeds shall be considered “Pledged Revenues” pursuant to Section 3.02(d) hereof.

Section 4. Terms, Execution and Delivery.

4.01. Denomination, Payment. The Note shall be issued as a single typewritten note numbered R-1. The Note shall be issuable only in fully registered form. Principal of and interest on the Note shall be payable by check or draft issued by the Registrar described herein.

4.02. Dates; Interest Payment Dates. Principal of and interest on the Note shall be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date, whether or not such day is a business day.

4.03. Registration. The City hereby appoints the City Administrator to perform the functions of registrar, transfer agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of the Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate principal amount and maturity, as requested by the transferor. Notwithstanding the foregoing, the Note shall not be transferred to any person other than an affiliate, or other related entity, of the Purchaser unless the City has been provided with an investment letter in a form substantially similar to the investment letter submitted by the Purchaser or a certificate of the transferor, in a form satisfactory to the City, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until such Payment Date.

(c) Cancellation. The Note surrendered upon any transfer shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(d) Improper or Unauthorized Transfer. When the Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Note or separate instrument of transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Note is at any time registered in the bond register as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner’s order shall be valid and effectual to satisfy and discharge the liability of the City upon such Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case the Note shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the Purchaser and the Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

4.04. Preparation and Delivery. The Note shall be prepared under the direction of the City Administrator and shall be executed on behalf of the City by the signatures of its Mayor and City Administrator. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Note has been so executed, it shall be delivered by the City Administrator to the Purchaser.

Section 5. Form of Note. The Note will be printed or typewritten in substantially the form attached hereto as EXHIBIT B.

Section 6. Payment; Security Provisions. Until the date the Note is no longer outstanding and no principal thereof or interest thereon (to the extent required to be paid pursuant to this resolution) remains unpaid, the City shall maintain a separate and special "Debt Service Fund" to be used for no purpose other than the payment of the principal of and interest on the Note. There shall be maintained in the Debt Service Fund two separate accounts designated the "TIF Account" and the "Abatement Account." To the TIF Account of the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited the Available Tax Increment (as defined in the Note) collected from the TIF District during the term of the TIF District, which is expected to be 2013 through 2021. To the Abatement Account of the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited the City Available Abatement (as defined in the Note) and the School District Available Abatement (as defined in the Note) received by the City during the term of the City Tax Abatement and the term of the School District Abatement, which is expected to be 2022 through 2032. Any Available Tax Increment remaining in the TIF Account shall be transferred to the City's account for the TIF District upon the payment of all pledged Available Tax increment with respect to the Note.

Section 7. Authentication of Transcript.

7.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser, the Authority and to the attorneys approving the Note, certified copies of proceedings and records of the City relating to the Note and to the financial condition and affairs of the City, and such other documents, certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Note, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

7.02. Certificates. The Mayor and City Administrator are hereby authorized and directed to furnish to the Purchaser and the Authority any certificates or documents deemed necessary to effectuate the issuance of the Note.

Section 8. Defeasance. When the Note and all interest thereon has been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Notes will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Note will remain in full force and effect. The City may discharge the Note which is due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If the Note should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

Adopted by the City Council of the City of Pine Island this 15th day of May, 2012.

Mayor

ATTEST:

City Administrator

EXHIBIT A

DEVELOPMENT PROPERTY LEGAL DESCRIPTION

[Insert Legal Description]

EXHIBIT B
FORM OF NOTE
FORM OF NOTE

No. R-____ UNITED STATES OF AMERICA \$375,000
STATE OF MINNESOTA
COUNTIES OF GOODHUE AND OLMSTED
CITY OF PINE ISLAND

TAXABLE TAX INCREMENT AND TAX ABATEMENT REVENUE NOTE
SERIES 2012

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>
1.0%	February 1, 2033	June __, 2012

The City of Pine Island, Minnesota (the “City”) for value received, certifies that it is indebted and hereby promises to pay to the Pine Island Telephone Company, the owner of this Note (the “Owner”), the principal sum of \$375,000 on the maturity date specified above, with simple interest thereon from the date hereof at the annual rate specified above, payable from Pledged Revenues (as defined herein) on February 1 and August 1 of each year (each a “Payment Date”), commencing February 1, 2013, to the Owner, at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by the City Administrator, as Note Registrar, Paying Agent, Transfer Agent, and Authenticating Agent, or its designated successor under the Resolution described herein.

All capitalized terms used herein that are not defined shall have the meaning given such terms in the City’s Resolution entitled “Authorizing the Issuance and Sale of the City’s Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012; Authorizing the Pledge of Certain Revenues for the Payment Thereof; Fixing Its Form and Specifications; and Directing Its Execution and Delivery,” adopted by the City Council at its meeting on May 15, 2012.

Pledged Revenues. The principal of and interest on the Note shall be paid semiannually on February 1 and August 1, commencing February 1, 2013 solely from the following revenues (the “Pledged Revenues”):

A. Available Tax Increment. “Available Tax Increment,” means, during the term of Tax Increment Financing District No. 1-14 (the “TIF District”) within Development District No. 1 (which is expected to be 2013 through 2021), on each Payment Date, 98% of the Tax Increment attributable to the Development Property and paid to the City by Goodhue County in the six months preceding the Payment Date. Payments of principal of and interest on the Note from Available Tax Increment are capped at the maximum principal amount of \$175,000, plus interest thereon (for a total maximum amount of \$201,926 pursuant to the TIF Plan).

B. Available Tax Abatement. “Available Tax Abatement,” which shall mean, during the term of the City Tax Abatement (which is expected to be 2022 through 2032) on each Payment Date

during such time, the sum of the City Tax Abatement and the School District Tax Abatement generated in the preceding six (6) months with respect to the Development Property and remitted to the City by Goodhue County with respect to the City Tax Abatement and remitted to the City by the School District with respect to the School District Tax Abatement. The pledge of Available Abatement is subject to all the terms and conditions of the City Abatement Resolution, the School District Abatement Resolution, and the Abatement Agreement. "City Tax Abatement" means the real property taxes (i) generated in any tax-payable year by extending the City's local tax rate against the tax capacity of all development on the Development Property, excluding the tax capacity of the land (as established for tax-payable year 2012), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the County. Payments of principal of and interest on the Note from City Tax Abatement are capped at a maximum amount of \$150,000. "School District Tax Abatement" means the real property taxes (i) generated in any tax-payable year by extending the School District's local tax rate against the tax capacity of all development on the Development Property, excluding the tax capacity of the land (as established for tax-payable year 2012), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the School District (after the School District receives it from the County). Payments of principal of and interest on the Note from School District Tax Abatement are capped at a maximum amount of \$50,000.

C. Rents or Sale Proceeds. If the City rents or sells all or a portion of the Development Property, including but not limited to receipts from bill board rentals or rental of the Development Property for other than economic development purposes, such rents or sale proceeds shall be considered "Pledged Revenues," subject to the provisions set forth in "Sale of Development Property" below.

D. Payments Made By Developer under Contract for Private Development. Any payments made by a developer to the City pursuant to a contract for private development, including but not limited to any payments from escrow or with respect to a personal guaranty shall be considered "Pledged Revenues," subject to the provisions set forth in "Sale of Development Property" below.

The City shall have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Pledged Revenues and the failure of the City to pay the entire amount of principal or interest on this Note on any Payment Date during such time shall not constitute a default hereunder as long as the City pays principal and interest hereon to the extent of Pledged Revenues received by the City. The City shall have no obligation to pay the unpaid balance of principal or accrued interest that may remain after the Payment Date of February 1, 2033.

Any estimates of Pledged Revenues prepared by the City or its financial advisor in connection with this Note are for the benefit of the City only, and are not intended as representations on which the Owner may rely.

Sale of Development Property. The City is purchasing the Development Property in order to allow existing businesses to relocate within the City and away from flood-prone areas and to generally promote economic development within the City. The City may, at its discretion, convey all or any portion of the Development Property to one or more developers for economic development purposes for a price that is less than fair market value or for a nominal amount. If the City sells any portion of the Development Property for more than a nominal amount, such sale proceeds shall be considered "Pledged Revenues."

Administrative Fee. The City shall pay the Authority an administrative fee on February 1 of each year that the Note is outstanding in the amount of 0.5% of the principal amount of the Note outstanding on each February 1.

Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the City without premium or penalty.

Nature of Obligation. This Note is the sole note of an issue in the total principal amount of \$375,000, issued to aid in financing certain public development costs and administrative costs of a Development District undertaken by the City pursuant to Minnesota Statutes, Sections 469.124 through 469.134, 469.174 through 469.1799, and 469.1812 to 469.1815, as amended, and is issued pursuant to an authorizing resolution (the "Resolution") duly adopted by the City on May 15, 2012, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota. This Note is not a general or moral obligation of the City and the taxing power or general assets or revenues of the City is not pledged to the payment of the Note or the interest thereon. This Note is a special limited revenue obligation of the City payable solely from the Pledged Revenues described herein. This Note and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Pledged Revenues, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the City kept for that purpose at the principal office of the City Administrator, by the Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the City, duly executed by the Owner. Upon such transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the City with respect to such transfer or exchange, there will be issued in the name of the transferee a new Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same dates.

This Note shall not be transferred to any person other than an affiliate, or other related entity, of the Owner, unless the City has been provided with an opinion of counsel or a certificate of the transferor, in a form satisfactory to the City, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the City according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the City Council of the City of Pine Island has caused this Note to be executed with the manual signatures of its Mayor and City Administrator, all as of the Date of Original Issue specified above.

CITY OF PINE ISLAND, MINNESOTA

City Administrator

Mayor

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the within Note is registered in the bond register of the City Administrator, in the name of the person last listed below.

Date of Registration

Registered Owner

Signature of
City Administrator

Pine Island Telephone
Company
Federal ID # _____

FORM OF NOTE

No. R-___

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTIES OF GOODHUE AND OLMSTED
CITY OF PINE ISLAND

\$375,000

TAXABLE TAX INCREMENT AND TAX ABATEMENT REVENUE NOTE
SERIES 2012

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>
1.0%	February 1, 2033	June __, 2012

The City of Pine Island, Minnesota (the "City") for value received, certifies that it is indebted and hereby promises to pay to the Pine Island Telephone Company, the owner of this Note (the "Owner"), the principal sum of \$375,000 on the maturity date specified above, with simple interest thereon from the date hereof at the annual rate specified above, payable from Pledged Revenues (as defined herein) on February 1 and August 1 of each year (each a "Payment Date"), commencing February 1, 2013, to the Owner, at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by the City Administrator, as Note Registrar, Paying Agent, Transfer Agent, and Authenticating Agent, or its designated successor under the Resolution described herein.

All capitalized terms used herein that are not defined shall have the meaning given such terms in the City's Resolution entitled "Authorizing the Issuance and Sale of the City's Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012; Authorizing the Pledge of Certain Revenues for the Payment Therefor; Fixing Its Form and Specifications; and Directing Its Execution and Delivery," adopted by the City Council at its meeting on May 15, 2012.

Pledged Revenues. The principal of and interest on the Note shall be paid semiannually on February 1 and August 1, commencing February 1, 2013 solely from the following revenues (the "Pledged Revenues"):

A. Available Tax Increment. "Available Tax Increment," means, during the term of Tax Increment Financing District No. 1-14 (the "TIF District") within Development District No. 1 (which is expected to be 2013 through 2021), on each Payment Date, 98% of the Tax Increment attributable to the Development Property and paid to the City by Goodhue County in the six months preceding the Payment Date. Payments of principal of and interest on the Note from Available Tax Increment are capped at the maximum principal amount of \$175,000, plus interest thereon (for a total maximum amount of \$201,926 pursuant to the TIF Plan).

B. Available Tax Abatement. "Available Tax Abatement," which shall mean, during the term of the City Tax Abatement (which is expected to be 2022 through 2032) on each Payment Date during such time, the sum of the City Tax Abatement and the School District Tax Abatement generated in the preceding six (6) months with respect to the Development Property and remitted to the City by Goodhue County with respect to the City Tax Abatement and remitted to the City by the School District with respect to the School District Tax Abatement. The pledge of Available

Abatement is subject to all the terms and conditions of the City Abatement Resolution, the School District Abatement Resolution, and the Abatement Agreement. "City Tax Abatement" means the real property taxes (i) generated in any tax-payable year by extending the City's local tax rate against the tax capacity of all development on the Development Property, excluding the tax capacity of the land (as established for tax-payable year 2012), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the County. Payments of principal of and interest on the Note from City Tax Abatement are capped at a maximum amount of \$150,000. "School District Tax Abatement" means the real property taxes (i) generated in any tax-payable year by extending the School District's local tax rate against the tax capacity of all development on the Development Property, excluding the tax capacity of the land (as established for tax-payable year 2012), and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, all as of January 2 in the prior year, and (ii) paid to the City by the School District (after the School District receives it from the County). Payments of principal of and interest on the Note from School District Tax Abatement are capped at a maximum amount of \$50,000.

C. Rents or Sale Proceeds. If the City rents or sells all or a portion of the Development Property, including but not limited to receipts from bill board rentals or rental of the Development Property for other than economic development purposes, such rents or sale proceeds shall be considered "Pledged Revenues," subject to the provisions set forth in "Sale of Development Property" below.

D. Payments Made By Developer under Contract for Private Development. Any payments made by a developer to the City pursuant to a contract for private development, including but not limited to any payments from escrow or with respect to a personal guaranty shall be considered "Pledged Revenues," subject to the provisions set forth in "Sale of Development Property" below.

The City shall have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Pledged Revenues and the failure of the City to pay the entire amount of principal or interest on this Note on any Payment Date during such time shall not constitute a default hereunder as long as the City pays principal and interest hereon to the extent of Pledged Revenues received by the City. The City shall have no obligation to pay the unpaid balance of principal or accrued interest that may remain after the Payment Date of February 1, 2033.

Any estimates of Pledged Revenues prepared by the City or its financial advisor in connection with this Note are for the benefit of the City only, and are not intended as representations on which the Owner may rely.

Sale of Development Property. The City is purchasing the Development Property in order to allow existing businesses to relocate within the City and away from flood-prone areas and to generally promote economic development within the City. The City may, at its discretion, convey all or any portion of the Development Property to one or more developers for economic development purposes for a price that is less than fair market value or for a nominal amount. If the City sells any portion of the Development Property for more than a nominal amount, such sale proceeds shall be considered "Pledged Revenues."

Administrative Fee. The City shall pay the Authority an administrative fee on February 1 of each year that the Note is outstanding in the amount of 0.5% of the principal amount of the Note outstanding on each February 1.

Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the City without premium or penalty.

Nature of Obligation. This Note is the sole note of an issue in the total principal amount of \$375,000, issued to aid in financing certain public development costs and administrative costs of a Development District undertaken by the City pursuant to Minnesota Statutes, Sections 469.124 through 469.134, 469.174 through 469.1799, and 469.1812 to 469.1815, as amended, and is issued pursuant to an authorizing resolution (the "Resolution") duly adopted by the City on May 15, 2012, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota. This Note is not a general or moral obligation of the City and the taxing power or general assets or revenues of the City is not pledged to the payment of the Note or the interest thereon. This Note is a special limited revenue obligation of the City payable solely from the Pledged Revenues described herein. This Note and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Pledged Revenues, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the City kept for that purpose at the principal office of the City Administrator, by the Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the City, duly executed by the Owner. Upon such transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the City with respect to such transfer or exchange, there will be issued in the name of the transferee a new Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same dates.

This Note shall not be transferred to any person other than an affiliate, or other related entity, of the Owner, unless the City has been provided with an opinion of counsel or a certificate of the transferor, in a form satisfactory to the City, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the City according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the City Council of the City of Pine Island has caused this Note to be executed with the manual signatures of its Mayor and City Administrator, all as of the Date of Original Issue specified above.

CITY OF PINE ISLAND, MINNESOTA

City Administrator

Mayor

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the within Note is registered in the bond register of the City Administrator, in the name of the person last listed below.

Date of Registration

Registered Owner

Signature of
City Administrator

Pine Island Telephone
Company
Federal ID # _____

PINE ISLAND ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. 12-004

**RESOLUTION APPROVING FINAL TERMS OF LOAN TO THE
CITY OF PINE ISLAND, MINNESOTA**

BE IT RESOLVED By the Board of Commissioners (the "Board") of the Pine Island Economic Development Authority (the "Authority") as follows:

Section 1. Recitals.

1.01. The Board has been authorized by the Pine Island Telephone Company (the "Purchaser") to administer a loan of monies to the City of Pine Island, Minnesota (the "City") from the Telephone Company Revolving Loan Fund (USDA).

1.02. The City proposes to purchase 6.33 acres of land located on the north side of town adjacent to Highway 52 (the "Development Property") and construct certain public infrastructure on the land in order to create the "Progressive Business Park." The City intends to replat the property and convey the property to one or more developers, including Pine Island Lumber, Inc., a Minnesota corporation (the "Developer").

1.03. It is proposed that the City shall establish Tax Increment Financing District No. 1-14 (the "TIF District") within Development District No. 1 (the "Development District") and approve a Tax Increment Plan therefor, all pursuant to Minnesota Statutes, Sections 469.124 to 469.134, as amended (the "Municipal Development Act") and Minnesota Statutes, Sections 469.174 to 469.1799, as amended (the "TIF Act"). The TIF District includes all of the Development Property.

1.04. It is proposed that the City approve a property tax abatement (the "City Tax Abatement") for the Development Property over a term not to exceed eleven years, in the maximum amount of \$150,000. The City Tax Abatement will commence following the termination of the TIF District.

1.05. It is proposed that the City enter into an Abatement Agreement, dated on or after May 21, 2012, between the City and Independent School District No. 255 (the "School District"), whereby the School District will agree to provide the City with a property tax abatement (the "School District Tax Abatement") on the Development Property over a term of eleven years, in the maximum amount of \$50,000. The School District Tax Abatement will also commence following the termination of the TIF District.

1.06. It is further proposed that the City enter into a Contract for Private Development (the "Contract") between the City and the Developer. Pursuant to the terms of the Contract, the Developer has agreed to relocate its current business, which was seriously damaged by flooding in 2010, and construct a new lumberyard facility, including offices, showroom space, and storage facility (the "Minimum Improvements"). If the Developer does not build the Minimum Improvements by a date established in the Contract, the City shall be reimbursed for the land acquisition costs related to the portion of the Development Property to be conveyed to Developer pursuant to the Contract from an escrow fund established pursuant to the terms of an Escrow Agreement, dated on or after May 15, 2012 (the "Escrow Agreement") between the Developer, the City, and the escrow agent named therein.

1.07. In order to finance the purchase of the Development Property, it is proposed that the City issue its Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012 (the "Note") in the maximum principal amount of \$375,000.

1.08. The Purchaser has agreed to purchase the City's Note with the funds available from the Telephone Company Revolving Loan Fund (USDA). The Authority has agreed to act as agent for the Purchaser for purposes of disbursing and administering the loan from the Purchaser to the City.

1.09. The terms of the Note and the revenues pledged to the repayment of the principal of and interest on the Note are set forth in the form of the Note and the City's Resolution entitled "Authorizing the Issuance and Sale of the City's Taxable Tax Increment and Tax Abatement Revenue Note, Series 2012; Authorizing the Pledge of Certain Revenues for the Payment Therefor; Fixing Its Form and Specifications; and Directing Its Execution and Delivery," which is expected to be considered by the City Council at its meeting on May 15, 2012. The form of Note and the City's Resolution have been presented to the Board for consideration.

1.10. The principal of and interest on the Note shall be payable solely from "Pledged Revenues," as defined in the City's Resolution and the form of Note.

Section 2. Findings; Authorizations.

2.01. The Board hereby approves the terms of the loan from the Purchaser to the City, as set forth in the City's Resolution and the form of Note.

2.02. The President and Executive Director, or their designees, are authorized and directed to execute any documents or certificates deemed necessary to effectuate the Loan.

2.03. The approvals and authorizations provided by this resolution shall be contingent on the City establishing the TIF District and granting the City Tax Abatement and the School District granting the School District Tax Abatement.

Approved by the Board of Commissioners of the Pine Island Economic Development Authority this 1st day of May, 2012.

President

Attest:

Secretary

CITY OF PINE ISLAND, MINNESOTA

RESOLUTION NO. 12-036

**RESOLUTION APPROVING CONTRACT FOR PRIVATE DEVELOPMENT
BETWEEN THE CITY AND PINE ISLAND LUMBER, INC., WHICH INCLUDES
A BUSINESS SUBSIDY AGREEMENT**

BE IT RESOLVED by the City Council (the “City Council”) of the City of Pine Island, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. The City has proposed to acquire approximately 6.33 acres of land (the “Business Park Property”) in order to facilitate development within the City of the Progressive Commercial Park and proposes to convey a portion of the Business Park Property (the “Development Property”) for \$1.00 to Pine Island Lumber, Inc., a corporation organized under the laws of the State of Minnesota (the “Developer”), for the relocation of the Developer’s current business, which was seriously damaged by flooding in 2010, and construction of a lumberyard facility, with offices, showroom space, and storage facilities (the “Minimum Improvements”).

1.02. The City has previously established its Development District No. 1 (the “Development District”) pursuant to Minnesota Statutes, Sections 469.124 through 469.134 and 469.174 through 469.1799, as amended (collectively, the “Act”).

1.03. On the date hereof, the City Council approved the establishment of Tax Increment Financing District No. 1-14 (the “TIF District”) located within the Development District, and a tax increment financing plan therefore (the “TIF Plan”), all as described in a plan document presented to the City Council on this date.

1.04. On the date hereof, the City Council also approved a property tax abatement (the “Abatement”) on the Business Park Property.

1.05. This City Council has reviewed a Contract for Private Development (the “Development Agreement”) between the City and the Developer, which agreement includes a “business subsidy agreement” as defined in Minnesota Statutes, Section 166J.993 to 116J.995. The Development Agreement sets forth the terms of development of the lot to be conveyed to the Developer (the “Development Property”).

1.06. On the date hereof, the City Council held a public hearing relating, among other things, to the Development Agreement, which incorporates a business subsidy agreement, and at the public hearing, the views of all interested parties were heard.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Pine Island, Minnesota, that:

1. The Development Agreement, including the business subsidy agreement contained therein, is approved in substantially the form on file in City Hall.

2. The Mayor and City Administrator are hereby authorized and directed to execute and deliver the Development Agreement. All of the provisions of Development Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Development Agreement shall be substantially in the form on file with the City which are hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Administrator in their discretion, shall determine, and the execution thereof by the Mayor and the City Administrator shall be conclusive evidence of such determination.

Approved by the City Council of the City of Pine Island, Minnesota, this 15th day of May, 2012.

Mayor

Attest:

City Administrator

Minnesota Lawful Gambling
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
\$100	\$50

ORGANIZATION INFORMATION Check # _____ \$ _____

Organization name St. Michael's Church		Previous gambling permit number X-31080-11-001	
Minnesota tax ID number, if any	Federal employer ID number, if any 41-6027214		
Type of nonprofit organization. Check one. <input type="checkbox"/> Fraternal <input checked="" type="checkbox"/> Religious <input type="checkbox"/> Veterans <input type="checkbox"/> Other nonprofit organization			
Mailing address P. O. Box 368	City Pine Island	State MN	Zip Code 55963
County Goodhue		Name of chief executive officer (CEO) Father Randal Kasel	
Daytime phone number 507-356-4280		Email address frkasel@pitel.net	

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

Do not attach a sales tax exempt status or federal employer ID number as they are not 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., 180 State Office Building, St. Paul, MN 55155
 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.
St. Michael's Church

Address (do not use PO box) 451 5th St. SW	City or township Pine Island	Zip Code 55963	County Goodhue
--	--	--------------------------	--------------------------

Date(s) of activity (for raffles, indicate the date of the drawing)
September 30, 2012

Check the box or boxes that indicate the type of gambling activity your organization will conduct:
 Bingo* Raffles Paddlewheels* Pull-Tabs* Tipboards*

* **Gambling equipment** 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.

To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, 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 _____

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 *Rev. Randall J. Ford* Date 5-7-12

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. 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

State of Minnesota

License Applicant Information

Under Minnesota law (M.S. 270.72), the agency issuing you this license is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the Social Security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we must advise you that:

- This information may be used to deny the issuance, renewal or transfer of your license if you owe the Minnesota Department of Revenue delinquent taxes, penalties, or interest
- The licensing agency will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Act, the Department of Revenue is allowed to supply this information to the Internal Revenue Service;
- Failing to supply this information may jeopardize or delay the issuance of your license or processing your renewal application.

Please fill in the following information and return this form along with your application to the agency issuing the license. Do not return this form to the Department of Revenue.

DANCE PERMIT

Name of license being applied for and license number

CITY OF PINE ISLAND, PINE ISLAND, MN 55963

Licensing Authority (name of city, county, or state agency issuing license)

June 8 & 9, 2012

License renewal date

Personal information:

<u>WILLIAMS</u>	<u>STEVE</u>
Applicant's last name	First name and initial

<u>2541 BOULDER RIDGE LANE NW</u>	<u>ROCHESTER</u>	<u>MN</u>	<u>55901</u>
Applicant's address	City	State	Zip Code

Business information (if applicable):

PINE ISLAND SPORTS BAR
Business name

<u>107 S MAIN ST</u>	<u>PINE ISLAND</u>	<u>MN</u>	<u>55963</u>
Business address	City	State	Zip Code

<u>8215933</u>	<u>20-4399619</u>
Minnesota tax identification number	Federal tax identification number

If a Minnesota tax identification number is not required, please explain on the reverse side of this form.

Mary Rudlong
Signature

Manager
Title

5-4-12
Date

State of Minnesota

License Applicant Information

Under Minnesota law (M.S. 270.72), the agency issuing you this license is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the Social Security number of each license applicant.

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Please fill in the following information and return this form along with your application to the agency issuing the license. Do not return this form to the Department of Revenue.

DANCE PERMIT

Name of license being applied for and license number

CITY OF PINE ISLAND, PINE ISLAND, MN 55963

Licensing Authority (name of city, county, or state agency issuing license)

June 8, 2012

License renewal date

Personal information:

Applicant's last name First name and initial

PO BOX 1000 PINE ISLAND MN 55963
Applicant's address City State Zip Code

Business information (if applicable):

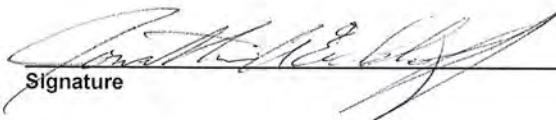
PINE ISLAND FIREMEN'S RELIEF ASSOCIATION

Business name

315 SOUTH MAIN STREET PINE ISLAND MN 55963
Business address City State Zip Code

8024595 41-6005457
Minnesota tax identification number Federal tax identification number

If a Minnesota tax identification number is not required, please explain on the reverse side of this form.


Signature

DeChief
Title

5/11/2012
Date



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/10/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Edwards Brandt & Associates Inc. 2007 - 4th Street SW Mason City IA 50401		CONTACT NAME: Debbie Cook - Bowling PHONE (A/C No. Ext.): (641) 423-0675 E-MAIL ADDRESS: debbie@edwards-brandt.com FAX (A/C No.): (641) 423-2441															
INSURED J & J Bowling Center Inc DBA: Pine Island Pool-N-Pins 416 3rd Ave NE Pine Island MN 55963		<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Continental Western Insurance</td> <td>10804</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Continental Western Insurance	10804	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B:																	
INSURER C:																	
INSURER D:																	
INSURER E:																	
INSURER F:																	

COVERAGES **CERTIFICATE NUMBER:** 12/13 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N N/A						WC STATUTORY LIMITS OTH. ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Liquor Liability			CWP 2031266-25	1/1/2012	1/1/2013	\$500,000 each common \$1,000,000 Aggregate cause

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 This is for the Fireman's Dance being held on June 8, 2012 at 315 S Main St, Pine Island MN 55963. The dance is being held from 5:00 pm to 8:00 pm at the local fire station with alcohol being served by Pine Island Pool-N-Pins.

CERTIFICATE HOLDER (507) 356-8230 City of Pine Island 250 S Main St PO Box 1000 Pine Island, MN 55963	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE W Gasperi/DEBBIE <i>William F. Gasperi</i>
---	--

COPY OF LICENSE
LICENSE WINNER'S
EXPIRATION DATE.

Mark

PS 5022 (8-92)

NO.

State of Minnesota

Department of Public Safety
Alcohol & Gambling Enforcement Division

CATERER'S PERMIT

J & J Bowling Center Inc.,
Pine Island Pool & Pins
416 3rd Ave NE
Pine Island, MN 55963

HAS BEEN ISSUED THIS LICENSE/PERMIT BY THE STATE OF MINNESOTA
PURSUANT TO MINNESOTA STATUTES CHAPTER 340A AND RELATED REGULATIONS

EXPIRES 6/30/2013

Michael
Alcohol & Gambling Enforcement Director

THIS LICENSE/PERMIT MUST BE CONSPICUOUSLY DISPLAYED





Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar St./Suite 133
 St. Paul, MN 55101-5133
 (651) 201-7507 FAX (651)287-5259 TDD (612)282-6555



**APPLICATION AND PERMIT
 FOR A 1 DAY TEMPORARY CONSUMPTION & DISPLAY PERMIT**

(City or county may not issue more than 10 permits in any one year)

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION PINE ISLAND FIREMEN'S RELIEF ASSOCIATION		DATE ORGANIZED	TAX EXEMPT NUMBER	
STREET ADDRESS 315 S. MAIN STREET		CITY PINE ISLAND	STATE MN	ZIP CODE 55963
NAME OF PERSON MAKING APPLICATION JAY STRANDE		BUSINESS PHONE 507) 356-8905	HOME PHONE 507) 272-1441	
DATE SET UPS WILL BE SOLD JUNE 8, 2012		TYPE OF ORGANIZATION CLUB CHARITABLE RELIGIOUS <u>OTHER NONPROFIT</u>		
ORGANIZATION OFFICER'S NAME JAY STRANDE		ADDRESS 409 S. MAIN ST, PINE ISLAND, MN 55963		
ORGANIZATION OFFICER'S NAME BRANDON MATHISON		ADDRESS 959 10TH ST SW, PINE ISLAND, MN 55963		
ORGANIZATION OFFICER'S NAME BENJAMIN HERMANN		ADDRESS 314 SW FIRST AVE, PINE ISLAND, MN 55963		
Location where permit will be used. If an outdoor area, describe 315 S. MAIN STREET - PINE ISLAND FIRE DEPARTMENT BUILDING.				
WILL USE NORTH AND SOUTH SIDES OF BUILDING, MAINLY INDOORS. MAY HAVE SOUTHWEST SIDE DOORS OPEN AND FENCED OFF IF WEATHER PERMITS. ISLAND SPORTS BAR & GRILL WILL BE THE VENDOR USED. LIABILITY INSURANCE CERTIFICATE IS ATTACHED.				

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO LIQUOR CONTROL

CITY/COUNTY _____ DATE APPROVED _____

CITY FEE AMOUNT _____ PERMIT DATE _____
 (Not to exceed \$25)

DATE FEE PAID _____

SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____

APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event

PS-09098(5/06)



City of Pine Island

250 South Main Street
P.O. Box 1000 • Pine Island, Minnesota 55963
Telephone 507-356-4591
Fax 507-356-8230

April 30, 2012

Joel Bigelow
Ridgeway Estates, LLC
211 First Street SW
Byron, MN 55920

RE: Contract for Private Development dated November 22, 2000

Dear Mr. Bigelow:

The City of Pine Island and Ridgeway Estates, LLC entered into a contract for private development on November 22, 2000. That agreement provided that certain tax increments be used for the cost of the developer acquiring and improving land for the construction of a 34-unit rental townhouse complex.

The termination date of that contract is the earlier of February 1, 2012 or the date that the developer has been paid all tax increment entitled to be received (\$520,000 per the contract). Since the February 1, 2012 date has passed, the City Council will act at their regular council meeting on May 15, 2012 to decertify Tax Increment Financing District No. 1-9 and no further tax increments will be paid.

We are pleased to have worked with you to provide needed, well maintained rental housing in our community.

Sincerely,

A handwritten signature in blue ink that reads "Abraham Algadi".

Abraham Algadi
City Administrator

Cc: Mike Bubany, David Drown Associates
Craig Tjoland, Bessler Management

**CITY OF PINE ISLAND
COUNTY OF GOODHUE
STATE OF MINNESOTA**

RESOLUTION 12-037

**A RESOLUTION ACKNOWLEDGING THE EXPIRATION OF
TAX INCREMENT FINANCING DISTRICT NO. 1-9 (Ridgeway District)
OF THE CITY OF PINE ISLAND**

WHEREAS, on March 21, 2000, the City of Pine Island (the "City") created its Tax Increment Financing District No.1-9, The Ridgeway District, (the "District") within its Development District No. 1 (the "Project"); and

WHEREAS, the Modification to the Development Program for Development District No. 1 and the Tax Increment Financing Plan for the establishment of Tax Increment Financing District No. 1-9, Subsection 10-21, requires City review of proposals and establishes requirements for agreements with the developer; and

WHEREAS, the Contract for Private Development dated November 22, 2000 between the City of Pine Island and Ridgeway Estates, LLC terminates on the earlier of February 1, 2012 or the date the Developer has otherwise been paid all tax increment it is entitled to receive; and

WHEREAS, the City desires by this resolution to acknowledge the decertification of the District, due to the termination of the Contract for Private Development on February 1, 2012, after which all property taxes generated by property within the Districts have been and will continue to be distributed in the same manner as all other property taxes beginning with taxes payable in 2012, and

WHEREAS, as of the date hereof all bonds to which tax increment from the District have been pledged have been paid in full; and

WHEREAS, the remaining tax increment in the account for the District is budgeted to be expended on current and future tax increment eligible costs;

NOW THEREFORE, BE IT RESOLVED by the City Council that it acknowledges such action was taken by the County Auditor of Goodhue County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

DATED: May 15th 2012

Mayor

ATTEST:

City Administrator

(Seal)

**City of Pine Island
Goodhue/Olmsted Counties
Resolution 12-038**

Absentee Ballot Board

BE IT RESOLVED, that the City of Pine Island, hereby authorizes the establishment of an Absentee Ballot Board under Chapter 203B.121, Subd 1 of 2011 Minnesota Statutes, pertaining to Ballot Boards, and

BE IT RESOLVED , that this Board will meet on an as needed basis when called by a Goodhue County Election Official during the 46 calendar days prior to each election, and

BE IT RESOLVED, that a minimum of any two people from different major parties can constitute a quorum for a meeting and

BE IT RESOLVED, that this board will Accept or Reject absentee ballots and process ballots throughout the Absentee voting period, and

BE IT RESOLVED, that this board will follow all statutory requirements enacted by the Minnesota Legislature and count the absentee ballots after the polls close rather than deliver absentee ballots to the polling sites

THEREFORE, the City Council approves the establishment of an Absentee Ballot Board and appoints the following election officials on that board for 2012:

Cindy Oelkers
Abraham Algadi
Sheila Goering
Carolyn Holmsten
Kristine Holst
Amy Hove
Cyndee Marcus
Micki O'Keefe
Erin Poncelet
Terri Swanson

Adopted this 15th day of May, 2012

Council Chair or City Administrator

**CITY OF PINE ISLAND
GOODHUE AND OLMSTED COUNTIES
STATE OF MINNESOTA**

RESOLUTION 12-039

**BEING A RESOLUTION IMPLEMENTING 2012 PERFORMANCE
MEASUREMENT PROGRAM**

WHEREAS, in 2010 the State Legislature created the Council on Local Results and Innovation, and the Council created a standards set of ten performance measures for Cities,

WHEREAS, on June 21, 2011, the City Council authorized adoption and implementation of such performance measures to help aid taxpayers, residents and businesses in determining the efficacy of provision of public service,

WHEREAS, the City will be eligible for reimbursement per capita in local government aid and will be exempt from levy limits,

WHEREAS, the 2011 performance measures were reported to the city council on March 20, 2012 and posted to the city website at pineislandmn.com,

NOW, THEREFORE, BE IT RESOLVED by the City Council that the performance standards developed by the Council on Local Results and Innovation are hereby implemented by the City of Pine Island for the calendar year 2012. The City Council directs a survey of the residents to be conducted by the end of calendar year 2012 and those results to be presented to the City Council and residents in 2013.

Adopted this 15th day of May, 2012.

ATTEST:

Paul Perry _____
Mayor

Abraham G. Algadi _____
City Administrator

Right-of-Way Permits on City Street Right-of-Way are Subject to Pine Island City Ordinance and the following General Provisions

DEFINITIONS

Definitions are the same as those used in the City Ordinance.

GENERAL

I. Utility construction in the right-of-way under City jurisdiction is regulated by the City of Pine Island Ordinance for the management of utilities in the public right-of-way; state law; state rules; and federal regulations.

II. Burning or disking operations and/or the use of chemicals to control or kill trees, brush, and other vegetation is prohibited without prior approval from the City of Pine Island Public Works Director.

III. All waterways and lines of drainage shall remain operative.

IV. Wherever topsoil and sod are disturbed they shall be replaced and maintained satisfactorily until the turf is established.

V. The utility facility and installation shall not interfere with any existing utility facilities on the city street right of way.

VI. When necessary, barricades, warning devices and flagmen shall be provided by the Utility during all phases of their construction and maintenance operations on city street right of way.

VII. At the time of construction of the utility and at the times of subsequence maintenance, prior approval shall be obtained from the City Public Works Director for the cutting and trimming of trees within the city street right of way. Wherever trees are cut the resulting stumps shall be removed unless otherwise provided in the Special Provisions of the Permit. Any holes caused by stump removal shall be backfilled, the area leveled and all materials associated

therewith disposed of outside the city street right of way. The Utility shall advise the City Public Works Director at least 48 hours in advance of its intent to start clearing and grubbing operations so that proper supervision can be provided.

VIII. The Utility shall notify the City Public Works Director of its intent to perform service and maintenance operations which will interfere with the flow of traffic on city streets and shall obtain his approval prior to performing such operations. However, the Utility may perform service and maintenance operations on city streets including opening and disturbing the surface of the right of way without prior approval in those instances where an emergency exists that is dangerous to the life or safety of the public and which required immediate repair. The Utility shall take all necessary and reasonable safety measures to protect the traveling public and shall notify the City Public Works Director at the earliest possible moment.

IX. If at any time the City of Pine Island, acting through its City Council, shall deem it necessary to make any improvement or changes on all or any part of the right of way of the city street which affect a utility located on city street right of way, then and in such event, the owner of the utility shall, within **30** days after written notice from the City Council or its authorized agent, proceed to alter, change, vacate or remove said utility from the city street right of way so as to conform to said city changes and as directed by the City Council. Such work shall be done without any cost whatsoever to the City of Pine Island and shall be completed within the date specified in said written notice. The Utility shall assume all liability and save the City of Pine Island harmless from any and all claims of damage of any nature whatsoever occasioned by reason of not having removed said utility within the time specified in said notice.

X. The Utility shall assume all liability for, and save the City, its agent and employees, harmless from, any and all claims for damages, actions or causes of action arising out of the work to be done herein and the continuing uses by the Utility, including but not limited to the

placing, constructing, reconstructing, maintaining and using of said utility under the application and Permit.

XI. The City Council may require the Utility, or its contractor, to furnish a deposit in the form of a certified check, a surety bond or corporate undertaking, in favor of the City Council of the City of Pine Island, for any expense incurred by the city in the repairing of damage to any portion of the city street right of way caused by work performed under a Permit, including any out of the ordinary engineering supervision and inspection expense provided by the city. In those instances wherein a deposit is required, the amount of the deposit shall be specified in the Special Provisions of the Permit. If a check is furnished, any monies remaining over and above such expense shall be returned to the applicant.

XII. The Permit as issued does not in any way imply an easement on private property.

XIII. The installations shall be made in conformity with all applicable laws, regulations, and codes covering said installations. All installations shall be made in conformity with regulations of governmental agencies for the protection of the public.

XIV. Upon completion of an installation, the Utility shall restore the city street right of way to its original condition. The Utility shall then notify the office of the Public Works Director of the completion of the work so that inspection can be made to determine its acceptability.

AERIAL

I. There shall be only a single pole line on the city street right of way on either side of the center line thereof.

II. Longitudinal installations on city streets shall normally be located in the outer five (5) feet of the right of way. At crossing of the city street, poles shall be placed at a minimum of thirty (30) feet from the shoulder lines of the through roadbeds unless right of way widths are prohibitive to such location.

III. The location of all brace poles, anchors and anchor poles within the limits of the city street right of way shall be approved by the Director of Public Works.

IV. In those instances in which a Utility is issued a Permit or Permits for construction on both sides of the city street right of way in a given area, such Permit is conditioned upon the Utility subsequently providing joint use to other Utilities upon reasonable terms mutually agreeable to the Utilities.

UNDERGROUND

I. All crossings of the roadbeds of the city street shall be made by boring inside a casing or carrier pipe, or by jacking, unless this procedure is modified in the Special Provisions of the Permit. The auger shall not lead the casing or carrier pipe by more than one inch. Open trenching shall be restricted to the area from five (5) feet beyond the shoulder to the right of way line except as modified in the Special Provisions of the Permit.

II. When pipes with bells or flanges are installed, the crossings of the roadbeds of the city street shall be made by boring inside a conduit as provided in paragraph I of this section or jacking a conduit of sufficient diameter to permit threading the carrier pipe through it.

III. All voids caused by jacking or boring shall be filled by pressure grouting. The grout material shall consist of a sand-cement slurry of at least two sacks of cement per cubic yard and a minimum of water to assure satisfactory placement.

IV. The underground utilities shall be so installed as virtually to preclude any necessity for disturbing the roadbeds to perform maintenance operations.

V. Underground installations shall be accomplished without damaging or destroying the principle root structure of specimen trees.

LOCATION SKETCH

Show location of proposed facility in relation to the centerline of the city street and other pertinent features such as right of way line, shoulder line, curb line and edge of surfacing. The facility should also be referenced to adjacent landlines.

CITY OF PINE ISLAND
DEPARTMENT OF PUBLIC WORKS

UTILITY PERMIT

Reference: Project _____
City Street _____

In accordance with the application herein, (excavation, obstruction) and subject to the extent the city has the right by law, rule, or regulation subject to the City's rights to said property and in accordance with the general conditions and "special provisions" of the application and the City Ordinance dated _____ to which the City and Applicant hereby agree a Utility Permit is hereby granted by the City of Pine Island to obstruct, excavate and thereafter maintain a _____ on or across, under, or along the right-of-way of a road under city jurisdiction in the location shown on the sketch in the application, or in such location as may be specified by the Department of Public Works in the Special Provisions hereof.

SPECIAL PROVISIONS:

**SEE ATTACHMENT FOR
'SPECIAL PROVISIONS'
PERTAINING TO THIS
UTILITY PERMIT.**

Approved _____
(date)

By _____
City of Pine Island Public Works Director

Permit No. _____
Certified Check No. _____
Surety Bond No. _____
Date of S. Bond or C. Check _____
Bank or Bonding Co. _____
Deposit Made by _____

ORDINANCE NO. 117 Second Series

AN ORDINANCE AMENDING CITY CODE SECTION
7.08; PROVIDING FOR THE ISSUANCE
AND REGULATION OF RIGHT-OF-WAY PERMITS

THE CITY OF PINE ISLAND DOES ORDAIN:

Section 1. Section 7.08 of the City Code is repealed and replaced with the following:

SEC. 7.08 MANAGEMENT OF PUBLIC RIGHT-OF-WAY. In accordance with Minnesota Statutes, section 237.163 subdivision 2(b), the City hereby elects to manage right-of-ways within its jurisdiction.

Subd. 1. Definitions. The definitions in Minnesota Rules 7819.0100, subparts 1 through 23 are hereby adopted by reference.

Subd. 2. Permit Required.

A. No person may obstruct or perform work in any right-of-way without first having obtained a permit from the City. The permit shall specify the location of the affected right-of-way, describe the work to be performed and facilities to be installed, and the duration of the permit.

B. No person may work in a right-of-way beyond the date specified in the applicable permit without applying for a permit extension. The City may impose a delay penalty for delays in completion of work in the right-of-way. The City council shall establish the amount of the delay penalty from time to time by resolution.

C. Permits issued under this section shall be available for inspection at all times at the indicated work site.

Subd. 3. Applications. A permit application shall contain the following:

A. A completed application form including plans or drawings of the project;

B. The applicant's Gopher One-Call registration certificate number, address, e-mail address, and telephone number.

C. A certificate of insurance naming the city as an additional insured, verifying that the applicant is insured against claims for personal injury, death, or property damages associated with work in the right-of-way, and requiring thirty (30) days notice to the City of cancellation or material modification of the policy.

D. Payment of a permit fee covering the City's administrative and management costs and any associated costs such as the cost of any right-of-way restoration that the City will complete.

Subd. 4. Permit Conditions. The City may deny a permit if a completed application is not filed, if the requirements and conditions of this ordinance are not met, or if the City determines that the denial is necessary to protect the health, safety, and welfare or to protect the right-of-way. The City may impose reasonable conditions upon the issuance of the permit to protect the public health, safety and welfare or

the right-of-way. Such conditions may include a requirement that the permittee post a construction performance bond.

Subd. 5. Permit Fees. The City shall establish an appropriate permit fee schedule. Right-of-way permit fees are separate from and in addition to franchise fees imposed on a right-of-way user.

Subd. 6. Work Standards. All work performed in the right-of-way shall be done in conformance with Minnesota Rules, part 7819.1100 and applicable local requirements.

Subd. 7. Right-of-Way Restoration. A permittee shall promptly patch and restore the right-of-way to a condition equivalent to that prior to its work. The permittee shall complete restoration according to Minnesota Rules, part 7819.1100. If the pavement settles, the permittee shall pay to the City all costs associated with correcting the problem within thirty (30) days of billing. If the permittee fails to restore the right-of-way as required, the City may complete the work at permittee's expense including by making claim against any construction performance bond.

Subd. 8. Completion and Inspection. The permittee shall notify the City in writing when the work under a permit is completed. The City personnel may inspect the work site at any time during or upon completion of the work. The City may order cessation of work which poses a serious threat to the life, health, safety or well being of the public.

Subd. 9. Work Without a Permit. Except in an emergency, any person who performs work in a right-of-way without the necessary permit must immediately obtain a permit and pay double the normal permit fee.

Subd. 10 Revocation of Permit. The City may revoke any right-of-way permit without refund, if there is a substantial breach of the terms and conditions of any statute, ordinance, rule or regulation, or any material condition of the permit. Prior to revocation, the City shall make a written demand upon the permittee to remedy such violation. Within twenty-four (24) hours of receipt, the permittee shall provide a plan acceptable to the City to cure the violation or breach. The permittee's failure to timely respond or implement an approved plan shall be cause for immediate revocation of the permit.

Subd. 11 Location of Facilities. The City may impose restrictions on the location, size, design and appearance of any equipment or facilities to be located in the right-of-way. The City may assign specific locations within the right-of-way for each type of facility. Permits issued by the City may designate the location for the facilities at issue. The City may prohibit the placement of facilities within the right-of-way and its current use.

Subd. 12. Relocation of Facilities. Upon the City's written request, a person with facilities in the right-of-way shall promptly, and at its own expense, remove and relocate its facilities as necessary to prevent interference in connection with a public project, or as the City may deem necessary to further public health or safety.

Subd. 13. Indemnification and Liability. By applying for and accepting a permit under this ordinance, a permittee agrees to defend and indemnify the City in accordance with the provisions of Minnesota Rules, part 7819.1250.

Subd. 14. Abandoned Facilities. Any person who has abandoned facilities in any right-of-way shall remove them from that right-of-way if necessary to accommodate other right-of-way repair, excavation, or construction.

Subd. 15. Appeal. A right-of-way user may have any City decision or action on a right-of-way permit reviewed by the City Council upon written request made within thirty (30) days of such decision or action. The City Council decision will be in writing and supported by written findings.

Subd. 16. Reservation of Regulatory and Police Powers. A permittee's rights are subject to the City's regulatory and police powers, including the power to adopt and enforce general ordinances to protect the public health, safety and welfare.

Section 2. This ordinance shall take effect immediately upon adoption and publication.

Adopted this _____ day of _____, 2011

Mayor

ATTEST:

Administrator

Permit Fee: \$

CITY OF PINE ISLAND - DEPARTMENT OF PUBLIC WORKS
250 South Main Street, PO Box 1000, Pine Island, MN 55963
Phone 507-356-4591 Fax 507-356-8230

APPLICATION FOR EXCAVATION AND/OR OBSTRUCTION PERMIT ON
CITY STREET RIGHT OF WAY

Application is hereby made for permission to place, construct and thereafter maintain a _____ along or across City Street _____ from _____ to _____ at _____ feet from center line on the (circle one) east, west, north or south side of the street in accordance with the sketch shown on the inside hereof, or attached thereto.

I. AERIAL CONSTRUCTION

TYPE OF STRUCTURE:		
VOLTAGE:	NUMBER OF CONDUCTORS:	SIZE OF CONDUCTORS:
Minimum height of conductor: _____ ft. along street _____ ft at crossing over street		

EXTENT AND LOCATION OF TREE TRIMMING AND/OR CLEARING:

II. UNDERGROUND CONSTRUCTION:

TYPE OF CONDUIT:		
CASING: Steel Pipe:	SECTIONAL CONCRETE:	OTHER:
SIZE:	DEPTH:	
VOLTAGE:	NUMBER OF CONDUCTORS:	SIZES OF CONDUCTORS:

METHOD OF INSTALLING UNDER ROADBEDS (if open trench, explain why necessary)

Open trench Explanation: _____

Jacking Boring Pneuma Gopher

EXTENT & LOCATIONS OF TREE CLEARING:	New Facility	Replacement Facility
--------------------------------------	--------------	----------------------

CONTRACTOR:	Registration No.:	
Address:	Telephone No.	
City:	State:	Zip Code:
Contact Person:	Telephone No:	Cell Phone No.:
24 Hour Contact:	Telephone No:	Cell Phone No.:

III. Work to start on or after _____ & completed on or before _____

IV. The applicant in carrying on any and all of the work herein above mentioned or referred to in its application and in the Permit issued herefore, shall strictly conform to the terms of such Permit, and the Pine Island Ordinance for Utilities in the Public Right-of-Way, and the regulations of the _____, as set forth herein together with the Special Provisions, all of which are made a part hereof. The applicant specifically agrees to be bound hereby. The applicant shall also comply with the regulations of all other government agencies for the protection of the public. The work shall be accomplished in a manner that will not be detrimental to the street and that will safeguard the public.

UTILITY COMPANY:	Registration No.:	
Address:	E-mail:	
City:	State:	Zip Code:
Contact Person:		
Telephone No.:	Fax No.:	Cell Phone No.:
Signature:	Title:	
Printed Name:	Date:	

Extract of Minutes of Meeting
of the City Council of the City of
Pine Island, Goodhue and Olmsted Counties, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Pine Island, Minnesota, was duly held in the City Hall in said City on Tuesday, May 15, 2012, commencing at 7:00 P.M.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's General Obligation Improvement and Advance Refunding Bonds, Series 2012B, to be issued in the aggregate principal amount of \$4,305,000.

The City Administrator presented a tabulation of the proposals that had been received in the manner specified in the Terms of Proposal for the Bonds. The proposals were as set forth in EXHIBIT A attached.

After due consideration of the proposal, Member Meyer then introduced the following resolution and moved its adoption:

RESOLUTION NO. 12-040

A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION IMPROVEMENT AND ADVANCE REFUNDING BONDS, SERIES 2012B, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$4,305,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; PROVIDING FOR THEIR PAYMENT; PROVIDING FOR THE ESCROWING AND INVESTMENT OF A PORTION OF THE PROCEEDS THEREOF; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY

BE IT RESOLVED By the City Council of the City of Pine Island, Goodhue and Olmsted Counties, Minnesota (the "City") as follows:

Section 1. Sale of Bonds.

1.01. Improvement Bonds.

(a) Certain assessable public improvements, including underground utility replacement and surfacing improvements known as the "2012 Street Assessment Project" in the City (the "2012 Improvements"), have been made, duly ordered or contracts let for the construction thereof pursuant to the provisions of Minnesota Statutes, Chapters 429 and 475, as amended (collectively, the "Improvement Act").

(b) It is necessary and expedient to the sound financial management of the affairs of the City to issue its general obligations (the "Improvement Bonds"), in the principal amount of \$855,000, to provide financing for the 2012 Improvements.

1.02. Refunding Bonds.

(a) The City previously issued its General Obligation Bonds, Series 2003A (the "Series 2003A Bonds"), dated June 1, 2003, in the original aggregate principal amount of \$2,635,000, of which \$1,930,000 in principal amount is currently outstanding and callable as of August 1, 2013, pursuant to the Improvement Act and Minnesota Statutes, Sections 475.58, subdivision 3, 444.075, and 475.61, subdivision 6. Proceeds of the Series 2003A Bonds were used to (i) finance the construction of various assessable public improvements in the City (the "2003 Improvements"); and (ii) redeem and repay the City's (1) General Obligation Temporary Improvements Bonds, Series 2000 (the "Series 2000 Bonds"), and (2) General Obligation Temporary Bond, Series 2002B (the "Series 2002B Bond"). Proceeds of the Series 2000 Bonds were used to provide temporary financing for the construction of various assessable public improvements (the "2000 Improvements"). Proceeds of the Series 2002B Bond were used to provide temporary financing for the construction of various assessable public improvements (the "2002 Improvements"), street reconstruction (the "2002 Street Reconstruction"), and construction of improvements to the storm sewer utility of the City (the "2002 Storm Sewer Improvements").

(b) The City previously issued its General Obligation Bonds, Series 2005A (the "Series 2005A Bonds"), dated June 1, 2005, in the original aggregate principal amount of \$2,235,000, of which \$1,760,000 in principal amount is currently outstanding and callable as of February 1, 2013, pursuant to the Improvement Act and Minnesota Statutes, Chapter 444, specifically Section 444.075. Proceeds of the Series 2005A Bonds were used to finance the

construction of various assessable public improvements in the City (the “2005 Improvements”) and a water tower project in the City (the “2005 Water Tower Improvements”).

(c) The City is authorized by Minnesota Statutes, Section 475.67, subdivisions 4 through 12, to issue and sell its general obligation bonds to refund outstanding bonds when determined by the City Council to be necessary and desirable for the reduction of debt service or interest cost or the adjustment of maturities of outstanding issues of bonds.

(d) The City finds that it is necessary and desirable for the reduction of debt service or interest cost or the adjustment of maturities of the Series 2003A Bonds and the Series 2005A Bonds (together, the “Refunded Bonds”) that the City issue its general obligations (the “Refunding Bonds”), in the original aggregate principal amount of \$3,450,000, to (i) pay the principal of and interest on the Series 2003A Bonds through August 1, 2013; (ii) pay the principal of and interest on the Series 2005A Bonds through February 1, 2013; (iii) pay the outstanding principal amount of the Series 2003A Bonds on August 1, 2013; and (iv) pay the outstanding principal amount of the Series 2005A Bonds on February 1, 2013.

1.03. General Obligation Improvement and Advance Refunding Bonds, Series 2012B.

(a) In order to finance the construction of the 2012 Improvements and to effect an advance refunding of the Refunded Bonds, the City finds it necessary and expedient to the sound financial management of the affairs of the City to issue its General Obligation Improvement and Advance Refunding Bonds, Series 2012B (the “Bonds”), in the original aggregate principal amount of \$4,305,000.

(b) The City is authorized by Minnesota Statutes, Section 475.60, subdivision 2(9) to negotiate the sale of the Bonds because the City has retained an independent financial advisor in connection with such sale. The actions of the City staff and financial advisors in negotiating the sale of the Bonds are ratified and confirmed in all respects.

1.04. Award to the Purchaser and Interest Rates. The proposal of _____ (the “Purchaser”) to purchase the Bonds in the par amount of \$4,305,000 described in the Official Terms of Proposal thereof is determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$_____ (par amount of \$4,305,000, [plus original issue premium of \$_____,] [less original issue discount of \$_____,] less underwriter’s discount of \$_____), plus accrued interest to date of delivery, if any, for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2013	%	2021	%
2014		2022	
2015		2023	
2016		2024	
2017		2025	
2018		2026	
2019		2027	
2020		2028	

True interest cost: _____%

1.05. Purchase Contract. The sum of \$_____, being the amount proposed by the Purchaser in excess of \$_____, shall be credited to the Debt Service Fund hereinafter created, the Construction Fund hereinafter created, or the Escrow Fund hereinafter created, as determined by the Finance Director of the City in consultation with the City’s financial advisor. The Finance Director is directed to deposit the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers forthwith. The Mayor and the City Administrator are directed to execute a contract with the Purchaser on behalf of the City.

1.06. Terms of the Bonds and Principal Amounts. The City will forthwith issue and sell the Bonds pursuant to the Improvement Act, Minnesota Statutes, Sections 475.58, subdivision 3, 444.075, 475.61, subdivision 6, and 475.67, subdivisions 4 through 12 (collectively, the “Act”), in the total principal amount of \$4,305,000, originally dated July 1, 2012, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2021	\$
2014		2022	
2015		2023	
2016		2024	
2017		2025	
2018		2026	
2019		2027	
2020		2028	

(a) The Improvement Bonds, in the principal amount of \$855,000 and maturing on the dates and in the amounts set forth below, are being used to finance the construction of the 2012 Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$	2022	\$
2015		2023	
2016		2024	
2017		2025	
2018		2026	
2019		2027	
2020		2028	
2021			

(b) \$1,970,000 of the Refunding Bonds (the “Series 2003A Refunding Bonds”), maturing on the dates and in the amounts set forth below, are being used to effect an advance refunding of the Series 2003A Bonds:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2019	\$
2014		2020	
2015		2021	
2016		2022	
2017		2023	
2018		2024	

(i) Furthermore, \$_____ of the Series 2003A Refunding Bonds, maturing on the dates and in the amounts set forth below, are being used to refinance the 2000 Improvements, the 2002 Improvements, and the 2003 Improvements (collectively, the “Series 2003A Improvement Bonds”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2019	\$
2014		2020	
2015		2021	
2016		2022	
2017		2023	
2018		2024	

(ii) \$_____ of the Series 2003A Refunding Bonds, maturing on the dates and in the amounts set forth below, are being used to refinance the 2002 Street Reconstruction (the “Series 2003A Street Reconstruction Bonds”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2019	\$
2014		2020	
2015		2021	
2016		2022	
2017		2023	
2018		2024	

(iii) The remainder of the Series 2003A Refunding Bonds in the amount of \$_____, maturing on the dates and in the amounts set forth below, are being used to refinance the 2002 Storm Sewer Improvements (the “Series 2003A Storm Sewer Bonds”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2019	\$
2014		2020	
2015		2021	
2016		2022	
2017		2023	
2018		2024	

(c) The remainder of the Refunding Bonds (the “Series 2005A Refunding Bonds”) in the amount of \$1,480,000, maturing on the dates and in the amounts set forth below, are being used to effect an advance refunding of the Series 2005A Bonds:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2020	\$
2014		2021	
2015		2022	
2016		2023	
2017		2024	
2018		2025	
2019		2026	

(i) Furthermore, \$_____ of the Series 2005A Refunding Bonds, maturing on the dates and in the amounts set forth below, are being used to refinance the 2005 Improvements (the “Series 2005A Improvement Bonds”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2020	\$
2014		2021	
2015		2022	
2016		2023	
2017		2024	
2018		2025	
2019		2026	

(ii) The remainder of the Series 2005A Refunding Bonds in the amount of \$_____, maturing on the dates and in the amounts set forth below, are being used to refinance the 2005 Water Tower Improvements (the “Series 2005A Water Tower Bonds”):

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2013	\$	2020	\$
2014		2021	
2015		2022	
2016		2023	
2017		2024	
2018		2025	
2019		2026	

1.07. Optional Redemption. The City may elect on February 1, 2019, and on any day thereafter to prepay Bonds due on or after February 1, 2020. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 8 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

[1.08. Mandatory Redemption; Term Bonds. To be completed if Term Bonds are requested by the Purchaser.]

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2013, to the registered owners of record as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints Northland Trust Services, Inc., Minneapolis, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Council, the Administrator must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to

be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in EXHIBIT B attached hereto with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form set forth in EXHIBIT B attached hereto.

3.02. Approving Legal Opinion. The City Administrator is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds are payable from the General Obligation Improvement and Advance Refunding Bonds, Series 2012B Debt Service Fund (the "Debt Service Fund") hereby created. The City will create and maintain the following accounts in the Debt Service Fund: the "Improvement Account," the "Water Revenue Account," the "Street Reconstruction Account," and the "Storm Sewer Revenue Account."

(a) Improvement Account. To the Improvement Account of the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited: (i) proceeds of ad valorem taxes hereinafter levied for payment of the Improvement Bonds, the 2003A Improvement Bonds, and the Series 2005A Improvement Bonds; (ii) proceeds of special assessments levied or to be levied for the 2012 Improvements financed with the proceeds of the Improvement Bonds and special assessments levied for the any of the assessable improvements refinanced with the Series 2003A Improvement Bonds and the 2005 Improvements refinanced with the Series 2005A Improvement Bonds; (iii) a pro rata portion of the accrued interest paid by the Purchaser, if any, upon closing and delivery of the Bonds; (iv) a pro rata portion of amounts over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.05; (v) capitalized interest financed from Improvement Bond proceeds, if any; and (vi) any additional funds directed to be deposited by the Finance Director.

(b) Water Revenue Account. The City will continue to operate its Water Fund to which will be credited all gross revenues of the water system and out of which will be paid all normal and reasonable expenses of current operations of the water system. Any balance therein will be deemed net revenues and will be transferred from time to time to the Water Revenue Account of the Debt Service Fund as is needed to pay debt service on the Series 2005A Water Tower Bonds. To the Water Revenue Account there is hereby pledged and irrevocably appropriated and there will be credited: (i) net revenues of the Water Fund; (ii) a pro rata portion of the accrued interest paid by the Purchaser, if any, upon closing and delivery of the Bonds; (iii) a pro rata portion of amounts over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.05; and (iv) any additional funds directed to be deposited by the Finance Director. There will always be retained in the Water Revenue Account a sufficient amount to pay the principal of and interest on the Series 2005A Water Tower Bonds.

(c) Street Reconstruction Account. To the Street Reconstruction Account of the Debt Service Fund there is hereby pledged and irrevocably appropriated and there will be credited: (i) proceeds of ad valorem taxes hereinafter levied for payment of the portion of the Series 2003A Refunding Bonds that refinanced the 2002 Street Reconstruction; (ii) a pro rata portion of the accrued interest paid by the Purchaser, if any, upon closing and delivery of the Bonds; (iii) a pro rata portion of amounts over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.05; and (iv) any additional funds directed to be deposited by the Finance Director.

(d) Storm Sewer Account. The City will continue to operate its Storm Sewer Fund to which will be credited all gross revenues of the storm sewer system and out of which will be paid all normal and reasonable expenses of current operations of the storm sewer system. Any balance therein will be deemed net revenues and will be transferred from time to time to the Storm Sewer Revenue Account of the Debt Service Fund. To the Storm Sewer Revenue Account there is hereby pledged and irrevocably appropriated and there will be credited: (i) net revenues of the Storm Sewer Fund; (ii) a pro rata portion of the accrued interest paid by the Purchaser, if any, upon closing and delivery of the Bonds; (iii) a pro rata portion of amounts over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.05; and (iv) any additional funds directed to be deposited by the Finance Director. There will always be retained in the Storm Sewer Revenue Account a sufficient amount to pay the principal of and interest on the Series 2003A Storm Sewer Bonds.

4.02. Prior Debt Service Funds.

(a) Series 2003A Bonds. The street reconstruction account, storm sewer revenue account, and the improvement account within the debt service fund heretofore established for the Series 2003A Bonds pursuant to the resolution authorizing the issuance and sale of the Series 2003A Bonds (the “Series 2003A Bonds Resolution”) is hereby terminated, and all monies therein are hereby transferred to the Street Reconstruction Account, the Storm Sewer Revenue Account, and the Improvement Account, respectively, herein created; provided, however, that the Finance Director is hereby authorized and directed to transfer from said accounts those amounts determined by actuarial calculation at the time of delivery of the Series 2003A Refunding Bonds to be necessary to properly fund the Escrow Fund established by Section 4.04 hereof.

(b) Series 2005A Bonds. The improvements account and the water revenue account of within the debt service fund heretofore established for the Series 2005A Bonds pursuant to the resolution authorizing the issuance and sale of the Series 2005A Bonds (the “Series 2005A Bonds Resolution”) is hereby terminated, and all monies therein are hereby transferred to the Improvement

Account and the Water Revenue Account, respectively, herein created; provided, however, that the Finance Director is hereby authorized and directed to transfer from said accounts those amounts determined by actuarial calculation at the time of delivery of the Series 2005A Refunding Bonds to be necessary to properly fund the Escrow Fund established by Section 4.04 hereof.

4.03. Construction Fund. The proceeds of the Improvement Bonds, less the appropriations made in Section 4.01(a), together with any other funds appropriated for the 2012 Improvements and special assessments and ad valorem taxes collected during the construction of the Improvements, will be deposited in a separate construction fund (the "Construction Fund") to be used solely to defray expenses of the 2012 Improvements and the payment of principal and interest on the Improvement Bonds prior to the completion and payment of all costs of the 2012 Improvements. Any balance remaining in the Construction Fund after completion of the 2012 Improvements may be used to pay the cost in whole or in part of any other improvement instituted under the Improvement Act under the direction of the City Council. When the 2012 Improvements are completed and the cost thereof paid, the Construction Fund is to be closed and subsequent collections of special assessments and ad valorem taxes for the 2012 Improvements are to be deposited in the Improvement Account of the Debt Service Fund.

4.04. Escrow Fund. Proceeds of the Bonds in the amount of \$_____ shall be deposited in an escrow fund (the "Escrow Fund") to be maintained with Northland Trust Services, Inc., Minneapolis, Minnesota, and said financial institution is hereby designated escrow agent (the "Escrow Agent") for the Escrow Fund. Such funds will be received by the Escrow Agent and applied to fund the Escrow Fund or to pay costs of issuing the Bonds. Proceeds of the Bonds, less the appropriations made in Sections 4.01 and 4.03 hereof, not used to pay costs of issuance on the Bonds are hereby irrevocably pledged and appropriated to the Escrow Fund, together with all investment earnings thereon. The Escrow Fund will be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as will be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Fund, to (i) pay interest and principal on the Series 2003A Bonds through August 1, 2013 (the "Series 2003A Bonds Redemption Date"); (ii) pay interest and principal on the Series 2005A Bonds through February 1, 2013 (the "Series 2005A Bonds Redemption Date"); (iii) pay the remaining principal outstanding on the Series 2003A Bonds on the Series 2003A Bonds Redemption Date; and (iv) pay the remaining principal outstanding on the Series 2005A Bonds on the Series 2005A Bonds Redemption Date. The monies in the Escrow Fund will be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Fund may be remitted to the City, all in accordance with the Escrow Agreement (hereafter defined) by and between the City and the Escrow Agent. Any monies remitted to the City upon termination of the Escrow Agreement shall be deposited to the Debt Service Fund.

4.05. Pledge of Taxes. For the purpose of paying the principal of and interest on the Improvement Bonds, the Series 2003A Improvement Bonds, the Series 2003A Street Reconstruction Bonds, and the Series 2005A Improvement Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Improvement Account of the Debt Service Fund above provided and will be in the years and amounts delineated in EXHIBIT C attached hereto.

4.06. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby pledged. If a payment of principal or interest on the Bonds becomes due when there is not sufficient money in the Debt Service Fund or the Escrow Fund to pay the same, the City Administrator will pay such principal or interest from the general fund of the City, and the general fund will be

reimbursed for those advances out of the proceeds of the special assessments and ad valorem taxes levied by this resolution and net revenues of the storm sewer system and water system when collected.

4.07. Cancellation of Tax Levies for the Refunded Bonds. It is hereby determined that upon the deposit of the proceeds of the Series 2003A Refunding Bonds and the Series 2005A Refunding Bonds in the Escrow Fund pursuant to the Escrow Agreement that an irrevocable appropriation to the debt service funds for the Series 2003A Refunding Bonds and the Series 2005A Refunding Bonds will have been made within the meaning of Section 475.61, subdivision 3 of the Act, and the City Administrator is hereby authorized and directed to certify such fact to and request the County Auditor/Treasurer of Goodhue County, Minnesota and the Director of Property Records and Licensing of Olmsted County, Minnesota (together, the "County Auditors"), to cancel any and all tax levies made by the Series 2003A Bonds Resolution and the Series 2003B Bonds Resolution (together, the "Prior Resolutions").

4.08. Certification to County Auditors as to Debt Service Fund Amount. It is hereby determined that the estimated collection of the foregoing special assessments, ad valorem taxes, and net revenues of the City's water system and storm sewer system will produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Bonds. The tax levy herein provided will be irrevocable until all of the Bonds are paid, provided that at the time the City makes its annual tax levies the City Administrator may certify to the County Auditors the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditors will thereupon reduce the levy collectible during such year by the amount so certified.

4.09. City Covenants. It is hereby determined that the 2012 Improvements will directly and indirectly benefit abutting property, and the City hereby covenants with the holders from time to time of the Bonds as follows:

(a) The City has caused or will cause the special assessments levied for the 2012 Improvements to be promptly levied so that the first installment will be collectible not later than 2013 and will take all steps necessary to assure prompt collection, and the levy of the special assessments is hereby authorized. The City Council will cause to be taken with due diligence all further actions that are required for the construction of each 2012 Improvement financed wholly or partly from the proceeds of the Improvement Bonds, and will take all further actions necessary for the final and valid levy of the special assessments and the appropriation of any other funds needed to pay the Improvement Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in special assessments and ad valorem taxes, the City Council will levy additional ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing receipts and disbursements in connection with the 2012 Improvements, special assessments and ad valorem taxes levied therefor and other funds appropriated for their payment, collections thereof and disbursements therefrom, monies on hand and, the balance of unpaid special assessments.

(d) The City will cause its books and records to be audited at least annually and will furnish copies of such audit reports to any interested person upon request.

(e) At least 20% of the cost of the assessable 2012 Improvements described herein will be specially assessed against benefited properties.

4.10. Prior Resolution Pledges. The pledges and covenants of the City made by the Prior Resolutions relating to the assessable improvements financed and refinanced with the proceeds of the Refunded Bonds, the ownership, protection of and other particulars governing the operation and financial management of the municipal water system and storm sewer system and the improvements thereto, and the levy and collection of special assessments against property benefited by assessable improvements financed and refinanced with the proceeds of the Refunded Bonds are restated and confirmed in all respects. The provisions of the Prior Resolutions are hereby supplemented to the extent necessary to give full effect to the provisions hereof.

4.11. County Auditors' Certificates as to Registration. The City Administrator is directed to file a certified copy of this resolution with the County Auditors and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Refunding; Findings; Redemption of Refunded Bonds.

5.01. Purpose of Refunding. It is hereby found and determined that based upon information presently available from the City's financial advisers, the issuance of the Refunding Bonds will result in a reduction of debt service or interest cost to the City or the extension or adjustment of the maturities in relation to the resources available for their payment.

5.02. Proceeds Pledged to the Escrow Fund. As of the date of delivery of and payment for the Bonds, proceeds of the Refunding Bonds in the amount of \$_____ are hereby pledged and appropriated and will be deposited in the Escrow Fund for the purposes of (i) paying principal of and interest on the Series 2003A Bonds through the Series 2003A Bonds Redemption Date; (ii) paying principal of and interest on the Series 2005A Bonds through the Series 2005A Bonds Redemption Date; (iii) redeeming and prepaying all the outstanding principal of the Series 2003A Bonds on the Series 2003A Bonds Redemption Date; and (iv) redeeming and prepaying all the outstanding principal of the Series 2005A Bonds on the Series 2005A Bonds redemption Date. Proceeds of the Bonds in the amount of \$_____ will be deposited in the Escrow Fund to pay the costs of issuance of the Bonds.

5.03. Payment at Maturity or Redemption of Refunded Bonds. It is hereby found and determined that the proceeds of the Refunding Bonds and funds available and appropriated to the Escrow Fund will be sufficient, together with the permitted earnings on the investment of the Escrow Fund, to pay at maturity or redemption all of the principal of, interest on and redemption premium, if any, on the Refunded Bonds.

5.04. Purchase of Securities and Compliance with the Act. Securities purchased from the monies in the Escrow Fund will be limited to securities specified in Section 475.67, subdivision 8 of the Act. David Drown Associates, Inc. and/or the Escrow Agent, as agent for the City, is hereby authorized and directed to purchase for and on behalf of the City and in its name, appropriate securities to fund the Escrow Fund. Upon the issuance and delivery of the Bonds, the securities so purchased will be deposited in the Escrow Fund established herein and held pursuant to the terms of the Escrow Agreement and this resolution.

5.05. Escrow Agreement. On or prior to the delivery of the Bonds, the Mayor and the City Administrator are hereby authorized and directed to execute on behalf of the City the Advance Refunding Escrow Agreement (the "Escrow Agreement"). The Escrow Agreement is hereby approved in substantially the form on file with the City on the date hereof, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the Mayor and City Administrator, in their discretion, shall determine, and the execution thereof by the Mayor and City Administrator shall be conclusive evidence of such determination.

5.06. Notices of Redemption. The Series 2003A Bonds maturing on February 1, 2014, and thereafter will be redeemed and prepaid on August 1, 2013, in accordance with their terms and in accordance with the terms and conditions set forth in the forms of Notice of Call for Redemption attached hereto as EXHIBIT D-1, which terms and conditions are hereby approved and incorporated herein by reference. The Series 2005A Bonds maturing on February 1, 2015, and thereafter will be redeemed and prepaid on February 1, 2014, in accordance with their terms and in accordance with the terms and conditions set forth in the forms of Notice of Call for Redemption attached hereto as EXHIBIT D-2, which terms and conditions are hereby approved and incorporated herein by reference. The registrars for the Refunded Bonds are authorized and directed to send a copy of the Notices of Call for Redemption to each registered holder of the Refunded Bonds.

Section 6. Authentication of Transcript.

6.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

6.02. Certification as to Official Statement. The Mayor, City Administrator, and Finance Director are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

6.03. Other Certificates. The Mayor and City Administrator are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor and the City Administrator shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

Section 7. Tax Covenant.

7.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

7.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments and limitations on amounts invested at a yield greater than the yield on the Bonds.

(a) For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements with respect to the Improvement Bonds, the City hereby finds, determines, and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities of the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

(b) For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements with respect to the Series 2003A Refunding Bonds, the City finds, determines and declares that:

(i) each of the Series 2003A Bonds was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;

(ii) the average maturity of the Series 2003A Refunding Bonds does not exceed the remaining average maturity of the Series 2003A Bonds a; and

(iii) no maturity of the Series 2003A Refunding Bonds has a maturity date which is later than the date which is 30 years after the date any of the original bonds refunded by the Series 2003A Bonds were issued.

(c) For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements with respect to the Series 2005A Refunding Bonds, the City finds, determines and declares that:

(i) each of the Series 2005A Bonds was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;

(ii) the average maturity of the Series 2005A Refunding Bonds does not exceed the remaining average maturity of the Series 2005A Bonds; and

(iii) no maturity of the Series 2005A Refunding Bonds has a maturity date which is later than the date which is 30 years after the date the Series 2005A Bonds were issued.

7.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be “private activity bonds” within the meaning of Sections 103 and 141 through 150 of the Code.

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

(a) the Bonds are not “private activity bonds” as defined in Section 141 of the Code;

(b) the City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2012 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the City during calendar year 2012 have been designated for purposes of Section 265(b)(3) of the Code.

7.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 8. Book-Entry System; Limited Obligation of City.

8.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.06 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

8.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

8.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

8.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

8.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 9. Continuing Disclosure.

9.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

9.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 10. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

(The remainder of this page is intentionally left blank.)

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

EXHIBIT A
PROPOSALS

EXHIBIT B
FORM OF BOND

No. R-_____ UNITED STATES OF AMERICA \$ _____
STATE OF MINNESOTA
COUNTIES OF GOODHUE AND OLMSTED
CITY OF PINE ISLAND

GENERAL OBLIGATION IMPROVEMENT AND ADVANCE REFUNDING BOND
SERIES 2012B

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	July 1, 2012	

Registered Owner: Cede & Co.

The City of Pine Island, Minnesota, a duly organized and existing municipal corporation in Goodhue and Olmsted Counties, Minnesota (the "City"), acknowledges itself to be indebted and for value received promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the maturity date specified above with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing February 1, 2013, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Northland Trust Services, Inc., Minneapolis, Minnesota, as Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2019, and on any day thereafter to prepay Bonds due on or after February 1, 2020. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$4,305,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on May 15, 2012 (the "Resolution"), for the purpose of providing money to defray the expenses incurred and to be incurred in making local improvements and to refund in advance of maturity of the outstanding principal amount of certain general obligation bonds of the City, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapters 429, 444, and 475, as amended, and Minnesota Statutes, Sections 475.58, subdivision 3, 475.61, subdivision 6, and 475.67, subdivisions 4 through 12, and the

principal hereof and interest hereon are payable from ad valorem taxes, special assessments, and net revenues of the City's water system and storm sewer system, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in special assessments, taxes, and net revenues of the water system and storm sewer system pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

The City Council has designated the issue of Bonds of which this Bond forms a part as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code") relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Pine Island, Goodhue and Olmsted Counties, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Administrator and has caused this Bond to be dated as of the date set forth below.

Dated: July 1, 2012

CITY OF PINE ISLAND, MINNESOTA

(Facsimile)
Mayor

(Facsimile)
City Administrator

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

NORTHLAND TRUST SERVICES, INC.

By _____
Its Authorized Officer

ABBREVIATIONS

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

TEN COM – as tenants in common

UNIF GIFT MIN ACT
_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts or Transfers to Minors
Act, State of _____

TEN ENT – as tenants by entireties

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

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

ASSIGNMENT

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

Dated: _____

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

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

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

Name and Address: _____

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

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Officer of Registrar</u>
_____	Cede & Co. Federal ID #13-2555119	_____

EXHIBIT C
TAX LEVY SCHEDULES

EXHIBIT D-1

**NOTICE OF CALL FOR REDEMPTION FOR
SERIES 2003A BONDS**

\$2,635,000
CITY OF PINE ISLAND, MINNESOTA
GENERAL OBLIGATION BONDS
SERIES 2003A

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Pine Island, Goodhue and Olmsted Counties, Minnesota (the "City"), there have been called for redemption and prepayment on

August 1, 2013

all outstanding bonds of the City designated as General Obligation Bonds, Series 2003A, dated June 1, 2003, having stated maturity dates of February 1 in the years 2014 through 2024, both inclusive, totaling \$1,790,000,000 in principal amount, and with the following CUSIP numbers:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP</u>
2014	\$140,000	722630 FZ8
2015	145,000	722630 GA2
2016	155,000	722630 GB0
2017	160,000	722630 GC8
2018	160,000	722630 GD6
2019	165,000	722630 GE4
2020	155,000	722630 GF1
2021	165,000	722630 GG9
2022	175,000	722630 GH7
2023	180,000	722630 GJ3
2024	190,000	722630 GK0

The bonds are being called at a price of par plus accrued interest to August 1, 2013, on which date all interest on said bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at the main office of U.S. Bank National Association, Saint Paul, Minnesota, on or before August 1, 2013, at the following address:

If by mail:

U.S. Bank National Association
Corporate Trust Services
60 Livingston Avenue
EP-MN-WS3C
St. Paul, MN 55107

If by hand:

U.S. Bank National Association
60 Livingston Avenue
3rd Floor – Bond Drop Window
St. Paul, MN 55107

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the City is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any Bonds subject to redemption and prepayment on the Redemption Date, unless the City is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. December 2011), will satisfy the requirements of this paragraph.

Additional information may be obtained from:

U.S. Bank National Association
Corporate Trust Division
Bondholder Relations (800) 934-6802

Dated: _____.

BY ORDER OF THE CITY COUNCIL

By /s/ Abraham Algadi
City Administrator
City of Pine Island, Minnesota

EXHIBIT D-2

**NOTICE OF CALL FOR REDEMPTION FOR
SERIES 2005A BONDS**

\$2,235,000
CITY OF PINE ISLAND, MINNESOTA
GENERAL OBLIGATION BONDS
SERIES 2005A

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Pine Island, Goodhue and Olmsted Counties, Minnesota (the "City"), there have been called for redemption and prepayment on

February 1, 2013

all outstanding bonds of the City designated as General Obligation Bonds, Series 2005A, dated June 1, 2005, having stated maturity dates of February 1 in the years 2014 through 2026, both inclusive, totaling \$1,665,000 in principal amount, and with the following CUSIP numbers:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP</u>
2014	\$ 95,000	722630 HP8
2015	100,000	722630 HQ6
2016	105,000	722630 HR4
2017	110,000	722630 HS2
2019	235,000	722630 HU7
2021	255,000	722630 HW3
2023	285,000	722630 HY9
2025	315,000	722630 JA9
2026	165,000	722630 JB7

The bonds are being called at a price of par plus accrued interest to February 1, 2013, on which date all interest on said bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at the main office of Bond Trust Services Corporation, 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1122, on or before February 1, 2013.

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the City is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any Bonds subject to redemption and prepayment on the Redemption Date, unless the City is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. December 2011), will satisfy the requirements of this paragraph.

Dated: _____.

BY ORDER OF THE CITY COUNCIL

By /s/ Abraham Algadi
City Administrator
City of Pine Island, Minnesota

STATE OF MINNESOTA)
)
COUNTIES OF GOODHUE
AND OLMSTED) SS.
)
CITY OF PINE ISLAND)

I, the undersigned, being the duly qualified and acting City Administrator of the City of Pine Island, Goodhue and Olmsted Counties, Minnesota (the "City"), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on May 15, 2012, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City's General Obligation Improvement and Advance Refunding Bonds, Series 2012B, issued in the original aggregate principal amount of \$4,305,000.

WITNESS My hand officially as such City Administrator and the corporate seal of the City this _____ day of _____, 2012.

City Administrator
City of Pine Island, Minnesota

(SEAL)

STATE OF MINNESOTA
COUNTY OF GOODHUE

CERTIFICATE OF COUNTY
AUDITOR/TREASURER AS TO
TAX LEVY AND REGISTRATION

I, the undersigned County Auditor/Treasurer of Goodhue County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Pine Island, Minnesota (the "City"), on May 15, 2012, levying taxes for the payment of the City's General Obligation Improvement and Advance Refunding Bonds, Series 2012B, dated July 1, 2012, and issued in the original aggregate principal amount of \$4,305,000, has been filed in my office and said bonds have been entered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS My hand and official seal this ____ day of _____, 2012.

**COUNTY AUDITOR/TREASURER,
GOODHUE COUNTY, MINNESOTA**

By: _____

Its: _____

(SEAL)

STATE OF MINNESOTA
COUNTY OF OLMSTED

CERTIFICATE OF DIRECTOR OF PROPERTY
RECORDS AND LICENSING AS TO TAX
LEVY AND REGISTRATION

I, the undersigned Director of Property Records and Licensing of Olmsted County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Pine Island, Minnesota (the "City"), on May 15, 2012, levying taxes for the payment of the City's General Obligation Improvement and Advance Refunding Bonds, Series 2012B, dated July 1, 2012, and issued in the original aggregate principal amount of \$4,305,000, has been filed in my office and said bonds have been entered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS My hand and official seal this ____ day of _____, 2012.

**DIRECTOR OF PROPERTY RECORDS
AND LICENSING,
OLMSTED COUNTY, MINNESOTA**

By: _____

Its: _____

(SEAL)



VI. PUBLIC WORKS & ENGINEERING

A. Final Pay Request \$2,017.50, Minnowa Construction – 511th Street Bridge

All work on the 511th Street Bridge is complete and approval is requested to make the final payment to Minnowa Construction in the amount of \$2,017.50.

B. Schumacher Excavating, Pay Request #1, \$36,065.90 – 2012 Street Project

It is recommended that payment in the amount of \$36,065.90 be made to Schumacher Excavating for work completed in the month of April (includes removal items and common excavation). The total amount of certified work to date is \$37,964.10, with 5% being retained on the project. The contract amount of the project is \$923,760.16.

Construction work on the street project is underway. Schumacher began with tree removals on April 14th and began the removal of surfacing items shortly after. The weather has caused some delays in their current underground project in Zumbrota, so utility installation is scheduled to begin the week of the council meeting. Crews have been working with the project residents to provide access to their homes as much as possible during this stretch of rain.

C. Elk Run Interchange Project Update

Contractors continue to work on the interchange and frontage roads. An up to date schedule will be presented to the Council at the meeting.

D. 125th Street Update

Not much to update this month, but here is some background data. The corridor study is in the development stages and is expected to be completed in March or April of 2013. Following the acceptance of the final report an Official Map will be created for the final alignment selected. There are two more public meetings planned, one in August and one in January of 2013, before the final corridor study is scheduled to be completed. Notices will be sent to the City prior to the meetings.

E. East Frontage Road – Feasibility Study Update

Work on the feasibility report for the TH 52 East Frontage Road project has begun. Staff will be working on developing project costs and assessment implications for abutting property owners. The current schedule is to present the feasibility report, which will include preliminary project design along with estimated costs at the June Council meeting.

F. WWTP Bar Screen – Bid Opening on May 30th

The bid opening for the bar screen is schedule for Wednesday, May 30th. The results of the opening will be presented to the Council at the June 19th meeting.

G. Golf Course Park Update

Crews have been working to extend the existing storm sewer pipe across the lot along with placing fill material to raise the elevation of the lot. The area will be leveled off and seeded to create a useable space for a future park.

Please call if you have any questions (Cell 507-421-1494) and have a good weekend,

Craig Britton

Rochester

6301 Bandel Road NW
Suite 301
Rochester, MN 55901-8798
Tel: 507.292.8743
Fax: 507.292.8746

FINAL ESTIMATE

www.wsn.us.com

Contractor Minnowa Construction Estimate No. 2
 Address Harmony, MN Date 2/14/2012
 For 511th Street Bridge Repair Partial _____
 Location Pine Island, MN Semi-Final _____
 Work Started 10/21/2011 Final XX
 Estimate Quantities to 2/10/2012 Award Date 8/16/2011

DETERMINATION OF AMOUNT DUE

Spec Comp Date _____

(See attached statement of quantities)

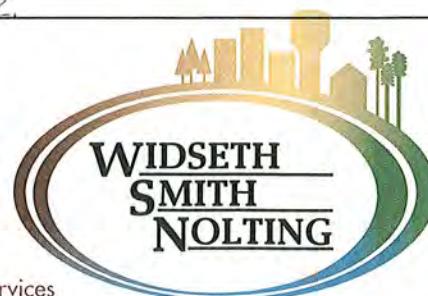
Contract Amount \$58,900.00

TOTAL VALUE OF WORK CERTIFIED	LESS DEDUCTIONS OR 0% RETAINED	LESS PREVIOUS PAYMENTS	NET AMOUNT DUE
TOTALS			
\$40,350.00	\$0.00	\$38,332.50	\$2,017.50

CERTIFICATE OF FINAL ACCEPTANCE

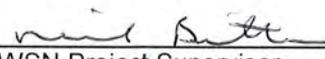
The undersigned contractor does hereby certify that he has performed and completed all the work described herein in accordance with and pursuant to the terms of this contract and does hereby accept this final estimate as being correct, full and complete and does make claim for final payment on this contract in accordance with this final estimate.

Witness _____ Contractor MINNOWA CONSTRUCTION, INC.
Jan Edmondson By [Signature]
 County of Fillmore, MN Title Pres. Mgr.



I hereby certify that a final examination has been made of the above noted contract, that the contract has been completed, that the entire amount of work shown in this final estimate has been performed and the total value of the work performed in accordance with, and pursuant to the terms of the contract is as shown in this final estimate.

Dated

5/7/12 Signature 
WSN Project Supervisor

511TH STREET OVER NORTH BRANCH ZUMBRO RIVER
 OLD BRIDGE NO. L2510
 PINE ISLAND, MN
 WSN PROJECT NO. 1002R0002.002

PAY ESTIMATE NO. 2 - FINAL

MINNOWA CONSTRUCTION

BID NO.	Mn/DOT Spec. No.	ITEM	UNIT	UNIT PRICE	CONTRACT AMOUNT		ESTIMATE TO DATE	
					QUANTITY	TOTAL	QUANTITY	TOTAL
1	2021.501	Mobilization	L.S.	\$ 6,000.00	1	\$ 6,000.00	1	\$ 6,000.00
2	2511.501	Random Riprap Class III	C.Y.	70.00	40	\$ 2,800.00	40	\$ 2,800.00
3	2520.501	Lean Mix Backfill	C.Y.	250.00	99	\$ 24,750.00	26	\$ 6,500.00
4	2563.601	Traffic Control	L.S.	1,700.00	1	\$ 1,700.00	1	\$ 1,700.00
5	2573.502	Silt Fence, Type Heavy Duty	L.F.	3.00	100	\$ 300.00		\$ -
6	2573.502	Flotation Silt Curtain Type Work Area	L.F.	15.00	90	\$ 1,350.00	90	\$ 1,350.00
7		Cofferdam	L.S.	22,000.00	1	\$ 22,000.00	1	\$ 22,000.00

TOTAL CONSTRUCTION COST

\$ 58,900.00

\$ 40,350.00

2/14/2012

MINNESOTA · REVENUE

**Contractor's Withholding Affidavit
Confirmation**

MINNOWA CONSTRUCTION INC

ID 4962954

Please keep this information for your records.

Submit a copy of this page to the project owner to receive your final payment.

Confirmation number	435794 Thu Jan 19 12:23:45 CST 2012
Project owner	CITY OF PINE ISLAND
Project number	C/Pine Island
Project begin date	November 2011
Project end date	November 2011
Project location	511 STREET BRIDGE REPAIR - PINE ISLAND
Subcontractors	No subcontractors listed.

Rochester

6301 Bandel Road NW
Suite 301
Rochester, MN 55901-8798
Tel: 507.292.8743
Fax: 507.292.8746

PERIODICAL ESTIMATE

www.wsn.us.com

Contractor	<u>Schumacher Excavating</u>	Estimate No.	<u>1</u>
Address	<u>Zumbrota</u>	Date	<u>5/3/2012</u>
For	<u>2012 Street Assessment Project</u>	Partial	<u>XX</u>
Location	<u>Pine Island</u>	Semi-Final	
Work Started	<u>4/14/2012</u>	Final	
Estimated Quantities to	<u>5/2/2012</u>	Award Date	<u>3/20/2012</u>
DETERMINATION OF AMOUNT DUE		Spec Comp Date	
(See attached statement of quantities)		Contract Amount	<u>\$923,760.16</u>

TOTAL VALUE OF WORK CERTIFIED	LESS DEDUCTIONS OR 0% RETAINED	LESS PREVIOUS PAYMENTS	NET AMOUNT DUE
TOTALS			
\$37,964.10	5% \$1,898.21		\$36,065.90

CERTIFICATE FOR PARTIAL PAYMENTS

This is to certify that to the best of my knowledge, information and belief, the quantities and value of work performed as stated herein is a fair approximate estimate of the work performed and the materials furnished for period covered by this estimate.

Dated 5/4/12 Signature *Alan Schumacher*
Contractor

I hereby recommend payment of this estimate

Dated 5/4/12 Signature *Chris [unclear]*
Project Supervisor



engineering | architecture | land surveying | environmental services

8th St SE

8th St SE

8th St SE

8th St SE

Golf Course Park



20 Ave SE

20 Ave SE

Hassler's First

Storm Sewer Extension

Fill Area



CLAIMS

APRIL 14, 2012 THROUGH MAY 10, 2012

PAYROLL (2)	\$	36,382.76
EFT SALES & PAYROLL TAXES	\$	23,593.00
BILLS	\$	212,666.83
TOTAL OPERATING EXPENSES	\$	272,642.59
INVESTMENTS	\$	-
DEBT SERVICES	\$	-
STERLING STATE BANK	\$	36,382.76
INTEREST ON DEBT	\$	-
TIF & ANNEX TAX	\$	-
CAPITAL OUTLAY	\$	8,214.57
PROJECT EXPENSES	\$	17,193.70
TOTAL CLAIMS	\$	274,457.86

CITY OF PINE ISLAND
***Check Summary Register©**

April 2012 to May 2012

Name	Check Date	Check Amt
10102 Sterling State Bank		
Paid Chk# 503260 ALGADI, ABRAHAM G	4/25/2012	\$2,221.00
Paid Chk# 503261 EICKHOFF, JONATHAN A	4/25/2012	\$1,922.40
Paid Chk# 503262 KRUEGER, CAROL S	4/25/2012	\$972.80
Paid Chk# 503263 MILLER, JAYNE L	4/25/2012	\$118.02
Paid Chk# 503264 OELKERS, CYNTHIA JEAN	4/25/2012	\$1,222.66
Paid Chk# 503265 PRESCHER, JANICE M.	4/25/2012	\$968.70
Paid Chk# 503266 HITCHCOCK, JAMES L	4/25/2012	\$1,134.28
Paid Chk# 503267 KING, WAYNE R.	4/25/2012	\$1,230.77
Paid Chk# 503268 KRIER, LEROY C.	4/25/2012	\$313.85
Paid Chk# 503269 MAXSON, KRAIG C.	4/25/2012	\$1,155.68
Paid Chk# 503270 OELKERS, STEVEN H	4/25/2012	\$1,035.44
Paid Chk# 503271 ROBERTSON, TODD Q	4/25/2012	\$922.14
Paid Chk# 503272 SWARTHOUT, MARK O.	4/25/2012	\$1,188.34
Paid Chk# 503273 BLANKENSHIP, CAROLYN ANN	4/25/2012	\$130.46
Paid Chk# 503274 DUNNE, ELSIE	4/25/2012	\$141.56
Paid Chk# 503275 HANSEN, MORGAN K	4/25/2012	\$1,096.73
Paid Chk# 503276 POCKLINGTON, STEPHANIE J.	4/25/2012	\$63.41
Paid Chk# 503277 SAND, JOAN ELIZABETH	4/25/2012	\$548.87
Paid Chk# 503278 SORUM, COLLEEN M.	4/25/2012	\$328.55
Paid Chk# 503279 PIKE, PATRICK	4/25/2012	\$108.86
Paid Chk# 503280 DOLL, KAREN K.	4/25/2012	\$1,116.51
Paid Chk# 503281 ALGADI, ABRAHAM G	5/9/2012	\$2,220.99
Paid Chk# 503282 EICKHOFF, JONATHAN A	5/9/2012	\$1,922.40
Paid Chk# 503283 KRUEGER, CAROL S	5/9/2012	\$1,022.62
Paid Chk# 503284 MILLER, JAYNE L	5/9/2012	\$118.02
Paid Chk# 503285 OELKERS, CYNTHIA JEAN	5/9/2012	\$1,188.80
Paid Chk# 503286 PRESCHER, JANICE M.	5/9/2012	\$956.94
Paid Chk# 503287 HITCHCOCK, JAMES L	5/9/2012	\$1,154.67
Paid Chk# 503288 KING, WAYNE R.	5/9/2012	\$1,360.11
Paid Chk# 503289 KRIER, LEROY C.	5/9/2012	\$313.85
Paid Chk# 503290 MAXSON, KRAIG C.	5/9/2012	\$1,263.68
Paid Chk# 503291 OELKERS, STEVEN H	5/9/2012	\$1,035.44
Paid Chk# 503292 ROBERTSON, TODD Q	5/9/2012	\$1,092.93
Paid Chk# 503293 SWARTHOUT, MARK O.	5/9/2012	\$1,188.33
Paid Chk# 503294 BLANKENSHIP, CAROLYN ANN	5/9/2012	\$150.37
Paid Chk# 503295 DUNNE, ELSIE	5/9/2012	\$297.97
Paid Chk# 503296 HANSEN, MORGAN K	5/9/2012	\$1,096.73
Paid Chk# 503297 POCKLINGTON, STEPHANIE J.	5/9/2012	\$27.17
Paid Chk# 503298 SAND, JOAN ELIZABETH	5/9/2012	\$553.65
Paid Chk# 503299 SORUM, COLLEEN M.	5/9/2012	\$251.69
Paid Chk# 503300 PIKE, PATRICK	5/9/2012	\$108.86
Paid Chk# 503301 DOLL, KAREN K.	5/9/2012	\$1,116.51
Total Checks		\$36,382.76

April 2012 to May 2012

Name	Check Date	Check Amt
10100 Pine Island Bank		
Paid Chk# 002710EHEALTH EQUITY	4/25/2012	\$2,386.18 HSA CONTRIBUTIONS PR2012-8&9
Paid Chk# 002711EINTERNAL REVENUE SERVICE	4/25/2012	\$5,946.58 FED TAXES PR2012-9
Paid Chk# 002712EMINNESOTA DEPT OF REVENUE	4/25/2012	\$1,178.11 MN WITHHOLDING PR2012-9
Paid Chk# 002713EPUBLIC EMPLOYEES RETIREMENT	4/25/2012	\$3,348.28 PERA PR2012-9
Paid Chk# 002723EINTERNAL REVENUE SERVICE	5/9/2012	\$6,108.30 FEDERAL TAXES PR2012-10
Paid Chk# 002724EMINNESOTA DEPT OF REVENUE	5/9/2012	\$1,210.70 MN WITHHOLDING PR2012-10
Paid Chk# 002725EPUBLIC EMPLOYEES RETIREMENT	5/9/2012	\$3,414.85 PERA PR2012-10
Total Checks		\$23,593.00

April 2012 to May 2012

Name	Check Date	Check Amt
10100 Pine Island Bank		
Paid Chk# 135231 U.S. POSTMASTER	4/16/2012	\$55.04 POSTAGE FOR 3-12 PAST DUE BILL
Paid Chk# 135232 AT&T	4/18/2012	\$157.69 POLICE PHONE
Paid Chk# 135233 EICKHOFF, JONATHAN A	4/18/2012	\$817.95 CPR AED CLASS MATERIALS
Paid Chk# 135234 CITY OF PINE ISLAND	4/18/2012	\$1,304.95 WATER/SEWER USAGE

Paid Chk#	135235	GOODHUE COUNTY	4/18/2012	\$394.00	ELECTRICITY
Paid Chk#	135236	PITNEY BOWES INC	4/18/2012	\$86.68	POSTAGE METER SUPPLIES
Paid Chk#	135237	SAM'S CLUB	4/18/2012	\$446.03	SUPPLIES FOR MCI DRILL
Paid Chk#	135238	U.S. POSTMASTER	4/18/2012	\$190.00	POSTAGE PERMIT 58
Paid Chk#	135239	U.S. POSTMASTER	4/18/2012	\$232.00	WATER/SEWER BILL POSTAGE
Paid Chk#	135240	WHIPPLE, MAURRIA	4/18/2012	\$78.16	REFUND OF DEPOSIT LESS LAST BI
Paid Chk#	135241	XCEL ENERGY	4/18/2012	\$12,814.58	ELECTRICITY
Paid Chk#	135242	AXA EQUITABLE	4/25/2012	\$50.00	EQUITABLE-PR2012-8&9
Paid Chk#	135243	FORT DEARBORN LIFE INS CO	4/25/2012	\$72.80	LIFE INS PR2012-8&9
Paid Chk#	135244	HEALTHPARTNERS	4/25/2012	\$6,562.10	HEALTH INS PR2012-8&9
Paid Chk#	135245	MN CHILD SUPPORT	4/25/2012	\$381.17	14354776 PR2012-9
Paid Chk#	135246	STERLING STATE BANK-	4/25/2012	\$17,941.03	PAYROLL TRANSFER PR2012-9
Paid Chk#	135247	J & D SCHROM PROPERTIES, LLC	4/27/2012	\$40,000.00	LOAN PROCEEDS
Paid Chk#	135248	5 STAR LIFE INSURANCE	4/27/2012	\$480.34	LIFE INSURANCE
Paid Chk#	135249	BORGY BOYZ	4/27/2012	\$59.85	STS MEALS
Paid Chk#	135250	CENTURYLINK	4/27/2012	\$5.48	PHONE CHARGES
Paid Chk#	135251	MINNESOTA ENERGY	4/27/2012	\$2,126.31	NATURAL GAS
Paid Chk#	135252	OFFICE OF ENTERPRISE	4/27/2012	\$43.68	LONG DISTANCE PHONE
Paid Chk#	135253	XCEL ENERGY	4/27/2012	\$308.00	ELECTRICITY
Paid Chk#	135254	U.S. POSTMASTER	5/2/2012	\$45.00	POSTAGE STAMPS
Paid Chk#	135255	MN CHILD SUPPORT	5/9/2012	\$381.17	14354776 PR2012-10
Paid Chk#	135256	STERLING STATE BANK-	5/9/2012	\$18,441.73	PAYROLL TRANSFER PR2012-10
Paid Chk#	135257	OLMSTED COUNTY FINANCE	5/8/2012	\$35.00	OLMSTED CO PLAT BOOK
Paid Chk#	135258	DODGE CO TREASURER	5/8/2012	\$30.00	PLAT BOOK
Paid Chk#	135259	AMAZON	5/10/2012	\$411.70	DVDS
Paid Chk#	135260	AMERICAN LEGION POST #184	5/10/2012	\$100.00	RENTAL ON MARCH 26, 2012
Paid Chk#	135261	ARBORISTS OF ROCHESTER	5/10/2012	\$176.34	STUMP GRINDING
Paid Chk#	135262	AREL'S FLOWERS & GIFTS	5/10/2012	\$30.00	WREATH & STAND REPLACEMENT
Paid Chk#	135263	AT CONFERENCE	5/10/2012	\$14.53	CONFERENCE CALLING
Paid Chk#	135264	BAHR ELECTRIC, INC	5/10/2012	\$75.00	BUCKET TRUCK USAGE
Paid Chk#	135265	BAKER & TAYLOR	5/10/2012	\$959.65	CHILDRENS BOOKS
Paid Chk#	135266	JERRY BERG	5/10/2012	\$60.00	HAULING DIRT FOR CEMETERY
Paid Chk#	135267	BORGY BOYZ	5/10/2012	\$48.09	STS MEALS
Paid Chk#	135268	BOUND TREE MEDICAL, LLC	5/10/2012	\$54.55	TRIAGE TAGS, ASPRIN
Paid Chk#	135269	CLAREY'S SAFETY EQUIPMENT	5/10/2012	\$155.00	REPAIR SCBA DIAPHRAGM
Paid Chk#	135270	CLEMENTSON TRUCKING, INC	5/10/2012	\$4,000.00	SNOW REMOVAL
Paid Chk#	135271	DAKOTA SUPPLY GROUP, INC	5/10/2012	\$520.92	1.5" METER WITH ERT
Paid Chk#	135272	DEMCO, INC.	5/10/2012	\$238.45	LAMINATE, BOOK JACKETS, TAPE,
Paid Chk#	135273	EARL F. ANDERSEN, INC.	5/10/2012	\$710.36	ARM BRACKET
Paid Chk#	135274	EICKHOFF, JONATHAN A	5/10/2012	\$5.00	BURNING PERMIT
Paid Chk#	135275	ERV'S SUPPLY OF PARTS, INC	5/10/2012	\$31.59	SOCKETS
Paid Chk#	135276	EVERGREEN PLACE	5/10/2012	\$48.91	PEST CONTROL
Paid Chk#	135277	FARM COUNTRY CO-OP	5/10/2012	\$112.13	WEED KILLER
Paid Chk#	135278	FARMER'S TOP SOIL, INC	5/10/2012	\$79.89	TOPSOIL
Paid Chk#	135279	FIRE SAFETY USA, INC	5/10/2012	\$27.71	AKRON BAFFLE & SCREW
Paid Chk#	135280	G & K SERVICES	5/10/2012	\$593.28	UNIFORM SERVICE
Paid Chk#	135281	GATHJE, BONNIE	5/10/2012	\$700.00	POLICE OFFICE RENT
Paid Chk#	135282	GOODHUE CO TREASURER	5/10/2012	\$23,848.67	POLICE CONTRACT
Paid Chk#	135283	GOODHUE COUNTY ATTORNEY	5/10/2012	\$956.25	PROSECUTIONS
Paid Chk#	135284	GOODHUE ENVIRONMENTAL	5/10/2012	\$912.00	OPERATOR CONTRACT
Paid Chk#	135285	GOPHER STATE ONE-CALL INC.	5/10/2012	\$76.50	LOCATES
Paid Chk#	135286	GREENWAY CO-OP	5/10/2012	\$1,035.97	BEVERAGES FOR STS
Paid Chk#	135287	GRIMSRUD PUBLISHING, INC	5/10/2012	\$712.76	PUBLISHING
Paid Chk#	135288	HACH COMPANY	5/10/2012	\$198.50	PHOSPHATE KIT
Paid Chk#	135289	HARDWARE HANK	5/10/2012	\$528.14	TRELLIS SUPPLIES & WEED PREVEN
Paid Chk#	135290	INNOVATIVE CONTRACTORS,	5/10/2012	\$5,950.00	PLANTERS & CEMENT IN FRONT OF
Paid Chk#	135291	ISLAND MARKET	5/10/2012	\$7.94	COFFEE & FILTERS
Paid Chk#	135292	ITRON, INC	5/10/2012	\$1,704.66	METER READER REPAIR
Paid Chk#	135293	JASPER ENGINEERING &	5/10/2012	\$712.50	SERVICE ON SEWER EQUIPMENT
Paid Chk#	135294	KAUTZ TRUCKING INC.	5/10/2012	\$200.00	TRUCKING
Paid Chk#	135295	KENNEDY & GRAVEN	5/10/2012	\$6,641.95	LEGAL
Paid Chk#	135296	KRAUSE MASONRY, INC	5/10/2012	\$3,416.00	CEMETERY CONCRETE WORK
Paid Chk#	135297	LAWSON PRODUCTS INC	5/10/2012	\$185.94	DRILL BITS, HEAT SHRINK, TORX
Paid Chk#	135298	LIBRARY JOURNAL	5/10/2012	\$129.99	1 YEAR RENEWAL
Paid Chk#	135299	M & M LAWN & LEISURE 2	5/10/2012	\$928.77	PARKING BRAKE, GAS GAUGE
Paid Chk#	135300	MAD SCIENCE OF IOWA PLUS+	5/10/2012	\$378.00	7-19-2012 REACH FOR THE SKY PR
Paid Chk#	135301	MIKE KLUG TREE	5/10/2012	\$2,125.00	TREE MOVING
Paid Chk#	135302	MIKE MEYER PAINT PROJECTS	5/10/2012	\$300.00	NO PARKING SIGNS
Paid Chk#	135303	MILLER, JAYNE	5/10/2012	\$26.63	CLEANING SUPPLIES
Paid Chk#	135304	MINNESOTA PIPE & EQUIPMENT	5/10/2012	\$108.78	PINK MARKING PAINT
Paid Chk#	135305	NATIONAL GEOGRAPHIC SOCIETY	5/10/2012	\$3.95	SHIPPING
Paid Chk#	135306	OLMSTED COUNTY FINANCE	5/10/2012	\$225.00	SPECIAL ASSESSMENT PROCESSING
Paid Chk#	135307	OSTRUM, GREG	5/10/2012	\$89.21	EMT TEXTBOOK FOR J. STRANDE
Paid Chk#	135308	PINE ISLAND ECONOMIC	5/10/2012	\$5,900.00	TIF ADMINISTRATION
Paid Chk#	135309	PINE HAVEN	5/10/2012	\$9,958.60	EYEWASH REPLACEMENTS
Paid Chk#	135310	PINE ISLAND LUMBER	5/10/2012	\$100.01	LUMBER & BRACKETS
Paid Chk#	135311	PINE ISLAND TELEPHONE	5/10/2012	\$2,116.87	PHONE
Paid Chk#	135312	PRAXAIR DISTRIBUTION INC	5/10/2012	\$50.85	CYLINDER RENT
Paid Chk#	135313	PROSOURCE SPECIALTIES	5/10/2012	\$62.00	BACKPACKS
Paid Chk#	135314	QUALITY FLOW SYSTEMS, INC	5/10/2012	\$685.20	SERVICE 3 LIFT STATIONS
Paid Chk#	135315	R & M STEEL	5/10/2012	\$250.35	CURB SHOES
Paid Chk#	135316	READY MIX CONCRETE CO, LLC	5/10/2012	\$374.06	CONCRETE BLOCKS

Paid Chk#	135317	SAND, JOAN	5/10/2012	\$25.74	SUPPLY REIMB
Paid Chk#	135318	SCHMIDT-GOODMAN OFFICE	5/10/2012	\$315.04	LABELS
Paid Chk#	135319	SCHUMACHER ELEVATOR CO	5/10/2012	\$416.32	ELEVATOR MAINTENANCE
Paid Chk#	135320	SCHUMACHER EXCAVATING	5/10/2012	\$3,783.29	WATER MAIN REPAIR
Paid Chk#	135321	SE MN EMS	5/10/2012	\$2.68	EMERG CARE - PEDS
Paid Chk#	135322	SE MN FIRE DEPT ASSOC	5/10/2012	\$50.00	DUES
Paid Chk#	135323	SE MN LEAGUE OF	5/10/2012	\$35.00	2012 DUES
Paid Chk#	135324	SOUTHEASTERN LIBRARIES	5/10/2012	\$918.22	CAMP READ A LOT REGISTRATION
Paid Chk#	135325	ST JOSEPH EQUIPMENT, INC	5/10/2012	\$111.90	HYDRAULIC HOSE
Paid Chk#	135326	STAR TRIBUNE	5/10/2012	\$97.50	5-18-12 TO 8-17-12 SUBSCRIPTIO
Paid Chk#	135327	STILLER DIVERSIFIED SERVICES	5/10/2012	\$575.00	BURIALS
Paid Chk#	135328	TEIGEN PAPER SUPPLY	5/10/2012	\$34.22	TRASH BAGS
Paid Chk#	135329	TOTAL TIRE & GEAR	5/10/2012	\$26.03	PATCH TIRE & TUBE
Paid Chk#	135330	TRI-STATE BUSINESS MACHINES	5/10/2012	\$195.85	COPY MACHINE MAINTENANCE
Paid Chk#	135331	UNITED LABORATORIES	5/10/2012	\$1,028.15	CLEANER, DESCALER
Paid Chk#	135332	USA BLUE BOOK	5/10/2012	\$115.64	PHOSPHATE REAGENT
Paid Chk#	135333	VERIZON WIRELESS	5/10/2012	\$339.70	CELL SERVICE
Paid Chk#	135334	JOHN VETTEL	5/10/2012	\$26.01	CLOCK WINDING
Paid Chk#	135335	WHITEWATER WIRELESS, INC.	5/10/2012	\$210.00	2ND QTR PAGING MAINT AGREEMENT
Paid Chk#	135336	WIDSETH SMITH NOLTING &	5/10/2012	\$22,580.92	ENGINEERING
		Total Checks		\$214,482.10	

CITY OF PINE ISLAND
Council Check List - Monthly

Period: 5

Act	Act Code	Last Dim Descr	CHECK Search Name	#	Amount	Batch Comments	Name
Fund 101 GENERAL FUND							
Dept							
G	101-21708	Cancer Insurance			-\$120.07	Labor Distribution PR2012-10	PR2012-10
G	101-11500	Accounts Receivable			\$63.44	UB Receipt Serv 40 PET LIC	4-13BK20WS
G	101-21710	Child Support Deduction			-\$381.17	Labor Distribution PR2012-10	PR2012-10
G	101-21704	PERA Withholding Payable			-\$2,107.26	Labor Distribution PR2012-10	PR2012-10
G	101-11500	Accounts Receivable			\$10.23	UB Receipt Serv Pen 14 AUTO	4-5BK-13WS
G	101-11500	Accounts Receivable			\$8.87	UB Receipt Serv Pen 14 AUTO	4-13BK20WS
G	101-21400	Sales Tax Payable	RECEIPTS/MISC		\$0.55	FAX	4-12 REC 14
R	101-34109	Copies/Fax	RECEIPTS/MISC		\$8.00	FAX	4-12 REC 14
G	101-21705	Medicare Payable			-\$464.90	Labor Distribution PR2012-10	PR2012-10
G	101-21706	Medical Ins Premium Payable			-\$2,052.04	Labor Distribution PR2012-10	PR2012-10
G	101-21400	Sales Tax Payable	RECEIPTS/MISC		\$6.88	ROCHESTER BIBLE TRUTH	5-12 REC 4
R	101-32240	Animal Licenses			\$1,270.00	UB AR Serv 41 PET LIC NON	4-12WSBILLLS
R	101-35102	Parking/Traffic Fines	MINNESOTA MANAGEMENT & BUDGET		\$1,329.05	APRIL 2012 GOODHUE	5-12 REC 5
G	101-11500	Accounts Receivable			\$2.20	UB Receipt Serv Pen 14 AUTO	4-2-5-12WS
G	101-11500	Accounts Receivable			\$30.36	UB Receipt Serv 41 PET LIC	4-13BK20WS
G	101-21400	Sales Tax Payable	RECEIPTS/RENT		\$3.44	MIKE/HEIDI MAGNUSON-MAY	4-12 REC 2
R	101-36220	Rent	RECEIPTS/RENT		\$50.00	MIKE/HEIDI MAGNUSON-MAY	4-12 REC 2
G	101-21709	Life Insurance Payable			-\$9.30	Labor Distribution PR2012-10	PR2012-10
R	101-34101	City Hall Rent	RECEIPTS/MISC		\$100.00	ROCHESTER BIBLE TRUTH	5-12 REC 4
G	101-21400	Sales Tax Payable	RECEIPTS/MISC		\$0.34	TESS CARLSON-FAX	5-12 REC 4
R	101-34109	Copies/Fax	RECEIPTS/MISC		\$5.00	TESS CARLSON-FAX	5-12 REC 4
G	101-10100	Cash - Security State			\$86,144.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	101-39202	Transfers In			-\$86,144.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	101-21720	Health Savings Account			-\$1,279.50	Labor Distribution PR2012-10	PR2012-10
G	101-21713	Dental Insurance			-\$134.86	Labor Distribution PR2012-10	PR2012-10
G	101-21712	Equitable Annuities Payable			-\$19.38	Labor Distribution PR2012-10	PR2012-10
R	101-32240	Animal Licenses			\$1,820.00	UB AR Serv 40 PET LIC NEUT	4-12WSBILLLS
R	101-39344	Borrow A Bike Fundraising	RECEIPTS/MISC		\$200.00	DONATION FROM KWIK TRIP	5-12 REC 2
G	101-21703	FICA Tax Payable			-\$1,667.28	Labor Distribution PR2012-10	PR2012-10
G	101-11500	Accounts Receivable			\$314.38	UB Receipt Serv 40 PET LIC	4-20-30bk
G	101-11500	Accounts Receivable			\$160.84	UB Receipt Serv 41 PET LIC	4-20-30bk
G	101-21706	Medical Ins Premium Payable			-\$1,955.84	Labor Distribution PR2012-9	PR2012-9
G	101-21708	Cancer Insurance			-\$99.91	Labor Distribution PR2012-9	PR2012-9
G	101-21705	Medicare Payable			-\$434.44	Labor Distribution PR2012-9	PR2012-9
G	101-21710	Child Support Deduction			-\$381.17	Labor Distribution PR2012-9	PR2012-9
G	101-21704	PERA Withholding Payable			-\$1,962.88	Labor Distribution PR2012-9	PR2012-9
G	101-10102	Cash - Sterling State			-\$11,441.01	Labor Distribution PR2012-10	PR2012-10
G	101-21712	Equitable Annuities Payable			-\$15.99	Labor Distribution PR2012-9	PR2012-9
G	101-21713	Dental Insurance			-\$128.92	Labor Distribution PR2012-9	PR2012-9
G	101-10100	Cash - Security State			-\$275,300.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	101-34109	Copies/Fax	RECEIPTS/MISC		\$4.00	ROSEMARY GARDNER-FAX	4-12 REC 9
G	101-21400	Sales Tax Payable	RECEIPTS/MISC		\$0.28	ROSEMARY GARDNER-FAX	4-12 REC 9

G	101-21709	Life Insurance Payable			-\$18.32	Labor Distribution PR2012-9	PR2012-9
G	101-21701	Federal Withholding Payable			-\$1,644.30	Labor Distribution PR2012-10	PR2012-10
G	101-21703	FICA Tax Payable			-\$1,558.14	Labor Distribution PR2012-9	PR2012-9
G	101-21702	State Withholding Payable			-\$703.63	Labor Distribution PR2012-9	PR2012-9
G	101-21701	Federal Withholding Payable			-\$1,494.07	Labor Distribution PR2012-9	PR2012-9
G	101-10102	Cash - Sterling State			-\$10,643.77	Labor Distribution PR2012-9	PR2012-9
R	101-32240	Animal Licenses	RECEIPTS/ANIMAL CONTROL		\$10.00	PET LICENSE #13 TODD	4-12 REC 21
G	101-11500	Accounts Receivable			\$8.81	UB Receipt Serv Pen 14 AUTO	4-20-30bk
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT		\$22.02	BRAD MARSH-PERMIT 12-026	4-12 REC 17
G	101-21702	State Withholding Payable			-\$761.70	Labor Distribution PR2012-10	PR2012-10
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT		\$7.70	MICHAEL CHRISTENSEN-	4-12 REC 17
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	000159	\$13.86	TOM BOLLMAN-PERMIT 11-	4-12 REC 4
G	101-21400	Sales Tax Payable	RECEIPTS/RENT	001340	\$3.44	MARY KEILLOR-CITY HALL	4-12 REC 11
R	101-34101	City Hall Rent	RECEIPTS/RENT	001340	\$50.00	MARY KEILLOR-CITY HALL	4-12 REC 11
G	101-21400	Sales Tax Payable	RECEIPTS/RENT	001344	\$3.44	MARY KEILLOR-CITY HALL	4-12 REC 19
R	101-34101	City Hall Rent	RECEIPTS/RENT	001344	\$50.00	MARY KEILLOR-CITY HALL	4-12 REC 19
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	001837	\$65.45	GROBE BUILDERS-PERMIT 12-	4-12 REC 21
R	101-39344	Borrow A Bike Fundraising	BETTER BREW	002135	\$250.00	TRAIL RACK CARD AD	5-12 REC 3
R	101-32240	Animal Licenses	RECEIPTS/ANIMAL CONTROL	002138	\$20.00	PET LICENSE-#7	4-12 REC 13
R	101-32240	Animal Licenses	RECEIPTS/ANIMAL CONTROL	002262	\$10.00	REN TESCHER-PET LICENSE 22	5-12 REC 1
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	002621	\$239.29	LINDAHL-NELSON	4-12 REC 2
R	101-36220	Rent	RECEIPTS/PARK RENT	002696	\$50.00	MARK KUNZ-DOUGLAS TRAIL	4-12 REC 6
G	101-21400	Sales Tax Payable	RECEIPTS/PARK RENT	002696	\$3.44	MARK KUNZ-DOUGLAS TRAIL	4-12 REC 6
G	101-21706	Medical Ins Premium Payable	HEALTH EQUITY	002710	\$1,246.15	HSA CONTRIBUTIONS	4-30-12 AP
G	101-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711	\$1,558.14	FED TAXES PR2012-9	4-30-12 AP
G	101-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711	\$434.44	FED TAXES PR2012-9	4-30-12 AP
G	101-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$1,494.07	FED TAXES PR2012-9	4-30-12 AP
G	101-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$703.63	MN WITHHOLDING PR2012-9	4-30-12 AP
G	101-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$1,962.88	PERA PR2012-9	4-30-12 AP
G	101-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$1,644.30	FEDERAL TAXES PR2012-10	5-9-12 AP
G	101-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$1,667.28	FEDERAL TAXES PR2012-10	5-9-12 AP
G	101-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$464.90	FEDERAL TAXES PR2012-10	5-9-12 AP
G	101-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$761.70	MN WITHHOLDING PR2012-10	5-9-12 AP
G	101-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$2,107.26	PERA PR2012-10	5-9-12 AP
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	002911	\$43.50	MARK LOSURE	4-12 REC 4
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	003197	\$25.41	NICOLE LOCKWOOD PERMIT	4-12 REC 23
G	101-21400	Sales Tax Payable	RECEIPTS/PARK RENT	003295	\$4.81	CREAMERY RENTAL-DIANE	4-12 REC 20
R	101-36220	Rent	RECEIPTS/PARK RENT	003295	\$70.00	CREAMERY RENTAL-DIANE	4-12 REC 20
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	003338	\$1,057.00	BIGELOW HOMES PERMIT 12-	5-12 REC 1
R	101-34781	Park Dedication Fee	RECEIPTS/BLDG PERMIT	003338	\$275.00	BIGELOW HOMES PERMIT 12-	5-12 REC 1
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	003340	\$46.20	TODD FOSTER-PERMIT 12-0244-	12 REC 10
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	007043	\$43.50	REROOF PERMIT STEVE	5-12 REC 4
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	008228	\$43.50	STANLEY KOHN-REROOF	4-12 REC 16
R	101-32100	Business Licenses/Permits	RECEIPTS/BUSINESS LICENSES	008857	\$250.00	HW PINE ISLAND	5-12 REC 3
R	101-32100	Business Licenses/Permits	RECEIPTS/BUSINESS LICENSES	008857	\$250.00	HW PINE ISLAND	5-12 REC 3
R	101-34101	City Hall Rent	RECEIPTS/RENT	010849	\$50.00	DOUGLAS PRIGGEE-CITY HALL	4-12 REC 6
G	101-21400	Sales Tax Payable	RECEIPTS/RENT	010849	\$3.44	DOUGLAS PRIGGEE-CITY HALL	4-12 REC 6
G	101-21400	Sales Tax Payable	RECEIPTS/PARK RENT	011805	\$7.41	JOANNE HAML I-KIDS PARTY	4-12 REC 17
R	101-36220	Rent	RECEIPTS/PARK RENT	011805	\$30.00	JOANNE HAML I-KIDS PARTY	4-12 REC 17
R	101-32210	Building Permits	RECEIPTS/BLDG PERMIT	028736	\$43.50	JANET BAUCH-PERMIT 12-031	4-12 REC 22
R	101-36221	TV Franchise	PINE ISLAND TELEPHONE COMPANY	127323	\$2,996.59	FIRST QUARTER 2012	4-12 REC 22
G	101-21712	Equitable Annuities Payable	AXA - EQUITABLE	135242	\$36.35	EQUITABLE-PR2012-8&9	4-30-12 AP
G	101-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$36.43	LIFE INS PR2012-8&9	4-30-12 AP
G	101-21706	Medical Ins Premium Payable	HEALTH PARTNERS	135244	\$91.14	HEALTH INS PR2012-8&9	4-30-12 AP
G	101-21706	Medical Ins Premium Payable	HEALTH PARTNERS	135244	\$3,958.40	HEALTH INS PR2012-8&9	4-30-12 AP

G	101-21710	Child Support Deduction	MN CHILD SUPPORT PAYMENT CTR	135245	\$381.17	14354776 PR2012-9	4-30-12 AP
G	101-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$10,643.77	PAYROLL TRANSFER PR2012-94	4-30-12 AP
G	101-21710	Child Support Deduction	MN CHILD SUPPORT PAYMENT CTR	135255	\$381.17	14354776 PR2012-10	5-9-12 AP
G	101-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$11,441.01	PAYROLL TRANSFER PR2012-10	5-9-12 AP
R	101-32150	Work Comp/Ins Dividend	LEAGUE MN CITIES INS TRUST	151281	\$6,374.00	DIVIDEND	4-12 REC 13
R	101-36220	Rent	VERIZON WIRELESS	2517442	\$574.25	WATER TOWER RENT	4-12 REC 17
Dept					-\$257,382.24		
Dept 41110 Council							
E	101-41110-433	Dues and Subscriptions	SE MN LEAGUE OF MUNICIPALITIES	135323	\$35.00	2012 DUES	5-10-12 AP
Dept 41110 Council					\$35.00		
Dept 41590 Economic Development							
E	101-41590-721	EDA Operations			\$77,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
Dept 41590 Economic Development					\$77,500.00		
Dept 41940 General Govt Operations							
E	101-41940-103	Custodial Wages			\$125.08	Labor Distribution PR2012-9	PR2012-9
E	101-41940-201	Office Supplies			\$11.76	Labor Distribution PR2012-9	PR2012-9
E	101-41940-131	Employer Paid Health			\$1,185.38	Labor Distribution PR2012-9	PR2012-9
E	101-41940-125	Medicare Contributions			\$138.55	Labor Distribution PR2012-9	PR2012-9
E	101-41940-122	FICA			\$592.44	Labor Distribution PR2012-9	PR2012-9
E	101-41940-131	Employer Paid Health			\$1,912.33	Labor Distribution PR2012-10	PR2012-10
E	101-41940-121	PERA			\$689.12	Labor Distribution PR2012-9	PR2012-9
E	101-41940-125	Medicare Contributions			\$136.75	Labor Distribution PR2012-10	PR2012-10
E	101-41940-103	Custodial Wages			\$125.08	Labor Distribution PR2012-10	PR2012-10
E	101-41940-101	Full-Time Wages			\$9,505.34	Labor Distribution PR2012-9	PR2012-9
E	101-41940-121	PERA			\$680.03	Labor Distribution PR2012-10	PR2012-10
E	101-41940-122	FICA			\$584.79	Labor Distribution PR2012-10	PR2012-10
E	101-41940-101	Full-Time Wages			\$9,379.69	Labor Distribution PR2012-10	PR2012-10
E	101-41940-384	Refuse/Garbage Disposal	PI SENIOR CITIZENS	003430	\$7.50	SHARE OF TRASH BILL AT	4-12 REC 4
E	101-41940-384	Refuse/Garbage Disposal	PI SENIOR CITIZENS	003443	\$7.50	SHARE OF TRASH BILLS	5-12 REC 4
E	101-41940-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$44.38	WATER/SEWER USAGE	4-30-12 AP
E	101-41940-322	Postage	PITNEY BOWES INC	135236	\$16.47	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-41940-322	Postage	US POSTMASTER	135238	\$190.00	POSTAGE PERMIT 58	4-30-12 AP
E	101-41940-381	Electric Utilities	XCEL ENERGY	135241	\$142.32	ELECTRICITY	4-30-12 AP
E	101-41940-131	Employer Paid Health	DEARBORN NATIONAL	135243	\$7.80	LIFE INS PR2012-8&9	4-30-12 AP
E	101-41940-383	Gas Utilities	MINNESOTA ENERGY	135251	\$28.07	NATURAL GAS	4-30-12 AP
E	101-41940-321	Telephone	OFFICE OF ENTERPRISE TECHNOLOG	135252	\$41.46	LONG DISTANCE PHONE	4-30-12 AP
E	101-41940-401	Repairs/Maint Buildings	G & K SERVICES	135280	\$57.71	RUG SERVICE	5-10-12 AP
E	101-41940-401	Repairs/Maint Buildings	G & K SERVICES	135280	\$54.26	RUG SERVICE	5-10-12 AP
E	101-41940-304	Legal Fees	GOODHUE COUNTY ATTORNEY	135283	\$956.25	PROSECUTIONS	5-10-12 AP
E	101-41940-351	Legal Notices Publishing	GRIMSRUD PUBLISHING,INC	135287	\$558.76	PUBLISHING	5-10-12 AP
E	101-41940-201	Office Supplies	ISLAND MARKET	135291	\$7.94	COFFEE & FILTERS	5-10-12 AP
E	101-41940-304	Legal Fees	KENNEDY & GRAVEN	135295	\$123.75	LEGAL	5-10-12 AP
E	101-41940-304	Legal Fees	KENNEDY & GRAVEN	135295	\$306.25	LEGAL	5-10-12 AP
E	101-41940-304	Legal Fees	KENNEDY & GRAVEN	135295	\$3,348.00	LEGAL	5-10-12 AP
E	101-41940-304	Legal Fees	KENNEDY & GRAVEN	135295	\$2,400.00	LEGAL	5-10-12 AP
E	101-41940-304	Legal Fees	KENNEDY & GRAVEN	135295	\$409.70	LEGAL	5-10-12 AP
E	101-41940-211	Cleaning Supplies	MILLER, JAYNE	135303	\$26.63	CLEANING SUPPLIES	5-10-12 AP
E	101-41940-201	Office Supplies	OLMSTED CO PROPERTY RECORD	135306	\$225.00	SPECIAL ASSESSMENT	5-10-12 AP
E	101-41940-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$477.53	PHONE, CABLE, INTERNET	5-10-12 AP
E	101-41940-201	Office Supplies	SCHMIDT-GOODMAN OFFICE	135318	\$106.43	STAPLES, PAPER, INK,	5-10-12 AP
E	101-41940-201	Office Supplies	SCHMIDT-GOODMAN OFFICE	135318	\$78.87	STAMPERS	5-10-12 AP
E	101-41940-201	Office Supplies	SCHMIDT-GOODMAN OFFICE	135318	\$41.57	EMBOSSER	5-10-12 AP
E	101-41940-407	Elevator Maintenance	SCHUMACHER ELEVATOR CO	135319	\$105.10	ELEVATOR MAINTENANCE	5-10-12 AP

E	101-41940-211	Cleaning Supplies	TEIGEN PAPER SUPPLY	135328	\$34.22	TRASH BAGS	5-10-12 AP
E	101-41940-408	Copy Machine Maintenance	TRI-STATE BUSINESS MACHINES	135330	\$88.13	COPY MACHINE	5-10-12 AP
E	101-41940-404	Repairs/Maint Machinery/Equip	VETTEL, JOHN	135334	\$26.01	CLOCK WINDING	5-10-12 AP
E	101-41940-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$4,236.97	ENGINEERING	5-10-12 AP
E	101-41940-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$607.00	ENGINEERING	5-10-12 AP
Dept 41940 General Govt Operations					\$39,827.92		
Dept 42100 Police Administration							
E	101-42100-321	Telephone	AT&T	135232	\$157.69	POLICE PHONE	4-30-12 AP
E	101-42100-411	Land Rental	GATHJE, BONNIE	135281	\$700.00	POLICE OFFICE RENT	5-10-12 AP
E	101-42100-311	Police	GOODHUE CO TREASURER	135282	\$23,848.67	POLICE CONTRACT	5-10-12 AP
Dept 42100 Police Administration					\$24,706.36		
Dept 42220 City Fire Fighting							
E	101-42220-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$37.92	WATER/SEWER USAGE	4-30-12 AP
E	101-42220-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$16.64	WATER/SEWER USAGE	4-30-12 AP
E	101-42220-322	Postage	PITNEY BOWES INC	135236	\$3.12	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-42220-381	Electric Utilities	XCEL ENERGY	135241	\$195.19	ELECTRICITY	4-30-12 AP
E	101-42220-321	Telephone	CENTURYLINK	135250	\$2.74	PHONE CHARGES	4-30-12 AP
E	101-42220-383	Gas Utilities	MINNESOTA ENERGY	135251	\$115.75	NATURAL GAS	4-30-12 AP
E	101-42220-321	Telephone	OFFICE OF ENTERPRISE TECHNOLOG	135252	\$0.94	LONG DISTANCE PHONE	4-30-12 AP
E	101-42220-322	Postage	US POSTMASTER	135254	\$22.50	POSTAGE STAMPS	5-9-12 AP
E	101-42220-219	Medical Supplies	BOUND TREE MEDICAL, LLC	135268	\$27.28	TRIAGE TAGS, ASPRIN	5-10-12 AP
E	101-42220-404	Repairs/Maint Machinery/Equip	CLAREY S SAFETY EQUIPMENT INC	135269	\$77.50	REPAIR SCBA DIAPHRAGM	5-10-12 AP
E	101-42220-404	Repairs/Maint Machinery/Equip	FIRE SAFETY USA, INC	135279	\$13.86	AKRON BAFFLE & SCREW	5-10-12 AP
E	101-42220-212	Motor Fuels	GREENWAY CO-OP	135286	\$402.03	FUEL	5-10-12 AP
E	101-42220-439	Seminar Registration	OSTRUM, GREG	135307	\$44.61	EMT TEXTBOOK FOR J.	5-10-12 AP
E	101-42220-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$101.65	PHONE, CABLE, INTERNET	5-10-12 AP
E	101-42220-219	Medical Supplies	PRAXAIR DISTRIBUTION INC	135312	\$11.71	OXYGEN	5-10-12 AP
E	101-42220-219	Medical Supplies	SE MN EMS	135321	\$1.34	EMERG CARE - PEDS	5-10-12 AP
E	101-42220-433	Dues and Subscriptions	SE MN FIRE DEPT ASSOC	135322	\$25.00	DUES	5-10-12 AP
E	101-42220-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$10.77	COPY MACHINE	5-10-12 AP
E	101-42220-321	Telephone	VERIZON WIRELESS	135333	\$27.08	WIRELESS INTERNET	5-10-12 AP
E	101-42220-404	Repairs/Maint Machinery/Equip	WHITEWATER WIRELESS, INC.	135335	\$105.00	2ND QTR PAGING MAINT	5-10-12 AP
Dept 42220 City Fire Fighting					\$1,242.63		
Dept 42221 Rural Fire Fighting							
E	101-42221-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$16.64	WATER/SEWER USAGE	4-30-12 AP
E	101-42221-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$37.91	WATER/SEWER USAGE	4-30-12 AP
E	101-42221-322	Postage	PITNEY BOWES INC	135236	\$3.12	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-42221-381	Electric Utilities	XCEL ENERGY	135241	\$195.19	ELECTRICITY	4-30-12 AP
E	101-42221-321	Telephone	CENTURYLINK	135250	\$2.74	PHONE CHARGES	4-30-12 AP
E	101-42221-383	Gas Utilities	MINNESOTA ENERGY	135251	\$115.75	NATURAL GAS	4-30-12 AP
E	101-42221-321	Telephone	OFFICE OF ENTERPRISE TECHNOLOG	135252	\$0.93	LONG DISTANCE PHONE	4-30-12 AP
E	101-42221-322	Postage	US POSTMASTER	135254	\$22.50	POSTAGE STAMPS	5-9-12 AP
E	101-42221-219	Medical Supplies	BOUND TREE MEDICAL, LLC	135268	\$27.27	TRIAGE TAGS, ASPRIN	5-10-12 AP
E	101-42221-404	Repairs/Maint Machinery/Equip	CLAREY S SAFETY EQUIPMENT INC	135269	\$77.50	REPAIR SCBA DIAPHRAGM	5-10-12 AP
E	101-42221-404	Repairs/Maint Machinery/Equip	FIRE SAFETY USA, INC	135279	\$13.85	AKRON BAFFLE & SCREW	5-10-12 AP
E	101-42221-212	Motor Fuels	GREENWAY CO-OP	135286	\$402.02	FUEL	5-10-12 AP
E	101-42221-439	Seminar Registration	OSTRUM, GREG	135307	\$44.60	EMT TEXTBOOK FOR J.	5-10-12 AP
E	101-42221-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$101.64	PHONE, CABLE, INTERNET	5-10-12 AP
E	101-42221-219	Medical Supplies	PRAXAIR DISTRIBUTION INC	135312	\$11.71	OXYGEN	5-10-12 AP
E	101-42221-219	Medical Supplies	SE MN EMS	135321	\$1.34	EMERG CARE - PEDS	5-10-12 AP
E	101-42221-433	Dues and Subscriptions	SE MN FIRE DEPT ASSOC	135322	\$25.00	DUES	5-10-12 AP
E	101-42221-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$10.77	COPY MACHINE	5-10-12 AP
E	101-42221-321	Telephone	VERIZON WIRELESS	135333	\$27.07	WIRELESS INTERNET	5-10-12 AP
E	101-42221-404	Repairs/Maint Machinery/Equip	WHITEWATER WIRELESS, INC.	135335	\$105.00	2ND QTR PAGING MAINT	5-10-12 AP

Dept 42221 Rural Fire Fighting					\$1,242.55		
Dept 42222 Fire-Federal Grant Expenditure							
E	101-42222-134	Employer Paid Life	5 STAR LIFE INSURANCE COMPANY	135248	\$30.34	LIFE INSURANCE	4-30-12 AP
E	101-42222-134	Employer Paid Life	5 STAR LIFE INSURANCE COMPANY	135248	\$450.00	LIFE INSURANCE	4-30-12 AP
Dept 42222 Fire-Federal Grant Expenditure					\$480.34		
Dept 42500 Civil Defense							
E	101-42500-113	Civil Defense Director			\$115.38	Labor Distribution PR2012-10	PR2012-10
E	101-42500-125	Medicare Contributions			\$1.67	Labor Distribution PR2012-9	PR2012-9
E	101-42500-122	FICA			\$7.15	Labor Distribution PR2012-10	PR2012-10
E	101-42500-113	Civil Defense Director			\$115.38	Labor Distribution PR2012-9	PR2012-9
E	101-42500-125	Medicare Contributions			\$1.67	Labor Distribution PR2012-10	PR2012-10
E	101-42500-122	FICA			\$7.15	Labor Distribution PR2012-9	PR2012-9
E	101-42500-381	Electric Utilities	XCEL ENERGY	135241	\$7.32	ELECTRICITY	4-30-12 AP
Dept 42500 Civil Defense					\$255.72		
Dept 43121 Streets & Alleys							
E	101-43121-122	FICA			\$269.40	Labor Distribution PR2012-10	PR2012-10
E	101-43121-122	FICA			\$260.84	Labor Distribution PR2012-9	PR2012-9
E	101-43121-121	PERA			\$294.54	Labor Distribution PR2012-10	PR2012-10
E	101-43121-104	Shop Wages			\$2,217.26	Labor Distribution PR2012-9	PR2012-9
E	101-43121-101	Full-Time Wages			\$1,932.49	Labor Distribution PR2012-10	PR2012-10
E	101-43121-101	Full-Time Wages			\$1,855.32	Labor Distribution PR2012-9	PR2012-9
E	101-43121-104	Shop Wages			\$1,324.19	Labor Distribution PR2012-10	PR2012-10
E	101-43121-109	Street - Vac/Sick/Holiday			\$183.40	Labor Distribution PR2012-9	PR2012-9
E	101-43121-417	Uniform			\$97.49	Labor Distribution PR2012-10	PR2012-10
E	101-43121-109	Street - Vac/Sick/Holiday			\$1,138.81	Labor Distribution PR2012-10	PR2012-10
E	101-43121-125	Medicare Contributions			\$60.98	Labor Distribution PR2012-9	PR2012-9
E	101-43121-121	PERA			\$284.46	Labor Distribution PR2012-9	PR2012-9
E	101-43121-125	Medicare Contributions			\$63.01	Labor Distribution PR2012-10	PR2012-10
E	101-43121-131	Employer Paid Health			\$1,009.47	Labor Distribution PR2012-10	PR2012-10
E	101-43121-131	Employer Paid Health			\$708.56	Labor Distribution PR2012-9	PR2012-9
E	101-43121-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$155.44	WATER/SEWER USAGE	4-30-12 AP
E	101-43121-322	Postage	PITNEY BOWES INC	135236	\$9.88	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-43121-381	Electric Utilities	XCEL ENERGY	135241	\$199.13	ELECTRICITY	4-30-12 AP
E	101-43121-415	Contracted Services	BORGY BOYZ	135249	\$59.85	STS MEALS	4-30-12 AP
E	101-43121-383	Gas Utilities	MINNESOTA ENERGY	135251	\$72.68	NATURAL GAS	4-30-12 AP
E	101-43121-415	Contracted Services	ARBORISTS OF ROCHESTER	135261	\$176.34	STUMP GRINDING	5-10-12 AP
E	101-43121-415	Contracted Services	BAHR ELECTRIC, INC	135264	\$75.00	BUCKET TRUCK USAGE	5-10-12 AP
E	101-43121-415	Contracted Services	BORGY BOYZ	135267	\$48.09	STS MEALS	5-10-12 AP
E	101-43121-415	Contracted Services	CLEMENTSON TRUCKING, INC	135270	\$4,000.00	SNOW REMOVAL	5-10-12 AP
E	101-43121-226	Sign Repair Materials	EARL F ANDERSEN, INC.	135273	\$66.38	ARM BRACKET	5-10-12 AP
E	101-43121-226	Sign Repair Materials	EARL F ANDERSEN, INC.	135273	\$643.98	PARKING, HANDICAP, &	5-10-12 AP
E	101-43121-215	Shop/Operating Supplies	EICKHOFF, JONATHAN A	135274	\$5.00	BURNING PERMIT	5-10-12 AP
E	101-43121-417	Uniform	G & K SERVICES	135280	\$94.63	UNIFORM SERVICE	5-10-12 AP
E	101-43121-417	Uniform	G & K SERVICES	135280	\$91.80	UNIFORM SERVICE	5-10-12 AP
E	101-43121-417	Uniform	G & K SERVICES	135280	\$74.69	UNIFORM SERVICE	5-10-12 AP
E	101-43121-417	Uniform	G & K SERVICES	135280	\$75.80	UNIFORM SERVICE	5-10-12 AP
E	101-43121-415	Contracted Services	GREENWAY CO-OP	135286	\$9.08	BEVERAGES FOR STS	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$6.40	BOLTS	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$10.20	FASTNERS, CENTER PUNCH	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$12.35	SS CLAMPS	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$28.97	CLEVIS, SWITCH, FASTNERS	5-10-12 AP
E	101-43121-406	Street Repairs	HARDWARE HANK	135289	\$9.38	SPRAY PAINT	5-10-12 AP
E	101-43121-215	Shop/Operating Supplies	LAWSON PRODUCTS INC	135297	\$185.94	DRILL BITS, HEAT SHRINK,	5-10-12 AP
E	101-43121-226	Sign Repair Materials	MIKE MEYER PAINT PROJECTS	135302	\$300.00	NO PARKING SIGNS	5-10-12 AP

E	101-43121-215	Shop/Operating Supplies	MN PIPE AND EQUIPMENT	135304	\$108.78	PINK MARKING PAINT	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	PINE ISLAND LUMBER	135310	\$43.51	TRIM	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	PINE ISLAND LUMBER	135310	\$56.50	LUMBER & BRACKETS	5-10-12 AP
E	101-43121-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$147.37	PHONE, INTERNET	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	PRAXAIR DISTRIBUTION INC	135312	\$27.43	CYLINDER RENT	5-10-12 AP
E	101-43121-404	Repairs/Maint Machinery/Equip	R & M STEEL	135315	\$250.35	CURB SHOES	5-10-12 AP
E	101-43121-406	Street Repairs	READY MIX CONCRETE CO, LLC	135316	\$374.06	CONCRETE BLOCKS	5-10-12 AP
E	101-43121-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$17.56	COPY MACHINE	5-10-12 AP
E	101-43121-321	Telephone	VERIZON WIRELESS	135333	\$145.55	CELL SERVICE	5-10-12 AP
Dept 43121 Streets & Alleys					\$19,282.34		
Dept 43160 Street Lighting							
E	101-43160-381	Electric Utilities	GOODHUE CO CO-OP ELECTRIC	135235	\$106.00	ELECTRICITY	4-30-12 AP
E	101-43160-381	Electric Utilities	XCEL ENERGY	135241	\$4,186.96	ELECTRICITY	4-30-12 AP
E	101-43160-381	Electric Utilities	XCEL ENERGY	135253	\$287.23	ELECTRICITY	4-30-12 AP
E	101-43160-381	Electric Utilities	XCEL ENERGY	135253	\$10.17	ELECTRICITY	4-30-12 AP
Dept 43160 Street Lighting					\$4,590.36		
Dept 43170 Storm Sewer							
E	101-43170-125	Medicare Contributions			\$3.15	Labor Distribution PR2012-10	PR2012-10
E	101-43170-101	Full-Time Wages			\$219.89	Labor Distribution PR2012-10	PR2012-10
E	101-43170-121	PERA			\$15.95	Labor Distribution PR2012-10	PR2012-10
E	101-43170-122	FICA			\$13.47	Labor Distribution PR2012-10	PR2012-10
E	101-43170-131	Employer Paid Health			\$68.75	Labor Distribution PR2012-10	PR2012-10
Dept 43170 Storm Sewer					\$321.21		
Dept 43260 Weed Control							
E	101-43260-122	FICA			\$1.14	Labor Distribution PR2012-10	PR2012-10
E	101-43260-125	Medicare Contributions			\$0.27	Labor Distribution PR2012-10	PR2012-10
E	101-43260-131	Employer Paid Health			\$6.65	Labor Distribution PR2012-10	PR2012-10
E	101-43260-121	PERA			\$1.33	Labor Distribution PR2012-10	PR2012-10
E	101-43260-101	Full-Time Wages			\$18.34	Labor Distribution PR2012-10	PR2012-10
Dept 43260 Weed Control					\$27.73		
Dept 45124 Swimming Pools							
E	101-45124-322	Postage	PITNEY BOWES INC	135236	\$1.65	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-45124-381	Electric Utilities	XCEL ENERGY	135241	\$29.79	ELECTRICITY	4-30-12 AP
E	101-45124-383	Gas Utilities	MINNESOTA ENERGY	135251	\$14.03	NATURAL GAS	4-30-12 AP
E	101-45124-383	Gas Utilities	MINNESOTA ENERGY	135251	\$19.88	NATURAL GAS	4-30-12 AP
E	101-45124-340	Advertising	GRIMSRUD PUBLISHING,INC	135287	\$96.00	PUBLISHING	5-10-12 AP
E	101-45124-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$8.95	KEYS AND PAINT	5-10-12 AP
E	101-45124-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$8.81	COPY MACHINE	5-10-12 AP
Dept 45124 Swimming Pools					\$179.11		
Dept 45202 Park Areas							
E	101-45202-101	Full-Time Wages			\$1,928.57	Labor Distribution PR2012-10	PR2012-10
E	101-45202-121	PERA			\$139.83	Labor Distribution PR2012-10	PR2012-10
E	101-45202-122	FICA			\$68.47	Labor Distribution PR2012-9	PR2012-9
E	101-45202-131	Employer Paid Health			\$178.20	Labor Distribution PR2012-9	PR2012-9
E	101-45202-125	Medicare Contributions			\$16.02	Labor Distribution PR2012-9	PR2012-9
E	101-45202-121	PERA			\$80.56	Labor Distribution PR2012-9	PR2012-9
E	101-45202-101	Full-Time Wages			\$1,111.14	Labor Distribution PR2012-9	PR2012-9
E	101-45202-131	Employer Paid Health			\$447.55	Labor Distribution PR2012-10	PR2012-10
E	101-45202-125	Medicare Contributions			\$27.60	Labor Distribution PR2012-10	PR2012-10
E	101-45202-122	FICA			\$118.01	Labor Distribution PR2012-10	PR2012-10
E	101-45202-322	Postage	PITNEY BOWES INC	135236	\$1.13	POSTAGE METER SUPPLIES	4-30-12 AP
E	101-45202-381	Electric Utilities	XCEL ENERGY	135241	\$39.51	ELECTRICITY	4-30-12 AP

E	101-45202-381	Electric Utilities	XCEL ENERGY	135241	\$22.32	ELECTRICITY	4-30-12 AP
E	101-45202-381	Electric Utilities	XCEL ENERGY	135253	\$10.60	ELECTRICITY	4-30-12 AP
E	101-45202-216	Chemicals/Chem Product	FARM COUNTRY CO-OP	135277	\$112.13	WEED KILLER	5-10-12 AP
E	101-45202-415	Contracted Services	KAUTZ TRUCKING INC.	135294	\$200.00	TRUCKING	5-10-12 AP
E	101-45202-404	Repairs/Maint Machinery/Equip	M & M LAWN & LEISURE 2	135299	\$299.20	TRIMMER & CUTTER HEAD	5-10-12 AP
E	101-45202-404	Repairs/Maint Machinery/Equip	M & M LAWN & LEISURE 2	135299	\$0.80	STARTER SPOOL	5-10-12 AP
E	101-45202-404	Repairs/Maint Machinery/Equip	M & M LAWN & LEISURE 2	135299	\$322.31	PARKING BRAKE, GAS GAUGE	5-10-12 AP
E	101-45202-215	Shop/Operating Supplies	M & M LAWN & LEISURE 2	135299	\$16.46	TRIMMER LINE	5-10-12 AP
E	101-45202-404	Repairs/Maint Machinery/Equip	ST JOSEPH EQUIPMENT, INC	135325	\$111.90	HYDRAULIC HOSE	5-10-12 AP
E	101-45202-404	Repairs/Maint Machinery/Equip	TOTAL TIRE & GEAR	135329	\$26.03	PATCH TIRE & TUBE	5-10-12 AP
E	101-45202-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$6.87	COPY MACHINE	5-10-12 AP
Dept 45202 Park Areas					\$5,285.21		
Dept 49300 Operating Transfer							
E	101-49300-720	Transfers Out			\$2,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	101-49300-724	Capital Outlay Transfers Out			\$90,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	101-49300-723	Library Transfers Out			\$105,300.00	2012 BUDGETED TRANSFERS	2012BUDXRS
Dept 49300 Operating Transfer					\$197,800.00		
Fund 101 GENERAL FUND					\$115,394.24		
Fund 205 HERITAGE PRESERVATION FUND							
Dept							
G	205-10100	Cash - Security State			\$2,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	205-39202	Transfers In			-\$2,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
Dept					\$0.00		
Fund 205 HERITAGE PRESERVATION FUND					\$0.00		
Fund 211 LIBRARY							
Dept							
G	211-21713	Dental Insurance			-\$13.37	Labor Distribution PR2012-9	PR2012-9
G	211-10100	Cash - Security State			\$105,300.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	211-10102	Cash - Sterling State			-\$2,309.58	Labor Distribution PR2012-9	PR2012-9
G	211-21705	Medicare Payable			-\$88.52	Labor Distribution PR2012-9	PR2012-9
G	211-21701	Federal Withholding Payable			-\$271.74	Labor Distribution PR2012-9	PR2012-9
G	211-21706	Medical Ins Premium Payable			-\$128.10	Labor Distribution PR2012-9	PR2012-9
G	211-21702	State Withholding Payable			-\$121.24	Labor Distribution PR2012-9	PR2012-9
G	211-21703	FICA Tax Payable			-\$317.43	Labor Distribution PR2012-9	PR2012-9
G	211-21704	PERA Withholding Payable			-\$382.73	Labor Distribution PR2012-9	PR2012-9
G	211-21709	Life Insurance Payable			-\$2.50	Labor Distribution PR2012-9	PR2012-9
R	211-34109	Copies/Fax	VAN HORN PUBLIC LIBRARY		\$31.60	MARCH 2012 DEPOSIT	4-12 REC 12
G	211-21703	FICA Tax Payable			-\$324.13	Labor Distribution PR2012-10	PR2012-10
G	211-21702	State Withholding Payable			-\$121.31	Labor Distribution PR2012-10	PR2012-10
G	211-21701	Federal Withholding Payable			-\$268.68	Labor Distribution PR2012-10	PR2012-10
G	211-10102	Cash - Sterling State			-\$2,377.58	Labor Distribution PR2012-10	PR2012-10
G	211-21720	Health Savings Account			-\$145.84	Labor Distribution PR2012-10	PR2012-10
G	211-21704	PERA Withholding Payable			-\$373.43	Labor Distribution PR2012-10	PR2012-10
G	211-21705	Medicare Payable			-\$90.38	Labor Distribution PR2012-10	PR2012-10
R	211-39202	Transfers In			-\$4,800.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	211-34110	Sale of Magazines	VAN HORN PUBLIC LIBRARY		\$21.60	MARCH 2012 DEPOSIT	4-12 REC 12
G	211-21706	Medical Ins Premium Payable			-\$128.10	Labor Distribution PR2012-10	PR2012-10
G	211-21709	Life Insurance Payable			-\$1.20	Labor Distribution PR2012-10	PR2012-10
R	211-39201	Transfer from General Fund			-\$100,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	211-35103	Library Fines	VAN HORN PUBLIC LIBRARY		\$280.08	APRIL 2012 DEPOSIT	5-12 REC 7
R	211-34110	Sale of Magazines	VAN HORN PUBLIC LIBRARY		\$200.00	APRIL 2012 DEPOSIT	5-12 REC 7
R	211-35103	Library Fines	VAN HORN PUBLIC LIBRARY		\$375.01	MARCH 2012 DEPOSIT	4-12 REC 12

R	211-34109	Copies/Fax	VAN HORN PUBLIC LIBRARY		\$24.85	APRIL 2012 DEPOSIT	5-12 REC 7
G	211-21713	Dental Insurance			-\$13.37	Labor Distribution PR2012-10	PR2012-10
R	211-33630	Grants fr other Local Govts Fi	VAN HORN PUBLIC LIBRARY		\$2,001.15	APRIL 2012 DEPOSIT	5-12 REC 7
G	211-21706	Medical Ins Premium Payable	HEALTH EQUITY	002710	\$145.84	HSA CONTRIBUTIONS	4-30-12 AP
G	211-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$271.74	FED TAXES PR2012-9	4-30-12 AP
G	211-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711	\$88.52	FED TAXES PR2012-9	4-30-12 AP
G	211-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711	\$317.43	FED TAXES PR2012-9	4-30-12 AP
G	211-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$121.24	MN WITHHOLDING PR2012-9	4-30-12 AP
G	211-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$382.73	PERA PR2012-9	4-30-12 AP
G	211-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$90.38	FEDERAL TAXES PR2012-10	5-9-12 AP
G	211-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$268.68	FEDERAL TAXES PR2012-10	5-9-12 AP
G	211-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$324.13	FEDERAL TAXES PR2012-10	5-9-12 AP
G	211-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$121.31	MN WITHHOLDING PR2012-10	5-9-12 AP
G	211-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$373.43	PERA PR2012-10	5-9-12 AP
G	211-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$5.00	LIFE INS PR2012-8&9	4-30-12 AP
G	211-21706	Medical Ins Premium Payable	HEALTH PARTNERS	135244	\$256.20	HEALTH INS PR2012-8&9	4-30-12 AP
G	211-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$2,309.58	PAYROLL TRANSFER PR2012-9	4-30-12 AP
G	211-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$2,377.58	PAYROLL TRANSFER PR2012-10	5-9-12 AP
Dept					\$2,908.85		
Dept 45501 Library Admin - Levy Exp							
E	211-45501-131	Employer Paid Health			\$67.67	Labor Distribution PR2012-9	PR2012-9
E	211-45501-125	Medicare Contributions			\$33.25	Labor Distribution PR2012-10	PR2012-10
E	211-45501-101	Full-Time Wages			\$730.31	Labor Distribution PR2012-9	PR2012-9
E	211-45501-102	Part-time Wages			\$1,498.35	Labor Distribution PR2012-9	PR2012-9
E	211-45501-121	PERA			\$145.83	Labor Distribution PR2012-9	PR2012-9
E	211-45501-125	Medicare Contributions			\$32.32	Labor Distribution PR2012-9	PR2012-9
E	211-45501-131	Employer Paid Health			\$135.59	Labor Distribution PR2012-10	PR2012-10
E	211-45501-122	FICA			\$142.17	Labor Distribution PR2012-10	PR2012-10
E	211-45501-121	PERA			\$140.84	Labor Distribution PR2012-10	PR2012-10
E	211-45501-102	Part-time Wages			\$1,562.69	Labor Distribution PR2012-10	PR2012-10
E	211-45501-101	Full-Time Wages			\$730.31	Labor Distribution PR2012-10	PR2012-10
E	211-45501-122	FICA			\$138.18	Labor Distribution PR2012-9	PR2012-9
E	211-45501-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$38.82	WATER/SEWER USAGE	4-30-12 AP
E	211-45501-381	Electric Utilities	XCEL ENERGY	135241	\$164.49	ELECTRICITY	4-30-12 AP
E	211-45501-383	Gas Utilities	MINNESOTA ENERGY	135251	\$174.33	NATURAL GAS	4-30-12 AP
E	211-45501-321	Telephone	OFFICE OF ENTERPRISE TECHNOLOG	135252	\$0.26	LONG DISTANCE PHONE	4-30-12 AP
E	211-45501-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$80.94	PHONE	5-10-12 AP
E	211-45501-401	Repairs/Maint Buildings	SAND, JOAN	135317	\$25.74	SUPPLY REIMB	5-10-12 AP
E	211-45501-401	Repairs/Maint Buildings	SCHUMACHER ELEVATOR CO	135319	\$105.10	ELEVATOR MAINTENANCE	5-10-12 AP
Dept 45501 Library Admin - Levy Exp					\$5,947.19		
Dept 45502 Circulation - County							
E	211-45502-122	FICA			\$51.06	Labor Distribution PR2012-10	PR2012-10
E	211-45502-101	Full-Time Wages			\$823.54	Labor Distribution PR2012-9	PR2012-9
E	211-45502-121	PERA			\$59.71	Labor Distribution PR2012-9	PR2012-9
E	211-45502-131	Employer Paid Health			\$152.92	Labor Distribution PR2012-10	PR2012-10
E	211-45502-125	Medicare Contributions			\$11.94	Labor Distribution PR2012-10	PR2012-10
E	211-45502-122	FICA			\$51.06	Labor Distribution PR2012-9	PR2012-9
E	211-45502-131	Employer Paid Health			\$76.30	Labor Distribution PR2012-9	PR2012-9
E	211-45502-121	PERA			\$59.71	Labor Distribution PR2012-10	PR2012-10
E	211-45502-101	Full-Time Wages			\$823.54	Labor Distribution PR2012-10	PR2012-10
E	211-45502-125	Medicare Contributions			\$11.94	Labor Distribution PR2012-9	PR2012-9
E	211-45502-322	Postage	PITNEY BOWES INC	135236	\$13.78	POSTAGE METER SUPPLIES	4-30-12 AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$84.00	DVDS	5-10-12 AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$6.30	CREDIT	5-10-12 AP

E	211-45502-580	Records / Cassettes	AMAZON	135259	\$4.24	DVDS	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$18.99	DVDS	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$40.48	DVDS	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$324.27	DVDS	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$34.98	DVDS	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$25.65	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$18.00	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$2.00	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$22.99	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$16.32	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$34.98	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	-\$1.00	CREDIT	5-10-12	AP
E	211-45502-580	Records / Cassettes	AMAZON	135259	\$31.98	DVDS	5-10-12	AP
E	211-45502-434	Educational Programs	AMERICAN LEGION POST #184	135260	\$100.00	RENTAL ON MARCH 26, 2012	5-10-12	AP
E	211-45502-591	Childrens Books	BAKER & TAYLOR	135265	\$345.58	CHILDRENS BOOKS	5-10-12	AP
E	211-45502-590	Books	BAKER & TAYLOR	135265	\$20.05	ADULT BOOKS	5-10-12	AP
E	211-45502-591	Childrens Books	BAKER & TAYLOR	135265	\$280.98	CHILDRENS BOOKS	5-10-12	AP
E	211-45502-590	Books	BAKER & TAYLOR	135265	\$290.85	ADULT BOOKS	5-10-12	AP
E	211-45502-591	Childrens Books	BAKER & TAYLOR	135265	-\$11.35	CHILDRENS BOOKS	5-10-12	AP
E	211-45502-590	Books	BAKER & TAYLOR	135265	\$33.54	ADULT BOOKS	5-10-12	AP
E	211-45502-201	Office Supplies	DEMCO, INC.	135272	\$146.51	LAMINATE, BOOK JACKETS,	5-10-12	AP
E	211-45502-201	Office Supplies	DEMCO, INC.	135272	\$91.94	SIGN HOLDER, TAPE,	5-10-12	AP
E	211-45502-208	Magazines	LIBRARY JOURNAL	135298	\$129.99	1 YEAR RENEWAL	5-10-12	AP
E	211-45502-434	Educational Programs	MAD SCIENCE OF IOWA PLUS+	135300	\$378.00	7-19-2012 REACH FOR THE	5-10-12	AP
E	211-45502-208	Magazines	NATIONAL GEOGRAPHIC SOCIETY	135305	\$3.95	SHIPPING	5-10-12	AP
E	211-45502-434	Educational Programs	PROSOURCE SPECIALTIES	135313	\$62.00	BACKPACKS	5-10-12	AP
E	211-45502-595	Automation	SELCO	135324	\$761.22	AUTOMATION	5-10-12	AP
E	211-45502-331	Travel Expenses	SELCO	135324	\$25.00	CAMP READ A LOT	5-10-12	AP
E	211-45502-595	Automation	SELCO	135324	\$132.00	PC LEASE	5-10-12	AP
E	211-45502-209	Newspapers	STAR TRIBUNE	135326	\$97.50	5-18-12 TO 8-17-12	5-10-12	AP
Dept 45502 Circulation - County					\$5,434.96			
Fund 211 LIBRARY					\$14,291.00			
Fund 246 RIVER FLOOD MONITOR								
Dept 41000 General Government (GENERAL)								
E	246-41000-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$154.97	TOWER RENT	5-10-12	AP
Dept 41000 General Government (GENERAL)					\$154.97			
Fund 246 RIVER FLOOD MONITOR					\$154.97			
Fund 250 CAPITAL EQUIPMENT FUND								
Dept								
R	250-39201	Transfer from General Fund			-\$90,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-25352	Reserve for Parks			-\$5,400.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-25331	Reserve for Streets/Snow			-\$27,900.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-25320	Reserve for City Fire Fighting			-\$54,900.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-25310	Reserve for General Govt			-\$1,800.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-10100	Cash - Security State			\$90,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
G	250-25300	Unreserved Fund Balance			\$90,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS	
Dept					\$0.00			
Dept 41000 General Government (GENERAL)								
E	250-41000-536	Parks - Cap Outlay	INNOVATIVE CONTRACTORS, INC	135290	\$5,950.00	PLANTERS & CEMENT IN	5-10-12	AP
Dept 41000 General Government (GENERAL)					\$5,950.00			
Fund 250 CAPITAL EQUIPMENT FUND					\$5,950.00			

Fund 255 ECONOMIC DEV. AUTHORITY

Dept

G	255-21706	Medical Ins Premium Payable			-\$301.05	Labor Distribution PR2012-9	PR2012-9
G	255-21701	Federal Withholding Payable			-\$134.56	Labor Distribution PR2012-10	PR2012-10
G	255-21702	State Withholding Payable			-\$79.63	Labor Distribution PR2012-10	PR2012-10
G	255-21703	FICA Tax Payable			-\$159.82	Labor Distribution PR2012-10	PR2012-10
G	255-21704	PERA Withholding Payable			-\$226.86	Labor Distribution PR2012-10	PR2012-10
G	255-21705	Medicare Payable			-\$44.56	Labor Distribution PR2012-10	PR2012-10
G	255-21709	Life Insurance Payable			-\$1.20	Labor Distribution PR2012-10	PR2012-10
G	255-21706	Medical Ins Premium Payable			-\$301.05	Labor Distribution PR2012-10	PR2012-10
G	255-21713	Dental Insurance			-\$27.55	Labor Distribution PR2012-10	PR2012-10
G	255-10102	Cash - Sterling State			-\$1,116.51	Labor Distribution PR2012-10	PR2012-10
G	255-21720	Health Savings Account			-\$289.59	Labor Distribution PR2012-10	PR2012-10
G	255-21705	Medicare Payable			-\$44.56	Labor Distribution PR2012-9	PR2012-9
G	255-21709	Life Insurance Payable			-\$2.50	Labor Distribution PR2012-9	PR2012-9
G	255-21713	Dental Insurance			-\$27.55	Labor Distribution PR2012-9	PR2012-9
G	255-21720	Health Savings Account			-\$143.75	Labor Distribution PR2012-9	PR2012-9
G	255-10102	Cash - Sterling State			-\$1,116.51	Labor Distribution PR2012-9	PR2012-9
G	255-21704	PERA Withholding Payable			-\$226.86	Labor Distribution PR2012-9	PR2012-9
G	255-21703	FICA Tax Payable			-\$159.82	Labor Distribution PR2012-9	PR2012-9
G	255-21701	Federal Withholding Payable			-\$134.56	Labor Distribution PR2012-9	PR2012-9
G	255-21702	State Withholding Payable			-\$79.63	Labor Distribution PR2012-9	PR2012-9
G	255-10100	Cash - Security State			\$77,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	255-39202	Transfers In			-\$77,500.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	255-21706	Medical Ins Premium Payable	HEALTHEQUITY	002710	\$433.34	HSA CONTRIBUTIONS	4-30-12 AP
G	255-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$134.56	FED TAXES PR2012-9	4-30-12 AP
G	255-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711	\$159.82	FED TAXES PR2012-9	4-30-12 AP
G	255-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711	\$44.56	FED TAXES PR2012-9	4-30-12 AP
G	255-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$79.63	MN WITHHOLDING PR2012-9	4-30-12 AP
G	255-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$226.86	PERA PR2012-9	4-30-12 AP
G	255-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$44.56	FEDERAL TAXES PR2012-10	5-9-12 AP
G	255-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$134.56	FEDERAL TAXES PR2012-10	5-9-12 AP
G	255-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$159.82	FEDERAL TAXES PR2012-10	5-9-12 AP
G	255-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$79.63	MN WITHHOLDING PR2012-10	5-9-12 AP
G	255-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$226.86	PERA PR2012-10	5-9-12 AP
R	255-34000	Charges for Services	EDA	005001	\$538.00	LOAN FEES FOR J & D	4-12 REC 24
G	255-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$5.00	LIFE INS PR2012-8&9	4-30-12 AP
G	255-21706	Medical Ins Premium Payable	HEALTHPARTNERS	135244	\$602.10	HEALTH INS PR2012-8&9	4-30-12 AP
G	255-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$1,116.51	PAYROLL TRANSFER PR2012-94-30-12 AP	
G	255-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$1,116.51	PAYROLL TRANSFER PR2012-10	5-9-12 AP
					\$484.20		

Dept

Dept 41590 Economic Development

E	255-41590-121	PERA			\$121.83	Labor Distribution PR2012-10	PR2012-10
E	255-41590-121	PERA			\$121.83	Labor Distribution PR2012-9	PR2012-9
E	255-41590-101	Full-Time Wages			\$1,680.48	Labor Distribution PR2012-10	PR2012-10
E	255-41590-122	FICA			\$95.28	Labor Distribution PR2012-10	PR2012-10
E	255-41590-125	Medicare Contributions			\$22.28	Labor Distribution PR2012-10	PR2012-10
E	255-41590-131	Employer Paid Health			\$461.46	Labor Distribution PR2012-10	PR2012-10
E	255-41590-122	FICA			\$95.28	Labor Distribution PR2012-9	PR2012-9
E	255-41590-101	Full-Time Wages			\$1,680.48	Labor Distribution PR2012-9	PR2012-9
E	255-41590-131	Employer Paid Health			\$316.92	Labor Distribution PR2012-9	PR2012-9
E	255-41590-125	Medicare Contributions			\$22.28	Labor Distribution PR2012-9	PR2012-9
E	255-41590-352	General Notices and Pub Info	GRIMSRUD PUBLISHING,INC	004293	\$24.00	MEETING NOTICE	4-2012 EDAAP
E	255-41590-300	Professional Srvs (GENERAL)	HALLER, DAWN	004294	\$150.00	CHANNEL 8	4-2012 EDAAP

E	255-41590-255	Confections	ISLAND MARKET	004295	\$30.41	CHIPS, POP, WATER	4-2012 EDAAP
E	255-41590-290	Cleaning Services	MEISTER, MISSY	004296	\$50.00	CLEANING SERVICES	4-2012 EDAAP
E	255-41590-290	Cleaning Services	MEISTER, MISSY	004296	\$50.00	CLEANING SERVICES	4-2012 EDAAP
E	255-41590-343	Promotions	PI CHAMBER OF COMMERCE	004297	\$50.00	2012 FLOWER BASKET	4-2012 EDAAP
E	255-41590-310	Recording Fees	GOODHUE CO RECORDER	004298	\$46.00	J&D SCHROM MORTGAGE	4-2012 EDAAP
E	255-41590-304	Legal Fees	GOODHUE CO TREASURER	004299	\$92.00	J&D SCHROM MORTGAGE TAX	4-2012 EDAAP
E	255-41590-321	Telephone	AT CONFERENCE	135263	\$14.53	CONFERENCE CALLING	5-10-12 AP
E	255-41590-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$1,230.00	ENGINEERING	5-10-12 AP
E	255-41590-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$748.00	ENGINEERING	5-10-12 AP
Dept 41590 Economic Development					\$7,103.06		
Fund 255 ECONOMIC DEV. AUTHORITY					\$7,587.26		
Fund 260 PI REVOLVING LOAN FUND							
Dept							
G	260-11723	Note Rec - Lohrenz	CATHYS CATERING	003497	\$85.41	PAYMENT ON LOANS	5-12 REC 3
R	260-36210	Interest Earnings	CATHYS CATERING	003497	\$26.06	PAYMENT ON LOANS	5-12 REC 3
G	260-11723	Note Rec - Lohrenz	CATHYS CATERING	011480	\$89.46	PAYMENT OF LOANS	4-12 REC 7
R	260-36210	Interest Earnings	CATHYS CATERING	011480	\$22.01	PAYMENT OF LOANS	4-12 REC 7
Dept					\$222.94		
Fund 260 PI REVOLVING LOAN FUND					\$222.94		
Fund 261 EDA - REV LOAN FUND							
Dept							
G	261-11721	Note Receivable - Douglas	DOUGLAS, JEREMY & RACHEL		\$54.00	OVER PAYMENT ON LOAN 4-	4-12 REC 5
R	261-36210	Interest Earnings	DOUGLAS, JEREMY & RACHEL	001780	\$129.72	LOAN PAYMENT	4-12 REC 4
G	261-11721	Note Receivable - Douglas	DOUGLAS, JEREMY & RACHEL	001780	\$76.28	LOAN PAYMENT	4-12 REC 4
G	261-11721	Note Receivable - Douglas	DOUGLAS, JEREMY & RACHEL	001786	\$95.82	EDA LOAN PAYMENT	5-12 REC 3
R	261-36210	Interest Earnings	DOUGLAS, JEREMY & RACHEL	001786	\$110.18	EDA LOAN PAYMENT	5-12 REC 3
R	261-36210	Interest Earnings	CATHYS CATERING	003497	\$62.55	PAYMENT ON LOANS	5-12 REC 3
G	261-11723	Note Rec - Lohrenz	CATHYS CATERING	003497	\$204.98	PAYMENT ON LOANS	5-12 REC 3
R	261-36210	Interest Earnings	WISKOW, MICHELLE	003649	\$5.58	LOAN PAYMENT	4-12 REC 1
G	261-11728	Note Rec.-Wiskow	WISKOW, MICHELLE	003649	\$24.42	LOAN PAYMENT	4-12 REC 1
R	261-36210	Interest Earnings	WISKOW, MICHELLE	003654	\$5.68	LOAN PAYMENT	4-12 REC 22
G	261-11728	Note Rec.-Wiskow	WISKOW, MICHELLE	003654	\$24.32	LOAN PAYMENT	4-12 REC 22
R	261-36210	Interest Earnings	ISLAND TOOL & DIE	011479	\$152.27	PAYMENT ON LOANS	4-12 REC 7
G	261-11726	Note Rec.-Island Tool #1	ISLAND TOOL & DIE	011479	\$372.77	PAYMENT ON LOANS	4-12 REC 7
G	261-11729	Note Rec.-Island Tool #2	ISLAND TOOL & DIE	011479	\$183.19	PAYMENT ON LOANS	4-12 REC 7
R	261-36210	Interest Earnings	ISLAND TOOL & DIE	011479	\$75.91	PAYMENT ON LOANS	4-12 REC 7
R	261-36210	Interest Earnings	CATHYS CATERING	011480	\$52.83	PAYMENT OF LOANS	4-12 REC 7
G	261-11723	Note Rec - Lohrenz	CATHYS CATERING	011480	\$214.70	PAYMENT OF LOANS	4-12 REC 7
G	261-11730	Note Rec - J&D Schrom Properti	J & D SCHROM PROPERTIES, LLC	135247	\$40,000.00	LOAN PROCEEDS	4-30-12 AP
Dept					\$41,845.20		
Fund 261 EDA - REV LOAN FUND					\$41,845.20		
Fund 280 CHARITABLE GAMBLING DONATION							
Dept 41000 General Government (GENERAL)							
E	280-41000-217	Other Operating Supplies	EICKHOFF, JONATHAN A	135233	\$817.95	CPR AED CLASS MATERIALS	4-30-12 AP
E	280-41000-217	Other Operating Supplies	SAM S CLUB	135237	\$61.99	SUPPLIES FOR MCI DRILL	4-30-12 AP
E	280-41000-217	Other Operating Supplies	SAM S CLUB	135237	\$106.72	SUPPLIES FOR MCI DRILL	4-30-12 AP
E	280-41000-217	Other Operating Supplies	SAM S CLUB	135237	\$11.18	SUPPLIES FOR MCI DRILL	4-30-12 AP
E	280-41000-217	Other Operating Supplies	SAM S CLUB	135237	\$266.14	SUPPLIES FOR MCI DRILL	4-30-12 AP
Dept 41000 General Government (GENERAL)					\$1,263.98		
Fund 280 CHARITABLE GAMBLING DONATION					\$1,263.98		

Fund 307 SEWER DEBT SERVICE

Dept							
R	307-37240	Debt Service Charge - Sewer			\$44.95	UB AR Serv 36 DEBT SERVICE	4-12WSBILL
G	307-10100	Cash - Security State			-\$21,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	307-11500	Accounts Receivable			\$2,044.48	UB Receipt Serv 30 DEBT	4-2-5-12WS
G	307-11500	Accounts Receivable			\$1,328.73	UB Receipt Serv 30 DEBT	4-13BK20WS
R	307-37260	Penalties			\$250.75	UB AR Pen Serv 30 DEBT	3-12WSPEN
R	307-37260	Penalties			\$1.46	UB AR Pen Serv 30 DEBT	3-12WSPEN
R	307-37260	Penalties			\$1.46	UB AR Pen Serv 30 DEBT	3-12WSPEN
R	307-37260	Penalties			\$15.76	UB AR Pen Serv 30 DEBT	3-12WSPEN
G	307-11500	Accounts Receivable			\$5,783.86	UB Receipt Serv 30 DEBT	4-5BK-13WS
G	307-11500	Accounts Receivable			\$72.85	UB Receipt Serv Pen 30 DEBT	4-5BK-13WS
R	307-37240	Debt Service Charge - Sewer			-\$3.42	UB AR Serv Adj 30 DEBT	4-12WSBILL
R	307-37240	Debt Service Charge - Sewer			\$12,166.51	UB AR Serv 30 DEBT SERVICE	4-12WSBILL
G	307-11500	Accounts Receivable			\$20.83	UB Receipt Serv Pen 30 DEBT	4-2-5-12WS
R	307-37260	Penalties			-\$0.30	UB AR Serv Pen Adj 30 DEBT	4-12WSBILL
G	307-11500	Accounts Receivable			\$97.00	UB Receipt Serv Pen 30 DEBT	4-13BK20WS
G	307-11500	Accounts Receivable			\$2,684.30	UB Receipt Serv 30 DEBT	4-20-30bk
G	307-11500	Accounts Receivable			\$80.42	UB Receipt Serv Pen 30 DEBT	4-20-30bk
R	307-37240	Debt Service Charge - Sewer	LAND O LAKES INC.	15294504	\$6,486.00	MARCH 2012 SEWER INVOICE	4-12 REC 14

Dept \$10,075.64

Dept 41000 General Government (GENERAL)

E	307-41000-720	Transfers Out			\$21,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS
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Dept 41000 General Government (GENERAL)

\$21,000.00

Fund 307 SEWER DEBT SERVICE

\$31,075.64

Fund 312 GO NURSING HOME BONDS

Dept							
R	312-36220	Rent	PINE HAVEN	039157	\$10,763.73	BOND ISSUANCE LEGAL FEES	4-12 REC 17

Dept \$10,763.73

Fund 312 GO NURSING HOME BONDS

\$10,763.73

Fund 314 2003 PROJECT BOND

Dept							
R	314-39200	Interfund Operating Transfers			-\$21,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	314-10100	Cash - Security State			\$21,000.00	2012 BUDGETED TRANSFERS	2012BUDXRS

Dept \$0.00

Fund 314 2003 PROJECT BOND

\$0.00

Fund 318 2007 MAIN STREET PROJ BOND

Dept							
R	318-39202	Transfers In			-\$9,266.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	318-10100	Cash - Security State			\$9,266.00	2012 BUDGETED TRANSFERS	2012BUDXRS

Dept \$0.00

Fund 318 2007 MAIN STREET PROJ BOND

\$0.00

Fund 380 GYMNASIUM - TAX ABATEMENT

Dept							
G	380-20200	Accounts Payable	PI ECONOMIC DEVELOPMENT AUTH	135308	\$794.00	TIF ADMINISTRATION	5-10-12 AP

Dept \$794.00

Fund 380 GYMNASIUM - TAX ABATEMENT

\$794.00

Fund 388 TIF #38 JUDITH

Dept	G	388-20200	Accounts Payable	PI ECONOMIC DEVELOPMENT AUTH	135308	\$376.00	TIF ADMINISTRATION	5-10-12 AP
Dept						\$376.00		
Fund 388 TIF #38 JUDITH						\$376.00		
Fund 392 WAZUWEETA WOODS								
Dept	G	392-20200	Accounts Payable	PI ECONOMIC DEVELOPMENT AUTH	135308	\$1,670.00	TIF ADMINISTRATION	5-10-12 AP
Dept						\$1,670.00		
Fund 392 WAZUWEETA WOODS						\$1,670.00		
Fund 393 RIDGEWAY ESTATES								
Dept	G	393-20200	Accounts Payable	PI ECONOMIC DEVELOPMENT AUTH	135308	\$3,060.00	TIF ADMINISTRATION	5-10-12 AP
Dept						\$3,060.00		
Fund 393 RIDGEWAY ESTATES						\$3,060.00		
Fund 431 17TH AVE NE PROJECT								
Dept 41000 General Government (GENERAL)								
	E	431-41000-304	Legal Fees	KENNEDY & GRAVEN	135295	\$54.25	LEGAL	5-10-12 AP
	E	431-41000-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$4,843.72	ENGINEERING	5-10-12 AP
Dept 41000 General Government (GENERAL)						\$4,897.97		
Fund 431 17TH AVE NE PROJECT						\$4,897.97		
Fund 432 2012 NW STREET PROJECT								
Dept 41000 General Government (GENERAL)								
	E	432-41000-505	Site Improvements	MIKE KLUG TREE TRANSPLANTING	135301	\$2,125.00	TREE MOVING	5-10-12 AP
	E	432-41000-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$10,170.73	ENGINEERING	5-10-12 AP
Dept 41000 General Government (GENERAL)						\$12,295.73		
Fund 432 2012 NW STREET PROJECT						\$12,295.73		
Fund 601 WATER FUND								
Dept								
	R	601-99999	Unallocated Utility			\$864.28	UB UR Receipt Group 74	4-5BK-13WS
	G	601-11500	Accounts Receivable			\$1.47	UB Receipt Surc Pen 20 SALES	4-5BK-13WS
	G	601-11500	Accounts Receivable			\$136.37	UB Receipt Serv Pen 1 WATER	4-13BK20WS
	G	601-11500	Accounts Receivable			\$48.99	UB Receipt Serv 15 AUTO	4-13BK20WS
	G	601-11500	Accounts Receivable			\$5.61	UB Receipt Serv Pen 10 STATE	4-13BK20WS
	G	601-11500	Accounts Receivable			\$72.47	UB Receipt Serv 10 STATE	4-13BK20WS
	G	601-11500	Accounts Receivable			\$1,031.58	UB Receipt Serv 5 WATER	4-13BK20WS
	G	601-11500	Accounts Receivable			\$45.06	UB Receipt Serv Pen 5 WATER	4-13BK20WS
	R	601-99999	Unallocated Utility			\$222.95	UB UR Receipt Group 83	4-5BK-13WS
	G	601-11500	Accounts Receivable			\$113.73	UB Receipt Serv 14 AUTO	4-13BK20WS
	G	601-11500	Accounts Receivable			\$4.20	UB Receipt Serv Pen 15 AUTO	4-13BK20WS
	R	601-99999	Unallocated Utility			-\$1,241.60	UB UR Receipt Group 74	4-13BK20WS
	G	601-11500	Accounts Receivable			-\$360.93	UB Receipt Surc 19 TAX	4-13BK20WS
	G	601-11500	Accounts Receivable			-\$30.95	UB Receipt Surc 16 TAX	4-13BK20WS
	G	601-11500	Accounts Receivable			-\$0.30	UB Receipt Serv 106 DEP INT	4-13BK20WS
	G	601-11500	Accounts Receivable			-\$27.58	UB Receipt Serv 101 DEPOSIT	4-13BK20WS
	G	601-11500	Accounts Receivable			\$91.08	UB Receipt Surc 20 SALES	4-5BK-13WS
	G	601-11500	Accounts Receivable			\$92.89	UB Receipt Serv 101 DEPOSIT	4-5BK-13WS
	G	601-11500	Accounts Receivable			\$3.45	UB Receipt Surc Pen 20 SALES	4-13BK20WS
	G	601-11500	Accounts Receivable			\$105.06	UB Receipt Serv 15 AUTO	4-5BK-13WS
	R	601-99999	Unallocated Utility			\$71.33	UB UR Receipt Group 00	4-13BK20WS

G	601-11500	Accounts Receivable	\$8,985.84	UB Receipt Serv 1 WATER RES	4-5BK-13WS
R	601-99999	Unallocated Utility	-\$107.74	UB UR Receipt Group 83	4-13BK20WS
G	601-11500	Accounts Receivable	\$74.98	UB Receipt Surc 20 SALES	4-13BK20WS
G	601-11500	Accounts Receivable	\$0.25	UB Receipt Serv Pen 15 AUTO	4-5BK-13WS
G	601-11500	Accounts Receivable	\$5.46	UB Receipt Serv Pen 10 STATE	4-5BK-13WS
G	601-11500	Accounts Receivable	\$313.39	UB Receipt Serv 10 STATE	4-5BK-13WS
G	601-11500	Accounts Receivable	\$20.86	UB Receipt Serv Pen 5 WATER	4-5BK-13WS
G	601-11500	Accounts Receivable	\$2,416.39	UB Receipt Serv 5 WATER	4-5BK-13WS
G	601-11500	Accounts Receivable	\$203.12	UB Receipt Serv Pen 1 WATER	4-5BK-13WS
G	601-10100	Cash - Security State	-\$4,839.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	601-11500	Accounts Receivable	\$6,411.75	UB Receipt Serv 5 WATER	4-20-30bk
G	601-11500	Accounts Receivable	\$0.09	UB Receipt Serv 104 NSF	4-2-5-12WS
G	601-21709	Life Insurance Payable	-\$0.57	Labor Distribution PR2012-10	PR2012-10
G	601-21708	Cancer Insurance	-\$5.61	Labor Distribution PR2012-10	PR2012-10
G	601-21706	Medical Ins Premium Payable	-\$97.90	Labor Distribution PR2012-10	PR2012-10
G	601-21705	Medicare Payable	-\$21.82	Labor Distribution PR2012-10	PR2012-10
G	601-21704	PERA Withholding Payable	-\$102.62	Labor Distribution PR2012-10	PR2012-10
G	601-21703	FICA Tax Payable	-\$78.22	Labor Distribution PR2012-10	PR2012-10
G	601-21702	State Withholding Payable	-\$35.86	Labor Distribution PR2012-10	PR2012-10
G	601-21701	Federal Withholding Payable	-\$77.56	Labor Distribution PR2012-10	PR2012-10
G	601-10102	Cash - Sterling State	-\$531.23	Labor Distribution PR2012-10	PR2012-10
G	601-21713	Dental Insurance	-\$8.36	Labor Distribution PR2012-10	PR2012-10
G	601-11500	Accounts Receivable	\$146.10	UB Receipt Serv Pen 1 WATER	4-20-30bk
G	601-21720	Health Savings Account	-\$51.41	Labor Distribution PR2012-10	PR2012-10
G	601-11500	Accounts Receivable	\$5.06	UB Receipt Serv Pen 5 WATER	4-20-30bk
G	601-11500	Accounts Receivable	\$166.12	UB Receipt Serv 10 STATE	4-20-30bk
G	601-11500	Accounts Receivable	\$4.76	UB Receipt Serv Pen 10 STATE	4-20-30bk
G	601-11500	Accounts Receivable	\$282.23	UB Receipt Serv 14 AUTO	4-20-30bk
G	601-11500	Accounts Receivable	\$54.24	UB Receipt Serv 15 AUTO	4-20-30bk
G	601-11500	Accounts Receivable	\$0.29	UB Receipt Serv Pen 15 AUTO	4-20-30bk
G	601-11500	Accounts Receivable	\$35.24	UB Receipt Serv 101 DEPOSIT	4-20-30bk
G	601-11500	Accounts Receivable	\$68.68	UB Receipt Serv 105 TURN	4-20-30bk
G	601-11500	Accounts Receivable	\$444.19	UB Receipt Surc 20 SALES	4-20-30bk
G	601-11500	Accounts Receivable	\$0.37	UB Receipt Surc Pen 20 SALES	4-20-30bk
R	601-99999	Unallocated Utility	\$449.13	UB UR Receipt Group 74	4-20-30bk
G	601-11500	Accounts Receivable	\$4,988.09	UB Receipt Serv 1 WATER RES	4-20-30bk
G	601-11500	Accounts Receivable	\$14.28	UB Receipt Surc 20 SALES	4-2-5-12WS
R	601-37170	Sales Tax - Water	\$603.08	UB AR Surc 20 SALES TAX	4-12WSBILLS
R	601-37170	Sales Tax - Water	-\$360.93	UB AR Surc 19 TAX	4-12WSBILLS
R	601-37170	Sales Tax - Water	-\$30.95	UB AR Surc 16 TAX	4-12WSBILLS
R	601-37110	Residential - Water	\$32.07	UB AR Surc 11 DEVEL WATER	4-12WSBILLS
R	601-37150	Water Connect/Reconnect Fee	\$40.00	UB AR Serv 105 TURN	4-12WSBILLS
R	601-37190	Water Deposit	\$800.00	UB AR Serv 101 DEPOSIT DP	4-12WSBILLS
R	601-37180	Water Meters	\$249.00	UB AR Serv 15 AUTO METER	4-12WSBILLS
R	601-37180	Water Meters	\$1,172.33	UB AR Serv 14 AUTO METER	4-12WSBILLS
R	601-37160	State Surcharge	\$692.18	UB AR Serv 10 STATE SURCH	4-12WSBILLS
R	601-99999	Unallocated Utility	\$0.10	UB UR Receipt Group 83	4-2-5-12WS
G	601-21712	Equitable Annuities Payable	-\$1.28	Labor Distribution PR2012-10	PR2012-10
G	601-11500	Accounts Receivable	\$0.07	UB Receipt Surc Pen 20 SALES	4-2-5-12WS
G	601-11500	Accounts Receivable	\$1,868.19	UB Receipt Serv 1 WATER RES	4-13BK20WS
G	601-11500	Accounts Receivable	\$23.94	UB Receipt Serv 101 DEPOSIT	4-2-5-12WS
G	601-11500	Accounts Receivable	\$538.01	UB Receipt Serv 14 AUTO	4-5BK-13WS
G	601-11500	Accounts Receivable	\$0.28	UB Receipt Serv Pen 15 AUTO	4-2-5-12WS
G	601-11500	Accounts Receivable	\$28.19	UB Receipt Serv 15 AUTO	4-2-5-12WS
G	601-11500	Accounts Receivable	\$208.95	UB Receipt Serv 14 AUTO	4-2-5-12WS

G	601-11500	Accounts Receivable			\$1.22	UB Receipt Serv Pen 10 STATE	4-2-5-12WS
G	601-11500	Accounts Receivable			\$118.90	UB Receipt Serv 10 STATE	4-2-5-12WS
G	601-11500	Accounts Receivable			\$0.79	UB Receipt Serv Pen 5 WATER	4-2-5-12WS
G	601-11500	Accounts Receivable			\$205.16	UB Receipt Serv 5 WATER	4-2-5-12WS
G	601-11500	Accounts Receivable			\$54.60	UB Receipt Serv Pen 1 WATER	4-2-5-12WS
G	601-11500	Accounts Receivable			\$3,347.74	UB Receipt Serv 1 WATER RES	4-2-5-12WS
R	601-99999	Unallocated Utility			\$134.15	UB UR Receipt Group 74	4-2-5-12WS
R	601-37260	Penalties			\$0.10	UB AR Pen Serv 14 AUTO	3-12WSPEN
R	601-37260	Penalties			-\$0.03	UB AR Serv Pen Adj 14 AUTO	4-12WSBILL
R	601-37260	Penalties			\$2.28	UB AR Pen Surc 20 SALES TAX	3-12WSPEN
R	601-37260	Penalties			-\$0.02	UB AR Serv Pen Adj 10 STATE	4-12WSBILL
R	601-37120	Commercial - Water			-\$12.37	UB AR Serv Adj 5 WATER	4-12WSBILL
R	601-37260	Penalties			-\$2.01	UB AR Serv Pen Adj 1 WATER	4-12WSBILL
R	601-37260	Penalties			\$0.09	UB AR Pen Serv 10 STATE	3-12WSPEN
R	601-37110	Residential - Water			-\$44.08	UB AR Serv Adj 1 WATER RES	4-12WSBILL
R	601-37260	Penalties			\$0.09	UB AR Pen Serv 10 STATE	3-12WSPEN
R	601-37260	Penalties			\$0.10	UB AR Pen Serv 14 AUTO	3-12WSPEN
R	601-37180	Water Meters			-\$0.38	UB AR Serv Adj 14 AUTO	4-12WSBILL
R	601-37260	Penalties			\$2.33	UB AR Pen Serv 1 WATER RES	3-12WSPEN
R	601-37260	Penalties			\$2.33	UB AR Pen Serv 1 WATER RES	3-12WSPEN
R	601-37260	Penalties			\$27.92	UB AR Pen Serv 14 AUTO	3-12WSPEN
R	601-37260	Penalties			\$3.89	UB AR Pen Serv 15 AUTO	3-12WSPEN
G	601-10100	Cash - Security State			-\$40,684.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	601-37260	Penalties			\$14.95	UB AR Pen Serv 10 STATE	3-12WSPEN
R	601-37260	Penalties			\$447.85	UB AR Pen Serv 1 WATER RES	3-12WSPEN
R	601-37260	Penalties			\$0.85	UB AR Pen Serv 10 STATE	3-12WSPEN
R	601-37120	Commercial - Water			\$9,807.42	UB AR Serv 5 WATER COMM	4-12WSBILL
G	601-21713	Dental Insurance			-\$11.17	Labor Distribution PR2012-9	PR2012-9
G	601-21712	Equitable Annuities Payable			-\$3.35	Labor Distribution PR2012-9	PR2012-9
G	601-21709	Life Insurance Payable			-\$1.70	Labor Distribution PR2012-9	PR2012-9
G	601-21708	Cancer Insurance			-\$18.95	Labor Distribution PR2012-9	PR2012-9
G	601-21706	Medical Ins Premium Payable			-\$162.58	Labor Distribution PR2012-9	PR2012-9
G	601-21705	Medicare Payable			-\$31.74	Labor Distribution PR2012-9	PR2012-9
R	601-37160	State Surcharge			-\$0.21	UB AR Serv Adj 10 STATE	4-12WSBILL
G	601-21704	PERA Withholding Payable			-\$150.58	Labor Distribution PR2012-9	PR2012-9
R	601-37110	Residential - Water			\$128.29	UB AR Serv 3 WATER	4-12WSBILL
G	601-10102	Cash - Sterling State			-\$794.28	Labor Distribution PR2012-9	PR2012-9
R	601-37260	Penalties			\$33.25	UB AR Pen Serv 5 WATER	3-12WSPEN
G	601-21703	FICA Tax Payable			-\$113.82	Labor Distribution PR2012-9	PR2012-9
G	601-21702	State Withholding Payable			-\$55.37	Labor Distribution PR2012-9	PR2012-9
G	601-21701	Federal Withholding Payable			-\$128.29	Labor Distribution PR2012-9	PR2012-9
R	601-37110	Residential - Water			\$21,276.26	UB AR Serv 1 WATER RES	4-12WSBILL
G	601-21706	Medical Ins Premium Payable	HEALTHEQUITY	002710	\$94.21	HSA CONTRIBUTIONS	4-30-12 AP
G	601-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$128.29	FED TAXES PR2012-9	4-30-12 AP
G	601-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711	\$31.74	FED TAXES PR2012-9	4-30-12 AP
G	601-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711	\$113.82	FED TAXES PR2012-9	4-30-12 AP
G	601-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$55.37	MN WITHHOLDING PR2012-9	4-30-12 AP
G	601-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$150.58	PERA PR2012-9	4-30-12 AP
G	601-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$21.82	FEDERAL TAXES PR2012-10	5-9-12 AP
G	601-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$78.22	FEDERAL TAXES PR2012-10	5-9-12 AP
G	601-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$77.56	FEDERAL TAXES PR2012-10	5-9-12 AP
G	601-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$35.86	MN WITHHOLDING PR2012-10	5-9-12 AP
G	601-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$102.62	PERA PR2012-10	5-9-12 AP
R	601-37180	Water Meters	RECEIPTS/BLDG PERMIT	003338	\$250.00	BIGELOW HOMES PERMIT 12-	5-12 REC 1
R	601-37180	Water Meters	WHIPPLE, MAURRIA	135240	\$78.16	REFUND OF DEPOSIT LESS	4-30-12 AP

G	601-21712	Equitable Annuities Payable	AXA - EQUITABLE	135242	\$5.96	EQUITABLE-PR2012-8&9	4-30-12 AP
G	601-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$4.28	LIFE INS PR2012-8&9	4-30-12 AP
G	601-21706	Medical Ins Premium Payable	HEALTHPARTNERS	135244	\$307.99	HEALTH INS PR2012-8&9	4-30-12 AP
G	601-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$794.30	PAYROLL TRANSFER PR2012-94-30-12 AP	
G	601-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$531.23	PAYROLL TRANSFER PR2012-10	5-9-12 AP
Dept					\$22,503.04		

Dept 41000 General Government (GENERAL)

E	601-41000-101	Full-Time Wages			\$760.05	Labor Distribution PR2012-10	PR2012-10
E	601-41000-121	PERA			\$80.86	Labor Distribution PR2012-9	PR2012-9
E	601-41000-125	Medicare Contributions			\$15.87	Labor Distribution PR2012-9	PR2012-9
E	601-41000-101	Full-Time Wages			\$1,115.32	Labor Distribution PR2012-9	PR2012-9
E	601-41000-720	Transfers Out			\$40,684.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	601-41000-331	Travel Expenses			\$33.86	Labor Distribution PR2012-9	PR2012-9
E	601-41000-131	Employer Paid Health			\$158.07	Labor Distribution PR2012-9	PR2012-9
E	601-41000-121	PERA			\$55.11	Labor Distribution PR2012-10	PR2012-10
E	601-41000-122	FICA			\$46.63	Labor Distribution PR2012-10	PR2012-10
E	601-41000-720	Transfers Out			\$4,839.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	601-41000-125	Medicare Contributions			\$10.91	Labor Distribution PR2012-10	PR2012-10
E	601-41000-131	Employer Paid Health			\$139.74	Labor Distribution PR2012-10	PR2012-10
E	601-41000-122	FICA			\$67.85	Labor Distribution PR2012-9	PR2012-9
E	601-41000-322	Postage	US POSTMASTER	135231	\$27.52	POSTAGE FOR 3-12 PAST DUE	4-30-12 AP
E	601-41000-322	Postage	PITNEY BOWES INC	135236	\$18.20	POSTAGE METER SUPPLIES	4-30-12 AP
E	601-41000-322	Postage	US POSTMASTER	135239	\$116.00	WATER/SEWER BILL POSTAGE	4-30-12 AP
E	601-41000-381	Electric Utilities	XCEL ENERGY	135241	\$2,029.50	ELECTRICITY	4-30-12 AP
E	601-41000-381	Electric Utilities	XCEL ENERGY	135241	\$15.76	ELECTRICITY	4-30-12 AP
E	601-41000-381	Electric Utilities	XCEL ENERGY	135241	\$772.28	ELECTRICITY	4-30-12 AP
E	601-41000-383	Gas Utilities	MINNESOTA ENERGY	135251	\$14.03	NATURAL GAS	4-30-12 AP
E	601-41000-201	Office Supplies	OLMSTED CO PUBLIC WORKS	135257	\$17.50	OLMSTED CO PLAT BOOK	5-9-12 AP
E	601-41000-201	Office Supplies	DODGE CO TREASURER	135258	\$15.00	PLAT BOOK	5-9-12 AP
E	601-41000-240	Water Meters	DAKOTA SUPPLY GROUP	135271	\$520.92	1.5" METER WITH ERT	5-10-12 AP
E	601-41000-210	Operating Supplies	ERVS SUPPLY OF PARTS, INC	135275	\$31.59	SOCKETS	5-10-12 AP
E	601-41000-417	Uniform	G & K SERVICES	135280	\$16.24	UNIFORM SERVICE	5-10-12 AP
E	601-41000-417	Uniform	G & K SERVICES	135280	\$16.01	UNIFORM SERVICE	5-10-12 AP
E	601-41000-417	Uniform	G & K SERVICES	135280	\$20.28	UNIFORM SERVICE	5-10-12 AP
E	601-41000-417	Uniform	G & K SERVICES	135280	\$19.67	UNIFORM SERVICE	5-10-12 AP
E	601-41000-415	Contracted Services	GOODHUE ENVIRONMENTAL	135284	\$456.00	OPERATOR CONTRACT	5-10-12 AP
E	601-41000-309	Gopher State One-Call Fee	GOPHER STATE ONE-CALL INC.	135285	\$38.25	LOCATES	5-10-12 AP
E	601-41000-340	Advertising	GRIMSRUD PUBLISHING,INC	135287	\$58.00	PUBLISHING	5-10-12 AP
E	601-41000-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$12.06	LIGHT BULBS	5-10-12 AP
E	601-41000-322	Postage	HARDWARE HANK	135289	\$9.93	SHIPPING	5-10-12 AP
E	601-41000-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$2.97	BOWL	5-10-12 AP
E	601-41000-404	Repairs/Maint Machinery/Equip	ITRON, INC	135292	\$852.33	METER READER REPAIR	5-10-12 AP
E	601-41000-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$200.00	PHONE, INTERNET	5-10-12 AP
E	601-41000-227	Utility System Maintenance	SCHUMACHER EXCAVATING INC.	135320	\$3,783.29	WATER MAIN REPAIR	5-10-12 AP
E	601-41000-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$10.45	COPY MACHINE	5-10-12 AP
E	601-41000-210	Operating Supplies	UNITED LABORATORIES	135331	\$514.08	CLEANER, DESCALER	5-10-12 AP
E	601-41000-321	Telephone	VERIZON WIRELESS	135333	\$70.00	CELL SERVICE	5-10-12 AP
Dept 41000 General Government (GENERAL)					\$57,665.13		
Fund 601 WATER FUND					\$80,168.17		

Fund 602 SEWER FUND

Dept							
G	602-21705	Medicare Payable			-\$87.66	Labor Distribution PR2012-9	PR2012-9
G	602-21704	PERA Withholding Payable			-\$412.25	Labor Distribution PR2012-9	PR2012-9
G	602-21706	Medical Ins Premium Payable			-\$330.46	Labor Distribution PR2012-10	PR2012-10

G	602-21708	Cancer Insurance				-\$12.65	Labor Distribution PR2012-10	PR2012-10
G	602-21706	Medical Ins Premium Payable				-\$361.98	Labor Distribution PR2012-9	PR2012-9
G	602-21705	Medicare Payable				-\$83.42	Labor Distribution PR2012-10	PR2012-10
G	602-21704	PERA Withholding Payable				-\$391.70	Labor Distribution PR2012-10	PR2012-10
G	602-21713	Dental Insurance				-\$39.11	Labor Distribution PR2012-9	PR2012-9
R	602-37220	Commercial - Sewer				\$3,973.70	UB AR Serv 25 SEWER COMM	4-12WSBILL
R	602-37220	Commercial - Sewer				\$259.11	UB AR Serv 27 SEWER METER	4-12WSBILL
G	602-21703	FICA Tax Payable				-\$314.27	Labor Distribution PR2012-9	PR2012-9
G	602-21720	Health Savings Account				-\$170.25	Labor Distribution PR2012-10	PR2012-10
G	602-21713	Dental Insurance				-\$36.00	Labor Distribution PR2012-10	PR2012-10
G	602-21712	Equitable Annuities Payable				-\$4.34	Labor Distribution PR2012-10	PR2012-10
R	602-37210	Residential - Sewer				\$50.89	UB AR Surc 12 DEVEL SEWER	4-12WSBILL
R	602-37210	Residential - Sewer				\$31,458.61	UB AR Serv 20 SEWER RES	4-12WSBILL
G	602-11500	Accounts Receivable				\$5,269.74	UB Receipt Serv 20 SEWER	4-2-5-12WS
G	602-21712	Equitable Annuities Payable				-\$5.66	Labor Distribution PR2012-9	PR2012-9
G	602-21709	Life Insurance Payable				-\$4.98	Labor Distribution PR2012-9	PR2012-9
G	602-21708	Cancer Insurance				-\$19.45	Labor Distribution PR2012-9	PR2012-9
G	602-21709	Life Insurance Payable				-\$2.13	Labor Distribution PR2012-10	PR2012-10
G	602-11500	Accounts Receivable				\$1.96	UB Receipt Serv Pen 25	4-2-5-12WS
G	602-11500	Accounts Receivable				\$310.20	UB Receipt Serv 25 SEWER	4-2-5-12WS
G	602-11500	Accounts Receivable				\$73.81	UB Receipt Serv Pen 20	4-2-5-12WS
R	602-37210	Residential - Sewer				\$203.56	UB AR Serv 22 SEWER	4-12WSBILL
G	602-11500	Accounts Receivable				\$5.92	UB Receipt Serv Pen 25	4-20-30bk
R	602-37260	Penalties				\$3.93	UB AR Pen Serv 20 SEWER	3-12WSPEN
R	602-37260	Penalties				\$3.93	UB AR Pen Serv 20 SEWER	3-12WSPEN
G	602-10100	Cash - Security State				-\$40,683.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	602-11500	Accounts Receivable				\$402.80	UB Receipt Serv 25 SEWER	4-20-30bk
G	602-21703	FICA Tax Payable				-\$299.13	Labor Distribution PR2012-10	PR2012-10
G	602-11500	Accounts Receivable				\$79.33	UB Receipt Serv 27 SEWER	4-5BK-13WS
G	602-11500	Accounts Receivable				\$168.43	UB Receipt Serv 27 SEWER	4-20-30bk
R	602-37260	Penalties				\$714.88	UB AR Pen Serv 20 SEWER	3-12WSPEN
R	602-37210	Residential - Sewer				-\$39.58	UB AR Serv Adj 20 SEWER RES	4-12WSBILL
R	602-37260	Penalties				-\$2.19	UB AR Serv Pen Adj 20 SEWER	4-12WSBILL
R	602-37220	Commercial - Sewer				-\$11.25	UB AR Serv Adj 25 SEWER	4-12WSBILL
G	602-11500	Accounts Receivable				\$7,127.24	UB Receipt Serv 20 SEWER	4-20-30bk
G	602-11500	Accounts Receivable				\$233.45	UB Receipt Serv Pen 20	4-20-30bk
G	602-10100	Cash - Security State				-\$4,427.00	2012 BUDGETED TRANSFERS	2012BUDXRS
G	602-11500	Accounts Receivable				\$20.06	UB Receipt Serv Pen 25	4-5BK-13WS
G	602-21702	State Withholding Payable				-\$136.70	Labor Distribution PR2012-9	PR2012-9
G	602-10102	Cash - Sterling State				-\$2,018.46	Labor Distribution PR2012-10	PR2012-10
R	602-37260	Penalties				\$47.71	UB AR Pen Serv 25 SEWER	3-12WSPEN
G	602-10102	Cash - Sterling State				-\$2,119.95	Labor Distribution PR2012-9	PR2012-9
G	602-11500	Accounts Receivable				\$2,657.31	UB Receipt Serv 25 SEWER	4-5BK-13WS
G	602-21701	Federal Withholding Payable				-\$307.70	Labor Distribution PR2012-9	PR2012-9
G	602-11500	Accounts Receivable				\$2,960.55	UB Receipt Serv 20 SEWER	4-13BK20WS
G	602-11500	Accounts Receivable				\$820.77	UB Receipt Serv 25 SEWER	4-13BK20WS
G	602-11500	Accounts Receivable				\$60.16	UB Receipt Serv Pen 25	4-13BK20WS
G	602-21701	Federal Withholding Payable				-\$289.72	Labor Distribution PR2012-10	PR2012-10
G	602-21702	State Withholding Payable				-\$130.66	Labor Distribution PR2012-10	PR2012-10
G	602-11500	Accounts Receivable				\$13,891.07	UB Receipt Serv 20 SEWER	4-5BK-13WS
G	602-11500	Accounts Receivable				\$209.06	UB Receipt Serv Pen 20	4-5BK-13WS
G	602-11500	Accounts Receivable				\$223.79	UB Receipt Serv Pen 20	4-13BK20WS
G	602-21706	Medical Ins Premium Payable	HEALTHEQUITY	002710		\$160.80	HSA CONTRIBUTIONS	4-30-12 AP
G	602-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711		\$314.27	FED TAXES PR2012-9	4-30-12 AP
G	602-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711		\$87.66	FED TAXES PR2012-9	4-30-12 AP

G	602-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$307.70	FED TAXES PR2012-9	4-30-12 AP
G	602-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$136.70	MN WITHHOLDING PR2012-9	4-30-12 AP
G	602-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$412.25	PERA PR2012-9	4-30-12 AP
G	602-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$83.42	FEDERAL TAXES PR2012-10	5-9-12 AP
G	602-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$289.72	FEDERAL TAXES PR2012-10	5-9-12 AP
G	602-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$299.13	FEDERAL TAXES PR2012-10	5-9-12 AP
G	602-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$130.66	MN WITHHOLDING PR2012-10	5-9-12 AP
G	602-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$391.70	PERA PR2012-10	5-9-12 AP
G	602-21712	Equitable Annuities Payable	AXA - EQUITABLE	135242	\$7.69	EQUITABLE-PR2012-8&9	4-30-12 AP
G	602-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$9.29	LIFE INS PR2012-8&9	4-30-12 AP
G	602-21706	Medical Ins Premium Payable	HEALTHPARTNERS	135244	\$603.27	HEALTH INS PR2012-8&9	4-30-12 AP
G	602-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$2,119.93	PAYROLL TRANSFER PR2012-9	4-30-12 AP
G	602-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$2,018.46	PAYROLL TRANSFER PR2012-10	5-9-12 AP
R	602-37270	Observation Charge	LAND O LAKES INC.	15294504	\$300.00	MARCH 2012 SEWER INVOICE	4-12 REC 14
R	602-37235	High Strength Waste	LAND O LAKES INC.	15294504	\$109.41	MARCH 2012 SEWER INVOICE	4-12 REC 14
R	602-37230	Industrial - Sewer	LAND O LAKES INC.	15294504	\$1,760.50	MARCH 2012 SEWER INVOICE	4-12 REC 14
R	602-37150	Water Connect/Reconnect Fee	RECEIPTS/MISC	19002857	\$100.00	SEWER CONNECTION FEE-	5-12 REC 6
R	602-37150	Water Connect/Reconnect Fee	RECEIPTS/MISC	7026805	\$100.00	SHARI HAUGEN-SEWER	4-12 REC 3
Dept						\$28,232.88	
Dept 41000 General Government (GENERAL)							
E	602-41000-122	FICA			\$187.35	Labor Distribution PR2012-9	PR2012-9
E	602-41000-131	Employer Paid Health			\$437.07	Labor Distribution PR2012-10	PR2012-10
E	602-41000-125	Medicare Contributions			\$41.71	Labor Distribution PR2012-10	PR2012-10
E	602-41000-122	FICA			\$178.32	Labor Distribution PR2012-10	PR2012-10
E	602-41000-101	Full-Time Wages			\$2,901.46	Labor Distribution PR2012-10	PR2012-10
E	602-41000-720	Transfers Out			\$40,683.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	602-41000-720	Transfers Out			\$4,427.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	602-41000-131	Employer Paid Health			\$303.19	Labor Distribution PR2012-9	PR2012-9
E	602-41000-125	Medicare Contributions			\$43.83	Labor Distribution PR2012-9	PR2012-9
E	602-41000-101	Full-Time Wages			\$3,053.94	Labor Distribution PR2012-9	PR2012-9
E	602-41000-121	PERA			\$221.40	Labor Distribution PR2012-9	PR2012-9
E	602-41000-121	PERA			\$210.36	Labor Distribution PR2012-10	PR2012-10
E	602-41000-322	Postage	US POSTMASTER	135231	\$27.52	POSTAGE FOR 3-12 PAST DUE	4-30-12 AP
E	602-41000-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$568.47	WATER/SEWER USAGE	4-30-12 AP
E	602-41000-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$154.09	WATER/SEWER USAGE	4-30-12 AP
E	602-41000-381	Electric Utilities	GOODHUE CO CO-OP ELECTRIC	135235	\$156.00	ELECTRICITY	4-30-12 AP
E	602-41000-381	Electric Utilities	GOODHUE CO CO-OP ELECTRIC	135235	\$132.00	ELECTRICITY	4-30-12 AP
E	602-41000-322	Postage	PITNEY BOWES INC	135236	\$18.12	POSTAGE METER SUPPLIES	4-30-12 AP
E	602-41000-322	Postage	US POSTMASTER	135239	\$116.00	WATER/SEWER BILL POSTAGE	4-30-12 AP
E	602-41000-381	Electric Utilities	XCEL ENERGY	135241	\$3,602.20	ELECTRICITY	4-30-12 AP
E	602-41000-383	Gas Utilities	MINNESOTA ENERGY	135251	\$100.93	NATURAL GAS	4-30-12 AP
E	602-41000-383	Gas Utilities	MINNESOTA ENERGY	135251	\$1,103.48	NATURAL GAS	4-30-12 AP
E	602-41000-201	Office Supplies	OLMSTED CO PUBLIC WORKS	135257	\$17.50	OLMSTED CO PLAT BOOK	5-9-12 AP
E	602-41000-201	Office Supplies	DODGE CO TREASURER	135258	\$15.00	PLAT BOOK	5-9-12 AP
E	602-41000-417	Uniform	G & K SERVICES	135280	\$19.67	UNIFORM SERVICE	5-10-12 AP
E	602-41000-417	Uniform	G & K SERVICES	135280	\$16.24	UNIFORM SERVICE	5-10-12 AP
E	602-41000-417	Uniform	G & K SERVICES	135280	\$16.00	UNIFORM SERVICE	5-10-12 AP
E	602-41000-417	Uniform	G & K SERVICES	135280	\$20.28	UNIFORM SERVICE	5-10-12 AP
E	602-41000-415	Contracted Services	GOODHUE ENVIRONMENTAL	135284	\$456.00	OPERATOR CONTRACT	5-10-12 AP
E	602-41000-309	Gopher State One-Call Fee	GOPHER STATE ONE-CALL INC.	135285	\$38.25	LOCATES	5-10-12 AP
E	602-41000-210	Operating Supplies	HACH COMPANY	135288	\$198.50	PHOSPHATE KIT	5-10-12 AP
E	602-41000-210	Operating Supplies	HARDWARE HANK	135289	\$10.33	HOSE SHUT OFFS, TRASH BAGS	5-10-12 AP
E	602-41000-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$35.77	PAINT THINNER, RAKES	5-10-12 AP
E	602-41000-210	Operating Supplies	HARDWARE HANK	135289	\$21.66	QUIK SNAPS, SILLCOCK KEY	5-10-12 AP
E	602-41000-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$1.38	CLIP EXCHANGE	5-10-12 AP

E	602-41000-201	Office Supplies	HARDWARE HANK	135289	\$16.01	SEALING TAPE	5-10-12 AP
E	602-41000-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$4.80	GROUNDED PLUG	5-10-12 AP
E	602-41000-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$11.75	JUNGLE JAKE	5-10-12 AP
E	602-41000-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$5.33	HEMOSTATS	5-10-12 AP
E	602-41000-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$44.99	FERRULES, THIMBLE, CLIPS,	5-10-12 AP
E	602-41000-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$16.55	TOILET SEAT	5-10-12 AP
E	602-41000-210	Operating Supplies	HARDWARE HANK	135289	\$30.72	CLEANING SUPPLIES	5-10-12 AP
E	602-41000-404	Repairs/Maint Machinery/Equip	HARDWARE HANK	135289	\$3.62	LEG TIP	5-10-12 AP
E	602-41000-404	Repairs/Maint Machinery/Equip	ITRON, INC	135292	\$852.33	METER READER REPAIR	5-10-12 AP
E	602-41000-415	Contracted Services	JASPER ENGINEERING & EQUIPMENT	135293	\$712.50	SERVICE ON SEWER	5-10-12 AP
E	602-41000-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$203.44	PHONE, INTERNET	5-10-12 AP
E	602-41000-415	Contracted Services	QUALITY FLOW SYSTEMS, INC	135314	\$300.00	SERVICE 3 LIFT STATIONS	5-10-12 AP
E	602-41000-415	Contracted Services	QUALITY FLOW SYSTEMS, INC	135314	\$385.20	REPLACE UPPER GUIDE	5-10-12 AP
E	602-41000-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$10.01	COPY MACHINE	5-10-12 AP
E	602-41000-210	Operating Supplies	UNITED LABORATORIES	135331	\$514.07	CLEANER, DESCALER	5-10-12 AP
E	602-41000-210	Operating Supplies	USA BLUE BOOK	135332	\$115.64	PHOSPHATE REAGENT	5-10-12 AP
E	602-41000-321	Telephone	VERIZON WIRELESS	135333	\$70.00	CELL SERVICE	5-10-12 AP
E	602-41000-303	Engineering Fees	WIDSETH SMITH NOLTING & ASSOC	135336	\$744.50	ENGINEERING	5-10-12 AP
Dept 41000 General Government (GENERAL)						\$63,575.48	
Fund 602 SEWER FUND						\$91,808.36	
Fund 603 EVERGREEN PLACE							
Dept							
G	603-10100	Cash - Security State			-\$4,777.00	2012 BUDGETED TRANSFERS	2012BUDXRS
R	603-32801	Assisted Living Apartments	PINE HAVEN	135309	\$172.00	EVERGREEN PLACE	5-10-12 AP
Dept						-\$4,605.00	
Dept 41000 General Government (GENERAL)							
E	603-41000-720	Transfers Out			\$4,777.00	2012 BUDGETED TRANSFERS	2012BUDXRS
E	603-41000-422	Management	PINE HAVEN	135309	\$3,570.83	EVERGREEN PLACE	5-10-12 AP
Dept 41000 General Government (GENERAL)						\$8,347.83	
Dept 48040 Maintenance							
E	603-48040-382	Water/Sewer Utilities	CITY OF PINE ISLAND	135234	\$234.64	WATER/SEWER USAGE	4-30-12 AP
E	603-48040-381	Electric Utilities	XCEL ENERGY	135241	\$1,165.18	ELECTRICITY	4-30-12 AP
E	603-48040-383	Gas Utilities	MINNESOTA ENERGY	135251	\$358.03	NATURAL GAS	4-30-12 AP
E	603-48040-841	Maintenance/Service Contract	EVERGREEN PLACE	135276	\$48.91	PEST CONTROL	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	HARDWARE HANK	135289	\$23.50	MOTION SENSOR SWITCH	5-10-12 AP
E	603-48040-210	Operating Supplies	PINE HAVEN	135309	\$62.88	ACID AWAY	5-10-12 AP
E	603-48040-210	Operating Supplies	PINE HAVEN	135309	\$143.81	EYEWASH REPLACEMENTS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$53.55	TOILET FLAPPERS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$110.00	BRASS DOOR HANDLE	5-10-12 AP
E	603-48040-404	Repairs/Maint Machinery/Equip	PINE HAVEN	135309	\$30.35	STOVE REPAIRS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$63.29	LIGH BULBS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$170.28	SHOWER CARTRIDGES	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$242.94	SHOWER CARTRIDGES	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$24.20	FAUCET CARTRIDGES	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$598.76	PATCH & PAINT EP OFFICE	5-10-12 AP
E	603-48040-210	Operating Supplies	PINE HAVEN	135309	\$164.95	SOLVENT & CHARGING	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$197.07	BATTERIES FOR EXIT SIGNS	5-10-12 AP
E	603-48040-404	Repairs/Maint Machinery/Equip	PINE HAVEN	135309	\$353.53	COMPRESSOR	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$17.53	THERMOCOUPLE	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$1,003.91	COMPRESSORS & SHIPPING	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$210.00	FIRE PANEL REPAIRS	5-10-12 AP
E	603-48040-404	Repairs/Maint Machinery/Equip	PINE HAVEN	135309	\$247.40	DISH WASHER REPAIRS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$243.00	FLOURESCENT BULBS	5-10-12 AP

E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$126.58	LIGHT BULBS	5-10-12 AP
E	603-48040-210	Operating Supplies	PINE HAVEN	135309	\$539.80	BATTERIES FOR CALL	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$191.08	EMERGENCY LIGHT	5-10-12 AP
E	603-48040-404	Repairs/Maint Machinery/Equip	PINE HAVEN	135309	\$151.36	RANGE REPAIRS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$403.03	BALLAST & LAMP	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$91.48	BATTERIES FOR EXIT SIGNS	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$53.51	STARTER RELAY	5-10-12 AP
E	603-48040-404	Repairs/Maint Machinery/Equip	PINE HAVEN	135309	\$649.00	NEW FREEZER	5-10-12 AP
E	603-48040-401	Repairs/Maint Buildings	PINE HAVEN	135309	\$72.48	LIGHT BULBS	5-10-12 AP
E	603-48040-851	Cable	PINE ISLAND TELEPHONE COMPANY	135311	\$358.78	CABLE	5-10-12 AP
E	603-48040-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$252.89	PHONE	5-10-12 AP
E	603-48040-841	Maintenance/Service Contract	SCHUMACHER ELEVATOR CO	135319	\$206.12	ELEVATOR MAINTENANCE	5-10-12 AP
E	603-48040-210	Operating Supplies	TRI-STATE BUSINESS MACHINES	135330	\$11.45	COPY MACHINE	5-10-12 AP
Dept 48040 Maintenance					\$8,875.27		
Fund 603 EVERGREEN PLACE							
					\$12,618.10		
Fund 604 CEMETERY							
Dept							
R	604-37007	Foundation Work	PINE ISLAND CEMETERY		\$135.00	Walter Burial, VA Marker, VA	5-12 REC 3
R	604-37007	Foundation Work	PINE ISLAND CEMETERY		\$95.00	Walter Burial, VA Marker, VA	5-12 REC 3
R	604-37001	Burial Fees	PINE ISLAND CEMETERY		\$135.00	CREMATION BURIALS	4-12 REC 18
R	604-37001	Burial Fees	PINE ISLAND CEMETERY		\$135.00	CREMATION BURIALS	4-12 REC 18
R	604-37001	Burial Fees	PINE ISLAND CEMETERY		\$105.00	CREMATION BURIALS	4-12 REC 18
R	604-37001	Burial Fees	PINE ISLAND CEMETERY		\$420.00	Walter Burial, VA Marker, VA	5-12 REC 3
R	604-37001	Burial Fees	PINE ISLAND CEMETERY	009373	\$105.00	BURIAL -ANOLA BROWN	4-12 REC 8
Dept					\$1,130.00		
Dept 41000 General Government (GENERAL)							
E	604-41000-225	Landscaping Materials	ARELS FLOWERS & GIFTS	135262	\$30.00	WREATH & STAND	5-10-12 AP
E	604-41000-225	Landscaping Materials	BERG, JERRY	135266	\$60.00	HAULING DIRT FOR	5-10-12 AP
E	604-41000-225	Landscaping Materials	FARMERS TOP SOIL, INC	135278	\$79.89	TOPSOIL	5-10-12 AP
E	604-41000-212	Motor Fuels	GREENWAY CO-OP	135286	\$222.84	FUEL	5-10-12 AP
E	604-41000-225	Landscaping Materials	HARDWARE HANK	135289	\$200.52	TRELLIS SUPPLIES & WEED	5-10-12 AP
E	604-41000-510	Capital Outlay	KRAUSE MASONRY, INC	135296	\$3,416.00	CEMETERY CONCRETE WORK	5-10-12 AP
E	604-41000-404	Repairs/Maint Machinery/Equip	M & M LAWN & LEISURE 2	135299	\$290.00	BACKPACK BLOWER	5-10-12 AP
E	604-41000-705	Burial Openings	STILLER DIVERSIFIED SERVICES	135327	\$575.00	BURIALS	5-10-12 AP
Dept 41000 General Government (GENERAL)					\$4,874.25		
Fund 604 CEMETERY					\$6,004.25		
Fund 871 DEPUTY REGISTRAR FUND							
Dept							
G	871-21703	FICA Tax Payable			-\$154.27	Labor Distribution PR2012-9	PR2012-9
G	871-21702	State Withholding Payable			-\$81.54	Labor Distribution PR2012-9	PR2012-9
G	871-21720	Health Savings Account			-\$225.84	Labor Distribution PR2012-10	PR2012-10
G	871-21713	Dental Insurance			-\$27.55	Labor Distribution PR2012-10	PR2012-10
G	871-21709	Life Insurance Payable			-\$1.20	Labor Distribution PR2012-10	PR2012-10
G	871-21706	Medical Ins Premium Payable			-\$371.50	Labor Distribution PR2012-10	PR2012-10
G	871-21705	Medicare Payable			-\$43.02	Labor Distribution PR2012-10	PR2012-10
G	871-21704	PERA Withholding Payable			-\$212.98	Labor Distribution PR2012-10	PR2012-10
G	871-21703	FICA Tax Payable			-\$154.27	Labor Distribution PR2012-10	PR2012-10
G	871-21702	State Withholding Payable			-\$81.54	Labor Distribution PR2012-10	PR2012-10
G	871-21701	Federal Withholding Payable			-\$262.53	Labor Distribution PR2012-10	PR2012-10
G	871-10102	Cash - Sterling State			-\$956.94	Labor Distribution PR2012-10	PR2012-10
G	871-21701	Federal Withholding Payable			-\$262.53	Labor Distribution PR2012-9	PR2012-9
G	871-10102	Cash - Sterling State			-\$956.94	Labor Distribution PR2012-9	PR2012-9

G	871-21704	PERA Withholding Payable			-\$212.98	Labor Distribution PR2012-9	PR2012-9
G	871-21709	Life Insurance Payable			-\$2.50	Labor Distribution PR2012-9	PR2012-9
G	871-21706	Medical Ins Premium Payable			-\$371.50	Labor Distribution PR2012-9	PR2012-9
G	871-21720	Health Savings Account			-\$80.00	Labor Distribution PR2012-9	PR2012-9
G	871-21705	Medicare Payable			-\$43.02	Labor Distribution PR2012-9	PR2012-9
G	871-21713	Dental Insurance			-\$27.55	Labor Distribution PR2012-9	PR2012-9
G	871-21706	Medical Ins Premium Payable	HEALTHQUITY	002710	\$305.84	HSA CONTRIBUTIONS	4-30-12 AP
G	871-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002711	\$262.53	FED TAXES PR2012-9	4-30-12 AP
G	871-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002711	\$154.27	FED TAXES PR2012-9	4-30-12 AP
G	871-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002711	\$43.02	FED TAXES PR2012-9	4-30-12 AP
G	871-21702	State Withholding Payable	MN DEPT OF REVENUE	002712	\$81.54	MN WITHHOLDING PR2012-9	4-30-12 AP
G	871-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002713	\$212.98	PERA PR2012-9	4-30-12 AP
G	871-21705	Medicare Payable	INTERNAL REVENUE SERVICE	002723	\$43.02	FEDERAL TAXES PR2012-10	5-9-12 AP
G	871-21701	Federal Withholding Payable	INTERNAL REVENUE SERVICE	002723	\$262.53	FEDERAL TAXES PR2012-10	5-9-12 AP
G	871-21703	FICA Tax Payable	INTERNAL REVENUE SERVICE	002723	\$154.27	FEDERAL TAXES PR2012-10	5-9-12 AP
G	871-21702	State Withholding Payable	MN DEPT OF REVENUE	002724	\$81.54	MN WITHHOLDING PR2012-10	5-9-12 AP
G	871-21704	PERA Withholding Payable	PUBLIC EMPLOYEES RETIREMENT	002725	\$212.98	PERA PR2012-10	5-9-12 AP
G	871-21709	Life Insurance Payable	DEARBORN NATIONAL	135243	\$5.00	LIFE INS PR2012-8&9	4-30-12 AP
G	871-21706	Medical Ins Premium Payable	HEALTHPARTNERS	135244	\$743.00	HEALTH INS PR2012-8&9	4-30-12 AP
G	871-10102	Cash - Sterling State	STERLING STATE BANK	135246	\$956.94	PAYROLL TRANSFER PR2012-9	4-30-12 AP
G	871-10102	Cash - Sterling State	STERLING STATE BANK	135256	\$956.94	PAYROLL TRANSFER PR2012-10	5-9-12 AP
Dept					-\$53.80		

Dept 41000 General Government (GENERAL)

E	871-41000-122	FICA			\$91.97	Labor Distribution PR2012-9	PR2012-9
E	871-41000-131	Employer Paid Health			\$531.91	Labor Distribution PR2012-10	PR2012-10
E	871-41000-121	PERA			\$114.38	Labor Distribution PR2012-9	PR2012-9
E	871-41000-125	Medicare Contributions			\$21.51	Labor Distribution PR2012-10	PR2012-10
E	871-41000-122	FICA			\$91.97	Labor Distribution PR2012-10	PR2012-10
E	871-41000-121	PERA			\$114.38	Labor Distribution PR2012-10	PR2012-10
E	871-41000-102	Part-time Wages			\$1,577.60	Labor Distribution PR2012-10	PR2012-10
E	871-41000-131	Employer Paid Health			\$387.37	Labor Distribution PR2012-9	PR2012-9
E	871-41000-125	Medicare Contributions			\$21.51	Labor Distribution PR2012-9	PR2012-9
E	871-41000-102	Part-time Wages			\$1,577.60	Labor Distribution PR2012-9	PR2012-9
E	871-41000-322	Postage	PITNEY BOWES INC	135236	\$1.21	POSTAGE METER SUPPLIES	4-30-12 AP
E	871-41000-381	Electric Utilities	XCEL ENERGY	135241	\$47.44	ELECTRICITY	4-30-12 AP
E	871-41000-383	Gas Utilities	MINNESOTA ENERGY	135251	\$9.35	NATURAL GAS	4-30-12 AP
E	871-41000-321	Telephone	OFFICE OF ENTERPRISE TECHNOLOG	135252	\$0.09	LONG DISTANCE PHONE	4-30-12 AP
E	871-41000-321	Telephone	PINE ISLAND TELEPHONE COMPANY	135311	\$37.66	PHONE	5-10-12 AP
E	871-41000-201	Office Supplies	SCHMIDT-GOODMAN OFFICE	135318	\$25.63	LABELS	5-10-12 AP
E	871-41000-201	Office Supplies	SCHMIDT-GOODMAN OFFICE	135318	\$62.54	RUBBER BANDS, BINDER,	5-10-12 AP
E	871-41000-201	Office Supplies	TRI-STATE BUSINESS MACHINES	135330	\$21.03	COPY MACHINE	5-10-12 AP

Dept 41000 General Government (GENERAL)

Fund 871 DEPUTY REGISTRAR FUND

\$4,735.15
\$4,681.35
\$446,922.89

Van Horn Public Library

115 3rd St SE, Pine Island, MN 55963

Phone: 507-356-8558 email: mkhansen@selco.info

April-May News

- On April 27, five members of our Youth Advisory Council participated in a collaborative effort to encourage young people to get outside and learn/care about the natural resources in the area. These teens helped approximately 90 fourth grade students at stations such as fishing in and collecting invertebrate samples from the Zumbro River. The event was a collaboration of Pine Island Schools, Lions Club, city staff, Pine Island chapter of Project Get Outdoors, other community members, and our Youth Advisory Council.
- As part of the city wide garage sales, we held a book sale on April 28. Members of our Youth Advisory Council volunteered at this event. Therefore, the \$200 that was raised will be used for the Council's activities.
- The library board and I are in the beginning stages of planning for building expansion. We are currently consulting with Bob Vose and colleagues at his firm to determine if there are any restrictions within the title and/or Frank Van Horn's will that state the current library building must always be used as a library.

April Statistics

Revenue

\$2001.15 in grants from local government (Dodge County),
\$200 in booksale, \$24.85 in photocopies, and 280.08 in fines

Circulation Stats

4463 items were checked out at Van Horn in April 2012

PI City borrowers: 51%

Olmsted County: 23%

Goodhue County: 10%

Dodge County: 9%

E-Book & E-Audiobook Download Stats

Total Downloads = 89 (a 93% increase over April 2011)

Other E-books = 56

Kindle E-books = 24

E-Audiobooks = 9

Interlibrary Loans – ILL/Reserves

Borrowed 477 items & loaned out 492 items to other libraries in the region & state

City of Pine Island
Department of Public Works
Report for City Council – May 2012

Street Department Projects

Sanitary sewer inspection and maintenance
Equipment services
Gopher State one calls
Equipment repairs and maintenance
2012 Street Project
Golf Course Park Project and storm water ditch
Transplanting trees from tree farm to area near WWTP
Finished changes to City compost site and brush dump
Sweeping streets
Mowing and trimming around town
Street project meetings
Elk Run meetings

WWTP Projects

Maintenance and cleaning of plant.
In the process of upgrading 3 pumps to VFDs'
Training all employees to acknowledge alarms and to respond to the problem area and take appropriate steps to correct the problem.
Opening bids for new bar screen system
Fire up the chlorinators and chlorinator scrubber
Initial start-up of swimming pool operations

Equipment Issues

Sweeper is back up and running again
Replace 1970 Sewer Jetter when feasible (age, lack of parts and needs vac combo for new plastic sewer lines)
Service required on rails at lift station # 2
Service required on rails on the mixer digester at WWTP

Director Mark Swarhout