

MILACA CITY COUNCIL AGENDA  
JULY 19, 2012

6:30

Call meeting to order  
Roll Call

Consent Agenda

Minutes of the June 14 regular council meeting  
Bills for payment  
Resolution No. 12 – 25 Assessing unpaid mowing charges  
Resolution No. 12 – 26 Assessing cost to repair water service valve  
Cell phone use policy  
City Treasurer's report

Citizens Forum

Public Hearing

Requests and Communications

Steve Mattson – Northland Securities  
Resolution No. 12 – 27 Approving bond sale  
Letter from Terri Swanson, owner of Vintage Designs  
Population estimates

Ordinances and Resolutions

Resolution No. 12 – 28 Approve changes to zoning map  
Resolution No. 12 – 29 Appointing election judges  
Resolution No. 12 – 30 Requesting CSAH 36 street closure for Mega Meet  
Resolution No. 12 – 31 Approving micro loan for bridge

Reports of Boards and Commissions

Planning commission  
Recommendation on request for chickens  
Economic Development commission  
Airport commission  
Parks commission  
Parking  
Street restrictions for Rec Fest  
Downtown Initiative

Unfinished Business

New Business

Temporary liquor license for Rec Fest  
Theater special event application  
Change Order No. 1 – Dam and bridge removal  
Change Order No. 1 – Paving 6<sup>th</sup> Avenue NE  
LELS contract

Downtown park

Council Comments

Adjourn

**This agenda and attachments are available on the city's website, [www.cityofmilaca.org](http://www.cityofmilaca.org)**

MILACA CITY COUNCIL MINUTES  
JUNE 14, 2012

The regular meeting of the Milaca City Council was called to order at 6:30 by Mayor Harold Pedersen. Upon roll call the following Council members were present: Dillan, Muller, Bekius, and Johnson.

Staff present: Lerud and Toven

Others present: Brian Weidendorf and Brian Swanson.

Motion by Johnson, second by Muller to approve the consent agenda:

1. Minutes of the May 17 regular council meeting, and the June 6 special meeting.
2. General bills, 812108E-812120E, #38528-38530, #38588-38595, #38598-38655, totaling \$123,756.76; Liquor bills, 912019E-912023E, #22226-22240, totaling \$27,724.20.
3. Change September meeting date to September 13.
4. RESOLUTION NO. 12 – 23 ASSESSING MOWING CHARGES (entire text appears in Resolution book.)
5. Approve City Treasurer's report

Unanimous consent.

No one was present for open forum.

Brian Weidendorf presented a McDonald's site proposal plan. He said they have identified a city-owned site north of Dairy Queen, north of Highway 23. He said their firm investigates sites, purchases the property, then build the building and lease back to the owner. Weidendorf said they will survey the site, look at the utilities, conduct soil borings, and make sure there are no issues with the property. He said if all goes well, they are planning on a building similar to the one in Mora. It would be a two unit building, approximately 4,000 square feet, and he said he would anticipate building next spring. After a discussion a motion to approve the option agreement as presented was made by Bekius, second by Dillan, and all voted in favor.

Motion by Dillan, second by Johnson to hold the second reading of Ordinance No. 393 and for its passage.

ORDINANCE NO. 393  
AN ORDINANCE REGULATING USE OF PUBLIC PARKS

Lerud said the only change from the first reading was adding a clause that gives officer the ability to use administrative citations for violations of the ordinance.

Upon voting, all voted in favor of the motion.

Council member Bekius offered Resolution No. 12-24 and moved for its adoption, second by Johnson

RESOLUTION NO. 12 – 24

A RESOLUTION AUTHORIZING ADMINISTRATIVE CITATIONS FOR CERTAIN OFFENSES IN PUBLIC PARKS  
PURSUANT TO SECTION 35.08 OF THE CITY CODE AND ESTABLISHING FINES

(entire text appears in Resolution book)

Unanimous consent.

Council member Bekius said there was no planning commission meeting.

Lerud said the minutes of the May economic development commission were in the packet, and the commission meets tomorrow morning.

Council member Muller presented the airport commission minutes at the meeting.

Mayor Pedersen said the parks commission has primarily been working on Rec Fest. Council member Dillan said the city received a \$1,000 donation from Knife River's Partners in Parks program, and the money will be used for the concrete work on the disc golf course.

Council member Dillan said he sent around a plan for the benches and flower pots downtown, and he already has commitments for three to four benches, and six flower pots. He said that First National Bank will be planting trees and laying sod on the outside edge of their lot at the old Olson's Dry Goods site.

A letter from the city engineer about the dam removal project and bridge was discussed. Lerud said he received an email from Eric Altena with the DNR fisheries, and that was on your table. Mayor Pedersen said he is concerned about the rock riffles being removed from this project. Lerud said the plan called for using the boulders that are presently in the park and incorporate those into a riffle, and that is still part of the plan. He said that staff is looking at the possibility of applying for a legacy grant to install the riffles. He said that it probably would not be able to be done with this project given the August application deadline, and if not, it could be work for next year.

Regarding the costs for the bridge, Lerud said the city would have to borrow to complete that part of the project, but he said he came up with an idea of how to do it without raising taxes. He said he asked the city treasurer to review the liquor fund proceeds to see if an additional transfer could be done for the next seven years to pay off the debt. Lerud said that revenues have been sufficient for the past seven years to cover an additional transfer, and he recommended funding the project in that manner. He said that it does mean the liquor fund transfer to the general fund could not be increased during that time.

After a brief discussion, a motion was made by Johnson second by Bekius to accept the engineer's recommendation and proceed with both projects contingent on Change Order No. 1 being signed, and contingent on the state increasing their contribution by another approximately \$37,000, unanimous consent.

Lerud said bids were opened this morning for the street repair project in Boulder Ridge and Fieldstone Greene and the bids were favorable to the engineer's estimate. Motion by Muller, second by Dillan to accept the low bid from Harddrives, unanimous consent.

Lerud said several years back, the city contributed \$50,000 to the MN Community Capital Fund to leverage economic development loans for expanding or new businesses in Milaca. He said that no loan has been done under the program. With East Central Energy and Great River Energy members of the MCCF, business could still access that source of financing, and Lerud recommended that the city request its contribution back and use it to administer a local revolving loan fund here. Motion by Dillan, second by Bekius to request the return of \$50,000 from the MCCF and dedicate those funds to a local revolving loan program, unanimous consent.

A proposal from the architect at the city's engineering firm was reviewed. Lerud said the North Ambulance is ready to proceed and is aware of the costs. He said he would work with the architect to keep the costs as low as possible during the construction phase. Motion by Bekius, second by Johnson to accept Stantec's architect proposal for services related to the ambulance addition to the fire hall, unanimous consent.

Mayor Pedersen called for council comments. Council member Dillan said tonight is the first concert in the Music in the Park program.

Mayor Pedersen said there is a great deal of damage being done to the band shell. He said he visited with Moyer about roping off the band shell, and have it open only for events. He said that Moyer was in favor of it. Mayor Pedersen said he expected to see strong enforcement by the police department. There was a discussion about installing security cameras in the park. Lerud said he already contact the city's technology vendor and they will be sending information that the council could consider at a future meeting.

With no other business a motion to adjourn was made by Johnson, second by Dillan, all voted in favor and the meeting adjourned at 7:35 p.m.

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Mayor Harold Pedersen

ATTEST

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Greg Lerud, City Manager

**\*Check Detail Register©**

JUNE 2012

Check Amt Invoice Comment

**10100 General Bank**

Paid Chk#	812129E	6/18/2012	CENTERPOINT ENERGY		
E 208-49010-381	Utilities	\$58.50	5813915	NATURAL GAS-SR CENTER	
E 101-45600-381	Utilities	\$51.94	5817670	NATURAL GAS-HISTORICAL SOCIETY	
E 101-43000-381	Utilities	\$401.66	5826633	NATURAL GAS-PW	
E 101-41940-381	Utilities	\$29.23	5831068	NATURAL GAS-CITY HALL	
E 101-42280-381	Utilities	\$43.76	6122593	NATURAL GAS-FIRE	
E 602-49400-381	Utilities	\$119.26	6672186	NATURAL GAS-WATER TRMT	
E 101-45500-381	Utilities	\$120.60	7142283	NATURAL GAS-LIBRARY	
<b>Total CENTERPOINT ENERGY</b>		<b>\$824.95</b>			

Paid Chk#	812130E	6/7/2012	EAST CENTRAL ENERGY		
E 603-49450-381	Utilities	\$39.00	201875902	ELECTRIC	
E 603-49450-381	Utilities	\$72.66	203981301	ELECTRIC	
E 101-43000-380	Street Lights	\$3,067.21	204619700	ELECTRIC	
E 101-45200-381	Utilities	\$36.49	205400900	ELECTRIC	
E 602-49400-381	Utilities	\$1,137.68	206041500	ELECTRIC	
E 101-45500-381	Utilities	\$644.80	206085200	ELECTRIC	
E 602-49400-381	Utilities	\$586.58	206734200	ELECTRIC	
E 101-45200-381	Utilities	\$33.04	5379600	ELECTRIC	
E 101-49810-381	Utilities	\$129.00	5448100	ELECTRIC	
E 101-42110-437	Other Miscellaneous	\$63.92	6302100	ELECTRIC	
E 603-49450-381	Utilities	\$90.59	6678100	ELECTRIC	
E 101-42280-381	Utilities	\$178.79	6751501	ELECTRIC	
E 101-42280-381	Utilities	\$338.10	7546001	ELECTRIC	
E 101-41940-381	Utilities	\$810.52	8145502	ELECTRIC	
E 101-49810-381	Utilities	\$61.75	830700	ELECTRIC	
E 101-49810-381	Utilities	\$92.30	831000	ELECTRIC	
E 101-43000-380	Street Lights	\$215.67	831300	ELECTRIC	
E 101-43000-381	Utilities	\$668.14	831500	ELECTRIC	
E 603-49450-381	Utilities	\$737.70	832000	ELECTRIC	
E 602-49400-381	Utilities	\$59.00	832100	ELECTRIC	
E 101-45600-381	Utilities	\$138.83	832400	ELECTRIC	
E 603-49450-381	Utilities	\$83.14	832500	ELECTRIC	
E 603-49450-381	Utilities	\$114.00	832600	ELECTRIC	
E 602-49400-381	Utilities	\$79.76	833100	ELECTRIC	
E 602-49400-381	Utilities	\$106.86	833300	ELECTRIC	
E 101-45200-381	Utilities	\$32.06	833400	ELECTRIC	
E 101-45200-381	Utilities	\$95.83	833600	ELECTRIC	
E 208-49010-381	Utilities	\$163.87	9084202	ELECTRIC	
E 602-49400-381	Utilities	\$83.24	970110800	ELECTRIC	
E 101-42110-437	Other Miscellaneous	\$33.84	97017300	ELECTRIC	
<b>Total EAST CENTRAL ENERGY</b>		<b>\$9,994.37</b>			

Paid Chk#	812131E	6/15/2012	MILACA LOCAL LINK		
E 619-49900-321	Telephone	\$96.24	320-982-1099	PHONE SERVICE-DEP REG	
E 101-45500-321	Telephone	\$39.10	320-982-1549	ALARM LINE - LIBRARY	
E 101-42280-321	Telephone	\$87.63	320-982-3465	PHONE SERVICE-FIRE	
<b>Total MILACA LOCAL LINK</b>		<b>\$222.97</b>			

Paid Chk#	812132E	6/5/2012	UNION SECURITY INSURANCE CO.		
G 101-21707	Disability	\$345.69	4022335-0-1	LTD-JUNE	
<b>Total UNION SECURITY INSURANCE CO.</b>		<b>\$345.69</b>			

Paid Chk#	812133E	6/30/2012	INCONTACT INC		
E 101-42280-321	Telephone	\$8.66	4020342	LONG DISTANCE SERVICE-FIRE	
E 101-41940-321	Telephone	\$42.75	4020370	LONG DISTANCE SERVICE-CITY HALL	
E 101-43000-321	Telephone	\$12.70	4020375	LONG DISTANCE SERVICE-PW	

**\*Check Detail Register©**

JUNE 2012

		Check Amt	Invoice	Comment
E 101-42110-321	Telephone	\$36.00	4021370	LONG DISTANCE SERVICE-PD
E 619-49900-321	Telephone	\$4.34	4021396	LONG DISTANCE SERVICE-DEP REG
E 602-49400-321	Telephone	\$1.58	4021432	LONG DISTANCE SERVICE-WATER
E 101-45200-321	Telephone	\$11.16	4580547	LONG DISTANCE SERVICE-PARKS
<b>Total INCONTACT INC</b>		<b>\$117.19</b>		

Paid Chk#	Date	Vendor	Check Amt	Comment
812134E	6/5/2012	ENDICIA ACCOUNTING		
E 607-42400-322	Postage	\$100.00		POSTAGE FOR METER
E 101-41940-322	Postage	\$100.00		POSTAGE FOR METER
E 619-49900-322	Postage	\$300.00		POSTAGE FOR METER
<b>Total ENDICIA ACCOUNTING</b>		<b>\$500.00</b>		

**10100 General Bank \$12,005.17**

**Fund Summary**

<u>10100 General Bank</u>	
101 GENERAL FUND	\$7,971.17
208 CHARITABLE GAMBLING FUND	\$222.37
602 WATER FUND	\$2,173.96
603 SEWER FUND	\$1,137.09
607 BLDG INSPECTION FUND	\$100.00
619 DEPUTY REGISTRAR FUND	\$400.58
	<b>\$12,005.17</b>

**\*Check Detail Register©**

JULY 2012

Check Amt Invoice Comment

**10100 General Bank**

Paid Chk#	Date	Vendor	Check Amt	Invoice	Comment
<b>10100 General Bank</b>					
Paid Chk# 038671	7/19/2012	<b>ALL STATE COMMUNICATIONS</b>			
E 101-41940-309		EDP, Software and Design	\$800.00	60085-6	JUNE NETWORK
		<b>Total ALL STATE COMMUNICATIONS</b>	\$800.00		
Paid Chk# 038672	7/19/2012	<b>AMERICAN WATER WORKS ASSN</b>			
E 602-49400-433		Dues and Subscriptions	\$74.00	248749	ANNUAL DUES-BURKLUND
		<b>Total AMERICAN WATER WORKS ASSN</b>	\$74.00		
Paid Chk# 038673	7/19/2012	<b>AMERIPRIDE</b>			
E 101-45500-310		Other Professional Services	\$26.16	2200258252	RUGS - LIBRARY
E 101-41940-310		Other Professional Services	\$8.02	2200258253	RUGS - CITY
E 619-49900-310		Other Professional Services	\$17.53	2200258253	RUGS - DEP REG
E 101-45500-310		Other Professional Services	\$26.16	2200263454	RUGS - LIBRARY
E 101-41940-310		Other Professional Services	\$8.02	2200263455	RUGS - CITY
E 619-49900-310		Other Professional Services	\$17.53	2200263455	RUGS - DEP REG
		<b>Total AMERIPRIDE</b>	\$103.42		
Paid Chk# 038674	7/19/2012	<b>AUTO BODY TECHNICIANS</b>			
E 101-45200-221		Equipment Parts/Repairs	\$344.92	12960	PARTS-PARKS
E 101-45200-221		Equipment Parts/Repairs	\$109.39	12976	PARTS-PARKS
E 101-45200-221		Equipment Parts/Repairs	\$89.39	5873	PARTS-PARKS
		<b>Total AUTO BODY TECHNICIANS</b>	\$543.70		
Paid Chk# 038675	7/19/2012	<b>BANYON DATA SYSTEMS, INC.</b>			
E 101-41510-309		EDP, Software and Design	\$780.60	147994	SOFTWARE SUPPORT-PAYROLL
E 602-49400-309		EDP, Software and Design	\$390.30	147994	SOFTWARE SUPPORT
E 603-49450-309		EDP, Software and Design	\$390.30	147994	SOFTWARE SUPPORT
E 101-41510-309		EDP, Software and Design	\$780.60	147994	SOFTWARE SUPPORT-FUND
		<b>Total BANYON DATA SYSTEMS, INC.</b>	\$2,341.80		
Paid Chk# 038676	7/19/2012	<b>BARTIG, GARY</b>			
E 101-45700-310		Other Professional Services	\$100.00		REC FEST-2 WORKSHOPS
		<b>Total BARTIG, GARY</b>	\$100.00		
Paid Chk# 038677	7/19/2012	<b>BERTELSON TOTAL OFFICE SOLUTN</b>			
E 607-42400-201		Accessories (paper, pens, etc)	(\$8.00)	CP-WO-77834	CREDIT-FILE ORGANIZER-B&Z
E 607-42400-201		Accessories (paper, pens, etc)	\$8.00	WO-778347-1	FILE ORGANIZER-B&Z
E 101-42110-201		Accessories (paper, pens, etc)	\$13.35	WO-778347-1	PERFORATED NOTE PADS-POLICE
E 101-41940-201		Accessories (paper, pens, etc)	\$2.66	WO-778347-1	RUBBER BANDS-CITY
E 101-41510-201		Accessories (paper, pens, etc)	\$2.76	WO-778347-2	SHARPIE MARKERS-TREASURER
E 101-45200-215		Shop Supplies	\$85.48	WO-778347-3	TOILET PAPER-PARKS
E 101-43000-215		Shop Supplies	\$42.74	WO-778347-3	TOILET PAPER-PW
E 101-41940-201		Accessories (paper, pens, etc)	\$3.73	WO-778616-1	RUBBER BANDS-CITY
E 607-42400-201		Accessories (paper, pens, etc)	\$13.35	WO-778616-1	FILE SORTER-B&Z
E 101-41940-201		Accessories (paper, pens, etc)	\$45.90	WO-779791-1	LABELS-CITY
E 607-42400-201		Accessories (paper, pens, etc)	\$145.33	WO-779791-1	PRINTER TONER-B&Z
E 101-45500-217		Other Operating Supplies	\$42.74	WO-781015-1	TOILET PAPER-LIBRARY
E 101-41940-217		Other Operating Supplies	\$42.74	WO-781015-1	TOILET PAPER-CITY
E 602-49400-201		Accessories (paper, pens, etc)	\$60.58	WO-781015-1	PRINTER TONER-WATER
		<b>Total BERTELSON TOTAL OFFICE SOLUTN</b>	\$501.36		
Paid Chk# 038678	7/19/2012	<b>BEST OIL COMPANY</b>			
E 101-49810-270		Fuel for Resale	\$5,972.14	153306	AIRPORT FUEL (1300 GALLONS)
		<b>Total BEST OIL COMPANY</b>	\$5,972.14		
Paid Chk# 038679	7/19/2012	<b>BILLINGS SERVICE</b>			
E 101-45200-212		Auto Expense (Fuel/Repair)	\$454.39		GAS-PARKS

**\*Check Detail Register©**

JULY 2012

			Check Amt	Invoice	Comment
E 208-49020-406	Trail Maintenance		\$28.86		GAS-TRAILS
E 101-43000-212	Auto Expense (Fuel/Repair)		\$567.72		GAS-PW
E 101-42280-212	Auto Expense (Fuel/Repair)		\$684.33		GAS-FIRE
E 101-49810-212	Auto Expense (Fuel/Repair)		\$179.07		GAS-AIRPORT
	<b>Total BILLINGS SERVICE</b>		\$1,914.37		
<hr/>					
Paid Chk# 038680	7/19/2012	<b>BOND TRUST SERVICES CORP</b>			
E 375-47000-611	Bond Interest		\$13,721.25		2005 GO BOND INTEREST
	<b>Total BOND TRUST SERVICES CORP</b>		\$13,721.25		
<hr/>					
Paid Chk# 038681	7/19/2012	<b>BROTHERS FIRE PROTECTION CO.</b>			
E 101-41940-310	Other Professional Services		\$400.00	6523	FIRE SPRINKLER INSPECTION
	<b>Total BROTHERS FIRE PROTECTION CO.</b>		\$400.00		
<hr/>					
Paid Chk# 038682	7/19/2012	<b>BURLAGE, LISA</b>			
E 101-42280-310	Other Professional Services		\$575.00	7512	AFG GRANT-VEHICLE-FIRE DEPT
	<b>Total BURLAGE, LISA</b>		\$575.00		
<hr/>					
Paid Chk# 038683	7/19/2012	<b>CEMSTONE PRODUCTS CO.</b>			
E 101-43000-403	Repairs/Maint Streets		\$307.46	6002576	ASPHALT MIX
	<b>Total CEMSTONE PRODUCTS CO.</b>		\$307.46		
<hr/>					
Paid Chk# 038684	7/19/2012	<b>CORNER MART</b>			
E 101-42110-212	Auto Expense (Fuel/Repair)		\$1,406.52		GAS-POLICE
E 700-50000-212	Auto Expense (Fuel/Repair)		\$114.00		GAS-JP
E 101-49810-212	Auto Expense (Fuel/Repair)		\$3.87		GAS-AIRPORT
E 603-49450-212	Auto Expense (Fuel/Repair)		\$31.00		GAS-SEWER
E 101-43000-212	Auto Expense (Fuel/Repair)		\$504.08		GAS-PW
E 101-45200-212	Auto Expense (Fuel/Repair)		\$438.85		GAS-PARKS
E 602-49400-212	Auto Expense (Fuel/Repair)		\$169.75		GAS-WATER
	<b>Total CORNER MART</b>		\$2,668.07		
<hr/>					
Paid Chk# 038685	7/19/2012	<b>D. ERVASTI SALES, CO.</b>			
E 602-49400-217	Other Operating Supplies		\$76.42	11570	BLUE MARKERS
E 603-49450-217	Other Operating Supplies		\$100.26	11570	GREEN MARKERS
	<b>Total D. ERVASTI SALES, CO.</b>		\$176.68		
<hr/>					
Paid Chk# 038686	7/19/2012	<b>DEPUTY REGISTRAR #093</b>			
R 101-36204	Miscellaneous Refunds		\$153.89		QUILL CORP REFUND-DEP TO GEN IN ERROR
	<b>Total DEPUTY REGISTRAR #093</b>		\$153.89		
<hr/>					
Paid Chk# 038687	7/19/2012	<b>DILLAN, DAVE</b>			
E 101-45200-437	Other Miscellaneous		\$48.22		REIMB-PADLOCKS FOR DISC GOLF
	<b>Total DILLAN, DAVE</b>		\$48.22		
<hr/>					
Paid Chk# 038688	7/19/2012	<b>DOVE FRETLAND &amp; VAN VALKENBURG</b>			
E 202-46400-444	Boulder Ridge		\$742.50	62223	BOULDER RIDGE BOND FORFEITURE
E 203-46400-447	Ringham 1st Addn		\$708.75	62224	FIELDSTONE GREEN BOND FORFEITURE
E 101-41610-304	Legal Fees		\$182.25	62225	ROSS DISABILITY CLAIM
E 101-41610-304	Legal Fees		\$101.25	62226	VOA QUIET TITLE
E 101-41610-304	Legal Fees		\$875.00	62250	CIVIL RETAINER-JUNE
E 101-41610-304	Legal Fees		\$3,100.00	62251	CRIMINAL RETAINER-JUNE
	<b>tal DOVE FRETLAND &amp; VAN VALKENBURG</b>		\$5,709.75		
<hr/>					
Paid Chk# 038689	7/19/2012	<b>E.C.M. PUBLISHERS, INC.</b>			
E 101-41110-351	Legal Notices Publishing		\$536.90	109658	ORDINANCE 393 AD
E 101-45700-343	Other Advertising		\$45.00	109677	REC FEST AD
E 101-41120-352	General Notices and Pub Info		\$27.30	109779	PUBLIC HEARING NOTICE
E 101-41120-352	General Notices and Pub Info		\$22.75	109789	PUBLIC HEARING NOTICE

**\*Check Detail Register©**

JULY 2012

			Check Amt	Invoice	Comment
E 101-49200-455	Farmer s Market		\$34.00	250442	FARMERS MKT AD
E 101-45700-343	Other Advertising		\$398.75	250746	REC FEST AD
E 101-49200-455	Farmer s Market		\$34.00	250921	FARMERS MKT AD
E 101-49200-455	Farmer s Market		\$34.00	251242	FARMERS MKT AD
E 101-45700-343	Other Advertising		\$69.75	251243	REC FEST AD
	<b>Total E.C.M. PUBLISHERS, INC.</b>		\$1,202.45		
Paid Chk# 038690	7/19/2012	<b>EGGENS BULK SERVICE</b>			
E 101-43000-215	Shop Supplies		\$24.26	105934	SHOP SUPPLIES-PW
	<b>Total EGGENS BULK SERVICE</b>		\$24.26		
Paid Chk# 038691	7/19/2012	<b>FEDERATED CO-OP</b>			
E 101-43000-216	Chemicals and Chem Products		\$48.08	643005071	CHEMICALS-WEED CONTROL
	<b>Total FEDERATED CO-OP</b>		\$48.08		
Paid Chk# 038692	7/19/2012	<b>FRANKLIN OUTDOOR ADVERTISING</b>			
E 101-45700-343	Other Advertising		\$750.00	RECFEST	ADVERTISING
	<b>Total FRANKLIN OUTDOOR ADVERTISING</b>		\$750.00		
Paid Chk# 038693	7/19/2012	<b>FRONTIER</b>			
E 602-49400-321	Telephone		\$1.92	320-983-0121	PHONE SVC-WATER
E 101-49810-321	Telephone		\$49.53	320-983-2648	PHONE SVC-AIRPORT
E 101-41940-321	Telephone		\$188.01	320-983-3141	PHONE SVC-CITY HALL
E 101-45500-321	Telephone		\$16.20	320-983-3141	PHONE SVC-LIBRARY
E 101-41940-321	Telephone		\$48.33	320-983-3142	PHONE SVC-CITY HALL
E 619-49900-321	Telephone		\$90.32	320-983-3143	PHONE SVC-DEP REG
E 101-42280-321	Telephone		\$48.37	320-983-3465	PHONE SVC-FIRE
E 101-45200-321	Telephone		\$44.79	320-983-5729	PHONE SVC-PARKS
E 602-49400-321	Telephone		\$144.25	320-983-6134	PHONE SVC-WATER
E 101-42110-321	Telephone		\$94.69	320-983-6166	PHONE SVC-POLICE
E 101-43000-321	Telephone		\$102.00	320-983-6547	PHONE SVC-PW
	<b>Total FRONTIER</b>		\$828.41		
Paid Chk# 038694	7/19/2012	<b>GLENS TIRE</b>			
E 101-43000-221	Equipment Parts/Repairs		\$181.69	199379	USED TIRES-PW
	<b>Total GLENS TIRE</b>		\$181.69		
Paid Chk# 038695	7/19/2012	<b>GOPHER STATE ONE CALL</b>			
E 602-49400-310	Other Professional Services		\$112.35	42912	JUNE LOCATES
	<b>Total GOPHER STATE ONE CALL</b>		\$112.35		
Paid Chk# 038696	7/19/2012	<b>GRAINGER</b>			
E 602-49400-217	Other Operating Supplies		\$87.24	9860789313	FAN-NORTH WELL-WATER
	<b>Total GRAINGER</b>		\$87.24		
Paid Chk# 038697	7/19/2012	<b>GRANITE ELECTRONICS</b>			
E 101-42280-241	Reserve Purchase		\$12,849.85	449656	RADIOS-GRANT
E 101-42280-241	Reserve Purchase		\$455.00	450767	RADIOS-GRANT
E 101-42110-226	Radio Repair		\$77.36	450811	RADIO REPAIR
	<b>Total GRANITE ELECTRONICS</b>		\$13,382.21		
Paid Chk# 038698	7/19/2012	<b>GRANITE LEDGE ELECTRICAL CONTR</b>			
E 101-45200-437	Other Miscellaneous		\$450.00	P12153	BANDSHELL ELECTRIC REPAIR
	<b>otal GRANITE LEDGE ELECTRICAL CONTR</b>		\$450.00		
Paid Chk# 038699	7/19/2012	<b>HARDY AUTO PARTS</b>			
E 101-45200-215	Shop Supplies		\$7.62		SHOP SUPPLIES-PARKS
E 101-42280-217	Other Operating Supplies		\$2.87		SUPPLIES-FIRE
E 101-43000-221	Equipment Parts/Repairs		\$36.06		PARTS-PW

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<b>Total HARDY AUTO PARTS</b>			\$46.55		
Paid Chk# 038700	7/19/2012	<b>HAWKINS, INC.</b>			
E 602-49400-216		Chemicals and Chem Products	\$2,240.57	3355619	CHEMICALS
<b>Total HAWKINS, INC.</b>			\$2,240.57		
Paid Chk# 038701	7/19/2012	<b>HJORT EXCAVATING</b>			
E 603-49450-310		Other Professional Services	\$3,782.50	2012.129	CENTRAL AVE WORK
E 101-43000-310		Other Professional Services	\$1,150.00	2012.69	LEVEL DUMP-PW
E 602-49400-310		Other Professional Services	\$766.05	2012.70	CURB STOP RPR-205 2ND AVE SE
<b>Total HJORT EXCAVATING</b>			\$5,698.55		
Paid Chk# 038702	7/19/2012	<b>HOPP, KURT</b>			
E 211-49000-437		Other Miscellaneous	\$300.00		DESIGN/CONSTRUCTION-DISC GOLF
<b>Total HOPP, KURT</b>			\$300.00		
Paid Chk# 038703	7/19/2012	<b>HY-TECH AUTOMOTIVE</b>			
E 101-42110-212		Auto Expense (Fuel/Repair)	\$39.16	12590	SQUAD 09 MAINTENANCE
E 101-42110-212		Auto Expense (Fuel/Repair)	\$215.16	12766	SQUAD 11 BATTERY
<b>Total HY-TECH AUTOMOTIVE</b>			\$254.32		
Paid Chk# 038704	7/19/2012	<b>JENSEN - ANDERSEN</b>			
E 101-45200-437		Other Miscellaneous	\$173.63	1995	PARTS FOR BATHROOM RPRS
<b>Total JENSEN - ANDERSEN</b>			\$173.63		
Paid Chk# 038705	7/19/2012	<b>JOHNSON OIL CO.</b>			
E 101-45200-221		Equipment Parts/Repairs	\$5.00	1236	TIRE REPAIR-MOWER-PARKS
<b>Total JOHNSON OIL CO.</b>			\$5.00		
Paid Chk# 038706	7/19/2012	<b>JORGENSEN, ZACH</b>			
E 211-49000-437		Other Miscellaneous	\$150.00	1	DOWNTOWN BENCH/PLANTER GRAPHICS
<b>Total JORGENSEN, ZACH</b>			\$150.00		
Paid Chk# 038707	7/19/2012	<b>K.E.E.P.R.S.</b>			
E 101-42110-434		Uniforms	\$105.07	190420	UNIFORM-HALBERG
<b>Total K.E.E.P.R.S.</b>			\$105.07		
Paid Chk# 038708	7/19/2012	<b>KIRVIDA FIRE INC</b>			
E 101-42280-221		Equipment Parts/Repairs	\$269.00	2678	REPAIR-ENGINE #2
E 101-42280-221		Equipment Parts/Repairs	\$325.40	2779	REPAIR-TANKER #2
E 101-42280-221		Equipment Parts/Repairs	\$1,105.19	2823	REPAIR-ENGINE #1
<b>Total KIRVIDA FIRE INC</b>			\$1,699.59		
Paid Chk# 038709	7/19/2012	<b>KNIFE RIVER CORP. - NORTH CENT</b>			
E 101-45200-437		Other Miscellaneous	\$406.13	257475	T-BOXES FOR DISC GOLF
E 101-43000-403		Repairs/Maint Streets	\$205.94	258933	CLASS 5 AGGREGATE
E 101-45200-437		Other Miscellaneous	\$610.79	261136	DISC GOLF-PARKS
E 101-45200-437		Other Miscellaneous	\$424.30	261756	DISC GOLF-PARKS
<b>Total KNIFE RIVER CORP. - NORTH CENT</b>			\$1,647.16		
Paid Chk# 038710	7/19/2012	<b>KOCHS HARDWARE HANK</b>			
E 101-45200-215		Shop Supplies	\$460.42		SHOP SUPPLIES-PARKS
E 101-45200-221		Equipment Parts/Repairs	\$58.07		PARTS-PARKS
E 101-45200-401		Repairs/Maint Buildings	\$186.74		REC PARK CONSIGN STD-PARKS
E 101-45200-401		Repairs/Maint Buildings	\$57.67		BANDSHELL REPAIRS-PARKS
E 101-45500-217		Other Operating Supplies	\$9.38		SUPPLIES-LIBRARY
E 101-41940-217		Other Operating Supplies	\$3.73		SUPPLIES-CITY
E 101-42110-201		Accessories (paper, pens, etc)	\$16.84		SQUAD SUPPLIES-PD
E 603-49450-217		Other Operating Supplies	\$30.39		SUPPLIES-SEWER

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E 602-49400-217	Other Operating Supplies		\$182.86		SUPPLIES-WATER
E 101-43000-215	Shop Supplies		\$114.24		SHOP SUPPLIES-PW
E 101-45200-401	Repairs/Maint Buildings		\$71.19		PICNIC TABLE REPAIR-PARKS
<b>Total KOCHS HARDWARE HANK</b>			\$1,191.53		
Paid Chk# 038711	7/19/2012	<b>MACQUEEN EQUIPMENT</b>			
E 101-43000-221	Equipment Parts/Repairs		\$50.46	2123677	PARTS-PW
E 101-43000-240	Small Tools and Minor Equip		\$2,218.56	2123682	DRIVE WHEEL SPROCKET-PW
<b>Total MACQUEEN EQUIPMENT</b>			\$2,269.02		
Paid Chk# 038712	7/19/2012	<b>MED-COMPASS, INC.</b>			
E 101-43000-305	Medical and Dental Fees		\$91.28	19548	HEARING TESTS-PW
E 101-45200-310	Other Professional Services		\$45.61	19548	HEARING TESTS-PARKS
<b>Total MED-COMPASS, INC.</b>			\$136.89		
Paid Chk# 038713	7/19/2012	<b>MEYERS MILACA PARTS CITY</b>			
E 101-45200-221	Equipment Parts/Repairs		\$90.18	2071	MOWER PARTS-PARKS
E 101-45200-221	Equipment Parts/Repairs		\$33.24	2071	PARTS-PARKS
E 101-45200-221	Equipment Parts/Repairs		\$46.55	2071	DODGE PU PARTS-PARKS
E 101-45200-215	Shop Supplies		\$133.94	2071	SHOP SUPPLIES-PARKS
<b>Total MEYERS MILACA PARTS CITY</b>			\$303.91		
Paid Chk# 038714	7/19/2012	<b>MILACA ARTS COUNCIL</b>			
E 211-49000-437	Other Miscellaneous		\$495.00		HCP GRANT-PROMOTE ARTS COUNCIL
<b>Total MILACA ARTS COUNCIL</b>			\$495.00		
Paid Chk# 038715	7/19/2012	<b>MILACA AUTO VALUE</b>			
E 101-43000-221	Equipment Parts/Repairs		\$58.72	13012228	SWEEPER PARTS-PW
E 101-43000-221	Equipment Parts/Repairs		\$0.68	13012271	SWEEPER PARTS-PW
<b>Total MILACA AUTO VALUE</b>			\$59.40		
Paid Chk# 038716	7/19/2012	<b>MILACA GENERAL RENTAL CENTER</b>			
E 101-45200-437	Other Miscellaneous		\$55.52	24410	SOD CUTTER-DISC GOLF
E 101-45200-225	Landscaping Materials		\$497.50	24499	MULCH-PARKS
E 101-45200-437	Other Miscellaneous		\$33.98	24556	SOD CUTTER-DISC GOLF
E 101-45200-437	Other Miscellaneous		\$23.80	24566	HAMMER DRILL-DISC GOLF
<b>Total MILACA GENERAL RENTAL CENTER</b>			\$610.80		
Paid Chk# 038717	7/19/2012	<b>MILACA LAWN &amp; GARDEN</b>			
E 101-43000-221	Equipment Parts/Repairs		\$48.09	420722	PARTS-PW
E 101-45200-221	Equipment Parts/Repairs		\$25.54	421276	PARTS-PARKS
<b>Total MILACA LAWN &amp; GARDEN</b>			\$73.63		
Paid Chk# 038718	7/19/2012	<b>MILACA UNCLAIMED FREIGHT</b>			
E 101-45200-437	Other Miscellaneous		\$77.79		MISC SUPPLIES-PARKS
E 101-45200-215	Shop Supplies		\$65.88		SHOP SUPPLIES-PARKS
E 101-42280-217	Other Operating Supplies		\$13.87		TIE DOWN-FIRE
<b>Total MILACA UNCLAIMED FREIGHT</b>			\$157.54		
Paid Chk# 038719	7/19/2012	<b>MILLE LACS MESSENGER</b>			
E 101-45700-343	Other Advertising		\$115.00	3311	REC FEST AD
<b>Total MILLE LACS MESSENGER</b>			\$115.00		
Paid Chk# 038720	7/19/2012	<b>MILLER, PATTI</b>			
E 101-49910-208	Training and Travel		\$92.82		JUNE 12 OGILVIE MILEAGE
<b>Total MILLER, PATTI</b>			\$92.82		
Paid Chk# 038721	7/19/2012	<b>MINNESOTA BLUEGRASS</b>			
E 101-45700-343	Other Advertising		\$56.87	3479	REC FEST ADVERTISING

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<b>Total MINNESOTA BLUEGRASS</b>			\$56.87		
Paid Chk#	038722	7/19/2012	<b>MN COPY SYSTEMS, INC.</b>		
E 619-49900-310	Other Professional Services		\$117.03	92301	COPIER MAINTENANCE-DEP REG
<b>Total MN COPY SYSTEMS, INC.</b>			\$117.03		
Paid Chk#	038723	7/19/2012	<b>MN DEPT MANAGEMENT &amp; BUDGET</b>		
R 101-35105	Administrative Fines		\$100.00		ADMINISTRATIVE FINES-JUNE 2012
<b>Total MN DEPT MANAGEMENT &amp; BUDGET</b>			\$100.00		
Paid Chk#	038724	7/19/2012	<b>MN DEPT OF HEALTH -</b>		
E 602-49400-433	Dues and Subscriptions		\$23.00	3252	S BURKLUND CLASS B
<b>Total MN DEPT OF HEALTH -</b>			\$23.00		
Paid Chk#	038725	7/19/2012	<b>MN VALLEY TESTING LABS</b>		
E 602-49400-310	Other Professional Services		\$71.00	608343	TESTING
<b>Total MN VALLEY TESTING LABS</b>			\$71.00		
Paid Chk#	038726	7/19/2012	<b>NORTHLAND TRUST SERVICES, INC</b>		
E 603-49450-611	Bond Interest		\$3,110.00		GO 2010A INTEREST
E 602-49400-611	Bond Interest		\$472.50		GO 2010A INTEREST
E 382-47000-611	Bond Interest		\$14,140.00		GO 2010A INTEREST
E 380-47000-611	Bond Interest		\$3,096.25		GO 2009A INTEREST
E 602-49400-611	Bond Interest		\$3,946.25		GO 2009A INTEREST
<b>Total NORTHLAND TRUST SERVICES, INC</b>			\$24,765.00		
Paid Chk#	038727	7/19/2012	<b>PACE ANALYTICAL SERVICES</b>		
E 603-49450-310	Other Professional Services		\$84.71	121220402	TESTING
E 603-49450-310	Other Professional Services		\$84.71	121220596	TESTING
E 603-49450-310	Other Professional Services		\$64.31	121220949	TESTING
<b>Total PACE ANALYTICAL SERVICES</b>			\$233.73		
Paid Chk#	038728	7/19/2012	<b>QUALITY FLOW SYSTEMS</b>		
E 603-49450-310	Other Professional Services		\$2,130.71	25126	LIFT PUMP REPAIR
<b>Total QUALITY FLOW SYSTEMS</b>			\$2,130.71		
Paid Chk#	038729	7/19/2012	<b>QUILL CORPORATION</b>		
E 607-42400-201	Accessories (paper, pens, etc)		\$40.25	3709186	PAPER-B&Z
E 101-41940-201	Accessories (paper, pens, etc)		\$40.25	3709186	PAPER-CITY
E 101-49910-201	Accessories (paper, pens, etc)		\$40.26	3709186	PAPER-OGILVIE
E 619-49900-201	Accessories (paper, pens, etc)		\$40.25	3709186	PAPER-DEP REG
E 602-49400-201	Accessories (paper, pens, etc)		\$40.26	3709186	PAPER-WATER
E 101-41110-201	Accessories (paper, pens, etc)		\$40.26	3709186	PAPER-COUNCIL
E 101-42110-201	Accessories (paper, pens, etc)		\$40.26	3709186	PAPER-POLICE
E 603-49450-201	Accessories (paper, pens, etc)		\$40.26	3709186	PAPER-SEWER
<b>Total QUILL CORPORATION</b>			\$322.05		
Paid Chk#	038730	7/19/2012	<b>REYNOLDS BALLON &amp; PARTY</b>		
E 101-45700-343	Other Advertising		\$119.70	3103	REC FEST AD
<b>Total REYNOLDS BALLON &amp; PARTY</b>			\$119.70		
Paid Chk#	038731	7/19/2012	<b>ROHMAN LAWN CARE</b>		
E 101-43000-310	Other Professional Services		\$262.65	20816	WEED CONTROL-PARADE
E 603-49450-310	Other Professional Services		\$1,940.00	21367	WEED CONTROL-PONDS
E 101-49200-450	Unallocated		\$1,485.00	21547	MOWING
<b>Total ROHMAN LAWN CARE</b>			\$3,687.65		
Paid Chk#	038732	7/19/2012	<b>SCHRAMM, JENNIFER D.</b>		
E 101-41940-217	Other Operating Supplies		\$4.17		SUPPLIES-CITY

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E 101-45500-217	Other Operating Supplies		\$4.16		SUPPLIES-LIBRARY
	<b>Total SCHRAMM, JENNIFER D.</b>		\$8.33		
<hr/>					
Paid Chk# 038733	7/19/2012	<b>STANTEC</b>			
E 500-43100-303	Engineering Fees		\$3,567.77	603631	2012 STREET PROJECT
E 602-49400-303	Engineering Fees		\$316.00	603631	LUMBER YARD WATER MAIN
E 603-49450-303	Engineering Fees		\$1,691.54	603631	COUNTY ROAD 36 PROJECT
E 603-49450-310	Other Professional Services		\$796.05	603631	RESEARCH PIPES-PONDS & LIFT STATION
E 500-45200-303	Engineering Fees		\$1,344.65	603632	DAM REMOVAL PROJECT
	<b>Total STANTEC</b>		\$7,716.01		
<hr/>					
Paid Chk# 038734	7/19/2012	<b>TEALS MARKET</b>			
E 101-41940-217	Other Operating Supplies		\$13.10	1133404	BREAKROOM SUPPLIES
	<b>Total TEALS MARKET</b>		\$13.10		
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Paid Chk# 038735	7/19/2012	<b>WELLER, GREGG</b>			
E 101-42280-217	Other Operating Supplies		\$331.44		REIMB-FLASHLIGHTS/TRAFFIC WANDS
	<b>Total WELLER, GREGG</b>		\$331.44		
<hr/>					
Paid Chk# 038736	7/19/2012	<b>WELLS FARGO</b>			
E 303-47000-611	Bond Interest		\$29,506.50	0011-601994F	LIBRARY BOND INTEREST
	<b>Total WELLS FARGO</b>		\$29,506.50		
<hr/>					
Paid Chk# 038737	7/19/2012	<b>WEST PAYMENT CENTER</b>			
E 101-42110-310	Other Professional Services		\$80.23	825088780	CLEAR WEB SEARCH
	<b>Total WEST PAYMENT CENTER</b>		\$80.23		
	<b>10100 General Bank</b>		\$140,286.13		

**Fund Summary**

<b>10100 General Bank</b>	
101 GENERAL FUND	\$48,436.97
202 BOULDER RIDGE	\$742.50
203 RINGHAM 1ST-FIELDSTONE	\$708.75
208 CHARITABLE GAMBLING FUND	\$28.86
211 INITIATIVE FOUNDATION	\$945.00
303 2006 LIBRARY REVENUE BOND	\$29,506.50
375 2005 G.O. STREET PROJECT	\$13,721.25
380 2009 G.O. REFUNDING BOND	\$3,096.25
382 2010 G.O. BOND	\$14,140.00
500 CAPITAL PROJECT FUND	\$4,912.42
602 WATER FUND	\$9,175.30
603 SEWER FUND	\$14,276.74
607 BLDG INSPECTION FUND	\$198.93
619 DEPUTY REGISTRAR FUND	\$282.66
700 BRAHAM-MILACA JOINT POWERS	\$114.00
	<hr/>
	\$140,286.13

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			Check Amt	Invoice	Comment
<b>10100 General Bank</b>					
Paid Chk#	038596	6/8/2012	<b>JIMS MILLE LACS DISPOSAL</b>		
E 101-45200-384	Refuse/Garbage Disposal		\$65.00	1745664	RUNNING IN THE RUFF PORTA POTTY
E 101-43000-310	Other Professional Services		\$50.00	1832413	STREET SWEEPING-MAY
E 101-45200-384	Refuse/Garbage Disposal		\$58.85	211948	GARBAGE-PARKS
E 101-42280-384	Refuse/Garbage Disposal		\$25.00	211948	GARBAGE-FIRE
E 101-43000-384	Refuse/Garbage Disposal		\$104.63	211948	GARBAGE-CITY
E 101-43000-312	Compost		\$300.00	211948	COMPOST-MAY
	<b>Total JIMS MILLE LACS DISPOSAL</b>		\$603.48		
Paid Chk#	038597	6/8/2012	<b>MILACA BLDG CENTER</b>		
E 603-49450-217	Other Operating Supplies		\$9.93		SUPPLIES-SEWER
E 101-45500-217	Other Operating Supplies		\$11.81		SUPPLIES-LIBRARY
E 101-42280-217	Other Operating Supplies		\$32.36		SUPPLIES-FIRE
E 101-43000-215	Shop Supplies		\$49.92		SHOP SUPPLIES-PW
E 101-45200-401	Repairs/Maint Buildings		\$74.30		TRIMBLE BATHROOM REPAIR-PARKS
E 602-49400-217	Other Operating Supplies		\$11.32		SUPPLIES-WATER
E 101-45200-215	Shop Supplies		\$40.82		SHOP SUPPLIES-PARKS
	<b>Total MILACA BLDG CENTER</b>		\$230.46		
Paid Chk#	038656	6/20/2012	<b>MN DEPT OF HEALTH (2)</b>		
E 101-45700-437	Other Miscellaneous		\$244.20		REC FEST-LICENSE APPLICATION
	<b>Total MN DEPT OF HEALTH (2)</b>		\$244.20		
Paid Chk#	038657	6/25/2012	<b>BLUE CROSS BLUE SHIELD OF MINN</b>		
G 101-21706	Medical Insur.		\$11,284.00	7S034-M0 4	MEDICAL INSUR-JULY 2012
	<b>Total BLUE CROSS BLUE SHIELD OF MINN</b>		\$11,284.00		
Paid Chk#	038658	6/25/2012	<b>GOLDSMITH, JAMES</b>		
E 700-50000-310	Other Professional Services		\$60.00		3 HRS @ \$20/HR - 6/13/12
E 700-50000-208	Training and Travel		\$15.30		MILEAGE - 6/13/12
	<b>Total GOLDSMITH, JAMES</b>		\$75.30		
Paid Chk#	038659	6/25/2012	<b>INITIATIVE FOUNDATION</b>		
E 101-49200-450	Unallocated		\$450.00		RCCF ENDOWMENT-H PEDERSEN
	<b>Total INITIATIVE FOUNDATION</b>		\$450.00		
Paid Chk#	038660	6/25/2012	<b>KNIFE RIVER CORP. - NORTH CENT</b>		
E 101-43000-403	Repairs/Maint Streets		\$13,703.00	7440	SW RIVER DR-CEMETARY RD PATCHING
	<b>Total KNIFE RIVER CORP. - NORTH CENT</b>		\$13,703.00		
Paid Chk#	038661	6/25/2012	<b>L.E.L.S.</b>		
G 101-21710	Union Dues		\$208.05	LOCAL #238	POLICE UNION DUES-JULY 2012
	<b>Total L.E.L.S.</b>		\$208.05		
Paid Chk#	038662	6/25/2012	<b>MIDWEST MACHINERY CO.</b>		
E 603-49450-221	Equipment Parts/Repairs		\$188.51	540779	PARTS-SEWER
	<b>Total MIDWEST MACHINERY CO.</b>		\$188.51		
Paid Chk#	038663	6/25/2012	<b>MN BENEFITS</b>		
G 101-21709	Life Insur.		\$282.31		LIFE/DENTAL-JULY 2012
G 101-21712	Dental		\$151.44		LIFE/DENTAL-JULY 2012
	<b>Total MN BENEFITS</b>		\$433.75		
Paid Chk#	038664	6/25/2012	<b>SELECT ACCOUNT-HSA</b>		
G 101-21705	Health Saving Account		\$13,012.50		3RD QTR CONTRIBUTIONS
	<b>Total SELECT ACCOUNT-HSA</b>		\$13,012.50		

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<b>Paid Chk# 038665 6/25/2012 USABLE LIFE</b>					
G 101-21707	Disability		\$235.25	101408001G	DISABILITY/LIFE-JULY 2012
<b>Total USABLE LIFE</b>			\$235.25		
<b>Paid Chk# 038666 6/25/2012 VERIZON WIRELESS</b>					
E 602-49400-321	Telephone		\$26.02		JUN WIRELESS ROUTER SVC
E 101-42110-321	Telephone		\$52.04		JUN WIRELESS ROUTER SVC
E 101-43000-321	Telephone		\$79.41		CELL PHONE SVC-JUN
E 101-45200-321	Telephone		\$108.21		CELL PHONE SVC-JUN
E 101-42280-321	Telephone		\$46.92		CELL PHONE SVC-JUN
<b>Total VERIZON WIRELESS</b>			\$312.60		
<b>Paid Chk# 038667 6/25/2012 VOLUNTEER FIREMEN S BENEFIT</b>					
E 101-42280-433	Dues and Subscriptions		\$25.00		2012 MEMBERSHIP-LATE FEE
<b>Total VOLUNTEER FIREMEN S BENEFIT</b>			\$25.00		
<b>Paid Chk# 038668 6/28/2012 U.S. POSTMASTER</b>					
E 603-49450-322	Postage		\$95.37		JUNE BILLINGS
E 602-49400-322	Postage		\$95.37		JUNE BILLINGS
<b>Total U.S. POSTMASTER</b>			\$190.74		
<b>10100 General Bank</b>			\$41,196.84		

**Fund Summary**

<b>10100 General Bank</b>		
101 GENERAL FUND		\$40,695.02
602 WATER FUND		\$132.71
603 SEWER FUND		\$293.81
700 BRAHAM-MILACA JOINT POWERS		\$75.30
		\$41,196.84

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	Check Amt	Invoice	Comment
<b>10900 Liquor Bank</b>			
Paid Chk# 912024E 6/15/2012	<b>MILACA, CITY OF (WATER/SEWER)</b>		
E 609-49750-381 Utilities	\$30.55	01-00015990	WATER/SEWER
<b>Total MILACA, CITY OF (WATER/SEWER)</b>	<b>\$30.55</b>		
<b>PAID CHK# 912025E 6/7/2012 EAST CENTRAL ENERGY</b>			
E 609-49750-381 Utilities	\$1,785.84	7115200	ELECTRIC
<b>Total EAST CENTRAL ENERGY</b>	<b>\$1,785.84</b>		
<b>PAID CHK# 912026E 6/8/2012 CENTERPOINT ENERGY</b>			
E 609-49750-381 Utilities	\$98.74	128-000-782-1	NATURAL GAS
<b>Total CENTERPOINT ENERGY</b>	<b>\$98.74</b>		
<b>PAID CHK# 912027E 6/14/2012 MN DEPT OF REVENUE</b>			
G 609-20800 Sales Tax Payable	\$14,821.00	9576201	LIQUOR SALES TAX
<b>Total MN DEPT OF REVENUE</b>	<b>\$14,821.00</b>		
<b>PAID CHK# 912028E 6/29/2012 MN DEPT OF REVENUE</b>			
G 609-20800 Sales Tax Payable	\$14,500.00	9576201	JUNE LIQUOR SALES TAX-ACCEL PMT
<b>Total MN DEPT OF REVENUE</b>	<b>\$14,500.00</b>		
<b>10900 Liquor Bank</b>	<b>\$31,236.13</b>		

**Fund Summary**

<b>10900 Liquor Bank</b>	
609 MUNICIPAL LIQUOR FUND	\$31,236.13
	<b>\$31,236.13</b>

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			Check Amt	Invoice	Comment
<b>10900 Liquor Bank</b>					
Paid Chk#	022257	7/19/2012	<b>AMERICAN BOTTLING CO.</b>		
E 609-49750-254	Mix/Non Alcoholic		\$116.40	2462606068	NA
E 609-49750-254	Mix/Non Alcoholic		\$161.76	2462606161	NA
E 609-49750-254	Mix/Non Alcoholic		\$111.68	2462606261	NA
<b>Total AMERICAN BOTTLING CO.</b>			<b>\$389.84</b>		
Paid Chk#	022258	7/19/2012	<b>AMERIPRIDE</b>		
E 609-49750-310	Other Professional Services		\$23.82	2200255786	RUGS
E 609-49750-310	Other Professional Services		\$26.33	2200258259	RUGS
E 609-49750-310	Other Professional Services		\$63.96	2200260877	RUGS
E 609-49750-310	Other Professional Services		\$23.82	2200263460	RUGS
E 609-49750-310	Other Professional Services		\$63.96	2200265727	RUGS
<b>Total AMERIPRIDE</b>			<b>\$201.89</b>		
Paid Chk#	022259	7/19/2012	<b>BERTELSON TOTAL OFFICE SOLUTN</b>		
E 609-49750-201	Accessories (paper, pens, etc)		\$19.22	WO-778347-1	PRINTER TONER
E 609-49750-201	Accessories (paper, pens, etc)		\$9.61	WO-778347-2	PRINTER TONER
E 609-49750-201	Accessories (paper, pens, etc)		\$60.59	WO-781015-1	PRINTER TONER
<b>Total BERTELSON TOTAL OFFICE SOLUTN</b>			<b>\$89.42</b>		
Paid Chk#	022260	7/19/2012	<b>CRYSTAL SPRINGS ICE</b>		
E 609-49750-259	Other For Resale		\$278.30	114266	ICE
E 609-49750-259	Other For Resale		\$67.40	114300	ICE
E 609-49750-259	Other For Resale		\$131.20	114321	ICE
E 609-49750-259	Other For Resale		\$71.30	114365	ICE
E 609-49750-259	Other For Resale		\$106.40	114389	ICE
E 609-49750-259	Other For Resale		\$140.00	26702	ICE
E 609-49750-259	Other For Resale		\$229.60	26803	ICE
E 609-49750-259	Other For Resale		\$187.40	26918	ICE
E 609-49750-259	Other For Resale		\$178.70	27032	ICE
E 609-49750-259	Other For Resale		(\$37.40)	52018C	ICE-CREDIT
<b>Total CRYSTAL SPRINGS ICE</b>			<b>\$1,352.90</b>		
Paid Chk#	022261	7/19/2012	<b>DAHLHEIMER DISTRIBUTING CO.</b>		
E 609-49750-252	Beer For Resale		\$3,242.45	1031126	BEER
E 609-49750-260	Deposits		(\$30.00)	1031126	DEPOSITS
<b>Total DAHLHEIMER DISTRIBUTING CO.</b>			<b>\$3,212.45</b>		
Paid Chk#	022262	7/19/2012	<b>EXTREME BEVERAGES, LLC</b>		
E 609-49750-254	Mix/Non Alcoholic		\$315.00	W-563010	NA
<b>Total EXTREME BEVERAGES, LLC</b>			<b>\$315.00</b>		
Paid Chk#	022263	7/19/2012	<b>GOLDEN VALLEY WHOLESALE CO.</b>		
E 609-49750-259	Other For Resale		\$53.90	431941	MISC
E 609-49750-256	Tobacco Products For Resale		\$199.50	431941	TOBACCO
E 609-49750-333	Freight and Express		\$2.00	431941	DELIVERY
E 609-49750-256	Tobacco Products For Resale		\$350.20	432243	TOBACCO
E 609-49750-259	Other For Resale		\$44.00	432243	MISC
E 609-49750-333	Freight and Express		\$2.00	432243	DELIVERY
<b>Total GOLDEN VALLEY WHOLESALE CO.</b>			<b>\$651.60</b>		
Paid Chk#	022264	7/19/2012	<b>GRANITE CITY JOBBING</b>		
E 609-49750-254	Mix/Non Alcoholic		\$14.95	724935	NA
E 609-49750-256	Tobacco Products For Resale		\$40.56	724937	TOBACCO
E 609-49750-333	Freight and Express		\$4.25	724937	DELIVERY
E 609-49750-259	Other For Resale		\$103.79	724938	MISC
E 609-49750-214	Liquor Store Paper Supplies		\$147.73	724941	PAPER SUPPLIES

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		Check Amt	Invoice	Comment
E 609-49750-254	Mix/Non Alcoholic	\$39.12	724941	NA
E 609-49750-259	Other For Resale	\$235.47	724941	MISC
E 609-49750-256	Tobacco Products For Resale	\$861.32	724941	TOBACCO
E 609-49750-333	Freight and Express	\$4.25	725580	DELIVERY
E 609-49750-259	Other For Resale	\$11.64	725850	MISC
E 609-49750-259	Other For Resale	\$43.46	725853	MISC
E 609-49750-256	Tobacco Products For Resale	\$894.83	725853	TOBACCO
E 609-49750-254	Mix/Non Alcoholic	\$3.12	725853	NA
E 609-49750-333	Freight and Express	\$4.25	726578	DELIVERY
E 609-49750-254	Mix/Non Alcoholic	\$3.12	726578	NA
E 609-49750-259	Other For Resale	\$126.40	726578	MISC
E 609-49750-256	Tobacco Products For Resale	\$899.71	726578	TOBACCO
E 609-49750-214	Liquor Store Paper Supplies	\$43.74	726578	PAPER SUPPLIES
E 609-49750-259	Other For Resale	\$169.71	727467	MISC
E 609-49750-217	Other Operating Supplies	\$9.65	727467	KIDDIE KANDY
E 609-49750-256	Tobacco Products For Resale	\$749.53	727467	TOBACCO
E 609-49750-333	Freight and Express	\$4.25	727467	DELIVERY
E 609-49750-259	Other For Resale	(\$42.49)	728260	MISC
E 609-49750-254	Mix/Non Alcoholic	\$15.78	728260	NA
E 609-49750-256	Tobacco Products For Resale	\$649.04	728260	TOBACCO
E 609-49750-333	Freight and Express	\$4.25	728260	DELIVERY
<b>Total GRANITE CITY JOBBING</b>		\$5,041.43		
<hr/>				
Paid Chk# 022265	7/19/2012	<b>KOCHS HARDWARE HANK</b>		
E 609-49750-217	Other Operating Supplies	\$19.21		SUPPLIES
<b>Total KOCHS HARDWARE HANK</b>		\$19.21		
<hr/>				
Paid Chk# 022266	7/19/2012	<b>M. AMUNDSON LLP</b>		
E 609-49750-259	Other For Resale	\$257.90	133334	MISC
E 609-49750-256	Tobacco Products For Resale	\$26.64	133334	TOBACCO
E 609-49750-217	Other Operating Supplies	\$33.75	133872	SUPPLIES
E 609-49750-259	Other For Resale	\$171.70	133872	MISC
E 609-49750-256	Tobacco Products For Resale	\$425.64	133872	TOBACCO
E 609-49750-256	Tobacco Products For Resale	\$142.15	134687	TOBACCO
E 609-49750-259	Other For Resale	\$87.35	134687	MISC
<b>Total M. AMUNDSON LLP</b>		\$1,145.13		
<hr/>				
Paid Chk# 022267	7/19/2012	<b>MCDONALD DISTRIBUTING</b>		
E 609-49750-333	Freight and Express	\$3.00	304896	DELIVERY
E 609-49750-252	Beer For Resale	\$50.20	304896	BEER
<b>Total MCDONALD DISTRIBUTING</b>		\$53.20		
<hr/>				
Paid Chk# 022268	7/19/2012	<b>MILLER TRUCKING</b>		
E 609-49750-333	Freight and Express	\$93.25	3284	DELIVERY
<b>Total MILLER TRUCKING</b>		\$93.25		
<hr/>				
Paid Chk# 022269	7/19/2012	<b>QUILL CORPORATION</b>		
E 609-49750-201	Accessories (paper, pens, etc)	\$40.26	3709186	PAPER
<b>Total QUILL CORPORATION</b>		\$40.26		
<hr/>				
Paid Chk# 022270	7/19/2012	<b>SEGERSTROM, VICTORIA</b>		
E 609-49750-437	Other Miscellaneous	\$10.00		REIMB-PARADE
<b>Total SEGERSTROM, VICTORIA</b>		\$10.00		
<hr/>				
Paid Chk# 022271	7/19/2012	<b>TEALS MARKET</b>		
E 609-49750-259	Other For Resale	\$3.00	01130892	MISC
E 609-49750-259	Other For Resale	\$7.91	03095118	MISC
E 609-49750-259	Other For Resale	\$8.00	04054994	MISC

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			Check Amt	Invoice	Comment
<b>Total TEALS MARKET</b>			\$18.91		
<hr/>					
Paid Chk#	022272	7/19/2012	<b>VIKING BOTTLING CO.</b>		
E 609-49750-254	Mix/Non Alcoholic		\$101.20	25316140	NA
E 609-49750-254	Mix/Non Alcoholic		\$182.60	25316314	NA
E 609-49750-254	Mix/Non Alcoholic		\$32.00	25316363	NA
E 609-49750-254	Mix/Non Alcoholic		\$73.60	25316446	NA
<b>Total VIKING BOTTLING CO.</b>			\$389.40		
<hr/>					
Paid Chk#	022273	7/19/2012	<b>WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>		
E 609-49750-251	Liquor For Resale		\$1,781.94	768377	LIQUOR
E 609-49750-333	Freight and Express		\$28.50	768377	DELIVERY
<b>Total WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>			\$1,810.44		
<b>10900 Liquor Bank</b>			\$14,834.33		
<hr/>					
<b>Fund Summary</b>					
<b>10900 Liquor Bank</b>					
609 MUNICIPAL LIQUOR FUND			\$14,834.33		
			\$14,834.33		

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			Check Amt	Invoice	Comment
<b>10900 Liquor Bank</b>					
Paid Chk#	022210	6/4/2012	<b>BERNICKS</b>		
E 609-49750-254	Mix/Non Alcoholic		\$69.45	161497	NA
E 609-49750-252	Beer For Resale		\$508.35	161498	BEER
E 609-49750-254	Mix/Non Alcoholic		\$131.31	164067	NA
E 609-49750-252	Beer For Resale		\$707.15	164068	BEER
E 609-49750-254	Mix/Non Alcoholic		\$49.15	166815	NA
E 609-49750-252	Beer For Resale		\$1,566.90	168816	BEER
E 609-49750-254	Mix/Non Alcoholic		\$55.60	170123	NA
E 609-49750-252	Beer For Resale		\$138.20	170124	BEER
E 609-49750-252	Beer For Resale		(\$24.00)	3919	CREDIT-BEER
<b>Total BERNICKS</b>			\$3,202.11		
Paid Chk#	022211	6/4/2012	<b>C &amp; L DISTRIBUTING CO.</b>		
E 609-49750-252	Beer For Resale		\$6,629.20	342630	BEER
E 609-49750-254	Mix/Non Alcoholic		\$227.60	342630	NA
E 609-49750-252	Beer For Resale		(\$9.20)	342630	CREDIT-BEER
E 609-49750-254	Mix/Non Alcoholic		\$33.50	343795	NA
E 609-49750-217	Other Operating Supplies		\$90.00	343795	TAPPERS
E 609-49750-252	Beer For Resale		\$6,817.40	343795	BEER
E 609-49750-253	Wine For Resale		\$64.50	344878	WINE
E 609-49750-254	Mix/Non Alcoholic		\$63.40	344878	NA
E 609-49750-252	Beer For Resale		\$2,967.70	344878	BEER
E 609-49750-252	Beer For Resale		\$192.00	344880	BEER
E 609-49750-254	Mix/Non Alcoholic		\$215.65	346000	NA
E 609-49750-260	Deposits		\$30.00	346000	DEPOSITS
E 609-49750-252	Beer For Resale		\$10,772.70	346000	BEER
E 609-49750-252	Beer For Resale		\$256.00	346660	BEER
E 609-49750-254	Mix/Non Alcoholic		\$63.40	347399	NA
E 609-49750-260	Deposits		(\$30.00)	347399	DEPOSITS
E 609-49750-252	Beer For Resale		\$7,306.00	347399	BEER
<b>Total C &amp; L DISTRIBUTING CO.</b>			\$35,689.85		
Paid Chk#	022212	6/4/2012	<b>DAHLHEIMER DISTRIBUTING CO.</b>		
E 609-49750-254	Mix/Non Alcoholic		\$220.00	1003058	NA
E 609-49750-260	Deposits		\$150.00	1003058	DEPOSITS
E 609-49750-252	Beer For Resale		\$11,552.30	1003058	BEER
E 609-49750-252	Beer For Resale		\$4,569.30	1024754	BEER
E 609-49750-254	Mix/Non Alcoholic		\$31.00	1024754	NA
E 609-49750-254	Mix/Non Alcoholic		\$217.60	1026812	NA
E 609-49750-252	Beer For Resale		\$15,761.78	1026812	BEER
E 609-49750-252	Beer For Resale		\$3,273.60	1026857	BEER
E 609-49750-252	Beer For Resale		\$64.00	1026858	BEER
E 609-49750-252	Beer For Resale		\$3,277.40	1026902	BEER
E 609-49750-252	Beer For Resale		\$1,830.72	1029011	BEER
E 609-49750-254	Mix/Non Alcoholic		\$446.00	1029011	NA
E 609-49750-260	Deposits		(\$30.00)	1029011	DEPOSITS
E 609-49750-252	Beer For Resale		\$1,160.00	4167	BEER
E 609-49750-252	Beer For Resale		\$1,099.85	4252	BEER
E 609-49750-260	Deposits		\$60.00	4575	DEPOSITS
E 609-49750-254	Mix/Non Alcoholic		\$88.00	4575	NA
E 609-49750-252	Beer For Resale		\$189.05	4575	BEER
E 609-49750-253	Wine For Resale		\$60.00	4575	WINE
E 609-49750-252	Beer For Resale		\$353.55	4614	BEER
E 609-49750-260	Deposits		\$30.00	4614	DEPOSITS
<b>Total DAHLHEIMER DISTRIBUTING CO.</b>			\$44,404.15		

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			Check Amt	Invoice	Comment
<b>Paid Chk# 022213 6/4/2012 FRONTIER</b>					
E 609-49750-321	Telephone		\$116.20	320983625511	JUNE PHONE SVC
<b>Total FRONTIER</b>			\$116.20		
<b>Paid Chk# 022214 6/4/2012 J.J. TAYLOR DIST OF MN</b>					
E 609-49750-252	Beer For Resale		\$194.70	1755139	BEER
E 609-49750-333	Freight and Express		\$3.00	1755139	DELIVERY
E 609-49750-252	Beer For Resale		\$152.85	1772756	BEER
E 609-49750-333	Freight and Express		\$3.00	1772756	DELIVERY
<b>Total J.J. TAYLOR DIST OF MN</b>			\$353.55		
<b>Paid Chk# 022215 6/4/2012 JIMS MILLE LACS DISPOSAL</b>					
E 609-49750-384	Refuse/Garbage Disposal		\$86.58	219225	REFUSE COLLECTION
<b>Total JIMS MILLE LACS DISPOSAL</b>			\$86.58		
<b>Paid Chk# 022216 6/4/2012 JOHNSON BROTHERS LIQUOR CO.</b>					
E 609-49750-253	Wine For Resale		\$749.81	1288143	WINE
E 609-49750-333	Freight and Express		\$108.20	1288143	DELIVERY
E 609-49750-251	Liquor For Resale		\$4,154.59	1288143	LIQUOR
E 609-49750-251	Liquor For Resale		\$88.99	1292753	LIQUOR
E 609-49750-254	Mix/Non Alcoholic		\$32.99	1292753	NA
E 609-49750-333	Freight and Express		\$15.70	1292753	DELIVERY
E 609-49750-253	Wine For Resale		\$429.64	1292753	WINE
E 609-49750-251	Liquor For Resale		\$2,655.89	1298497	LIQUOR
E 609-49750-253	Wine For Resale		\$655.39	1298497	WINE
E 609-49750-254	Mix/Non Alcoholic		\$93.95	1298497	NA
E 609-49750-333	Freight and Express		\$82.44	1298497	DELIVERY
E 609-49750-253	Wine For Resale		\$1,179.32	1303937	WINE
E 609-49750-251	Liquor For Resale		\$1,823.44	1303937	LIQUOR
E 609-49750-333	Freight and Express		\$91.05	1303937	DELIVERY
E 609-49750-253	Wine For Resale		\$92.90	1303938	WINE
E 609-49750-333	Freight and Express		\$45.53	1308295	DELIVERY
E 609-49750-251	Liquor For Resale		\$955.09	1308295	LIQUOR
E 609-49750-253	Wine For Resale		\$760.70	1308295	WINE
<b>Total JOHNSON BROTHERS LIQUOR CO.</b>			\$14,015.62		
<b>Paid Chk# 022217 6/4/2012 MCDONALD DISTRIBUTING</b>					
E 609-49750-333	Freight and Express		\$3.00	301578	DELIVERY
E 609-49750-252	Beer For Resale		\$105.00	301578	BEER
<b>Total MCDONALD DISTRIBUTING</b>			\$108.00		
<b>Paid Chk# 022218 6/4/2012 PAUSTIS &amp; SONS</b>					
E 609-49750-333	Freight and Express		\$5.00	8350278	DELIVERY
E 609-49750-251	Liquor For Resale		\$394.00	8350278	LIQUOR
E 609-49750-253	Wine For Resale		\$255.00	8350281	WINE
E 609-49750-333	Freight and Express		\$5.25	8350281	DELIVERY
E 609-49750-252	Beer For Resale		\$186.50	8350286	BEER
<b>Total PAUSTIS &amp; SONS</b>			\$845.75		
<b>Paid Chk# 022219 6/4/2012 PHILLIPS WINE AND SPIRITS</b>					
E 609-49750-333	Freight and Express		\$31.11	2234471	DELIVERY
E 609-49750-251	Liquor For Resale		\$573.47	2234471	LIQUOR
E 609-49750-253	Wine For Resale		\$648.00	2234471	WINE
E 609-49750-333	Freight and Express		\$37.68	2237641	DELIVERY
E 609-49750-254	Mix/Non Alcoholic		\$56.00	2237641	NA
E 609-49750-251	Liquor For Resale		\$2,076.50	2237641	LIQUOR
E 609-49750-253	Wine For Resale		\$208.20	2237641	WINE
E 609-49750-251	Liquor For Resale		\$303.00	2241534	LIQUOR

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			Check Amt	Invoice	Comment
E 609-49750-253	Wine For Resale		\$40.00	2241534	WINE
E 609-49750-333	Freight and Express		\$7.85	2241534	DELIVERY
E 609-49750-333	Freight and Express		\$95.25	2245070	DELIVERY
E 609-49750-253	Wine For Resale		\$560.00	2245070	WINE
E 609-49750-251	Liquor For Resale		\$3,495.55	2245070	LIQUOR
E 609-49750-253	Wine For Resale		\$148.10	2248251	WINE
E 609-49750-251	Liquor For Resale		\$554.71	2248251	LIQUOR
E 609-49750-333	Freight and Express		\$24.85	2248251	DELIVERY
<b>Total PHILLIPS WINE AND SPIRITS</b>			<b>\$8,860.27</b>		
<hr/>					
Paid Chk# 022220	6/4/2012	<b>ROHLFING OF BRAINERD, INC</b>			
E 609-49750-252	Beer For Resale		\$1,190.00	791878	BEER
<b>Total ROHLFING OF BRAINERD, INC</b>			<b>\$1,190.00</b>		
<hr/>					
Paid Chk# 022221	6/4/2012	<b>SOUTHERN WINE &amp; SPIRITS OF MN</b>			
E 609-49750-253	Wine For Resale		\$544.00	1761001	WINE
E 609-49750-333	Freight and Express		\$16.50	1761001	DELIVERY
E 609-49750-251	Liquor For Resale		\$3,207.36	1761012	LIQUOR
E 609-49750-333	Freight and Express		\$54.00	1761012	DELIVERY
E 609-49750-253	Wine For Resale		\$328.00	1761012	WINE
E 609-49750-251	Liquor For Resale		\$1,916.12	1810800	LIQUOR
E 609-49750-333	Freight and Express		\$49.50	1810800	DELIVERY
E 609-49750-253	Wine For Resale		\$1,336.00	1810800	WINE
<b>Total SOUTHERN WINE &amp; SPIRITS OF MN</b>			<b>\$7,451.48</b>		
<hr/>					
Paid Chk# 022222	6/4/2012	<b>SUNNY HILL DISTRIBUTORS</b>			
E 609-49750-333	Freight and Express		\$8.55	265685	DELIVERY
E 609-49750-253	Wine For Resale		\$215.55	265685	WINE
E 609-49750-251	Liquor For Resale		\$92.86	265685	LIQUOR
<b>Total SUNNY HILL DISTRIBUTORS</b>			<b>\$316.96</b>		
<hr/>					
Paid Chk# 022223	6/4/2012	<b>THE WINE COMPANY</b>			
E 609-49750-253	Wine For Resale		\$1,268.00	300260	WINE
E 609-49750-259	Other For Resale		\$116.50	300260	MISC
E 609-49750-333	Freight and Express		\$21.45	300260	DELIVERY
<b>Total THE WINE COMPANY</b>			<b>\$1,405.95</b>		
<hr/>					
Paid Chk# 022224	6/4/2012	<b>VINOCOPIA</b>			
E 609-49750-251	Liquor For Resale		\$277.00	56576	LIQUOR
E 609-49750-333	Freight and Express		\$5.00	56576	DELIVERY
E 609-49750-253	Wine For Resale		\$104.00	56957	WINE
E 609-49750-251	Liquor For Resale		\$379.75	56957	LIQUOR
E 609-49750-333	Freight and Express		\$7.50	56957	DELIVERY
<b>Total VINOCOPIA</b>			<b>\$773.25</b>		
<hr/>					
Paid Chk# 022225	6/4/2012	<b>WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>			
E 609-49750-253	Wine For Resale		\$64.00	740087	WINE
E 609-49750-333	Freight and Express		\$1.50	740087	DELIVERY
E 609-49750-253	Wine For Resale		\$271.85	740088	WINE
E 609-49750-254	Mix/Non Alcoholic		\$39.95	740088	NA
E 609-49750-333	Freight and Express		\$21.00	740088	DELIVERY
E 609-49750-251	Liquor For Resale		\$1,010.12	740088	LIQUOR
E 609-49750-254	Mix/Non Alcoholic		\$163.90	743220	NA
E 609-49750-253	Wine For Resale		\$671.40	743220	WINE
E 609-49750-251	Liquor For Resale		\$888.30	743220	LIQUOR
E 609-49750-333	Freight and Express		\$33.00	743220	DELIVERY
E 609-49750-253	Wine For Resale		\$128.00	746570	WINE
E 609-49750-254	Mix/Non Alcoholic		\$39.95	746570	NA

**\*Check Detail Register©**

JUNE 2012

		Check Amt	Invoice	Comment
E 609-49750-251	Liquor For Resale	\$454.11	746570	LIQUOR
E 609-49750-333	Freight and Express	\$7.50	746570	DELIVERY
E 609-49750-253	Wine For Resale	\$79.90	749787	WINE
E 609-49750-254	Mix/Non Alcoholic	\$38.80	749787	NA
E 609-49750-251	Liquor For Resale	\$2,679.52	749787	LIQUOR
E 609-49750-333	Freight and Express	\$34.50	749787	DELIVERY
E 609-49750-333	Freight and Express	\$13.50	752813	DELIVERY
E 609-49750-251	Liquor For Resale	\$597.95	752813	LIQUOR
E 609-49750-254	Mix/Non Alcoholic	\$64.05	752813	NA
E 609-49750-253	Wine For Resale	\$39.95	752813	WINE
E 609-49750-254	Mix/Non Alcoholic	(\$69.36)	859274	CREDIT-NA
<b>otal WIRTZ BEVERAGE MN WINE &amp; SPRTS</b>		<b>\$7,273.39</b>		
<b>10900 Liquor Bank</b>		<b>\$126,093.11</b>		

Fund Summary

<b>10900 Liquor Bank</b>	
609 MUNICIPAL LIQUOR FUND	\$126,093.11
	<u>\$126,093.11</u>

RESOLUTION NO. 12 – 25

RESOLUTION ASSESSING MOWING COSTS

BE IT RESOLVED by the Milaca City Council that the council hereby assess the following cost of nuisance abatements for a period of one (1) year at the rate of seven (7) percent payable for 2013 taxes:

PID #	OWNER	ADDRESS	DATE OF MOWING	ASSESSED
21-042-0130	Bahr, Brent & Cindy	420 Central Ave N	6/25/2012	\$75.00
21-265-0010	T & M Properties of Central MN Inc	1300 3rd Ave NE	6/23/2012	\$75.00
21-265-0020	T & M Properties of Central MN Inc	1302 3rd Ave NE	6/23/2012	\$75.00
21-265-0030	T & M Properties of Central MN Inc	1304 3rd Ave NE	6/23/2012	\$75.00
21-265-0040	T & M Properties of Central MN Inc	1306 3rd Ave NE	6/23/2012	\$75.00
21-265-0050	T & M Properties of Central MN Inc	1308 3rd Ave NE	6/23/2012	\$75.00
21-265-0060	T & M Properties of Central MN Inc	1310 3rd Ave NE	6/23/2012	\$75.00
21-265-0070	T & M Properties of Central MN Inc	1312 3rd Ave NE	6/23/2012	\$75.00
21-265-0110	T & M Properties of Central MN Inc	1320 3rd Ave NE	6/23/2012	\$75.00
21-265-0130	T & M Properties of Central MN Inc	1305 3rd Ave NE	6/23/2012	\$75.00
21-265-0140	T & M Properties of Central MN Inc	1307 3rd Ave NE	6/23/2012	\$75.00
21-265-0160	T & M Properties of Central MN Inc	1311 3rd Ave NE	6/23/2012	\$75.00
21-265-0190	T & M Properties of Central MN Inc	1320 4th Ave NE	6/23/2012	\$75.00
21-265-0210	T & M Properties of Central MN Inc	1312 4th Ave NE	6/23/2012	\$75.00
21-265-0230	T & M Properties of Central MN Inc	1304 4th Ave NE	6/23/2012	\$75.00
21-265-0240	T & M Properties of Central MN Inc	1300 4th Ave NE	6/23/2012	\$75.00
21-265-0270	T & M Properties of Central MN Inc	1401 4th Ave NE	6/23/2012	\$75.00
21-265-0280	T & M Properties of Central MN Inc	1325 4th Ave NE	6/23/2012	\$75.00
21-265-0330	T & M Properties of Central MN Inc	1315 4th Ave NE	6/23/2012	\$75.00
21-265-0340	T & M Properties of Central MN Inc	1313 4th Ave NE	6/23/2012	\$75.00
21-265-0350	T & M Properties of Central MN Inc	1311 4th Ave NE	6/23/2012	\$75.00
21-265-0360	T & M Properties of Central MN Inc	1309 4th Ave NE	6/23/2012	\$75.00
21-265-0370	T & M Properties of Central MN Inc	1307 4th Ave NE	6/23/2012	\$75.00
21-265-0380	T & M Properties of Central MN Inc	1305 4th Ave NE	6/23/2012	\$75.00
21-265-0410	T & M Properties of Central MN Inc	301 13th St NE	6/23/2012	\$75.00
21-265-0470	T & M Properties of Central MN Inc	Commons on 3rd Ave NE	6/23/2012	\$75.00
21-358-0080	Lipski, Melinda	1070 4 <sup>th</sup> Ave NE	6/28/2012	\$75.00

Adopted this 19<sup>th</sup> day of July, 2012.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

RESOLUTION NO. 12 – 26

A RESOLUTION ASSESSING AN UNPAID WATER SERVICE CHARGE

WHEREAS property owners of record, Scott and Angela Harlicker, own the property located at 205 2<sup>nd</sup> Avenue SE; and,

WHEREAS the property owner's water service shutoff was broken and it is the property owners' responsibility to effect repairs; and,

WHEREAS the property owner subsequently signed an *Agreement of Assessment and Waiver of Irregularity and Appeal*, in which they agrees to pay 100 percent of the cost of repairs,

NOW THEREFORE BE IT RESOLVED by the Milaca City Council that the Council hereby approves the following unpaid water service charge be levied against the described property at a rate of six and one half (6.5) percent interest per annum for a period of three years:

Scott and Angela Harlicker  
205 2<sup>nd</sup> Avenue SE  
Milaca, MN 56353  
PID #21-043-0070  
\$766.05

Adopted this 19<sup>th</sup> day of July, 2012.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager



7454 140th Street  
Milaca, MN 56353

Date	Invoice #
6/14/2012	2012.70

Bill To
City of Milaca 255 First Street East Milaca MN 56353

JUN 20 2012

Scott & Angela Harlicker  
# 21.043.0070

P.O. No.	Terms	Project
205 2nd Ave SE	Due on receipt	

Quantity	Description	Rate	Amount
4	4/11/12 - Volvo, repair curb stop by Legion (Mark)	100.00	400.00
4	4/11/12 - Labor, repair curb stop by Legion (Mark)	55.00	220.00
1	4/11/12 - Materials for repair	146.05	146.05
<b>Date</b> _____ <b>Initial</b> _____ <b>Brief</b> _____ <b>Desc</b> _____			
18% Annual Interest Charged on All Past Due Amounts		<b>Sales Tax (6.875%)</b>	\$0.00
		<b>Total</b>	\$766.05

Phone # 320.983.3912

Fax # 320.983.5512

hjortexc@frontiernet.net

## **CITY OF MILACA CELL PHONE POLICY**

Any Milaca City Employee is prohibited from using a cell phone or similar device while operating a city-owned vehicle, or a personal vehicle that is being used on city business, whether the device is being used for personal or city business. This prohibition includes receiving or placing calls, text messaging, surfing the Internet, receiving or responding to e-mail, checking for phone messages, or any other city or personally related activities not named here. This prohibition does not include the following:

1. The use of a "hands-free" cell phone or similar device for receiving (not sending) audible messages, such as receiving a telephone call while driving;
2. The use of a Global Positioning Device for the purpose of navigating to or from a destination while driving;
3. The use of a cell phone or similar device after the vehicle has been brought to a full and complete stop at a safe distance from moving traffic;
4. The use of a cell phone or similar device for necessary coordinated activities by emergency vehicle operators;
5. The use of a cell phone or similar device by a city employee who is a passenger in a city-owned vehicle, or a personal vehicle that is being used on city business.

RESOLUTION NO. 12 – 27

RESOLUTION ACCEPTING PROPOSAL ON THE NEGOTIATED SALE OF \$850,000 GENERAL OBLIGATION BONDS, SERIES 2012A, PLEDGING SPECIAL ASSESSMENTS FOR THE SECURITY THEREOF AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Milaca, Minnesota (the "City"), hereby determines and declares that it is necessary and expedient to provide moneys pursuant to (i) Minnesota Statute 475 for a crossover refunding of the City's \$890,000 original principal amount of General Obligation Improvement Bonds, Series 2005A, dated September 8, 2005 (the "Prior Bonds"), which mature on and after February 1, 2015 and (ii) Section 475.58, Subd. 3b to finance street reconstruction improvements under the City's \_\_\_\_ through \_\_\_\_ Five-Year Street Reconstruction Plan adopted on \_\_\_\_\_, 2012 (the "Improvements"); and

B. WHEREAS, on \_\_\_\_\_, 2012, following duly published notice thereof, the Council held a public hearing on the issuance of approximately \$\_\_\_\_\_ principal amount of bonds to finance the Improvements and all persons who wished to speak or provide written information relative to the public hearing were afforded an opportunity to do so; and

C. WHEREAS, the City's net debt limit, calculated in accordance with the provisions of Minnesota Statutes, Section 475.53, is \$ \_\_\_\_\_ and after subtracting \$ \_\_\_\_\_ of debt, which counts against the net debt limit, the City's net debt limit is reduced to \$ \_\_\_\_\_ and, after issuance of the Bonds, the City's net debt limit is further reduced to \$ \_\_\_\_\_; and

D. WHEREAS, \$550,000 aggregate principal amount of the Prior Bonds which matures on and after February 1, 2015 (the "Refunded Bonds"), is callable on February 1, 2014 (the "Crossover Date"), at a price of par plus accrued interest, as provided in the resolution adopted on August 18, 2005, authorizing the issuance of the Prior Bonds (the "Prior Resolution"); and

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

F. WHEREAS, the City Council hereby determines and declares that it is necessary and expedient to issue \$850,000 General Obligation Bonds, Series 2012A (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Statutes, Chapter 475, to provide moneys for a crossover refunding of the Refunded Bonds and to finance the Improvements; and

G. WHEREAS, no other obligation have been sold pursuant to a private sale within the last twelve calendar months of the date hereof which when combined with this issue would exceed the \$1,200,000 limitation on negotiated sales as required by Minnesota Statutes, Section 475.60, Subdivision 2(2); and

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

1. Acceptance of Offer. The offer of Northland Securities, Inc. (the "Purchaser"), to purchase the Bonds in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ \_\_\_\_\_, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

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

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

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation of Bonds to the Prior Bonds and the Improvements. The aggregate principal amount of \$ \_\_\_\_\_ maturing in each of the years and amounts hereinafter set forth are issued to refund the Prior Bonds (the "Refunding Portion"). The aggregate principal amount of \$ \_\_\_\_\_ maturing in each of the years and amounts hereinafter set forth are issued to finance the street reconstruction improvements (the "Improvement Portion").

<u>Year</u>	<u>Improvement Portion</u>	<u>Refunding Portion</u>	<u>Total</u>
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			

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

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

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and

premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5

hereof, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

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

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

3. Purpose; Refunding Findings. The Bonds shall provide funds for a crossover refunding of the Refunded Bonds (the "Refunding") and to finance street reconstruction improvements within the Issuer (the "Improvements"). It is hereby found, determined and declared that the Refunding is pursuant to Minnesota Statutes, Section 475.67, Subdivision 13, and as of the Crossover Date, shall result in a reduction of the present value of the dollar amount of the debt service to the City from a total dollar amount of \$\_\_\_\_\_ for the Prior Bonds to a total dollar amount of \$\_\_\_\_\_ for the Refunding Portion of the Bonds computed in accordance with the provisions of Minnesota Statutes, Section 475.67, Subdivision 12, and accordingly the dollar amount of such present value of the debt service for the Refunding Portion of the Bonds is lower by at least three percent than the dollar amount of such present value of the debt service for the Prior Bonds, as required in Minnesota Statutes, Section 475.67, Subdivision 12. The total cost of the Improvements, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the

Improvement Portion of the Bonds. Work on the Improvements shall proceed with due diligence to completion. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Improvements proceeds with due diligence to completion and that any and all permits and studies required under law for the Improvements are obtained.

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

<u>Maturity Year</u>	<u>Interest Rate</u>	<u>Maturity Year</u>	<u>Interest Rate</u>
2014		2020	
2015		2021	
2016		2022	
2017		2023	
2018		2024	
2019			

5. Optional Redemption. Bonds maturing on February 1, 2021, and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2020, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be prepaid shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds at least thirty days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the City to be redeemed in advance of maturity, the City will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond

Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

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

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

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
MILLE LACS COUNTY  
CITY OF MILACA

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

\$\_\_\_\_\_

GENERAL OBLIGATION BOND, SERIES 2012A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1,	August 1, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Milaca, Mille Lacs County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for prior redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2013, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc., in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2021, and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2020, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment; if redemption is in part, the selection of the amounts and maturities of the Bonds to be prepaid shall be at the discretion of the Issuer. If only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds at least thirty days prior to the date fixed for redemption.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$850,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on July 19, 2012 (the "Resolution"), for the purpose of providing funds sufficient for a crossover refunding on February 1, 2014, of the Issuer's General Obligation Improvement Bonds, Series 2005A, dated September 8, 2005, which mature on and after February 1, 2015 and to finance street reconstruction improvements within the Issuer. This Bond is payable out of the Escrow Account and the Debt Service Account. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations

provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

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

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

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

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

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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

IN WITNESS WHEREOF, the City of Milaca, Mille Lacs County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Manager, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

\_\_\_\_\_

Registrable by: NORTHLAND TRUST SERVICES,  
INC.

Payable at: NORTHLAND TRUST SERVICES,  
INC.

BOND REGISTRAR'S  
CERTIFICATE OF  
AUTHENTICATION

CITY OF MILACA,  
MILLE LACS COUNTY, MINNESOTA

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

/s/ Facsimile

\_\_\_\_\_  
Mayor

Northland Trust Services, Inc.  
Minneapolis, Minnesota  
Bond Registrar

/s/ Facsimile

\_\_\_\_\_  
Manager

By \_\_\_\_\_

Authorized Signature





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

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of August 1, 2012. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

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

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

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

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

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

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

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

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

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

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

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

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

15. Fund and Accounts. There is hereby created a special fund designated the General Obligation Bonds, Series 2012A Fund (the "Fund"), to be administered and maintained by the Treasurer as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The fund shall be maintained in the manner herein

specified until the Bonds and the interest thereon shall have been fully paid. In such records there shall be established and maintained the following separate accounts, for the purposes as follows:

(a) Escrow Account. The Escrow Account shall be maintained as an escrow account with Northland Trust Services, Inc. (the "Escrow Agent"), in Minneapolis, Minnesota, which is a suitable financial institution within or without the State. \$ \_\_\_\_\_ in proceeds of the sale of the Bonds shall be received by the Escrow Agent and applied to fund the Escrow Account or to pay costs of issuing the Bonds. Proceeds of the Bonds, less proceeds used to pay costs of issuance and any proceeds returned to the City, are hereby irrevocably pledged and appropriated to the Escrow Account, together with all investment earnings thereon. The Escrow Account shall be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as shall be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Account, to pay when due the interest to accrue on the Bonds to and including the Crossover Date and to pay when called for redemption on the Crossover Date, the principal amount of the Refunded Bonds. The Escrow Account shall be irrevocably appropriated to the payment of all interest on the Refunding Portion of the Bonds to and including the Crossover Date and the principal of the Refunded Bonds due by reason of their call for redemption on the Crossover Date. The moneys in the Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the City, all in accordance with an agreement (the "Escrow Agreement") by and between the City and Escrow Agent, a form of which agreement is on file in the office of the Treasurer. Any moneys remitted to the City pursuant to the Escrow Agreement shall be deposited in the Debt Service Account.

(b) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Improvement Portion of the Bonds, less capitalized interest and less a pro rata share of accrued interest. From the Construction Account there shall be paid all costs and expenses of making the Improvements, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65; and the moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Improvement Portion of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of taxes herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance shall be transferred by the Council to the Debt Service Account.

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

(i) Refunded Bonds Debt Service Subaccount. To the Refunded Bonds Debt Service Subaccount are hereby irrevocably appropriated, pledged to and there shall be credited to: (1) any balance remaining after the Crossover Date in the Prior Bonds Debt Service Account created by the Prior Bonds Resolution; (2) after the Crossover Date, all

uncollected special assessments pledged to the payment of the Prior Bonds; (3) collections of all taxes herein or hereinafter levied for the payment of the Refunding Portion of the Bonds and interest thereon; (4) all investment earnings on funds in the Refunded Bonds Debt Service Subaccount; (5) any sums remitted to the City pursuant to the Escrow Agreement; and (5) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Refunded Bonds Debt Service Subaccount. The amount of any surplus remaining in the Refunded Bonds Debt Service Subaccount when the Refunding Portion of the Bonds and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4.

(ii) Improvements Debt Service Subaccount. To the Improvements Debt Service Subaccount there shall be credited: (1) capitalized interest in the amount of \$ \_\_\_\_\_ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or before February 1, 2013); (2) collections of all taxes herein or hereinafter levied for the payment of the Improvement Portion of the Bonds and interest thereon; (3) a pro rata share of all accrued interest received upon delivery of the Bonds; (4) all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof; (5) all investment earnings on funds held in the Improvements Debt Service Subaccount; and (6) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Improvements Debt Service Subaccount. The Improvements Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Improvement Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

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

16. Covenants Relating to the Refunding Portion of the Bonds.

(a) Special Assessments. The City has heretofore levied special assessments pursuant to the Prior Resolution, which were pledged to the payment of the principal and interest

on the Prior Bonds and, after the Crossover Date, the uncollected special assessments for the Prior Bonds are now pledged to the payment of principal and interest on the Refunding Portion of the Bonds. The special assessments are such that if collected in full they, together with estimated collections of other revenues pledged for the payment of the Refunding Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Refunding Portion of the Bonds. The special assessments were levied as provided below, payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the declining balance of all such assessments at the rate shown opposite such years:

<u>Improvement Designations</u>	<u>Amount</u>	<u>Rate</u>	<u>Collection Years</u>
Project 1	\$404,600	6.0%	2006-2022

(b) Tax Levy; Coverage Test; Cancellation of Certain Tax Levies. To provide moneys for payment of the principal and interest on the Refunding Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
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See attached schedule

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

Upon payment of the Prior Bonds, the uncollected taxes levied in the Prior Resolution authorizing the issuance of the Prior Bonds which are not needed to pay the Prior Bonds as a result of the Refunding shall be canceled.

17. Covenants Relating to the Improvement Portion of the Bonds.

(a) Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Improvement Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
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See attached schedule

The tax levies are such that if collected in full they, together with estimated collections of other revenues herein pledged for the payment of the Improvement Portion of the Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Improvement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Improvement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

18. 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 shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds payable therefrom, the deficiency shall be promptly paid out of any other accounts of the City which are available for such purpose, and such other funds may be reimbursed without interest from the Debt Service Account when a sufficient balance is available therein.

19. Securities; Escrow Agent. Securities purchased from moneys in the Escrow Account shall be limited to securities set forth in Minnesota Statutes, Section 475.67, Subdivision 8, and any amendments or supplements thereto. Securities purchased from the Escrow Account shall be purchased simultaneously with the delivery of the Bonds. The City Council has investigated the facts and hereby finds and determines that the Escrow Agent is a suitable financial institution to act as escrow agent.

20. Escrow Agreement. On or prior to the delivery of the Bonds the Mayor and Manager shall, and are hereby authorized and directed to, execute on behalf of the City an Escrow Agreement. The Escrow Agreement is hereby approved and adopted and made a part of this resolution, and the City covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

21. Purchase of SLGS or Open Market Securities. The Escrow Agent, as agent for the City, is hereby authorized and directed to purchase on behalf of the Council and in its name the appropriate United States Treasury Securities, State and Local Government Series and/or open market securities as provided in paragraph 19, from the proceeds of the Bonds and, to the extent necessary, other available funds, all in accordance with the provisions of this resolution and the Escrow Agreement and to execute all such documents (including the appropriate subscription form) required to effect such purchase in accordance with the applicable U.S. Treasury Regulations.

22. Redemption of Prior Bonds. The Prior Bonds shall be redeemed and prepaid in accordance with the terms and conditions set forth in the Notice of Call for Redemption, in the form attached to the Escrow Agreement, which terms and conditions are hereby approved and incorporated herein by reference. The Notice of Call for Redemption shall be given pursuant to the Escrow Agreement.

23. Prior Bonds; Security. Until retirement of the Prior Bonds, all provisions theretofore made for the security thereof shall be observed by the City and all of its officers and agents.

24. Supplemental Resolution. The Prior Resolution is hereby supplemented to the extent necessary to give effect to the provisions of this resolution.

25. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

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

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

28. Negative Covenant as to Use of Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project financed by the Prior Bonds, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, 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.

29. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation

(i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States, if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that:

- (a) the Bonds are issued by a governmental unit with general taxing powers;
- (b) no Bond is a private activity bond;
- (c) ninety-five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City);
- (d) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code;
- (e) there shall not be taken into account for purposes of said \$5,000,000 limit any bond issued to refund (other than to advance refund) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond;
- (f) the aggregate face amount of the Bonds does not exceed \$5,000,000;
- (g) each of the Refunded Bonds was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;
- (h) the average maturity of the Refunding Portion of the Bonds does not exceed the average maturity of the Refunded Bonds; and
- (i) no part of the Refunding Portion of the Bonds has a maturity date which is later than the date which is thirty years after the date the Refunded Bonds were issued.

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

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(c) the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2012 will not exceed \$10,000,000;

(e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2012 have been designated for purposes of Section 265(b)(3) of the Code; and

(f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

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

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

(a) to provide or provide or cause to be provided, to the Municipal Securities Rulemaking Board, by filing at [www.emma.msrb.org](http://www.emma.msrb.org), (i) at least annually, its audited financial statements for the most recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of such event, in accordance with the Undertaking; and

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

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

32. Governmental Bonds Post-Issuance Compliance Policies and Procedures. The City hereby approves the Governmental Bonds Post-Issuance Compliance Policies and Procedures in substantially the form presented to the City Council.

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

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

Adopted this 19<sup>th</sup> day of July, 2012.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

STATE OF MINNESOTA  
COUNTY OF MILLE LACS  
CITY OF MILACA

I, the undersigned, being the duly qualified and acting Manager of the City of Milaca, Minnesota, do hereby certify that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to providing for the issuance and sale of \$850,000 General Obligation Bonds, Series 2012A.

WITNESS my hand on July 19, 2012.

\_\_\_\_\_  
Manager

**City of Milaca, Minnesota**

G.O. Bonds, Series 2012A

New Money

**Net Debt Service Schedule**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>	<b>CIF</b>	<b>Net New D/S</b>
02/01/2013	-	-	2,072.50	2,072.50	(2,072.50)	-
02/01/2014	20,000.00	1.000%	4,145.00	24,145.00	(2,072.50)	22,072.50
02/01/2015	20,000.00	1.000%	3,945.00	23,945.00	-	23,945.00
02/01/2016	20,000.00	1.000%	3,745.00	23,745.00	-	23,745.00
02/01/2017	20,000.00	1.250%	3,545.00	23,545.00	-	23,545.00
02/01/2018	25,000.00	1.250%	3,295.00	28,295.00	-	28,295.00
02/01/2019	25,000.00	1.700%	2,982.50	27,982.50	-	27,982.50
02/01/2020	25,000.00	1.700%	2,557.50	27,557.50	-	27,557.50
02/01/2021	25,000.00	1.900%	2,132.50	27,132.50	-	27,132.50
02/01/2022	25,000.00	1.900%	1,657.50	26,657.50	-	26,657.50
02/01/2023	25,000.00	2.150%	1,182.50	26,182.50	-	26,182.50
02/01/2024	30,000.00	2.150%	645.00	30,645.00	-	30,645.00
<b>Total</b>	<b>\$260,000.00</b>	<b>-</b>	<b>\$31,905.00</b>	<b>\$291,905.00</b>	<b>(4,145.00)</b>	<b>\$287,760.00</b>

July 6, 2012

Mr. Greg Lerud  
City of Milaca  
255 First Street East  
Milaca MN 56353

Dear Mr. Lerud,

Thank you for stopping by Vintage Designs this morning. I was happy to show you what we are doing with the store. My husband and I enjoy it so much, and we are proud to be part of Milaca's business community.

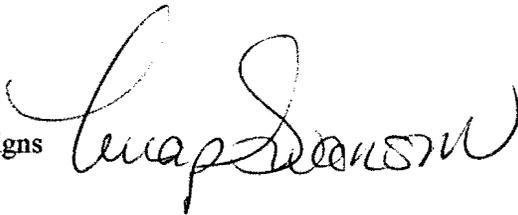
We were not aware of the ordinance that prohibits the posting of temporary signs within city limits. I am very sorry to hear that, because the publicity has been very helpful in generating business for us. Since we are open only two weekends a month, the signs remind people when we are open.

In addition, I've seen that many businesses and organizations post temporary signs--such as the American Legion and the farmers market; and individuals even put up temporary signs for garage sales and similar events. It would seem that the ordinance needs to be enforced to these entities, as well.

I respectfully request that the City Council revisit this ordinance. Especially in today's economic climate, Milaca's businesses appreciate all the help the city can provide.

Sincerely,

Terri P. Swanson  
Owner, Vintage Designs  
171 2<sup>nd</sup> Ave. S.W.  
Milaca, MN 56353  
763-742-4033

A handwritten signature in black ink, appearing to read "Terri Swanson". The signature is written in a cursive style with a large, looping initial "T".

**DATE:** June 1, 2012

**TO:** Greg Lerud, Mgr  
City of Milaca

**FROM:** **Susan Brower**  
Minnesota State Demographer

**SUBJECT:** 2011 Population and Household Estimates

Your April 1, 2011 population estimate is 2,944.

Your April 1, 2011 household estimate is 1,306.

If you have any questions or comments about these estimates, please contact the State Demographic Center, 300 Centennial Office Building, 658 Cedar Street, St. Paul, MN 55155, phone (651) 201-2473 or send an e-mail to [local.estimate@state.mn.us](mailto:local.estimate@state.mn.us). All challenges must be submitted in writing. Please refer to the enclosed sheet for details.

RESOLUTION NO. 12 – 28

APPROVING CHANGE TO THE CITY'S ZONING MAP

WHEREAS a request was made to consider rezoning parts of the existing Business – 1 (B-1) zone to a Business – 2 (B-2) zone; and,

WHEREAS the request was made to bring businesses into conformance with present activities, and to allow for additional business opportunities that a B-2 zone permits; and,

WHEREAS the Milaca planning commission held a public hearing on July 9, 2012 to consider the request; and,

WHEREAS the planning commission recommended approving the changes as indicated on the attached map,

NOW THEREFORE BE IT RESOLVED that the Milaca City Council hereby approves the changes as indicated on the attached map.

Adopted this 19<sup>th</sup> day of July, 2012.

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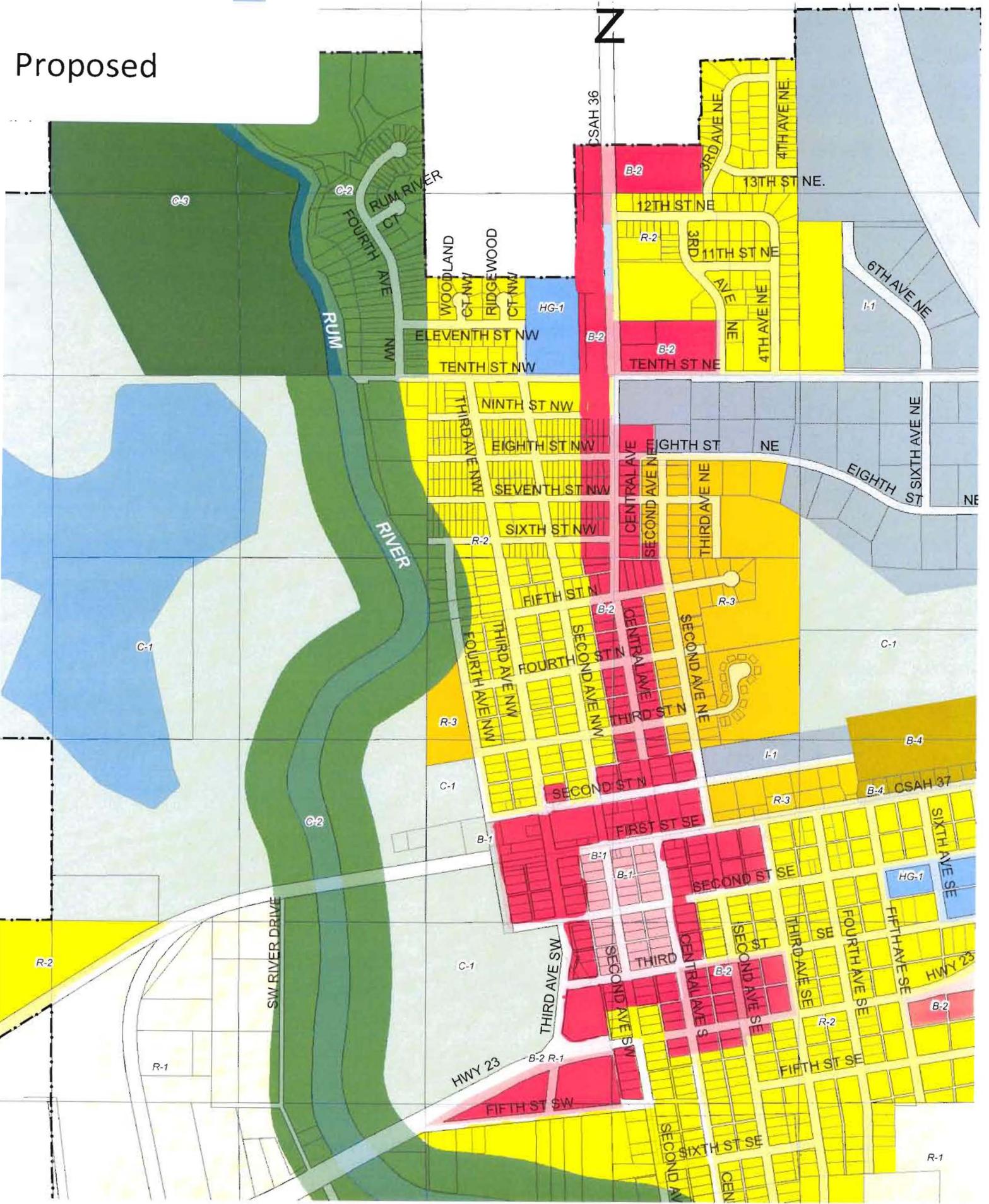
Mayor Harold Pedersen

ATTEST

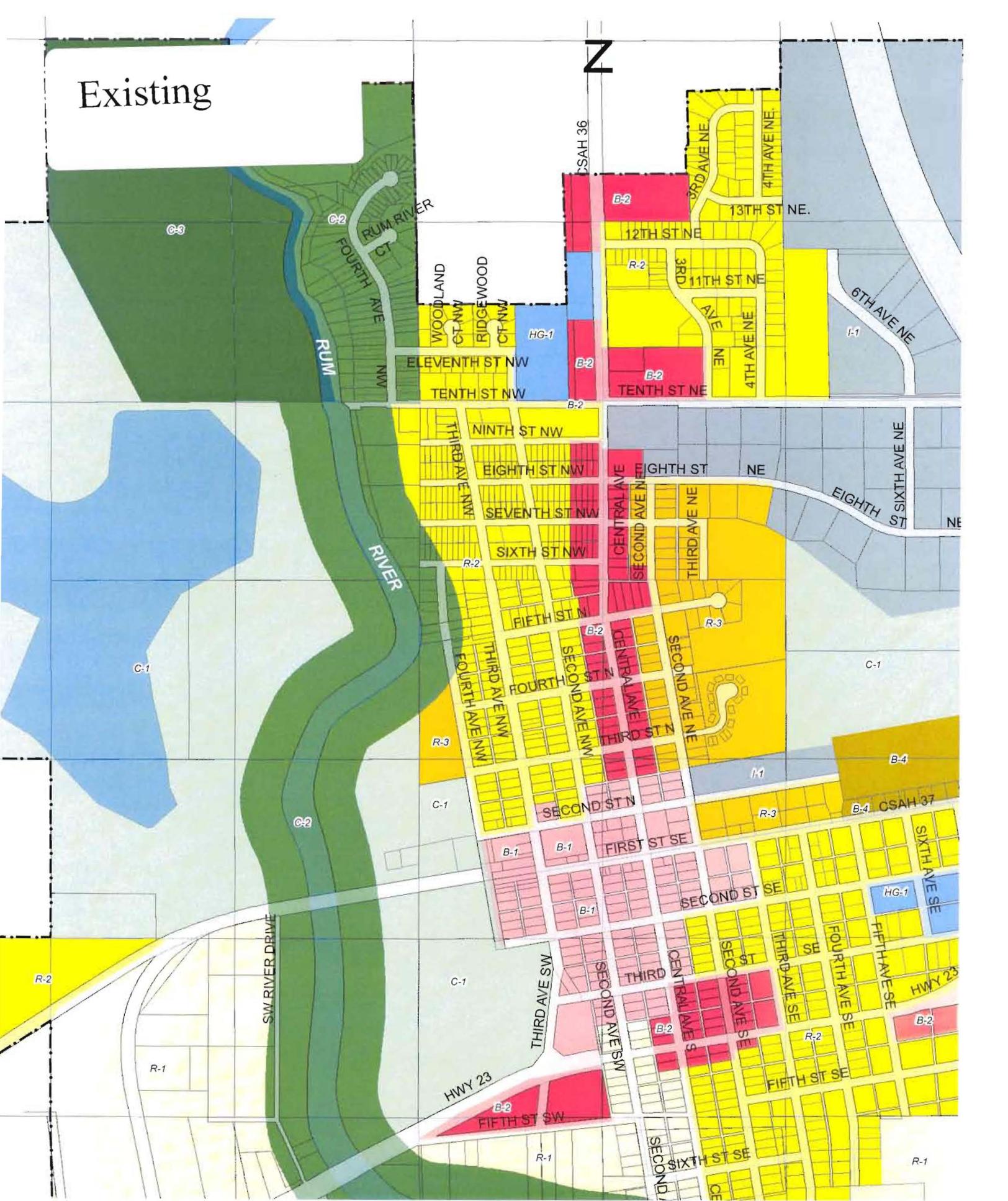
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Greg Lerud, City Manager

Proposed



# Existing



RESOLUTION NO. 12 – 29

RESOLUTION APPOINTING ELECTION JUDGES AND DESIGNATING POLLING  
HOURS AND LOCATION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILACA,  
MINNESOTA;

1. Polling hours to be set from 7:00 a.m. to 8:00 p.m. for Primary and General Elections to be held August 14, 2012, and November 6, 2012.
2. Polling place to be the Milaca City Hall, 255 1<sup>st</sup> Street E, Milaca, MN 56353.
3. To appoint the following election judges:

Barbra Zakrajsek  
Virginia Maurer  
Skip Peterson  
Lois Ploeger  
Ardy Becklin  
Arla Johnson  
Ruth Rankin-Meleen  
Nancy Wilken  
Deloris Katke  
Don Brown  
Karen Carter  
Mavis Holter  
Sherie Billings  
Candy Jacobson  
Greg Lerud

4. To appoint Barbra Zakrajsek as head election judge.

Adopted this 19th day of July, 2012.

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Mayor Harold Pedersen

ATTEST

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Greg Lerud, City Manager

RESOLUTION NO. 12 – 30

A RESOLUTION REQUESTING STREET CLOSURE

WHEREAS the City of Milaca desires that County Road 36 be closed from the south entrance to the City Maintenance Building to County Road 9 for one-way traffic for the period of time starting at 7:30 a.m. and ending at 4:30 p.m. on September 22, 2012 for the Milaca Cross Country race; and,

WHEREAS the City agrees to the terms of the County agreement for closing county roads dated May 25, 1990, as it may be amended, in all respects; and,

WHEREAS the City has reviewed all alternate locations for the event and has determined the county road is the only feasible location at which to hold the event; and,

WHEREAS the City has, or will, obtain the necessary insurance certificates from sponsors,

NOW THEREFORE BE IT RESOLVED that the Milaca City Council hereby request the County to allow the city to close the road and authorize the City Manager to execute the agreement with the County.

Adopted this 19<sup>th</sup> day of July, 2012.

\_\_\_\_\_  
Mayor Harold Pedersen

ATTEST

\_\_\_\_\_  
Greg Lerud, City Manager

RESOLUTION NO. 12 – 31

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF AN \$138,800 GENERAL OBLIGATION EQUIPMENT CERTIFICATE, SERIES 2012A; ESTABLISHING THE TERMS AND FORM THEREOF; CREATING A DEBT SERVICE FUND THEREFOR; AND AWARDING THE SALE THEREOF

BE IT RESOLVED, by the City Council of the City of Milaca (the “City Council”), Mille Lacs County, Minnesota (the “Issuer”), as follows:

Section 1. Certificate Purpose, Authorization and Award.

1.01 Authority. Pursuant to authority contained in Minnesota Statutes, Section 412.301 (the “Act”), the Issuer is authorized to issue its certificates of indebtedness to provide funds for the purchase of capital equipment having an expected useful life of at least ten years.

1.02 Findings.

A. Pursuant to authority contained in Minnesota Statutes, Chapter 475 and Section 412.301, the Issuer has determined that it is necessary, expedient and in the best interest of the residents of the Issuer that the Issuer purchase certain items of capital equipment having an expected useful life of at least ten years, including but not limited to a prefabricated pedestrian bridge (the “Project”) and that the Issuer issue and sell its General Obligation Equipment Certificates, Series 2012A, of the Issuer, in the original principal amount of \$138,800 (the “Certificate”), in order to finance the Project and to pay part of the issuance costs of the Certificate.

B. Pursuant to the Act, the Certificate may not be issued if the amount of the Certificate exceeds 0.25 percent of the market value of taxable property in the Issuer. The estimated market value of the Issuer for calendar year 2012 is \$130,818,420, 0.25 percent of which is \$327,046. Therefore, the amount of the Certificate does not exceed 0.25 percent of the market value of taxable property in the Issuer.

C. It is necessary for the Issuer to establish the form and terms of the Certificate, to provide for the security thereof, and to provide for the issuance of the Certificate forthwith.

1.03 Independent Financial Advisor. The Issuer has retained the services of David Drown Associates, Inc. as its independent financial advisor.

1.04 Award of Sale. The Issuer has received a proposal from the Bank of Zumbrota, located in Zumbrota, Minnesota (the “Purchaser”), to purchase the Certificate at a cash price equal to the par value thereof, upon condition that the Certificate matures and bears interest at the times and annual rate set forth in Section 2. The Issuer, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is accepted. All actions of the Mayor and the City Manager taken with regard to the sale of the Certificate are ratified and approved.

Section 2. Terms of the Certificate.

2.01 Interest Rate and Principal Maturities.

A. The Certificate shall be dated the date of its closing and delivery as the date of original issue, shall be issued in the denomination equal to the principal amount thereof, shall be issued in fully registered form and lettered and numbered R-1. The Certificate shall bear interest at the annual rate of 2.60% and shall mature on February 1, 2020.

B. The Certificate shall be subject to mandatory redemption prior to maturity without notice on the dates and in the principal amounts shown below:

<b>Date</b>	<b>Principal Amount</b>
2/1/2014	\$16,800
2/1/2015	\$19,000
2/1/2016	\$19,000
2/1/2017	\$20,000
2/1/2018	\$21,000
2/1/2019	\$21,000
2/1/2020	\$22,000

C. The City Manager is authorized to make adjustments to the principal schedule above as necessary to reflect any reduction in the total principal amount of the Certificate.

2.02 Prepayment. The Certificate is prepayable at any time at a price of par plus accrued interest to the prepayment date; provided that if prepayment is prior to August 1, 2014, the redemption price shall also include a premium of 0.5% of the principal amount to be prepaid.

2.03 Interest Payment Dates.

A. The interest shall be payable semiannually on February 1 and August 1 of each year (each referred to herein as an "Interest Payment Date") commencing on August 1, 2013. Interest will be computed upon the basis of a 360-day year of twelve 30-day months.

B. The Note Registrar designated below shall make all interest payments with respect to the Certificate by check or draft mailed to the registered owner of the Certificate shown on the Certificate registration records maintained by the Note Registrar at the close of business on the 15th day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owners' addresses shown on such Certificate registration records.

2.04 Preparation and Execution.

A. The Certificate shall be prepared for execution in accordance with the approved form and shall be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Manager. The corporate seal of the Issuer may be omitted from the Certificate as permitted by law. In case any officer whose signature shall

appear on the Certificate shall cease to be an officer before delivery of the Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

B. The City Manager is authorized and directed to obtain a copy of the proposed approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, which is to be complete thereof and cause the opinion to be attached to the Certificate.

2.05 Appointment of Registrar. The City Council appoints the Clerk as registrar, authenticating agent, paying agent and transfer agent for the Certificate (the "Note Registrar"). The Issuer reserves the right to name a substitute, successor Note Registrar upon giving prompt written notice to each registered Certificate holder.

2.06 Registered Owner. The Certificate shall be registered in the name of the Purchaser.

2.07 Note Register. The Issuer shall cause to be kept by the Note Registrar a Certificate register in which, subject to such reasonable regulations as the Note Registrar may prescribe, the Issuer shall provide for the registration of the Certificate and the registration of transfers of the Certificate entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Note Registrar or its incapability of acting as such, the Certificate registration records shall be maintained at the office of the successor Note Registrar as may be appointed by the City Council.

2.08 Payment. The principal of and interest on the Certificate shall be payable by the Note Registrar in such funds as are legal tender for the payment of debts due the United States of America. The Issuer shall pay the reasonable and customary charges of the Note Registrar for the disbursement of principal and interest.

2.09 Delivery. Delivery of the Certificate and payment of the purchase price shall be made at a place mutually satisfactory to the Issuer and the Purchaser. Typewritten and executed Certificate shall be furnished by the Issuer without cost to the Purchaser. The Certificate, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the Treasurer to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 3. Form of the Certificate.

3.01 The Certificate shall be typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF MILLE LACS

R-1

\$138,800

CITY OF MILACA  
GENERAL OBLIGATION EQUIPMENT CERTIFICATE, SERIES 2012A

Rate	Maturity Date	Date of Original Issue
2.60%	February 1, 2020	August 1, 2012

REGISTERED OWNER:     BANK OF ZUMBROTA

PRINCIPAL AMOUNT:     ONE HUNDRED THIRTY-EIGHT THOUSAND  
EIGHT HUNDRED DOLLARS

The City of Milaca, Mille Lacs County, Minnesota (the "Issuer"), for value received, promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, and to pay interest on said principal amount to the registered owner hereof from date of original issue set forth above, or from the most recent Interest Payment Date (defined below) to which interest has been paid or duly provided for, until the principal amount is paid, said interest being at the rate per annum specified above.

Interest is payable semiannually on February 1 and August 1 of each year (each referred to herein as an "Interest Payment Date") commencing on August 1, 2013. This Certificate is payable in the sinking fund installment amounts and at the times described below. Payments shall be applied first to interest due on the outstanding principal balance and thereafter to reduction of the principal balance.

Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the main office of the City Manager, as Note Registrar, authenticating agent, paying agent and transfer agent (the "Note Registrar"), or at the office of such successor Note Registrar as may be designated by the governing body of the Issuer. The Note Registrar shall make all payments with respect to this Certificate directly to the registered owner hereof shown on the Certificate registration records maintained on behalf of the Issuer by the Note Registrar at the close of business on the 15th day of the month next preceding the Interest Payment Date (whether or not a business day) at such owner's address shown on said Certificate registration records, without, except for final payment of principal of the Certificate, the presentation or surrender of this Certificate, and all such payments shall discharge the obligation of the Issuer to the extent of the payments so made. Payment of principal shall be made upon presentation and surrender of this Certificate to the Note Registrar when due.

This Certificate shall be subject to mandatory redemption prior to maturity without notice on the dates and in the principal amounts shown below:

Date	Principal Amount
7/1/2014	\$16,800
1/1/2015	\$19,000

7/1/2016	\$19,000
1/1/2017	\$20,000
7/1/2018	\$21,000
1/1/2019	\$21,000
7/1/2020	\$22,000

For the prompt and full payment of such principal and interest as they become due, the full faith and credit and taxing power of the Issuer are irrevocably pledged. The Issuer has designated the Certificate as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Certificate is issued by the Issuer in the aggregate amount of \$138,800, pursuant to the authority contained in Minnesota Statutes, Chapters 475 and Section 412.301, and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the Issuer on July 19, 2012 (the “Resolution”), for the purpose of financing the purchase of a prefabricated pedestrian bridge. The Issuer has levied a direct, annual ad valorem tax upon all taxable property within the Issuer which shall be extended upon the tax rolls for the years and in the amounts sufficient to produce sums not less than five percent in excess of the amounts of principal and interest on the Certificate, as such principal and interest respectively come due.

The Certificate is not subject to redemption and prepayment before maturity.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Certificate, in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the limits of the Issuer is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount and that the issuance of this Certificate does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Milaca, Mille Lacs County, Minnesota, by its governing body, has caused this Certificate to be executed in its name by the manual signature of the Mayor and attested by the manual signature of the City Manager as of the date of original issue set forth above.

ATTEST:

\_\_\_\_\_  
(form no signature)  
City Manager

\_\_\_\_\_  
(form no signature)  
Mayor

REGISTRATION CERTIFICATE

This Certificate must be registered as to both principal and interest in the name of the owner on the books to be kept by the City Manager of the City of Milaca, Minnesota, as prefabricated pedestrian bridge Note Registrar. No transfer of this Certificate shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this note and the interest accruing thereon is registered on the books of the City Manager in the name of the registered owner last noted below.

Date	Registered Owner	Signature of Note Registrar
8/1/2012	Bank of Zumbrota 1440 Main Street P.O. Box 8 Zumbrota, MN 55992 Federal Tax I.D. No.: 41-0250300	          <u>(form no signature)</u>

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

(Name and Address of Assignee)

\_\_\_\_\_ Social Security or Other  
\_\_\_\_\_ Identifying Number of Assignee

the within Certificate and all rights thereunder and irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the said Certificate on the books kept for registration thereof with full power of substitution in the premises.

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

\_\_\_\_\_  
\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Certificate in every particular,

without alteration or enlargement or  
any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company, member of  
National Securities Exchange)

THIS INSTRUMENT HAS NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF FOR VALUE, OR TRANSFERRED, WITHOUT (i) AN OPINION OF COUNSEL THAT SUCH SALE, DISPOSITION OR TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933, AS AMENDED AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (ii) SUCH REGISTRATION. THE TRANSFERABILITY OF THIS INSTRUMENT IS SUBJECT TO RESTRICTIONS REQUIRED BY (1) FEDERAL AND STATE SECURITIES LAWS GOVERNING UNREGISTERED SECURITIES; AND (2) THE RULES, REGULATIONS, AND INTERPRETATIONS OF THE GOVERNMENTAL AGENCIES ADMINISTERING SUCH LAWS. THIS INSTRUMENT HAS NOT BEEN REGISTERED UNDER CHAPTER 80A OF MINNESOTA STATUTES OR OTHER APPLICABLE STATE BLUE SKY LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF FOR VALUE EXCEPT PURSUANT TO REGISTRATION OR OPERATION OF LAW.

Section 4. Covenants, Accounts and Tax Levies.

4.01 The Fund. There is created a special fund to be designated the "2012A General Obligation Equipment Certificate Fund" (the "Fund") to be administered and maintained by the City Manager as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Issuer. The Fund shall be maintained in the manner herein specified until the principal amount of the Certificate and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "2012A Project Account" and "2012A Debt Service Account," respectively:

A. Project Account. On receipt of the purchase price of the Certificate, the Issuer shall credit proceeds from the sale of the Certificate, less accrued interest, if any, to the Project Account. The monies in such fund, along with other monies of the Issuer available therefor, shall be used to pay the costs of the Project, as set forth in Section 1.02 herein. Other costs for which payment from such fund is authorized shall include costs of legal, financial advisory, and other professional services, printing and publication costs and costs of issuance of the Certificate.

B. Debt Service Fund. There are pledged and appropriated to the Debt Service Fund an amount necessary to pay principal and interest on the Certificate when due and the Accrued

Interest, if any. The money in such fund shall be used for no purpose other than the payment of principal and interest on the Certificate; provided, however, that if any payment of principal or interest shall become due when there is not sufficient money in the Debt Service Fund, the City Manager shall pay the same from any other fund of the Issuer, which fund shall be reimbursed from the Debt Service Fund when the balance therein is sufficient.

4.02 Tax Levy. A. For the prompt and full payment of the principal and interest on the Certificate when due, the full faith and credit and taxing power of the Issuer are irrevocably pledged. There is levied a direct annual ad valorem tax upon all taxable property in the Issuer which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the Issuer. Said levies are for the years and in the amounts set forth below:

<b>Levy Year</b>	<b>Collection Year</b>	<b>Amount</b>
2012	2013	\$22,230
2013	2014	\$22,230
2014	2015	\$22,230
2015	2016	\$22,230
2016	2017	\$22,230
2017	2018	\$22,230
2018	2019	\$22,221

B. The tax levies are such that if collected in full they, together with estimated collections of investment earnings and other funds herein pledged and appropriated for payment of the Certificate, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Certificate.

C. The tax levies shall be irrevocable so long as the Certificate is outstanding and unpaid; provided, however, that on November 30 of each year, while any Certificate issued hereunder remains outstanding, the Issuer shall reduce or cancel the above levies to the extent of funds available in the Debt Service Fund to pay principal and interest due during the ensuing year, and shall direct the County Auditor to reduce the levy for such calendar year by that amount.

4.03 Investments. Monies on deposit in the Project Account and in the Debt Service Fund may, at the discretion of the City Manager, be invested in securities permitted by Minnesota Statutes, Chapter 118A, that any such investments shall mature at such times and in such amounts as will permit for payment of Project costs and/or payment of the principal and interest on the Certificate when due.

Section 5. Tax Covenants.

5.01 General.

A. The Issuer covenants and agrees with the holder of the Certificate that the Issuer will (i) take all action on its part necessary to cause the interest on the Certificate to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the

yield on investments made with the proceeds of the Certificate and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Certificate to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Certificate and investment earnings thereon on certain specified purposes.

B. For purposes of qualifying for the small-issuer exception to the federal arbitrage rebate requirements, the Issuer finds, determines and declares:

- (1) the Issuer is a governmental unit with general taxing powers;
- (2) the Certificate is not a “private activity bond” as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”);
- (3) 95% or more of the net proceeds of the Certificate are to be used for local governmental activities of the Issuer; and
- (4) the aggregate face amount of the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Certificate is issued is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

C. In order to qualify the Certificate as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code, the Issuer makes the following factual statements and representations:

- (1) the Certificate is not a “private activity bond” as defined in Section 141 of the Code;
- (2) the Issuer designates the Certificate as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code;
- (3) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during the calendar year in which the Certificate is being issued will not exceed \$10,000,000; and
- (4) not more than \$10,000,000 of obligations issued by the Issuer during the calendar year in which the Certificate is being issued have been designated for purposes of Section 265(b)(3) of the Code.

Section 6. Miscellaneous.

6.01 Filing with County Auditor. The City Manager is directed to file with the County Auditor a certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Certificate herein authorized has been duly entered on his or her register.

6.02 Certified Proceedings. The officers of the Issuer are authorized and directed to prepare and furnish to the Purchaser of the Certificate and to bond counsel certified copies of all proceedings and records of the Issuer relating to the authorization and issuance of the Certificate and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Certificate as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the Issuer as to the correctness of facts recited therein and the actions stated therein to have been taken.

6.03 Disclosure. No official statement or prospectus has been prepared or circulated by the Issuer in connection with the sale of the Certificate and the Purchaser has made its own investigation concerning the Issuer as set forth in an investment letter dated the date hereof.

6.04 Absent or Disabled Officers. In the event of the absence or disability of the Mayor or City Manager, such officers or members of the City Council as in the opinion of the Issuer's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Certificate, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 7. Effective Date. This resolution shall be effective upon satisfaction of the notice and petition requirements of the Act.

*(remainder of this page left blank intentionally)*

Adopted: July 19, 2012

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Mayor Harold Pedersen

ATTEST:

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Greg Lerud, City Manager

M:\DOCS\17517\000001\ROL\SG0934.DOCX

**EXTRACT OF MINUTES OF A MEETING OF THE  
CITY COUNCIL OF THE  
CITY OF MILACA, MINNESOTA  
HELD: July 19, 2012**

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Milaca, Mille Lacs County, Minnesota, was duly held at the City Hall on July 19, 2012, at \_\_\_\_ P.M.

The following members were present:

and the following were absent:

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

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND  
DELIVERY OF AN \$138,800 GENERAL OBLIGATION EQUIPMENT  
CERTIFICATE, SERIES 2012A; ESTABLISHING THE TERMS AND  
FORM THEREOF; CREATING A DEBT SERVICE FUND THEREFOR;  
AND AWARDING THE SALE THEREOF**

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

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

City of Milaca, Minnesota

\$138,800

G.O. Equipment Certificate, Series 2012A

(MN Rural Water Micro-Loan)



**Uses of Funds**

Prefabricated Pedestrian Bridge	231,000
less other funds	(96,000)
Micro Loan Fee	3,800
<b>Net Funds Required</b>	<b>138,800</b>

**Sources of Funds**

<b>Micro Loan</b>	<b>138,800</b>
Cash Contribution	-
Construction Fund Earnings (excess proceeds)	-
	<b>138,800</b>

**Schedule for Approval and Closing**

Application Received	7/3/2012
Council Passes Resolution Approving Loan	7/19/2012
Closing and Transfer of Funds	8/1/2012

**Cashflow & Budget Requirements**

<i>Payment Schedule</i>							<i>Pledged Revenues</i>			<i>Account Balances</i>	
12-Month Period ending	Principal	Annual Rate	Interest	Semi-annual Payment	Annual w/ 5% Cov'g	Collection Year	Tax Levies	Other	Pledged for Coverage	Surplus (deficit)	Account Balance
	-		-	-	-				Capitalized & rounding >	-	-
1 8/1/2012	-	2.60%	-	-	-		-	-	-	-	-
2 2/1/2013	-	2.60%	-	-	-	2012	-	-	-	-	-
3 8/1/2013	-	2.60%	3,608.80	<b>3,608.80</b>	-					-	-
4 2/1/2014	16,800	2.60%	1,804.40	<b>18,604.40</b>	23,324	2013	<b>22,230</b>	-	1,111	17	17
5 8/1/2014		2.60%	1,586.00	<b>1,586.00</b>						-	17
6 2/1/2015	19,000	2.60%	1,586.00	<b>20,586.00</b>	23,281	2014	<b>22,230</b>	-	1,109	58	75
7 8/1/2015		2.60%	1,339.00	<b>1,339.00</b>						-	75
8 2/1/2016	19,000	2.60%	1,339.00	<b>20,339.00</b>	22,762	2015	<b>22,230</b>	-	1,084	552	627
9 8/1/2016		2.60%	1,092.00	<b>1,092.00</b>						-	627
10 2/1/2017	20,000	2.60%	1,092.00	<b>21,092.00</b>	23,293	2016	<b>22,230</b>	-	1,109	46	673
11 8/1/2017		2.60%	832.00	<b>832.00</b>						-	673
12 2/1/2018	21,000	2.60%	832.00	<b>21,832.00</b>	23,797	2017	<b>22,230</b>	-	1,133	(434)	239
13 8/1/2018		2.60%	559.00	<b>559.00</b>						-	239
14 2/1/2019	21,000	2.60%	559.00	<b>21,559.00</b>	23,224	2018	<b>22,230</b>	-	1,106	112	351
15 8/1/2019		2.60%	286.00	<b>286.00</b>						-	351
16 2/1/2020	22,000	2.60%	286.00	<b>22,286.00</b>	23,701	2019	<b>22,221</b>	-	1,129	(351)	(0)
	<b>138,800</b>		<b>16,801.20</b>	<b>155,601.20</b>	<b>163,381</b>		<b>155,601</b>	-	<b>7,780</b>	<b>(0)</b>	

**City of Milaca, Minnesota**

**\$138,800**

**G.O. Equipment Certificate, Series 2012A**

**(MN Rural Water Micro-Loan)**



**Bond Details**

Dated Date	8/1/2012
Sale Date (Board Passes Resolution)	7/19/2012
Closing Date	8/1/2012
1st Interest Payment	8/1/2013
Proceeds spent by...	12/31/2012
Call Option	anytime at Par plus accd int. (plus 0.5% if prior to 8/1/2014)
Authority	M.S. 412.301
Tax Status	Tax-exempt, Bank Qualified
Continuing Disclosure	none
Rebate	Exempt, \$5 million small issuer

**Participants**

Purchaser	Bank of Zumbrota
Bond Counsel	Fryberger, Buchanan, Smith & Frederick
Financial Advisor	David Drown Associates, Inc.
Pay Agent	Clerk

**Financial Statistics**

Net Effective Rate (calculated to dated date)	2.600%
Average Coupon	2.600%
Issue Price	116,800.00
Weighted Average Maturity (to close)	5.5325
Yield (calculated to closing date)	2.6000%

**Closing Amounts and Allocations**

Purchase Price	138,800.00	
plus accrued interest	0 days	-
Net Proceeds		<u>138,800.00</u>
Closing by (cashier check or wire transfer)		cashier check
Amount to Borrower		135,000.00
Amount to David Drown Associates, Inc.		2,250.00
Amount to Fryberger, Buchanan, Smith & Fredrick		1,250.00
Amount to MN Rural Water Association		<u>300.00</u>
		<u><u>138,800.00</u></u>

**Funds and Allocations**

Deposit to Project Fund	135,000.00
Deposit to Debt Service Fund	-
	<u>135,000.00</u>

**Statutory Tests & Limits**

Population (>200)	2,789	OK
Debt Outstanding	2,250,000	
Debt per capita (<5,000)	807	OK
Market Value	130,818,420	
0.25% threshold for reverse referendum	327,046	OK

MILACA PLANNING COMMISSION

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MILACA WAS DULY HELD ON THE 9<sup>th</sup> DAY OF JULY 2012, AT 255 1<sup>st</sup> ST. E. FOR THE PURPOSE OF PUBLIC HEARING AND REGULAR MEETINGS.

UPON ROLL CALL, THE FOLLOWING MEMBERS WERE PRESENT:

Warren Peterson	Scott Harlicker X	Mike Cassens	
Luke Kotsmith	Gary Nelson	Arla Johnson X	Pam Novak X

EX-OFFICIO MEMBERS:

Marshall Lind, Building Official/ Zoning X

Wayne Bekius, Liaison X

Others Present: Doug Biza, Joe Cronin, John Savage, Tom Sauer, Richard & Diane Gimbert

**Public Hearing – for John Savage asking for an Ordinance change to allow Chickens on all residential lots except for multi-family lots**

The public hearing was opened, Lind explained that Mr. Savage was looking to change the zoning ordinance to allow chickens on all residential lots.

Tom Sauer expressed his concerns about the noise of chickens and asked if there are going to be roosters.

Mr. Cronin also expressed concerns about noise.

Mr. Savage stated that he was proposing to have the chickens totally enclosed chicken coupe.

Lind stated that Mr. Savage proposed to have 4 chickens and no roosters, but Lind stated that it was up to City Council to write and determine how many chickens to allow, how they are caged and the setback of a coupe if they were going to change the ordinance.

Richard Gimble and his wife stated that they are neighbors and are apposed to changing the ordinance.

Chairman Harlicker then read 4 letters apposed to changing the ordinance from neighbors.

There were no letters and nobody present except for Mr. Savage in favor of changing the ordinance.

There were no other comments or questions, the public hearing was closed.

**Public Hearing – for Rezoning properties to a B-2 General Business district**

Lind explained that the City was proposing to change some properties to a B-2 zoning district. This would allow more types of businesses and would bring some non-conforming businesses into compliance.

Mr. Cronin asked what are the advantages and disadvantages of the change? Lind stated the advantages are that non-conforming would now be conforming and that it would allow more different types of businesses into this area. The disadvantage would be that there are now setbacks on the properties. This would not effect existing buildings, but any new construction or additions would have to meet the setbacks.

There were no other comments or questions, the public hearing was closed.

The regular Planning Commission meeting was called to order.

There was no quorum for the Planning Commission, but the commissioners that were present recommended unanimously to deny the request from Mr. Savage on changing the zoning ordinance to allow chickens on all residential lots.

The members present also recommended unanimously to approve the changes to B-2 that were presented.

Commissioner Johnson made the motion to adjourn and Commissioner Novak seconded it.

Motion **passed** unanimously.

Minutes respectfully submitted by,

A handwritten signature in black ink, appearing to read "M Lind", written in a cursive style.

Marshall Lind  
Zoning Administrator

June 25, 2012

Mr. Marshall Lind  
Zoning Administrator  
City of Milaca  
255 1<sup>st</sup> St E  
Milaca, MN 56353

Re: Ordinance change request from Mr. John Lind

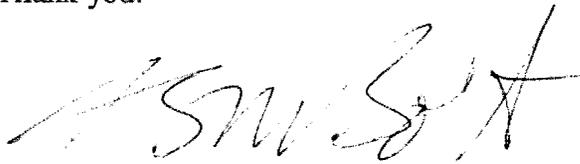
Dear Mr. Lind:

I live at 310 2<sup>nd</sup> St SE in Milaca. I am deeply opposed to the ordinance change request requested by Mr. Savage. The smell from a yard full of chickens could be very bothersome for neighbors, and no neighbor is going to want to listen to roosters at dawn. If I am not mistaken, Milaca has a noise ordinance in place; how will the City enforce that against a property owner whose chickens are waking neighbors up very early in the morning?

And aesthetically, does Milaca really want visitors to see chickens running around yards in town?

It is my hope the City denies this request.

Thank you.

A handwritten signature in black ink, appearing to read 'Adrian Bolt', written in a cursive style.

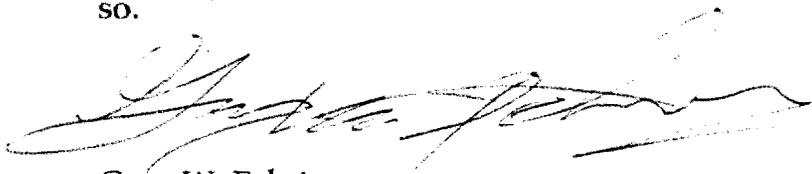
Adrian Bolt  
310 2<sup>nd</sup> St SE  
Milaca, MN 56353

Gary W. & Mary L. Fehring  
250 3rd Ave. SE  
Milaca, MN 56353  
320/983-6724

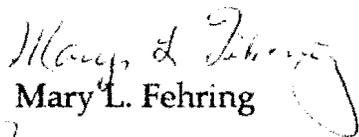
July 2, 2012

To: The City of Milaca Planning Commission  
Regarding: The proposed variance allowing Milaca homeowners to raise chickens on their property.

Because we do not believe the character of our community would be enhanced should Milaca homeowners be allowed to raise chickens within Milaca's city limits, we therefore object to the proposed variance which would give them the permission to do so.



Gary W. Fehring



Mary L. Fehring

7

JUN 26 2012

June 25, 2012

City of Milaca  
255 1st Street E  
Milaca, MN 56353

Dear City,

Please be advised that we oppose changing the Ordinance to allow chickens on all residential zoned properties.

Thank you.

Lawrence and Shirley Rosenberg

*Lawrence M Rosenberg*  
*Shirley Rosenberg*

To whom it may  
concern:

The only concern  
in town we want  
is on the GR-11  
we do not want the  
Chicken bill to pass  
Just a few days ago

MILACA ECONOMIC DEVELOPMENT AUTHORITY MINUTES  
JUNE 15, 2012 MEETING

The meeting of the Milaca economic development commission was called to order at 7:35 by Chairman Joe Cronin. The following commission members were present: Dave Dillan, Ken Muller, Steve Kosbab, Jerry Hansen, Joe Walsh, and Greg Lerud.

The minutes of the May 18 meeting were approved as read.

Cronin said the county's comp plan committees continue to meet. He said that there is an action plan draft for the economic development subcommittee that includes a recommendation to hire a county staff person to coordinate economic development efforts. Lerud presented a draft of a letter to be sent to the county board supporting the county hiring an individual to be an economic development coordinator. The group discussed changes and additions to the draft. Lerud said he would bring it back to the July meeting for everyone to sign.

Lerud said the city council voted to request the city's \$50,000 contribution to the MN Community Capital Fund be returned. He said that with ECE and GRE already MCCF members, there is still the ability to generate loans. Lerud said the fund would be used to establish a local revolving loan fund.

A StarTribune article regarding rural Minnesota was presented.

Walsh said that Tami James has been instrumental in bringing back the festival to surround the parade, and that is one of the things that attract people to the smaller communities as described in the newspaper article.

Thomes said the chamber golf tournament is June 28 and he encouraged everyone to golf.

Walsh said that the Creative Ink outdoor theater has several shows planned for this summer.

Muller said the fly-in at the airport is August 5.

With no other business the meeting adjourned at 8:25.

Respectfully submitted,

Greg Lerud, Secretary  
Milaca Economic Development Commission

Milaca Airport Advisory Commission  
June 13<sup>th</sup>, 2012

The meeting was called to order at 6:00 by Ken Muller.

The May 9<sup>th</sup>, 2012 minutes were read and approved.

Old Business:

- The flyers for the 2012 fly-in were approved and will go to print.
- The paving for 110th Av. is still delayed.
- We will call a special budget meeting.
- The Legion flag retirement is still scheduled for Saturday August 4<sup>th</sup>.
- The dumpster and toilets are ordered.
- The Fly-in is listed with AOPA, EAA, Mindot, Flyins.com and Midwest
- Flyer.
- Glen? Will manage the aircraft air and ground handling.
- The Milaca Boy Scouts will assist in this operation.
- The B.S.A. requested an aircraft radio to connect to their P.A.system for spectator interest.

New Business:

- The dead and dying pine trees north of the AD building are being removed by Ted Ziegler.

Steve Nelson made a motion to adjourn the meeting and was seconded by Leo Voss.

The meeting was adjourned at 6:30 with Ken Muller, Leo Voss, and Steve Nelson present with Gary Judd, Lynette Ziegler, and Steve Burklund as Guests.

Respectfully submitted,  
Steve Nelson

APPLICATION FOR TEMPORARY  
ON SALE  
INTOXICATING LIQUOR LICENSE

State of Minnesota  
County of Mille Lacs  
City of Milaca

\$100.00 Application Fee

PLEASE CHECK ONE OF THE FOLLOWING:  Partnership  Corporation  Individual

I, Wendy Hock, hereby make application for the  
(Applicant's Name)  
Milaca Golf Club for a Temporary On Sale Intoxicating Liquor License to sell  
(Name of Business/Organization)

such liquor under and pursuant to an ordinance (resolution) passed by City of Milaca, County of Mille Lacs; and Chapter 340, Minnesota Statutes 1945, as amended, providing for licensing and regulating the sale of intoxicating liquor.

Business/Organization Address:

15679 Central Ave Milaca MN 56353  
Street Address City State Zip

Business/Organization was incorporated in 1996 in the State of Minnesota and is authorized to do business in Minnesota.  
(Year)

This license is for sale the following dates: 7/26/12 to 7/28/12, in connection with the following event:  
Rec Fest

Location of temporary sales: Rec Park

Time of sale: from 7/26 6-7 a.m./p.m. to 7/27 6-11 a.m./p.m. 7/28 noon-11 a.m.

Gambling or gambling devices will not be permitted.

Applicant has not had an application for license rejected.

Applicant has no intention or agreement to transfer the license to another person.

Applicant submits the following names of persons, including a bank for reference with which he/she has had business relations as follows:

\_\_\_\_\_  
\_\_\_\_\_

I hereby solemnly swear that the foregoing statements are true and correct to the best of my knowledge and that I agree to comply with all the provisions of the ordinance under which this license is granted.

Wendy Hock  
Applicant Name (Printed)

Wendy Hock  
Applicant's Signature

7/5/12  
Date

NOTE: Licenses may be issued only to organizations who are organized in the United States and who have a local presence.

CITY OF MILACA  
255 1<sup>ST</sup> STREET EAST  
MILACA MN 56353  
(320) 983-3141  
(320) 983-3142 FAX



CITY OF MILACA SPECIAL EVENT PERMIT APPLICATION

Permit No. \_\_\_\_\_

Return to City Hall By: \_\_\_\_\_

Date of Application: \_\_\_\_\_

NAME OF SPECIAL EVENT: Save Milaca Theatre 'FUN'draising Event  
 TYPE OF SPECIAL EVENT: Parade \_\_\_\_\_ Runs/Walks \_\_\_\_\_ Other: Block/Parking Lot Party  
 Applicant's or Organization's Name: J&B Media Enterprises / Milaca Theatre  
 Name of Contact Person: Brigid Halberg Daytime Phone: 320-980-4576  
 Address: 10499 150th Avenue Evening Phone: 320-980-4576  
Foreston, MN 56330 Fax Phone #: \_\_\_\_\_  
 Email Address: jbenterprisesllc@yahoo.com

Other permits may be required for your event. This application will allow you to apply for the Special Event Permit along with Street Closings, Banners/Signs, and Parade Permits. All information needed for these permits are attached to this application. You must obtain a separate application for Park/Shelter Reservations, Temporary 3.2. Malt Beverage license, or Fireworks Permit.

Starting Date 08/02/2012 Starting Time 2:00pm

Ending Date 08/02/2012 Ending Time 8:00pm

Estimated Number of Participants Attending the Event Over 100

Number of Sanitary Facilities 1-2 porta-potties + city restroom Sanitary Locations SW corner of city parking lot near alley

Where will Individuals Park Any available public parking

Will Security Be Provided  Yes  No Explain Arrangements: \_\_\_\_\_

If using a public address system, give the location of speakers NW corner of parking lot

How will drinking water be provided Public businesses/establishments

Will electricity be required, and if so, how will it be provided yes from our business & possibly a small generator.

How will refuse be disposed of Dumpster/garbage receptacles (local garbage service)

Will the Special Event require the use of a park/shelter  Yes  No

(If yes, park/shelter reservation must be obtained from the city of milaca)

# PARADE

IF YOUR EVENT INCLUDES A PARADE, YOU MUST COMPLETE THIS SECTION

Parade Title \_\_\_\_\_

Date of Parade \_\_\_\_\_ Assembly Time \_\_\_\_\_

Assembly Area \_\_\_\_\_

(Note: Applicant must obtain owner(s) written permission and attach to this application if assembly/dispersal is on private property).

Exact Starting Time \_\_\_\_\_ Estimated Duration \_\_\_\_\_

Actual Starting Location \_\_\_\_\_

Proposed Parade Route →  
(Attach a separate sheet if necessary)

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Parade End Location \_\_\_\_\_ Parade Dispersal Area \_\_\_\_\_

Approximate Number of Units in Parade \_\_\_\_\_

Approximate Number of Persons in Parade \_\_\_\_\_

Approximate Number of Animals in Parade \_\_\_\_\_

Type of Animals in Parade \_\_\_\_\_

Maximum Length of Parade in miles (or fractions thereof) \_\_\_\_\_

Contact Person \_\_\_\_\_ Telephone: \_\_\_\_\_ Cell Phone \_\_\_\_\_

If your parade involves the closing of any county road in the city limits, please allow up to 60 days for approval because the city must receive Middleburg County's and regional council's final approval by the City of Atlanta.

## BANNERS & SIGNS

IF YOUR EVENT REQUIRES BANNERS OR SIGNS, YOU MUST COMPLETE THIS SECTION  
(Attach a separate sheet if necessary)

Banner description(s) and location, including size, method of construction and wording:

BANNER(S):	4 Banners: (6' x 3')
See Attached	1- Hwy 23 & 3rd Ave (Mom's Fence)
	1- Front of theater
	2- Undecided

Date Banner to be put up 07/20/12 Date Banner to be taken down 08/03/12  
Contact Person Brigid Halberg Telephone Phone 326-980-4576 Cell Telephone Same

Sign description(s) and location, including size, method of construction and wording:

SIGN(S)	4 Signs (double sided): (27" x 18")
See Attached	1- Next to theater
	3- Undecided private properties.

Date Sign to be put up 07/26/12 Date Sign to be taken down 08/03/12  
Contact Person Same Telephone Phone \_\_\_\_\_ Cell Telephone \_\_\_\_\_

### BANNER & SIGN RULES

Special events temporary signs for non-profit organizations are permitted which are temporary displays which are erected to celebrate, commemorate or observe a civil or religious holiday. These signs shall be removed from the premises within ten days following completion of the special event. The special event signs shall not exceed four feet by eight feet in size.

Special events temporary signs shall not be erected more than 90 days before the date of the special event; an extension of this time limit may be obtained only by variance.

Public portable signs may be erected by the city and/or a non-profit corporation to advertise community-interest events and which public portable signs shall be placed upon public property. All public portable signs shall not be erected more than seven days before the date of the special event and shall be promptly removed following the event.

The Building Inspector may order the removal of any sign in violation of city ordinance.

YOU MUST COMPLETE THIS SECTION FOR EACH CLOSING THROUGHOUT THE ENTIRE EVENT  
STREET CLOSINGS

1.

Location City Parking Lot Between Central Ave S. & The Alley  
(Street to be Closed) (Cross Street) (Cross Street)  
Date 08/02/12 Time 8:00am - 10:00pm  
(Beginning) (End)  
Contact Person Brigid Halberg Daytime Phone \_\_\_\_\_ Cell Phone 320-980-4576  
Special Requests Block off both entrances/exits of the city parking lot between Milaca Theatre & Jiggas

2.

Location \_\_\_\_\_ Between \_\_\_\_\_ & \_\_\_\_\_  
(Street to be Closed) (Cross Street) (Cross Street)  
Date \_\_\_\_\_ Time \_\_\_\_\_ - \_\_\_\_\_  
(Beginning) (End)  
Contact Person \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Special Requests \_\_\_\_\_

3.

Location \_\_\_\_\_ Between \_\_\_\_\_ & \_\_\_\_\_  
(Street to be Closed) (Cross Street) (Cross Street)  
Date \_\_\_\_\_ Time \_\_\_\_\_ - \_\_\_\_\_  
(Beginning) (End)  
Contact Person \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Special Requests \_\_\_\_\_

4.

Location \_\_\_\_\_ Between \_\_\_\_\_ & \_\_\_\_\_  
(Street to be Closed) (Cross Street) (Cross Street)  
Date \_\_\_\_\_ Time \_\_\_\_\_ - \_\_\_\_\_  
(Beginning) (End)  
Contact Person \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Special Requests \_\_\_\_\_

5.

Location \_\_\_\_\_ Between \_\_\_\_\_ & \_\_\_\_\_  
(Street to be Closed) (Cross Street) (Cross Street)  
Date \_\_\_\_\_ Time \_\_\_\_\_ - \_\_\_\_\_  
(Beginning) (End)  
Contact Person \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Special Requests \_\_\_\_\_

For additional street closings, attach a separate sheet of paper listing each closing individually.



\*\*\*FOR CITY STAFF USE ONLY\*\*  
SPECIAL EVENT PERMIT ROUTING

**SIGN IF APPROVED**

**COMMENTS**

**City Administration**

\_\_\_\_\_  
  
\_\_\_\_\_  
(date)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Milaca Police Dept.**

\_\_\_\_\_  
  
\_\_\_\_\_  
(date)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Street Dept.**

\_\_\_\_\_  
  
\_\_\_\_\_  
(date)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Building/Zoning Admin.**

\_\_\_\_\_  
  
\_\_\_\_\_  
(date)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Fire Chief**

\_\_\_\_\_  
  
\_\_\_\_\_  
(date)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**RETURN COVER SHEET WITH YOUR SIGNATURE AND  
COMMENTS TO CITY HALL AS SOON AS POSSIBLE.**

FUND-RAISING  
GAMES FOR ALL AGES!  
FOOD  
DUNK TANK

ADMISSION  
**\$2**  
PER PERSON

# "SAVE MILACA THEATRE" 'FUN'draising Event

All Proceeds  
Go To Help Save  
Milaca Theatre!

*(In the parking lot located between Milaca Theatre & Jigger's - Central Ave South - Milaca)*

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July 17, 2012

Mr. Greg Lerud, Manager  
City of Milaca  
255 First Street East  
Milaca, MN 56353-1609

Re: Rum River Dam Removal and Pedestrian Bridge Project  
Construction Contract Change Order No. 2

Dear Greg:

As requested, we have prepared a Construction Contract Change Order to the Rum River Dam Removal and Pedestrian Bridge Project. This change order reinstates some of the work that was deleted from the contract under Change Order No. 1.

Specifically, Change Order No. 2 adds back in the trail embankment and aggregate base work. The contractor (Rachel Contracting) will complete the embankment for the trail connecting to the two new bridge abutments using common borrow hauled in by truck. They will also place an aggregate base for the trail. Paving the trail will be completed under a separate project with quotes obtained by the City.

Reinstating the common borrow and aggregate base adds an estimated \$28,800 into the Rachel Contracting Contract. Payment to the contractor will be based actual quantities used as measured in the field. We request that the Council **approve Construction Contract Change Order No. 2 for the Rum River Dam Removal and Pedestrian Bridge Project.**

Construction for this project scheduled to begin in August. All work should be completed by December of this year.

Feel free to contact us if you have any questions or require any additional information.

Sincerely,  
**STANTEC**

A handwritten signature in black ink that reads "Phil Gravel".

Phil Gravel  
City Engineer

Enclosures



Owner: City of Milaca, 255 - 1st St. E., Milaca, MN 56353	Date	July 10, 2012
Contractor: Rachel Contracting, Inc., 4125 Napier Ct. NE, St. Michael, MN 55376		
Bond Company:	Bond No:	

**CONSTRUCTION CONTRACT CHANGE ORDER NO. 2**  
**RUM RIVER DAM REMOVAL AND PEDESTRIAN BRIDGE**  
**STANTEC PROJECT NO. 193800517**

**Description of Work**

This Construction Contract Change Order reflects a change in the work scope to add some work included in the original bid, but deleted under Chante Order No. 1, back into the Contract.

Original Bid Items 5 and 6 are added back into the project under the pedestrian bridge portion of the project. It is understood that the construction quantities for bid items 7 and 8 will also be completed under the bridge portion of the project.

The removal of the pedestrian bridge may include cutting the bridge into smaller sections provided that the Contractor removes the bridge material from the side with no additional compensation.

This Construction Contract Change Order does not change the project contract completion date of November 16, 2012.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
<b>CHANGE ORDER NO. 2</b>					
1	ITEM NO. 5 - COMMON BORROW (CV) (P)	CY	2900	\$9.00	\$26,100.00
2	ITEM NO. 6 - AGGREGATE BASE CLASS 5	TN	150	\$18.00	\$2,700.00
<b>TOTAL CHANGE ORDER NO. 2:</b>					<b>\$28,800.00</b>

Original Contract Amount	\$371,415.50
Previous Change Orders	(\$70,425.00)
This Change Order	\$28,800.00
Revised Contract Amount (including this change order)	\$329,790.50

**CHANGE IN CONTRACT TIMES**

Original Contract Times:

- Substantial Completion (days or date):
- Ready for final Payment (days or date):

Increase of this Change Order:

- Substantial Completion (days or date):
- Ready for final Payment (days or date):

Contract Time with all approved Change Orders:

- Substantial Completion (days or date): November 16, 2012
- Ready for final Payment (days or date): November 21, 2012

Recommended for Approval by:

**STANTEC**

Date:

\_\_\_\_\_

\_\_\_\_\_

Approved by Contractor:  
**RACHEL CONTRACTING, INC.**

Approved by Owner:  
**CITY OF MILACA**

\_\_\_\_\_

\_\_\_\_\_

Date

Date

\_\_\_\_\_

\_\_\_\_\_

- cc: Owner
- Contractor
- Bonding Company
- Stantec



**Stantec**

**Stantec Consulting Services Inc.**  
2335 Highway 36 West  
St. Paul MN 55113  
Tel: (651) 636-4600  
Fax: (651) 636-1311

 Bonestroo

July 16, 2012

Mr. Greg Lerud  
City of Milaca  
255 First Street East  
Milaca, MN 56353-1609

Re: 2012 Street Maintenance Project  
Construction Contract Change Order No. 1 (for 6<sup>th</sup> Avenue NE)

Dear Greg:

As requested, we have prepared a Construction Contract Change Order to the 2012 Street Project for the paving of 6<sup>th</sup> Avenue NE in the industrial park.

The estimated cost to pave 6<sup>th</sup> Avenue NE in the industrial park is \$41,116.30. The work would include a small amount of patching, some crack sealing, and an overlay of the entire street from 10<sup>th</sup> Street to the end of the existing base pavement on the north end. The work would also include raising the existing manhole castings and water valve covers to grade.

The units costs include in the 2012 Street Project are fairly reasonable. 6<sup>th</sup> Avenue NE has never had the final lift of bituminous placed and the existing surface is starting to show signs of deterioration. We suggest that this is a good opportunity to get the 6<sup>th</sup> Avenue NE paving completed.

If the City wishes to proceed with the paving of 6<sup>th</sup> Avenue NE, we request that the Council **approve Construction Contract Change Order No. 1 for the 2012 Street Project.**

Note that the estimated construction cost in change order No. 1 assumes that city forces will kill and remove weeds from the gutter lines on each edge of the street. Construction is scheduled to begin in August. All work should be completed by early September of this year.

Feel free to contact us if you have any questions or require any additional information.

Sincerely,

**STANTEC**

A handwritten signature in black ink that reads "Phil Gravel". The signature is written in a cursive, flowing style.

Phil Gravel  
City Engineer

Enclosures

cc: Steve Burklund



Owner: City of Milaca, 255 - 1st St. E., Milaca, MN 56353	Date	July 9, 2012
Contractor: Hardrives, Inc., 14475 Quiram Dr., Rogers, MN 55374		
Bond Company:	Bond No:	

**CONSTRUCTION CHANGE ORDER NO. 1**  
2012 MILACA STREET PROJECT  
STANTEC PROJECT NO. 193800515

**Description of Work**

This Construction Contract Change Order provides for the addition of paving of 6th Avenue NE to the project as shown below. This Change Order does not provide for an extension in the completion date.

No.	Item	Unit	Contract Quantity	Unit Price	Total Amount
<b>CHANGE ORDER NO. 1</b>					
1	REMOVE CONCRETE CURB	LF	25	\$5.36	\$134.00
2	REMOVE BITUMINOUS PAVEMENT	SY	490	\$2.77	\$1,357.30
3	BITUMINOUS PATCH SPECIAL	SY	490	\$8.50	\$4,165.00
4	ROUT AND SEAL BITUMINOUS PAVEMENT CRACKS	LB	450	\$1.50	\$675.00
5	BITUMINOUS MATERIAL FOR TACK COAT	GAL	300	\$3.30	\$990.00
6	TYPE SP 12.5 WEARING COURSE MIX (2,B)	TN	545	\$57.00	\$31,065.00
7	ADJUST GATE VALVE AND BOX	EA	3	\$175.00	\$525.00
8	ADJUST FRAME & RING CASTING	EA	7	\$215.00	\$1,505.00
9	CONCRETE CURB AND GUTTER	LF	25	\$28.00	\$700.00
<b>TOTAL CHANGE ORDER NO. 1:</b>					<b>\$41,116.30</b>

Original Contract Amount	\$187,977.07
Previous Change Orders	\$0.00
This Change Order	\$41,116.30
Revised Contract Amount (including this change order)	\$229,093.37

**CHANGE IN CONTRACT TIMES**

Original Contract Times:

- Substantial Completion (days or date):
- Ready for final Payment (days or date):

Increase of this Change Order:

- Substantial Completion (days or date):
- Ready for final Payment (days or date):

Contract Time with all approved Change Orders:

- Substantial Completion (days or date):
- Ready for final Payment (days or date):

Recommended for Approval by:

**STANTEC**

Date:

\_\_\_\_\_

\_\_\_\_\_

Approved by Contractor:  
**HARDRIVES, INC.**

Approved by Owner:  
**CITY OF MILACA**

\_\_\_\_\_

\_\_\_\_\_

Date

Date

\_\_\_\_\_

\_\_\_\_\_

- cc: Owner
- Contractor
- Bonding Company
- Stantec

**LABOR AGREEMENT**  
**BETWEEN**  
**CITY OF MILACA, MINNESOTA**  
**AND**  
**LAW ENFORCEMENT LABOR SERVICES, INC.**  
**LOCAL #238**



**Effective January 1, 2012 through December 31, 2013**

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## **MILACA**

### **ARTICLE 1 - PURPOSE OF AGREEMENT**

This AGREEMENT is entered into between the City of Milaca, hereinafter called the EMPLOYER, and Law Enforcement Labor Services, Inc., (Local #238), hereinafter called the UNION. It is the intent and purpose of this AGREEMENT to:

- 1.1 Establish certain hours, wages, and other conditions of employment; and
- 1.2 Establish procedures for the resolution of disputes concerning this AGREEMENT'S interpretation and/or application; and
- 1.3 Specify the full and complete understanding of the parties; and
- 1.4 Place in written form the parties' full agreement upon terms and conditions of employment for the duration of this AGREEMENT.

### **ARTICLE 2 - RECOGNITION**

- 2.1 The EMPLOYER recognizes the UNION as the exclusive representative, Minn. Stat. 179A.03 Subd. 8, for all police personnel in the following job classifications:

**Patrol Officer  
Part-Time Patrol Officer  
School Liaison Officer**

- 2.2 In the event the EMPLOYER and the UNION are unable to agree as to the inclusion or exclusion of a new or modified job class, the issue shall be submitted to the Bureau of Mediation Services for determination.

### **ARTICLE 3 - DEFINITIONS**

- 3.1 UNION: The Law Enforcement Labor Services, Inc., (Local #238.)
- 3.2 UNION MEMBER: A member of the Law Enforcement Labor Services, Inc., (Local #238)
- 3.3 EMPLOYEE: A member of the exclusively recognized bargaining unit.
- 3.4 DEPARTMENT: The City of Milaca Police Department.
- 3.5 EMPLOYER: The City of Milaca.
- 3.6 CHIEF: The Chief of the Milaca Police Department.

- 3.7 UNION OFFICER: Officer elected or appointed by the Law Enforcement Labor Services, Inc., (Local #238.)
- 3.8 PATROL OFFICER: An employee specifically classified as Patrol Officer.
- 3.9 PART-TIME PATROL OFFICER: An employee hired to work on a part-time status.
- 3.10 OVERTIME: Work performed at the express authorization of the EMPLOYER in excess of the employee's scheduled shift.
- 3.11 SCHEDULED SHIFT: A consecutive work period including rest breaks and a lunch break.
- 3.12 REST BREAKS: Periods during the SCHEDULED SHIFT during which the employees remain on continual duty and is responsible for assigned duties.
- 3.13 LUNCH BREAKS: A period during the SCHEDULED SHIFT during which the employee remains on continual duty and is responsible for assigned duties.

**ARTICLE 4 - EMPLOYER SECURITY**

The UNION agrees that during the life of this AGREEMENT that the UNION will not cause, encourage, participate in or support any strike, slow-down or other interruption of or interference with the normal functions of the EMPLOYER.

**ARTICLE 5 - EMPLOYER AUTHORITY**

- 5.1 The EMPLOYER retains the full and unrestricted right to operate and manage all manpower, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; and to perform any inherent managerial function not specifically limited by this AGREEMENT.
- 5.2 Any term and condition of employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish or eliminate.

**ARTICLE 6 - UNION SECURITY**

- 6.1 The EMPLOYER shall deduct each payroll period an amount sufficient to provide the payment of dues established by the UNION from the wages of all employees authorizing in writing such deduction, and remit such deduction as the UNION designates.

- 6.2 The UNION may designate employees from the bargaining unit to act as a steward and an alternate and shall inform the EMPLOYER in writing of such choice and changes in the position of steward and/or alternate.
- 6.3 The EMPLOYER agrees to make space available on the EMPLOYER bulletin board for the posting UNION notice(s) and announcement(s).
- 6.4 The UNION agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders, or judgments brought or issued against the EMPLOYER as a result of any action taken or not taken by the EMPLOYER under the provisions of this Article.

## **ARTICLE 7 - EMPLOYEE RIGHTS - GRIEVANCE PROCEDURE**

### **7.1 DEFINITION OF A GRIEVANCE**

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this AGREEMENT.

### **7.2 UNION REPRESENTATIVES**

The EMPLOYER will recognize representatives designated by the UNION as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The UNION shall notify the EMPLOYER in writing of the names of such UNION representatives and of their successors when so designated as approved by 6.2 of this AGREEMENT.

### **7.3 PROCESSING OF A GRIEVANCE**

It is recognized and accepted by the UNION and the EMPLOYER that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the EMPLOYEES and shall therefore be accomplished during normal working hours only when consistent with such EMPLOYEE duties and responsibilities. The aggrieved EMPLOYEE and the UNION REPRESENTATIVE shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the EMPLOYER during normal working hours provided the EMPLOYEE and the UNION REPRESENTATIVE have notified and received the approval of the Chief who has determined that such absence is reasonable and would not be detrimental to the work programs of the EMPLOYER.

### **7.4 PROCEDURE**

Grievances, as defined by Section 7.1, shall be resolved in conformance with the following procedure:

- Step 1 An EMPLOYEE claiming a violation concerning the interpretation or application of this AGREEMENT shall, within twenty-one (21) calendar days after such alleged violation has occurred, present such grievance to the EMPLOYEE'S supervisor as designated by the EMPLOYER. The EMPLOYER-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the AGREEMENT allegedly violated, and the remedy requested and shall be appealed to Step 2 within ten (10) calendar days after the EMPLOYER-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the UNION within ten (10) calendar days shall be considered waived.
- Step 2 If appealed, the written grievance shall be presented by the UNION and discussed with the EMPLOYER-designated Step 2 representative. The EMPLOYER-designated representative shall give the UNION the EMPLOYER's Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the EMPLOYER -designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the UNION within ten (10) calendar days shall be considered waived.
- Step 3 A grievance unresolved in Step 2 and appealed to Step 3 may be submitted to the Minnesota Bureau of Mediation Services. A grievance not resolved in Step 3 may be appealed to Step 4 if agreed upon by the Employer and Union within ten (10) calendar days following the EMPLOYER'S final answer in Step 3. Any grievance not appealed in writing to Step 4 by the UNION within ten (10) calendar days shall be considered waived.
- Step 4 A grievance unresolved in Step 3 and appealed in Step 4 shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971, as amended. The EMPLOYER and the Union representative shall endeavor to select a mutually acceptable arbitrator to hear and decide the grievance. If the parties cannot agree on an arbitrator, the selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievances" as established by the Bureau of Mediation Services.

## 7.5 ARBITRATOR'S AUTHORITY

- A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this AGREEMENT. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the EMPLOYER and the UNION, and shall have no authority to make a decision on any other issue not so submitted.
- B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days following the close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the EMPLOYER and the UNION and shall be based solely on the arbitrator's interpretation or application of the express terms of this AGREEMENT and to the facts of the grievance presented.
- C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

#### 7.6 WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER'S last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the UNION may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the EMPLOYER and the UNION.

#### **ARTICLE 8 - SAVING CLAUSE**

In the event any provisions of this AGREEMENT shall be held to be contrary to law by court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions of this AGREEMENT shall continue in full force and effect. The voided provision may be renegotiated at the request of either party.

#### **ARTICLE 9 - SENIORITY**

- 9.1 Seniority shall be determined by the employee's length of continuous employment with the Police Department and posted in an appropriate location. Seniority rosters

may be maintained by the Chief on the basis of time in grade and time within specific classifications.

- 9.2 A reduction of work force will be accomplished on the basis of seniority within classification. A full time patrol officer or full time school liaison officer designated for layoff may bump into a part time position if the full time officer has greater department seniority. Bumping will not be permitted except in this instance. Employees shall be recalled from layoff on the basis of seniority. Recall rights under this provision will continue for twenty-four (24) months after layoff. Recalled employees shall have ten (10) working days after notification of recall by registered mail at the employee's last known address to report to work or to forfeit all recall rights.
- 9.3 At no time will the Employer employ part time employees while a full time employee is in layoff status.
- 9.4 Seniority will be the determining criterion for transfer and promotions within the bargaining unit when the job relevant qualifications between applicants are equal.

#### **ARTICLE 10- PROBATIONARY PERIODS**

- 10.1 All newly hired employees will serve a one (1) year probationary period.
- 10.2 At any time during the probationary period a newly hired employee may be terminated at the sole discretion of the EMPLOYER.
- 10.3 Part time employees will serve 2,080 hours of probation.

#### **ARTICLE 11 - DISCIPLINE**

- 11.1 The EMPLOYER will discipline employees for just cause only. Discipline will be in one of the following forms:
  - a. oral reprimand;
  - b. written reprimand;
  - c. suspension;
  - d. demotion; or
  - e. discharge.

The form of discipline applied is at the discretion of the EMPLOYER.

- 11.2 Suspensions, demotions and discharges will be in written form.
- 11.3 Written reprimands, notices of suspension, notices of demotion and notices of discharge which are to become part of an Employee's personnel file shall be read

and acknowledged by signature of the Employee. Employees and the UNION will receive a copy of such reprimands and/or notices.

- 11.4 Employees may examine their own individual personnel files at reasonable times under the direct supervision of the EMPLOYER.
- 11.5 Employees will not be questioned concerning an investigation of disciplinary action unless the employee has been given an opportunity to have a Union representative present at such questioning.
- 11.6 Grievances relating to this ARTICLE shall be initiated by the UNION at Step 3 of the grievance procedure under Article 7 of this AGREEMENT.

## **ARTICLE 12 - WORK SCHEDULES**

- 12.1 The normal work year is two thousand eighty (2,080) hours to be accounted for by each full-time employee through:
  - a) hours worked on assigned shifts;
  - b) holidays;
  - c) assigned training;
  - d) authorized leave time.
- 12.2 Nothing contained in this or any other ARTICLE shall be interpreted to be a guarantee of a minimum or maximum number of hours the EMPLOYER may assign employees.
- 12.3 Part time employees will be offered shifts based on seniority. The employer may offer shifts in excess of first 30 hours to next senior part time employee.

## **ARTICLE 13 - OVERTIME**

- 13.1 Full-time employees will be compensated at one and one-half times (1 1/2) the employee's regular base pay rate for hours worked in excess of the employee's scheduled shift. Part-time employees will be compensated at one and one-half times (1 1/2) the employee's regular base pay rate for hours worked in excess of ten (10) hours per shift or over eighty (80) hours per pay period. Changes of shifts do not qualify an employee for overtime under this ARTICLE.
- 13.2 Overtime will be offered to senior full time employees first and then distributed as equally as practicable.
- 13.3 Overtime refused by employees will for record purposes be considered as unpaid overtime worked.

- 13.4 For the purpose of computing overtime compensation, overtime hours worked shall not be pyramided, compounded, or paid twice for the same hours worked.
- 13.5 Overtime will be calculated to the nearest fifteen (15) minutes.
- 13.6 Employees have the obligation to work overtime or call back if requested by the Employer unless unusual circumstances prevent the employee from so working.
- 13.7 Employees may accumulate up to a maximum of eighty (80) hours of compensatory time in lieu of payment under Section 13.1. Compensatory time may only be used with the specific permission of the EMPLOYER. Employees shall only be permitted to carry over, at the end of the calendar year, forty (40) hours of compensatory time. Any hours in excess of forty (40) hours compensatory time shall be paid to the employee's individual health care savings plan, at the employee's current rate of pay, at the end of the calendar year by the EMPLOYER.

#### **ARTICLE 14 - COURT TIME**

- 14.1 An employee who is required to appear in court during their scheduled off-duty time shall receive a minimum of two (2) hours pay at one and one-half (1 1/2) times the employee's base pay rate. If the court appearance is during the employee's scheduled day off and the court appearance is cancelled, the employee will be given a four (4) hour notice of cancellation.

If notification of cancellation is not given in the four (4) hour time frame, the employee will receive two (2) hours pay at one and one-half (1 1/2) times the employees' regular pay rate. An extension or early report to a regularly scheduled shift the court appearance does not qualify the employee for the two (2) hour minimum.

- 14.2 Proper notification of court cancellation will consist of a court cancellation notice being placed in the officer's mail slot at the Milaca Police Department. The notice will be stamped with the date and time it is placed in the officer's mail slot, thereby, constituting proper notification if prior to four (4) hours of the court assignment time. It will be the officer's responsibility to ascertain if he/she has received a cancellation notice.
- 14.3 Civil cases where the City is not a party to related criminal proceedings are not included under this article. Uniforms shall not be worn when testifying or appearing at civil cases not included under this article, and the City will not furnish clothing to appear at civil cases not included in this article.

#### **ARTICLE 15 - CALL BACK TIME**

An employee who is called to duty during their scheduled off-duty time shall receive a minimum of two (2) hours pay at one and one-half (1 1/2) times the

employee's base pay rate. An extension or early report to a scheduled shift for duty does not qualify the employee for the two (2) hour minimum.

#### **ARTICLE 16 - INSURANCE**

Employer shall provide health insurance coverage, in the form of a HSA, at 100% premium and deductible\_for single coverage and 90% premium and deductible\_for family coverage for all full time employees.

After 30 years of service with the City of Milaca, the Employer will provide the full time employees, if retired, the same hospital and medical insurance coverage as is then presently provided to the actively employed employees and the Employer shall continue such plan on a current basis. The Employer will pay 100% of the cost of the premium for single coverage for full time; employees shall pay the difference if choosing family coverage. This coverage will be in effect until such time the full time employee is eligible for Medicare.

#### **ARTICLE 17 - UNIFORMS and EQUIPMENT**

The City will purchase or replace as needed all uniform and equipment for full-time and part-time employees, with approval of CHIEF.

#### **ARTICLE 18 - INJURY ON DUTY**

Employees injured during the performance of their duties for the EMPLOYER and receiving Workers' Compensation insurance payments may take sufficient sick leave to make up the difference between the Employee's normal earnings and the Workers' Compensation payments.

#### **ARTICLE 19 - VACATIONS**

19.1 Eligibility. Vacation is intended as a leave, with pay, to enable employees to refresh themselves. Regular benefit-earning employees (employees regularly scheduled half time or more) are eligible to earn vacation in accordance with the number of scheduled work hours. Vacation accrual rates for regular full-time employees are described in the table below. Part time employees working 20 to 30 hours per week shall be eligible for fifty (50) percent of vacation accrual rate, and part time employees working more than 30 hours per week shall be eligible for seventy-five (75) percent of vacation accrual rate

##### 19.2 Rules

- A. Vacation leave shall not be earned by any employee during a leave of absence without pay, except a military leave of absence without pay.

- B. All vacation requests shall be submitted to the CHIEF for approval a minimum of one week prior to the requested vacation to allow for scheduling. The employee who requests time off first shall be given priority consideration in vacation scheduling. Should two employees simultaneously request the same vacation time off, the senior employee shall be given preference. CHIEF reserves the right to limit the number of employees to be granted vacation time at one time to facilitate scheduling.
- C. Vacation leave shall not be granted during the probationary period for new hires.
- D. Vacation leave shall not be granted until it is earned.
- E. For purposes of accumulating additional vacation or sick leave, an employee using earned vacation is considered to be working. If an official holiday occurs during a scheduled vacation, the charge against the employee's earned vacation shall be reduced by one day.
- F. Accumulated vacation leave cannot be transferred from one employee to another.
- G. Any vacation hours in excess of 176 hours accrued by the employee, shall be forfeited by that employee at the end of the calendar year if unused, except in the event that an approved vacation is canceled by EMPLOYER and cannot be rescheduled before the end of the calendar year. In an effort to minimize the forfeiture of vacation days, the personnel manager shall notify employees within a reasonable amount of time that they are reaching the maximum accrual rate.
- H. An employee will receive a lump sum payment for the balance of accumulated vacation leave and or compensatory time when his or her services with the City are terminated.
- I. Vacation benefits shall accrue on the following schedule:

For the first year of employment, four (4) hours per month  
 Commencing with the second year of employment, six (6) hours per month.  
 Commencing with the fourth year of employment, eight (8) hours per month  
 Commencing with the sixth year of employment, ten (10) hours per month  
 Commencing with the eighth year of employment, twelve (12) hours per month  
 Commencing with the fourteenth year of employment, fourteen (14) hours per month

## **ARTICLE 20 - HOLIDAYS**

- 20.1 Full time employees shall have eighty (80) hours of holidays included in the normal annual work schedule.
- 20.2 Part-time employees, working 20 hours per week, shall have forty (40) hours included in the normal annual work schedule.
- 20.3 Employees on duty New Year's Day (January 1), Martin Luther King Day (third Monday in January), President's Day (third Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Veteran's Day (November 11), Thanksgiving Day (4<sup>th</sup> Thursday in November), Day after Thanksgiving (4<sup>th</sup> Friday in November), and Christmas Day (December 25) shall be compensated on the basis of one and one half (1 1/2) times the regular rate of pay by cash payment or compensatory time.

## **ARTICLE 21 - SICK LEAVE**

- 21.1 Eligibility. Sick leave is an authorized absence from duty, with pay, granted to eligible regular full-time and part-time employees. Sick leave is not a privilege which an employee may use at his/her discretion, but shall only be used in case of necessity and actual need as outlined in the rules for sick leave.
- 21.2 Full-time employees shall accumulate eight (8) hours of sick leave per month.
- 21.3 Part-time employees, working 20 to 30 hours per week, shall accumulate fifty (50) percent of sick leave per month. Employees working more than 30 hours per week, but less than 40 hours per week, shall be eligible for seventy- five (75) percent leave accrual rate.
- 21.4 Accumulated sick leave shall not exceed 1,000 hours. After 1,000 hours of sick leave have been accrued, employees are to be paid annually at 50% of their regular rate of pay.
- 21.5 Rules
- A. Sick leave may be approved only for days when an employee would otherwise have been at his/her employment. It may be used, with the approval of the Chief, in any of the following cases:
1. When the employee cannot work because of their own illness, injury or disability or that of their children or spouse. In the case of children, sick leave shall be granted due to the illness or injury of the employee's child for such reasonable periods as the employee's attendance with the child may be necessary.

2. When the employee has scheduled medical, dental, chiropractic or optical examinations/treatments or said examinations/treatments are scheduled for the employee's children.
  3. When the employee's presence would jeopardize the health of other employees by exposing them to contagious disease.
  4. When a member of the employee's family or household is seriously ill and requires his or her attendance ("family" means spouse, parents, children, step-parents, step-children, or legal guardians).
- B. To receive approval for sick leave, the employee must communicate with his/her Chief at least two (2) hours prior to the time set for beginning work during the normal work day. However, should it be determined by the Chief or personnel manager that the employee was unable to contact the Chief during the time allotted, sick leave may be approved. To remain eligible for sick leave, employees are responsible for keeping the Chief advised of the illness.
  - C. Sick leave shall not be granted until it is earned.
  - D. For the purpose of accumulation additional sick or vacation leave, an employee using earned sick leave is considered to be working.
  - E. During the probationary period, employees may not use accumulated sick leave.
  - F. Sick leave may be taken in increments of a quarter (1/4) hour or more.
  - G. After all sick leave is used, vacation leave or compensatory time may be used, to the extent the employee is eligible for such leave. If accumulated vacation leave is used as an extension of sick leave, it shall be used under the same conditions as sick leave.
  - H. Accumulated sick leave cannot be transferred from one employee to another.
  - I. Any employee who has accumulated more than 30 days of sick leave must use their sick leave in conjunction with FMLA leave until the accumulated sick leave reaches 30 days. The FMLA leave and the sick leave shall run concurrently until the employee's accumulated sick leave is reduced to 30 days.
  - J. An employee who makes a false claim of sick leave shall be subject to disciplinary actions, including discharge.

## **ARTICLE 22 - SEVERANCE PAY**

Severance pay shall be granted to employees in accordance with the following procedures.

22.1 Employees must retire from service with at least twenty thousand eight hundred (20,800) hours of continuous service in the Police Department and terminate employment in good standing after giving proper notice to be eligible for severance pay.

22.2 Eligible employees under Article 22.1 shall be paid an amount equal to twenty (20) percent of their accumulated sick leave as earned in Article 21 computed on the basis of the base pay rate at the time of termination or retirement. After twenty (20) years of continuous service an employee shall be paid an amount equal to fifty percent (50%) of their accrued sick leave as earned in ARTICLE 21 computed on the basis of the base pay rate at the time of termination.

## **ARTICLE 23 - BEREAVEMENT LEAVE**

Employees shall receive a maximum of three (3) shifts of leave with pay because of a death in the immediate family of the employee, four (4) working hours in the case of the death or funeral of a fellow employee of the City.

For purpose of administering this section only, immediate family includes mother, father, siblings, spouse, children and grandparents and spouse's mother, father siblings and grandparents. Such leave shall not be cumulative in the event it is not used.

## **ARTICLE 24 - SAFETY**

The EMPLOYER and the UNION agree to jointly promote safe and healthful working conditions, to cooperate in safety matters and to encourage employees to work in a safe manner.

## **ARTICLE 25 - SUBSTANCE ABUSE**

The EMPLOYER and the UNION agree to jointly promote a drug-free work environment. In an effort to achieve this goal, the UNION agrees to all non-random drug and alcohol testing of its members by a State certified testing agency upon the request of the EMPLOYER provided such request, test and subsequent action are within the guidelines of State law (Section 181.950) and City policy. If employee is involved in an accident the employee shall immediately after the accident, or as soon as practicable, submit to a drug and alcohol test. Employees shall fully comply with the Personal Appearance and Conduct section, paragraph 10 of the Police Department Policy and Procedure manual.

**ARTICLE 26 - P.O.S.T. LICENSE**

The City will pay the required P.O.S.T. Board licensing fees for all Licensed Officers.

**ARTICLE 27 - WAIVER**

27.1 Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of the AGREEMENT, are hereby superseded.

27.2 The parties mutually acknowledge that during the negotiations which resulted in this AGREEMENT, each had the unlimited right and opportunity to make demands and proposals with respect top any term or condition of employment not removed by law from bargaining. All agreements and understandings arrived at buy the parties are set forth in writing in this AGREEMENT for the stipulated duration of this AGREEMENT. The EMPLOYER and the UNION each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this AGREEMENT or with respect to any term or condition o f employment not specifically referred to or covered by this AGREEMENT, even though such terms or conditions may not have been within the knowledge or contemplation of either or both of the parties at the time this contract was negotiated or executed..

**ARTICLE 28 - DURATION**

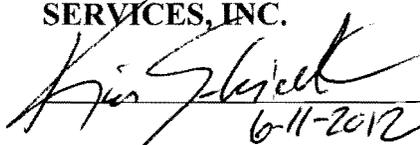
This AGREEMENT shall be effective as of January 1, 2012 and shall remain in full force and effect until December 31, 2014.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**FOR THE CITY OF MILACA**

**LAW ENFORCEMENT LABOR SERVICES, INC.**

\_\_\_\_\_  
Mayor

  
6-11-2012

\_\_\_\_\_  
City Manager

**APPENDIX A: WAGES  
PATROL OFFICERS AND SCHOOL LIAISON OFFICER**

	<b>2012 Month</b>	<b>2012 Hour</b>	<b>2013 Month</b>	<b>2013 Hour</b>	<b>2014 Reopener*</b>
<b>Start</b>	\$3,452.80	\$ 19.92	\$3,487.47	\$20.12	
<b>After one year</b>	\$3,626.13	\$ 20.92	\$3,662.53	\$ 21.13	
<b>After two years</b>	\$3,759.95	\$ 21.92	\$3,837.60	\$ 22.14	
<b>After three years</b>	\$3,971.07	\$ 22.91	\$4,010.93	\$ 23.14	
<b>After four years</b>	\$4,144.40	\$ 23.91	\$4,184.27	\$ 24.15	
<b>After five years</b>	\$4,316.00	\$ 24.90	\$4,359.33	\$ 25.15	
<b>After six years</b>	\$4,489.33	\$ 25.90	\$4,534.40	\$ 26.16	

\* If any other City employees receive a general wage increase in excess of the above, Local #238 will also receive that increase.

For the duration of this agreement, at either party's option, parties agree to re-open discussion concerning MSRS health care savings plan.

The City retains the right to start a new officer at any rate on the schedule based on the City's assessment of the applicant's prior experience and qualifications.

All training sessions, classes, and seminars attended by employees upon the request of the EMPLOYER shall be on paid time.

The EMPLOYER shall contribute ten dollars (\$10.00) per month toward the cost of a short term disability insurance program.