

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

August 15, 2016
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Audrey Nelsen, Steve Ahmann, Denis Anderson, Rick Fagerlie, Shawn Mueske, Andrew Plowman, Ron Christianson and Tim Johnson. Present 9, Absent 0.

Also present were City Administrator Larry Kruse, City Clerk-Treasurer Kevin Halliday, Public Works Director Sean Christensen, Police Chief Jim Felt, Finance Director Steve Okins, Fire Chief Frank Hanson, and City Attorney Robert Scott.

Mayor Calvin requested agenda Item No. 10 be moved up to No. 5 for earlier discussion on the storm event.

Mayor Calvin commented on the catastrophic rainfall event of August 10, 2016 resulting in flooding for many residents within the City of Willmar. There were basements flooded to the rafters, others with 2-4 feet of water and some inches. Businesses were flooded and dramatically affected. Our local Stingers baseball team had to move their last four games to the Spicer Stadium. Storm events like this have economic and personal impacts on individuals. Mayor Calvin stated he asked staff to prepare a report of the happenings of the event and expressed the sympathies of himself, the Council and City staff. He has been in contact with Emergency Management in relation to disaster declaration and the public infrastructure within the community must meet a certain dollar amount and that threshold has not been met.

City Administrator Larry Kruse stated the City has received reports of anywhere between 8 and 12 inches of rain the evening of August 10th and heard reports of displaced residents. City employees were out through the night and following day and the Wastewater Treatment Plant took two days to get operations back in order.

Public Works Director Sean Christensen covered the rain event reporting Public Works Crew Members were out closing and securing flooded intersections to keep the public safe. As the rain continued at approximately 5:00 a.m. it overwhelmed our Wastewater Treatment Plant because of the amount of water manually pumped to reduce the amount of basement damages we overrode our own system at the Wastewater Treatment Plant and put it over capacity. Over the course of the evening nine separate lift stations were bypassed and when the plant itself was becoming overwhelmed the bypassing of those lift stations was abandoned in order to concentrate on the plant itself. Public Works Crews were then assisting Wastewater Crews and it took them around the clock for two nights to get that system back in order. There was voluntary water conservation by citizens in place for 24 hours. The Wastewater Treatment Plant is designed for a flow of 3-5 million gallons per day with a 16 million gallons per day maximum, this event delivered 22-23 million gallons.

City Clerk-Treasurer Kevin Halliday, who works on insurance claims for the City, stated he is in counsel with the League of Minnesota Cities who will make a determination on the raw sewage claims based on our maintenance protocols.

The Council discussed the rain event and asked further questions of staff. Mayor Calvin commended all staff members for their hard work during this time of disaster.

Council Member Anderson offered a motion to adopt the Consent Agenda which included the following items: City Council Minutes of August 1, Willmar Municipal Utilities Board Minutes of August 8, Planning Commission Minutes of August 10, Accounts Payable Report through August 10, and the Building Inspection Report for July, 2016. Council Member Christianson seconded the motion, which carried.

At 7:36 p.m. Mayor Calvin opened the Hearing for the consideration of Sale of Land to 4 Ever Family Properties, LLC. City Administrator Larry Kruse presented a request which includes the sale of Lot 1, Block 4, Willmar Industrial Park Fourth to 4 Ever Family Properties, LLC (Backes Technology Services). The buyer proposes construction of a 4800 square foot building and moving at least six full-time employees to the Willmar location, all of which exceed the City's wage threshold of \$12.00/hour. Fall of 2016 construction is planned. The net purchase price is \$28,000, utilizing the land write-down policy. There being no one present to speak for or against the ordinance, Mayor Calvin closed the hearing at 7:38 p.m.

Council Member Anderson offered a motion to adopt, assign a number and order final publication of the Ordinance for Sale of Land to 4 Ever Family Properties, LLC. Council Member Nelsen seconded the motion. Council Member Ahmann inquired where the proceeds for the sale of land will be placed in the City's funding system. Finance Director Steve Okins stated they will be placed in the Industrial Development Funds. The motion to adopt the ordinance carried on a roll call vote of Ayes 8, Noes 0.

Mayor Calvin acknowledged Bradley Peterson, Coalition of Greater Minnesota Cities, who appeared before the Mayor and Council to review the 2016 Legislative Session and activities of the CGMC. Mr. Peterson highlighted a few things the CGMC tried to do during the course of the Legislative Session. He presented CGMC facts stating their current membership is 88 cities in 2016, and that their primary focus for legislation is limited to five areas: 1) LGA/Property Taxes, 2) Economic Development, 3) Annexation and Land Use, 4) Environmental Regulations and 5) Transportation strictly from a Greater Minnesota perspective.

Mr. Peterson stated the outcome of the 2015 legislative session noting it was a budget year and the legislature needed to complete a budget by July 1st in order to avoid a shutdown. The State's financial health continued to be good, the February forecast shows a budget surplus of \$1.8 billion and about \$1.3 billion in the Budget Reserve with revenues consistently above what they were projected to be. He touched on the CGMC's goals being returning LGA to the 2002 funding level, passing Greater MN economic development programs to include workforce housing, job training, business development public infrastructure programs, broadband, a comprehensive transportation plan and environmental reforms. The main focus was to get back to the 2002 LGA funding level by pressing for a \$22.75 million increase in FY 2016 and 2017 which would help cities catch up on infrastructure, capital purchases and wages.

Mr. Peterson stated the 2016 session started with a \$900 million surplus. There were concerns over the economic downturn making lawmakers cautious. The House Republications favored using the surplus for tax cuts and transportation. The DFL favored one-time spending and funding new dollars for transportation. There was no tax bill in 2015. The 2016 efforts set the stage for Clean Water Funding discussion lobby to ensure both funding and policy changes are included in the bonding bill. CGMC pushed for a Business Development Infrastructure Program as it relates to private industry growth. In conclusion for the 2016 legislative session, there was no comprehensive transportation package, no tax bill or LGA increase, and no bonding bill.

After a few questions, Mayor Calvin thanked him for his presentation and acknowledged Council Member Nelsen for serving on the CGMC Board. Council Member Christianson inquired as to where the LGA Funding is drawn from. Mr. Peterson indicated the State collects the funding from sales tax. Council Member Ahmann questioned the outcome of the gas tax in the session. Mr. Peterson addressed the MPCA regulations and touched on the addition of a 4.75% surcharge to the voluntary assessment for all cities for environmental funding issues.

Laura Becker, 1010 Kandiyohi Avenue requested to address the Council during the Open Forum. Ms. Becker stated that within the Barr storm water report it listed there are 16 flood prone areas in Willmar. She

believes the updated report shows 11 of those areas still exist. In her residence she experienced water at her bottom step when she opened her front door and two feet of water in her basement. Ms. Becker stated her concern for the City's infrastructure. The manhole cover that she was told was welded down came off and the power box at 10th Street and Kandiyohi Avenue was under water which has never happened in 14 years. She stated the residents at 10th and Kandiyohi are tired of being the city's holding pond. She questioned if actual sewage entered in to Ditch 23-A, because if it did, that means it also entered people's homes.

Loren Schultz, 901 Irene Avenue SE, addressed the Council during the Open Forum stating there is too much water coming into Willmar and all the ditches. The reason being there has never been a CP39 used in Kandiyohi County which has been into effect since 2008 and used by the Crow River Watershed District. He stated there is an opportunity to use this tool in conjunction with the Wye Project and make room for this water so it can discharge.

Patrick Curry and David Little, Airport Commission Members, updated the Council on the 10th Anniversary Celebration at the Willmar Municipal Airport. The public is invited to come out to the airport from 10 a.m. – 3 p.m. on September 4th. There is a brat feed and activities planned which include remote control airplanes and drones, a Life Link exhibit, the Willmar Fire Department with a Hook and Ladder truck and antique and collector cars. The proceeds go to the Willmar Boy Scouts. The event is assisted by the Convention and Visitors Bureau and the Economic Development Commission.

Mayor Calvin read a Proclamation declaring August 17, 2016 as "Parkinson's Awareness Day" in the City of Willmar. An event will be hosted to highlight the work of the National Parkinson Foundation of Minnesota. All residents are urged to participate in activities and events which support the fight against Parkinson's.

The Finance Committee Report of August 8, 2016 was presented to the Mayor and Council by Council Member Anderson. There were five items for consideration.

Item No. 1 There were no comments from the public.

Item No. 2 Information Systems Coordinator Ross Smeby presented a request to the Committee for authorization to purchase new networking switches for City Hall and the Waste Treatment Plants. The current server switches at City Hall and both the old and new Waste Treatment Plants are past due for replacement. Funding in the amount of \$56,000 was approved on the 2016 Capital Improvement Program for this project. If approved, the current Dell switches will be replaced with the same brand for an estimated cost of \$53,982.90.

It was the Committee's recommendation to the Council to authorize staff to purchase new networking switches for City Hall and the old and new Waste Treatment Plants in the amount of \$53,982.90 as presented. Council Member Anderson moved the recommendation of staff to approve the purchase of the networking switches. Council Member Christianson seconded the motion which carried.

Item No. 3 Staff explained to the Committee that Kandiyohi County and the City of Willmar jointly own the Willmar Public Library. The County has sole responsibility for maintenance of the facility and leases a portion to the Pioneerland Library Regional System. Since the City is part owner, the County is requesting the City sign a Consent to Lease form extending the lease for another five years (2017 – 2021) using a 3% cost of living adjustment (COLA). The current five year lease which expires December 31, 2016, had also incorporated an annual 3% COLA. If this lease extension is approved, Pioneerland would be required to remit \$39,475.18 for 2017, \$40,660.05 for 2018, \$41,879.85 for 2019, \$43,136.25 for 2020, and \$44,430.34 for 2021. This lease revenue would offset part of the City's share of annual maintenance and operation costs. It was noted that the City's share of those costs is 60 percent and the County's share is 40 percent.

The Committee was recommending the Council introduce a resolution authorizing the Mayor and City Administrator to execute the Consent to Lease form for the Pioneerland Library lease extension covering 2017 through 2021 as presented.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Christianson, reviewed by Mayor Calvin, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator for the City of Willmar be authorized to execute a Consent to Lease Agreement between Kandiyohi County and the Pioneerland Library System.

Dated this 15th day of August, 2016.

/s/ Marv Calvin
Mayor

/s/ Kevin Halliday
Attest: City Clerk

Item No. 4 Staff explained to the Committee that in preparation of receiving the Independent Auditor's Annual Report scheduled for the August 22nd Finance Committee meeting, staff again brought the 2015 Comprehensive Annual Financial Report to the Committee for discussion. Cash and Fund Balances were discussed, as well as timing of payments received from various governmental entities. Council Member Nelsen requested that a detail of Cash Balances be provided with their associated spending restrictions currently in place. Council Member Christianson requested this detail of the Fund Balances as well. This matter was received by the Council for information only.

Item No. 5 Staff reported to the Committee that the presentation of the Mayor's Proposed 2017 Budget is tentatively set for Wednesday, August 31, 2016, in the Council Chambers at the Willmar Municipal Utilities building. Confirmation of this meeting will be forthcoming to the Council. This matter was received by the Council for information only.

The Finance Committee Report for August 8, 2016, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Christianson.

City Administrator Larry Kruse presented for the Council's consideration a request to consider an ordinance to rezone Affiliated Community Medical Center (ACMC) parcels from R-2 (One and Two Family Residential) and LB (Limited Business) to GB (General Business). ACMC is proposing to construct a new surgery center on their campus (south of the former Roosevelt School). They have several parcels and three different zones within their campus with the main ACMC clinic and existing surgery center being zoned GB. They wish for the new surgery center and remainder of the campus to also be GB for uniformity. The rezoning was approved by the Planning Committee. Council Member Anderson made a motion to set a hearing to consider the rezone for September 6, 2016. Council Member Ahmann seconded the motion, which carried.

City Administrator Larry Kruse submitted a request from ACMC to approve the preliminary/final for the future development of the new surgery center and associated parking, access, and stormwater ponding. The subdivision is a replat of four existing parcels into two lots and two outlots with the plan to clean up the west half of the campus allowing for shared drives and parking. The Planning Commission approved the plat with conditions regarding utility easements, stormwater provisions, water mains, and the covenants/declarations that dictate the common areas in the outlots. It was staff's recommendation to approve the plat with the conditions as stated by the Planning Commission. Council Member Christianson moved the recommendation of staff. Council Member Fagerlie seconded the motion, which carried.

City Clerk-Treasurer Kevin Halliday presented to the Council a list of properties that have not paid the charges for weed and grass mowing. Pursuant to Municipal Code, Chapter 9, Article III, concerning the cutting of weeds or grass and in the case of noncompliance, such work is to be performed by the City or its agent. The costs thereof can be certified as a special assessment against the property in question.

Staff was recommending the Council set a public hearing for 7:03 p.m. on September 6, 2016, to consider objections to the proposed assessment for the mowing costs incurred. Council Member Anderson moved the recommendation of Staff. Council Member Christianson seconded the motion, which carried.

City Clerk-Treasurer Kevin Halliday presented to the Council a list containing a property owner that has not paid the charges for boarding up and securing of an inhabitable building. Pursuant to Municipal Code, Chapter 9, Article I, concerning the securing of an inhabitable building by the City, the costs thereof can be certified as a special assessment against the property in question.

Staff was recommending the Council set a public hearing for 7:04 p.m. on September 6, 2016, to consider objections to the proposed assessment for the boarding up and securing costs incurred. Council Member Fagerlie moved the recommendation of the Committee. Council Member Christianson seconded the motion which carried.

Mayor Calvin announced the date being considered for a Work Session to define local option sales tax project initiatives is proposed for September 6th at 4:45 p.m. prior to the regular City Council meeting. The purpose of the session would be to identify the projects within the three selected areas for the ballot question and update the Council. It was the consensus of the Council to hold the Work Session on that date and time.

Announcements for Council Committee meeting dates were as follows: Finance, 4:45 p.m., City Hall August 22nd, Public Works, 4:45 p.m., City Hall, August 23rd, Labor Relations Committee, 4:45 p.m., City Hall, August 24th, and Community Development, 4:45 p.m., City Hall, September 1, 2016.

Reminder that the Mayor's Proposed Budget will be presented on August 31st at 4:45 p.m. Mayor Calvin announced Destination Playground Design Day and Rockin' Robbins both on August 16th. The event will be held at Robbins Island starting at 5:00 p.m. with a playground presentation at 6:30 p.m.

Council Member Christianson offered a motion to adjourn the meeting with Council Member Mueske seconding the motion, with carried. The meeting adjourned at 8:41 p.m.

Attest:

MAYOR

SECRETARY TO THE COUNCIL

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

August 31, 2016
4:45 p.m.

The special meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Audrey Nelsen, Steve Ahmann, Denis Anderson, Rick Fagerlie, Shawn Mueske, Andrew Plowman, Ron Christianson and Tim Johnson. Present 9, Absent 0.

Also present were City Administrator Larry Kruse, City Clerk-Treasurer Kevin Halliday, Public Works Director Sean Christensen, Police Chief Jim Felt, Planning and Development Services Director Bruce Peterson, Finance Director Steve Okins, and Fire Chief Frank Hanson.

Mayor Calvin presented his 2017 Proposed Budget to the Council outlining the financial picture. Revenues have been flat with a minimal increase in LGA of \$9,181 and a slight increase in valuations. He focused on increasing costs for infrastructure maintenance due to the aging infrastructure and deferment of capital items.

The proposed 2017 Budget totaling \$33,139,212 of which \$14,438,983 is for General Operating; \$6,823,335 is for Capital Improvements; \$1,176,793 is for Special Revenue/Internal Services; \$2,001,585 is for Debt Service; and \$8,799,006 is for the Wastewater Enterprise. Mayor Calvin presented the General Fund Revenues totaling \$17,076,250 by source and the General Fund Expenditures totaling \$17,075,844 by major category.

The proposed changes for 2017 are the addition of two police officer positions (one starting January 1 and the other July 1), additional \$200,000 levy dedicated for pavement management, additional \$178,337 of levy for Capital Improvement/Operational costs (partially paid from new construction growth), a Human Resources position moved to City Administration and the Assessing costs per the agreement with Kandiyohi County for 2017.

Mayor Calvin overviewed the Capital Planning criteria and funding for 2017-2021. The totals and designations for capital projects for each year were detailed to the Council after which Mayor Calvin presented the Budget Calendar. On September 12th the Finance Committee will meet to recommend action on a Proposed Tax Levy, September 19th the Council will consider the recommendation to adopt and certify the proposed levy to the County Auditor. During the months of September – November the Finance Committee will continue to review the budget and the end of November review of Willmar Municipal Utilities, Rice Hospital and final Council review of Budget Adjustments will take place. It is proposed the 2017 Budget will be adopted on December 5th with Certification of the Tax Levy to the County by December 31st.

Mayor Calvin stated the City Administrator Kruse had recommended the City consider a Gas Franchise fee and a cable PEG fee to fund some of the capital plan which is now being deferred. Mayor Calvin stated his budget includes an additional \$115,000 increase in Local Government Aid which was proposed but never passed by the Legislature. Hopes are the Legislature will act on this in January for 2017. If not, it is proposed to come from the emergency reserves.

Councilmember Anderson reviewed the budget schedule stating the Mayor has presented his budget and now the Finance Committee and Council will begin its job. Anderson stated the preliminary levy must be certified by the end of September and is scheduled for September 19th. The levy cannot be raised above that amount, but it can be lowered by to adoption of the final levy in December.

Mayor Calvin closed by saying the budget is an 8.5% increase. Roughly 5.5% of that funds the \$200,000 increase in road funding. Another 1.5%, about \$51,000, goes to repay the loan for the auditorium renovations, leaving a modest increase in the operating levy. Mayor Calvin stated he strongly supports the budget at the level presented.

Council Member Anderson offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion, with carried. The meeting adjourned at 5:15 p.m.

Attest:

MAYOR

SECRETARY TO THE COUNCIL

**Rice Memorial Hospital
Board of Directors Meeting
August 17, 2016**

*These Board of Directors minutes have not been
officially approved by the RMH Board.*

PRESENT: Dr. Douglas Allen, Vice President
Dr. Michael Gardner, Treasurer
Dr. Lee Cafferty, Director
Andrea Carruthers, Director
Jon Saunders, Director

ABSENT: David Anfinson, President, Eric Weiberg, Secretary

ADMINISTRATIVE STAFF: Michael Schramm, CEO, Teri Beyer, CQO, Bill Fenske, CFO, Dr. Ken Flowe, CMO, Wendy Ulferts, CNO

GUESTS: Dr. Fred Hund, Chief of Staff; Lisa McBrian, Care Coordinator, Willmar Regional Cancer Center; Audrey Nelsen, Willmar City Council; Anne Polta, West Central Tribune

CALL TO ORDER/APPROVAL OF MINUTES: Vice President Allen called the meeting to order at 5:30 p.m. A motion was made by Director Carruthers and seconded by Director Gardner to approve the consent agenda items as presented.

QUALITY REPORT: Lisa McBrian, Care Coordinator at Willmar Regional Cancer Center, presented information on breast cancer process improvement (slides attached to original minutes) which has resulted in significant improvements in care and communication for patients diagnosed with breast cancer. She noted that, due to the success of this project, consideration of applying this same process to lung and colon cancer patients is being considered for 2017.

MEDICAL STAFF REPORT: Dr. Hund noted that the new Heartland orthopedic surgeon, Dr. Feierabend has begun his practice and Dr. Slinkard, orthopedic surgeon with WMS, will begin September 1st. Dr. Hund also noted that he recently had a family member hospitalized at Rice and that the patient care provided here is exceptional. He also discussed the growth of the Hospital Medicine program both locally and nationally. He stated that patients and families are much more familiar with and more comfortable with the concept now. Recruitment has been difficult as the supply of Hospitalists has grown, but not as quickly as the demand for their services.

CEO REPORT: CEO Schramm reported on the following:

- Rice received a 4-star rating when CMS released their report on July 27th. T. Beyer further described for the Board the elements that resulted in the star rating and the percentage of hospitals at each level (scale 1-5 stars).
- Rehab Center open houses were successful with 500 – 600 people over the two sessions.
- Rice Health Foundation noted we surpassed the goal of \$1.5 million and raised \$1.6 million for the Rehab project.
- WMS : Surgery Center planning continues with rezoning recommendations approved by the City Council on Monday evening. Construction on the PET CT area continues with delivery of the new unit expected on or about October 10th.

- Recruitment continues for Emergency Medicine and Psychiatry.
- Willmar Regional Cancer Center underwent a program survey by the American College of Surgeons' Commission on Cancer on August 4th. The survey went very well, but official results will not be back for about 45 days. Drs. Cafferty, Speer and Monterroso all participated in the process.
- Rice has supported several community events including the community health initiative, revitalization of Robbins' Island, Vision 20/40 and promotion of our community through the County and Chamber of Commerce.
- Statewide, healthcare workforce issues that are of interest include the potential nurses' strike at Allina facilities.

NEW BUSINESS

- A. **September Board Meeting Date:** Due to a conflict with the Minnesota Hospital Association's annual conference, CEO Schramm proposed moving the Board meeting date in September. Discussion ensued.
Action: Board members unanimously agreed to change the date of the September meeting from September 21st to September 28th.
- B. **Educational Opportunities:** CEO Schramm noted that there are several conferences coming up in which the Board members may have interest. He will ask his assistant to forward the links to these conferences to the Board members. Anyone interested in attending should contact CEO Schramm.

OLD BUSINESS No report

OTHER BUSINESS

- A. **Hospital Committee Reports:** No reports.
- B. **City Council Report:** A. Nelsen reported she attended the community Parkinson's Disease Awareness event today at The Oaks and noted that Rice's staff who participated presented very well. She also reviewed potential uses for the local option sales tax that is being considered by the Council.

ADJOURNMENT: Motion to adjourn was made by Director Saunders and seconded by Director Cafferty. The meeting adjourned at 6:32 p.m.

Submitted by:

Michael Gardner, Treasurer

SUBJECT TO FINAL APPROVAL OF THE MUNICIPAL UTILITIES COMMISSION

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
AUGUST 22, 2016

WMU Commissioners participated in a tour of WMU's facilities beginning at 3:00 p.m. on Monday, August 22, 2016. This informative tour included site visits to the following areas: Wind Turbine Generators, NE Water Treatment Plant, NE Substation, Lakeland Drive Property, Willmar Substation, Service Center, Power Plant (Storm Water Project area), and returning to the WMU Office. Projects related to the various sites were noted throughout the tour.

Following the facilities tour, the Municipal Utilities Commission conducted their regular meeting beginning at 5:20 p.m. in the Municipal Utilities Auditorium with the following Commissioners present: Dan Holtz, Carol Laumer, Jeff Nagel, Abdirizak (Zack) Mahboub, and Nathan Weber. Absent were Commissioners Joe Gimse and Justin Mattern.

Others present at the meeting were: Interim General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Power Production Supervisor Jon Folkedahl, Administrative Secretary Beth Mattheisen, Facilities & Purchasing Supervisor Kevin Marti, and City Attorney Robert Scott.

Commission President Holtz opened the meeting by requesting the Commission to offer a resolution to approve the Consent Agenda. Following review and discussion, Commissioner Laumer offered a resolution to approve the Consent Agenda as presented. Commissioner Mahboub seconded.

RESOLUTION NO. 41

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the August 8, 2016 Commission meeting; and,
- ❖ Bills represented by vouchers No. 161519 to No. 161605 and associated wire transfers inclusive in the amount of \$2,537,666.52.

Dated this 22nd day of August, 2016.

President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of five ayes and zero nays.

Power Production Supervisor Folkedahl informed the Commission of the need to solicit bids for storm water improvements located in the Power Plant area (Pacific Avenue). To remain compliant with permit requirements established by the National Pollutant Discharge Elimination System (NPDES), improvements to the quality of WMU's storm water discharge (runoff) are necessary. The

required improvements would include paving selected areas to re-direct runoff, remove storm water inlet & concrete curbing, install fencing & wheel loader rumble strips, and construction of a sand filter bed. Folkedahl was requesting the Commission to authorize the issuance of an invitation to bid for the storm water improvements. Following review and discussion, Commissioner Nagel offered a motion to approve the Invitation to Bid for the WMU Pacific Avenue Storm Water Improvements Project. Commissioner Weber seconded the motion which carried by a vote of five ayes and zero nays.

Director of Finance Runge presented the Commission with the July 2016 Financial Reports. Among the statistical analyses presented were:

- 1) Operating Revenue/Expenses/Income/Retaining Earnings for all Divisions (electric, water, heating & combined)
- 2) Year-To-Date Sales for each Division (electric, water & heating)

Interim General Manager Harren presented the Commission with an update on the repair work necessary at the Willmar Substation. Staff Electrical Engineer Jeron Smith has reviewed the damage and analyzed the options for the bushing replacement work. Smith further stated that regarding WMU's current insurance coverage and deductible limits, it would not be advantageous for the Utility to submit the repair costs to our insurance provider for processing (estimated repair costs vs deductible).

Commissioner Laumer along with Interim General Manager Harren presented the Commission with a recap of their recent attendance at the MMUA Annual Summer Meeting held August 15-17. Both emphasized the valuable networking and information gathering they receive at these annual events and thanked the Commission for allowing them the opportunity to attend. Among the key topics discussed were: 1) change management; 2) railroad crossings & Right-of-Ways (modifications & fee structures); 3) community solar projects/opportunities; 4) cyber security; 5) electric vehicles; and, 6) rate studies (including distributed generation & solar power).

Interim General Manager Harren reminded the Commissioners of the MUC Work Session scheduled for Monday, August 29th beginning at 4:00 p.m. The sole objective of this session will be to review and discuss the recently updated Facilities Study and to establish directive from the Commission for the proposed project.

Interim General Manager Harren informed the Commission that a request to schedule a WMU Planning Committee meeting will be forthcoming (in addition to the Sept. 9th Planning Committee meeting). Issues to be addressed will include: 1) potential hydro power supply agreement; 2) WMU logo update; and, 3) GRE status update.

For Your Information: Upcoming meetings/events to note include:

- WMU to host Chamber Connection – Friday, August 26th @ 7:30 a.m. (WMU Auditorium)
- MUC Work Session – Monday, August 29th @ 4:00 p.m. (Facilities Study/Building Project)
- WMU Planning Committee Meeting – Friday, Sept. 9th @ 12:00 noon; agenda items to include:
 - Emergency Contingency Plan (update)
 - Utility deposits
 - Storm Water Improvement Project bids
 - 2017 WMU Budget

➤ WMU Annual Open House (Public Power Week) – Tues., October 4th (Willmar Civic Center)

There being no further business to come before the Commission, Commissioner Nagel offered a motion to adjourn the meeting. Commissioner Laumer seconded the motion which carried by a vote of five ayes and zero nays, and the meeting was adjourned at 5:58 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Jeff Nagel, Secretary

**WILLMAR PLANNING COMMISSION
CITY OF WILLMAR, MN
WEDNESDAY, AUGUST 24, 2016**

MINUTES

1. The Willmar Planning Commission met on Wednesday, August 24, 2016, at 7:00 p.m. at the Willmar City Offices Conference Room #2.

** Members Present: Randy Czarnetzki, Gary Geiger, Aaron Larson, Margaret Fleck, Rolf Standfuss, and Steve Gardner.

** Members Absent: Bob Poe, and Rebecca Trongaard.

** Others Present: Megan DeSchepper- Planner.
2. MINUTES: The August 10, 2016 minutes were approved as submitted.
3. ACCESSORY DWELLING DISCUSSION: The Planning Commission discussed accessory dwellings and the variety of housing types that fit into the category. In an effort to understand the different types and determine what is best for Willmar they started defining the types. They then added the items to consider for each type of housing such as utility services, time period, construction type, lot coverage, setbacks etc. to each housing definition. This discussion will continue at a future meeting.
4. There being no further business to come before the Commission the meeting adjourned at 8:30 p.m.

Respectively submitted,



Megan M. DeSchepper, AICP
Planner/Airport Manager

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Knights of Columbus Council 2764 Previous Gambling Permit Number: x-30005-16-007

Minnesota Tax ID Number, if any: Group 0188 Federal Employer ID Number (FEIN), if any: 23-7543133

Mailing Address: 1900 6th St. SW

City: Willmar State: MN Zip: 56201 County: Kandiyohy

Name of Chief Executive Officer (CEO): Kevin J. Savchuk

Daytime Phone: 320-262-0820 Email: savchuklen@yahoo.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

- Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- A current calendar year Certificate of Good Standing**
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division Secretary of State website, phone numbers:
60 Empire Drive, Suite 100 www.sos.state.mn.us
St. Paul, MN 55103 651-296-2803, or toll free 1-877-551-6767
- IRS income tax exemption (501(c)) letter in your organization's name**
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.
- IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**
If your organization falls under a parent organization, attach copies of both of the following:
on File
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Veterans of Foreign Wars

Address (do not use P.O. box): 1108 E Highway 12

City or Township: Willmar Zip: 56201 County: Kandiyohy

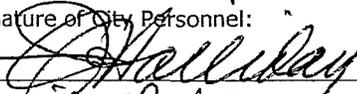
Date(s) of activity (for raffles, indicate the date of the drawing): June 13, 2017

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

- Bingo* Paddlewheels* Pull-Tabs* Tipboards*
- Raffle (total value of raffle prizes awarded for the calendar year: \$ 10,950.00)

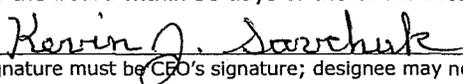
* The Minnesota Gambling Control Board, 6101 Hennepin Avenue, Minneapolis, MN 55412, is the only distributor licensed by the Minnesota Gambling Control Board to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on 'Distributors' under 'List of Licensees', or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

<p style="text-align: center;">CITY APPROVAL for a gambling premises located within city limits</p> <p><input checked="" type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print City Name: <u>City of Willmar</u></p> <p>Signature of City Personnel: <u></u></p> <p>Title: <u>City Clerk Treasurer</u> Date: <u>8-15-2016</u></p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 20px;"> <p>The city or county must sign before submitting application to the Gambling Control Board.</p> </div>	<p style="text-align: center;">COUNTY APPROVAL for a gambling premises located in a township</p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>Title: _____ Date: _____</p> <p>TOWNSHIP (if required by the county) On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>Title: _____ Date: _____</p>
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CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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

Chief Executive Officer's Signature:  Date: 8-14-16
(Signature must be CEO's signature; designee may not sign)

Print Name: Kevin J. Savchuk

REQUIREMENTS	MAIL APPLICATION AND ATTACHMENTS
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Complete a separate application for:

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

Mail application with:

a copy of your proof of nonprofit status, and

application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

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

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

<p>Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the</p>	<p>application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-</p>	<p>ment of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.</p>
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This form will be made available in alternative format (i.e. large print, braille) upon request.

ORGANIZATION INFORMATION

Organization Name: Church of St. Mary Previous Gambling Permit Number: XB-04099-15-003
 Minnesota Tax ID Number, if any: 8369099 Federal Employer ID Number (FEIN), if any: 41-0711999
 Mailing Address: 713 - 12th St SW
 City: Willmar State: MN Zip: 56201 County: Kandiyohi
 Name of Chief Executive Officer (CEO): Fr. Steven Verhelst
 Daytime Phone: 320-235-0118 Email: FrSteuve @ OurLivingWater.Org

NONPROFIT STATUS

Type of Nonprofit Organization (check one):
 Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of at least one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- Current Certificate of Good Standing**
 Don't have a copy? This certificate must be obtained each year from:
 MN Secretary of State, Business Services Division
 60 Empire Drive, Suite 100
 St. Paul, MN 55103
 Secretary of State website, phone numbers:
www.sos.state.mn.us
 651-296-2803, or toll free 1-877-551-6767
- Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**
 Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.
- Internal Revenue Service-Affiliate of national, statewide, or international parent nonprofit organization (charter)**
 If your organization falls under a parent organization, attach copies of both of the following:
 1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 2. the charter or letter from your parent organization recognizing your organization as a subordinate.

EXCLUDED BINGO ACTIVITY

Has your organization held a bingo event in the current calendar year? Yes No

If yes, list the dates when bingo was conducted: _____

The proposed bingo event will be:

- one of four or fewer bingo events held this year. Dates: Sept. 25-2016
- OR-
- conducted on up to 12 consecutive days in connection with a:
 - county fair Dates: _____
 - civic celebration Dates: _____
 - Minnesota State Fair Dates: _____

Person in charge of bingo event: Fr. Steven Verhelst Daytime Phone: 320-235-0118

Name of premises where bingo will be conducted: Church of St. Mary

Premises street address: 713 & 12th St

City: Willmar If township, township name: _____ County: Kandiyohi

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.

Print City Name: City of Willmar

Signature of City Personnel: [Signature]

Title: City Clerk/Treasurer Date: 8-18-2016

The city or county must sign before submitting application to the Gambling Control Board.

**COUNTY APPROVAL
for a gambling premises
located in a township**

On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)

On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge.

Chief Executive Officer's Signature: [Signature] Date: 8-18-16
(Signature must be CEO's signature; designee may not sign)

Print Name: FR Steven J. Verhelst -

MAIL OR FAX APPLICATION & ATTACHMENTS

Mail or fax application and a copy of your proof of nonprofit status to:

Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113
Fax: 651-639-4032

An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.

Questions?
Call a Licensing Specialist at 651-539-1900.

Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under the **LIST OF LICENSEES**, or call 651-539-1900.

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

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Pheasant's Forever Kandiyohi County 32 Previous Gambling Permit Number: X-03697-16-012

Minnesota Tax ID Number, if any: 41-1429149 Federal Employer ID Number (FEIN), if any: _____

Mailing Address: Box 732

City: Willmar State: MN Zip: 56201 County: Kandiyohi

Name of Chief Executive Officer (CEO): Kevin Ochsendorf (President)

Daytime Phone: 320-212-2412 Email: kjochs@yahoo.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

A current calendar year Certificate of Good Standing
 Don't have a copy? Obtain this certificate from:
 MN Secretary of State, Business Services Division Secretary of State website, phone numbers:
 60 Empire Drive, Suite 100 www.sos.state.mn.us
 St. Paul, MN 55103 651-296-2803, or toll free 1-877-551-6767

IRS income tax exemption (501(c)) letter in your organization's name
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
 If your organization falls under a parent organization, attach copies of both of the following:
 1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Willmar Conference Center

Address (do not use P.O. box): 2100 E. Highway 12

City or Township: Willmar Zip: 56201 County: Kandiyohi

Date(s) of activity (for raffles, indicate the date of the drawing): April 8, 2017

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

Bingo* Paddlewheels* Pull-Tabs* Tipboards*

Raffle (total value of raffle prizes awarded for the calendar year: \$ _____)

* **Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under **List of Licensees**, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

The application is acknowledged with no waiting period.

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

The application is denied.

Print City Name: City of Willmar

Signature of City Personnel: [Signature]

Title: City Clerk Treasurer Date: 8-16-2016

The city or county must sign before submitting application to the Gambling Control Board.

**COUNTY APPROVAL
for a gambling premises
located in a township**

The application is acknowledged with no waiting period.

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

The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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

Chief Executive Officer's Signature: [Signature] Date: 8/15/2016

(Signature must be CEO's signature; designee may not sign)

Print Name: Kevin Ochsendorf (President)

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status, and **(ON FILE)**
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

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

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

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

Vendor Payments History Report
INCLUDES ONLY POSTED TRANS

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
AFFORDABLE PUMPING SERVI			002404											
	46884	08/31/16	SEPTIC PUMPING	370.00		33327		D	N				CLEANING AND WAS	230.43430.0338
ALEX AIR APPARATUS INC			002061											
	46885	08/31/16	FIREFIGHTER GLOVES	150.00		30560		D	N				SUBSISTENCE OF P	101.42412.0227
ALPHA TRAINING & TACTICS			003136											
	46886	08/31/16	BALLISTIC VESTS/ARMOR	18,354.00		2016091		D	N				SUBSISTENCE OF P	101.42411.0227
	46886	08/31/16	TACTICAL SHIELD	2,229.00		2016106		D	N				SMALL TOOLS	101.42411.0221
			VENDOR TOTAL	20,583.00										
													*CHECK TOTAL	
AMERICAN WELDING & GAS I			000057											
	46887	08/31/16	WELDING GAS	55.45		04201889		D	N				GENERAL SUPPLIES	101.43425.0229
ANDERSON LAW OFFICES			002954											
	46888	08/31/16	LEGAL SERVICES-JUL	9,870.42		STMT/7-16		D	M	07			PROFESSIONAL SER	101.41406.0446
	46888	08/31/16	RESEARCH ZONING ORD.	93.75		STMT/7-16		D	M	07			PROFESSIONAL SER	101.41406.0446
	46888	08/31/16	MTG-STORAGE VIOLATION	62.50		STMT/7-16		D	M	07			PROFESSIONAL SER	101.41406.0446
			VENDOR TOTAL	10,026.67										
													*CHECK TOTAL	
ASSN OF TRNG OFFICERS OF			001315											
	46889	08/31/16	SEMINAR REGISTRATION	500.00		94961430		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	46889	08/31/16	SEMINAR REGISTRATION	500.00		94961463		D	N				TRAVEL-CONF.-SCH	101.42411.0333
			VENDOR TOTAL	1,000.00										
													*CHECK TOTAL	
B & C FABRICATION			.02572											
	46890	08/31/16	CUTTING METAL TARGETS	99.60		080116		D	N				MTCE. OF EQUIPME	101.42411.0334
BACKES TECHNOLOGY SERVIC			000087											
	46891	08/31/16	CARD READER FOR MAIN DR	59.50		15154		D	N				MTCE. OF STRUCTU	101.45435.0225
	46891	08/31/16	CARD READER FOR MAIN DR	95.00		15154		D	N				MTCE. OF STRUCTU	101.45435.0335
	46891	08/31/16	2" X 6" BASKET TRAY	129.00		15175		D	N				SMALL TOOLS	101.41409.0221
	46891	08/31/16	CAT 6 WIRE RUN-PARTS	240.00		15175		D	N				MTCE. OF STRUCTU	101.45435.0225
	46891	08/31/16	CAT 6 WIRE RUN-LABOR	255.00		15175		D	N				MTCE. OF STRUCTU	101.45435.0335
	46891	08/31/16	SQUAD VIDEO SYS. WIRING	160.00		15192		D	N				MTCE. OF EQUIPME	101.42411.0224
	46891	08/31/16	SQUAD VIDEO SYS. WIRING	170.00		15192		D	N				MTCE. OF EQUIPME	101.42411.0334
			VENDOR TOTAL	1,108.50										
													*CHECK TOTAL	
BAUMGARN/ROB			003208											
	46892	08/31/16	PHONE CASE	38.47		265		D	N				GENERAL SUPPLIES	101.45433.0229
BCA			000095											
	46893	08/31/16	KING-DEATH INVEST. CONF	150.00		10007		D	N				TRAVEL-CONF.-SCH	101.42411.0333

Vendor Payments History Report
INCLUDES ONLY POSTED TRANS

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
BUSINESSWARE SOLUTIONS 002776														
	46902	08/31/16	PRINT/PAGE COUNT	11.00		258210		D	N				OFFICE SUPPLIES	101.41400.0220
	46902	08/31/16	PRINT/PAGE COUNT	38.36		258210		D	N				OFFICE SUPPLIES	101.41402.0220
	46902	08/31/16	PRINT/PAGE COUNT	11.50		258210		D	N				OFFICE SUPPLIES	101.41403.0220
	46902	08/31/16	PRINT/PAGE COUNT	13.00		258210		D	N				OFFICE SUPPLIES	101.41404.0220
	46902	08/31/16	PRINT/PAGE COUNT	192.60		258210		D	N				OFFICE SUPPLIES	101.41405.0220
	46902	08/31/16	PRINT/PAGE COUNT	47.06		258210		D	N				OFFICE SUPPLIES	101.41409.0220
	46902	08/31/16	PRINT/PAGE COUNT	118.17		258210		D	N				OFFICE SUPPLIES	101.42411.0220
	46902	08/31/16	PRINT/PAGE COUNT	28.82		258210		D	N				OFFICE SUPPLIES	101.43417.0220
	46902	08/31/16	PRINT/PAGE COUNT	97.01		258210		D	N				OFFICE SUPPLIES	101.43425.0220
	46902	08/31/16	PRINT/PAGE COUNT	11.89		258210		D	N				OFFICE SUPPLIES	101.45433.0220
	46902	08/31/16	PRINT/PAGE COUNT	1.89		258210		D	N				OFFICE SUPPLIES	101.45435.0220
	46902	08/31/16	PRINT/PAGE COUNT	86.42		258210		D	N				OFFICE SUPPLIES	651.48484.0220
				657.72										
			VENDOR TOTAL	657.72										
														*CHECK TOTAL
CALVIN/MARVIN B 001998														
	46903	08/31/16	CGMC CONFERENCE	224.40		357		D	N				TRAVEL-CONF.-SCH	101.41401.0333
CARDMEMBER SERVICE 002365														
	46879	08/18/16	DNS RENEWAL	17.45		STMT/7-16		D	N				PREPAID EXPENSES	101.128000
	46879	08/18/16	2017 PROF ENGINEER LIC.	76.00		STMT/7-16		D	N				PREPAID EXPENSES	101.128000
	46879	08/18/16	KRUSE-ICMA CONF LODGING	795.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.41400.0333
	46879	08/18/16	NELSEN-LODGING EXPENSE	347.64		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.41401.0333
	46879	08/18/16	OFFICE SUPPLIES	139.76		STMT/7-16		D	N				OFFICE SUPPLIES	101.41409.0220
	46879	08/18/16	USB DRIVES	63.96		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	SERVER CABLES	52.77		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	DUST COVERS FOR PARTS	4.89		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	CABLE PARTS	6.86		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	CABLE PARTS	13.18		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	ETHERNET CABLES	32.76		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	CABLE PARTS	36.59		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	ETHERNET CABLES	4.10		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	ETHERNET CABLES	4.10		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	ETHERNET CABLES	4.10		STMT/7-16		D	N				SMALL TOOLS	101.41409.0221
	46879	08/18/16	PHONE CABLES	13.16		STMT/7-16		D	N				MTCE. OF EQUIPME	101.41409.0224
	46879	08/18/16	PHONE HOLSTER	16.13		STMT/7-16		D	N				MTCE. OF EQUIPME	101.41409.0224
	46879	08/18/16	PHONE BATTERY	32.05		STMT/7-16		D	N				MTCE. OF EQUIPME	101.41409.0224
	46879	08/18/16	BROADCASTER SUBSCRIP.	49.00		STMT/7-16		D	N				SUBSCRIPTIONS AN	101.41409.0443
	46879	08/18/16	DNS RENEWAL	12.50		STMT/7-16		D	N				SUBSCRIPTIONS AN	101.41409.0443
	46879	08/18/16	OFF SITE BACKUP	17.49		STMT/7-16		D	N				SUBSCRIPTIONS AN	101.41409.0443
	46879	08/18/16	OFF SITE BACKUP	17.50		STMT/7-16		D	N				SUBSCRIPTIONS AN	101.41409.0443
	46879	08/18/16	WEBSITE HOSTING FEE	154.32		STMT/7-16		D	N				SUBSCRIPTIONS AN	101.41409.0443
	46879	08/18/16	SOFTWARE LICENSE	64.99		STMT/7-16		D	N				LICENSES AND TAX	101.41409.0445
	46879	08/18/16	10 DEMO GLOCK GUNS	255.00		STMT/7-16		D	N				SMALL TOOLS	101.42411.0221
	46879	08/18/16	EXPLORER SHIRTS	22.67		STMT/7-16		D	N				SUBSISTENCE OF P	101.42411.0227
	46879	08/18/16	BATTERIES	31.50		STMT/7-16		D	N				GENERAL SUPPLIES	101.42411.0229
	46879	08/18/16	VIDEO CAMERA BATTERIES	44.44		STMT/7-16		D	N				GENERAL SUPPLIES	101.42411.0229
	46879	08/18/16	BATTERIES	78.86		STMT/7-16		D	N				GENERAL SUPPLIES	101.42411.0229
	46879	08/18/16	VAZQUEZ-SOTA TRNG REGIS.	695.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42411.0333

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VENDOR NAME AND NUMBER		CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
CARDMEMBER SERVICE				002365											
46879	08/18/16			EVANS/LIVINGOOD-LODGING	149.15		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42411.0333
46879	08/18/16			HERZOG/ANDERSON-LODGING	149.15		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42411.0333
46879	08/18/16			SEMINAR REGISTRATIONS	600.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42412.0333
46879	08/18/16			HANSON-HSEM G775 TRNG	33.78		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42412.0333
46879	08/18/16			LAKE REGION MTG-MEALS	86.03		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.42412.0333
46879	08/18/16			RAILROAD WYE PROJ. MTG	12.38		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.43417.0333
46879	08/18/16			2016 PROF ENGINEER LIC.	76.00		STMT/7-16		D	N				LICENSES AND TAX	101.43417.0445
46879	08/18/16			SEAN-PUBLIC WORKS EXPO	799.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	101.43425.0333
46879	08/18/16			AIRPORT FUEL PRINTER	106.86		STMT/7-16		D	N				SMALL TOOLS	230.43430.0221
46879	08/18/16			THOMPSON-EROSION CLASS	155.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	651.48484.0333
46879	08/18/16			JACOBSON-EROSION CLASS	155.00		STMT/7-16		D	N				TRAVEL-CONF.-SCH	651.48484.0333
				VENDOR TOTAL	5,426.12		*CHECK TOTAL								
CARRANZA/NOE				002547											
46904	08/31/16			INTERPRETED 08/22/16	100.00		082216		D	M	07			PROFESSIONAL SER	101.42411.0446
CBG COMMUNICATIONS				003236											
46905	08/31/16			PEG ACCESS OPERATIONS	1,494.81		115-0616		D	N				PROFESSIONAL SER	101.41409.0446
CEE VI TASK FORCE				000146											
46906	08/31/16			GLOCK G26 9MM HANDGUN	209.79		080816		D	N				SMALL TOOLS	101.42411.0221
CENTERPOINT ENERGY				000467											
46881	08/24/16			NATURAL GAS CORREC.-APR	48.55CR		6072309/4-16		D	N				UTILITIES	101.45437.0332
46881	08/24/16			NATURAL GAS-APR	49.13		6072309/4-16		D	N				UTILITIES	101.45437.0332
46881	08/24/16			NATURAL GAS-JUN	1,552.99		6072309/6-16		D	N				UTILITIES	101.45437.0332
46881	08/24/16			NATURAL GAS-JUL	1,082.92		6072309/7-16		D	N				UTILITIES	101.45437.0332
				VENDOR TOTAL	2,636.49		*CHECK TOTAL								
46907	08/31/16			NATURAL GAS-AUG	28.74		0866227/8-16		D	N				UTILITIES	230.43430.0332
46907	08/31/16			NATURAL GAS-AUG	17.52		1958964/8-16		D	N				UTILITIES	101.41408.0332
46907	08/31/16			NATURAL GAS-AUG	16.94		6038773/8-16		D	N				UTILITIES	101.43425.0332
46907	08/31/16			NATURAL GAS-AUG	56.54		6061271/8-16		D	N				UTILITIES	101.45433.0332
46907	08/31/16			NATURAL GAS-AUG	19.80		6069198/8-16		D	N				UTILITIES	101.43425.0332
46907	08/31/16			NATURAL GAS-AUG	53.12		6084836/8-16		D	N				UTILITIES	101.45435.0332
46907	08/31/16			NATURAL GAS-AUG	1,224.12		6085332/8-16		D	N				UTILITIES	101.45433.0332
46907	08/31/16			NATURAL GAS-AUG	16.94		6093527/8-16		D	N				UTILITIES	101.43425.0332
46907	08/31/16			NATURAL GAS-AUG	54.24		6102726/8-16		D	N				UTILITIES	101.42412.0332
46907	08/31/16			NATURAL GAS-AUG	25.39		6236671/8-16		D	N				UTILITIES	230.43430.0332
46907	08/31/16			NATURAL GAS-AUG	23.72		8503501/8-16		D	N				UTILITIES	651.48485.0332
46907	08/31/16			NATURAL GAS-AUG	48.55		8512023/8-16		D	N				UTILITIES	651.48485.0332
46907	08/31/16			NATURAL GAS-AUG	470.41		8795475/8-16		D	N				UTILITIES	651.48484.0332
				VENDOR TOTAL	2,056.03		*CHECK TOTAL								
46907	08/31/16			NATURAL GAS-AUG	4,692.52										
CHAMBERLAIN OIL CO				000154											
46908	08/31/16			DRUM RETURN	20.00CR		151404		D	N				INVENTORIES-MDSE	101.125000

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
CHAMBERLAIN OIL CO			000154											
	46908	08/31/16	OIL	939.25		162124		D	N				INVENTORIES-MDSE	101.125000
	46908	08/31/16	DRUM RETURN	60.00	CR	162124		D	N				INVENTORIES-MDSE	101.125000
	46908	08/31/16	GREASE FOR SCREW PUMPS	321.16		162781		D	N				MOTOR FUELS AND	651.48484.0222
			VENDOR TOTAL	1,180.41										
				1,180.41										
CHARTER COMMUNICATIONS			000736											
	46909	08/31/16	PHONE SERV 08/16-09/15	47.26		1136/8-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/20-09/19	150.37		2191/9-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/27-09/26	107.27		2589/9-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/12-09/11	62.15		3941/8-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/16-09/15	635.37		4184/8-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/10-09/09	6.38		4972/8-16		D	N				COMMUNICATIONS	101.41409.0330
	46909	08/31/16	PHONE SERV 08/26-09/25	87.97		5124/9-16		D	N				COMMUNICATIONS	101.41409.0330
			VENDOR TOTAL	1,096.77										
				1,096.77										
CHIEF SUPPLY CORPORATION			000885											
	46910	08/31/16	SWAT GEAR	27.00		205996		D	N				SUBSISTENCE OF P	101.42411.0227
CLARKE MOSQUITO CONTROL			002157											
	46911	08/31/16	MOSQUITO CNTL CHEMICAL	3,778.74		5073562		D	N				GENERAL SUPPLIES	101.43425.0229
COALITION OF GREATER MN			001335											
	46912	08/31/16	NELSEN-CGMC CONFERENCE	275.00		072816		D	N				TRAVEL-CONF.-SCH	101.41401.0333
CODE 4 SERVICES LLC			002984											
	46913	08/31/16	#168302-REPL. LED LTS	112.32		2795		D	N				MTCE. OF EQUIPME	101.42411.0224
	46913	08/31/16	ANTI-THEFT IGNITIONS	533.98		2801		D	N				MACHINERY AND AU	450.42411.0553
			VENDOR TOTAL	646.30										
				646.30										
COLEPAPERS INC			000170											
	46914	08/31/16	TOILET TISSUE/HAND TWLS	330.79		9233143		D	N				GENERAL SUPPLIES	101.45435.0229
	46914	08/31/16	CLEANING SUPPLIES	107.47		9235410		D	N				CLEANING AND WAS	101.45435.0228
			VENDOR TOTAL	438.26										
				438.26										
CROW CHEMICAL & LIGHTING			000186											
	46915	08/31/16	WEED KILLER	50.40		7419		D	N				GENERAL SUPPLIES	651.48484.0229
	46915	08/31/16	CLEANING SUPPLIES	12.50		7446		D	N				CLEANING AND WAS	101.42412.0228
	46915	08/31/16	DISPOSABLE GLOVES	34.00		7446		D	N				GENERAL SUPPLIES	101.42412.0229
	46915	08/31/16	CLEANING SUPPLIES	217.90		7497		D	N				CLEANING AND WAS	101.43425.0228
			VENDOR TOTAL	314.80										
				314.80										
CROW RIVER CONSTRUCTION			003260											
	46916	08/31/16	WATER MAIN/STORM SEWE	79,491.83		1602/EST. 3		D	N				MTCE. OF OTHER I	416.48451.0336

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VENDOR NAME AND NUMBER		CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
DAN'S SHOP INC				002212											
	46917	08/31/16	FILTERS		17.03		73861		D	N				INVENTORIES-MDSE	101.125000
	46917	08/31/16	FILTERS		46.73		73982		D	N				INVENTORIES-MDSE	101.125000
	46917	08/31/16	FILTERS		55.18		74093		D	N				INVENTORIES-MDSE	101.125000
	46917	08/31/16	FILTERS		16.80		74159		D	N				INVENTORIES-MDSE	101.125000
	46917	08/31/16	FILTERS		77.33CR		74175		D	N				INVENTORIES-MDSE	101.125000
				VENDOR TOTAL	58.41		*CHECK TOTAL								
					58.41										
DAVY LABORATORIES				003101											
	46918	08/31/16	LAB TESTING		373.00		6080110		D	N				PROFESSIONAL SER	651.48484.0446
DEPT OF HUMAN SERVICES				000009											
	46919	08/31/16	CLEANING SERVICES-JUL		90.00		00000362945		D	N				CLEANING AND WAS	101.45435.0338
DIAMOND VOGEL PAINT CENT				000205											
	46920	08/31/16	HYDRANT PAINT		199.56		821060626		D	N				MTCE. OF OTHER I	101.42412.0226
	46920	08/31/16	HYDRANT PAINT		199.56		821060698		D	N				MTCE. OF OTHER I	101.42412.0226
				VENDOR TOTAL	399.12		*CHECK TOTAL								
					399.12										
DOOLEY'S PETROLEUM INC				000212											
	46921	08/31/16	150 GALLONS UNLEADED		343.65		270926		D	N				MOTOR FUELS AND	651.48484.0222
	46921	08/31/16	200.4 GALLONS UNLEADED		459.11		270947		D	N				MOTOR FUELS AND	651.48484.0222
				VENDOR TOTAL	802.76		*CHECK TOTAL								
					802.76										
DOOLEY'S PETROLEUM INC				002163											
	46878	08/15/16	7,200 GAL JET A FUEL		14,500.80		869521		D	N				JET A FUEL	230.125001
	46882	08/25/16	5,000 GALLONS UNLEADE		10,449.80		42034		D	N				INVENTORIES-MDSE	101.125000
	46882	08/25/16	3,000 GALLONS DIESEL		4,979.85		42035A		D	N				INVENTORIES-MDSE	101.125000
				VENDOR TOTAL	15,429.65		*CHECK TOTAL								
					15,429.65										
	46922	08/31/16	4,501 GAL LOW LEAD FU		14,644.02		119371A		D	N				AV GAS LOW LEAD	230.125002
			VENDOR TOTAL		44,574.47										
					44,574.47										
DUININCK CONCRETE				000151											
	46923	08/31/16	CONCRETE-CATCH BASINS		120.85		80605		D	N				MTCE. OF OTHER I	101.43425.0226
DUININCK INC				000222											
	46924	08/31/16	WATER MAIN		39,143.66		1603-A/EST. 1		D	N				MTCE. OF OTHER I	416.48451.0336
DYNA SYSTEMS				000223											
	46925	08/31/16	WELDING WIRE/CUT-OFF WHL		970.07		23051238		D	N				INVENTORIES-MDSE	101.125000
ED'S SERVICE CENTER & SA				000231											
	46926	08/31/16	TOWING CHARGES-JUL		525.00		STMT/7-16		D	N				OTHER SERVICES	101.42411.0339

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FINANCE AND COMMERCE			002809											
	46935	08/31/16	AD FOR BIDS-ROOF REPL.	68.93		742871566		D	N				ADVERTISING	101.45433.0447
FIREBYTES LLC			003090											
	46936	08/31/16	2016 BIT DEFENDER LIC.	216.60		INV-0484		D	M	07			LICENSES AND TAX	101.41409.0445
	46936	08/31/16	INST. WINDOWS UPDATES	297.00		INV-0484		D	M	07			PROFESSIONAL SER	101.41409.0446
	46936	08/31/16	CANINE DATABASE EDITS	133.50		INV-0484		D	M	07			PROFESSIONAL SER	101.41409.0446
	46936	08/31/16	PLANNING MTG	89.00		INV-0484		D	M	07			PROFESSIONAL SER	101.41409.0446
	46936	08/31/16	SWITCH CONFIGURATION	89.00		INV-0484		D	M	07			PROFESSIONAL SER	101.41409.0446
	46936	08/31/16	POLICE SERVER CONSULTING	89.00		INV-0484		D	M	07			PROFESSIONAL SER	101.41409.0446
				914.10										
			VENDOR TOTAL	914.10										
														*CHECK TOTAL
FISCHER/SYDNEY			003268											
	46937	08/31/16	PHOTO./INSTAGRAM SERVICE	500.00		082916		D	N				OTHER CHARGES	208.45010.0449
FLAHERTY & HOOD P.A.			001449											
	46938	08/31/16	LEGAL SERVICES-JUL	9,570.34		9169		D	M	07			PROFESSIONAL SER	101.41406.0446
FLEETPRIDE			002973											
	46939	08/31/16	#154576-GLADHAND COVERS	15.71		79020119		D	N				MTCE. OF EQUIPME	101.43425.0224
FORUM COMMUNICATIONS COM			002269											
	46940	08/31/16	NOTICE-HRNG ON VARIANCE	74.16		C-03001078		D	N				PRINTING AND PUB	101.41402.0331
	46940	08/31/16	ORD. AUTH SALE OF PRPTY	77.25		C-03001079		D	N				PRINTING AND PUB	101.41401.0331
	46940	08/31/16	AD FOR BIDS-ROOF REPL.	80.34		C-03001081		D	N				ADVERTISING	101.45433.0447
	46940	08/31/16	AMEND WLMR ZONING ORD.	148.32		C-03001302		D	N				PRINTING AND PUB	101.41402.0331
	46940	08/31/16	ORD. AUTH SALE OF PRPTY	64.89		C-03001375		D	N				PRINTING AND PUB	101.41401.0331
	46940	08/31/16	55 AND BEYOND AD	51.00		36787/7-16		D	N				ADVERTISING	101.45435.0447
				495.96										
			VENDOR TOTAL	495.96										
														*CHECK TOTAL
FRANCOTYP-POSTALIA INC			001791											
	46941	08/31/16	INKJET CARTRIDGE	123.40		RI02942508		D	N				OFFICE SUPPLIES	101.42411.0220
GENERAL MAILING SERVICES			000293											
	46942	08/31/16	POSTAGE	374.52		31187		D	N				POSTAGE	208.45006.0223
	46942	08/31/16	FEDEX CHARGES	30.00		31213		D	N				POSTAGE	101.41409.0223
	46942	08/31/16	POSTAGE/UPS CHARGES	30.71		31213		D	N				POSTAGE	101.42412.0223
	46942	08/31/16	UPS CHARGES	71.86		31213		D	N				POSTAGE	101.43425.0223
	46942	08/31/16	POSTAGE	46.79		31277		D	N				POSTAGE	208.45006.0223
	46942	08/31/16	POSTAGE	17.68		31279		D	N				POSTAGE	101.42411.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	4.41		31298		D	N				POSTAGE	101.41401.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	67.12		31298		D	N				POSTAGE	101.41402.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	69.45		31298		D	N				POSTAGE	101.41403.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	2.85		31298		D	N				POSTAGE	101.41405.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	15.00		31298		D	N				POSTAGE	101.41408.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	1.14		31298		D	N				POSTAGE	101.41409.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	0.57		31298		D	N				POSTAGE	101.42412.0223
	46942	08/31/16	POSTAGE 08/01-08/05/16	1.14		31298		D	N				POSTAGE	101.43417.0223

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
HAUG-KUBOTA LLC			002609											
	46947	08/31/16	FILTERS/MOWER BLADES	190.17		8440		D	N				MTCE. OF EQUIPME	101.43425.0224
				736.17	*CHECK	TOTAL								
			VENDOR TOTAL	736.17										
HAUGEN/AMY			.02565											
	46948	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
HAWKINS INC			000325											
	46949	08/31/16	FERRIC CHLORIDE	4,651.46		3916314 RI		D	N				GENERAL SUPPLIES	651.48484.0229
	46949	08/31/16	FERRIC CHLORIDE	4,661.15		3929162 RI		D	N				GENERAL SUPPLIES	651.48484.0229
	46949	08/31/16	FERRIC CHLORIDE	4,643.71		3935360 RI		D	N				GENERAL SUPPLIES	651.48484.0229
				13,956.32	*CHECK	TOTAL								
			VENDOR TOTAL	13,956.32										
HEIL/MICHELLE			.02566											
	46950	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
HEIMAN FIRE EQUIPMENT IN			000330											
	46951	08/31/16	NAME TAG/PATCH	65.29		0849634		D	N				SUBSISTENCE OF P	101.42412.0227
HERITAGE BANK			000001											
	254	08/18/16	WFA FHLB-3130A8X57	1,000,000.00		081816		M	N				INVESTMENTS	101.109000
	255	08/23/16	WFI FHLB-3130A8VP5	1,851,000.00		082316		M	N				INVESTMENTS	101.109000
	255	08/23/16	WFI FHLB-3130A8VP5	56,000.00		082316		M	N				INVESTMENTS	205.109000
	255	08/23/16	WFI FHLB-3130A8VP5	14,000.00		082316		M	N				INVESTMENTS	295.109000
	255	08/23/16	WFI FHLB-3130A8VP5	1,000.00		082316		M	N				INVESTMENTS	296.109000
	255	08/23/16	WFI FHLB-3130A8VP5	5,000.00		082316		M	N				INVESTMENTS	327.109000
	255	08/23/16	WFI FHLB-3130A8VP5	73,000.00		082316		M	N				INVESTMENTS	350.109000
				2,000,000.00	*CHECK	TOTAL								
	256	08/24/16	WFA FHLB-3130A8VS9	999,350.00		082416		M	N				INVESTMENTS	101.109000
			VENDOR TOTAL	3,999,350.00										
HIGH POINT NETWORKS INC			002299											
	46952	08/31/16	2017 SHORETEL SUPPORT	1,818.30		85969		D	N				PREPAID EXPENSES	101.128000
	46952	08/31/16	2016 SHORETEL SUPPORT	1,818.30		85969		D	N				MTCE. OF EQUIPME	101.41409.0334
	46952	08/31/16	PHONE SUPPORT	945.00		86392		D	N				PREPAID EXPENSES	101.128000
	46952	08/31/16	PHONE SUPPORT	1,050.00		86392		D	N				MTCE. OF EQUIPME	101.41409.0334
	46952	08/31/16	CORD FOR MODEM	21.00		86404		D	N				SMALL TOOLS	101.41409.0221
				5,652.60	*CHECK	TOTAL								
			VENDOR TOTAL	5,652.60										
HILLYARD FLOOR CARE SUPP			000333											
	46953	08/31/16	CLEANING SUPPLIES	180.52		602202694		D	N				CLEANING AND WAS	101.45435.0228
HOLIDAY STATION STORES			.01631											
	46954	08/31/16	GAS-95.456 GALLONS	200.36		081616		D	N				MOTOR FUELS AND	101.42412.0222

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
HORIZON COMMERCIAL POOL 003075														
	46955	08/31/16	CK ACCUTAB SYSTEM-LABOR	652.50		SV160624054		D	N				MTCE. OF EQUIPME	101.45437.0334
	46955	08/31/16	POOL CHEMICALS	1,701.95		160707019		D	N				MTCE. OF OTHER I	101.45437.0226
	46955	08/31/16	POOL CHEMICALS	55.76		160722046		D	N				MTCE. OF OTHER I	101.45437.0226
	46955	08/31/16	PLUMBING PARTS	192.75		160728032		D	N				MTCE. OF STRUCTU	101.45437.0225
				2,602.96										
			VENDOR TOTAL	2,602.96										
*CHECK TOTAL														
HULSCHER/DAWN .02567														
	46956	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
IMS/MONICA .02363														
	46957	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
JAGUSH/JEFFREY 003037														
	46958	08/31/16	MILEAGE 7/5-8/12/16	52.65		081216		D	N				TRAVEL-CONF.-SCH	101.43425.0333
	46958	08/31/16	MILEAGE 7/5-8/12/16	52.65		081216		D	N				TRAVEL-CONF.-SCH	651.48484.0333
				105.30										
			VENDOR TOTAL	105.30										
*CHECK TOTAL														
JOHANNES/SHEILA .02568														
	46959	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
JORGENSEN/MARISSA .01229														
	46960	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
KANDIYOHI CO & CITY OF W 001465														
	46883	08/25/16	SHOVEL RDY CERTIF. APP	8,851.50		080116		D	N				PROFESSIONAL SER	205.41001.0446
KANDIYOHI CO AUDITOR 000376														
	46961	08/31/16	2016 GIS MAP/PICTOMETR	4,703.44		030916		D	N				REFUNDS AND REIM	101.41428.0882
KANDIYOHI CO-OP ELECTRIC 000375														
	46962	08/31/16	WELCOME TO WILLMAR SIGN	66.20		STMT/8-16		D	N				UTILITIES	101.43425.0332
	46962	08/31/16	CO RD 23/HWY 71 BYPASS	138.00		STMT/8-16		D	N				UTILITIES	101.43425.0332
	46962	08/31/16	ELEC SERV-LIFT STATION	1,119.00		STMT/8-16		D	N				UTILITIES	651.48485.0332
	46962	08/31/16	ELEC SERV-SECURITY LIGHT	36.00		STMT/8-16		D	N				UTILITIES	651.48486.0332
				1,359.20										
			VENDOR TOTAL	1,359.20										
*CHECK TOTAL														
KARVAKKO P.A. 003267														
	46963	08/31/16	AIRPORT MASTER PLAN	4,500.00		16-044		D	N				PROFESSIONAL SER	230.43430.0446
KING'S ELECTRIC LLC 003138														
	46964	08/31/16	GAS MTR-GENERATOR PROJ	1,041.97		338		D	M	07			BUILDINGS AND ST	450.41409.0551
	46964	08/31/16	ELECTRICAL CALL-LABOR	65.00		344		D	M	07			MTCE. OF STRUCTU	101.45435.0335
	46964	08/31/16	CK LT SWITCH IN HALLWAY	65.00		353		D	M	07			MTCE. OF STRUCTU	101.41408.0335
	46964	08/31/16	CK A/C UNIT-LABOR	65.00		354		D	M	07			MTCE. OF STRUCTU	101.45435.0335

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
KING'S ELECTRIC LLC			003138											
	46964	08/31/16	REPL. TRANSFORMER-PART	3,099.38		357		D	M	07			MTCE. OF STRUCTU	101.43425.0225
	46964	08/31/16	REPL. TRANSFORMER-LABOR	207.50		357		D	M	07			MTCE. OF STRUCTU	101.43425.0335
	46964	08/31/16	SWITCH-ELEC SIGN/FLAGPOL	17.97		358		D	M	07			MTCE. OF OTHER I	101.42412.0226
	46964	08/31/16	SWITCH-ELEC SIGN/FLAGPOL	65.00		358		D	M	07			MTCE. OF OTHER I	101.42412.0336
			VENDOR TOTAL	2,542.88										
				2,542.88										
													*CHECK TOTAL	
LAKE COUNTRY FIREPLACE &			003248											
	46965	08/31/16	PLAY EQUIPMENT FABRIC	450.00		31710		D	N				MTCE. OF OTHER I	101.43425.0226
LETG LLC			002844											
	46966	08/31/16	SQUAD CAR PRINTERS	778.00		135		D	N				SMALL TOOLS	101.42411.0221
LINDAHL/JASON			001400											
	46967	08/31/16	WT TECHNOLOGY SEMINAR	669.33		236		D	N				TRAVEL-CONF. -SCH	651.48486.0333
LION GROUP INC			.01021											
	46968	08/31/16	COAT SHELL REPAIR-LABOR	7.00		16-3007541		D	N				SUBSISTENCE OF P	101.42412.0337
LOCAL GOV'T INFORMATION			003226											
	46969	08/31/16	MONTHLY SUBSCRIPTION	1,525.00		42177		D	N				SUBSCRIPTIONS AN	101.41409.0443
LUTHERAN SOCIAL SERVICE			003167											
	46970	08/31/16	MEALS-DINING PROMOTION	120.00		081516		D	N				GENERAL SUPPLIES	101.45435.0229
MACQUEEN EQUIPMENT INC			000427											
	46971	08/31/16	SWEEPER BROOMS	2,205.83		P00747		D	N				MTCE. OF EQUIPME	101.43425.0224
MADDEN, GALANTER, HANSEN			000429											
	46972	08/31/16	LABOR RELATIONS-JUL	27.00		STMT/7-16		D	M	07			PROFESSIONAL SER	101.41406.0446
MADISON NATIONAL LIFE			002249											
	46880	08/18/16	LTD PREMIUM-AUG	43.38		241		D	N				EMPLOYER INSUR.	101.41400.0114
	46880	08/18/16	LTD PREMIUM-AUG	73.64		241		D	N				EMPLOYER INSUR.	101.41402.0114
	46880	08/18/16	LTD PREMIUM-AUG	27.18		241		D	N				EMPLOYER INSUR.	101.41403.0114
	46880	08/18/16	LTD PREMIUM-AUG	50.34		241		D	N				EMPLOYER INSUR.	101.41405.0114
	46880	08/18/16	LTD PREMIUM-AUG	8.10		241		D	N				EMPLOYER INSUR.	101.41408.0114
	46880	08/18/16	LTD PREMIUM-AUG	39.46		241		D	N				EMPLOYER INSUR.	101.41409.0114
	46880	08/18/16	LTD PREMIUM-AUG	2.39		241		D	N				EMPLOYER INSUR.	101.41424.0114
	46880	08/18/16	LTD PREMIUM-AUG	450.97		241		D	N				EMPLOYER INSUR.	101.42411.0114
	46880	08/18/16	LTD PREMIUM-AUG	31.88		241		D	N				EMPLOYER INSUR.	101.42412.0114
	46880	08/18/16	LTD PREMIUM-AUG	63.62		241		D	N				EMPLOYER INSUR.	101.43417.0114
	46880	08/18/16	LTD PREMIUM-AUG	211.98		241		D	N				EMPLOYER INSUR.	101.43425.0114
	46880	08/18/16	LTD PREMIUM-AUG	8.73		241		D	N				EMPLOYER INSUR.	101.45432.0114
	46880	08/18/16	LTD PREMIUM-AUG	31.39		241		D	N				EMPLOYER INSUR.	101.45433.0114
	46880	08/18/16	LTD PREMIUM-AUG	3.86		241		D	N				EMPLOYER INSUR.	101.45435.0114
	46880	08/18/16	LTD PREMIUM-AUG	5.47		241		D	N				EMPLOYER INSUR.	101.45437.0114
	46880	08/18/16	LTD PREMIUM-AUG	100.61		241		D	N				EMPLOYER INSUR.	651.48484.0114
	46880	08/18/16	LTD PREMIUM-AUG	10.95		241		D	N				EMPLOYER INSUR.	651.48485.0114

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MADISON NATIONAL LIFE						002249								
	46880	08/18/16	LTD PREMIUM-AUG	11.45		241		D	N				EMPLOYER INSUR.	651.48486.0114
				1,175.40	*CHECK	TOTAL								
			VENDOR TOTAL	1,175.40										
MENARDS						000449								
	46973	08/31/16	BEDLINER FOR COOLING TWR	107.76		10321		D	N				MTCE. OF EQUIPME	101.45433.0224
	46973	08/31/16	LOCKER ROOM MATERIALS	53.98		10321		D	N				MTCE. OF STRUCTU	101.45433.0225
	46973	08/31/16	WEED KILLER	19.99		10392		D	N				GENERAL SUPPLIES	651.48485.0229
	46973	08/31/16	TIRE REPAIR KIT	3.96		10571		D	N				MTCE. OF EQUIPME	651.48484.0224
	46973	08/31/16	HEDGE SHEARS	17.99		10603		D	N				SMALL TOOLS	101.45435.0221
	46973	08/31/16	BATTERIES	8.99		10603		D	N				GENERAL SUPPLIES	101.45435.0229
	46973	08/31/16	HORNET/WASP SPRAY	7.80		10660		D	N				GENERAL SUPPLIES	101.43425.0229
	46973	08/31/16	12" HACK SAW	15.99		10697		D	N				SMALL TOOLS	101.41408.0221
	46973	08/31/16	SCREWS/WASHERS	1.76		10697		D	N				MTCE. OF EQUIPME	101.41408.0224
	46973	08/31/16	ELECTRICAL PARTS	8.04		10863		D	N				MTCE. OF STRUCTU	101.45433.0225
	46973	08/31/16	ELECTRICAL TAPE	9.81		10863		D	N				GENERAL SUPPLIES	101.45433.0229
	46973	08/31/16	60 GAL AIR COMPRESSOR	429.00		11123		D	N				SMALL TOOLS	651.48484.0221
	46973	08/31/16	TRIM FOR CLOSET	27.10		11128		D	N				MTCE. OF STRUCTU	101.45433.0225
	46973	08/31/16	420' TWINE	5.97		11128		D	N				GENERAL SUPPLIES	101.45433.0229
	46973	08/31/16	HOSE ADAPTER FOR TORRO	20.94		11291		D	N				MTCE. OF EQUIPME	101.45433.0224
	46973	08/31/16	CUPS/NAPKINS/CUTLERY	22.96		11309		D	N				GENERAL SUPPLIES	101.43425.0229
	46973	08/31/16	RAILING PARTS	30.50		11603		D	N				MTCE. OF STRUCTU	101.45433.0225
	46973	08/31/16	PAINTING SUPPLIES	46.45		11693		D	N				GENERAL SUPPLIES	101.45433.0229
	46973	08/31/16	HYDRANT PAINT	64.78		11871		D	N				MTCE. OF OTHER I	101.42412.0226
	46973	08/31/16	TILING PARTS	12.68		11924		D	N				MTCE. OF OTHER I	101.43425.0226
	46973	08/31/16	BLDG MTCE-BRACKET	54.46		7774		D	N				MTCE. OF STRUCTU	101.45433.0225
	46973	08/31/16	ICE PAINT	70.93		7774		D	N				GENERAL SUPPLIES	101.45433.0229
	46973	08/31/16	ICE PAINT	63.90		9803		D	N				GENERAL SUPPLIES	101.45433.0229
				1,105.74	*CHECK	TOTAL								
			VENDOR TOTAL	1,105.74										
METRO SALES INC						003016								
	46974	08/31/16	TONER FOR FAX MACHINE	155.20		INV594544		D	N				OFFICE SUPPLIES	101.42411.0220
MID-MINNESOTA DEVELOPMEN						001878								
	46975	08/31/16	SIGNIFICANT PROJ. SURV	4,500.00		FY-16-012		D	N				PROFESSIONAL SER	101.41401.0446
MILLS AUTOMOTIVE GROUP						000432								
	46976	08/31/16	POWER STEERING HOSE	33.19		3693994		D	N				INVENTORIES-MDSE	101.125000
MINI BIFF LLC						001805								
	46977	08/31/16	TOILET RENTALS-JUL	81.70		A-80135		D	N				RENTS	101.45432.0440
	46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80684		D	N				RENTS	101.43425.0440
	46977	08/31/16	TOILET RENTALS-JUL	154.02		A-80685		D	N				RENTS	101.43425.0440
	46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80686		D	N				RENTS	101.43425.0440
	46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80688		D	N				RENTS	101.43425.0440
	46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80691		D	N				RENTS	101.43425.0440

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CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
MINI BIFF LLC		001805											
46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80692		D	N				RENTS	101.43425.0440
46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80695		D	N				RENTS	101.43425.0440
46977	08/31/16	TOILET RENTALS-JUL	77.01		A-80700		D	N				RENTS	101.43425.0440
46977	08/31/16	TOILET RENTALS-AUG	22.36		A-80793		D	N				RENTS	101.43425.0440
46977	08/31/16	TOILET RENTALS-AUG	22.36		A-80794		D	N				RENTS	101.43425.0440
		VENDOR TOTAL	819.51		*CHECK TOTAL								
			819.51										
MINNEAPOLIS FINANCE DEPA		000466											
46978	08/31/16	AUTO PAWN TRANS FEE-JUL	117.00		400451000375		D	N				PROFESSIONAL SER	101.42411.0446
MN DEPT OF REVENUE		000492											
253	08/18/16	SALES TAX-JUL	2,363.00		STMT/7-16		M	N				SALES TAX PAYABL	101.206000
253	08/18/16	USE TAX-JUL	65.08		STMT/7-16		M	N				SALES TAX PAYABL	101.206000
253	08/18/16	USE TAX-JUL	4.12CR		STMT/7-16		M	N				SMALL TOOLS	101.41404.0221
253	08/18/16	USE TAX-JUL	34.88CR		STMT/7-16		M	N				SMALL TOOLS	101.41409.0221
253	08/18/16	USE TAX-JUL	0.81CR		STMT/7-16		M	N				SUBSISTENCE OF P	101.42411.0227
253	08/18/16	USE TAX-JUL	1.55CR		STMT/7-16		M	N				GENERAL SUPPLIES	101.42411.0229
253	08/18/16	USE TAX-JUL	13.75CR		STMT/7-16		M	N				SMALL TOOLS	101.43417.0221
253	08/18/16	DIESEL FUEL TAX-JUL	147.36		STMT/7-16		M	N				MOTOR FUELS AND	101.43425.0222
253	08/18/16	USE TAX-JUL	73.15		STMT/7-16		M	N				MOTOR FUELS AND	101.43425.0222
253	08/18/16	USE TAX-JUL	4.77		STMT/7-16		M	N				MOTOR FUELS AND	101.45433.0222
253	08/18/16	USE TAX-JUL	15.17CR		STMT/7-16		M	N				MTCE. OF EQUIPME	101.45433.0224
253	08/18/16	USE TAX-JUL	21.72CR		STMT/7-16		M	N				SMALL TOOLS	101.45435.0221
253	08/18/16	DIESEL FUEL TAX-JUL	23.36		STMT/7-16		M	N				MOTOR FUELS AND	651.48485.0222
		VENDOR TOTAL	2,584.72		*CHECK TOTAL								
			2,584.72										
MN DEPT OF TRANSPORTATIO		000497											
46979	08/31/16	MATERIAL SAMPLE TESTS	39.47		P00006135		D	N				OTHER SERVICES	415.48451.0339
MN FALL EXPO		000290											
46980	08/31/16	SEMINAR REGISTRATIONS	75.00		081516		D	N				TRAVEL-CONF.-SCH	101.43425.0333
MN FIRE SERVICE CERTIF.		000018											
46981	08/31/16	RECERTIFICATION FEE	220.00		082916		D	N				TRAVEL-CONF.-SCH	101.42412.0333
MN PETROLEUM SERVICE		002167											
46982	08/31/16	FUEL PUMP SFTWRE UPGRA	1,238.00		119052		D	N				MTCE. OF OTHER I	101.43425.0226
46982	08/31/16	FUEL PUMP SFTWRE UPGRADE	318.00		119052		D	N				MTCE. OF OTHER I	101.43425.0336
46982	08/31/16	FUEL SYSTEM REPAIR-PAR	2,573.00		119433		D	N				INSURANCE DEDUCT	101.41428.0822
46982	08/31/16	FUEL SYSTEM REPAIR-LABOR	676.50		119433		D	N				INSURANCE DEDUCT	101.41428.0822
		VENDOR TOTAL	4,805.50		*CHECK TOTAL								
			4,805.50										
MN STATE FIRE CHIEFS ASS		000520											
46983	08/31/16	2016 ANNUAL CONF REGIS.	300.00		200001053		D	N				TRAVEL-CONF.-SCH	101.42412.0333

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
MN STATE FIRE CHIEFS ASS			000520											
	46983	08/31/16	2016 ANNUAL CONF REGIS.	600.00		200001055		D	N				TRAVEL-CONF.-SCH	101.42412.0333
	46983	08/31/16	HANSON-IAFC LUNCHEON	25.00		200001055		D	N				TRAVEL-CONF.-SCH	101.42412.0333
			VENDOR TOTAL	925.00		*CHECK TOTAL								
				925.00										
MN\WI PLAYGROUND			003213											
	46984	08/31/16	PLAYGROUND EQUIP INST.	7,281.62		2016274		D	N				FURNITURE AND EQ	450.45431.0552
	46984	08/31/16	PLAYGROUND EQUIP INST.	7,281.62		2016274		D	N				FURNITURE AND EQ	450.45431.0552
	46984	08/31/16	PLAYGROUND EQUIP INST.	7,281.64		2016274		D	N				FURNITURE AND EQ	450.45431.0552
			VENDOR TOTAL	21,844.88		*CHECK TOTAL								
				21,844.88										
MOSS & BARNETT			001655											
	46985	08/31/16	CATV LEGAL SERV-JUL	8,230.76		652124		D	M	07			PROFESSIONAL SER	101.41406.0446
MVTL LABORATORIES INC			000544											
	46986	08/31/16	LAB TESTING	658.00		822286		D	N				PROFESSIONAL SER	651.48484.0446
	46986	08/31/16	LAB TESTING	604.00		823557		D	N				PROFESSIONAL SER	651.48484.0446
	46986	08/31/16	LAB TESTING	45.00		823661		D	N				PROFESSIONAL SER	651.48484.0446
			VENDOR TOTAL	1,307.00		*CHECK TOTAL								
				1,307.00										
NCL OF WISCONSIN INC			001627											
	46987	08/31/16	LAB SUPPLIES	1,217.11		375705		D	N				GENERAL SUPPLIES	651.48484.0229
NELSON INTERNATIONAL			000568											
	46988	08/31/16	#052443 REPAIR-PARTS	2,357.01		R101003570:01		D	N				MTCE. OF EQUIPME	101.43425.0224
	46988	08/31/16	#052443 REPAIR-LABOR	1,945.22		R101003570:01		D	N				MTCE. OF EQUIPME	101.43425.0334
	46988	08/31/16	#118382-INST. WIPER ARM	23.72		X101011898"01		D	N				MTCE. OF EQUIPME	101.43425.0224
			VENDOR TOTAL	4,325.95		*CHECK TOTAL								
				4,325.95										
NEXTEL COMMUNICATION			000578											
	46989	08/31/16	CELL PHONE USAGE-JUL	1,545.15		317498885-099		D	N				COMMUNICATIONS	101.41409.0330
NORTHERN STATES SUPPLY			000585											
	46990	08/31/16	FOAM EAR PLUGS	24.00		10-541126		D	N				SUBSISTENCE OF P	101.43425.0227
	46990	08/31/16	CABLE TIES	6.19		10-541191		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	CABLE TIES	24.74		10-541196		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	DRILL BITS	16.05		10-541214		D	N				SMALL TOOLS	101.43425.0221
	46990	08/31/16	SCREWS	1.99		10-541261		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	SHOWMOBILE-HOOKS/TURNBKL	17.26		10-541382		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	SHOWMOBILE-SCREWS	47.59		10-541406		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	WASHERS	20.59		10-541464		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	HITCH PIN CLIPS	6.02		10-541660		D	N				MTCE. OF EQUIPME	101.43425.0224
	46990	08/31/16	KNIFE BLADES	21.96		10-541802		D	N				SMALL TOOLS	101.43425.0221
	46990	08/31/16	MARKING PAINT	94.80		10-541842		D	N				GENERAL SUPPLIES	101.43417.0229

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
NORTHERN STATES SUPPLY														000585
	46990	08/31/16	BOLTS	45.27		1058437		D	N				MTCE. OF EQUIPME	101.43425.0224
				326.46	*CHECK	TOTAL								
			VENDOR TOTAL	326.46										
OFFICE SERVICES														000589
	46991	08/31/16	PHOTO COPIES-JUL	48.60		STMT/7-16		D	N				OFFICE SUPPLIES	101.41401.0220
	46991	08/31/16	PHOTO COPIES-JUL	120.76		STMT/7-16		D	N				OFFICE SUPPLIES	101.41401.0220
	46991	08/31/16	PHOTO COPIES-JUL	146.55		STMT/7-16		D	N				OFFICE SUPPLIES	101.41402.0220
	46991	08/31/16	PHOTO COPIES-JUL	49.76		STMT/7-16		D	N				OFFICE SUPPLIES	101.41402.0220
	46991	08/31/16	PHOTO COPIES-JUL	28.50		STMT/7-16		D	N				OFFICE SUPPLIES	101.41403.0220
	46991	08/31/16	PHOTO COPIES-JUL	40.36		STMT/7-16		D	N				OFFICE SUPPLIES	101.41403.0220
	46991	08/31/16	PHOTO COPIES-JUL	7.59		STMT/7-16		D	N				OFFICE SUPPLIES	101.41404.0220
	46991	08/31/16	PHOTO COPIES-JUL	0.30		STMT/7-16		D	N				COMMUNICATIONS	101.41404.0330
	46991	08/31/16	PHOTO COPIES-JUL	197.25		STMT/7-16		D	N				OFFICE SUPPLIES	101.41405.0220
	46991	08/31/16	PHOTO COPIES-JUL	99.77		STMT/7-16		D	N				OFFICE SUPPLIES	101.41405.0220
	46991	08/31/16	PHOTO COPIES-JUL	0.90		STMT/7-16		D	N				OFFICE SUPPLIES	101.41409.0220
	46991	08/31/16	PHOTO COPIES-JUL	5.01		STMT/7-16		D	N				OFFICE SUPPLIES	101.41409.0220
	46991	08/31/16	PHOTO COPIES-JUL	13.80		STMT/7-16		D	N				OFFICE SUPPLIES	101.41424.0220
	46991	08/31/16	PHOTO COPIES-JUL	1.55		STMT/7-16		D	N				OFFICE SUPPLIES	101.41424.0220
	46991	08/31/16	PHOTO COPIES-JUL	40.28		STMT/7-16		D	N				OFFICE SUPPLIES	101.43417.0220
	46991	08/31/16	PHOTO COPIES-JUL	65.84		STMT/7-16		D	N				OFFICE SUPPLIES	101.43417.0220
	46991	08/31/16	PHOTO COPIES-JUL	10.43		STMT/7-16		D	N				OFFICE SUPPLIES	101.43425.0220
	46991	08/31/16	PHOTO COPIES-JUL	10.56		STMT/7-16		D	N				OFFICE SUPPLIES	101.43425.0220
	46991	08/31/16	PHOTO COPIES-JUL	0.60		STMT/7-16		D	N				OFFICE SUPPLIES	101.45432.0220
	46991	08/31/16	PHOTO COPIES-JUL	11.30		STMT/7-16		D	N				OFFICE SUPPLIES	101.45432.0220
				899.71	*CHECK	TOTAL								
			VENDOR TOTAL	899.71										
PAPER & THREADS LLC														002895
	46992	08/31/16	PATCHES-EXPLORER SHIRTS	9.00		080716		D	N				SUBSISTENCE OF P	101.42411.0227
	46992	08/31/16	LOGOS-EQUIPMENT BAGS	12.00		080716		D	N				SUBSISTENCE OF P	101.42411.0227
	46992	08/31/16	PATCHES-EXPLORER SHIRTS	9.00		082416		D	N				SUBSISTENCE OF P	101.42411.0337
				30.00	*CHECK	TOTAL								
			VENDOR TOTAL	30.00										
PETERSON SHOE STORE														000608
	46993	08/31/16	STEELE-SAFETY BOOTS	169.99		175908		D	N				SUBSISTENCE OF P	651.48484.0227
PLUMBING & HEATING OF WI														000618
	46994	08/31/16	REPL CONDENSATE DRN HOSE	32.15		21612		D	N				MTCE. OF STRUCTU	101.45437.0225
	46994	08/31/16	REPL CONDENSATE DRN HOSE	85.00		21612		D	N				MTCE. OF STRUCTU	101.45437.0335
	46994	08/31/16	SHOWER MTCE-PARTS	828.15		21697		D	N				MTCE. OF STRUCTU	101.45437.0225
	46994	08/31/16	SHOWER MTCE-LABOR	340.00		21697		D	N				MTCE. OF STRUCTU	101.45437.0335
				1,285.30	*CHECK	TOTAL								
			VENDOR TOTAL	1,285.30										
PRINT MASTERS														000624
	46995	08/31/16	LAMINATED SIGN	11.00		81825		D	N				MTCE. OF OTHER I	101.43425.0226

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VENDOR NAME AND NUMBER		CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
PRO ACTION				001782											
	46996	08/31/16	#991481-SIREN REPAIR	748.50			00021041		D	N				MTCE. OF EQUIPME	101.42412.0334
	46996	08/31/16	CSO UNIFORMS	246.94			13801		D	N				SUBSISTENCE OF P	101.42411.0227
	46996	08/31/16	CSO UNIFORMS	134.98			13805		D	N				SUBSISTENCE OF P	101.42411.0227
	46996	08/31/16	EXPLORER SHIRTS	101.97			13806		D	N				SUBSISTENCE OF P	101.42411.0227
	46996	08/31/16	2 YELLOW SAFETY WANDS	17.98			13807		D	N				SMALL TOOLS	101.42411.0221
			VENDOR TOTAL	1,250.37			*CHECK TOTAL								
				1,250.37											
QUAM CONSTRUCTION CO INC				000634											
	46997	08/31/16	COUNTRY CLUB DR L.S.	79,947.25			1510/EST. 2		D	N				MTCE. OF OTHER I	432.48507.0336
	46997	08/31/16	CLEANOUT DITCH 23-A	2,708.40			2068		D	N				MTCE. OF OTHER I	101.43425.0336
			VENDOR TOTAL	82,655.65			*CHECK TOTAL								
				82,655.65											
RICE HOSPITAL				002761											
	46998	08/31/16	PRE-EMPLOYMENT PHYSICAL	110.00			500281075/8-16		D	N				SUBSISTENCE OF P	651.48484.0337
ROADRUNNER PUBLISHING				003269											
	46999	08/31/16	ADVERTISING-MAR/APR	450.00			INV-1658		D	N				ADVERTISING	208.45006.0447
RULE TIRE SHOP				000665											
	47000	08/31/16	#088960-TIRES	2,945.94			1-15263		D	N				MTCE. OF EQUIPME	101.43425.0224
	47000	08/31/16	#125025-TIRE REPAIR	45.00			1-15746		D	N				MTCE. OF EQUIPME	101.43425.0334
	47000	08/31/16	#118382-REPL. TIRE	507.49			1-15749		D	N				MTCE. OF EQUIPME	101.43425.0224
	47000	08/31/16	#118382-INST. TIRE	120.00			1-15749		D	N				MTCE. OF EQUIPME	101.43425.0334
			VENDOR TOTAL	3,618.43			*CHECK TOTAL								
				3,618.43											
RUNNING'S SUPPLY INC				001418											
	47001	08/31/16	GREASE GUN	79.96			3979746		D	N				SMALL TOOLS	101.43425.0221
	47001	08/31/16	#130813-WATER PUMP	149.99			3983320		D	N				MTCE. OF EQUIPME	101.43425.0224
	47001	08/31/16	DRAIN TILE PLUG-STRM SWR	4.49			3987709		D	N				MTCE. OF OTHER I	101.43425.0226
	47001	08/31/16	DRAIN TILE PLUG-STRM SWR	1.00CR			3987774		D	N				MTCE. OF OTHER I	101.43425.0226
	47001	08/31/16	DOG FOOD	54.99			3994635		D	N				GENERAL SUPPLIES	101.42411.0229
	47001	08/31/16	DOG MAT FOR SQUAD CAR	69.99			3997293		D	N				GENERAL SUPPLIES	101.42411.0229
	47001	08/31/16	36" ROLL ABOUT FAN	259.99			3997400		D	N				SMALL TOOLS	101.45427.0221
	47001	08/31/16	SUPPLIES	5.97			3997845		D	N				GENERAL SUPPLIES	101.43425.0229
	47001	08/31/16	RUBBER BOOTS/GLOVES	88.95			4014336		D	N				SUBSISTENCE OF P	651.48484.0227
	47001	08/31/16	WEED KILLER	20.16			4017235		D	N				GENERAL SUPPLIES	651.48484.0229
	47001	08/31/16	GLOVES	19.99			4021157		D	N				SUBSISTENCE OF P	651.48484.0227
	47001	08/31/16	SPRAY PAINT	4.49			4021157		D	N				GENERAL SUPPLIES	651.48484.0229
	47001	08/31/16	FLY SPRAY	31.96			4021157		D	N				GENERAL SUPPLIES	651.48484.0229
	47001	08/31/16	4" TRENCHING SPADE	49.98			4022435		D	N				SMALL TOOLS	101.43425.0221
			VENDOR TOTAL	839.91			*CHECK TOTAL								
				839.91											
SAND ELECTRIC				000678											
	47002	08/31/16	INST. MOTOR-COOLING TWR	300.00			4708		D	N				MTCE. OF EQUIPME	101.45433.0334

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
SAUE/MARY			.02569											
	47003	08/31/16	REFUND JERSEY DEPOSIT	30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
SCHUEFLER/JASON			003134											
	47004	08/31/16	EXPLORER MEETING	32.00		151		D	N				TRAVEL-CONF.-SCH	101.42412.0333
SCHUELER/ALLEN			002142											
	47005	08/31/16	MWOA ANNUAL CONFERENCE	250.93		235		D	N				TRAVEL-CONF.-SCH	651.48484.0333
SERVICE CENTER/CITY OF W			000685											
	47006	08/31/16	GAS-82.01 GALLONS	162.57		STMT/7-16		D	N				MOTOR FUELS AND	101.41402.0222
	47006	08/31/16	GAS-44.52 GALLONS	89.00		STMT/7-16		D	N				MOTOR FUELS AND	101.41408.0222
	47006	08/31/16	GAS-2307.44 GALLONS	4,563.08		STMT/7-16		D	N				MOTOR FUELS AND	101.42411.0222
	47006	08/31/16	DIESEL-127.63 GALLONS	204.36		STMT/7-16		D	N				MOTOR FUELS AND	101.42412.0222
	47006	08/31/16	GAS-210.27 GALLONS	411.97		STMT/7-16		D	N				MOTOR FUELS AND	101.42412.0222
	47006	08/31/16	GAS-98.68 GALLONS	193.17		STMT/7-16		D	N				MOTOR FUELS AND	101.43417.0222
	47006	08/31/16	DIESEL-1906.89 GALLONS	3,091.94		STMT/7-16		D	N				MOTOR FUELS AND	101.43425.0222
	47006	08/31/16	GAS-1142.66 GALLONS	2,272.24		STMT/7-16		D	N				MOTOR FUELS AND	101.43425.0222
	47006	08/31/16	DIESEL-90 GALLONS	141.30		STMT/7-16		D	N				MOTOR FUELS AND	101.45433.0222
	47006	08/31/16	GAS-27.25 GALLONS	51.23		STMT/7-16		D	N				MOTOR FUELS AND	101.45433.0222
	47006	08/31/16	DIESEL-82.77 GALLONS	132.29		STMT/7-16		D	N				MOTOR FUELS AND	651.48485.0222
	47006	08/31/16	EQUIPMENT REPAIR-OIL	112.32		STMT/7-16		D	N				MOTOR FUELS AND	101.42411.0222
	47006	08/31/16	EQUIPMENT REPAIR-PARTS	744.05		STMT/7-16		D	N				MTCE. OF EQUIPME	101.42411.0224
	47006	08/31/16	EQUIPMENT REPAIR-OIL	448.24		STMT/7-16		D	N				MOTOR FUELS AND	101.43425.0222
	47006	08/31/16	EQUIPMENT REPAIR-PARTS	559.86		STMT/7-16		D	N				MTCE. OF EQUIPME	101.43425.0224
	47006	08/31/16	EQUIPMENT REPAIR-OIL	12.48		STMT/8-16		D	N				MOTOR FUELS AND	101.42411.0222
	47006	08/31/16	EQUIPMENT REPAIR-PARTS	10.70		STMT/8-16		D	N				MTCE. OF EQUIPME	101.42411.0224
	47006	08/31/16	EQUIPMENT REPAIR-OIL	16.44		STMT/8-16		D	N				MOTOR FUELS AND	101.42412.0222
	47006	08/31/16	EQUIPMENT REPAIR-PARTS	50.16		STMT/8-16		D	N				MTCE. OF EQUIPME	101.42412.0224
	47006	08/31/16	EQUIPMENT REPAIR-OIL	377.49		STMT/8-16		D	N				MOTOR FUELS AND	101.43425.0222
	47006	08/31/16	EQUIPMENT REPAIR-PARTS	175.67		STMT/8-16		D	N				MTCE. OF EQUIPME	101.43425.0224
				13,820.56										
			VENDOR TOTAL	13,820.56										
													*CHECK TOTAL	
SEUBERT/DAVE			.02570											
	47007	08/31/16	REFUND JERSEY DEPOSIT	60.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
SHERWIN WILLIAMS CO			000690											
	47008	08/31/16	TRAFFIC PAINT	52.50		8781-0		D	N				GENERAL SUPPLIES	101.43425.0229
SIMON/CHRIS			003098											
	47009	08/31/16	MILEAGE 1/4-5/27/16	228.96		081616		D	N				TRAVEL-CONF.-SCH	101.41408.0333
	47009	08/31/16	MILEAGE 6/3-8/11/16	121.50		081616		D	N				TRAVEL-CONF.-SCH	101.41408.0333
	47009	08/31/16	KEYS FOR FBO BLDG	3.73		624339811		D	N				MTCE. OF STRUCTU	230.43430.0225
				354.19										
			VENDOR TOTAL	354.19										
													*CHECK TOTAL	
SIMPLEX GRINNELL			001411											
	47010	08/31/16	ANNUAL ALARM MONITORING	710.40		78676410		D	N				PREPAID EXPENSES	651.128000
	47010	08/31/16	ANNUAL ALARM MONITORING	355.24		78676410		D	N				MTCE. OF STRUCTU	651.48484.0335

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VENDOR NAME AND NUMBER		CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
VESSCO INC				.02573											
	47024	08/31/16	REPL. BLEACH INJECTOR		399.49		67079		D	N				MTCE. OF EQUIPME	651.48484.0224
WAL-MART COMMUNITY				000789											
	47025	08/31/16	BATTERIES		16.00		071416		D	N				GENERAL SUPPLIES	101.42411.0229
	47025	08/31/16	CLEANING SUPPLIES		29.88		071616		D	N				CLEANING AND WAS	101.45437.0228
	47025	08/31/16	BIRTHDAY PARTY SUPPLIES		12.89		071616		D	N				GENERAL SUPPLIES	101.45437.0229
	47025	08/31/16	BIRTHDAY PARTY SUPPLIES		19.43		071716		D	N				GENERAL SUPPLIES	101.45437.0229
	47025	08/31/16	REC ACTIVITY SUPPLIES		53.79		071816		D	N				GENERAL SUPPLIES	101.45432.0229
	47025	08/31/16	COFFEE/FILTERS		50.58		072116		D	N				GENERAL SUPPLIES	101.41408.0229
	47025	08/31/16	BATTERIES		16.00		072116		D	N				GENERAL SUPPLIES	101.42411.0229
	47025	08/31/16	CLEANING SUPPLIES		17.91		072316		D	N				CLEANING AND WAS	101.45437.0228
	47025	08/31/16	BATTERIES		19.94		072316		D	N				GENERAL SUPPLIES	101.45437.0229
	47025	08/31/16	TOTE BOXES/SPORTS TAPE		111.01		080316		D	N				GENERAL SUPPLIES	101.45432.0229
	47025	08/31/16	BIRTHDAY PARTY SUPPLIES		11.44		080516		D	N				GENERAL SUPPLIES	101.45437.0229
	47025	08/31/16	CLEANING SUPPLIES		49.78		080816		D	N				CLEANING AND WAS	101.45437.0228
	47025	08/31/16	CONCESSION SUPPLIES		9.96		080916		D	N				GENERAL SUPPLIES	101.45437.0229
			VENDOR TOTAL		418.61		*CHECK TOTAL								
					418.61										
WATLAND/LORI				.01730											
	47026	08/31/16	REFUND JERSEY DEPOSIT		30.00		081716		D	N				REFUNDS AND REIM	101.41428.0882
WEST CENTRAL INDUSTRIES				000801											
	47027	08/31/16	LAWN MTCE 07/20/16		60.00		080516		D	N				MTCE. OF OTHER I	101.45437.0336
	47027	08/31/16	LAWN MTCE 07/27/16		60.00		080516		D	N				MTCE. OF OTHER I	101.45437.0336
			VENDOR TOTAL		120.00		*CHECK TOTAL								
					120.00										
WEST CENTRAL SHREDDING				003252											
	47028	08/31/16	SHREDDING SERVICE		25.00		4750		D	N				PROFESSIONAL SER	101.41403.0446
	47028	08/31/16	SHREDDING SERVICE		25.00		4895		D	N				PROFESSIONAL SER	101.41403.0446
			VENDOR TOTAL		50.00		*CHECK TOTAL								
					50.00										
WEST CENTRAL TRIBUNE				000807											
	47029	08/31/16	ANNUAL SUBSCRIPTION		134.22		177838472/16		D	N				PREPAID EXPENSES	101.128000
	47029	08/31/16	ANNUAL SUBSCRIPTION		44.76		177838472/16		D	N				SUBSCRIPTIONS AN	101.43425.0443
			VENDOR TOTAL		178.98		*CHECK TOTAL								
					178.98										
WILLMAR AUTO VALUE				002689											
	47030	08/31/16	COOLING FAN ASSEMBLY		181.99		22180653		D	N				INVENTORIES-MDSE	101.125000
	47030	08/31/16	WATER PUMP		52.99		22181894		D	N				INVENTORIES-MDSE	101.125000
	47030	08/31/16	WHEEL BEARING		111.99		22182381		D	N				INVENTORIES-MDSE	101.125000
	47030	08/31/16	LIGHTS		7.90		22182961		D	N				INVENTORIES-MDSE	101.125000
	47030	08/31/16	PAINT/ADHESIVE CLEANER		60.98		22183642		D	N				GENERAL SUPPLIES	101.45433.0229
	47030	08/31/16	BRAKE PARTS CLEANER		288.00		22183647		D	N				INVENTORIES-MDSE	101.125000

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
REPORT TOTALS:				4,569,019.92										

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Vendor Payments History Report

CITY OF WILLMAR
GL060S-V08.03 RECAPPAGE
GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	4,036,853.90
205	INDUSTRIAL DEVELOPMENT	64,851.50
208	CONVENTION & VISITORS BUREAU	6,436.31
230	WILLMAR MUNICIPAL AIRPORT	42,066.19
295	COMMUNITY INVESTMENT	14,000.00
296	PUBLIC WORKS RESERVE	1,000.00
327	D.S. - 2007B BOND	5,000.00
350	RICE HOSPITAL DEBT SERVICE	73,000.00
414	S.A.B.F. - #2014	38,399.65
415	S.A.B.F. - #2015	39.47
416	S.A.B.F. - #2016	118,635.49
432	C.P. - WASTE TREATMENT	114,995.64
450	CAPITAL IMPROVEMENT FUND	21,336.89
651	WASTE TREATMENT	32,404.88
TOTAL ALL FUNDS		4,569,019.92

BANK RECAP:

BANK	NAME	DISBURSEMENTS
HERT	HERITAGE BANK	4,569,019.92
TOTAL ALL BANKS		4,569,019.92

**Willmar Lakes Area CVB Board Meeting
O'Neil's – 152 Lake Avenue North
Tuesday, June 21, 2016 @ 12:00 Noon**

Members Present: Janet Demuth, David Feist, Michelle Olson, Denny Baker, Roger Imdieke, Sue Steinert , Ken Warner, Dave Henle, Doug Kuehnast, Rob Baumgarn, Kevin Halliday, Audrey Nelsen, Doug Kuehnast and Art Benson

Members Excused: Jim Butterfield

Staff Present: Beth Fischer and Tanya Rosenau

- I. **Call to Order:** Demuth called the meeting to order at 12:21pm.
 - a. **Additions or corrections to the agenda:** There were no additions or corrections.
- II. **Approve Minutes from the May 17, 2016 Meeting:** It was MSC (m/Kuehnast; s/Feist) to approve the minutes from the May 17, 2016 meeting.
- III. **Financial Report:** Halliday presented the financial report and reviewed the lodging tax revenues report. It was MSC (m/Baker, s/Steinert) to approve the financial report as it was presented.
- IV. **Committee Reports & Requests:**
 - a. **Sports Committee:** Baumgarn said the Willmar Baseball Boosters Tournament was June 10-12 and was a big success. Their tournament will be June 9-11 next year. The Junior Hockey team has announced their new name "Willmar WarHawks." Their colors will be red, white, black and gray. So far they've hired a coach, but they have a lot to do before the fall when they start practice. Willmar was awarded a bronze designation for the Bike Friendly Community. It was awarded at the Mayor's Bike Ride by a representative of Bike MN. The Mayors Bike Ride had over 75 participants, including the Mayor of Marshall. Next year's event will take place on May 19th and the picnic will be in Spicer. Some other sporting events coming up include the Foot Lake 4, Green Lake Road Race and Willmar Fests Tennis Tournament.
 - b. **Special Events Committee:** No new business to report.
 - c. **Meetings & Conventions Committee:** Feist said they have been busy with lots of conventions lately. The MSAE Expo was attended by Fischer and Varpness and it continues to be a beneficial expo for them. The Combined Stevne Convention was last week and this week is the LWML Convention with about 345 attendees. Fischer received a letter from the Combined Stevne group stating how fantastic everything was and how helpful and pleasant everybody was. It was the best food they've had in years for their convention and the service was fantastic.
 - d. **Visitor Guide Committee:** Steinert shared that Lakeside is working on a cover design for the guide and photographers continue to take pictures of events around the county as well as get some aerial shots. We have been receiving requests for additional visitor guides from many of the Travel Information Centers around the state. Also, advertising sales are going well. Please email your 2017 event dates and details as soon as you have them to Fischer or Rosenau.
 - e. **Leisure Travel Committee:** Demuth said they met at Stonewall Farms and it was the first time a lot of them were there. Drew Holmgren is the manager who gave them a tour and a brief history on how the property came to be. There was a discussion on the different options of sending out inquiries since the big increase in MN Getaways used up most of the postage budget. The committee approved a 1/3 page ad in the MN Travel Guide, which distributes 300,000 guides a year. The Smithsonian Water/Ways Exhibit grand opening is June 25, the Spicer July 4th street

dance and parade are in the same location, Big Kahuna has new owners (Lee and Michelle Gauer) and it was National Get Outdoors Day at Sibley State Park on June 11.

f. **Executive Committee:** No new business to report.

V. Affiliated Partnership Updates/Reports:

a. **Vision 2040 Update:** Warner said they were at the city council last night and got unanimous approval for Rockin' Robbins and they agreed to go ahead with the plan for the Destination Playground at Robbins Island. The Steering Committee will not meet in July, but they will meet with committee leaders to go over policies. The Marketing Committee is almost ready to release the new website, which will be more interactive.

b. **Spicer Commercial Club:** Olson shared that they are ready for the 4th of July festivities and are looking for more volunteers. The parade is the same route as last year, the street dance is in the same spot on Saturday night and the fireworks will take place the night of July 4th. People can donate money to the Spicer Fireworks. Joyride will be running that weekend as well as every weekend in the summer through Labor Day.

c. **Other:**

VI. Executive Director Report: Fischer distributed the report and reviewed some of the larger events that are coming up. Such as the LWML through Wednesday, Willmar Fests this week, Gold Wing District Rally, Smithsonian Water/Ways Exhibit, 4th of July in Spicer, MN State Junior Boys Golf Championships, Buckingham Blitz, South Goes North Music Festival, Rockin' Robbins and many more events. She has submitted ads to Twin Cities Business, Itineraries Midwest, MN Getaways, AAA Living, Travel Guides Free and TravellInformation.com. We were awarded the 2018 NARFE Convention. She has submitted bids to 2018 & 2019 MN Jaycees Fall Convention, 2017 MN Rehabilitation Association Spring Conference and 2017 Automatik Vehicle Launch Training Conference. We lost the REAM Convention bid to Jackpot Junction due to their low room rate. She has assisted conventions such as NARFE, Combined Stevne, LWML, MN Jaycees and more. A complete copy of the Executive Director's Report is available upon request from the CVB office.

VII. Other Business:

a. **Word Around the Community:**

- i. **Baker:** The County Fair is coming up August 10-13th and there will be a beer garden at the fairgrounds this year as well as a new arena for swine and sheep. They will go to the City Council tonight for the Local Option Sales Tax to request to have it put on the ballot in November. They have found a number of projects to put the money towards including safety features such as a walkway across Highway 23.
- ii. **Henle:** Henle shared that the EDA's in New London and Spicer launched a website two weeks ago www.twotownsonedestination.com. They continue to work on the website to include the Dam Club, the Commercial Club and the two city sites.
- iii. **Olson:** Olson shared that they have live music every Sunday night from 6-9pm.
- iv. **Warner:** The Aggie Open is on Monday at the Little Crow County Club. July 12th they will be having a workshop on acquisitions and mergers.
- v. **Kuehnast:** August 1st is the Chamber Ambassadors golf tournament.
- vi. **Imdieke:** Imdieke shared that he went to Washington, DC with Warner and a few others to promote Highway 23 as a critical highway destination to hopefully close the gap. They felt the meeting was very productive.
- vii. **Feist:** Feist shared that they've been busy with groups.
- viii. **Nelsen:** Nelsen shared about the long City Council Meeting that included the Local Option Sales Tax. The Council did vote to pursue looking at projects. They also approved the Rockin' Robbins events and the Destination Playground. She attended the League of MN

Cities Summer Conference last week and noted that they emphasized working together as a region and needing each other.

- ix. **Benson:** The Shovel Ready Program is ready to go.
- x. **Steinert:** Steinert shared that the KMS Saints will be playing in the Willmar Fests parade this weekend and they were invited to play at the 75th Anniversary Celebration in Hawaii in December. They have won first place in the four parades they've done so far this year.
- b. **Other:** Baker shared that there has been discussion about expanding the CVB to the northern part of the county. Some of the original discussions included Henle, Olson and Imdieke and may have included talks about starting a new CVB for New London/Spicer. Baker recently met with Fischer about how to expand the CVB instead of forming a brand new CVB. Baker suggested creating a sub-committee of 3-5 people from the board to explore options in expanding the current CVB. Included in the discussions should be the possibility of moving the office location of the CVB to Spicer. It was MSC (m/Baker; s/Benson) to form a task force of five board members and Fischer as an ex-officio member. The task force will be formed via a survey to all Board Members. On the survey, there will be a blank spot left for members to add their own suggestion for a task force member. The task force's goal was not clearly defined, but suggestions included reviewing current mission, focus areas, budget and looking at the location of the CVB office. The task force members will be notified they have been selected prior to the August CVB Board of Directors meeting. The task force will present their recommendations to the CVB Board of Directors for final approval.
- c. **Next Meeting Date:** August 16, 2016

VIII. Adjournment: Demuth adjourned the meeting at 1:46pm.

Respectfully Submitted by,

Tanya Rosenau, Administrative Assistant

Willmar Lakes Area Convention & Visitors Bureau



City of Willmar
CONVENTION & VISITORS BUREAU
Balance Sheet as of July 31, 2016
(As of 08/03/16)

Assets

Cash	\$ 4,165.32
Petty Cash	50.00
Investments	210,863.67
Taxes Receivable	
Accounts Receivable	
Prepaid Expenses	14,157.77
Interest Receivable	7.99

Total Assets \$ 229,244.75

Liabilities

Accounts Payable	\$ -
Due to General Fund	-
Due to Capital Improvements	-

Total Liabilities -

Fund Balance

Restricted Fund Balance - Prepaid Expenses	13,415.78
Committed Fund Balance - CVB	30,544.27
Assigned Fund Balance - Petty Cash/CVB	50.00
Assigned Fund Balance - CVB	185,234.70

Total Fund Balance 229,244.75

Total Liabilities & Fund Balance \$ 229,244.75





City of Willmar
CONVENTION & VISITORS BUREAU
COMPARATIVE INCOME STATEMENT
 For the Period Ended July 31, 2016
 (As of 08/03/16)

	<u>Budget</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
<u>Revenues</u>			
Lodging Receipts	\$ 184,000.00	\$ 95,315.77	\$ 117,232.05
State Tourism Grant	7,000.00	4,235.00	4,056.98
Kandiyohi County	14,500.00	-	-
Kandiyohi Co. Tourism Phone Reim	1,000.00	-	-
Kandiyohi Co. Tourism Partnerhip	34,000.00	34,000.00	34,000.00
Advertising Sales	2,000.00	-	2,039.63 *
Miscellaneous	-	-	-
Interest Earnings	-	2,077.33 *	1,628.47 *
Market Value Increase (Decr)	-	3,581.94 *	3,535.90 *
Refunds & Reimbursements	-	4,498.11 *	2,968.79 *
Total Revenues	242,500.00	143,708.15	165,461.82
<u>Expenditures</u>			
Operating			
Full Time Exec Director Salary	91,000.00	40,234.72	39,661.00
Temporary Employee Salaries	-	-	-
Benefits and Taxes	19,000.00	10,204.22	10,286.46
Office Supplies/Copies	3,000.00	313.11	840.06
Small Tools	2,000.00	79.15	1,277.89 *
Postage	1,500.00	310.84	421.43
Mtce. of Equipment	1,000.00	-	-
Mtce. Of Structures	-	-	-
General Supplies	2,200.00	335.81	292.94
Telephone/Fax	5,000.00	3,918.49	7,367.47
Printing & Publishing	5,000.00	990.00	2,020.88 *
Travel/Lodging/Dues	6,000.00	2,913.48	2,976.55
Mtce. of Equipment	5,000.00	74.25	57.75 *
Other Services	-	440.25	380.73 *
Rents	8,000.00	3,759.66	3,759.66
Insurances & Bonds	460.00	460.00	460.00 *
Awards & Indemnities	250.00	53.52	-
Subscription/Membership	2,000.00	799.03	609.01
Professional Services	3,000.00	522.06	60.00
Advertising/Marketing	-	-	-
Other Charges	-	-	-
Contingency Fund	500.00	40.00	-
City Transfer (5%)	-	-	-
Transfer Out Capital Improvements	9,000.00	-	-
Refunds and Reimbursements	-	-	-
Market Value Adjustment	-	32.57 *	2,449.77 *
Tourism Expenses	40,000.00	28,124.17	24,158.21
Ad Development & Revisions	300.00	70.00	40.00
Conference & Convention	22,000.00	23,228.76 *	6,223.46
Group Tour Promotions	1,290.00	711.50	1,500.00
Leisure Travel	28,000.00	19,291.08	19,365.10
Fall/Winter Promotions	7,000.00	326.16	3,379.65
Spring/Summer Promotions	-	-	-
Special Projects	4,000.00	2,500.00	-
Strategic Marketing	4,000.00	-	-
Total Expenditures	270,500.00	139,732.83	127,588.02
Net Income (Loss)	(28,000.00)	3,975.32	37,873.80
Fund Balance January 1	225,269.43	225,269.43	187,847.83
Prior Period Adjustment	-	-	-
Fund Balance June 31	\$ 197,269.43	\$ 229,244.75	\$ 225,721.63

* Indicates Over Budget



Lodging Tax History

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	\$ 7,257.21	\$ 7,998.33	\$ 7,855.69	\$ 8,682.75	\$ 9,803.51	\$ 10,143.12	\$ 9,356.74	\$ 8,863.45	\$ 8,485.83	\$ 8,884.20	\$ 8,809.36	\$ 9,592.37	\$ 10,146.02	\$ 11,242.91	\$ 12,481.92	\$ 16,072.96
February	\$ 8,301.68	\$ 8,273.68	\$ 8,564.69	\$ 8,499.71	\$ 10,224.37	\$ 10,054.13	\$ 9,566.54	10,602.01	\$ 8,480.61	\$ 10,444.66	\$ 10,611.48	\$ 11,908.11	\$10,911.35	\$ 13,578.53	\$ 13,861.89	\$ 12,644.59
March	\$ 9,310.62	\$ 8,369.92	\$ 7,834.79	\$ 8,617.73	\$ 9,891.40	\$ 9,769.91	10,355.41	\$ 11,159.67	\$ 9,627.34	\$ 11,072.50	\$ 10,383.91	\$ 11,246.07	\$ 12,286.25	\$ 11,960.20	\$ 13,268.74	\$ 11,951.98
April	\$ 7,911.69	\$ 8,364.42	\$ 8,217.88	\$ 8,791.84	\$ 10,683.76	\$ 10,486.74	\$ 10,298.58	\$ 11,256.15	\$ 8,896.70	\$ 10,582.99	\$ 11,572.47	\$ 9,979.39	\$ 11,762.97	\$ 12,280.28	\$ 20,893.77	\$ 16,855.81
May	\$ 9,234.55	\$ 10,054.26	\$ 9,078.07	\$ 9,523.49	\$ 11,180.11	\$ 11,916.43	\$ 12,498.33	\$ 11,400.34	\$ 9,590.19	\$ 10,405.48	\$ 12,184.92	\$ 13,372.89	\$ 13,011.30	\$ 13,953.56	\$ 27,168.41	\$ 16,576.02
June	\$ 12,152.89	\$ 12,103.69	\$ 11,693.46	\$ 13,263.93	\$ 13,222.78	\$ 14,656.50	\$ 14,272.52	\$ 13,587.59	\$ 14,138.00	\$ 14,192.88	\$ 16,310.94	\$ 17,056.44	\$ 17,723.80	\$ 21,493.18	\$ 31,353.36	\$ 23,587.69
July	\$ 13,656.84	\$ 13,956.28	\$ 14,304.97	\$ 16,313.57	\$ 16,679.03	\$ 17,455.49	\$ 17,601.37	\$ 18,627.95	17,670.65	\$ 18,118.86	\$ 21,102.74	\$ 19,419.60	\$ 20,870.17	\$ 23,504.27	\$ 31,335.96	
August	\$ 12,932.30	\$ 12,484.49	\$ 12,430.55	\$ 13,557.57	\$ 15,367.67	\$ 15,814.31	\$ 16,146.49	\$ 15,076.77	\$ 14,583.82	\$ 16,871.90	\$ 17,099.31	\$18,441.81	\$ 19,836.73	\$ 19,602.33	\$ 26,012.06	
September	\$ 8,815.63	\$ 8,761.79	\$ 9,282.67	\$ 11,132.73	\$ 11,735.70	\$ 13,352.34	\$ 12,661.74	\$ 12,474.13	\$ 12,845.44	\$ 12,965.58	\$ 14,485.25	\$ 16,027.03	\$ 16,596.08	\$ 15,996.62	\$ 19,337.47	
October	\$ 10,148.01	\$ 10,165.02	\$ 10,461.69	\$ 10,748.60	\$ 12,588.44	\$ 12,889.49	\$ 11,976.87	\$ 12,486.39	\$ 10,180.03	\$ 12,657.71	\$ 13,417.43	\$ 13,824.00	\$ 15,507.78	\$ 16,011.42	\$ 17,588.17	
			\$ 12,994.55	\$ 12,147.50				\$14,931.70*	\$15,814.85*	\$14,889.20*						
November	\$ 7,893.51	\$ 6,602.76	\$ 8,430.63	\$ 8,898.66	\$ 10,188.40	\$ 10,176.16	\$ 9,264.87	\$ 9,444.09	\$ 8,785.56	\$ 9,312.75	\$ 11,366.74	\$ 11,414.80	\$ 12,603.31	\$ 12,749.26	\$ 13,727.63	
		\$ 10,746.10		\$ 12,061.86	12,886.81*	13,780.05*					\$ 14,625.30	\$ 14,728.80	\$ 14,885.55	\$14,858.75	\$14,785.45	
December	\$ 8,725.40	\$ 7,875.14	\$ 8,583.87	\$ 8,521.55	\$ 10,286.25	\$ 9,985.78	9,345.52	\$ 8,748.64	\$ 6,998.74	\$ 9,662.25	\$10,045.27	\$ 10,378.89	\$ 11,250.37	\$ 12,489.86	\$ 13,694.93	
Total Lodging tax	\$ 116,340.33	\$ 125,755.88	\$ 129,733.51	\$ 138,699.63	\$ 153,913.28	\$ 149,046.17	\$ 157,316.91	\$ 149,764.53	\$ 138,486.75	\$ 145,171.76	\$ 161,969.85	\$ 177,390.40	\$ 187,391.68	\$ 199,721.17	\$ 255,509.76	\$ 97,689.05

WILLMAR COMMUNITY & ACTIVITY CENTER COUNCIL MINUTES

8:30 am Friday, July 16, 2016- WCAC Sunshine Room

"Approved by the WCAC Board."

Attending:

Board members: Diane Shuck, Darlene Schroeder, Ben Larson, Larry Nelson, Donna Evenson, Terry Smith and Michael Jahnke

Excused: Claudia Cederstrom, Heidi Burton

City Council liaison: Tim Johnson

Staff: Ryan Harper; Steve Brisendine, Pam Vruwink

Visitors: None

Meeting was called to order: by Darlene Schroeder in the absence of Chair, Claudia Cederstrom

Agenda was reviewed and adopted unanimously.

Minutes were approved as written.

Reports:

Fall Program: Copies of the proposed fall weekend entertainment and educational workshops were distributed. (See Attachment A.) The program plans were approved.

Woodshop Workgroup: No report

Willmar Seniors Club:

Parking issues: The club board indicated concern regarding current and potential future issues with parking. A motion was made (Larry Nelson,) seconded (Donna Evenson) to limit Testing Center parking to the last row of parking spaces. During discussion, it was clarified that the additional parking is going to be added in the back of the Center. The motion and second were withdrawn. There was also discussion regarding contractors working on the building next door using the spaces directly across from the Center entrance. It was decided that staff would talk with contractors and staff and if necessary, post small laminated signs indicating for "Community Center Participants Only."

Name Change: A motion was made (Larry Nelson) and seconded (Donna Evenson) to change the name from Willmar Community and Activity Center to Willmar Community Center. The motion was tabled until the August meeting to provide time for board members and staff to gather additional input and feedback.

Weather Policy: A motion was made, (Larry Nelson) and seconded (Donna Evenson) for the Center to follow the city office, rather than the school closure inclement weather policy. Pros and cons were discussed. The motion was tabled until a future meeting to allow more time to consider policy and options.

Group Signs: The Willmar Senior Citizens Club would like to have a small sign under the main sign as does the Willmar Noon Lions. They will bring a proposed sign with dimensions to a future meeting.

Staff Reports:

Key Fob System: Steve Brisendine reported that they were still waiting for the system to arrive. He will check on the status and provide an update to board members via email. It was noted that currently keys to access the AV and other locked areas of the Center are available to users of the Center and that the woodshop key is not secure, but is in the log-in binder. Board members requested that staff develop a proposal to make keys available, as appropriate, on-site, once the fob system is implemented for the main door so that users do not need to pick up internal keys, when needed.

Fall WCER Brochure: Staff indicated that the fall brochure is still being developed. The Senior Citizen Club will send in the dates and names of the Wednesday entertainment and the Friday dance bands to encourage more participation.

Finance: Steve Brisendine distributed the 2016 budget and expense reports through June.

Strategic Planning and Community Engagement:

Grant Application for a Mural for the Center: A motion was made, seconded and passed to support Ron Adams' application for a Legacy grant in the amount of \$7,000 to create a mural for the Center. It will be painted on canvas so it will be movable.

Communications and Marketing:

Electronic Signage: Steve and Cederstrom indicated that they have an electronic sign that they would be interested in donating to the Center. Steve Brisendine will follow up to see what the cost of moving and implementing the sign would cost and report at the next meeting.

Website: Ben Larson and Darlene Schroeder will try to follow up with city staff to see what the status is on the design of a new website.

Facebook: Pam Vruwink has been updating the Center Facebook page and requested that information on activities be sent to her as well as Tammy Rudningen.

Technology:

Projector and laptop computer: Staff indicated that a new projector had been purchased. Board members indicated that it would be good to have a laptop that would reliably work with the projector and also to have instructors on their use available.

Access to Printer: It was noted that the printer connected to the five computer stations is in the office which is locked and inaccessible most of the time. Issues regarding abuse and payment for copies were discussed. The need for an accessible printer for students and others who do not have access to this technology was also discussed. The discussion was tabled.

Sound System: The need for a modest sound system for use by entertainers was noted. Ryan Harper will follow up with Wendell Nash to discuss options and report back at a future meeting.

2017 Planning and Budget:

Steve Brisendine distributed copies of the proposed 2017 budget which will be turned into the city later in the day.

Board members noted that the mayor had indicated that there was no need for a full-time director as there were 40 hours per week of staff.

In reviewing the proposed 2017 budget, it was noted that the only regular staff funding is for the custodian 60% or 24 hours per week. The remaining money in the budget is for the temporary staff who are hired on an as needed basis to host for groups renting space at the center.

Steve Brisendine stated that Tammy Rudningen, Ryan Harper and Pam Vruwink will be meeting in six weeks to clarify their roles and responsibilities regarding the Center.

Board members expressed concern that the lack of dedicated program staff since the resignation of the former director has resulted in the loss of coordination and intergenerational programs.

Tim Johnson, council liaison, shared that the city has significant financial challenges, citing the lack of building maintenance over time and the impact that increased expenditures would have on property taxes.

The meeting adjourned at 10:00 am.

The next meeting will be on Friday, August 12 at 8:30 am.

Respectfully submitted,

Diane Shuck, Secretary

Attachment A (Proposed Fall Programs)

Rob Boyd Jazz Quartet

Intergenerational music group featuring Rob Boyd on lead guitar, Dale Bays on rhythm guitar, Meg Miller on piano, Bill Boyd on bass and John Ahrends on drums. Joined by Wendell Nash on vocal and guitar.

Sunday, August 21, 7:00 pm - 8:00 pm

Sunday, October 16, 1:30 – 3:30 pm

Sunday, December 11, 1:30 – 3:30 pm

Barn Dance!

For kids, youth and adults. Family fun learning the Virginia Reel and more. Caller/instructor: Maggie Harp. No experience needed.

Saturdays, 2:30pm - 4:00 pm

Jul 30, Aug 27, Sept 24, Oct 29, Nov 26 and Dec 31

Lucky Dogs

Soft rock music with Dalton Underland on bass, Rob Boyd on guitar and John Ahrends on Drums. Also featuring Wendell Nash on vocals and guitar.

Sunday, August 28, 1:30 – 3:30pm

Sunday, October 2, 1:30 – 3:30 pm

Sunday, November 27, 1:30 – 3:30 pm

Wendell Nash & Friends

Wendell and friends will entertain you with a variety of vocal and instrumental selections.

Sunday, Sept 4, 1:30 pm - 3:00 pm

Mikko Cawdery – Fly Me to the Moon

Pop tunes of the '40s & '50s, Traditional Irish Pub songs and Sing Along

Saturdays, September 17, 1:30 – 3 pm

Saturday, October 15, 1:30 – 3 pm

Saturday, November 12, 1:30 – 3 pm

Saturday, December 3, 1:30 – 3 pm

QuadraFeelyAxs

Local popular music group, (formerly known as the 3D's) Dave Mohs, Web Ashling, Wendell Nash and Nick Larson performing selections from the '60s, '70s and '80s: Eagles, Jackson Browne and Poco.

Sunday, September 18

1:30 pm - 3:30 pm

Laura Brown & Friends

Laura, a female vocalist, has performed with many local band. Easy listening.

Sunday, September 25, 1:30 pm

Molly Tengwall

3rd place winner in the Minnesota State Fair talent show, guitarist and vocalist, Molly Tengwall of Sunburg, will offer a variety of musical selections.

Saturday, Oct 1, 1:30 pm – 3 pm

Roger Kodet Quartet with Jay Ellingson

Ballroom era music for your dancing and listening pleasure. Roger Kodet was inducted into the Minnesota Music Hall of Fame in 2010.

Sunday, October 23

1:30 pm - 3:00 pm

Halloween with Wendell Nash and Friends

Wendell and friends will entertain you with a variety of vocal and instrumental selections.

Sunday, October 30

1:30 pm - 3:30 pm

Holiday Sing-a-Long

Traditional carols and holiday songs will be sung. This is an intergenerational community event. Songsheets will be provided. Come to sing or listen!

Saturday, December 10, 4:00 – 5:00 pm

The Fiddle Music of Elmo Wick

This event will feature fiddle tunes written and/or collected by Elmo Wick a well-known fiddler from the Sunburg area of Kandiyohi County. Sponsored by the Minnesota Fiddlers Association, this activity is made possible by the voters of Minnesota through a grant from the Minnesota State Arts Board thanks



to a legislative appropriation from the arts and cultural heritage fund.

Sunday, October 9, 4:00 – 5:00 pm

Gay Nineties: When It's Lamp-lighting Time in the Valley...

Gay Nineties, an award winning barbershop quartet has performed over 5,000 concerts since 1943. The quartet members Gary Erickson, Daniel Tiede, James Tiede, and Doug Miller perform deadpan comedy.

Friday, September 30, 7 pm

Gay Nineties: I Met Her in a Village Dance Hall...

Gay Nineties, an award winning barbershop quartet has performed over 5,000 concerts since 1943. The quartet members Gary Erickson, Daniel Tiede, James Tiede, and Doug Miller perform deadpan comedy.

Friday, October 14, 7 pm

FREE EDUCATIONAL EVENTS – WILLMAR COMMUNITY CENTER

What Seniors and Families Need to Know About Assisted Living

Learn about assisted living services in Minnesota: What you can expect, questions to ask, and common problems and concerns faced by consumers. Darlene Schroeder worked for the Minnesota Department of Human Services for 15 years as a lead policy staff for assisted living and has been a lifelong advocate for long term care services.

Presenter: Darlene Schroeder

Saturday, September 24

9:30 am- 11:00 am

Free – No Pre-registration Required

Own Your Own Future

LaRhae Knatterud is the director of the governor's statewide initiative to encourage personal planning for your long term care needs. LaRhae will present information on new products and strategies available for people to begin planning early for their long term care.

Presenter: LaRhae Knatterud, Minnesota Department of Human Services

Monday, October 17, 3:30 pm – 4:30 pm

Free – No Pre-registration Required

Live Well at Home: Alternatives to Nursing Homes and Assisted Living

Many seniors prefer to stay in their own homes as they grow older. This presentation will describe the services and supports available to help seniors remain in their own homes. Tips on choosing services and financing options will be discussed. Darlene Schroeder worked for the Minnesota Department of Human Services, Aging and Adult Services and has long been an advocate for community-based services for seniors and people with disabilities.

Presenter: Darlene Schroeder

Saturday, November 12, 9:30 – 11 am

Free – No Pre-registration Required

Note: Include Medicare and Parkinson's and related presentations in this section?

MINUTES
WILLMAR POLICE COMMISSION
Tuesday, July 26, 2016

Approved 8-19-16

A meeting of the Willmar Police Civil Service Commission was held on Tuesday, July 26, 2016. Members present were: President Kathy Schwantes, Vice President Dennis Anfinson, and Secretary Cassie Akerson. Police Chief Jim Felt and Administrative Assistant Sue Edwards were also present.

The meeting was called to order by President Schwantes at 2:58 p.m.

A motion was made by Commissioner Akerson, seconded by Commissioner Anfinson, to approve the June 3, 2016 minutes. **Motion carried.**

Chief Felt presented the Commission with the results of the entry level police officer selection test written scores. He explained that there were fewer applicants this year compared to previous years; with 33 applications received, 27 being eligible to test, and 25 who participated in the written test process.

The Commission reviewed the results of the written test scores, and after discussion, Commissioner Akerson made a motion, seconded by Commissioner Anfinson, that the applicants representing the top 15 written scores would be considered eligible for an oral interview. **Motion carried.**

The interviews will be held on Tuesday, August 16th and Wednesday, August 17th, with the panel members being Chief Felt, Captain Anderson, Sgt. Nelson and Commissioner Akerson.

Miscellaneous

Chief Felt updated the Commission on the following:

- Sgt. Oakleaf will have successfully completed his probationary period for his promotion as of August 2, 2016. Chief Felt will send a memo to City Administrator Kruse recommending the appointment of Sgt. Oakleaf be made final. Commissioner Akerson made a motion, seconded by Commissioner Anfinson, to approve the recommendation of that appointment. **Motion carried.**
- Calls for Service continue to climb compared to past years. Chief Felt explained that the School Resource Officers have been available to work patrol this summer to help cover gaps in the shifts.
- Discussed officer shortages with Detective Van der Hagen's resignation July 1st, and Officer Liebl being gone on military leave. Chief Felt also explained that Officer Eitrem has been offered a conditional offer with the Richfield Police Department, pending results of his psychological test, and could be leaving in late August.

- Officer Carlson has been working with the CEE-VI Task Force for the summer months, with a program to help officers learn other aspects of the department. When the School Resource Officers transition back to school, Officer Carlson will go back to patrol.
- Coffee with Cops was held at Dunn Brothers on July 22nd – there was a good turnout for this event. The next one will be held at the Goodness Coffee House on August 19th, from 7:30 a.m. to 9:00 a.m.
- A tentative date has been set for September 1st to start a “Pop with Cops”, which will be geared towards younger kids. The first one will be held at Miller Park and Pepsi is on board to donate the beverages for this.
- Commissioner Akerson asked Chief Felt to convey to Officer Wosmek her appreciation on his efforts for promoting and organizing the community walk on July 2nd showing support to the Somali Community after the drowning of the two young boys.
- Chief Felt explained that the Willmar community has been very supportive of the Police Department these last few weeks with all the negative events occurring nationally.

There being no further business, a motion to adjourn was made by Commissioner Anfinson, seconded by Commissioner Akerson. The meeting was adjourned at 3:34 p.m.

Secretary Cassie Akerson
by Sue Edwards

**BOARD OF ZONING APPEALS
CITY OF WILLMAR, MN
MONDAY, AUGUST 15, 2016**

MINUTES

1. The Willmar Board of Zoning Appeals met on Monday, August 15, 2016 at 5:00 p.m. at the City Office Building.

** Members Present: Jeff Kimpling, Jay Lawton, Andrew Engan, and Tom Butterfield.

** Members Absent: Beverly Dougherty, Dan Anderson, and Jim Rudnick.

** Others Present: Roger & Mary Braun, and Megan M. DeSchepper- Planner.

2. REORGANIZATION: Mr. Lawton made a motion, seconded by Mr. Engan, to nominate Mr. Kimpling as the Chair of Board of Zoning Appeals.

The motion carried.

Mr. Engan made a motion, seconded by Mr. Butterfield, to nominate Mr. Lawton as Vice Chair of the Board of Zoning Appeals.

The motion carried.

3. BRAUN GARAGE ADDITION SIDE SETBACK VARIANCE- FILE NO. 16-01: The public hearing opened at 5:10 p.m. Roger and Mary Braun presented their request for an 8' side setback variance to add a second stall onto their attached garage on property described as follows: Lot 4, Block 4, Portland Acres 2nd Addition (701 25th Ave. SW). Mr. Braun explained that he needed the additional width on the garage because of some accessibility issues with getting into the car due to an accident a few years ago. The neighbors' garage to the east is 18' from the property line so there will be 26' between the two. The majority of the homes in the neighborhood have two stall garages.

No one appeared to speak for or against the request and the public hearing closed at 5:15 p.m.

The Board of Zoning Appeals reviewed and discussed staff comments (see Attachment A).

The Board of Zoning Appeals discussed drywall in the addition for fire wall. They also talked about not increasing runoff to adjacent properties.

Mr. Lawton made a motion, seconded by Mr. Butterfield, to approve the 8' side yard setback as requested for the garage addition.

The reasoning the Board gave for approving the variance is that it is in harmony with the intent of the Zoning Ordinance as there will still be over ten feet of separation between the two properties. The variance is consistent with the Comprehensive Plan as a residential use and area. The request allows reasonable use of the property. The variance will not alter the essential character of the neighborhood.

The motion carried.

4. With no further business to come before the Board the meeting adjourned at 5:25 p.m.

Respectfully submitted,



Megan M. DeSchepper, AICP
Planner/Airport Manager

BOARD OF ZONING APPEALS- AUGUST 15, 2016

STAFF COMMENTS

1. BRAUN GARAGE ADDITION VARIANCE- FILE NO. 16-01:

- The applicants are Roger and Mary Braun, Willmar, MN.
- The applicant requests to allow a garage addition onto an existing attached garage with an 8' setback on property legally described as: Lot 4, Block 4, Portland Acres 2nd Addition (701 25th Ave. SW).
- The property is zoned R-2 (One and Two Family Residential).
- Zoning Ordinance requires a 10' side yard setback for attached garages.
- The applicant wishes to add 10' onto a 16' wide garage.
- A detached garage could be built in the rear yard with no variance needed.

RECOMMENDATION: Review variance standards in Section 9.D.3.a.1-4 to see if there are practicable difficulties, reasonableness, uniqueness, and essential character.

Willmar Community Education & Recreation

Joint Powers Board Meeting

August 26, 2016

Members Present: Dave Baumgart, Sally Calvin, Matt Dawson, Scott Guptil, Allen Huselid, Carol Laumer, Ross Magnuson, Audrey Nelsen, Darin Strand

Staff Present: Rob Baumgarn, Casey Hagert, Larry Kruse, Gary Manzer, Becky Sorenson, Pam Vruwink

Guests Present: Stewart Crosby, SRF Consulting and Richard Engan, Andy Engan and Ben Atchison from Engan & Associates

Chairman Darin Strand called the meeting to order and called upon Stewart Crosby to discuss Rice Park plans. Stewart stated that the plans need to be finalized prior to being sent to the City Council next week for their approval. The next step after that would be the bid process.

Stewart is hopeful that some or all of the de-construction process, ie removal of the basketball court and wading pool can be accomplished yet this fall. He feels that getting bids for next spring construction may get us better bids. Stewart asked that we make a decision on the remaining equipment on the southwest side of the wading pool regarding keeping or removing the equipment.

The plan includes the planting of various kinds of trees along the sides of the walkways along with perennial plantings in the planter beds. Allen Huselid asked if we want shade trees around the splash pad. Carol Laumer stated she thought it may be a good idea to have no shade on the splash pad because of the cooler temperatures during certain times. She had visited the destination playground in Woodbury and stated that there was no shade over the splash pad area. The patio should have shade.

Audrey Nelsen asked about the existing trees at the park. Stewart stated only three trees would need to be removed. Andy Engan asked if tree removal could be done by the City or if Engan should include in their plans. Gary Manzer stated the City could do the tree removal if the trees for removal were marked.

Audrey Nelsen asked if the City could remove the wading pool. Gary Manzer stated it was a difficult process due to storm sewers, etc. Richard Engan stated he thought it would be a good idea to have a contractor do the removal. If problems arose, such as a heavy rainstorm, the contractor would be in charge of taking care of the problem.

Andy Engan asked about tables and chairs, what we felt would be appropriate. A discussion followed regarding furnishing tables and chairs, security of those tables and chairs or whether people should bring their own lawn chairs. Picnic tables will be furnished in the three season shelter and along

**CER Joint Powers Board Meeting
August 26, 2016, Page 2**

the outer perimeter of the shelter. In addition, there will be benches around the splash pad of cast concrete, colors matching the counters in the shelter.

Stewart asked what colors are wanted for the park. He mentioned that the bright colors fade more quickly. Everyone agreed that neutral or earth tone colors were desired. Ross Magnuson asked if we should coordinate Rice Park colors with the destination playground at Robbins Island. Darin Strand said he would talk with Rachel Skretvedt since she has been involved with the project at the Island.

Allen Huselid asked if we need to decide the actual colors before Stewart presents to the City Council next week. Stewart said that color decisions could be made at a later date.

Larry Kruse asked if we should keep things flexible with contractors so they could do the project this fall, if they wanted to. Stewart responded that we could do that.

Richard Engan discussed the building. He stated that the plans are for 110 electricity and asked if there was any need for 220. Gary Manzer said he felt 110 was enough. The plan is to lay conduit in the event of changes in the future to make it easier to add without damaging the building. Electrical heating units will be installed in the restrooms and the maintenance room to keep things from freezing due to unexpected cold after water is turned on in the spring or before it is drained in the fall. Lighting plans are for fluorescent in the restrooms, change room and maintenance rooms with LED fixtures in the shelter. Richard stated the LED fixtures are energy efficient and work well in the cold. He also talked about the outside lighting as being a muted type of lighting that will not cause the neighborhood to complain about harsh lighting flooding into their yards and homes.

Richard said there will be floor drains in the restrooms and maintenance, along with one or two in the outside shelter area. It was asked if there would be one in the enclosed portion of the shelter. Gary Manzer said he thought it would be a good idea so they could hose down the inside in the spring or whenever necessary. It was also decided that a good size sink in the enclosed section of the shelter would be good. There will be a counter both inside and outside of the shelter with electrical outlets for crock pots, etc.

Flooring was the next item discussed. Richard stated that the plan is to go with cement with a rough exterior (such as sidewalks) to eliminate slippery surfaces. .

The next item on the agenda was the Local Option Sales Tax. The Park Committee met last week to discuss possible use of projected funds from the sales tax. The first to be discussed was Robbins Island. Due to the amount of infrastructure needed at the Island, nothing was really decided upon. Steve Brisendine and Scott Ledeboer will get together with the City to find out what costs would be for infrastructure. One item that was discussed was the need for additional restroom facilities due to the addition of the destination playground.

CER Joint Powers Board Meeting
August 26, 2016, Page 3

Swansson Field lighting was the next item discussed. The current lighting is extremely inadequate. Another entry to North Swansson from 18th Street is also being discussed. This would be on the north side of Red Field with a playground plaza between the new parking lot and the existing parking lot between Red and Yellow fields.

The Civic Center refrigeration system is also on the list. Other items at the Civic Center are bleacher upgrades and locker room upgrades. A playground for younger kids to use during tournaments is also being talked about.

The next question is how do we sell this to the public? One idea is explaining that \$20,000 in purchases raises \$100. If the sales tax proposal does not pass, most of the listed items will not happen. Audrey Nelsen was asked how she would respond if someone asked her how the refrigeration at the Civic Center would be repaired or replaced if it broke down again and the sales tax proposal had not passed. Audrey stated that the money would be pulled out of the general budget and something else (such as street repair) would not get done.

The question arose if members of the Joint Powers Board could promote the local option sales tax or if that would be considered improper. Audrey Nelsen said she had asked the City Attorney that question and was waiting for a response. Larry Kruse stated that City Staff are not supposed to sell the proposal, only allowed to inform and educate the public. He also said that he could see going to various groups to provide information.

Audrey Nelsen stated that we have work to do regarding the senior population. Allen Huselid suggested talking with the senior population and say how these projects could be good for their grandchildren.

We need to have some specifications to present the proposal. Ross Magnuson said he doesn't think this will pass if there is any disagreement between City and City Council.

Dave Baumgart stated he thinks there is some misconceptions that, since the Park Plan passed, that means it is funded. Audrey Nelsen said she thinks people need a better understanding of City finances.

Audrey Nelsen stated that the Chamber will do a survey of their members to find out how they stand (after we have specifications).

Casey Hagert talked about the Yellow Bike project. He stated he would not have a full report until after the yellow bikes are collected for the winter. He said the program is not working as we initially thought it would but apparently there is a need for the bikes because they are getting much usage.

CER Joint Powers Board Meeting

August 26, 2016, Page 4

We have received grant funding from MN DOT for a fleet of bikes and a trailer. Casey asked the Board to let him know of anyone who might be interested in volunteering to repair bikes.

Pam Vruwink talked about lifeguard staffing this summer. The question had arisen regarding a newspaper article saying the County had to close some beaches due to a lack of lifeguards. Pam reported that she did not have that problem this year. Hourly pay was increased this year which helped keep our staff. There is a possibility of increasing staffing next year to accommodate lifeguards at Robbins Island.

As there was no further business, the meeting adjourned. The next meeting will be held on Friday September 23.

WILLMAR PARK BOARD MEETING

11:00 am, Wednesday August 31, 2016

JEFFERSON LEARNING CENTER-Room 116

Members in Attendance: Darin Strand-Chair, Rachel Skretvedt-Vice Chair, Allen Huselid, Tim Johnson and Audrey Nelsen

Staff in Attendance: Larry Kruse, Ryan Harper, Casey Hagert, Rob Baumgarn, Scott Ledeboer and Steve Brisendine

Call Meeting to Order-Darin Strand called meeting to order at 11:01am.

Local Option Sales Tax Projects-Darin explained the reason for holding this meeting was to narrow the focus of the items to be promoted/funded with Local Option Sales Tax and to offer advice to the City Council at the City Council work session on Tuesday September 6 at 5:00pm.

Swansson Field-\$3million available

Darin explained that the last time we met the items that came to the forefront for Swansson Field were; Lighting, Infrastructure and the Plaza concept on North Swansson. Steve explained his priorities were that the lighting at all 5 fields currently lit and are subpar and need to be dealt with. The new road and parking lot serving the yellow and red ballfields should be developed. The plaza concept with a 2 season shelter, sitting area and playground would be a great addition to this complex and would meet the needs of the users of this park.

Rachel commented that we should try and complete components of the park plan vs start a bunch of little projects and not complete any one aspect in the plan.

Audrey agreed and thought that we should concentrate on North Swansson and leave the lighting of Baker Field to be funded in the CIP.

Allen said completing the plaza and reorientation of the blue field would be a great addition to the complex that the city could rally behind.

Darin/Larry shared the numbers that might make sense for us to consider;

Approximately \$2 million for the road way entrance from 18th Street, parking and plaza area including shelter and playground.

\$650,000 for the lighting of the 4 fields at the Swansson Complex (Orange, Green, Yellow and Red. The lighting on these 4 fields is subpar and need to be addressed sooner rather than later.

\$400,000 reorientation of the blue multi-purpose field along with the addition of lights. It was commented that by moving this field and adding the lights will create a wheel effect at this complex served by the plaza area along with the concession stand/bathroom slated to be completed in 2017. The addition of lights to this field will increase the usage for both baseball and softball and probably will be utilized most nights of the week instead of the current 3 or 4 nights it is used.

Civic Center-\$3million available

Allen commented that the refrigeration needs to be completed both from a standard of reducing R22 usage but also due to the age of the current system. Even though a big expense and not something the users will necessarily see as a new asset it does need to be done.

Much discussion took place regarding what else should be done that will provide some additional use/amenities that are not currently available. Matt Dawson had sent an email stating he thought the shell of the blue line center should be completed to allow for more summer usage at that site. Audrey stated that this project is currently in the 5 year CIP and hopefully it could be funded through those resources. Rob brought up that the facility could use more locker rooms and multi-purpose areas and that those amenities might be helpful for future use and users. It was brought up that we could extend the shell (most likely on the northside) of the new refrigeration system and that if enough funds are available that additions such as locker rooms, meeting spaces, indoor play and viewing could be accomplished. After further discussion it was determined that \$2.3 million be allocated for refrigeration (\$100,000 Mighty Duck Grant possible) and \$700,000 for additional shell and any amenities that could be added with available funds.

Robbins Island-\$4million available

The park plan calls for close to \$8 million in improvements at this site. The comment was made that with these resources we should create as many finished projects vs going throughout the park and adding pieces here and there. Thus we concentrated on the entrance to the park through the destination playground location.

Pricing is somewhat unknown until we get good estimates of the sewer/water and electrical upgrades needed. The engineering department has been contacted to give us those estimates. We made the assumption the destination playground would be completed in 2017 and thus what is necessary to meet the needs of the users of that area.

Bathroom upgrades would be necessary to meet the volume of users of the amenity thus we decided that the addition of shelters with bathroom facilities that could be 4 season usage would be a great amenity to consider with these funds. Given safety of the users of the playground is important it was also decided that the roadways and parking improvements would be necessary as well.

\$2.5 million for road, trails, parking lots, sewer/water and electrical improvements.

\$1 million for 4 season shelters and restroom facilities (2 or 3).

\$500,000 for park elements/furnishings including ice/hockey rink, boardwalk, picnic tables, signage and landscaping.

Upon recapping this information the park board discussed how to communicate these projects in a positive manner that will lead to the Local Option Sales Tax question being met favorably by the public.

Meeting was adjourned at 12:30pm.

Steve and Scott,

We discussed several options regarding new lighting for Baker Baseball, Orange Baseball, Yellow Softball, Green Softball, Red Softball, and Blue Softball/Multi-Use fields. I recommend lighting the fields with the Musco Light-Structure Green system which consists of a pre-stressed concrete base, galvanized steel pole, remote electrical component enclosure, pole top luminaire assembly, Control-Link wireless control system, contactor cabinet, and 25 year warranty (parts, labor, and lamps). The cost estimates include the Light Structure Green lighting system, structural installation, and underground electrical system. The one exception is Baker Baseball which will include the Light Structure Green option but will also include the Musco Sportscluster Green option reusing the existing steel poles. The warranty for the Sportscluster lighting mounted on existing poles is reduced to a 10 year parts, 2 years lamps, and 2 years labor as the Control-Link wireless control system and monitoring is not included.

I am also including options for a Lease/Purchase which would allow payments to be extended out from 3 years to 10 years. The first payment is not due until one year after the lighting has been installed. After the last payment is made, the City/School District would own the lighting system with no buyout or additional costs. The Lease/Purchase can be paid off early any time during the lease period with no penalty. I am providing an estimated cost showing an example of the annual payment on a 5 year Lease/Purchase. If you need to see payments related to more or less years, please let me know.

Also, note that the old pricing for Orange Baseball was based on a field with the fence 310' down the foul lines. The actual size of the field has fences at 340' down the foul lines which significantly increases the area being lit.

Option #1) Baker Baseball using Sportscluster Green lighting system (reduced warranty) on existing poles with field lit to 50 footcandles infield and 30 footcandles outfield \$164,000.

Option #2) Baker Baseball using Sportscluster Green lighting (option #1) 5 year Lease/Purchase with an annual payment of \$37,800.

Option #3) Baker Baseball using Light-Structure Green system (new poles and bases) with field lit to 50 fc infield and 30 fc outfield \$235,000.

Option #4) Baker Baseball (option #3) using 5 year Lease/Purchase with an annual payment of \$54,200.

Option #5) Baker Baseball using Light-Structure Green system with field lit to 70 fc infield and 50 fc outfield \$318,000.

Option #6) Baker Baseball (option #5) using 5 year Lease/Purchase with an annual payment of \$73,400.

Option #7) Orange Baseball using Light-Structure Green system with field lit to 50 fc infield and 30 fc outfield \$244,000.

Option #8) Orange Baseball (option #7)) using 5 year Lease/Purchase with an annual payment of \$56,300.

Option #9) Orange Baseball using Light-Structure Green system with field lit to 70 fc infield and 50 fc outfield \$327,000.

Option #10) Orange Baseball (option #9) using 5 year Lease/Purchase with an annual payment of \$75,500.

Option #11) Yellow, Green, or Red Softball using Light-Structure Green system with field lit to 30 fc infield and 20 fc outfield \$108,000 per field.

Option #12) Yellow, Green, or Red Softball (option #11) using 5 year Lease/Purchase with an annual payment of \$24,900 per field.

Option #13) Yellow, Green, or Red Softball using Light-Structure Green system with field lit to 50 fc infield and 30 fc outfield \$158,000 per field.

Option #14) Yellow, Green, or Red Softball (option #13) using a 5 year Lease/Purchase with an annual payment of \$36,500 per field.

Option #15) Blue Softball/Multi-Use using Light-Structure Green system with field lit to 30 fc infield and 20 fc outfield \$144,000.

Option #16) Blue Softball/Multi-Use (option #15) using a 5 year Lease/Purchase with an annual payment of \$33,200.

Option #17) Blue Softball/Multi-Use using Light-Structure Green system with field lit to 50 fc infield and 30 fc outfield \$187,000.

Option #18) Blue Softball/Multi-Use (option #17) using a 5 year Lease/Purchase with an annual payment of \$43,200.

Please let me know if there are any questions on the cost estimates or if additional information would be helpful.

Thanks,
Craig Gallop
Musco Sports-Lighting
(763)533-2030

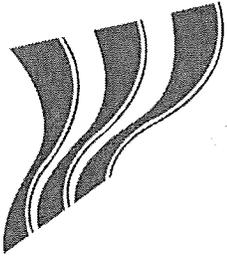


SRE Robbins Island Park Master Plan Graphic

Consulting Group, Inc

85390 | 083016 Willmar, MN

Figure 2



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: RockStep Willmar LLC Kandi Mall Tax Abatement Hearing

RECOMMENDATION: To be determined following the Hearing

BACKGROUND: RockStep Willmar LLC has requested that the City abate taxes for the years 2017 through 2026. The properties affected are noted on the attached Resolution. The company plans to renovate the existing former Kmart building and to construct a new satellite facility with an estimated market value of over \$6 million. The abatement assistance is planned to be used for costs related to demolition and site improvements. Prior to approving a tax abatement, it is necessary that the City Council conduct a public hearing to gather input. That is the purpose of the hearing scheduled for September 6th.

FINANCIAL CONSIDERATION: The abatement program and Resolution specify a maximum abatement of \$375,260.00 over the ten-year period.

LEGAL: The Resolution contains the necessary findings as required by Statute. The abatement, as proposed, is consistent with State law.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

CITY OF WILLMAR
KANDIYOHI COUNTY, MINNESOTA

RESOLUTION NO. _____

RESOLUTION APPROVING PROPERTY TAX ABATEMENTS
FOR THE KANDI MALL REHABILITATION PROJECT

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

1. Recitals.

(a) RockStep Willmar LLC (the "Company") has requested the City to abate the City's share of property taxes applicable to (i) the increase in the existing value of the property from taxes payable in 2016 and 2017; and (ii) the increase in property taxes caused by the new development of the property to be generated for 10 years (specifically, with respect to the payable 2017 through 2026 property taxes) on Parcel Nos. 95-923-8640, 95-923-8632 and 95-923-8631 (the "Property"). The Company has purchased the parcels and intends to renovate the existing structure and construct a new facility with an estimated completed market value of \$6,722,200 (the Project) located in the City. Abatement assistance may be used for costs related to demolition and site improvements.

(b) On the date hereof, the Council held a public hearing on the question of the Abatement, and said hearing was preceded by at least 10 days but not more than 30 days prior published notice hereof.

(c) The Abatement is authorized under Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Law").

2. Findings for the Abatement. The Council hereby makes the following findings:

(a) The Council expects the benefits to the City of the Abatement to at least equal the costs thereof.

(b) Granting the Abatement is in the public interest because it will increase or preserve the tax base of the City, help retain and expand commercial and industrial enterprise in the City, and provide employment opportunities in the City.

(c) The Council expects the public benefits described in (b) above to be derived from the Abatement.

(d) The Property is not located in a tax increment financing district.

(e) In any year, the total amount of property taxes abated by the City by this and other resolutions does not exceed the greater of ten percent (10%) of the current levy or \$200,000.

3. Terms of Abatement. The Abatement is hereby approved. The terms of the abatement are as follows:

(a) The Abatement shall be for a maximum of 10 years and shall apply to the taxes payable in the years 2017 through 2026, inclusive.

(b) The City will abate the increased portion of the City's share of ad valorem property taxes on the Property resulting from the Project and paid by the Company, beginning with taxes payable in 2017 and continuing through taxes payable in 2026, as follows:

(1) For the years 2017 through 2024, 100 percent of the increased portion of the City's share of ad valorem property taxes on the Property resulting from the Project; and

(2) For the years 2025 and 2026, 80 percent of the increased portion of the City's share of ad valorem property taxes on the Property resulting from the Project.

(c) The increased portion of the City's share of ad valorem property taxes on the Property which will be subject to abatement under this paragraph shall be any property taxes collected in any given year in excess of the 2016 base tax capacity for the Property of \$185,806.

(c) The abatement (the "Abatement") for the 10-year period shall not exceed \$375,260.

(d) The abatement may not be modified or changed during its term.

(e) The Abatement shall be subject to all the terms and limitations of the Abatement Law.

(f) In order to be entitled to the Abatement, the Company shall not be in default within the City of any of its payment obligations respecting any taxes, assessments, utility charges or other governmental impositions.

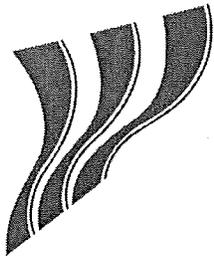
(g) All terms will be subject to final approval of the Development Agreement between the taxing jurisdictions and the Company.

Adopted on September 6, 2016, by the City of Willmar City Council.

Marv Calvin, Mayor

ATTEST:

Larry Kruse
City Administrator



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Public hearing on an Ordinance to Rezone ACMC parcels from R-2 (One and Two Family Residential) AND LB (Limited Business) to GB (General Business).

RECOMMENDATION: Staff recommends that the Ordinance be adopted, assigned a number, and published.

BACKGROUND: ACMC proposes to construct a new surgery center on their campus (south of old Roosevelt School). They have several parcels and three different zones within their campus with the main ACMC clinic and existing surgery center being zoned GB. They wish for the new surgery center and remainder of the campus to also be GB for uniformity. The rezoning was approved by the Planning Commission.

FINANCIAL CONSIDERATION: N/A

LEGAL: See attached Ordinance.

DEPARTMENT/RESPONSIBLE PARTY: Megan M. DeSchepper, AICP, Planner/Airport Manager, Planning and Development Services.

ORDINANCE NO. _____

AN ORDINANCE AMENDING MUNICIPAL ORDINANCE NO. 1060,
THE WILLMAR ZONING ORDINANCE

The City of Willmar does ordain as follows:

SECTION 1. Zoning Change. The Zoning Ordinance and Zoning Map for the City of Willmar are hereby amended to rezone the following property from R-2 (One and Two Family Residential) and LB (Limited Business) to GB (General Business):

The West 372.00 feet of the East 782.00 feet of the North 855.60 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 22, Township 119, Range 35, lying South of WASHINGTON SCHOOL, as public record Kandiyohi County, Minnesota, and South of Lot 14 of the SUBDIVISION OF PART OF THE NORTH HALF OF THE NE $\frac{1}{4}$ SECTION 22, Township 119N, Range 35W, as of public record Kandiyohi County, Minnesota.

And also Lot 13 of the subdivision of Part of the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$, Section 22, Township 119, Range 35, except that part platted as Washington School Addition. And also that part of said WASHINGTON SCHOOL ADDITION described as follows: Beginning at the intersection of the North line of Lot 13 of said SUBDIVISION OF PART OF THE NORTH HALF OF THE NE $\frac{1}{4}$ SECTION 22, Township 119N, Range 35W, and the West line of said WASHINGTON SCHOOL ADDITION; thence East on the Easterly Extension of the North line of said Lot 13, a distance of 50.00 feet; thence South parallel with the West line of said WASHINGTON SCHOOL ADDITION, to the South line of said WASHINGTON SCHOOL ADDITION; thence West along last said South line, to the West line of said WASHINGTON SCHOOL ADDITION; thence North along last said West line to the point of beginning.

AND

The West 290 feet of Washington School Addition, EXCEPT the Westerly 50 feet of the Southerly 170 feet thereof.

AND

Lot 14 of Subdivision of the North Half of the NE $\frac{1}{4}$ of Section 22, Township 119, Range 35, excepting there Easterly 152 feet thereof, Kandiyohi County, Minnesota.

SECTION 2. Effective Date. This Ordinance shall be effective from and after its adoption and second publication.

This Ordinance introduced by Council Member: _____

This Ordinance introduced on: _____

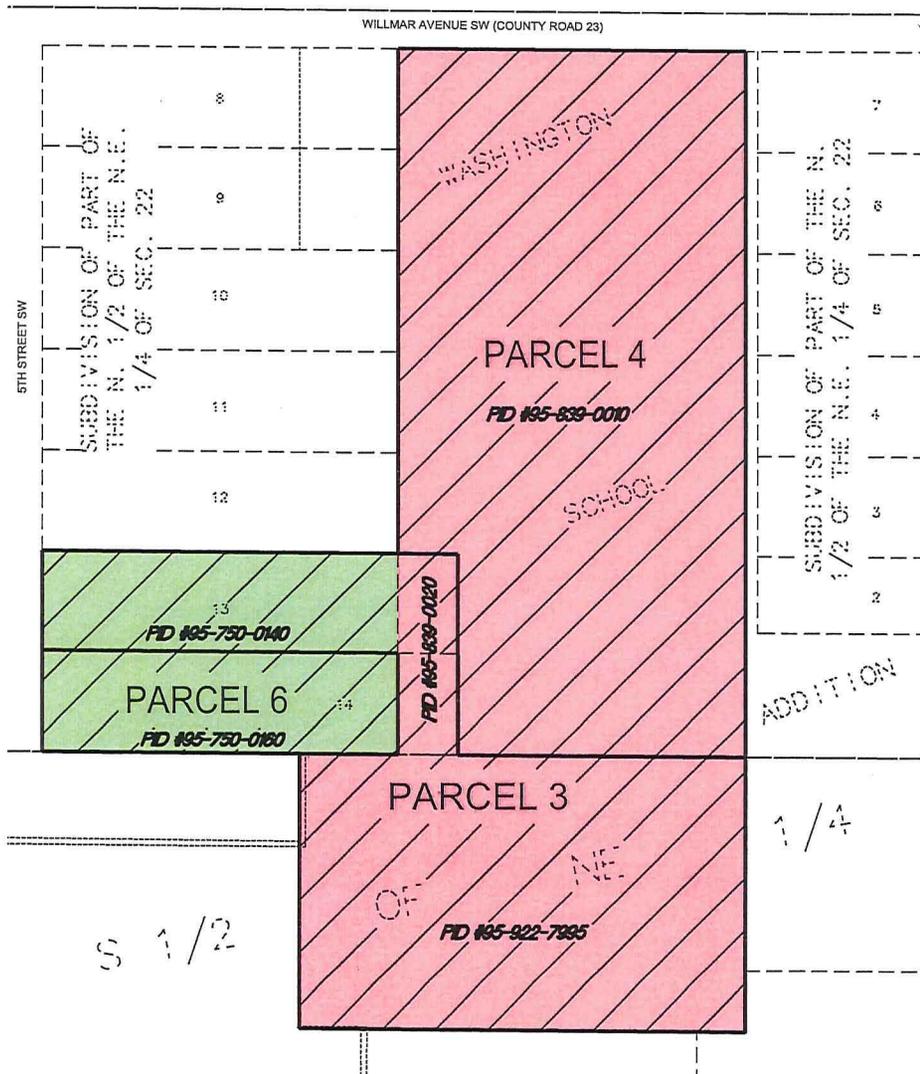
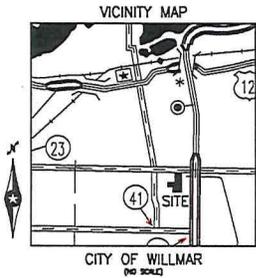
This Ordinance published on: _____

This Ordinance given a hearing on: _____

This Ordinance adopted on: _____

This Ordinance published on: _____

AFFILIATED COMMUNITY MEDICAL CENTERS PROPOSED REZONING EXHIBIT



AFFILIATED COMMUNITY MEDICAL CENTERS

Parcel 3 to be Rezoned
From R-2 and LB to GB

Rezoning Legal Description

The West 372.00 feet of the East 782.00 feet of the North 855.60 feet of the Northeast 1/4 of the Northeast 1/4 of Section 22, Township 119, Range 35, lying South of WASHINGTON SCHOOL, as of public record Kandiyohi County, Minnesota, and South of Lot 14 of the SUBDIVISION OF PART OF THE NORTH HALF OF THE NE 1/4 SECTION 22, Township 119N, Range 35W, as of public record Kandiyohi County, Minnesota.

And also Lot 13 of the Subdivision of Part of the North 1/2 of the Northeast 1/4, Section 22, Township 119, Range 35, except that part platted as Washington School Addition. And also that part of said WASHINGTON SCHOOL ADDITION described as follows: Beginning at the intersection of the North line of Lot 13 of said SUBDIVISION OF PART OF THE NORTH HALF OF THE NE 1/4 SECTION 22, Township 119N, Range 35W, and the West line of said WASHINGTON SCHOOL ADDITION; thence East on the Easterly Extension of the North line of said Lot 13, a distance of 50.00 feet; thence South parallel with the West line of said WASHINGTON SCHOOL ADDITION, to the South line of said WASHINGTON SCHOOL ADDITION; thence West along last said South line, to the West line of said WASHINGTON SCHOOL ADDITION; thence North along last said West line to the point of beginning.

AFFILIATED COMMUNITY MEDICAL CENTERS

Parcel 4 to be Rezoned
From LB to GB

Rezoning Legal Description

The West 290 feet of Washington School Addition, EXCEPT the Westerly 50 feet of the Southerly 170 feet thereof.

AFFILIATED COMMUNITY MEDICAL CENTERS

Parcel 6 to be Rezoned
From R-2 to GB

Rezoning Legal Description

Lot 14 of Subdivision of the North Half of the NE 1/4 of Section 22, Township 119, Range 35, excepting therefrom the Easterly 152 feet thereof, Kandiyohi County, Minnesota

CURRENT ZONING

R-2, One and Two Family Residential

LB, Limited Business

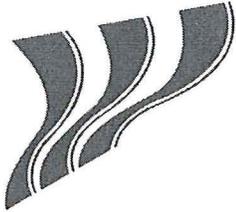
NOTE: Zoning Based on MAP3A: City of Willmar Zoning Map; Updated May 2013

PROPOSED REZONING OF R-2 AND LB TO GB

DRAFT

SRF

1 CARLSON PARKWAY,
SUITE 150
PLYMOUTH, MINNESOTA 55447
PH: 763-475-0010
www.srfconsulting.com



WILLMAR

City Clerk-Treasurer

City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5166
Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Special Assessment Hearing for Unpaid Weed/Grass Mowing Removal

RECOMMENDATION: It is respectfully recommended the City Council approve the following:

Adopt a Resolution Certifying the amount of Unpaid Weed/Grass Mowing Removal charges to the County Auditor for collection in 2017.

BACKGROUND:

Pursuant to Willmar Municipal Code, Chapter 9, Article III concerning the cutting of weeds or grass, and in the case of noncompliance, such work has been performed by the City or its agent, the costs thereof shall be certified as a special assessment against the property concerned, and the City has the authority to certify as special assessments those costs not reimbursed. Notice of tonight’s hearing has been sent to the below listed property owners. The Council should consider their objections and take appropriate action.

95-470-0070	Jennifer H. Brown	718 4 th Street SE	\$152.32
95-280-2060	Minnesota Housing Finance Agency c/o US Bank National Association	922 2 nd St SW	\$163.01
95-320-0410	James F. Getzkow	500 13 th St SW	\$189.72
95-006-1610	HSBC Bank USA NA Trustee c/o Select Portfolio Services, Inc.	602 2 nd Street SW	\$191.07
95-006-3420	David Kulzer	707 8 th St SW	\$152.32
95-665-0260	Corey A. Marthaller	1101 Olena Ave SE	\$163.01
95-820-0510	Francisco A. & Alice E. Munoz	836 Olaf Ave NW	\$191.07
95-740-2130	Christopher A. & Jasmine Perry	605 2 nd St SE	\$163.01
95-006-0470	U.S. Bank Trust, Trustee for LSF9 Master Participation Trust	521 8 th St SW	\$152.32
95-914-2080	Tyson & Sarah Reuer	802 Mary Ave SE	\$191.07
95-250-0900	Shane M. Vanhove	936 3 rd St SE	\$273.64

FINANCIAL CONSIDERATION: \$1,982.56

LEGAL:

Department/Responsible Party: Kevin J. Halliday, City Clerk-Treasurer

RESOLUTION NO. _____

WHEREAS, Chapter 9, Article III of the Willmar Municipal Code states that such unpaid weed or grass mowing costs represent a lien of the real property receiving mowing services; and

WHEREAS, THE City Council of the City of Willmar has offered the owner his right to request an appearance before the Council to make objections to payment;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the amount of the unpaid weed / grass mowing charges totaling \$1,982.56 be certified to the County Auditor to be extended on the tax rolls of such real property in the same manner as other taxes for collecting in 2017 and collected by the County Treasurer, and paid to the City Clerk-Treasurer along with other taxes; and

BE IT FURTHER RESOLVED that the unpaid weed or grass charges be certified against the real property as follows:

1. Parcel No. 95-470-0070 \$152.32
Located at 718 4th Street SE; and
Described as Section 14, Township 119, Range 35, Lot 7
LARSON'S ADDITION TO THE CITY OF WILLMAR
2. Parcel No. 95-280-2060 \$163.01
Located at 922 2nd Street SW; and
Described as Section 15, Township 119, Range 35, Lot 6, Block 12
HANSON'S ADDITION TO WILLMAR
3. Parcel No. 95-320-0410 \$189.72
Located at 500 13th Street SW; and
Described as Section 15, Township 119, Range 35, Lot 1, Block 4
HIGHLAND PLACE IN THE CITY OF WILLMAR
4. Parcel No. 95-006-1610 \$191.07
Located at 602 2nd Street SW; and
Described as Section 15, Township 119, Range 35, Block 68
FIRST ADDITION TO THE CITY OF WILLMAR
LOTS 1&2 EXC. W 15FT.
5. Parcel No. 95-006-3420 \$152.32
Located at 707 8th Street SW; and
Described as Section 15, Township 119, Range 35, Block 80
FIRST ADDITION TO THE CITY OF WILLMAR
LOT 12 & S1/2 OF LOT 13
6. Parcel No. 95-665-0260 \$163.01
Located at 1101 Olena Avenue SE; and
Described as Section 14, Township 119, Range 35, Lot 16, Block 2
PERKINS FIFTH ADDITION

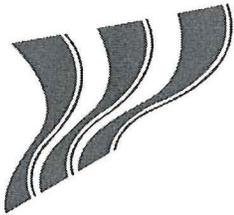
7. Parcel No. 95-820-0510 \$191.07
Located at 836 Olaf Avenue NW; and
Described as Section 10, Township 119, Range 35, Block 3
THORPE & LIEN'S ADDITION TO THE CITY OF WILLMAR
LOT 7 OF SUBDIV. OF LOT 4
8. Parcel No. 95-740-2130 \$163.01
Located at 605 2nd Street SE; and
Described as Section 14, Township 119, Range 35, Lot 13, Block 13
SPICER'S ADDITION TO WILLMAR
9. Parcel No. 95-006-0470 \$152.32
Located at 521 8th Street SW; and
Described as Section 15, Township 119, Range 35, Lot 8, Block 60
FIRST ADDITION TO THE CITY OF WILLMAR
10. Parcel No. 95-914-2080 \$191.07
Located at 802 Mary Avenue SE; and
Described as Section 14, Township 119, Range 35
PART OF M. JOHNSON'S OUTLOT NO. 1 COM AT A PT 575' E
FROM INTERSECTION OF E LINE OF 6TH ST E & S LINE OF
MARY AVE E 75' S 150', W 75', N 150' TO BEG
11. Parcel No. 95-250-0900 \$273.64
Located at 936 3rd Street SE; and
Described as Section 14, Township 119, Range 35, Lot 10, Block 5
GLARUM'S ADDITION TO WILLMAR

Dated this 6th day of September, 2016

MAYOR

Attest:

CITY CLERK-TREASURER



WILLMAR

City Clerk-Treasurer

City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5166
Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Special Assessment Hearing for Unpaid Nuisances In General

RECOMMENDATION: It is respectfully recommended the City Council approve the following:

Adopt a Resolution Certifying the amount of Unpaid Nuisance charges to the County Auditor for collection in 2017.

BACKGROUND:

Pursuant to Willmar Municipal Code, Chapter 9, Article I concerning the boarding up and securing of an inhabitable building, such work has been performed by the City or its agent, the costs thereof can be certified as a special assessment against the property concerned, and the City has the authority to certify as special assessments those costs not reimbursed. Notice of tonight's hearing has been sent to the below listed property owners. The Council should consider their objections and take appropriate action.

95-820-0510 Francisco A. & Alice E. Munoz

836 Olaf Ave NW

\$157.61

FINANCIAL CONSIDERATION: \$157.61

LEGAL:

Department/Responsible Party: Kevin J. Halliday, City Clerk-Treasurer

RESOLUTION NO. _____

WHEREAS, Chapter 9, Article I of the Willmar Municipal Code concerning the boarding up and securing of an inhabitable building by the City. The cost of such removal or remedial measures shall be assessed by action of the City Council against the property, under such terms and conditions as the City Council may require; and

WHEREAS, THE City Council of the City of Willmar has offered the owner his right to request an appearance before the Council to make objections to payment;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the amount of the unpaid nuisance charges totaling \$157.61 be certified to the County Auditor to be extended on the tax rolls of such real property in the same manner as other taxes for collecting in 2017 and collected by the County Treasurer, and paid to the City Clerk-Treasurer along with other taxes; and

BE IT FURTHER RESOLVED that the unpaid nuisance charges be certified against the real property as follows:

1. Parcel No. 95-820-0510 \$157.61

Located at 836 Olaf Avenue NW; and
Described as Section 10, Township 119, Range 35, Block 3
THORPE & LIEN'S ADDITION
LOT 7 OF SUBDIV. OF LOT 4

Dated this 6th day of September, 2016

MAYOR

Attest:

CITY CLERK-TREASURER

PROCLAMATION

CITY OF WILLMAR

WHEREAS the Willmar City Council have the utmost confidence in the integrity, wisdom, and courage of local law enforcement; and

WHEREAS our sworn police officers and deputies serve with distinction while putting themselves at risk for the sake of the common good; and

WHEREAS recent national events involving violence against police do not reflect our sincere appreciation and support for their efforts

WHEREAS sacrifices made by families behind the badge often go unrecognized

THEREFORE BE IT RESOLVED that I, Marv Calvin, Mayor of the City of Willmar, Minnesota, do hereby proclaim the week of September 11 – 17 to be “**HONOR THE BADGE WEEK**” in the City of Willmar.



Marv Calvin
Mayor



FINANCE COMMITTEE

MINUTES

The Finance Committee of the City of Willmar met on Monday, August 22, 2016, in Conference Room No. 1 at the City Office Building.

Present:	Denis Anderson	.....	Chair
	Tim Johnson	.....	Vice-Chair
	Rick Fagerlie	.....	Member
	Shawn Mueske	.....	Member

Others present: City Administrator Larry Kruse, Finance Director Steve Okins, City Clerk Kevin Halliday, Fire Chief Frank Hanson, and David Euerle of Westberg & Eischens.

Item No. 1 Call to Order

The meeting was called to order by Chair Anderson at 4:45 p.m.

Item No. 2 Public Comments

There were no comments from the public.

Item No. 3 2015 Comprehensive Annual Financial Report (Information)

Finance Director Okins explained to the Committee that the 2015 Comprehensive Annual Financial Report (CAFR), as submitted to the State Auditor's office, is presented annually to the Council for review. Over the last couple of meetings, the Finance Committee has reviewed and discussed the Management Letter, Footnotes, and General Fund Budget-To-Actual Comparison sections of this report, including discussion of cash and fund balances. It was noted that the 2015 CAFR was distributed to the Council Members and also can be found on the City's website.

David Euerle of Westberg & Eischens reviewed their Governance Communication Letter with the Committee in which GASB 68 was discussed as it relates to the City of Willmar's part of the PERA Pension Plan Liability. As of December 31, 2015, the City's share totaled \$5.9 million. Of that amount, \$5.3 million was recorded for prior years with \$600,000 recorded for the current year of 2015.

The Governance Communication Letter also made some recommendations for policy improvements. One area was in budget management where the legal level of budget control is at the department level. To date, the Council had been authorizing budget amendments when circumstances change during the year. However, there is no formal action taken when department expenditures exceed the budget. It is recommended the Council implement policies for formally authorizing a department to exceed the budget. It was noted that the Committee has already established a new process of receiving requested budgetary amendments quarterly. Mr. Euerle felt this would be an appropriate improvement to the City's process.

Another area of recommended policy improvements was in the fund balances. The City has already adopted a formal fund balance policy which states that fund balances can only be committed by formal action by the City Council. Many of the committed balances in the general fund are not supported by a council resolution. It was being recommended that the Council pass a resolution specifying the purpose of the committed amounts.

Mr. Euerle also provided a presentation on the General Fund Revenues, General Fund and Capital Improvement Funds Fund Balances, Fund Balances versus Expenditures, and the Waste Treatment Fund. Waste Treatment Rates have been set through 2017 incorporating the requirements of maintaining six

months of operating funds and twelve months of debt service funds on hand. It was noted that the City is on pace with that requirement.

Additional discussion included information in the 2015 Financial Statements, the requirement for 2016 regarding the disclosure of the details of any tax abatements approved by the Council, and the need to develop a plan to address concerns of how internal controls will be impacted by the Treasurer's duties being transferred to the Finance Department.

This matter was for information only.

Item No. 4 ACH Banking Changes (Information)

Staff explained to the Committee that the National Automated Clearing House Association (NACHA) is implementing the "Same Day ACH" Rule which will be spread over three phases. The "Same Day ACH" Rule opens the door to same-day processing of virtually any domestic ACH Payment. Effective September 23, 2016, Phase I of the "Same Day ACH" Rule goes into effect and applies to credits only (i.e. payroll). Phase 2 is planned for September 15, 2017, and will allow for "Same Day ACH" debit transactions. Phase 3 is planned for March 16, 2018. This last phase will require financial institutions to credit "Same Day ACH" transactions by 5:00 PM local time.

This matter was for information only.

Item No. 5 Set Special Assessment Hearing for Oslo Meadows Parcels (Motion)

Staff explained to the Committee that there are six lots in Oslo Meadows that were sold in late 2015 which require additional assessment for the 2005 Street & Other Improvements. These sales were too late to make the November 1, 2015, certification deadline for Kandiyohi County. The sale prices for two of the lots were remitted to the City of Willmar with the normal County Settlement. The four remaining lots were sold on a Contract for Deed with Kandiyohi County. For those four lots, the County Auditor will remit the total sale price to the City only when paid in full which is anticipated to be about three to four years from now. Given the known sale prices, staff has determined that the remaining two years of the 2005 Special Assessments for these six parcels will be unpaid. Staff is requesting that the Council hold a public hearing on September 19, 2016, to take testimony from the new buyers and then certify the remaining dollar amount against the said parcels for five years at the stated project interest rate of 5.5%. The six lots in question are as follows:

<u>Name</u>	<u>Parcel ID</u>	<u>Description</u>	<u>Sale Price</u>	<u>Pending Assessment</u>
Robin A. Javaherian	95-604-0060	Blk-1, Lot 6	\$7,686.00	\$2,325.76
Robin A. Javaherian	95-604-0080	Blk-1, Lot 8	\$7,864.00	\$2,325.76
David M. and Karen M. Cram	95-604-0430	Blk-3, Lot 24	\$7,760.00	\$2,325.76
David M. and Karen M. Cram	95-604-0440	Blk-3, Lot 25	\$7,682.00	\$2,325.76
John H. and Debra L. Schmitz	95-604-0450	Blk-3, Lot 27	\$7,682.00	\$2,325.76
John H. and Debra L. Schmitz	95-604-0460	Blk-3, Lot 27	\$7,674.00	\$2,325.76

Following discussion, Council Member Fagerlie made a motion to set a public hearing for 7:01 PM on September 19, 2016, for the Oslo Meadows 2005 Street & Other Improvements Special Assessments remaining due on the six parcels as presented. Council Member Mueske seconded the motion which carried.

Item No. 6 Fire Station Roof Replacement (Resolution)

Staff reported to the Committee on the condition of the Fire Station roof. Whenever there is a hard rain or melting snow, the roof leaks which has caused damage to the suspended ceiling as well to electrical fixtures, making it unsafe for employees to work. The roof is also pulling away from the sides of the building. Over the years there have been several repairs done but it is now time for a total replacement. The existing roof over the garage area and office area of the fire station was last replaced in 1996 and the roof over the training room addition that was constructed in 1990 has never been replaced. Two quotes have been

received for installing 60 mil roofing material with a 20-year warranty: ROOF 1 – RBR, Inc. of Freeport for \$60,177 and West Central Roofing of Willmar for \$77,303.90. This fire station roof replacement project was approved in the 2016 CIP Budget for \$48,500. It is recommended that the additional \$11,677 be taken from the Fire Department's 2016 Operating Budget for Building Maintenance.

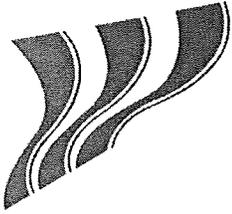
Following discussion, Council Member Fagerlie made a motion to approve the low bid from ROOF 1 – RBR, Inc. of Freeport in the amount of \$60,177 to replace the fire station roof and that \$11,677 be transferred from the 2016 Fire Department Operating Building Maintenance Budget to cover the additional cost over the 2016 CIP Budget for this project. Council Member Mueske seconded the motion which carried.

There being no further business to come before the Committee the meeting was adjourned at 5:40 PM by Chair Anderson.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carol Cunningham".

Carol Cunningham
Accounting Supervisor



WILLMAR

City Finance Department

City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-235-4984
Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: August 22, 2016

SUBJECT: 2015 Comprehensive Annual Financial Report

RECOMMENDATION: Review and accept reports as submitted.

BACKGROUND: Staff's annual submission of the year-end Financial Report. Over its last couple of meetings, the Finance Committee has reviewed and discussed the Management Letter, Footnotes, and General Fund Budget-To-Actual Comparison sections of the 2015 Comprehensive Annual Financial Report in preparation of receiving the Independent Annual Audit Report at today's meeting. The 2015 Comprehensive Annual Financial Report is included herewith. It should be noted that this report is also located on the City's Website.

FINANCIAL CONSIDERATION: N/A

LEGAL: N/A

Department/Responsible Party: Finance Department/Steven B. Okins, Finance Director



COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT

DECEMBER 31, 2015



COMPREHENSIVE ANNUAL FINANCIAL

REPORT OF THE

CITY OF

WILLMAR, MINNESOTA

FOR THE

YEAR ENDED

DECEMBER 31, 2015

DIVISION OF FINANCE

**STEVEN B. OKINS, DIRECTOR OF FINANCE
MEMBER OF THE GOVERNMENT FINANCE OFFICERS
ASSOCIATION OF THE UNITED STATES AND CANADA &
MINNESOTA FINANCE OFFICERS ASSOCIATION**

**CITY OF WILLMAR, MINNESOTA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

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CITY OF WILLMAR, MINNESOTA

INTRODUCTORY SECTION

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WILLMAR, MINNESOTA

2015

CITY COUNCIL

MARVIN CALVIN, MAYOR

COUNCIL MEMBERS:

DENIS ANDERSON	ANDREW PLOWMAN
RON CHRISTIANSON	TIM JOHNSON
STEVE AHMANN	RICK FAGERLIE
SHAWN MUESKE	AUDREY NELSEN

FINANCE DIRECTOR

STEVEN B. OKINS

CITY ADMINISTRATOR

LARRY KRUSE

CITY OF WILLMAR, MINNESOTA

FINANCIAL SECTION - I

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Willmar, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Willmar, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We did not audit the financial statements of Rice Memorial Hospital and Willmar Municipal Utilities, which represent 100 percent, respectively, of the assets, net position, and revenues of Rice Memorial Hospital and Willmar Municipal Utilities. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, in so far as it relates to the amounts included for Rice Memorial Hospital and Willmar Municipal Utilities is based on the reports of the other auditors.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Rice Memorial Hospital and Willmar Municipal Utilities, which represent 100 percent, respectively, of the assets, net position, and revenues of Rice Memorial Hospital and Willmar Municipal Utilities. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, in so far as it relates to the amounts included for Rice Memorial Hospital and Willmar Municipal Utilities is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The financial statements of Rice Memorial Hospital were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on the Governmental Activities

As discussed in Note 5 to the financial statements, the City has not adopted Governmental Accounting Standards Board No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, as it relates to its Primary Government as of and for the year ended December 31, 2015. The amount by which this departure would affect the liabilities of the governmental activities is not reasonably determinable.

Qualified Opinion

In our opinion, except for the matters described in the "Basis for Qualified Opinion on the Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the City of Willmar, Minnesota, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unqualified Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Willmar, Minnesota, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 4 to the financial statements, in 2015, the City adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic

financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Willmar, Minnesota's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2016 on our consideration of the City of Willmar, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Willmar, Minnesota's internal control over financial reporting and compliance.

Walter Eischen, PLLP

WESTBERG EISCHENS, PLLP
Willmar, Minnesota
July 15, 2016

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

Mayor and City Council
City of Willmar, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Willmar, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Willmar, Minnesota's basic financial statements and have issued our report thereon dated July 15, 2016. Our report was qualified for governmental activities due to the failure to adopt GASB 45 and was modified to include a reference to other auditors. Our report includes a reference to other auditors who audited the financial statements of Rice Memorial Hospital and Willmar Municipal Utilities, as described in our report on the City of Willmar, Minnesota's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Rice Memorial Hospital were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We considered the deficiency described in the accompanying schedule of findings and questioned costs as item 2008-1 to be a material weakness in internal control over financial reporting.

Compliance and Other Matters

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

City of Willmar, Minnesota's Response to Findings

The City of Willmar, Minnesota's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Willmar, Minnesota's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Westberg Eischens, PLLP

Westberg Eischens, PLLP
Willmar, Minnesota
July 15, 2016

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Mayor and City Council
City of Willmar, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the City of Willmar, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated July 15 2016.

The *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that City of Willmar, Minnesota failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Cities*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Willmar, Minnesota's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is no suitable for any other purpose.

Walter Eischen, PLLP

Westberg Eischens, PLLP
Willmar, Minnesota
July 15, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Mayor and City Council
City of Willmar, Minnesota

Report on Compliance for Each Major Federal Program

We have audited the City of Willmar, Minnesota's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of City of Willmar, Minnesota's major federal programs for the year ended December 31, 2015. The City of Willmar, Minnesota's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Willmar, Minnesota's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Willmar, Minnesota's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Opinion on Each Major Federal Programs

In our opinion, the City of Willmar, Minnesota complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of the City of Willmar, Minnesota, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Willmar, Minnesota's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Willmar, Minnesota's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Westberg Eischens, PLLP

Westberg Eischens, PLLP
Willmar, Minnesota
July 15, 2016

CITY OF WILLMAR, MINNESOTA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2015

Federal Funding Source	Pass-Through Agency	Program Name	Catalog of Federal Domestic Assistance Number	State or Other Contract Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development	Minnesota Department of Employment and Economic Development	Community Development Block Grants - State's Program	14.228	CDAP-11-0094-O-FY12	<u>\$ 290,973</u>	<u>\$ 290,973</u>
U.S. Environmental Protection Agency	Minnesota Public Facilities Authority	Capitalization Grants for Clean Water State Revolving Funds	66.458 66.458	MPFA-14-0050-R-FY15 MPFA-09-0044-R-FY13	\$ 432,065 <u>131,179</u>	\$ - <u>-</u>
		Total U.S. Environmental Protection Agency			<u>\$ 563,244</u>	<u>\$ -</u>
U.S. Department of Transportation	Minnesota Department of Public Safety	Interagency Hazardous Materials Public Sector Traning and Planning	20.703	A-HMEP-2014-WILLMARFD-00017	<u>\$ 13,584</u>	<u>\$ -</u>
		Total Federal Awards			<u>\$ 867,801</u>	<u>\$ 290,973</u>

CITY OF WILLMAR
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2015

NOTE 1: REPORTING ENTITY

The schedule of expenditures of federal awards presents the activities of federal award programs expended by the City of Willmar, Minnesota. The City of Willmar's reporting entity is defined in Note 1 to the financial statements.

NOTE 2: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Willmar and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 4: LOANS

CFDA 66.458 Capitalization Grants for Clean Water State Revolving Funds

Loan proceeds expended for the year ended December 31, 2015 was \$563,244. The loan balances outstanding at year end was \$4,385,461.

CITY OF WILLMAR, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Qualified**

Internal control over financial reporting:

- Material weaknesses identified? **Yes**
- Significant deficiencies identified? **No**

Noncompliance material to financial statement noted? **No**

Federal Awards

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified? **No**

Type of auditor's report issued on compliance for major programs: **Unqualified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **No**

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? **No**

**CITY OF WILLMAR, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2015**

SECTION II: FINANCIAL STATEMENT FINDINGS

Finding 2008-001

Criteria:

Generally, a system of internal control includes the ability to understand and prepare the City's financial statements and related disclosures in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition:

The financial statements do not include all the required accruals and disclosures related to the City's OPEB obligations.

Questioned Costs:

None

Cause:

The City had not adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB) as it relates to the Primary Government.

Effect:

The City is unable to make a determination of whether or not its OPEB liabilities are material.

Recommendation:

We recommend the City establish a plan to adopt GASB 45 in order to comply with generally accepted accounting principles.

CORRECTIVE ACTION PLAN (CAP)

Finding 2008-001

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The City has an agreement with an actuary to perform the necessary calculations to determine its OPEB liabilities.

Officer Responsible for Ensuring CAP:

Finance Director

Planned Completion Date:

December 2016

Plan to Monitor Completion of CAP:

City Administrator

CITY OF WILLMAR, MINNESOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2015

SECTION III: MAJOR FEDERAL AWARDS FINDINGS

None

SECTION IV: PRIOR YEAR FINDINGS

Finding 2008-001

Status:

Unresolved

Condition:

The financial statements do not include all the required accruals and disclosures related to the City's OPEB obligations.

Recommendation:

We recommend the City establish a plan to adopt GASB 45 in order to comply with generally accepted accounting principles.

Actions Planned in Response to Finding:

The City has an agreement with an actuary to perform the necessary calculations to determine its OPEB liabilities.

CITY OF WILLMAR, MINNESOTA

FINANCIAL SECTION - II

**MANAGEMENT DISCUSSION AND
ANALYSIS**

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

This section of the basic financial statements of the City of Willmar (the City) presents a discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2015. Please read it in conjunction with the City's basic financial statements following this section.

Financial Highlights

- The assets of the City exceeded liabilities by \$136,043,375 (net position). Of this amount, \$39,764,427 (in Committed and Unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- Due to adoption of GASB Statement No. 68, the Net Position had a decrease of \$5,284,295 and a 2015 Net Position increase of \$1,959,809 resulting in a net decrease of \$3,324,486 as stated in Table 3 on page 4.
- The City's governmental funds reported combined ending fund balances of \$36,686,678. Of this total amount, approximately 3% is Nonspendable, 35% is Restricted, and 62% is Committed.
- At the end of the current fiscal year, committed fund balance for the General Fund was \$13,945,396, or 105% of the total General Fund expenditures of \$13,292,218.

Using this Annual Report

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

The City as a whole: Statement of Net Position and Statement of Activities

Our analysis of the City of Willmar begins with the Statement of Net Position and the Statement of Activities. One of the most important questions asked about the City's finances is, "Is the City as a whole better off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities both report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes thereto. You can think of the City's net position – the difference between assets and liabilities – as one way to measure the City's financial health. Over time, increases and decreases in the City's net position is one indicator of whether the City's financial health is improving or deteriorating.

You will need to consider other nonfinancial factors, however, to assess the overall health of the City of Willmar.

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

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

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

Business-Type Activities – The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's waste treatment fund and internal service fund are reported here.

The City's Most Significant Funds: Fund Financial Statements

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

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

The governmental fund financial statements can be found on pages 15-21 of this report.

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

The proprietary fund financial statements can be found on pages 22-25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-57 of this report.

Statement of Net Position

The City of Willmar's net position increased from a year ago. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 3) of the City's governmental and business-type activities.

CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 43,607,357	\$ 46,328,106	\$ 8,891,713	7,451,136	\$ 52,499,070	\$ 53,779,242
Net capital assets	94,001,610	91,190,056	87,067,448	88,937,197	181,069,058	180,127,253
Total Assets	<u>137,608,967</u>	<u>137,518,162</u>	<u>95,959,161</u>	<u>96,388,333</u>	<u>233,568,128</u>	<u>233,906,495</u>
Deferred Outflows	1,066,653	-	73,054	-	1,139,707	88,937,197
Other liabilities	3,067,929	3,374,253	72,289	289,888	3,140,218	3,664,141
Long-term liabilities	21,113,770	15,819,795	73,507,309	75,054,698	94,621,079	90,874,493
Total Liabilities	<u>24,181,699</u>	<u>19,194,048</u>	<u>73,579,598</u>	<u>75,344,586</u>	<u>97,761,297</u>	<u>94,538,634</u>
Deferred Inflows	838,159	-	65,004	-	903,163	-
Net Position						
Net Investment in Capital Assets	82,182,306	79,110,056	14,096,642	13,882,499	96,278,948	92,992,555
NonExpendable	-	-	-	-	-	-
Restricted	36,159,987	39,063,497	1,818,242	(320,224)	37,978,229	38,743,273
Unrestricted	<u>(4,686,531)</u>	<u>150,561</u>	<u>6,472,729</u>	<u>7,481,472</u>	<u>1,786,198</u>	<u>7,632,033</u>
Total Net Position	<u>\$113,655,762</u>	<u>\$118,324,114</u>	<u>\$ 22,387,613</u>	<u>\$ 21,043,747</u>	<u>\$136,043,375</u>	<u>\$139,367,861</u>

Governmental Activities

The net position of the City's governmental activities decreased by \$4,668,352 in 2015. The decrease was mainly due to a combination of adoption of GASB 68 by the City (decrease of \$4,769,867) and a stabilization of annual revenues and a slight decrease in annual expenditures due to a number of vacant positions throughout the year.

Business-Type Activities

The total net position of the City's business-type activities increased by \$1,343,866 in 2015. The increase was due to rates being set through 2017 to handle the pending increase in debt service payments and future capital expenditure needs.

Table 2
Condensed Statement of Net Position

	Rice Memorial Hospital		Municipal Utilities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 73,378,303	\$ 70,015,155	\$ 26,276,644	\$ 27,345,793	\$ 99,654,947	\$ 97,360,948
Net capital assets	61,065,987	61,760,743	30,703,855	30,412,231	91,769,842	92,172,974
Total Assets	<u>134,444,290</u>	<u>131,775,898</u>	<u>56,980,499</u>	<u>57,758,024</u>	<u>191,424,789</u>	<u>189,533,922</u>
Deferred Outflows	6,344,246	-	466,760	-	6,811,006	-
Current and other liabilities	21,023,113	15,981,135	3,949,692	4,704,701	24,972,805	20,685,836
Long-term liabilities	85,559,462	50,940,468	10,663,451	7,595,405	96,222,913	58,535,873
Total Liabilities	<u>106,582,575</u>	<u>66,921,603</u>	<u>14,613,143</u>	<u>12,300,106</u>	<u>121,195,718</u>	<u>79,221,709</u>
Deferred Inflows	4,737,635	-	371,961	-	5,109,596	-
Net Position						
Net Investment in capital assets	15,776,192	15,646,999	24,138,855	23,252,231	39,915,047	38,899,230
NonExpendable	3,388,205	3,530,542	-	-	3,388,205	3,530,542
Restricted debt	4,220,550	3,675,320	12,442,081	12,441,724	16,662,631	16,117,044
Unrestricted	<u>10,821,014</u>	<u>42,001,434</u>	<u>5,881,219</u>	<u>9,763,963</u>	<u>16,702,233</u>	<u>51,765,397</u>
Total Net Position	<u>\$ 34,205,961</u>	<u>\$ 64,854,295</u>	<u>\$ 42,462,155</u>	<u>\$ 45,457,918</u>	<u>\$ 76,668,116</u>	<u>\$ 110,312,213</u>

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Primary Government

Table 3
Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 1,680,295	\$ 1,702,698	\$ 8,982,387	\$ 8,876,769	\$ 10,662,682	\$ 10,579,467
Operating grants and contributions	983,269	771,958	-	-	983,269	771,958
Capital grants and contributions	2,669,016	1,710,801	-	-	2,669,016	1,710,801
General revenues:						
Property and other taxes	4,999,764	4,582,848	-	-	4,999,764	4,582,848
Grants and contributions not restricted to specific program	4,661,459	4,611,868	-	-	4,661,459	4,611,868
Other	1,552,405	3,280,747	318,396	391,812	1,870,801	3,672,559
Intergovernmental	-	-	-	-	-	-
Total Revenues	16,546,208	16,660,920	9,300,783	9,268,581	25,846,991	25,929,501
Expenses						
General Government	4,068,912	4,429,369	-	-	4,068,912	4,429,369
Public works	6,949,073	7,506,805	-	-	6,949,073	7,506,805
Public safety	5,055,428	4,725,380	-	-	5,055,428	4,725,380
Social services	-	-	-	-	-	-
Culture and recreation	2,441,662	2,344,720	-	-	2,441,662	2,344,720
Economic development	896,033	863,301	-	-	896,033	863,301
Capital projects	-	-	-	-	-	-
Debt service	297,324	307,220	-	-	297,324	307,220
Office services	-	-	-	-	-	-
Waste treatment	-	-	6,773,721	6,749,481	6,773,721	6,749,481
Total Expenses	19,708,432	20,176,795	6,773,721	6,749,481	26,482,153	26,926,276
Changes in Net Position						
Before Transfers	(3,162,224)	(3,515,875)	2,527,062	2,519,100	(635,162)	(996,775)
Transfers	3,263,739	1,936,405	(668,768)	619,940	2,594,971	2,556,345
Changes in Net Position	101,515	(1,579,470)	1,858,294	3,139,040	1,959,809	1,559,570
Net Position, Beginning of Year	118,324,114	119,903,584	21,043,747	17,904,707	139,367,861	137,808,291
Prior period adjustment	(4,769,867)	-	(514,428)	-	(5,284,295)	-
Net Position, End of Year	\$ 113,655,762	\$ 118,324,114	\$ 22,387,613	\$ 21,043,747	\$ 136,043,375	\$ 139,367,861

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Component Units

Component Units

The total net position of the City's two component units increased by \$4,516,205 in 2015. The net position of the Municipal Utilities Commission increased by \$426,600, and the net position of Rice Memorial Hospital increased by \$4,089,605.

Table 4
Condensed Statement of Activities

	Rice Memorial Hospital		Municipal Utilities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Hospital	\$ 101,781,033	\$ 94,944,183	\$ -	\$ -	\$ 101,781,033	\$ 94,944,183
Municipal Utility	-	-	32,164,157	31,203,470	32,164,157	31,203,470
Interest Earnings	1,156,525	1,460,784	365,300	827,219	1,521,825	2,288,003
Gain (Loss) on sale of Capital Assets	224,944	(14,982)	107,552	18,718	332,496	3,736
Miscellaneous	(509,184)	81,492	11,057	88,197	(498,127)	169,689
Total Revenues	102,653,318	96,471,477	32,648,066	32,137,604	135,301,384	128,609,081
Expenses						
Hospital	98,105,584	96,625,795	-	-	98,105,584	96,625,795
Municipal Utility	-	-	30,068,869	28,213,318	30,068,869	28,213,318
Total Expenses	98,105,584	96,625,795	30,068,869	28,213,318	128,174,453	124,839,113
Changes in Net Position						
Before transfers	4,547,734	(154,318)	2,579,197	3,924,286	7,126,931	3,769,968
Transfers	(458,129)	(482,347)	(2,152,597)	(2,075,396)	(2,610,726)	(2,557,743)
Changes in Net Position	4,089,605	(636,665)	426,600	1,848,890	4,516,205	1,212,225
Net Position, Beginning	30,116,356 *	65,490,960	42,035,555 *	43,609,028	72,151,911	109,099,988
Net Position, Ending	\$ 34,205,961	\$ 64,854,295	\$ 42,462,155	\$ 45,457,918	\$ 76,668,116	\$ 110,312,213

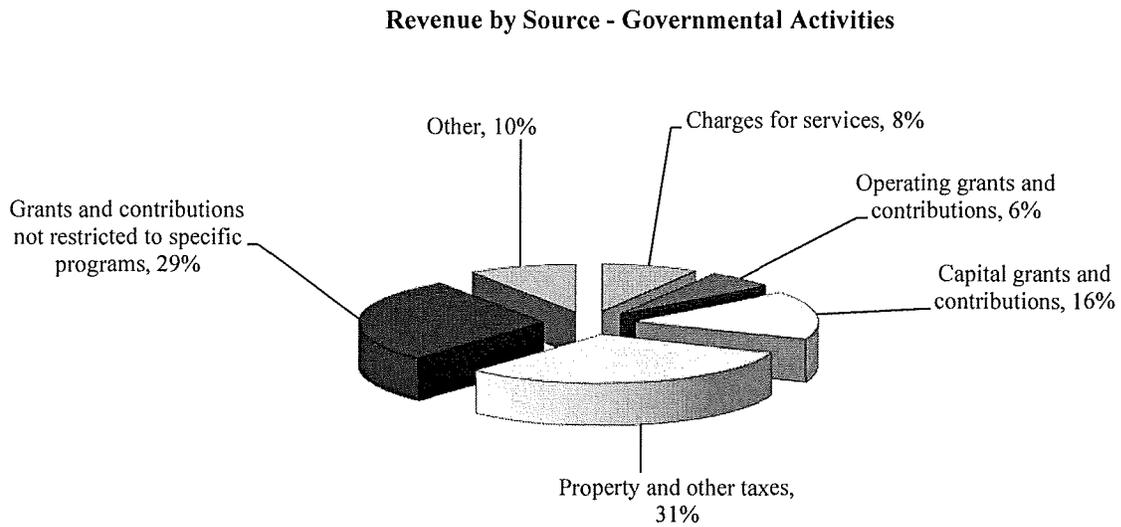
*Due to the adoption of GASB Statement No. 68 by Rice Hospital, the previously reported net position as of December 31, 2014, of \$64,854,295 was reduced by \$34,737,939 to arrive at the restated balance of \$30,116,356.

*Due to adoption of GASB Statement No. 68 and 71 by WMU, the previously reported net position as of December 31, 2014, of \$45,457,918 was reduced by \$3,422,363 to arrive at the restated balance of \$42,035,555.

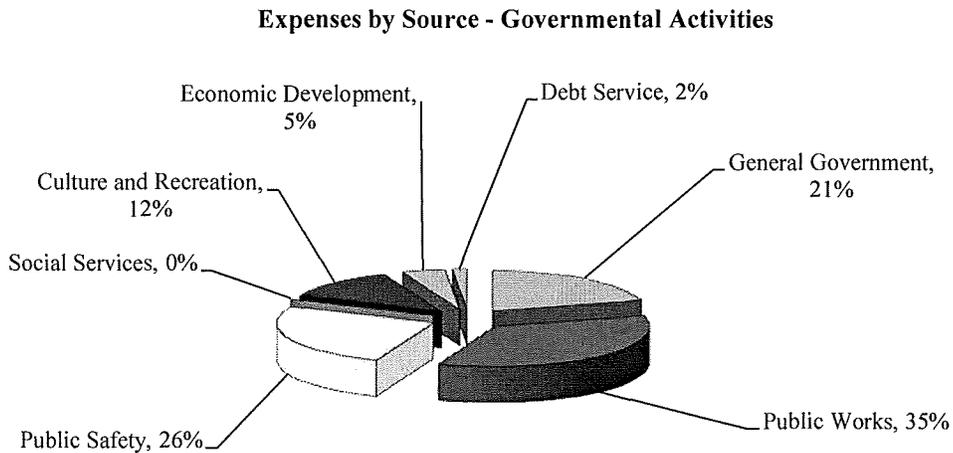
**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Governmental Activities

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



Expenses – The following chart visually illustrates the City's expenses by source for its governmental activities:



**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Financial Analysis of the City's Funds

General Fund –

The City's General Fund increased by \$63,105 in 2015 which is \$598,788 more than the final budget projection which reflected a decrease of \$535,683. Part of the increase is due to the decrease in expenditures for Public Safety, Public Works, and Culture & Recreation due to vacant positions throughout the year.

Debt Service Funds –

Special Assessments Bond Debt Service Fund decreased by \$356,337. The decrease was attributable to planned retirement of debt principal.

Special Revenue Fund –

Industrial Development Fund increased by \$379,658. The increase was due to transfers in of \$250,000 to repay previously borrowed funds and interest earnings of \$140,868.

Special Revenue Fund –

Community Investment Fund increased by \$134,811. The increase was mainly due to the substantial net increase in fair market values of investments during 2015.

Capital Projects Fund –

Street, Water/Sewer Capital Projects Fund decreased by \$1,168,203. The fund decrease was due to an increase in the usage of Local Option Sales tax Funds for specific Capital Improvements (expansion of the Industrial Park).

GENERAL FUND BUDGETARY HIGHLIGHTS:

The City approved the 2015 general fund budget anticipating expenditures would exceed revenues by \$599,167. The main difference between the original and final budget totaling \$63,484 was mainly due to a decrease in General Government appropriations.

At the end of the year, revenues exceeded the final budget by \$156,561 and expenditures were less than the final budget by \$481,573. Transfers in were less than the final budget by \$43,371. The most significant positive variance for revenues was in Licenses/Permits. Positive variances in expenditures were reflected in Public Safety, Public Works, and Culture/Recreation.

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Capital Assets

At the end of 2015, the Primary Government of the City of Willmar had over \$181,100,000 (net of accumulated depreciation) invested in a broad range of capital assets. In addition, the Component Units had over \$91,700,000 (net of accumulated depreciation) invested in capital assets. Refer to Note 3.A.2 of the Notes to the Financial Statements for a schedule showing the City's capital asset activity.

Primary Government

Table 5
Capital Assets

	<u>Government Activities</u>		<u>Business-Type Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 8,585,806	\$ 8,557,673	\$ 2,005,122	\$ 2,005,122
Buildings	13,176,273	13,040,182	75,039,444	73,197,275
Furniture and equipment	3,025,874	2,780,406	515,985	515,985
Machinery and auto	9,060,641	8,721,534	6,461,115	6,499,749
Other improvements	119,258,649	118,954,637	26,796,835	25,568,722
Construction in progress	13,213,317	7,379,541	137,705	2,722,290
Less: Depreciation	<u>(72,318,950)</u>	<u>(68,243,917)</u>	<u>(23,888,758)</u>	<u>(21,571,946)</u>
	<u>\$ 94,001,610</u>	<u>\$ 91,190,056</u>	<u>\$ 87,067,448</u>	<u>\$ 88,937,197</u>

Component Units

Table 6
Capital Assets

	<u>Rice Memorial Hospital</u>		<u>Willmar Municipal Utilities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 2,918,000	\$ 2,918,000	\$ 1,385,907	\$ 1,385,248
Buildings	96,870,000	95,907,000	3,101,003	2,835,197
Furniture and equipment	45,936,987	42,213,000	77,975,158	76,880,419
Machinery and auto	-	-	-	-
Other improvements	1,517,000	1,498,000	-	-
Utility Plant in Service	-	-	-	-
Construction in progress	1,246,000	112,743	1,746,649	2,957,428
Less: Depreciation	<u>(87,422,000)</u>	<u>(80,888,000)</u>	<u>(53,504,862)</u>	<u>(53,646,061)</u>
	<u>\$ 61,065,987</u>	<u>\$ 61,760,743</u>	<u>\$ 30,703,855</u>	<u>\$ 30,412,231</u>

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Long-Term Debt

At year-end, the City of Willmar's Primary Government had over \$84,700,000 in bonds outstanding and its Component Units had over \$53,300,000 in bonds outstanding. Refer to Note 3.C.2 of the Notes to the Financial Statements for a schedule showing the City's long-term debt activity.

Primary Government

Table 7

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Governmental Activities			
G.O. Special Assessment Bonds	\$ 10,390,000	\$ 11,100,000	\$ (710,000)
G.O. Revenue Bonds	835,000	980,000	(145,000)
Note Payable - TIF	594,304	-	594,304
	<u>\$ 11,819,304</u>	<u>\$ 12,080,000</u>	<u>\$ (260,696)</u>
Business-Type Activities			
G.O. Revenue Bonds	\$ 450,000	\$ 550,000	\$ (100,000)
G.O. Revenue Notes	72,520,805	74,504,698	(1,983,893)
	<u>\$ 72,970,805</u>	<u>\$ 75,054,698</u>	<u>\$ (2,083,893)</u>

Component Units

Table 8

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Rice Memorial Hospital			
G.O. Revenue Bonds	\$ 36,600,000	\$ 38,065,000	\$ (1,465,000)
Hospital Revenue Notes	8,682,200	9,100,000	(417,800)
Capital Lease	1,469,185	267,126	1,202,059
	<u>\$ 46,751,385</u>	<u>\$ 47,432,126</u>	<u>\$ (680,741)</u>
Willmar Municipal Utilities			
Municipal Utility Revenue Bond 2009	\$ 6,410,000	\$ 6,860,000	\$ (450,000)
General Obligation Water Revenue Bond	155,000	300,000	(145,000)
	<u>\$ 6,565,000</u>	<u>\$ 7,160,000</u>	<u>\$ (595,000)</u>

**CITY OF WILLMAR, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015**

Economic Factors and Next Year's Budget

In the City adopted budget for 2016, expenditures were forecast to exceed revenue by approximately \$4,212,863, of which the General Fund expenditures were forecast to exceed revenue by approximately \$931,296. The major difference is to be funded by using Local Option Sales Tax Fund Balances.

Contacting the City's Financial Management

This financial report is designated to provide our residents, customers, and creditors with a general overview of the City of Willmar's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of Willmar, 333 6th St SW, Willmar, MN 56201 or by phone at (320) 235-4913.

BASIC FINANCIAL STATEMENTS

CITY OF WILLMAR, MINNESOTA
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Municipal Utilities Commission	Rice Memorial Hospital
<u>Assets</u>					
Cash and Cash Equivalents	\$ 10,627,073	\$ (2,613,466)	\$ 8,013,607	\$ 3,822,899	\$ 3,906,826
Investments	24,831,874	11,349,997	36,181,871	5,497,809	28,266,266
Receivables (Net of Allow for Uncollect)					
Accounts Receivable	723,008	746,402	1,469,410	2,594,559	20,390,193
Accrued Interest	103,425	44,396	147,821	-	-
Taxes Receivable	175,092	-	175,092	-	-
Special Assessments	4,394,626	-	4,394,626	-	-
Notes Receivable	350,000	-	350,000	-	-
Due from Component Unit	-	-	-	-	-
Due from Other Governmental Units	368,492	-	368,492	-	-
Internal Balances	668,768	(668,768)	-	-	-
Inventories	47,065	14,137	61,202	1,259,515	2,140,792
Prepaid Items	977,042	19,015	996,057	659,781	1,025,311
Restricted Assets:					
Temporarily Restricted:					
Cash and Cash Equivalents	-	-	-	-	2,958,692
Investments	-	-	-	12,442,081	10,066,038
Permanently Restricted:					
Investments	-	-	-	-	4,508,451
Capital Assets					
Nondepreciable	21,799,123	2,142,827	23,941,950	3,132,556	4,164,000
Depreciable, net	72,202,487	84,924,621	157,127,108	27,571,299	56,901,987
Net Pension Asset	309,230	-	309,230	-	-
Other Assets	31,662	-	31,662	-	115,734
Total Assets	137,608,967	95,959,161	233,568,128	56,980,499	134,444,290
<u>Deferred Outflows of Resources</u>					
Deferred Loss on Refunding Escrow Account	-	-	-	-	1,405,653
Deferred Outflows on Pension	1,066,653	73,054	1,139,707	466,760	4,938,593
Total Deferred Outflows of Resources	1,066,653	73,054	1,139,707	466,760	6,344,246
Total Assets/Def. Outflows of Resources	\$ 138,675,620	\$ 96,032,215	\$ 234,707,835	\$ 57,447,259	\$ 140,788,536

The notes to the financial statements are an integral part of this statement.

CITY OF WILLMAR, MINNESOTA
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Municipal Utilities Commission	Rice Memorial Hospital
<u>Liabilities</u>					
Accounts and Contracts Payable	\$ 1,055,461	\$ 33,817	\$ 1,089,278	\$ 2,384,868	\$ 4,279,133
Accrued Interest Payable	286,110	-	286,110	150,337	731,031
Due to Component Units	8,312	-	8,312	-	-
Due to Primary Government	-	-	-	664,720	-
Due to Other Governmental Units	70,859	-	70,859	-	-
Unearned Revenue	1,323,165	-	1,323,165	-	-
Accrued Compensation and Benefits	324,022	38,472	362,494	134,767	9,035,717
Noncurrent Liabilities					
Due within one year	2,146,000	2,647,137	4,793,137	615,000	2,239,597
Due in more than one year	13,590,064	70,323,669	83,913,733	7,268,901	49,940,009
Net Pension Liability	5,377,706	536,503	5,914,209	3,394,550	35,619,453
Total Liabilities	24,181,699	73,579,598	97,761,297	14,613,143	101,844,940
<u>Deferred Inflows of Resources</u>					
Deferred Inflows on Pension	838,159	65,004	903,163	371,961	4,737,635
Total Deferred Inflows of Resources	838,159	65,004	903,163	371,961	4,737,635
<u>Net Position</u>					
Net Investment in Capital Assets	95,772,370	84,420,311	180,192,681	24,138,855	15,776,192
NonExpendable	-	-	-	-	3,388,205
Restricted	-	-	-	12,442,081	-
Capital Improvements	6,711,347	495,364	7,206,711	-	-
Debt Service	14,010,409	-	14,010,409	-	2,227,661
Specific Operating Activities	15,438,231	1,322,878	16,761,109	-	1,992,889
Other Purposes	-	-	-	-	-
Unrestricted	(4,686,531)	6,472,729	1,786,198	5,881,219	10,821,014
Total Net Position	127,245,826	92,711,282	219,957,108	42,462,155	34,205,961
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 152,265,684	\$ 166,355,884	\$ 318,621,568	\$ 57,447,259	\$ 140,788,536

The notes to the financial statements are an integral part of this statement.

**City of Willmar
Statement of Activities
For the Year Ended December 31, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General Government	\$ 4,068,912	\$ 507,335	\$ 121,532	\$ -
Public Safety	5,055,428	408,291	467,400	1,375
Public Works	6,949,073	216,640	339,995	2,377,122
Culture and Recreation	2,441,662	548,029	54,342	-
Economic Development	896,033	-	-	290,519
Debt Service - interest	297,324	-	-	-
Total Governmental Activities	<u>19,708,432</u>	<u>1,680,295</u>	<u>983,269</u>	<u>2,669,016</u>
Business-Type Activities:				
Waste Treatment	6,773,721	8,982,387	-	-
Total Business-Type Activities	<u>6,773,721</u>	<u>8,982,387</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 26,482,153</u>	<u>\$ 10,662,682</u>	<u>\$ 983,269</u>	<u>\$ 2,669,016</u>
Component Units:				
Municipal Utilities	\$ 30,068,869	\$ 32,164,157	\$ -	\$ -
Rice Memorial Hospital	98,105,584	99,256,583	1,705,843	818,607
Total Component Units	<u>\$ 128,174,453</u>	<u>\$ 131,420,740</u>	<u>\$ 1,705,843</u>	<u>\$ 818,607</u>

General Revenues:
 Property Taxes
 Sales Taxes
 Other Taxes
 Grants and contributions not restricted to specific programs
 Interest earnings
 Net increase (decrease) in fair value of investments
 Gain (Loss) Capital Assets
 Miscellaneous
 Transfers
 Total General Revenues /Transfers
 Change in Net Position
 Net Position - Beginning as restated
 Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Municipal Utilities Commission	Rice Memorial Hospital
\$ (3,440,045)		\$ (3,440,045)		
(4,178,362)		(4,178,362)		
(4,015,316)		(4,015,316)		
(1,839,291)		(1,839,291)		
(605,514)		(605,514)		
(297,324)		(297,324)		
<u>(14,375,852)</u>		<u>(14,375,852)</u>		
-	\$ 2,208,666	2,208,666		
-	2,208,666	2,208,666		
<u>(14,375,852)</u>	<u>2,208,666</u>	<u>(12,167,186)</u>		
			\$ 2,095,288	\$ -
			-	3,675,449
			<u>2,095,288</u>	<u>3,675,449</u>
4,473,147	-	4,473,147	-	-
-	-	-	-	-
526,617	-	526,617	-	-
4,661,459	-	4,661,459	-	-
594,471	136,012	730,483	365,300	1,156,525
398,282	106,906	505,188	-	(509,184)
(146,867)	75,478	(71,389)	107,552	224,944
706,519	-	706,519	11,057	-
<u>3,263,739</u>	<u>(668,768)</u>	<u>2,594,971</u>	<u>(2,152,597)</u>	<u>(458,129)</u>
<u>14,477,367</u>	<u>(350,372)</u>	<u>14,126,995</u>	<u>(1,668,688)</u>	<u>414,156</u>
101,515	1,858,294	1,959,809	426,600	4,089,605
113,554,247	20,529,319	134,083,566	42,035,555 *	30,116,356
<u>\$ 113,655,762</u>	<u>\$ 22,387,613</u>	<u>\$ 136,043,375</u>	<u>\$ 42,462,155</u>	<u>\$ 34,205,961</u>

**Due to the adoption of GASB Statement No. 68 by Rice Hospital, the previously reported net position as of December 31, 2014, of \$64,854,295 was reduced by \$34,737,939 to arrive at the restated balance of \$30,116,356.

*Due to the adoption of GASB Statement No. 68 and 71 by WMU, the previously reported net position as of December 31, 2014, of \$45,457,918 was reduced by \$3,422,363 to arrive at the restated balance of \$42,035,555.

**CITY OF WILLMAR, MINNESOTA
BALANCE SHEETS
GOVERNMENTAL FUNDS
December 31, 2015**

	<u>General</u>	<u>Special Assessments Bonds Debt Service</u>	<u>Street Water/Sewer Capital Projects</u>
ASSETS			
Cash and Cash Equivalents	\$ 7,645,168	\$ (409,452)	\$ 3,541,427
Investments	7,754,039	4,264,066	368,246
Receivables (Net of Allowance for Uncollect)			
Accounts	692,104	-	-
NSF Payments	60	-	-
Interest	31,600	17,908	199
Taxes			
Current	67,936	-	-
Delinquent	93,024	-	-
Assessments			
Current	-	-	-
Delinquent	-	369,258	-
Deferred	4,304	3,341,754	-
Notes	-	-	-
Due From Component Units	-	-	-
Due From Other Funds	268,123	718,387	147,000
Due From Other Governments	6,859	157,239	204,394
Inventory	43,494	-	-
Prepaid Expenses	236,988	548,760	-
Deposits	12,813	-	-
Restricted Assets:			
Cash and Cash Equivalents	-	-	-
Investments	-	-	-
Unamortized Discount	-	16,119	-
Total Assets	\$ 16,856,512	\$ 9,024,039	\$ 4,261,266
LIABILITIES			
Accounts Payable	\$ 168,630	\$ -	\$ 2
Contracts Payable	-	-	335,228
Accrued Wages	317,298	-	-
Separation Severance Payable	6,724	-	-
Deposits	5,122	-	-
Due to Component Units	-	-	-
Due to Other Funds	2,006,667	1,430	33,521
Due to Other Governments	70,859	-	-
Total Liabilities	2,575,300	1,430	368,751
DEFERRED INFLOWS OF REOURCES			
Unavailable Revenue	98,828	3,868,251	-
Total Deferred Inflows of Resources	98,828	3,868,251	-
FUND BALANCES			
Nonspendable Fund Balance	236,988	548,760	-
Restricted Fund Balance	-	4,605,598	-
Committed Fund Balance	13,945,396	-	3,892,515
Unassigned Fund Balance	-	-	-
Total Fund Balances	14,182,384	5,154,358	3,892,515
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 16,856,512	\$ 9,024,039	\$ 4,261,266

The notes to the financial statements are an integral part of this statement.

CITY OF WILLMAR, MINNESOTA
BALANCE SHEETS
GOVERNMENTAL FUNDS
December 31, 2015

Industrial Development Special Revenue Fund	Community Investment Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
\$ 15,700	\$ 304	\$ (166,185)	\$ 10,626,962
772,528	9,229,883	2,290,320	24,679,082
-	-	30,312	722,416
-	-	-	60
3,004	36,115	14,001	102,827
-	-	14,132	82,068
-	-	-	93,024
-	-	-	-
-	189	-	369,447
-	679,121	-	4,025,179
-	-	350,000	350,000
-	-	-	-
250,000	401,430	2,295,778	4,080,718
-	-	-	368,492
-	-	-	43,494
-	-	191,294	977,042
-	-	-	12,813
-	-	-	-
-	-	-	-
-	-	2,730	18,849
<u>\$ 1,041,232</u>	<u>\$ 10,347,042</u>	<u>\$ 5,022,382</u>	<u>\$ 46,552,473</u>
\$ -	\$ -	\$ 68,451	\$ 237,083
-	-	474,203	809,431
-	-	-	317,298
-	-	-	6,724
-	-	280	5,402
-	8,312	-	8,312
3,931	684,866	684,498	3,414,913
-	-	-	70,859
<u>3,931</u>	<u>693,178</u>	<u>1,227,432</u>	<u>4,870,022</u>
-	670,998	357,696	4,995,773
-	670,998	357,696	4,995,773
-	-	221,294	1,007,042
-	8,232,866	67,247	12,905,711
1,037,301	750,000	3,161,612	22,786,824
-	-	(12,899)	(12,899)
<u>1,037,301</u>	<u>8,982,866</u>	<u>3,437,254</u>	<u>36,686,678</u>
<u>\$ 1,041,232</u>	<u>\$ 10,347,042</u>	<u>\$ 5,022,382</u>	<u>\$ 46,552,473</u>

City of Willmar, Minnesota
Reconciliation of Net Position in the
Government-Wide Financial Statements and Fund Balances
in the Fund Basis Financial Statements
December 31, 2015

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances		\$ 36,686,678
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental funds - capital assets	166,320,560	
Less: Accumulated depreciation	<u>(72,318,950)</u>	94,001,610
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent property taxes	93,024	
Unavailable special assessments	3,220,388	
Due From State of Minnesota	-	
Notes/Interest Receivable	355,056	
Unavailable Revenue for 2015	4,140	
Deferred Outflow of Resources - Pension	1,066,653	
Net Pension Asset	<u>309,230</u>	5,048,491
Internal service funds are used by management to charge the costs of equipment, information technology and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
Less Net Investment in Capital Assets (included above)	<u>157,022</u>	157,022
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds and notes payable	(11,819,304)	
Compensated absences	(3,916,760)	
Accrued interest	(286,110)	
Net Pension Liability	(5,377,706)	
Deferred Inflow of Resources - Pension	<u>(838,159)</u>	<u>(22,238,039)</u>
Net position of governmental activities		<u>\$ 113,655,762</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WILLMAR, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2015

	<u>General</u>	<u>Special Assessments Bonds Debt Service</u>	<u>Street Water/Sewer Capital Projects</u>
REVENUES			
General Property Taxes	\$ 4,472,103	\$ -	\$ -
Sales Tax	-	-	-
Other Taxes	285,792	-	-
Special Assessments	2,384	1,193,010	54,678
License and Permits	474,907	-	-
Intergovernmental	5,412,935	-	1,695,103
Charges for Services	775,780	-	-
Fines and Forfeits	189,682	-	-
Investment Income	126,279	76,832	14,742
Change in market value	24,072	72,620	22,792
Miscellaneous Revenues	676,715	4,575	-
Total Revenues	<u>12,440,649</u>	<u>1,347,037</u>	<u>1,787,315</u>
EXPENDITURES			
Current:			
General Government	3,800,646	-	-
Public Safety	4,681,605	-	-
Streets and Highways	2,915,067	-	-
Culture & Recreation	1,894,900	-	-
Economic Development	-	-	-
Debt Service:			
Principal	-	2,115,000	-
Interest	-	294,030	-
Other Charges and Services	-	11,301	-
Capital Outlay	-	-	4,551,997
Total Expenditures	<u>13,292,218</u>	<u>2,420,331</u>	<u>4,551,997</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(851,569)</u>	<u>(1,073,294)</u>	<u>(2,764,682)</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	2,852,971	718,387	230,000
Operating Transfers Out	(1,938,297)	(1,430)	(33,521)
Bond Proceeds	-	-	1,400,000
Total Other Financing Sources (Uses)	<u>914,674</u>	<u>716,957</u>	<u>1,596,479</u>
Net Change in Fund Balances	<u>63,105</u>	<u>(356,337)</u>	<u>(1,168,203)</u>
Fund Balances - Beginning	<u>14,119,279</u>	<u>5,510,695</u>	<u>5,060,718</u>
Fund Balances - Ending	<u>\$ 14,182,384</u>	<u>\$ 5,154,358</u>	<u>\$ 3,892,515</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WILLMAR, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

Industrial Development Special Revenue Fund	Community Investment Special Revenue	Other Government Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,044	\$ 4,473,147
-	-	-	-
-	-	240,825	526,617
-	27,200	-	1,277,272
-	-	-	474,907
-	-	413,694	7,521,732
-	-	226,268	1,002,048
-	-	-	189,682
140,868	179,810	52,961	591,492
-	211,132	64,183	394,799
-	105	25,124	706,519
<u>140,868</u>	<u>418,247</u>	<u>1,024,099</u>	<u>17,158,215</u>
-	-	-	3,800,646
-	-	6,122	4,687,727
-	-	234,479	3,149,546
-	-	277,220	2,172,120
11,210	-	290,519	301,729
-	-	140,000	2,255,000
-	-	37,396	331,426
-	-	450	11,751
-	-	2,714,960	7,266,957
<u>11,210</u>	<u>-</u>	<u>3,701,146</u>	<u>23,976,902</u>
<u>129,658</u>	<u>418,247</u>	<u>(2,677,047)</u>	<u>(6,818,687)</u>
250,000	401,430	2,059,722	6,512,510
-	(684,866)	(590,657)	(3,248,771)
-	-	-	1,400,000
<u>250,000</u>	<u>(283,436)</u>	<u>1,469,065</u>	<u>4,663,739</u>
<u>379,658</u>	<u>134,811</u>	<u>(1,207,982)</u>	<u>(2,154,948)</u>
<u>657,643</u>	<u>8,848,055</u>	<u>4,645,236</u>	<u>38,841,626</u>
<u>\$ 1,037,301</u>	<u>\$ 8,982,866</u>	<u>\$ 3,437,254</u>	<u>\$ 36,686,678</u>

City of Willmar, Minnesota
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

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

Net Change in Fund Balances-Governmental Funds		\$ (2,154,948)
Governmental funds reported capital outlays as expenditures.		
However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay Expense	7,820,764	
Depreciation Expense	<u>(4,733,320)</u>	3,087,444
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase/(decrease) net position		
		(275,340)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
Unavailable Revenue, December 31, 2015	3,672,608	
Unavailable Revenue, December 31, 2014	<u>(4,277,016)</u>	(604,408)
Pension Contribution	<u>121,532</u>	(482,876)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences, December 31, 2015	(3,916,760)	
Compensated absences, December 31, 2014	<u>3,739,795</u>	(176,965)
Fire Pension Expense	<u>(191,647)</u>	(368,612)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principle is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.		
Principle Retirement of Long-Term Debt	2,255,000	
Note Payable - TIF Jennie-O	(594,304)	
Bond Proceeds	(1,400,000)	
Change in accrued interest (286,110 - 320,212)	<u>34,102</u>	294,798
Internal service funds are used by management to charge the costs of equipment, information technology and insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities		
		<u>1,049</u>
Change in Net Position-Governmental Activities		<u>\$ 101,515</u>

The notes to the financial statements are an integral part of this statement.

City of Willmar, Minnesota
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		Positive (Negative)
REVENUES				
General Property Taxes	\$ 4,771,028	\$ 4,771,028	\$ 4,757,895	\$ (13,133)
Special Assessments	1,700	1,700	2,384	684
License and Permits	328,375	334,375	474,907	140,532
Intergovernmental	5,277,754	5,295,254	5,412,935	117,681
Charges for Services	761,850	761,850	775,780	13,930
Fines and Forfeits	152,000	152,000	189,682	37,682
Investment Income	150,000	150,000	126,279	(23,721)
Change in market value	-	-	24,072	24,072
Miscellaneous Revenues	795,500	817,881	676,715	(141,166)
Total Revenues	12,238,207	12,284,088	12,440,649	156,561
EXPENDITURES				
General Government	3,860,528	3,797,044	3,800,646	(3,602)
Public Safety	4,822,886	4,836,361	4,681,605	154,756
Public Works	3,099,767	3,105,237	2,915,067	190,170
Culture & Recreation	2,029,149	2,035,149	1,894,900	140,249
Total Expenditures	13,812,330	13,773,791	13,292,218	481,573
Excess (deficiency) of revenues over (under) expenditures	(1,574,123)	(1,489,703)	(851,569)	638,134
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	2,896,342	2,896,342	2,852,971	(43,371)
Operating Transfers Out	(1,921,386)	(1,942,322)	(1,938,297)	4,025
Total Other Financing Sources (Uses)	974,956	954,020	914,674	(39,346)
Net Change in Fund Balances	(599,167)	(535,683)	63,105	598,788
Fund Balances - Beginning	14,119,279	14,119,279	14,119,279	-
Fund Balances - Ending	\$ 13,520,112	\$ 13,583,596	\$ 14,182,384	\$ 598,788

The notes to the financial statements are an integral part of this statement.

City of Willmar, Minnesota
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-Type Activities Waste Treatment Plant	Governmental Activities Internal Service Funds
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ (2,613,466)	\$ 111
Investments	11,349,997	152,792
Accounts Receivable	746,402	532
Interest Receivable	44,396	598
Inventories	14,137	3,571
Prepaid Items	19,015	-
Total Current Assets	9,560,481	157,604
Noncurrent Assets		
Capital Assets:		
Nondepreciable	2,142,827	-
Depreciable	108,813,379	-
Less: Accumulated Depreciation	(23,888,758)	-
Net capital assets	87,067,448	-
Total Noncurrent Assets	87,067,448	-
TOTAL ASSETS	96,627,929	157,604
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	73,054	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	73,054	-
LIABILITIES		
Current Liabilities		
Accounts Payable	12,258	582
Contracts Payable	21,559	-
Accrued Wages	38,472	-
Due To Other Funds	668,768	-
Current Portion of Debt	2,647,137	-
Total Current Liabilities	3,388,194	582
Noncurrent Liabilities:		
Notes Payable	70,323,669	-
Net Pension Liability	536,503	-
Total Noncurrent Liabilities	70,860,172	-
TOTAL LIABILITIES	74,248,366	582
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	65,004	-
TOTAL DEFERRED INFLOWS OF RESOURCES	65,004	-
NET POSITION		
Net Investment in Capital Assets	14,096,642	-
Restricted:		
Petty Cash	100	-
Inventories	14,137	3,571
Prepays	19,015	-
Working Capital	1,289,626	-
Capital Improvements	405,653	-
System Replacement	89,711	-
Unrestricted	6,472,729	153,451
TOTAL NET POSITION	\$ 22,387,613	\$ 157,022

The notes to the financial statements are an integral part of this statement.

City of Willmar, Minnesota
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-Type Activities <u>Waste Treatment Plant</u>	Governmental Activities <u>Internal Service Funds</u>
Operating Revenues		
Intergovernmental	\$ 55,213	\$ -
Charges For Sales and Services:	8,927,174	11,274
Total Operating Revenues	<u>8,982,387</u>	<u>11,274</u>
Operating Expenses		
Personal Services	976,721	-
Supplies	286,749	6,227
Other Services and Charges	942,003	9,910
Depreciation	<u>2,383,788</u>	<u>-</u>
Total Operating Expenses	<u>4,589,261</u>	<u>16,137</u>
Operating Income (Loss)	4,393,126	(4,863)
Nonoperating Revenues (Expenses)		
Lift Station Tapping Fees Collected	-	-
Investment Earnings	136,012	2,979
Change in market value	106,906	3,483
Capital Asset (Disposal)/Acquisition	58,978	(550)
Interest Expense	(2,167,960)	-
Other Revenue (Expense)	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(1,866,064)</u>	<u>5,912</u>
Income (Loss) Before Contributions and Transfers	2,527,062	1,049
Capital Grants - Federal	-	-
Capital Grants - State	-	-
Transfers In	-	-
Transfers Out	<u>(668,768)</u>	<u>-</u>
Change in Net Position	1,858,294	1,049
Total Net Position - Beginning of Year, as originally stated	21,043,747	155,973
Prior Period Adjustment	<u>(514,428)</u>	<u>-</u>
Net Position - Beginning of Year, as restated	<u>20,529,319</u>	<u>155,973</u>
Total Net Position - Ending	<u>\$ 22,387,613</u>	<u>\$ 157,022</u>

City of Willmar, Minnesota
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended December 31, 2015

	Business-Type Activities	Governmental Activities
	Waste Treatment Plant	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers and Users	\$ 8,328,232	\$ 13,833
Payments to Suppliers	(1,292,598)	(6,503)
Payments to Employees	(945,007)	(8,571)
Liquidation of Liabilities	-	-
Net Cash Provided by Operating Activities	6,090,627	(1,241)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer from Other Funds	1,429,074	-
Transfer to Other Funds	(144)	-
Net Cash Provided (Used) by Noncapital Financing Activities	1,428,930	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital Contributions	-	-
Purchases of Capital Assets	(440,933)	-
Interest Paid on Capital Debt	(2,167,960)	-
Principal Paid on Capital Debt	(2,647,137)	-
Proceeds from Debt	563,244	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(4,692,786)	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Principal Collected On Loan	-	-
Proceeds from Sales and Maturities of Investments	200,000	-
Purchase of Investments	(5,700,000)	(2,000)
Interest Received	113,375	2,936
Net Cash Provided/(Used) by Investing Activities	(5,386,625)	936
Net Increase (Decrease) in Cash and Cash Equivalents	(2,559,854)	(305)
Cash and Cash Equivalents - Beginning	(53,612)	416
Cash and Cash Equivalents - Ending	\$ (2,613,466)	\$ 111
Classified As:		
Cash and Cash Equivalents	\$ (2,613,466)	\$ 111
Restricted Cash	-	-
Total Cash and Cash Equivalents, End of Year	\$ (2,613,466)	\$ 111

The notes to the financial statements are an integral part of this statement.

City of Willmar, Minnesota
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended December 31, 2015

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waste Treatment Plant</u>	<u>Internal Service Funds</u>
Reconciliation of Operating Income to Net Cash Provided (Used)		
by Operating Activities:		
Operating Income	\$ 4,407,151	\$ (4,863)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By		
Operating Activities:		
Depreciation	2,383,788	-
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(654,155)	2,560
(Increase) Decrease in Due From Other Governmental Units	-	-
(Increase) Decrease in Due From Component Units	-	-
(Increase) Decrease in Inventories	-	452
(Increase) Decrease in Prepaid Items	(12,072)	838
Increase (Decrease) in Accounts Payable	(51,774)	(228)
Increase (Decrease) in Contracts Payable	-	-
Increase (Decrease) in Accrued Wages	17,689	-
Increase (Decrease) in Due To Other Funds	-	-
Total Adjustments	<u>1,683,476</u>	<u>3,622</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,090,627</u>	<u>\$ (1,241)</u>
	\$ -	
 Non Cash Transactions:		
Net Increase (Decrease) in fair value of investments	\$ 136,012	\$ 2,979

The notes to the financial statements are an integral part of this statement.

**NOTES TO FINANCIAL
STATEMENTS**

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Willmar's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as of and for the year ended December 31, 2015. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

A. Financial Reporting Entity

The City of Willmar was established in 1901 and is governed under a charter. The governing body consists of an eight member council, and mayor elected by eligible voters of the City. Four members are elected every two years for a four year term. The Mayor's office is for four years. The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships).

1. Component Unit

a. Discretely presented component units

The component unit columns in the government-wide financial statements includes the financial data of the City's other component units. The units are reported in separate columns to emphasize that they are legally separate from the City but are included because the primary government is financially accountable and is able to impose its will on the organizations.

Rice Memorial Hospital

The hospital provides inpatient and outpatient health care services to the City of Willmar and surrounding area. The governing board of Rice Memorial Hospital is appointed by the City Council. The City may change the manner, mode and type of operations of the hospital to permit participation of other agencies. The City also has the power to overrule any decision, motion, resolution, rule, regulation, or order of the board and the legal liability for the general obligation portion of any debt remains with the City. Complete financial statements for Rice Memorial Hospital may be obtained at 301 Becker Avenue SW, Willmar, MN 56201.

Willmar Municipal Utilities

The Willmar Municipal Utilities (WMU) is responsible for the operation and management of the electric, water and district heating systems of the City of Willmar. WMU is governed by the Municipal Utilities Commission which is appointed by the Willmar City Council. The City also has the power to overrule any decision, motion, resolution, rule, regulation, or order of the board and the legal liability for the general obligation portion of any debt remains with the City. The rates for user charges and bond issuance authorizations are approved by the City Council. Complete financial statements for Willmar Municipal Utilities may be obtained at 700 Litchfield Avenue SW, Willmar, MN 56201.

b. Excluded: Firefighters Association

This association is organized as a non-profit organization by its members to provide pension and other benefits to such members in accordance with Minnesota Statutes. Their board of directors is appointed by the membership of the organization. All funding is conducted in accordance with Minnesota Statutes whereby State Aids flow to the association, tax levies are determined by the association and are only reviewed by the City, and the association pays benefits directly to its members.

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

B. Basic Financial Statements

1. Government-Wide Statements

The government-wide financial statements (the statement of net position and the statement of activities) display information about the primary government and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties for support.

In the government-wide statement of net position, both the governmental and business-type activities columns: (a) are presented on a consolidated basis by column; and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts: (1) invested in capital assets, net of related debt; (2) restricted net position; and (3) unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of each function of the City's governmental activities and its business-type activities are offset by program revenues. Direct expenses are those clearly identifiable with a specific function or activity. Program revenues include: (1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity; and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or activity. Revenues not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund financial statements provide information about the City's funds. Separate statements for each fund category-governmental, proprietary and fiduciary-are presented. The emphasis of governmental and proprietary fund financial statements is on major individual governmental and enterprise funds, with each displayed in a separate column in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

a. Governmental Funds

The City reports the following major governmental funds:

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Debt Service Fund - Special Assessments Bond

This fund accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation special assessment bonds.

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Capital Project Fund – Street, Water and Sewer

This fund is used to account for capital acquisition, construction and improvement projects related to streets, water and sewer.

Special Revenue Fund – Industrial Development

This fund is used to account for the local sales tax revenue. The resources are restricted for specific projects: connecting the Willmar Civic Center and Blue Line Center, the City walking and bike path system and the development of the land acquired through the relocation of the Willmar Airport.

Special Revenue Fund – Community Investment

This fund is used to account for surplus money in each separate improvement fund and in the improvement bond redemption fund which remain after the costs of each improvement have been fully funded.

b. Enterprise Funds

The City reports the following major enterprise fund:

Waste Treatment Fund

This fund is used to account for activities related to providing sewer services to the public.

c. Internal Service Fund

This fund is used to account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

d. Agency Funds

Financial statements of agency funds, which are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds assets, liabilities, and net assets are included in the fiduciary statement of net assets.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The City considers all revenues as available if collected within 60 days after the end of the current period, except for reimbursement (expenditure driven) grants for which the period is 90 days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent

CITY OF WILLMAR, MINNESOTA
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that they have matured. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first, and then restricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Additionally, each fund's equity in the City's investment pool is treated as a cash equivalent because the City can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the City in certificates of deposit and other authorized investments. Earnings on cash accounts are allocated to individual funds based upon an average of month-end balances.

Investments are stated at fair value based on quoted market prices at the reporting date.

3. Receivables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are shown net of an allowance for uncollectibles.

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Property taxes are levied by the City Council in December of each year and are certified to Kandiyohi County for collection in the following year. The property taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments in May and October. The County collects the taxes and periodically remits them to the City. The majority of these remittances are made in June and November.

Taxes that are not received by the end of the year are classified as delinquent taxes receivable. Delinquent taxes receivable are offset by a deferred inflow of resources in the governmental funds of the fund financial statements because they are not available to finance current expenditures.

Assessments are levied at various times upon City Council resolution for property owner improvements made by the City. Generally, assessment collections are deferred over periods ranging from one to ten years. Revenue from these assessments is recognized when assessed in the government-wide financial statements and as the annual installments become collectible in the governmental funds of the fund financial statements. Annual installments not collected as of each December 31 are classified as delinquent assessments receivable. Delinquent assessments receivable are offset by a deferred inflow of resources in the governmental funds of the fund financial statements because they are not available to finance current expenditures.

4. Prepaid Items

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

5. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (such as roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary funds. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current period, the City did not have any capitalized interest.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25 - 50
Building improvements	25 - 50
Infrastructure	10 - 20
Furniture, equipment, and vehicles	3 - 20

CITY OF WILLMAR, MINNESOTA
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6. Compensated Absences

It is the City's policy to permit employees to accumulate earned vacation and sick pay benefits. The liability for compensated absences is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the government funds only if they have matured. The City typically liquidates the liability for compensated absences to the fund where employees' salaries were originally charged.

7. Deferred Inflows of Resources

In addition to assets, the statement of financial position and fund financial statements will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City of Willmar has one item that qualifies for reporting in this category – a deferred outflow relating to pension activity, reported in government-wide statement of net position and proprietary statement of net position. A deferred outflow relating to pension activity results from the net effect of the change in proportionate share and employer contributions.

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that times. The City of Willmar has one item that qualifies for reporting in this category under full accrual basis of accounting. Accordingly, the item, deferred inflow is reported in the government-wide statement of financial position and proprietary statement of net position. A deferred inflow relating to pension activity is a result of the net difference between projected and actual earning on plan investments. The City of Willmar also has one item that qualifies for reporting in this category under modified accrual basis of accounting. Accordingly, the item, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources; taxes, special assessments and notes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

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

9. Pensions

For purposes of measuring the net pension liability or asset, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF WILLMAR, MINNESOTA
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10. Net Position/Fund Balances

The government-wide and business-type activities fund financial statements use a net position presentation. Net position is categorized as net investment in capital assets (net of related debt), restricted and unrestricted:

Net Investment in Capital Assets - This category includes all capital assets, net of accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets.

Restricted net position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This category represents net position of the City, not restricted for any project or other purpose.

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

Nonspendable – Consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact, such as, inventories and prepaid items.

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

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

Assigned – Consists of amounts intended for specific purposes set by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to the City's fund balance policy, the City Administrator is authorized to establish assignments of fund balance.

Unassigned – Is the residual classification for the General Fund and reflects negative residual amounts in other funds.

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

11. Use of Estimates

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

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds and special revenue funds except some capital projects funds, which adopt project-length budgets. All annual appropriations except those for capital outlay lapse at fiscal year end.

On or before the first Tuesday in August of each year, all agencies of the government submit request for appropriations to the Mayor so that a budget may be prepared. In September, the proposed budget is presented to the City's council for review. The council holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function and department. The government's City Administrator may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The legal level of budgetary control is the department level. All supplemental budgetary appropriations in all funds were approved by the City Council.

B. Deficit Fund Balances

There were no funds with a deficit fund balance as of December 31, 2015.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Assets

1. Deposits and Investments

Cash and cash equivalents	\$ 18,741,809
Investments	<u>96,962,515</u>
	<u>\$ 115,704,324</u>
Primary Government	
Cash and cash equivalents	\$ 8,053,392
Investments	36,151,870
Permanently restricted investments	<u>30,000</u>
Total Primary Government	<u>\$ 44,235,262</u>
Discretely Presented Component Units	
Willmar Municipal Utilities:	
Cash and cash equivalents	\$ 3,822,899
Investments	5,497,809
Temporarily restricted investments	<u>12,442,081</u>
Total Willmar Municipal Utilities	<u>\$ 21,762,789</u>
Rice Memorial Hospital	
Cash and cash equivalents	\$ 3,906,826
Investments	28,266,266
Related-Party Investments	-
Temporarily restricted cash	2,958,692
Temporarily restricted investments	10,066,038
Permanently restricted investments	<u>4,508,451</u>
Total Rice Memorial Hospital	<u>\$ 49,706,273</u>
Total	<u>\$ 115,704,324</u>

CITY OF WILLMAR, MINNESOTA
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1. Deposits and Investments (continued)

a. Deposits

Minn. Stat. §§ 118A.02 and 118A.04 authorize the City to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. § 118A.03 requires that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better, and revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to it. It is the City's policy that collateral or bonds will be required for all uninsured amounts on deposit and the additional insurance will be documented to show compliance with state law and a perfected security interest under federal law. As of December 31, 2015, the City's deposits were entirely covered by federal depository insurance or by collateral held by the City or its agent in the City's name.

b. Investments

Minn. Stat. §§ 118A.04 and 118A.05 generally authorize the following types of investments as available to the City:

- (1) securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. § 118A.04, subd. 6;
- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- (4) bankers' acceptances of United States banks;
- (5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

CITY OF WILLMAR, MINNESOTA
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Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. It is the City's policy to minimize its exposure to interest rate risk by investing in both shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time, taking into account the City's investment risk constraints, cash flow characteristics of the portfolio, and prudent investment principles.

	Fair Value	Investment Maturities in Years		
		Less than 1	1-5 Years	6-10 Years
Certificates of Deposit	\$ 3,850,753	\$ 1,693,236	\$ 2,157,517	\$ -
Federal Farm Credit Banks	5,939,524	-	-	5,939,524
Federal Home Loan Banks	13,019,559	-	-	13,019,559
Federal Home Loan Mortgage Corporation	10,980,124	-	-	10,980,124
Federal National Mortgage Association	8,636,618	-	-	8,636,618
	<u>\$ 42,426,578</u>	<u>\$ 1,693,236</u>	<u>\$ 2,157,517</u>	<u>\$ 38,575,825</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to invest only in securities that meet the ratings requirements set by state statute. The City's investments are rated as follows:

	<u>Rating</u>
Commerical Paper	A1/P1 and A1+/P1
US Government Securities	AAA
Mutual/Bond Funds	Not Rated

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities in the possession of an outside party. The City's policy is that brokers may hold City investments only to the extent that there is SIPC and excess SIPC coverage available.

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

<u>Issuer</u>	<u>Amount</u>	<u>Percent</u>
Morgan Stanley Smith Barney	\$ 6,690,912	16%
Multi-Bank Securities	\$ 2,980,370	7%
United Bank Services	\$ 14,702,256	35%
Wells Fargo	\$ 9,803,064	23%
Wells Fargo Advisors	\$ 8,249,976	19%

CITY OF WILLMAR, MINNESOTA
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Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. The City's investment policy dictates that it will diversify its investments by security type and by institution. The security types and amounts that exceed five percent of the City's total investments are as follows:

<u>Security Type</u>	<u>Amount</u>	<u>Percent</u>
Certificates of Deposit	\$ 3,850,753	9%
Federal Farm Credit Banks	\$ 5,939,524	14%
Federal Home Loan Banks	\$ 13,019,559	31%
Federal Home Loan Mortgage Corporation	\$ 10,980,124	26%
Federal National Mortgage Association	\$ 8,636,618	20%

2. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

Governmental Activities*

	<u>Balance January 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2015</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 8,557,673	\$ 28,133	\$ -	\$ 8,585,806
Construction in progress	<u>7,379,541</u>	<u>6,117,463</u>	<u>283,687</u>	<u>13,213,317</u>
Total	<u>15,937,214</u>	<u>6,145,596</u>	<u>283,687</u>	<u>21,799,123</u>
Capital assets being depreciated				
Buildings and structures	13,040,182	136,091	-	13,176,273
Furniture and equipment	2,780,406	358,810	113,342	3,025,874
Machinery and auto	8,721,534	1,018,120	679,013	9,060,641
Other improvements	<u>118,954,637</u>	<u>316,811</u>	<u>12,799</u>	<u>119,258,649</u>
Total	<u>143,496,759</u>	<u>1,829,832</u>	<u>805,154</u>	<u>144,521,437</u>
Less accumulated depreciation for:				
Buildings	4,376,167	281,630	-	4,657,797
Furniture and equipment	1,887,716	141,116	102,009	1,926,823
Machinery and equipment	3,848,350	589,887	548,455	3,889,782
Other improvements	<u>58,131,684</u>	<u>3,720,687</u>	<u>7,823</u>	<u>61,844,548</u>
Total	<u>68,243,917</u>	<u>4,733,320</u>	<u>658,287</u>	<u>72,318,950</u>
Net property and equipment	<u>\$ 91,190,056</u>	<u>\$ 3,242,108</u>	<u>\$ 430,554</u>	<u>\$ 94,001,610</u>

* Includes internal service fund capital assets

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
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2. Capital Assets (continued)

Business-Type Activities

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Business-Type Activities				
Capital assets not being depreciated				
Land	\$ 2,005,122	\$ -	\$ -	\$ 2,005,122
Construction in progress	<u>2,722,290</u>	<u>485,697</u>	<u>3,070,282</u>	<u>137,705</u>
Total	<u>4,727,412</u>	<u>485,697</u>	<u>3,070,282</u>	<u>2,142,827</u>
Capital assets being depreciated				
Buildings and structures	73,197,275	1,842,169	-	75,039,444
Furniture and equipment	515,985	-	-	515,985
Machinery and auto	6,499,749	35,784	74,418	6,461,115
Other improvements	<u>25,568,722</u>	<u>1,228,113</u>	<u>-</u>	<u>26,796,835</u>
Total	105,781,731	3,106,066	74,418	108,813,379
Less accumulated depreciation for:				
Buildings	16,961,044	1,564,961	-	18,526,005
Furniture and equipment	384,924	13,729	-	398,653
Machinery and auto	1,566,610	310,859	66,976	1,810,493
Other improvements	<u>2,659,368</u>	<u>494,239</u>	<u>-</u>	<u>3,153,607</u>
	<u>21,571,946</u>	<u>2,383,788</u>	<u>66,976</u>	<u>23,888,758</u>
Net property and equipment	<u>\$ 88,937,197</u>	<u>\$ 1,207,975</u>	<u>\$ 3,077,724</u>	<u>\$ 87,067,448</u>

Component Units

	Rice Memorial Hospital		Willmar Municipal Utilities	
	2015	2014	2015	2014
Land	\$ 2,918,000	\$ 2,918,000	\$ 1,385,907	\$ 1,385,248
Buildings	96,870,000	95,907,000	3,101,003	2,835,197
Furniture and equipment	45,936,987	42,213,000	77,975,158	76,880,419
Machinery and auto	-	-	-	-
Other improvements	1,517,000	1,498,000	-	-
Utility Plant in Service	-	-	-	-
Construction in progress	1,246,000	112,743	1,746,649	2,957,428
Less: Depreciation	<u>(87,422,000)</u>	<u>(80,888,000)</u>	<u>(53,504,862)</u>	<u>(53,646,061)</u>
	<u>\$ 61,065,987</u>	<u>\$ 61,760,743</u>	<u>\$ 30,703,855</u>	<u>\$ 30,412,231</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. Capital Assets (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$ 48,391
Public safety	239,244
Public works	4,181,473
Culture and recreation	<u>264,212</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,733,320</u>
Business-Type Activities	
Waste treatment	<u>\$ 2,383,788</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,383,788</u>

Construction Commitments

The City has active construction projects as of December 31, 2015. The projects include street improvements, airport turf runway improvements, and wastewater treatment improvements and storm water upgrades. At year end the City's commitments with contractors were as follows:

Construction Projects	Remaining Commitment
Street Projects	\$ 893,006
Airport Improvements	<u>40,000</u>
Total	<u>\$ 933,006</u>

B. Interfund Receivables, Payables and Transfers

1. Due from/Due to

Receivable fund	Payable fund	Amount
General Fund	Special Revenue - Convention & Visitors Bureau	\$ 8,000
General Fund	Special Revenue - Willmar Municipal Airport	10,123
General Fund	Enterprise - Waste Treatment Plant	250,000
Special Revenue - Industrial Development	General Fund	250,000
Special Revenue - Municipal Airport	General Fund	256,195
Special Revenue - Municipal Airport	Special Revenue - Industrial Development	3,931
Special Revenue - Community Investment	Special Revenue - Public Works Reserve	400,000
Special Revenue - Community Investment	Debt Service - Special Assessments Bonds	1,430
Special Revenue - Public Works Reserve	Enterprise - Waste Treatment Plant	418,768
Debt Service - Special Assessment Bonds	Special Revenue - Community Investment	684,866
Debt Service - Special Assessment Bonds	Capital Projects - Street, Water, Sewer	33,521
Debt Service - Airport Bond	Special Revenue - Willmar Municipal Airport	182,607
Capital Projects - Street, Water, Sewer	General Fund	147,000
Capital Projects - Surface Water	Capital Projects - Capital Improvements	83,359
Capital Projects - Airport	Special Revenue - Willmar Municipal Airport	409
Capital Projects - Capital Improvements	General Fund	1,350,509
Agency Fund - Fire Department Grant	General Fund	<u>2,963</u>
		<u>\$ 4,083,681</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following schedule briefly summarizes the City's transfer activity:

<u>Funds transferred to</u>		<u>Funds transferred from</u>	
General Fund	\$ 258,000	Nonmajor Special Revenue	\$ 8,000
		Waste Treatment	250,000
			<u>258,000</u>
Special Revenue - Industrial Develop.	250,000	Nonmajor Special Revenue Fund	250,000
Special Revenue - Community Investm.	401,430	Nonmajor Special Revenue Fund	400,000
		Special Assessments Bonds	1,430
			<u>401,430</u>
Nonmajor Special Revenue Funds	609,556	General Fund	190,788
		Waste Treatment	418,768
			<u>609,556</u>
Special Assessments Bonds	718,387	Special Revenue - Community Investment	684,866
		Capital Projects - Street, Water, Sewer	33,521
			<u>718,387</u>
Capital Projects - Street, Water, Sewer	230,000	General Fund	147,000
		Nonmajor Capital Project	83,000
			<u>230,000</u>
Nonmajor Debt Service Fund	182,607	Nonmajor Special Revenue Fund	182,607
Nonmajor Capital Projects	1,267,559	General Fund	1,350,509
		Nonmajor Special Revenue Fund	409
		Nonmajor Capital Projects	(83,359)
			<u>1,267,559</u>
Total	<u>\$ 3,917,539</u>	Total	<u>\$ 3,917,539</u>

C. Liabilities

1. Deferred Inflows of Resources

Deferred Inflows of Resources consists of taxes and special assessments receivable that are not collected soon enough after year-end to pay liabilities of the current period and prepayments that have been received but not earned.

Deferred Inflows of Resources

Unavailable Taxes	\$ 93,024
Unavailable Special Assessments	4,543,553
Unavailable Notes Receivable	355,056
Unavailable Rental Revenue	4,140
Unavailable Intergovernmental Revenue	-
	<u>\$ 4,995,773</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

C. Liabilities (continued)

2. Long-Term Debt

The long-term debt obligations outstanding at year end are summarized as follows:

	<u>Interest Rates</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Original Issue</u>	<u>Outstanding at 12/31/2015</u>
Primary Government					
Governmental Activities					
<u>G.O. Special Assessments</u>					
2005 Improvement Bond	3.25-3.65	2005	2016	\$ 3,675,000	\$ 340,000
2006 Improvement Bond	3.60-3.85	2006	2017	1,950,000	395,000
2007A Improvement Bond	3.75-4.00	2007	2018	3,285,000	975,000
2007B Improvement Bond	4	2007	2018	1,725,000	545,000
2008 Improvement Bond	3.00-4.00	2008	2019	1,530,000	605,000
2010 Improvement Bond	2.00-3.00	2010	2021	1,785,000	1,055,000
2011 Improvement Bond	.60-2.85	2011	2022	1,825,000	1,270,000
2012 Improvement Bond	2.00-2.25	2012	2023	1,460,000	1,095,000
2013 Improvement Bond	2.00-3.00	2013	2024	1,910,000	1,710,000
2014 Improvement Bond	2.17	2014	2025	1,000,000	1,000,000
2015 Improvement Bond	2.625	2015	2026	<u>1,400,000</u>	<u>1,400,000</u>
Total Special Assessment Bonds				<u>21,545,000</u>	<u>10,390,000</u>
<u>G.O. Revenue Bonds</u>					
2004 Airport Bond	2.00-4.05	2004	2020	<u>2,100,000</u>	<u>835,000</u>
Total G.O. Revenue Bonds				<u>2,100,000</u>	<u>835,000</u>
<u>Tax Increment Financing Notes</u>					
2015 Jennie-O Turkey Store		2015		<u>594,304</u>	<u>594,304</u>
Total Tax Increment Financing Notes				<u>594,304</u>	<u>594,304</u>
Total Governmental Activities				<u>\$ 24,239,304</u>	<u>\$ 11,819,304</u>
Business-Type Activities					
<u>G.O. Revenue Notes and Bonds</u>					
1997 Waste Treatment Note	3.13	1997	2017	\$ 4,300,000	\$ 558,193
2008 Waste Treatment Note	3.275	2008	2028	42,001,362	34,813,000
2008 Waste Treatment Note	0	2008	2030	7,000,000	7,000,000
2009 Waste Treatment Note	2.457	2009	2029	1,711,867	1,281,151
2009 Waste Treatment Note	3.44	2009	2038	27,663,530	24,483,000
2013 Waste Treatment Note	1.124	2013	2042	1,886,812 *	1,570,407
2014 Waste Treatment Note	1.00	2014	2034	<u>3,000,000 ^</u>	<u>2,815,054</u>
Total G.O. Revenue Notes				<u>87,563,571</u>	<u>72,520,805</u>
2004 Waste Treatment Bond	1.45-4.15	2004	2019	<u>1,410,000</u>	<u>450,000</u>
Total G.O. Revenue Notes and Bonds				<u>88,973,571</u>	<u>72,970,805</u>
Total Business-Type Activities				<u>\$ 88,973,571</u>	<u>\$ 72,970,805</u>
Total Primary Government				<u>\$ 113,212,875</u>	<u>\$ 84,790,109</u>

*Includes Undrawn Proceeds of \$304,593. Loan not finalized as of 12/31/15

^Includes Undrawn Proceeds of \$164,946. Loan not finalized as of 12/31/15

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. Long-Term Debt (continued)

	<u>Interest Rates</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Original Issue</u>	<u>Outstanding at 12/31/2015</u>
Component Units					
Municipal Utilities					
<u>Revenue Bonds</u>					
2009 Bond	3.50-5.00	2009	2025	\$ 8,120,000	\$ 6,410,000
Total Revenue Bonds				<u>8,120,000</u>	<u>6,410,000</u>
<u>G.O. Revenue Bonds</u>					
2005 Bond	3.00-3.75	2005	2016	1,290,000	155,000
Total G.O. Revenue Bonds				<u>1,290,000</u>	<u>155,000</u>
Total Municipal Utilities				<u>\$ 9,410,000</u>	<u>\$ 6,565,000</u>
Rice Memorial Hospital					
<u>Revenue Notes</u>					
2013 Care Center	3.65-15.00	2013	2034	\$ 9,100,000	\$ 8,682,200
<u>G.O. Revenue Bonds</u>					
2012 Bond	2.00-4.00	2012	2032	40,910,000	36,600,000
<u>Lease Payable</u>					
Rice Home Medical	4.5	2010	2015	301,394	1,469,185
Total Rice Memorial Hospital				<u>\$ 50,311,394</u>	<u>\$ 46,751,385</u>

3. Long-Term Debt Maturities

Long-Term Debt maturities are as follows:

<u>General Obligation Special Assessments Bonds</u>		
<u>Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,991,000	\$ 256,639
2017	1,751,000	205,128
2018	1,574,000	156,455
2019	1,070,000	120,133
2020	915,000	94,998
2021-2025	2,930,000	173,786
2026-2030	159,000	2,087
Total	<u>\$ 10,390,000</u>	<u>\$ 1,009,226</u>

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

3. Long-Term Debt Maturities (Continued)

Long-Term Debt maturities (continued):

<u>General Obligation Revenue Bonds</u>				
<u>Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 155,000	\$ 29,471	\$ 105,000	\$ 16,004
2017	160,000	23,643	110,000	11,810
2018	165,000	17,466	115,000	7,309
2019	175,000	10,790	120,000	2,490
2020	180,000	3,645	-	-
Total	<u>\$ 835,000</u>	<u>\$ 85,015</u>	<u>\$ 450,000</u>	<u>\$ 37,613</u>

<u>General Obligation Revenue Notes</u>		
<u>Year</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 2,650,563	\$ 2,074,670
2017	2,764,630	1,993,632
2018	2,803,000	1,905,717
2019	2,890,000	1,819,497
2020	3,000,000	1,730,653
2021-2025	18,157,000	7,222,965
2026-2030	28,009,151	3,546,889
2031-2035	7,604,000	1,525,141
2036-2040	4,923,000	336,986
2041-2045	189,000	3,203
Total	<u>\$ 72,990,344</u>	<u>\$ 22,159,353</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. Long-Term Debt Maturities (continued)

<u>Component Units:</u>	<u>Municipal Utilities</u>		<u>Rice Memorial Hospital</u>		
	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 615,000	\$ 298,338	\$ 1,939,000	\$ 1,799,170	
2017	550,000	277,031	1,999,800	1,737,071	
2018	575,000	255,031	2,071,300	1,664,852	
2019	600,000	229,156	2,163,200	1,573,269	
2020	625,000	202,156	2,265,900	1,469,023	
2021-2025	3,600,000	545,469	12,164,500	6,611,825	
2026-2030	-	-	14,769,800	4,002,515	
2031-2035	-	-	7,908,700	851,473	
Total	<u>\$ 6,565,000</u>	<u>\$ 1,807,181</u>	<u>\$ 45,282,200</u>	<u>\$ 19,709,198</u>	

4. Changes in Long-Term Liabilities

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>01/01/2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/2015</u>	<u>One Year</u>
Primary Government					
Governmental Activities					
G.O. Special Assessment Bonds	\$ 11,100,000	\$ 1,400,000	\$ 2,110,000	\$ 10,390,000	\$ 1,991,000
G.O. Revenue Bonds	980,000	-	145,000	835,000	155,000
TIF Note Payable-Jennie-O	-	594,304	-	594,304	-
Compensated Absences	3,739,795	404,108	227,143	3,916,760	-
Total Governmental Activities	<u>15,819,795</u>	<u>2,398,412</u>	<u>2,482,143</u>	<u>15,736,064</u>	<u>2,146,000</u>
Business-Type Activities					
G.O. Revenue Notes	74,504,698	563,244	2,547,137	72,520,805	2,547,137
G.O. Revenue Bonds	550,000	-	100,000	450,000	105,000
Total Business-Type Activities	<u>75,054,698</u>	<u>563,244</u>	<u>2,647,137</u>	<u>72,970,805</u>	<u>2,652,137</u>
Total Primary Government	<u>\$ 90,874,493</u>	<u>\$ 2,961,656</u>	<u>\$ 5,129,280</u>	<u>\$ 88,706,869</u>	<u>\$ 4,798,137</u>
Component Units					
Municipal Utilities					
Revenue Bonds	\$ 6,860,000	\$ -	\$ 450,000	\$ 6,410,000	\$ 460,000
G.O. Revenue Bonds	300,000	-	145,000	155,000	155,000
Compensated Absences	1,030,405	884,368	595,872	1,318,901	-
Net Pension Liability	-	5,634,609	2,240,059	3,394,550	-
Total Municipal Utilities	<u>8,190,405</u>	<u>6,518,977</u>	<u>3,430,931</u>	<u>11,278,451</u>	<u>615,000</u>
Rice Memorial Hospital					
G.O. Revenue Bonds	38,065,000	-	1,465,000	36,600,000	1,505,000
Revenue Notes	9,100,000	-	417,800	8,682,200	434,000
Capital Lease Payable	267,126	1,272,018	69,959	1,469,185	300,597
Total Rice Memorial Hospital	<u>47,432,126</u>	<u>1,272,018</u>	<u>1,952,759</u>	<u>46,751,385</u>	<u>2,239,597</u>
Total Component Units	<u>\$ 55,622,531</u>	<u>\$ 7,790,995</u>	<u>\$ 5,383,690</u>	<u>\$ 58,029,836</u>	<u>\$ 2,854,597</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

E. Fund Balance Detail

The following is a detail of Governmental Fund Balances at December 31, 2015:

<u>Fund</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Unassigned</u>
General Fund				
Prepays/Deposits	\$ 236,988	\$ -	\$ -	\$ -
Working Capital	-	-	4,000,000	-
Year 2016	-	-	1,090,296	-
Year 2017	-	-	1,396,991	-
Retirees Sick Leave Held	-	-	156,783	-
Self-Insurance	-	-	781,916	-
Petty Cash	-	-	2,650	-
Current Employees Ins BuyOut	-	-	1,248,720	-
Current Employees Sick Leave	-	-	1,985,576	-
Current Employees Vacation	-	-	401,674	-
Retiree Insurance Buy Out	-	-	280,790	-
Next Year's Budget	-	-	1,300,000	-
Current Year Emergency	-	-	1,300,000	-
Capital Improvements	-	-	-	-
Special Revenue Funds				
Industrial Development	-	-	1,020,190	-
Industrial Development-CP Airport	-	-	17,111	-
CVB-Prepays	13,416	-	-	-
CVB	-	-	211,803	-
CVB-Petty Cash	-	-	50	-
Willmar Municipal Airport	6,728	-	77,199	-
Library Improvement Reserve	-	-	175,634	-
Community Investment	-	8,232,866	-	-
Community Investment-PIR	-	-	750,000	-
Public Works Reserve	-	-	915,395	-
Law Enforcement Forfeiture Fund	-	59,955	-	-
Law Enforcement Explorer Fund	-	1,339	-	-
Debt Service Funds				
Special Assessments Funds	548,760	4,605,598	-	-
Nonmajor Airport Debt Service	171,150	-	-	(12,899)
Nonmajor TIF Debt Service	-	1,044	-	-
Capital Projects Funds				
Street Projects	-	-	3,892,515	-
Nonmajor Capital Improvements	-	-	-	-
Surface Water	-	-	1,844	-
Stormwater	-	-	213,545	-
Year 2014	-	-	304,373	-
Year 2015	-	-	511,809	-
Year 2016	-	-	744,460	-
CVB	-	-	5,500	-
Permanent Funds	30,000	4,909	-	-
Totals	\$ 1,007,042	\$ 12,905,711	\$ 22,786,824	\$ (12,899)

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 4 DEFINED BENEFIT PENSION PLANS

A. Plan Description

The City of Willmar participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City of Willmar are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

2. Public Employees Police and Fire Fund (PEPFF)

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

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

1. GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan members is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equals 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

2. PEPFF Benefits

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equals at least 90.

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 4 DEFINED BENEFIT PENSION PLANS (Continued)

B. Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. GERF Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.50%, respectively, of their annual covered salary in calendar year 2015. The City of Willmar was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2015. The City of Willmar's contributions to the GERF for the year ended December 31, 2015, were \$265,540. The City of Willmar's contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2015. The City of Willmar was required to contribute 16.20% of pay for PEPFF members in calendar year 2015. The City of Willmar's contributions to the PEPFF for the year ended December 31, 2015, were \$359,668. The City of Willmar's contributions were equal to the required contributions as set by state statute.

C. Pension Costs

1. GERF Pension Cost

At December 31, 2015, the City of Willmar reported a liability of \$3,187,249 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Willmar's proportion of the net pension liability was based on the City of Willmar's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City of Willmar's proportion was .0615% which was an decrease of .0064% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City of Willmar recognized pension expense of \$348,857 for its proportionate share of the GERF's pension expense.

At December 31, 2015, the City of Willmar reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual investment earnings	\$ 301,722	\$ -
Differences between expected and actual economic experience	-	160,692
Changes in proportion and differences between contributions made and City's proportionate share of contributions	-	225,480
City's contributions to GERF subsequent to the measurement date	<u>132,275</u>	<u>-</u>
Totals	<u>\$ 433,997</u>	<u>\$ 386,172</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 4 DEFINED BENEFIT PENSION PLANS (Continued)

\$132,275 reported as deferred outflows of resources related to pensions resulting from City of Willmar contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2016	\$ (53,293)
2017	\$ (53,293)
2018	\$ (53,294)
2019	\$ 75,430

2. PEPFF Pension Costs

At December 31, 2015, the City of Willmar reported a liability of \$2,726,962 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Willmar's proportion of the net pension liability was based on the City of Willmar's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City of Willmar's proportion was .240% which was a decrease of .008% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City of Willmar recognized pension expense of \$455,710 for its proportionate share of the PEPFF's pension expense. The City of Willmar also recognized \$21,600 for the year ended December 31, 2015, as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

At December 31, 2015, the City of Willmar reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	\$ 475,128	\$ -
Differences between expected and actual economic experience	-	442,224
Changes in proportion and differences between contributions made and City's proportionate share of contributions	-	72,003
City's contributions to PEPFF subsequent to the measurement date	179,676	-
Totals	\$ 654,804	\$ 514,227

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 4 DEFINED BENEFIT PENSION PLANS (Continued)

\$179,676 reported as deferred outflows of resources related to pensions resulting from City of Willmar contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2016	\$ 15,937
2017	\$ 15,937
2018	\$ 15,937
2019	\$ (102,845)

E. Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Active Member Payroll Growth	3.50% per year
Investment Rate of Return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Benefit increases for retirees are assumed to be 1% effective every January 1st through 2026 and 2.5% thereafter.

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of actuarial experience studies. The experience study in the GERP was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. Experience studies have not been prepared for PERA's other plans, but assumptions are reviewed annually.

There were no changes in actuarial assumptions in 2015.

The long-term expected rate of return on pension plan investments is 7.9%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	45%	5.50%
International Stocks	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 4 DEFINED BENEFIT PENSION PLANS (Continued)

F. Discount Rate

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

The following presents the City of Willmar's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City of Willmar's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.9%)	Discount Rate (7.9%)	1% Increase in Discount Rate (8.9%)
City's proportionate share of the GERS net pension liability	\$ 5,011,489	\$ 3,187,249	\$ 1,680,708
City's proportionate share of the PEPFF net pension liability	\$ 5,314,877	\$ 2,726,962	\$ 588,893

H. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

NOTE 5 DEFINED BENEFIT PENSION PLANS – STATEWIDE VOLUNTEER FIREFIGHTERS FUND

Plan Description

The Willmar Fire Department participates in the Statewide Volunteer Firefighter Retirement Plan (SVF), an agent multiple-employer lump-sum defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). The SVF plan covers volunteer firefighters of municipal fire departments or independent nonprofit firefighting corporations that have elected to join the plan. As of December 31, 2014, the plan covered 31 active firefighters and 11 vested terminated fire fighters whose pension benefits are deferred. The plan is established and administered in accordance with Minnesota Statutes, Chapter 353 G.

Benefits Provided

The SVF provides lump-sum retirement, death, and supplemental benefits to covered firefighters and survivors. Benefits are paid based on the number of years of service multiplied by a benefit level per year of service approved by the City. The benefit is selected from 71 possible levels in \$100 increments ranging from \$500 to \$7,500 per year of service. Members are eligible for a lump-sum retirement benefit at 50 years of age with five years of service. Plan provisions include a pro-rated vesting schedule that increases from 5 years at 40% through 20 years at 100%.

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 5 DEFINED BENEFIT PENSION PLANS – STATEWIDE VOLUNTEER FIREFIGHTERS FUND (Continued)

Contributions

The SVF is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota Statutes. The State of Minnesota contributed \$98,932 in fire state aid to the plan on behalf of the Willmar Fire Department for the year ended December 31, 2014, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. The City's statutorily-required contributions to the SVF plan for the year ended December 31, 2015, were \$0. The City's contributions were equal to the required contributions as set by state statute.

Pension Costs

At December 31, 2015, the City reported a net pension asset of \$309,230 for the SVF plan. The net pension asset was measured as of December 31, 2014. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the fire department as of December 31, 2014. The following table presents the changes in net pension asset during the year.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Beginning Balance 12/31/13	\$ 805,639	\$ 1,089,392	\$ (283,753)
Changes for the Year			
Service Cost	30,527	-	30,527
Interest on Pension Liability	47,764	-	47,764
Actuarial Experience (Gains)/Losses	63,633	-	63,633
Projected Investment Earnings	-	65,364	(65,364)
Contributions (Employer)	-	-	-
Contributions (State)	-	99,932	(99,932)
Asset (Gain)/Loss	-	3,455	(3,455)
Benefit Payouts	(80,200)	(80,200)	-
PERA Administrative Fee	-	(1,350)	1,350
Net Changes	<u>61,724</u>	<u>87,201</u>	<u>(25,477)</u>
Balance End of Year 12/31/14	<u>\$ 867,363</u>	<u>\$ 1,176,593</u>	<u>\$ (309,230)</u>

There were no benefit provision changes during the measurement period.

For the year ended December 31, 2015, the City recognized pension expense of \$26,313.

At December 31, 2015, the City reported deferred outflows and deferred inflows related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual investment earnings	\$ -	\$ 2,764
Differences between expected and actual economic experience	<u>50,906</u>	<u>-</u>
Totals	<u>\$ 50,906</u>	<u>\$ 2,764</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 5 DEFINED BENEFIT PENSION PLANS – STATEWIDE VOLUNTEER FIREFIGHTERS FUND (Continued)

Pension Costs (Continued)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2016	\$ 12,036
2017	\$ 12,036
2018	\$ 12,036
2019	\$ 12,036

Actuarial Assumptions

The total pension liability at December 31, 2014, was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

- Retirement eligibility at the later of age 50 or 20 years of service
- Investment rate of return of 6.0%
- Inflation rate of 3.0%

There were no changes in actuarial assumptions in 2014.

Discount Rate

The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that contributions to the SVF plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents the City’s net pension asset for the SVF plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City’s net pension asset would be if it were calculated using a discount rate 1% lower or 1% higher than the current discount rate:

	1% Decrease in Discount Rate (6.9%)	Discount Rate (7.9%)	1% Increase in Discount Rate (8.9%)
Net Pension Asset	\$ (281,450)	\$ (309,230)	\$ (336,172)

Plan Investments

Investment Policy:

The Minnesota State Board of Investment (SBI) is established by Article XI of the Minnesota Constitution to invest all state funds. Its membership as specified in the Constitution is comprised of the Governor (who is designated as chair of the Board), State Auditor, Secretary of State and State Attorney General. All investments

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 5 DEFINED BENEFIT PENSION PLANS – STATEWIDE VOLUNTEER FIREFIGHTERS FUND (Continued)

Plan Investments (Continued)

Investment Policy (Continued):

undertaken by the SBI are governed by the prudent person rule and other standards codified in *Minnesota Statutes*, Chapter 11A and Chapter 356A. Within the requirements defined by state law, the SBI, with assistance of the SBI staff and the Investment Advisory Council, establishes investment policy for all funds under its control. These investments policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. Studies guide the on-going management of the funds and are updated periodically.

Asset Allocation:

To match the long-term nature of the pension obligations, the SBI maintains a strategic asset allocation for the Statewide Volunteer Firefighter Retirement Plan (VOLP) that includes allocations to domestic equity, international equity, bonds and cash equivalents. The long-term target asset allocation and long-term expected real rate of return is the following:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Stocks	35%	5.50%
International Stocks	15%	6.00%
Bonds	45%	1.45%
Cash	5%	0.50%

The 6% long-term expected rate of return on pension plan investments was determined using a building-block method. Best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using both long-term historical returns and long-term capital market expectations. The asset class estimates and the target allocations were then combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

Description of significant investment policy changes during the year: The SBI made no significant changes to their investment policy during Fiscal Year 2015 for the Statewide Volunteer Firefighter Retirement Plan.

Pension Plan Fiduciary Net Position

Detailed information about the SVF plan’s fiduciary net position as of June 30, 2015, is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

NOTE 6 DEFINED CONTRIBUTION PLAN

Nine council members and mayor, of the City of Willmar are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 6 DEFINED CONTRIBUTION PLAN (Continued)

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.0025) of the assets in each member's account annually.

Total contributions made by the City of Willmar during fiscal year 2015 were: \$-0-

NOTE 7 OTHER POST EMPLOYMENT BENEFITS

Primary Government

The City has not adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB) as it relates to the Primary Government. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

Component Units

Willmar Municipal Utilities

In 2015, the Utilities began contributing to the single-employer defined benefit plan ("the Plan") that provides health, dental, and life insurance to eligible employees and their families through the Utilities commercial insurance plans. There are 60 active participants and 10 retired participants. Benefit and eligibility provisions are established through negotiations between the Utilities and employee groups including a union. The union contract is renegotiated each two-year bargaining period. The Plan does not issue a publicly available financial report.

Contribution requirements are negotiated between the Utilities and employees. The Utilities contributed 0% - 100% of the cost of current-year premiums for eligible retired plan members and their spouses. For 2015, the Utilities contributed \$157,825 to the Plan. The Plan is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The Utilities annual other postemployment benefit (OPEB) costs (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs for each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (Continued)

Component Units/Willmar Municipal Utilities (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The following table shows the components of the Utilities' net OPEB obligation.

Annual Required Contribution	\$ 218,515
Interest on Net OPEB Obligation	8,669
Adjustment to Annual Required Contribution	<u>(12,533)</u>
Annual OPEB Cost (Expense)	214,651
Contributions Made	<u>157,825</u>
Increase (Decrease) in Net OPEB Obligation	56,826
Net OPEB Liability - Beginning of Year	<u>216,720</u>
Net OPEB Liability - End of Year	<u>273,546</u>

The Utilities annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan and the net OPEB asset for 2015 was:

<u>Fiscal</u> <u>Year Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Annual</u> <u>Plan Sponsor</u> <u>Contribution</u>	<u>Percentage</u> <u>of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Liability</u>
2015	\$ 214,651	\$ 157,825	73.5%	\$ 273,546

Funding Status

As of December 31, 2014, the most recent actuarial valuation date, the Utilities' unfunded actuarial accrued liability (UAAL) was \$1,801,808. The covered payroll (annual payroll of active employees covered by the Plan) was \$3,999,640 and the ratio of the UAAL to the covered payroll of 45.0%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with the past expectations and the new estimates are made about the future.

Rice Memorial Hospital

As of December 31, 2008 the Hospital implemented the requirements of Governmental Accounting Standards Board (GASB) No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*. Qualified employees may choose to participate in the Hospital's insurance plan after retirement, with no contribution from the Hospital. The Hospital provides these benefits to retirees as required by Minnesota Statute 471.61 subdivision 2b. As of December 31, 2015, there were approximately 714 active employees subject to potential future benefit and 18 retirees receiving benefits from the Hospital's health insurance plan. The Hospital has chosen to fund the retiree medical plan on a pay-as-you-go basis.

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Component Units/Rice Memorial Hospital (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Hospital's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Hospital's annual OPEB cost as of December 31, 2015, and 2014, the amount actually contributed to the insurance plan, and changes in the Hospital's net OPEB obligation:

	2015	2014
Net OPEB, Beginning of Year	\$ 1,502,017	\$ 1,272,356
Activity During the Year:		
Annual Required Contribution (ARC)	387,678	376,047
Interest on Net OPEB Obligation	60,081	50,894
Adjustments to ARC	(86,862)	(73,580)
Contributions during the fiscal year	(155,391)	(123,700)
Increase in Net OPEB Obligation	205,506	229,661
Net OPEB, End of the Year	\$ 1,707,523	\$ 1,502,017

The Hospital's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation consist of the following:

	OPEB Cost	Contribution	Contribution	Obligation
12/31/2013	\$ 293,491	\$ 139,365	47.49%	\$ 1,272,356
12/31/2014	\$ 353,361	\$ 123,700	35.01%	\$ 1,502,017
12/31/2015	\$ 360,897	\$ 155,391	43.06%	\$ 1,707,523

Funding Status

The Hospital provides to retirees the option to participate in the Hospital's health insurance plan after retirement, with no contribution from the Hospital. The Hospital currently has 18 retirees receiving benefits from the Hospital's health plan.

**CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

NOTE 7 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Component Units/Rice Memorial Hospital/Funding Status (Continued)

The Hospital currently has no assets that have been irrevocably deposited in a trust for future health benefits. Therefore, the actuarial value of the assets is \$-0- at December 31, 2014. The following is a summary of the funding status at January 1, 2014, the most recent actuarial valuation date:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
\$ -	\$ 2,735,839	\$ 2,735,839	0.00%	\$ 38,490,496	7.10%

NOTE 8 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT) which is a risk sharing pool with approximately 800 other governmental units. This City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

The workers' compensation policy is a retrospectively rated policy with premiums that accrue based on the ultimate cost of the experience to date. There is no way to estimate what the change in premium may be. Generally, it has been minimal.

NOTE 9 CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 10 LEASE AGREEMENTS

The City has entered into an agreement with Kandiyohi County to lease space for the Willmar Police Department. The term of the lease is 20 years commencing October 2000. The agreement requires annual payments of \$175,000.

Future minimum lease payments are:

2016	175,000
2017	175,000
2018	175,000
2019	175,000
2020	175,000
	<u>175,000</u>
	<u>\$ 875,000</u>

CITY OF WILLMAR, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

NOTE 11 JOINTLY-GOVERNED ORGANIZATIONS

Kandiyohi County and City of Willmar Economic Development Commission

The EDC was established on July 1, 2003, by a joint-powers agreement between Kandiyohi County and the City of Willmar by resolution pursuant to Minn. Laws 1989, First Special Session, ch. 1, Art. 17, § 21. The EDC was set up to encourage, attract, promote, and develop economically sound industry and commerce within the County and City. The EDC has six members. Kandiyohi County appoints three members, and the City of Willmar appoints three members of the EDC. Each member is appointed to serve for three years. Complete financial information for the EDC can be obtained at Kandiyohi County and City of Willmar Economic Development Commission, 333 Litchfield Avenue S.W., P. O. Box 1783, Willmar, Minnesota 56201.

Central Community Transit (CCT)

Kandiyohi Area Transit was established on October 20, 1998 by a joint powers agreement between Kandiyohi County and the City of Willmar. Effective January 1, 2015, Kandiyohi Area Transit combined with Renville County Heartland Express to form Central Community Transit (CCT). The CCT Board is made up of two members appointed by Kandiyohi County, two members appointed by the City of Willmar, one elected official from other local governments in Kandiyohi County, and two members appointed from Renville County. Complete financial information for CCT can be obtained at Central Community Transit, 1320 22nd Street SW, Willmar, Minnesota 56201.

NOTE 12 SUBSEQUENT EVENTS

In preparing these financial statements, the City of Willmar, Minnesota, has evaluated events and transactions for the potential recognition or disclosure through June 30, 2016, the date the financial statements were available to be issued.

NOTE 13 PRIOR PERIOD ADJUSTMENT

As of January 1, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. This implementation requires the City to report its proportionate share of collective net pension liability, deferred inflows of resources and deferred outflows of resources, and pension expense and to reflect an actuarially determine liability for the present value of projected future benefits for retired and active employees less the pension plan's fiduciary net position on the financial statements.

The beginning net position of the governmental activities and business-type activities has been adjusted \$4,769,867 and \$514,428, respectively, to reflect this change in accounting principle.

BUDGET AND ACTUAL SCHEDULES

City of Willmar, Minnesota
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
GENERAL PROPERTY TAXES				
Current Ad Valorem	\$ 4,451,028	\$ 4,451,028	\$ 4,373,956	\$ (77,072)
Delinquent Ad Valorem	70,000	70,000	98,147	28,147
Franchise Fees	250,000	250,000	285,792	35,792
TOTAL TAXES	4,771,028	4,771,028	4,757,895	(13,133)
LICENSES/PERMITS				
Business License/Permit	55,675	55,675	61,075	5,400
Non-Business License/Permit	272,700	278,700	413,832	135,132
TOTAL LICENSES & PERMITS	328,375	334,375	474,907	140,532
INTERGOVERNMENTAL				
FEDERAL GOVERNMENT				
Federal Grant	500	500	984	484
STATE GRANTS				
Local Government Aid	4,489,313	4,489,313	4,489,313	-
Police Department Aid	210,000	210,000	237,939	27,939
P.E.R.A. Aid	172,146	172,146	172,146	-
State Grant	8,000	25,500	67,571	42,071
Fire Department Aid	-	-	-	-
Shared Highway User Tax	238,000	238,000	276,906	38,906
Local Performance Aid	-	-	-	-
COUNTY GRANTS				
Kandiyohi County Highways	3,795	3,795	3,795	-
Kandiyohi County	9,000	9,000	17,281	8,281
SCHOOL DISTRICT #347				
School Liaison Officer	147,000	147,000	147,000	-
TOTAL INTERGOVERNMENTAL	5,277,754	5,295,254	5,412,935	117,681
SERVICE CHARGES				
General Government	16,800	16,800	18,770	1,970
Public Safety	218,300	218,300	201,471	(16,829)
Buildings & Grounds	23,700	23,700	31,240	7,540
Civic Center	289,100	289,100	341,882	52,782
Leisure Services	163,600	163,600	163,711	111
Highways & Streets	12,100	12,100	9,550	(2,550)
Community Center	13,250	13,250	9,156	(4,094)
Transportation (Airport)	25,000	25,000	-	(25,000)
TOTAL SERVICE CHARGES	761,850	761,850	775,780	13,930
FINES AND FORFEITS				
Other Fines and Forfeits	-	-	-	-
Court Fines	105,000	105,000	121,134	16,134
Parking Violations	18,000	18,000	25,613	7,613
Solid Waste Citations	-	-	130	130
Impounding Fees	29,000	29,000	42,805	13,805
TOTAL FINES & FORFEITS	152,000	152,000	189,682	37,682
SPECIAL ASSESSMENTS				
Special Assessments	1,700	1,700	2,384	684
TOTAL SPECIAL ASSESSMENTS	1,700	1,700	2,384	684

See notes to required supplementary information.

City of Willmar, Minnesota
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES (Con't)				
MISCELLANEOUS REVENUE				
Miscellaneous	110,500	110,500	95,416	(15,084)
Interest Earnings	150,000	150,000	126,279	(23,721)
Sale of Fixed Assets	35,000	35,000	58,185	23,185
Sale of Materials	65,000	65,000	48,868	(16,132)
City Auditorium Rents	5,000	5,000	-	(5,000)
Other Rents	-	22,381	25,432	3,051
Market Value Increase/(Decrease)	-	-	24,072	24,072
Insurance Reimbursements	230,000	230,000	130,489	(99,511)
Insurance Pass Through	350,000	350,000	318,325	(31,675)
Restitution	-	-	-	-
TOTAL MISCELLANEOUS	945,500	967,881	827,066	(140,815)
 TOTAL REVENUE	 12,238,207	 12,284,088	 12,440,649	 156,561
 EXPENDITURES				
GENERAL GOVERNMENT				
City Administrator				
Personal Services	251,708	251,708	286,788	(35,080)
Supplies	1,525	1,525	1,098	427
Other Services & Charges	5,500	5,500	9,967	(4,467)
Total	258,733	258,733	297,853	(39,120)
 Mayor and Council				
Personal Services	79,150	79,150	76,182	2,968
Supplies	3,950	3,950	2,858	1,092
Other Services & Charges	115,758	115,758	115,514	244
Total	198,858	198,858	194,554	4,304
 Planning & Development				
Personal Services	459,036	459,036	483,360	(24,324)
Supplies	9,750	9,750	7,014	2,736
Other Services & Charges	30,500	30,500	35,268	(4,768)
Total	499,286	499,286	525,642	(26,356)
 City Clerk/Treasurer				
Personal Services	241,284	185,147	211,684	(26,537)
Supplies	6,850	6,850	6,055	795
Other Services & Charges	4,545	4,545	3,090	1,455
Total	252,679	196,542	220,829	(24,287)
 Assessing				
Personal Services	253,676	253,676	184,409	69,267
Supplies	3,785	3,785	6,559	(2,774)
Other Services & Charges	10,650	10,650	39,487	(28,837)
Total	268,111	268,111	230,455	37,656
 Accounting				
Personal Services	351,363	351,363	335,407	15,956
Supplies	6,550	6,550	4,771	1,779
Other Services & Charges	31,100	31,100	28,618	2,482
Total	389,013	389,013	368,796	20,217

See notes to required supplementary information.

City of Willmar, Minnesota
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Con't)				
GENERAL GOVERNMENT (Con't)				
Legal				
Other Services & Charges	250,000	250,000	284,692	(34,692)
Total	250,000	250,000	284,692	(34,692)
City Hall				
Personal Services	48,555	48,555	61,627	(13,072)
Supplies	20,450	20,450	11,376	9,074
Other Services & Charges	48,700	48,700	59,974	(11,274)
Other Disbursements	-	-	770	(770)
Total	117,705	117,705	133,747	(16,042)
Information Technology				
Personal Services	295,892	295,892	281,493	14,399
Supplies	49,460	49,460	56,820	(7,360)
Other Services & Charges	160,875	160,875	143,154	17,721
Total	506,227	506,227	481,467	24,760
Elections & Voters Registration				
Personal Services	5,697	20,863	20,337	526
Supplies	50	50	1,354	(1,304)
Other Services & Charges	2,040	2,040	8,601	(6,561)
Total	7,787	22,953	30,292	(7,339)
Non-Departmental Expenses				
Personal Services	25,000	25,000	10,027	14,973
Supplies	-	-	-	-
Other Charges/Services	310,000	310,000	372,159	(62,159)
Insurances	2,129	2,129	-	2,129
Labor Negotiator	-	-	-	-
Severance	-	-	30,508	(30,508)
Deferred Compensation	-	-	-	-
Re-Employment Insurance	5,000	5,000	2,656	2,344
Retired Employees Insurance	120,000	120,000	94,343	25,657
Insurance Pass Through	350,000	350,000	288,927	61,073
Downtown Items	-	-	-	-
Workers Comp Self Insurance	-	-	-	-
Insurance Deductible	100,000	100,000	5,633	94,367
Refunds Paid	200,000	177,487	228,066	(50,579)
Total	1,112,129	1,089,616	1,032,319	57,297
TOTAL GENERAL GOVERNMENT	3,860,528	3,797,044	3,800,646	(3,602)
PUBLIC SAFETY				
Police Department				
Personal Services	3,522,337	3,522,337	3,484,210	38,127
Supplies	243,550	243,550	151,062	92,488
Other Services & Charges	142,295	142,295	154,558	(12,263)
Debt Redemption	228,000	228,000	222,900	5,100
Other Disbursements	-	-	395	(395)
Total	4,136,182	4,136,182	4,013,125	123,057

See notes to required supplementary information.

City of Willmar, Minnesota
 General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Con't)				
PUBLIC SAFETY (Con't)				
Fire Department				
Personal Services	472,891	490,391	414,872	75,519
Supplies	99,250	99,250	84,307	14,943
Other Services & Charges	99,563	95,538	133,088	(37,550)
Total	<u>671,704</u>	<u>685,179</u>	<u>632,267</u>	<u>52,912</u>
Non-Departmental Expenses				
Personal Services	-	-	-	-
Civil Defense	5,000	5,000	20,212	(15,212)
Safety Program	10,000	10,000	9,542	458
Refunds Paid	-	-	6,459	(6,459)
Total	<u>15,000</u>	<u>15,000</u>	<u>36,213</u>	<u>(21,213)</u>
TOTAL PUBLIC SAFETY	<u>4,822,886</u>	<u>4,836,361</u>	<u>4,681,605</u>	<u>154,756</u>
PUBLIC WORKS				
Engineering				
Personal Services	528,252	528,252	423,091	105,161
Supplies	10,950	10,950	6,200	4,750
Other Services & Charges	63,850	63,850	48,061	15,789
Total	<u>603,052</u>	<u>603,052</u>	<u>477,352</u>	<u>125,700</u>
Public Works				
Personal Services	1,603,115	1,603,115	1,630,301	(27,186)
Supplies	528,700	534,170	476,995	57,175
Other Services & Charges	342,900	342,900	309,582	33,318
Total	<u>2,474,715</u>	<u>2,480,185</u>	<u>2,416,878</u>	<u>63,307</u>
Transit				
Other Services & Charges	20,000	20,000	20,000	-
Total	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Non-Departmental Expenses				
Supplies	-	-	-	-
Other Services & Charges	2,000	2,000	837	1,163
Total	<u>2,000</u>	<u>2,000</u>	<u>837</u>	<u>1,163</u>
TOTAL PUBLIC WORKS	<u>3,099,767</u>	<u>3,105,237</u>	<u>2,915,067</u>	<u>190,170</u>
NON-DEPARTMENTAL EXPENSES				
Social Services				
Meals on Wheels	-	-	-	-
TOTAL NON-DEPARTMENTAL EXPENSE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CULTURE & RECREATION				
Library				
Other Services & Charges	497,643	497,643	490,357	7,286
Total	<u>497,643</u>	<u>497,643</u>	<u>490,357</u>	<u>7,286</u>
Auditorium				
Personal Services	-	-	983	(983)
Supplies	16,700	16,700	24,235	(7,535)
Other Services & Charges	39,150	39,150	61,657	(22,507)
Total	<u>55,850</u>	<u>55,850</u>	<u>86,875</u>	<u>(31,025)</u>

See notes to required supplementary information.

City of Willmar, Minnesota
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the fiscal year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (Con't)				
CULTURE & RECREATION (Con't)				
Non-Department Expenses				
Civic Promotion	114,000	120,000	113,269	6,731
Total	<u>114,000</u>	<u>120,000</u>	<u>113,269</u>	<u>6,731</u>
Park Development				
Supplies	-	-	2,151	(2,151)
Total	<u>-</u>	<u>-</u>	<u>2,151</u>	<u>(2,151)</u>
Leisure Services				
Personal Services	232,377	232,377	154,011	78,366
Supplies	21,650	21,650	20,796	854
Other Services & Charges	218,329	218,329	216,892	1,437
Total	<u>472,356</u>	<u>472,356</u>	<u>391,699</u>	<u>80,657</u>
Civic Center - Ice Arena				
Personal Services	338,267	338,267	281,210	57,057
Supplies	80,600	80,600	97,443	(16,843)
Other Services & Charges	174,726	174,726	170,468	4,258
Other Disbursements	-	-	1,824	(1,824)
Total	<u>593,593</u>	<u>593,593</u>	<u>550,945</u>	<u>42,648</u>
Community Center				
Personal Services	58,285	58,285	25,904	32,381
Supplies	16,050	16,050	20,340	(4,290)
Other Services & Charges	35,650	35,650	27,690	7,960
Total	<u>109,985</u>	<u>109,985</u>	<u>73,934</u>	<u>36,051</u>
Aquatics Center				
Personal Services	110,325	110,325	111,172	(847)
Supplies	41,000	41,000	45,170	(4,170)
Other Services & Charges	34,397	34,397	28,916	5,481
Other Disbursements	-	-	412	(412)
Total	<u>185,722</u>	<u>185,722</u>	<u>185,670</u>	<u>52</u>
TOTAL CULTURE & RECREATION	<u>2,029,149</u>	<u>2,035,149</u>	<u>1,894,900</u>	<u>140,249</u>
TOTAL EXPENDITURES	<u>13,812,330</u>	<u>13,773,791</u>	<u>13,292,218</u>	<u>481,573</u>
Excess of Revenues Over Expenditures	<u>(1,574,123)</u>	<u>(1,489,703)</u>	<u>(851,569)</u>	<u>638,134</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,896,342	2,896,342	2,852,971	(43,371)
Transfers Out	(1,921,386)	(1,942,322)	(1,938,297)	4,025
Total Other Financing Sources (Uses)	<u>974,956</u>	<u>954,020</u>	<u>914,674</u>	<u>(39,346)</u>
Net Change in Fund Balances	(599,167)	(535,683)	63,105	598,788
Fund Balances - Beginning	14,119,279	14,119,279	14,119,279	-
Fund Balances - Ending	<u>\$ 13,520,112</u>	<u>\$ 13,583,596</u>	<u>\$ 14,182,384</u>	<u>\$ 598,788</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Industrial Development Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous Revenue				
Sale of Fixed Assets	\$ -	\$ -	\$ -	\$ -
Rental of Land	-	-	-	-
Interest Earnings	-	-	140,868	140,868
Market Value Incr/(Decr)	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>140,868</u>	<u>140,868</u>
EXPENDITURES				
Supplies	-	-	-	-
Other Services/Charges	-	-	-	-
Capital Outlay	-	-	11,210	(11,210)
Total Expenditures	<u>-</u>	<u>-</u>	<u>11,210</u>	<u>(11,210)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>129,658</u>	<u>129,658</u>
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	250,000	250,000
Transfer Out - C.P. 2014	(3,222,549)	(3,222,549)	-	3,222,549
Transfer Out - Capital Improvements	-	-	-	-
Transfer Out - C.P. 2013	-	-	-	-
Transfer Out - C.P. Waste Treatment	-	-	-	-
Total Other Financing Sources (Uses)	<u>(3,222,549)</u>	<u>(3,222,549)</u>	<u>250,000</u>	<u>3,472,549</u>
Net Change in Fund Balances	(3,222,549)	(3,222,549)	379,658	3,602,207
Fund Balance - Beginning	657,643	657,643	657,643	-
Fund Balance - Ending	<u>\$ (2,564,906)</u>	<u>\$ (2,564,906)</u>	<u>\$ 1,037,301</u>	<u>\$ 3,602,207</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Convention & Visitors' Bureau Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
General Taxes				
Hotel-Motel Tax	\$ 170,000	\$ 170,000	\$ 240,825	\$ 70,825
Intergovernmental				
State Tourism Grant	7,000	7,000	4,057	(2,943)
Kandiyohi County Camping Fees	14,500	14,500	14,785	285
Kandiyohi County Phone Reimb	1,000	1,000	-	(1,000)
Kandiyohi County Tourism Partner.	34,000	34,000	34,000	-
Total Intergovernmental	56,500	56,500	52,842	(3,658)
Service Charges	2,000	2,000	2,040	40
Miscellaneous Revenue				
Interest Earnings	-	-	4,070	4,070
Market Value Increase/(Decrease)	-	-	4,099	4,099
Miscellaneous	-	-	3,491	3,491
Total Miscellaneous Revenue	-	-	11,660	11,660
Total Revenue	228,500	228,500	307,367	78,867
EXPENDITURES				
Personal Services	106,000	106,000	110,153	(4,153)
Supplies	7,700	7,700	7,014	686
Other Services and Charges	31,000	31,000	37,996	(6,996)
Tourism	34,000	34,000	39,171	(5,171)
Ad Development	300	300	40	260
Conference & Convention	22,000	22,000	22,318	(318)
Group Tour Promotions	1,500	1,500	1,500	-
Leisure Travel	25,000	25,000	29,724	(4,724)
Fall/Winter Promotions	6,500	6,500	7,166	(666)
Refunds & Reimbursements	-	-	-	-
Special Projects	5,000	5,000	2,250	2,750
Strategic Marketing	4,000	4,000	4,614	(614)
Total Expenditures	243,000	243,000	261,946	(18,946)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,500)	(14,500)	45,421	59,921
OTHER FINANCING SOURCES (USES)				
Transfers Out - General	(8,500)	(8,500)	(8,000)	500
Total Other Financing Sources (Uses)	(8,500)	(8,500)	(8,000)	500
Net Change in Fund Balances	(23,000)	(23,000)	37,421	60,421
Fund Balance - Beginning	187,848	187,848	187,848	-
Fund Balance - Ending	\$ 164,848	\$ 164,848	\$ 225,269	\$ 60,421

See notes to required supplementary information.

City of Willmar, Minnesota
Community Development Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Intergovernmental				
Federal Grants	\$ -	\$ -	\$ 290,519	\$ 290,519
State Grants	-	-	-	-
Total Intergovernmental	-	-	290,519	290,519
Miscellaneous Revenue	-	-	-	-
Total Revenue	-	-	290,519	290,519
EXPENDITURES				
Other Services/Charges	-	-	290,519	(290,519)
Total Expenditures	-	-	290,519	(290,519)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

See notes to required supplementary information.

City of Willmar, Minnesota
Willmar Municipal Airport Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental				
Federal Grant	-	-	-	-
State Airport Aid	51,636	51,636	58,794	7,158
Total Intergovernmental	51,636	51,636	58,794	7,158
Service Charges				
Rental Income	160,000	160,000	191,455	31,455
Fuel Sales	10,000	10,000	15,634	5,634
Total Service Charges	170,000	170,000	207,089	37,089
Miscellaneous Revenue				
Interest Earnings	-	-	236	236
Market Value Increase/(Decrease)	-	-	187	187
Miscellaneous	-	-	65	65
Total Miscellaneous Revenue	-	-	488	488
Total Revenue	221,636	221,636	266,371	44,735
EXPENDITURES				
Personal Services	2,000	2,000	1,521	479
Supplies	21,250	21,250	7,672	13,578
Other Services and Charges	223,000	223,000	225,286	(2,286)
Total Expenditures	246,250	246,250	234,479	11,771
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,614)	(24,614)	31,892	56,506
OTHER FINANCING SOURCES (USES)				
Transfers In - General Fund	190,788	190,788	190,788	-
Transfers Out - C.P. Airport	(180,000)	(180,000)	(183,016)	(3,016)
Total Other Financing Sources (Uses)	10,788	10,788	7,772	(3,016)
Net Change in Fund Balances	(13,826)	(13,826)	39,664	53,490
Fund Balance - Beginning	44,263	44,263	44,263	-
Fund Balance - Ending	\$ 30,437	\$ 30,437	\$ 83,927	\$ 53,490

See notes to required supplementary information.

City of Willmar, Minnesota
Library Improvement Reserve Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous Revenue				
Interest Earnings	\$ -	\$ -	\$ 3,402	\$ 3,402
Market Value Incr/(Decr)	-	-	4,003	4,003
Total Revenues	<u>-</u>	<u>-</u>	<u>7,405</u>	<u>7,405</u>
EXPENDITURES				
Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>7,405</u>	<u>7,405</u>
Net Change in Fund Balances	-	-	7,405	7,405
Fund Balance - Beginning	<u>168,229</u>	<u>168,229</u>	<u>168,229</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 168,229</u>	<u>\$ 168,229</u>	<u>\$ 175,634</u>	<u>\$ 7,405</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Community Investment Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Special Assessments	\$ 1,917	\$ 1,917	\$ 27,200	\$ 25,283
Miscellaneous Revenue				
Interest Earnings	180,000	180,000	179,810	(190)
Market Value Increase (Decrease)	-	-	211,132	211,132
Miscellaneous	-	-	105	105
Total Revenues	<u>181,917</u>	<u>181,917</u>	<u>418,247</u>	<u>236,330</u>
EXPENDITURES				
Other Charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>181,917</u>	<u>181,917</u>	<u>418,247</u>	<u>236,330</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	400,000	400,000	401,430	1,430
Transfers Out	<u>(684,866)</u>	<u>(684,866)</u>	<u>(684,866)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(284,866)</u>	<u>(284,866)</u>	<u>(283,436)</u>	<u>1,430</u>
Net Change in Fund Balances	(102,949)	(102,949)	134,811	237,760
Fund Balance - Beginning	<u>8,848,055</u>	<u>8,848,055</u>	<u>8,848,055</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 8,745,106</u>	<u>\$ 8,745,106</u>	<u>\$ 8,982,866</u>	<u>\$ 237,760</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Public Works Reserve Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous Revenue				
Interest Earnings	\$ 10,000	\$ 10,000	\$ 17,397	\$ 7,397
Market Value Incr/(Decr)	-	-	20,476	20,476
Miscellaneous	-	-	-	-
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>37,873</u>	<u>27,873</u>
EXPENDITURES				
Other Charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,000</u>	<u>10,000</u>	<u>37,873</u>	<u>27,873</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	412,000	412,000	418,768	6,768
Transfers Out	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>12,000</u>	<u>12,000</u>	<u>18,768</u>	<u>6,768</u>
Net Change in Fund Balances	22,000	22,000	56,641	34,641
Fund Balance - Beginning	<u>858,754</u>	<u>858,754</u>	<u>858,754</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 880,754</u>	<u>\$ 880,754</u>	<u>\$ 915,395</u>	<u>\$ 34,641</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Debt Service Funds/Special Assessments Bonds
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
REVENUES				
Special Assessments				
Special Assessments	\$ 990,374	\$ 990,374	\$ 1,193,010	\$ 202,636
Miscellaneous Revenue				
Miscellaneous	58,713	58,713	4,575	(54,138)
Interest Earnings	43,500	43,500	76,832	33,332
Net change in fair market value	-	-	72,620	72,620
Total Revenues	<u>1,092,587</u>	<u>1,092,587</u>	<u>1,347,037</u>	<u>254,450</u>
EXPENDITURES				
Bond Principal Payments	2,110,000	2,110,000	2,115,000	5,000
Interest Payments	275,080	275,080	294,030	18,950
Other Charges	6,040	6,040	11,301	5,261
Total Expenditures	<u>2,391,120</u>	<u>2,391,120</u>	<u>2,420,331</u>	<u>29,211</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,298,533)</u>	<u>(1,298,533)</u>	<u>(1,073,294)</u>	<u>225,239</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	626,151	626,151	718,387	92,236
Transfers Out	-	-	(1,430)	(1,430)
Bond Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>626,151</u>	<u>626,151</u>	<u>716,957</u>	<u>90,806</u>
Net Change in Fund Balances	(672,382)	(672,382)	(356,337)	316,045
Fund Balances - Beginning	5,510,695	5,510,695	5,510,695	-
Fund Balances - Ending	<u>\$ 4,838,313</u>	<u>\$ 4,838,313</u>	<u>\$ 5,154,358</u>	<u>\$ 316,045</u>

See notes to required supplementary information.

City of Willmar, Minnesota
Debt Service Funds/ Airport G.O. Revenue Bonds
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2015

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest Earnings	\$ 500	\$ 500	\$ -	\$ (500)
Market Value Increase (Decrease)	-	-	-	-
Total Revenues	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
EXPENDITURES				
Bond Principal Payments	145,000	145,000	140,000	5,000
Interest Payments	34,946	34,946	37,396	2,450
Other Charges	3,161	3,161	450	(2,711)
Total Expenditures	<u>183,107</u>	<u>183,107</u>	<u>177,846</u>	<u>4,739</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(182,607)</u>	<u>(182,607)</u>	<u>(177,846)</u>	<u>4,239</u>
OTHER FINANCING SOURCES(USES)				
Transfers In	182,607	182,607	182,607	-
Total Other Financing Sources (Uses)	<u>182,607</u>	<u>182,607</u>	<u>182,607</u>	<u>-</u>
Net Change in Fund Balances	-	-	4,761	4,239
Fund Balances - Beginning	<u>153,490</u>	<u>153,490</u>	<u>153,490</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 153,490</u>	<u>\$ 153,490</u>	<u>\$ 158,251</u>	<u>\$ 4,239</u>

See notes to required supplementary information.

**CITY OF WILLMAR, MINNESOTA
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND EMPLOYER CONTRIBUTIONS
GENERAL EMPLOYEES RETIREMENT FUND**

Schedule of Proportionate Share of Net Pension Liability

<u>Fiscal Year Ending</u>	<u>Employer's Proportion (Percentage) of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2015	0.0615%	\$ 3,187,249	\$ 3,618,192	88.1%	78.2%

Schedule of Employer Contributions

<u>Fiscal Year Ending</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
December 31, 2015	\$ 265,540	\$ 265,540	\$ -	\$ 3,540,543	7.50%

Note: Schedules are intended to show a 10 year trend. Additional years will be reported as they become available.

**CITY OF WILLMAR, MINNESOTA
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND EMPLOYER CONTRIBUTIONS
PUBLIC EMPLOYEES POLICE AND FIRE FUND**

Schedule of Proportionate Share of Net Pension Liability

<u>Fiscal Year Ending</u>	<u>Employer's Proportion (Percentage) of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2015	0.2400%	\$ 2,726,962	\$ 2,199,684	124.0%	86.6%

Schedule of Employer Contributions

<u>Fiscal Year Ending</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
December 31, 2015	\$ 359,668	\$ 359,668	\$ -	\$ 2,220,176	16.20%

Note: Schedules are intended to show a 10 year trend. Additional years will be reported as they become available.

**NOTES TO THE REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF WILLMAR, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2015

A. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds and special revenue funds except some capital projects funds, which adopt project-length budgets. All annual appropriations except those for capital outlay lapse at fiscal year end.

On or before the first Tuesday in August of each year, all agencies of the government submit request for appropriations to the Mayor so that a budget may be prepared. In September, the proposed budget is presented to the City's council for review. The council holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function and department. The government's City Administrator may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The legal level of budgetary control is the department level. All supplemental budgetary appropriations in all funds were approved by the City Council.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

City of Willmar, Minnesota
Combining Balance Sheet
NonMajor Governmental Funds
December 31, 2015

	Total Special Revenue Funds	Total Capital Projects Funds	Total Debt Service Funds	Permanent Fund Perpetual Care	Total Nonmajor Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 93,093	\$ (62,159)	\$ (197,192)	\$ 73	\$ (166,185)
Investments	1,309,505	946,111	-	34,704	2,290,320
Receivables					
Taxes Receivable - Current	14,132	-	-	-	14,132
Accounts Receivable	23,512	6,800	-	-	30,312
Notes Receivable	350,000	-	-	-	350,000
Interest Receivable	10,168	3,701	-	132	14,001
Due From Other Funds	678,894	1,434,277	182,607	-	2,295,778
Due From Other Governments	-	-	-	-	-
Prepaid Items	20,144	-	171,150	-	191,294
Restricted Assets:					
Investments	-	-	-	-	-
Unamortized Discounts On Bonds	-	-	2,730	-	2,730
Total Assets	\$ 2,499,448	\$ 2,328,730	\$ 159,295	\$ 34,909	\$ 5,022,382
LIABILITIES					
Accounts Payable	\$ 38,814	\$ 29,637	\$ -	\$ -	\$ 68,451
Contracts Payable	40,000	434,203	-	-	474,203
Due To Other Funds	601,139	83,359	-	-	684,498
Due To Other Gov Units	-	-	-	-	-
Deposits	280	-	-	-	280
Total Liabilities	680,233	547,199	-	-	1,227,432
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	357,696	-	-	-	357,696
Total Deferred Inflows of Resources	357,696	-	-	-	357,696
FUND BALANCES					
Nonspendable Fund Balance	20,144	-	171,150	30,000	221,294
Restricted Fund Balance	61,294	-	1,044	4,909	67,247
Committed Fund Balance	1,380,081	1,781,531	-	-	3,161,612
Unassigned Fund Balance	-	-	(12,899)	-	(12,899)
Total Fund Balances	1,461,519	1,781,531	159,295	34,909	3,437,254
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,499,448	\$ 2,328,730	\$ 159,295	\$ 34,909	\$ 5,022,382

City of Willmar, Minnesota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
NonMajor Governmental Funds
For the Year Ended December 31, 2015

	<u>Total Special Revenue Funds</u>	<u>Total Capital Projects Funds</u>	<u>Total Debt Service Funds</u>	<u>Permanent Fund Perpetual Care</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES					
General Taxes	\$ -	\$ -	\$ 1,044	\$ -	\$ 1,044
Other Taxes	240,825	-	-	-	240,825
Intergovernmental	402,155	11,539	-	-	413,694
Charges for Services	226,268	-	-	-	226,268
Investment Income	25,149	27,034	-	778	52,961
Net change in fair market value	28,764	34,545	-	874	64,183
Contributions/Donations	-	-	-	10,620	10,620
Miscellaneous Revenue	3,556	10,948	-	-	14,504
Total Revenues	<u>926,717</u>	<u>84,066</u>	<u>1,044</u>	<u>12,272</u>	<u>1,024,099</u>
EXPENDITURES					
Public Safety	6,122	-	-	-	6,122
Streets & Highways	234,479	-	-	-	234,479
Culture and Recreation	261,946	-	-	15,274	277,220
Economic Devebpment	290,519	-	-	-	290,519
Debt Service					
Principal	-	-	140,000	-	140,000
Interest	-	-	37,396	-	37,396
Other Charges	-	-	450	-	450
Capital Projects	-	2,714,960	-	-	2,714,960
Total Expenditures	<u>793,066</u>	<u>2,714,960</u>	<u>177,846</u>	<u>15,274</u>	<u>3,701,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>133,651</u>	<u>(2,630,894)</u>	<u>(176,802)</u>	<u>(3,002)</u>	<u>(2,677,047)</u>
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	609,556	1,267,559	182,607	-	2,059,722
Operating Transfers Out	(591,016)	359	-	-	(590,657)
Total Other Financing Sources (Uses)	<u>18,540</u>	<u>1,267,918</u>	<u>182,607</u>	<u>-</u>	<u>1,469,065</u>
Net Change in Fund Balnnces	152,191	(1,362,976)	5,805	(3,002)	(1,207,982)
Fund Balances - Beginning	1,309,328	3,144,507	153,490	37,911	4,645,236
Prior Period Adjustment - See Note 9	-	-	-	-	-
Fund Balances - Ending	<u>\$ 1,461,519</u>	<u>\$ 1,781,531</u>	<u>\$ 159,295</u>	<u>\$ 34,909</u>	<u>\$ 3,437,254</u>

City of Willmar, Minnesota
Combining Balance Sheet
NonMajor Governmental Funds/Special Revenue
December 31, 2015

	Convention and Visitors Bureau	Community Development	Willmar Municipal Airport	Library Improvement Reserve	Public Works Reserve	Law Enforcement Forfeiture Fund	Law Enforcement Explorer Fund	Total Special Revenue Funds
ASSETS								
Cash and Cash Equivalents	\$ 142	\$ -	\$ 29,753	\$ 1,521	\$ 383	\$ 59,955	\$ 1,339	\$ 93,093
Investments	243,314	-	-	173,433	892,758	-	-	1,309,505
Receivables								
Taxes Receivable	14,132	-	-	-	-	-	-	14,132
Accounts Receivable	42	-	23,470	-	-	-	-	23,512
Notes Receivable	-	350,000	-	-	-	-	-	350,000
Interest Receivable	946	5,056	-	680	3,486	-	-	10,168
Due From Other Governments	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	260,126	-	418,768	-	-	678,894
Prepaid Items	13,416	-	6,728	-	-	-	-	20,144
Total Assets	\$ 271,992	\$ 355,056	\$ 320,077	\$ 175,634	\$ 1,315,395	\$ 59,955	\$ 1,339	\$ 2,499,448
LIABILITIES								
Accounts Payable	\$ 38,723	\$ -	\$ 91	\$ -	\$ -	\$ -	\$ -	\$ 38,814
Contract Payable	-	-	40,000	-	-	-	-	40,000
Due To Other Governments	-	-	-	-	-	-	-	-
Due To Other Funds	8,000	-	193,139	-	400,000	-	-	601,139
Deposits	-	-	280	-	-	-	-	280
Total Liabilities	46,723	-	233,510	-	400,000	-	-	680,233
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue	-	355,056	2,640	-	-	-	-	357,696
Total Deferred Inflows of Resources	-	355,056	2,640	-	-	-	-	357,696
FUND BALANCES								
Nonspendable Fund Balance	13,416	-	6,728	-	-	-	-	20,144
Restricted Fund Balance	-	-	-	-	-	59,955	1,339	61,294
Committed Fund Balance	211,853	-	77,199	175,634	915,395	-	-	1,380,081
Total Fund Balances	225,269	-	83,927	175,634	915,395	59,955	1,339	1,461,519
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 271,992	\$ 355,056	\$ 320,077	\$ 175,634	\$ 1,315,395	\$ 59,955	\$ 1,339	\$ 2,499,448

City of Willmar, Minnesota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
NonMajor Governmental Funds/Special Revenue
For the Year Ended December 31, 2015

	Convention and Visitors Bureau	Community Development	Willmar Municipal Airport	Library Improvement Reserve	Public Works Reserve	Law Enforcement Forfeiture Fund	Law Enforcement Explorer Fund	Total Special Revenue Funds
REVENUES								
General Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	240,825	-	-	-	-	-	-	240,825
Intergovernmental	52,842	290,519	58,794	-	-	-	-	402,155
Service Charges	2,040	-	207,090	-	-	15,356	1,782	226,268
Investment income	4,070	-	236	3,402	17,397	44	-	25,149
Fair Market Value Incr/(Decr)	4,099	-	186	4,003	20,476	-	-	28,764
Miscellaneous Revenue	3,491	-	65	-	-	-	-	3,556
Total Revenues	307,367	290,519	266,371	7,405	37,873	15,400	1,782	926,717
EXPENDITURES								
Public Safety	-	-	-	-	-	5,179	943	6,122
Streets and Highways	-	-	234,479	-	-	-	-	234,479
Culture and Recreation	261,946	-	-	-	-	-	-	261,946
Economic Development	-	290,519	-	-	-	-	-	290,519
Total Expenditures	261,946	290,519	234,479	-	-	5,179	943	793,066
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,421	-	31,892	7,405	37,873	10,221	839	133,651
OTHER FIN. SOURCES (USES)								
Transfers In	-	-	190,788	-	418,768	-	-	609,556
Transfers Out	(8,000)	-	(183,016)	-	(400,000)	-	-	(591,016)
Total Other Fin. Sources (Uses)	(8,000)	-	7,772	-	18,768	-	-	18,540
Net Change in Fund Balances	37,421	-	39,664	7,405	56,641	10,221	839	152,191
Fund Balances - Beginning	187,848	-	44,263	168,229	858,754	49,734	500	1,309,328
Fund Balances - Ending	\$ 225,269	\$ -	\$ 83,927	\$ 175,634	\$ 915,395	\$ 59,955	\$ 1,339	\$ 1,461,519

City of Willmar, Minnesota
Combining Balance Sheet
NonMajor Governmental Funds/Capital Projects
December 31, 2015

	Airport Capital Project	Capital Improvement	Surface Water	Total Capital Projects Funds
ASSETS				
Cash	\$ (409)	\$ 19,765	\$ (81,515)	\$ (62,159)
Investments	-	946,111	-	946,111
Accounts Receivable	-	6,800	-	6,800
Interest Receivable	-	3,701	-	3,701
Due From Other Funds	409	1,350,509	83,359	1,434,277
Due From Other Governments	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	\$ -	\$ 2,326,886	\$ 1,844	\$ 2,328,730
LIABILITIES				
Accounts Payable	\$ -	\$ 29,637	\$ -	\$ 29,637
Contracts Payable	-	434,203	-	434,203
Due To Other Funds	-	83,359	-	83,359
Due To Other Gov Units	-	-	-	-
Total Liabilities	-	547,199	-	547,199
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted Fund Balance	-	-	-	-
Committed Fund Balance	-	1,779,687	1,844	1,781,531
Unassigned Fund Balance	-	-	-	-
Total Fund Balance	-	1,779,687	1,844	1,781,531
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 2,326,886	\$ 1,844	\$ 2,328,730

City of Willmar, Minnesota
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
NonMajor Governmental Funds/Capital Projects
For the Year Ended December 31, 2015

	Airport Capital Project	Capital Improvement	Surface Water	Total Capital Project Funds
REVENUES				
Intergovernmental	\$ 953	\$ 10,586	\$ -	\$ 11,539
Investment Income	-	26,199	835	27,034
Market Value Incr/(Decr)	-	33,895	650	34,545
Miscellaneous	-	10,948	-	10,948
Total Revenues	953	81,628	1,485	84,066
EXPENDITURES				
Capital/Construction Projects	1,362	2,713,598	-	2,714,960
Total Expenditures	1,362	2,713,598	-	2,714,960
Excess (Deficiency) of Revenues Over (Under) Expenditures	(409)	(2,631,970)	1,485	(2,630,894)
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	409	1,267,150	-	1,267,559
Operating Transfers Out	-	-	359	359
Total Other Financing Sources (Uses)	409	1,267,150	359	1,267,918
Net Change in Fund Balances	-	(1,364,820)	1,844	(1,362,976)
Fund Balance - Beginning	-	3,144,507	-	3,144,507
Fund Balance- Ending	\$ -	\$ 1,779,687	\$ 1,844	\$ 1,781,531

**City of Willmar, Minnesota
Non-Major Debt Service Funds
Combining Balance Sheets
December 31, 2015**

	Airport G.O. Revenue Bond	Tax Increment Bonds	Total Debt Service Funds
ASSETS			
Cash and Cash Equivalents	\$ (198,236)	\$ 1,044	\$ (197,192)
Due From Other Funds	182,607	-	182,607
Prepaid Expenses	171,150	-	171,150
Unamort Discount On Bonds Sold	2,730	-	2,730
Total Assets	<u>\$ 158,251</u>	<u>\$ 1,044</u>	<u>\$ 159,295</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Due To Other Funds	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable - Prepaid Expenses	171,150	-	171,150
Restricted	-	1,044	1,044
Unassigned	(12,899)	-	(12,899)
Total Fund Balances	<u>158,251</u>	<u>1,044</u>	<u>159,295</u>
Total Liabilities and Fund Balances	<u>\$ 158,251</u>	<u>\$ 1,044</u>	<u>\$ 159,295</u>

City of Willmar, Minnesota
Non-Major Debt Service Funds
Combined Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2015

	Airport G.O. Revenue Bond	Tax Increment Bonds	Total Debt Service Funds
REVENUES			
Tax Increment	\$ -	\$ 1,044	\$ 1,044
Investment Income	-	-	-
Market Value Increase (Decrease)	-	-	-
Miscellaneous	-	-	-
Total Revenues	<u>-</u>	<u>1,044</u>	<u>1,044</u>
EXPENDITURES			
Bond Principal Payments	140,000	-	140,000
Interest Payments	37,396	-	37,396
Other Charges	450	-	450
Total Expenditures	<u>177,846</u>	<u>-</u>	<u>177,846</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(177,846)</u>	<u>1,044</u>	<u>(176,802)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	182,607	-	182,607
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>182,607</u>	<u>-</u>	<u>182,607</u>
Net Change in Fund Balances	4,761	1,044	5,805
Fund Balances - Beginning	<u>153,490</u>	<u>-</u>	<u>153,490</u>
Fund Balances - Ending	<u>\$ 158,251</u>	<u>\$ 1,044</u>	<u>\$ 159,295</u>

City of Willmar, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2015

	Office Services
ASSETS	
Current Assets:	
Cash And Cash Equivalents	\$ 111
Investments	152,792
Accounts Receivable	532
Interest Receivable	598
Due From Component Unit	-
Intergovernmental Receivable	-
Due From Other Funds	-
Inventories - Merchandise For Resale	3,571
Prepaid Expenses	-
Amount To Be Provided	-
Total Current Assets	157,604
Noncurrent Assets:	
Capital Assets:	
Office Equipment	-
Less Accumulated Depreciation	-
Total Capital Assets (net of accumulated depreciation)	-
Total Assets	157,604
LIABILITIES	
Current Liabilities	
Accounts Payable	582
Due To Other Funds	-
Total Current Liabilities	582
NET POSITION	
Restricted Fund Balance-Inventories	3,571
Restricted Fund Balance-Prepays	-
Assigned Fund Balance	153,451
Assigned Fund Balance-Surplus Invested In Fixed Assets	-
Total Net Position	\$ 157,022

City of Willmar, Minnesota
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended December 31, 2015

	Office Services
Operating Revenues:	
Charges For Services	\$ 11,274
Total Operating Revenues	11,274
Operating Expenses:	
Cost of Materials Used:	
Inventory, January 1	4,024
Purchases	5,774
Total Available	9,798
Inventory, December 31	(3,571)
Total Cost of Materials Used	6,227
Other Services And Charges	9,910
Depreciation	-
Total Operating Expenses	16,137
Operating Income (Loss)	(4,863)
Nonoperating Revenues (Expenses):	
Interest On Investments	2,979
Market Value Increase/(Decrease)	3,483
Capital Asset Acquisition/(Disposal)	(550)
Total Nonoperating Revenues	5,912
Income (Loss) Before Contributions and Transfers	1,049
Operating Transfers In	-
Operating Transfers Out	-
Change in Net Position	1,049
Total Net Position - Beginning	155,973
Total Net Position - Ending	\$ 157,022

**City of Willmar, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2015**

	Office Services
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Charges For Services	\$ 13,833
Payments For Purchases	(6,503)
Payments For Other Services and Charges	(8,571)
Liquidation of Liabilities	-
Net Cash Provided (Used) by Operating Activities	(1,241)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer from Other Funds	-
Transfer to Other Funds	-
Net Cash Used in Noncapital and Related Financing Activities	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Principal Payments on Long-Term Debt	-
Net Cash Used in Capital and Related Financing Activities	-
CASH FLOWS FROM INVESTING ACTIVITIES:	
Principal Collected on Loan	-
Proceeds from Sales and Maturities of Investments	-
Purchase of Investments	(2,000)
Interest and Dividends Received	2,936
Net Cash Provided (Used) from Investing Activities	936
Net Increase (Decrease) in Cash and Cash Equivalents	(305)
Cash and Cash Equivalents - Beginning	416
Cash and Cash Equivalents - Ending	\$ 111
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (4,863)
Adjustments to Reconcile Operating Income from to Net Cash Provided (Used) by Operating Activities:	
Depreciation	-
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	2,560
(Increase) Decrease in Prepaid Expenses	838
(Increase) Decrease in Due From Other Funds	-
(Increase) Decrease in Due From Component Units	-
(Increase) Decrease in Inventories	452
Increase (Decrease) in Accounts Payable	(228)
Increase (Decrease) in Due to Other Funds	-
Total Adjustments	3,622
Net Cash Provided (Used) by Operating Activities	\$ (1,241)

City of Willmar, Minnesota
Statement of Net Position
Fiduciary Funds - Agency Fund
December 31, 2015

	<u>Trust Fund</u>	<u>Agency Fund</u>	<u>Agency Fund</u>
	<u>Fire Insurance</u>	<u>Fire Department</u>	<u>Bioscience</u>
	<u>Escrow</u>	<u>Grant Fund</u>	<u>Grant Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 39,784	\$ (2,963)	\$ (2,011)
Accounts Receivable	-	-	2,011
Due From General Fund	-	2,963	-
Total Assets	<u>\$ 39,784</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES			
Deposits	<u>\$ 39,784</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>39,784</u>	<u>-</u>	<u>-</u>
NET POSITION			
Restricted	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Willmar, Minnesota
Statement of Changes in Net Position
Fiduciary Funds - Agency Funds
For the Year Ended December 31, 2015

	Fire Insurance Escrow	Fire Department Grant Fund	Bioscience Grant Fund
ADDITIONS			
Intergovernmental			
State Grant	\$ -	\$ -	\$ -
Service Charges			
Miscellaneous	-	-	-
Miscellaneous			
Insurance Reimbursement	12,149	-	2,011
Total Additions	<u>12,149</u>	<u>-</u>	<u>2,011</u>
DEDUCTIONS			
Other Services			
Other Services	12,149	-	-
Other Charges			
Insurance and Bonds	-	-	2,011
End-Use Grant	-	-	-
Total Deductions	<u>12,149</u>	<u>-</u>	<u>2,011</u>
Change in Net Position	-	-	-
Net Position - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WILLMAR, MINNESOTA

STATISTICAL SECTION

City of Willmar, Minnesota

Capital Assets Used in the Operation of Governmental Funds

Comparative Schedules By Source*

December 31, 2015 and 2014

	2014	2015
Governmental Funds Capital Assets:		
Land	\$ 8,557,673	\$ 8,585,806
Buildings and Structures	13,040,183	13,176,273
Furniture and Equipment	2,774,906	3,025,874
Machinery and Auto Equipment	8,721,534	9,060,641
Other Improvements	118,954,636	119,258,648
Total Governmental Funds Capital Assets	\$ 152,048,932	\$ 153,107,242
Investments in Governmental Funds Capital Assets By Source:		
General Fund	\$ 127,260,708	\$ 128,145,917
Special Revenue Fund	24,788,224	24,961,325
Capital Projects Funds	-	-
Total Governmental Funds Capital Assets	\$ 152,048,932	\$ 153,107,242

*This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Willmar, Minnesota
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity*
For the Fiscal Year Ended December 31, 2015

FIXED ASSETS-2015	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	<u>01/01/2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/2015</u>
<u>GENERAL GOVERNMENT</u>				
Mayor & Council	\$ 20,743	\$ -	\$ -	\$ 20,743
Community Development	240,572	-	-	240,572
City Clerk-Treasurer	-	-	-	-
Assessing	5,325	-	-	5,325
Accounting	-	-	-	-
City Hall	810,653	-	-	810,653
Data Processing	392,946	69,356	36,607	425,695
Elections	83,370	-	-	83,370
Non-Departmental	164,893	18,632	-	183,525
Industrial Development	1,102,281	-	-	1,102,281
Total	<u>2,820,783</u>	<u>87,988</u>	<u>36,607</u>	<u>2,872,164</u>
<u>PUBLIC SAFETY</u>				
Police Dept.	644,589	100,005	85,700	658,894
Trust & Agency K-9	-	-	-	-
Fire Dept.	3,752,935	-	-	3,752,935
Public Parking	631,870	-	-	631,870
Total	<u>5,029,394</u>	<u>100,005</u>	<u>85,700</u>	<u>5,043,699</u>
<u>PUBLIC WORKS</u>				
Engineering	208,601	-	-	208,601
Public Works	110,950,749	722,688	587,991	111,085,446
Airport	23,685,943	173,101	-	23,859,044
Transit	-	-	-	-
Total	<u>134,845,293</u>	<u>895,789</u>	<u>587,991</u>	<u>135,153,091</u>
<u>CULTURE & RECREATION</u>				
Auditorium	534,847	22,727	-	557,574
Buildings & Grounds	952,141	251,813	-	1,203,954
Leisure Services	80,133	75,107	4,107	151,133
Civic Center	4,817,385	370,084	85,248	5,102,221
Community Center	494,032	-	-	494,032
Aquatic Center	2,003,972	54,450	-	2,058,422
WRAC-8	318,448	-	-	318,448
C.V.B.	-	-	-	-
Library	152,504	-	-	152,504
Total	<u>9,353,462</u>	<u>774,181</u>	<u>89,355</u>	<u>10,038,288</u>
GRAND TOTAL	<u>\$ 152,048,932</u>	<u>\$ 1,857,963</u>	<u>\$ 799,653</u>	<u>\$ 153,107,242</u>

*This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Willmar, Minnesota
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity*
December 31, 2015

FIXED ASSETS-2015	Total	Land	Buildings/ Structures	Furniture/ Equipment	Machinery/ Auto	Other Improvements
<u>GENERAL GOVERNMENT</u>						
Mayor & Council	\$ 20,743	\$ -	\$ -	\$ 20,743	\$ -	\$ -
Community Development	240,572	174,960	-	-	65,612	-
City Clerk-Treasurer	-	-	-	-	-	-
Assessing	5,325	-	-	-	-	5,325
Accounting	-	-	-	-	-	-
City Hall	810,653	40,000	746,705	-	-	23,948
Data Processing	425,695	-	22,961	278,229	-	124,505
Elections	83,370	-	-	83,370	-	-
Non-Departmental	183,525	-	-	183,525	-	-
Industrial Development	1,102,281	1,102,281	-	-	-	-
Total	<u>2,872,164</u>	<u>1,317,241</u>	<u>769,666</u>	<u>565,867</u>	<u>65,612</u>	<u>153,778</u>
<u>PUBLIC SAFETY</u>						
Police Dept.	658,894	-	-	80,629	565,065	13,200
Trust & Agency K-9	-	-	-	-	-	-
Fire Dept.	3,752,935	163,547	631,019	490,384	2,419,669	48,316
Public Parking	631,870	631,870	-	-	-	-
Total	<u>5,043,699</u>	<u>795,417</u>	<u>631,019</u>	<u>571,013</u>	<u>2,984,734</u>	<u>61,516</u>
<u>PUBLIC WORKS</u>						
Engineering	208,601	-	-	77,699	93,388	37,514
Public Works	111,085,446	1,923,271	1,408,454	392,251	5,483,128	101,878,342
Airport	23,859,044	4,236,165	3,961,108	17,663	23,533	15,620,575
Transit	-	-	-	-	-	-
Total	<u>135,153,091</u>	<u>6,159,436</u>	<u>5,369,562</u>	<u>487,613</u>	<u>5,600,049</u>	<u>117,536,431</u>
<u>CULTURE & RECREATION</u>						
Auditorium	557,574	-	530,978	14,596	-	12,000
Buildings & Grounds	1,203,954	112,405	14,169	376,630	6,950	693,800
Leisure Services	151,133	14,900	11,660	29,232	-	95,341
Civic Center	5,102,221	23,572	3,801,244	424,851	397,974	454,580
Community Center	494,032	87,635	316,409	10,570	5,321	74,097
Aquatic Center	2,058,422	75,200	1,483,603	322,514	-	177,105
WRAC-8	318,448	-	95,461	222,987	-	-
C.V.B	-	-	-	-	-	-
Library	152,504	-	152,504	-	-	-
Total	<u>10,038,288</u>	<u>313,712</u>	<u>6,406,028</u>	<u>1,401,380</u>	<u>410,245</u>	<u>1,506,923</u>
GRAND TOTAL	<u><u>\$ 153,107,242</u></u>	<u><u>\$ 8,585,806</u></u>	<u><u>\$ 13,176,275</u></u>	<u><u>\$ 3,025,873</u></u>	<u><u>\$ 9,060,640</u></u>	<u><u>\$ 119,258,648</u></u>

*This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF WILLMAR, MINNESOTA

GOVERNMENT-WIDE EXPENSES BY FUNCTION

Years 2006 Through 2015

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Miscellaneous</u>	<u>Culture & Recreation</u>	<u>Debt Service</u>	<u>Waste Treatment</u>	<u>Office Services</u>	<u>Public Improvement Revolv Loans</u>	<u>Total</u>
2006	\$ 2,638,867	\$ 3,890,662	\$ 2,865,920	\$ 14,431,623	\$ 1,732,007	\$ 2,317,583	\$ 2,263,868	\$ 21,558	\$ -	\$ 30,162,088
2007	\$ 2,841,646	\$ 4,075,315	\$ 2,858,588	\$ 11,310,300	\$ 1,973,936	\$ 5,485,266	\$ 2,396,676	\$ 26,366	\$ -	\$ 30,968,093
2008	\$ 3,120,895	\$ 5,483,622	\$ 3,174,692	\$ 4,778,060	\$ 2,023,979	\$ 2,120,587	\$ 2,775,907	\$ 27,311	\$ -	\$ 23,505,053
2009	\$ 3,190,772	\$ 4,451,561	\$ 2,992,636	\$ 3,277,484	\$ 2,213,398	\$ 2,354,859	\$ 2,851,067	\$ 21,458	\$ -	\$ 21,353,235
2010	\$ 3,207,918	\$ 4,552,433	\$ 3,133,761	\$ 4,000,966	\$ 2,167,668	\$ 2,455,304	\$ 4,854,543	\$ 22,486	\$ -	\$ 24,395,079
2011	\$ 2,917,909	\$ 4,666,965	\$ 7,367,466	\$ 665,894	\$ 2,489,029	\$ 413,242	\$ 6,952,251	\$ 18,366	\$ -	\$ 25,491,122
2012	\$ 3,561,177	\$ 4,491,386	\$ 7,629,637	\$ 61,642	\$ 2,333,523	\$ 404,292	\$ 6,870,154	\$ 19,924	\$ -	\$ 25,371,735
2013	\$ 3,789,359	\$ 4,721,161	\$ 6,342,972	\$ 38,864	\$ 2,476,352	\$ 369,360	\$ 6,734,381	\$ 17,816	\$ -	\$ 24,490,265
2014	\$ 4,411,086	\$ 4,725,380	\$ 7,506,805	\$ 863,301	\$ 2,344,720	\$ 307,220	\$ 6,749,481	\$ 18,283	\$ -	\$ 26,926,276
2015	\$ 4,052,775	\$ 5,055,428	\$ 6,949,073	\$ 896,033	\$ 2,441,662	\$ 297,324	\$ 6,773,721	\$ 16,137	\$ -	\$ 26,482,153

CITY OF WILLMAR, MINNESOTA

GOVERNMENT-WIDE REVENUES

Years 2006 through 2015

Fiscal Year	Program Revenues	General Revenues		Total
	Charges For Services	Taxes	Miscellaneous Revenue	
2006	\$ 3,722,861	\$ 4,215,909	\$ 16,049,775	\$ 23,988,545
2007	\$ 4,088,622	\$ 4,781,966	\$ 13,291,133	\$ 22,161,721
2008	\$ 6,139,089	\$ 5,497,952	\$ 9,493,609	\$ 21,130,650
2009	\$ 5,164,337	\$ 5,687,570	\$ 8,635,280	\$ 19,487,187
2010	\$ 5,999,445	\$ 5,531,315	\$ 9,728,257	\$ 21,259,017
2011	\$ 7,119,338	\$ 5,937,945	\$ 7,987,977	\$ 21,045,260
2012	\$ 8,216,270	\$ 6,556,909	\$ 5,618,843	\$ 20,392,022
2013	\$ 9,122,485	\$ 4,551,582	\$ 2,948,145	\$ 16,622,212
2014	\$ 10,579,467	\$ 4,582,848	\$ 8,284,427	\$ 23,446,742
2015	\$ 10,662,682	\$ 4,999,764	\$ 10,013,016	\$ 25,675,462

CITY OF WILLMAR, MINNESOTA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Years 2006 Through 2015

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Miscellaneous</u>	<u>Culture & Recreation</u>	<u>Debt Service</u>	<u>Total</u>
2006	\$ 2,638,867	\$ 3,890,662	\$ 2,865,920	\$ 11,675,212	\$ 1,732,007	\$ -	\$ 22,802,668
2007	\$ 2,841,646	\$ 4,075,315	\$ 2,858,588	\$ 8,629,657	\$ 1,973,936	\$ -	\$ 20,379,142
2008	\$ 3,120,895	\$ 5,483,622	\$ 3,174,692	\$ 6,898,647	\$ 2,023,979	\$ -	\$ 20,701,835
2009	\$ 3,190,772	\$ 4,451,561	\$ 2,992,636	\$ 5,632,343	\$ 2,213,398	\$ -	\$ 18,480,710
2010	\$ 3,207,918	\$ 4,552,433	\$ 3,133,761	\$ 6,456,270	\$ 2,167,668	\$ -	\$ 19,518,050
2011	\$ 3,418,244	\$ 4,405,813	\$ 3,002,099	\$ 6,333,895	\$ 2,124,155	\$ -	\$ 19,284,206
2012	\$ 3,514,064	\$ 4,247,132	\$ 2,726,069	\$ 5,786,080	\$ 2,098,772	\$ -	\$ 18,372,117
2013	\$ 3,744,641	\$ 4,497,748	\$ 2,735,734	\$ 7,978,526	\$ 2,238,245	\$ -	\$ 21,194,894
2014	\$ 3,955,656	\$ 4,468,517	\$ 3,148,422	\$ 9,527,501	\$ 2,095,665	\$ -	\$ 23,195,761
2015	\$ 3,800,646	\$ 4,687,727	\$ 3,149,546	\$ 10,166,863	\$ 2,172,120	\$ -	\$ 23,976,902

CITY OF WILLMAR, MINNESOTA

GENERAL GOVERNMENTAL REVENUES BY SOURCE

Years 2006 Through 2015

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental Revenues</u>	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>	<u>Miscellaneous Revenue</u>	<u>Total</u>
2006	\$ 4,215,909	\$ 1,049,922	\$ 8,496,439	\$ 724,172	\$ 276,797	\$ 12,494,942	\$ 27,258,181
2007	\$ 4,781,966	\$ 454,878	\$ 7,177,007	\$ 864,241	\$ 259,559	\$ 9,443,920	\$ 22,981,571
2008	\$ 5,497,952	\$ 1,454,324	\$ 6,887,102	\$ 886,291	\$ 236,776	\$ 3,941,369	\$ 18,903,814
2009	\$ 5,687,570	\$ 447,306	\$ 7,142,387	\$ 919,809	\$ 188,957	\$ 3,397,091	\$ 17,783,120
2010	\$ 5,531,315	\$ 382,526	\$ 6,465,918	\$ 1,283,366	\$ 168,716	\$ 3,087,542	\$ 16,919,383
2011	\$ 5,937,945	\$ 297,119	\$ 6,493,563	\$ 957,293	\$ 163,098	\$ 3,995,684	\$ 17,844,702
2012	\$ 6,556,909	\$ 293,104	\$ 5,116,594	\$ 899,220	\$ 153,648	\$ 3,064,880	\$ 16,084,355
2013	\$ 4,551,582	\$ 542,406	\$ 7,155,696	\$ 941,224	\$ 153,774	\$ 502,949	\$ 13,847,631
2014	\$ 4,582,848	\$ 544,182	\$ 6,325,521	\$ 971,092	\$ 167,157	\$ 4,944,871	\$ 17,535,671
2015	\$ 4,999,764	\$ 474,907	\$ 7,521,732	\$ 1,002,048	\$ 189,682	\$ 2,970,082	\$ 17,158,215

CITY OF WILLMAR, MINNESOTA

PROPERTY TAX LEVIES AND COLLECTIONS

Years 2006 Through 2015

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Per Cent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Collections As Per Cent of Current Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Delinquent Taxes as Per Cent of Current Levy</u>
2006	2,335,677	2,294,467	98.24%	35,021	2,329,488	99.74%	60,889	2.61%
2007	2,806,995	2,755,905	98.18%	49,481	2,805,386	99.94%	66,336	2.36%
2008	3,383,646	3,304,665	98.18%	49,576	3,354,241	99.94%	97,374	2.88%
2009	3,525,325	3,440,974	97.61%	64,902	3,505,876	99.45%	114,055	3.24%
2010	3,668,705	3,296,429	89.85%	72,658	3,369,087	91.83%	133,513	3.64%
2011	3,796,734	3,450,982	90.89%	111,257	3,562,239	93.82%	87,859	2.31%
2012	3,992,734	3,899,155	97.66%	66,276	3,965,431	99.32%	115,222	2.89%
2013	4,140,118	4,043,802	97.67%	83,792	4,127,594	99.70%	119,118	2.88%
2014	4,139,734	4,046,221	97.74%	84,538	4,130,759	99.78%	52,084	1.26%
2015	4,451,028	4,373,956	98.27%	98,147	4,472,103	100.47%	93,024	2.09%

CITY OF WILLMAR, MINNESOTA

TAX CAPACITIES AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY

YEARS 2006 THROUGH 2015

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Population (*Census)	18,757	18,757	18,757	18,757
REAL PROPERTY				
Tax Capacity	9,664,031	10,947,806	12,005,028	12,526,714
Less: Tax Increment Districts -				
Highland #91	0	0	0	0
Center City #92	0	0	0	0
Theatre & Hotel #93	0	0	0	0
Shared Health #94	0	0	0	0
Phoenix #95	12,538	13,697	15,031	15,031
Somody #96	0	0	0	0
Accrupress #97	0	0	0	0
Brinton #98	0	0	0	0
Jennie-O #99	0	0	0	0
Holiday Inn #01	0	0	0	0
Bethesda #02	0	0	0	0
West Central Steel #03	0	0	0	0
Coborns #04	0	0	0	0
Relco #05	15,016	15,874	27,154	0
Lakewood #06	5,414	6,262	7,382	7,834
Jennie-O (2) #07	0	0	0	0
JOBZ	30,260	61,393	82,927	99,310
Net Tax Capacity	9,600,803	10,850,580	11,872,534	12,404,539
Estimated Market Value	806,284,500	904,555,700	983,810,800	1,020,849,500
PERSONAL PROPERTY				
Tax Capacity	90,344	104,040	110,372	112,608
Estimated Market Value	4,696,500	5,396,500	5,921,300	6,095,700
TOTAL REAL AND PERSONAL PROPERTY				
Tax Capacity	9,691,147	10,954,620	11,982,906	12,517,147
Estimated Market Value	810,981,000	909,952,200	989,732,100	1,026,945,200
PERCENT OF TAX CAPACITY TO ESTIMATED MARKET VALUE	0.01195	0.012039	0.012107	0.012189
PER CAPITA VALUATION				
Tax Capacity	517	584	639	667
Estimated Market Value	43,236	48,513	52,766	54,750
NET BONDED DEBT				
Net Bonded Debt per Capita	N/A	N/A	N/A	N/A
Net Bonded Debt per Tax Capacity	N/A	N/A	N/A	N/A

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
19,610	19,610	19,694	19,694	19,694	19,694
12,830,579	12,975,909	11,959,117	12,120,212	12,093,317	12,546,465
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
15,031	15,031	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
7,834	7,834	0	0	0	0
0	0	0	0	0	1,506
113,205	118,210	143,402	181,069	181,807	181,807
12,694,509	12,834,834	11,815,715	11,939,143	11,911,510	12,363,152
1,044,367,400	1,055,031,300	1,065,852,600	1,064,093,500	1,054,462,700	1,094,771,600
113,796	129,053	131,992	137,153	140,199	146,908
6,201,500	6,969,200	7,150,300	7,407,100	7,581,400	7,977,200
12,808,305	12,963,887	11,947,707	12,076,296	12,051,709	12,510,060
1,050,568,900	1,062,000,500	1,073,002,900	1,071,500,600	1,062,044,100	1,102,748,800
0.012192	0.012207	0.011135	0.011270	0.011348	0.011344
653	661	607	613	612	635
53,573	54,156	54,484	54,407	53,927	55,994
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

CITY OF WILLMAR, MINNESOTA

TAX CAPACITY RATES

ALL OVERLAPPING GOVERNMENTS

Years 2006 Through 2015

A 10-YEAR COMPARISON OF TAX CAPACITY RATES

<u>Year Tax Due</u>	<u>City</u>	<u>School</u>	*** <u>County</u>	<u>H.R.A.</u>	EDC/ Mid-MN <u>Dev.</u>	<u>Total</u>
2006	24.10	23.31	64.22	1.19	1.64	114.46
2007	25.62	22.66	60.41	1.18	1.46	111.33
2008	28.23	20.23	56.71	1.18	1.32	107.67
2009	28.16	20.54	56.88	1.51	1.25	108.34
2010	28.64	19.84	53.36	1.32	1.16	104.32
2011	29.28	19.93	55.94	1.30	1.16	107.61
2012	33.42	22.35	60.66	1.41	1.22	119.06
2013	34.28	19.72	59.06	0.96	1.17	115.19
2014	34.35	12.61	56.40	1.39	1.11	105.86
2015	35.58	8.41	54.18	1.07	1.02	100.26

*** Includes Mid Minnesota Development Commission.

CITY OF WILLMAR, MINNESOTA

TAX LEVIES

ALL OVERLAPPING GOVERNMENTS

Years 2006 Through 2015

A 10-YEAR COMPARISON OF TAX CAPACITY LEVIES

<u>Year Tax Due</u>	<u>*City</u>	<u>School</u>	<u>Market Value Ref.</u>	<u>**County</u>	<u>H.R.A.</u>	<u>EDC/ Rural Dev. Fin. Auth.</u>	<u>Total</u>
2006	2,335,761	2,258,522	1,067,332	6,223,946	115,519	133,835	12,134,915
2007	2,806,902	2,483,193	1,183,484	6,617,795	129,265	133,865	13,354,504
2008	3,383,493	2,424,022	1,236,868	6,795,266	141,159	131,812	14,112,620
2009	3,525,204	2,571,272	1,724,036	7,145,914	188,884	129,302	15,284,612
2010	3,663,422	2,538,124	1,807,189	6,850,914	168,577	121,253	15,149,479
2011	3,755,160	2,555,586	1,840,022	7,199,752	166,953	121,945	15,639,418
2012	3,997,702	2,670,551	1,866,059	7,273,883	168,582	118,999	16,095,776
2013	4,139,754	2,381,446	1,670,118	7,158,587	168,585	114,846	15,633,336
2014	4,139,400	1,519,721	1,565,134	6,822,472	168,362	108,224	14,323,313
2015	4,450,579	1,052,346	1,649,161	6,800,969	133,733	104,834	14,191,622

* This Levy does not take into consideration the small reduction that results from agricultural property.

** Includes Mid Minnesota Development Commission.

CITY OF WILLMAR, MINNESOTA

PRINCIPAL TAXPAYERS

December 31, 2015

Taxpayer	Type of Business	Market Valuation Payable 2016	Total Tax
Mills Properties, Inc.	Auto Dealership	\$ 11,298,100	\$ 385,776
Affiliated Community Health	Medical Center	\$ 10,824,800	\$ 369,809
WalMart Stores, Inc.	Discount Retailer	\$ 10,270,200	\$ 353,152
RockStep Willmar, LLC	Shopping Center	\$ 9,327,800	\$ 320,634
Menard Inc.	Building Materials	\$ 8,772,100	\$ 301,458
Torgerson Properties, Inc.	Investment Company	\$ 8,321,600	\$ 284,671
BNSF Railway Company	Railroad	\$ 7,219,300	\$ 247,874
Willmar Ten Investors	Investment Company	\$ 6,865,000	\$ 229,441
Centerpoint Energy Minnegasco	Utility Company	\$ 5,569,800	\$ 189,714
Jennie-O Turkey Store, Inc.	Food Processing	\$ 5,432,300	\$ 186,136

CITY OF WILLMAR, MINNESOTA

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Year 2006 Through 2015

<u>Fiscal Year</u>	<u>Current Assessments Due</u>	<u>Current Assessments Collected</u>	<u>Percent of Collections To Amount Due</u>	<u>Total Outstanding Current and Delinquent Assessments</u>
2006	1,087,759	1,048,115	96.36%	50,385
2007	1,024,590	984,177	96.06%	45,782
2008	1,497,645	1,459,639	97.46%	50,876
2009	1,268,693	1,145,147	90.26%	135,323
2010	1,149,652	1,031,192	89.70%	217,417
2011	1,129,081	1,014,192	89.82%	265,294
2012	1,162,674	1,074,741	92.44%	291,365
2013	1,095,335	985,263	89.95%	355,375
2014	1,008,979	974,209	96.55%	361,233
2015	920,213	881,012	95.74%	369,448

NOTE: Special Assessments are certified to the County Auditor of Kandiyohi County for collection. Special Assessment Bonds are general obligation pursuant to M.S.A. Section 430.12

CITY OF WILLMAR, MINNESOTA

COMPUTATION OF LEGAL DEBT MARGIN

December 31, 2015

Legal Debt Limit and Margin

Legal Debt Limit (2% of Estimated Market Value \$1,102,748,800)	\$ 22,054,976
Less: Outstanding Debt Subject to Limit	\$ -
Legal Debt Margin as of December 31, 2014	<u>\$ 22,054,976</u>

General Obligation Debt Supported Solely by Taxes* \$ -

* Nothing subject to legal debt limit

CITY OF WILLMAR, MINNESOTA

MISCELLANEOUS STATISTICAL FACTS

Date of Incorporation	November 19, 1901
Date of Adoption of City Charter	November 5, 1968
Form of Government	Administrator
Fiscal Year Begins	January 1
Area - Acres (Land)	7,398
- Acres (Water)	1,229
Miles of Streets and Alleys:	
Streets -	
Paved	132.34
Sidewalks	65.00
Bike Paths	17.70
Building Permits	
Number of Permits Issued	
Year 2015	439
Year 2014	450
Year 2013	414
Year 2012	479
Year 2011	533
Year 2010	592
Year 2009	772
Year 2008	780
Year 2007	651
Year 2006	693
Estimated Construction Costs	
Year 2015	\$ 34,088,689
Year 2014	48,558,272
Year 2013	49,216,963
Year 2012	17,114,395
Year 2011	13,041,853
Year 2010	22,520,064
Year 2009	30,922,465
Year 2008	70,002,629
Year 2007	33,722,627
Year 2006	42,379,065
Year 2005	48,732,487

*Information obtained from various Departmental Reports

CITY OF WILLMAR, MINNESOTA

MISCELLANEOUS STATISTICAL FACTS

	<u>2015</u>	<u>2014</u>
Public Safety:		
Fire Protection:		
Number of Stations	1.00	1.00
Number of Employees (Admin. & Clerical)	2.80	2.80
Number of Volunteer Firefighters	38.00	33.00
Police Protection:		
Number of Stations	1.00	1.00
Number of Employees (Admin. & Clerical)	4.00	4.00
Number of Employees (Law Enforcement Officers)	32.00	32.00
Total Number of Employees	<u>78.80</u>	<u>73.80</u>
Leisure Services:		
Number of Full-Time Employees	6	7
Number of Part-Time Employees	120	213
Number of Wading Pools	0	0
Number of Outdoor Swimming Pools	1	1
Number of Shelters	30	30
Number of Skating Rinks	4	4
Number of Hockey Rinks	2	2
Indoor Rinks	2	2
Tennis Courts - Lighted	6	6
Non-Lighted	0	0
Shared-Lighted	12	12
Lighted Softball, Football, Baseball and Soccer Fields	7	7
Miles of Hiking and Bicycle Paths	Est. 16 Miles	Est. 16 Miles
Skate Board Parks	1	1
BMX Bike Tracks	0	0
18-Hole Frisbee Golf Course	1	1
Number of Parks	37	37
Park Acres	310	310
Nature Areas	4	4
Parking Lots (Central Business District):		
Parking Spaces On Streets	380	380
Parking Spaces Off Streets	417	417

*Information obtained from various Departmental Reports

**GOVERNANCE COMMUNICATION LETTER
FOR THE YEAR ENDED
DECEMBER 31, 2015**

July 15, 2016

To the City Council
City of Willmar, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Willmar, Minnesota for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 31, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Willmar, Minnesota are described in Note 1 to the financial statements. During 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. The application of existing policies was not changed during 2015. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the pension liability is based on actuarial valuations performed by consultants specializing in those areas. We evaluated the key factors and assumptions used to develop those estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 15, 2016.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Recommended Policy Improvements

Budget management

The legal level of budget control is at the department level. The Council authorizes budget amendments when circumstances change during the year. However, there is no formal action taken when department expenditures exceed the budget. We recommend the Council implement policies for formally authorizing a department to exceed budget.

Fund Balance Policy

The City has adopted a formal fund balance policy. As stated in the policy, fund balances can only be committed by formal action by the City Council. Many of the committed balances in the general fund are not supported by a council resolution. We recommend the council pass a resolution specifying the purpose of the committed amounts.

Other Information in Documents Containing Audited Financial Statements

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

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

Very truly yours,

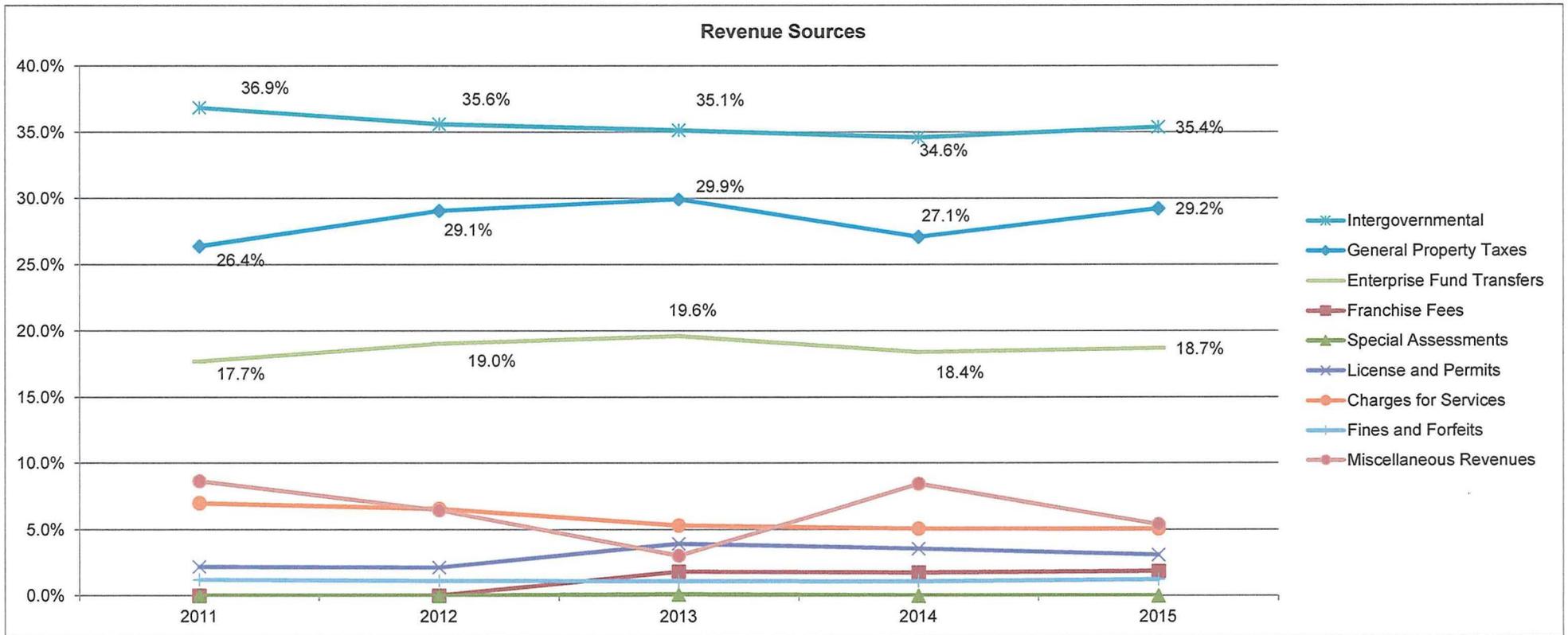
Westberg Eischens, PLLP

Westberg Eischens, PLLP
Willmar, Minnesota

**CITY OF WILLMAR, MINNESOTA
2015 PRESENTATION**

**CITY OF WILLMAR, MINNESOTA
GENERAL FUND REVENUES**

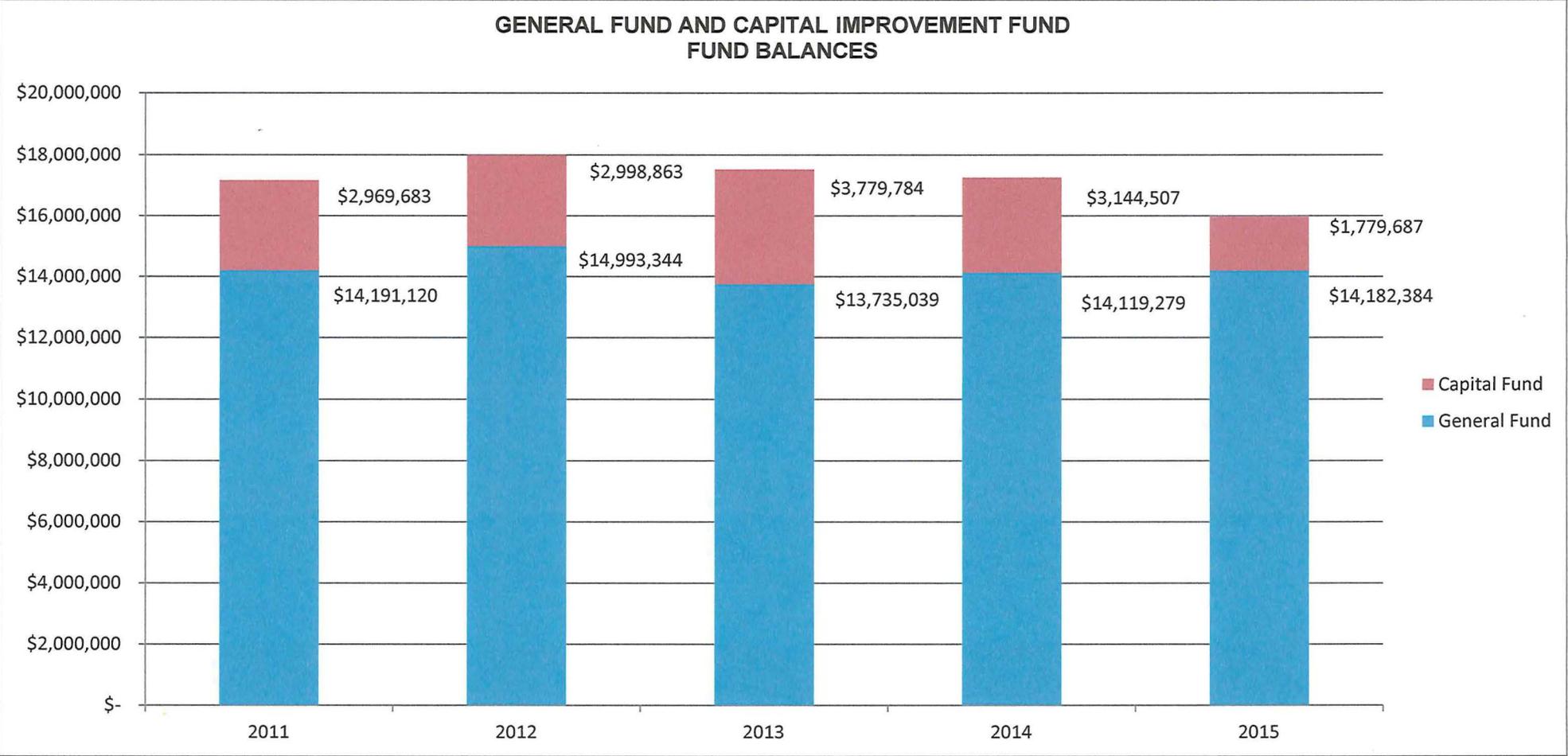
	2011	2012	2013	2014	2015
General Property Taxes	\$ 3,562,239	\$ 3,965,431	\$ 4,127,595	\$ 4,130,759	\$ 4,472,103
Franchise Fees	-	-	251,480	267,227	285,792
Special Assessments	1,477	1,767	12,745	1,858	2,384
License and Permits	297,119	293,104	542,406	544,182	474,907
Intergovernmental	4,975,220	4,857,858	4,847,055	5,278,521	5,412,935
Charges for Services	944,488	896,567	733,932	774,140	775,780
Fines and Forfeits	163,098	153,648	153,774	167,157	189,682
Miscellaneous Revenues	1,165,662	882,808	418,979	1,285,559	827,066
Enterprise Fund Transfers	2,391,736	2,597,466	2,703,270	2,807,743	2,860,726
Total	\$ 13,501,039	\$ 13,648,649	\$ 13,791,236	\$ 15,257,146	\$ 15,301,375



- Local government aid increased \$387,000 for 2014 and \$50,000 in 2015.
- The City received \$4.49 million for LGA in 2015, which was the highest amount since 2007.

CITY OF WILLMAR, MINNESOTA

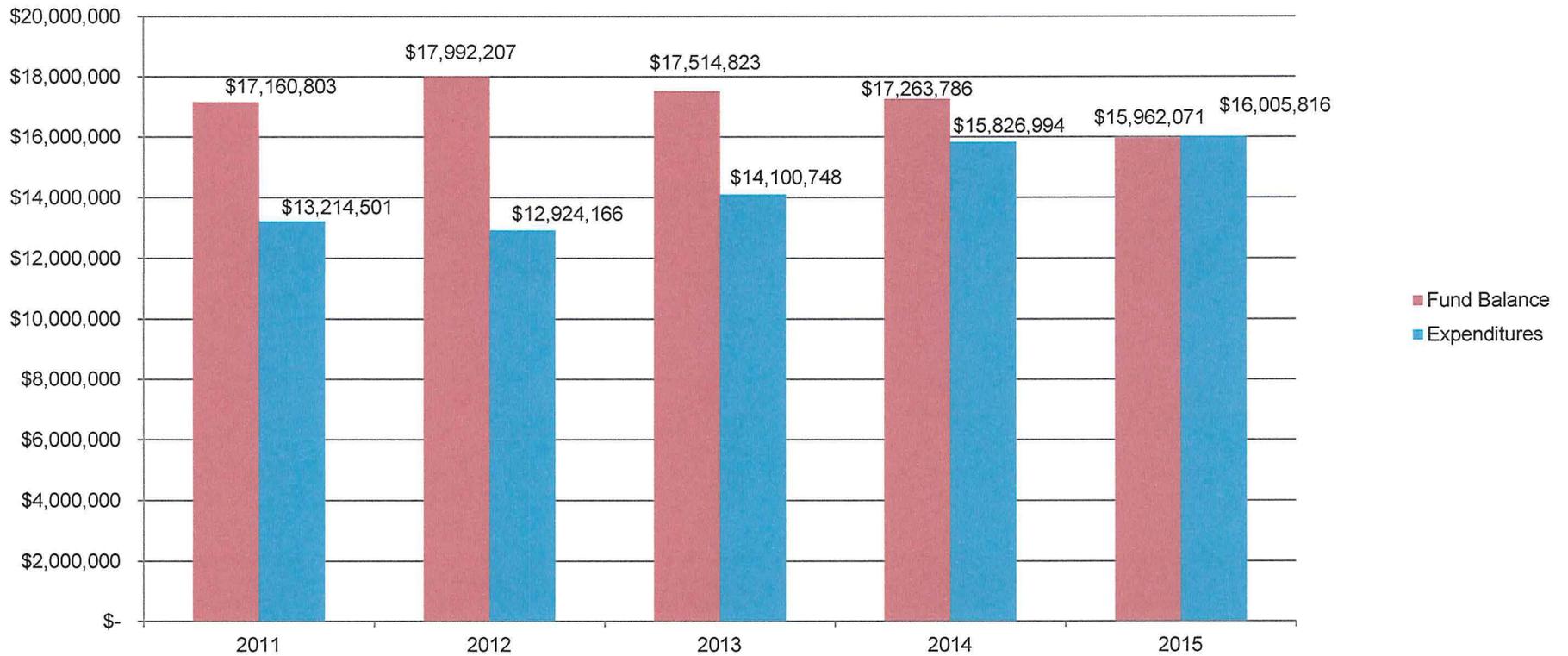
GENERAL FUND AND CAPITAL IMPROVEMENT FUND
FUND BALANCES



The Capital Improvement fund decreased significantly in 2015. The Civic Center, Auditorium and Public Works accounted for \$2.21 million out of \$2.71 million expended in 2015.

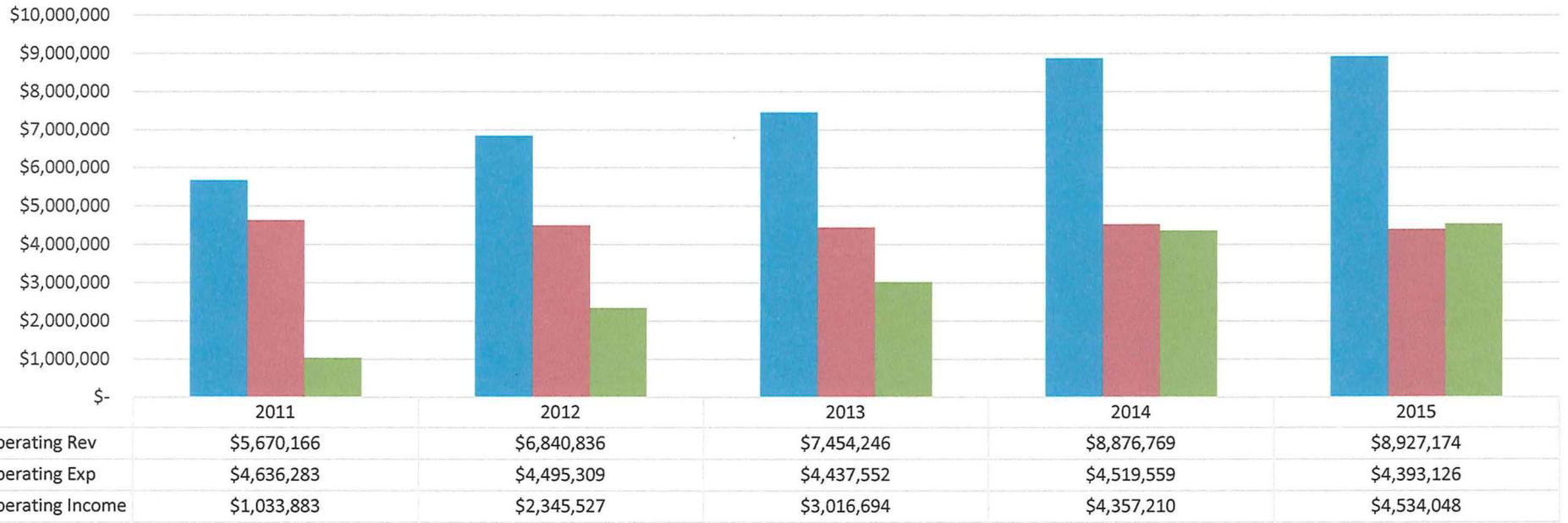
CITY OF WILLMAR, MINNESOTA

GENERAL FUND AND CAPITAL IMPROVEMENT FUND FUND BALANCE VS EXPENDITURES



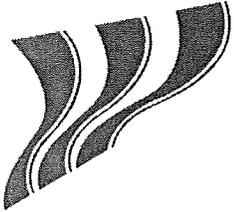
- The City has accumulated and maintained a strong fund balance. More than 98% of the fund balance is unrestricted and available to be used according to City policies.

City of Willmar Waste Treatment Fund



Operating income has shown strong improvement each year. Expenses have been relatively flat as revenue increased.

Cash and investments at the end of 2015 were \$8.7million and is above the minimum recommended from the rate study.



WILLMAR

City Finance Department

**City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-235-4984
Fax Number 320-235-4917**

COUNCIL ACTION REQUEST

DATE: August 22, 2016

SUBJECT: ACH Banking Changes

RECOMMENDATION: Receive for information.

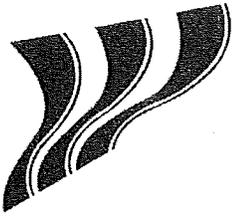
BACKGROUND: The National Automated Clearing House Association (NACHA) is implementing the "Same Day ACH" Rule which will be spread over three phases. The "Same Day ACH" Rule opens the door to same day processing of virtually any domestic ACH Payment.

Effective September 23, 2016, Phase I of the "Same Day ACH" Rule goes into effect and applies to credits only (i.e. payroll). Phase 2 is planned for September 15, 2017 and will allow for "Same Day ACH" debit transactions. Phase 3 is planned for March 16, 2018. This last phase will require Financial Institutions to credit "Same Day ACH" transactions by 5:00 PM local time.

FINANCIAL CONSIDERATION: None at this time.

LEGAL:

Department/Responsible Party: Finance Department/Steven B. Okins, Finance Director



WILLMAR

City Clerk-Treasurer

City Office Building

333 SW 6th Street

Willmar, MN 56201

Main Number 320-214-5166

Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Oslo Meadows Special Assessment Hearings

RECOMMENDATION: It is respectfully recommended the City Council approve the following:

Set a Hearing for 7:01 p.m. on September 19, 2016, for the Oslo Meadows Special Assessments

BACKGROUND:

Oslo Meadows lot sales requiring additional assessments for the 2005 Street & Other Improvements. A hearing is required to place additional assessments against any parcel pursuant to MS Chapter 429.

Six (6) lots sold in late 2015 (too late to make the November 1, 2015, certification deadline for Kandiyohi County). The sales price for two of the lots sold was remitted to the City of Willmar in the normal County settlement. The four (4) remaining lots were sold on a Contract for Deed with Kandiyohi County. For those four lots the County Auditor will remit the total sale price to the City only when paid in full, some 3 or 4 years from now. With the known sales price we can determine that the remaining two years of the 2005 Special Assessments will be unpaid. Staff requests you hold a Public Hearing on September 19, 2016, to take testimony from the new buyers and then certify the remaining dollar amount against said parcels for 5 years at the stated project interest rate of 5.5%.

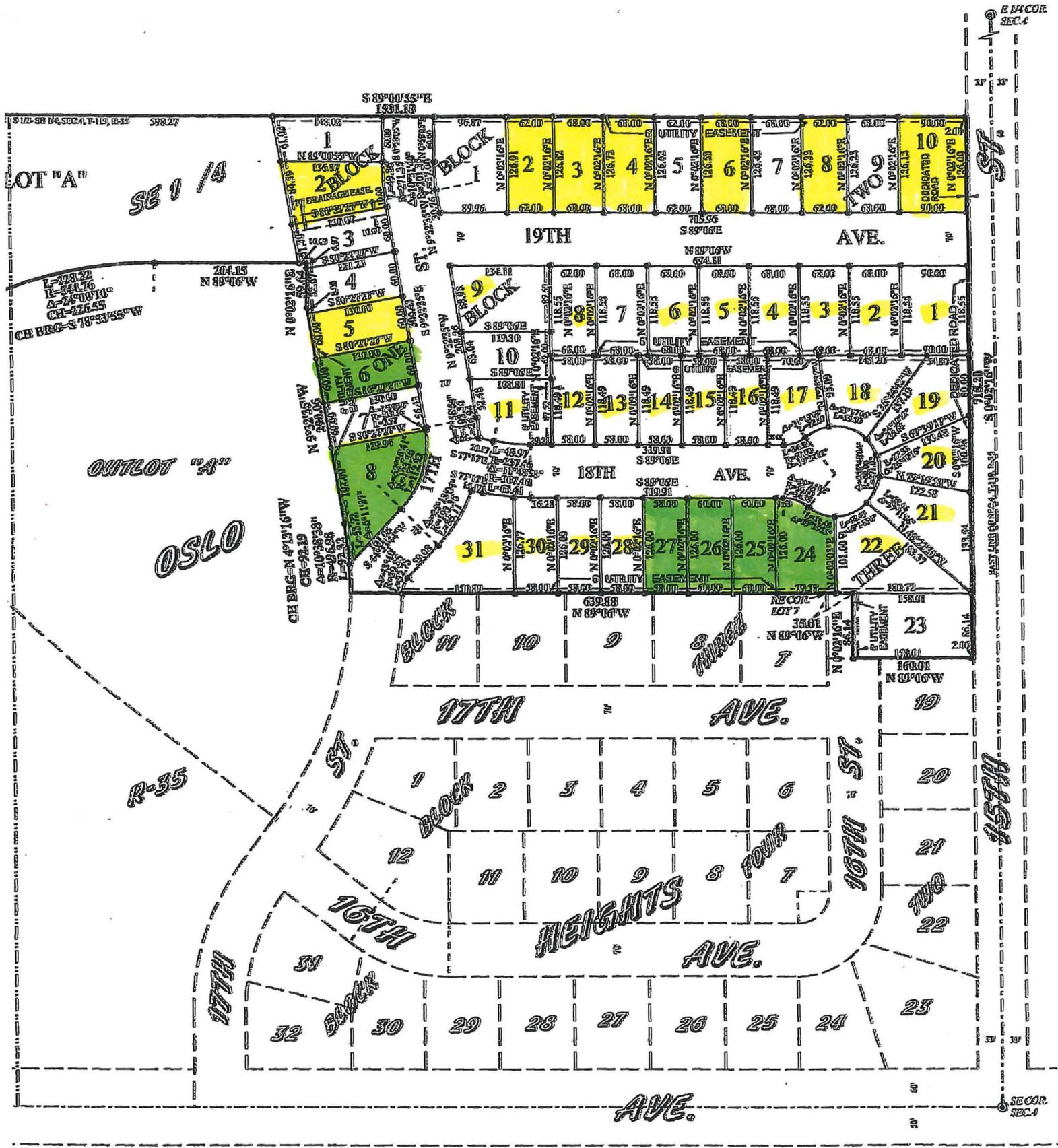
<u>Name</u>	<u>PID</u>	<u>Description</u>	<u>Sale Price</u>	<u>Pending Assessment</u>
Robin A. Javaherian	95-604-0060	Blk-1 Lot 6	\$7686.00	\$2325.76
Robin A. Javaherian	95-604-0080	Blk-1 Lot 8	\$7864.00	\$2325.76
David M & Karen M. Cram	95-604-0430	Blk-3 Lot 24	\$7760.00	\$2325.76
David M & Karen M. Cram	95-604-0440	Blk-3 Lot 25	\$7682.00	\$2325.76
John H. & Debra L. Schmitz	95-604-0450	Blk-3 Lot 26	\$7682.00	\$2325.76
John H. & Debra L. Schmitz	95-604-0460	Blk-3 Lot 27	\$7674.00	\$2325.76

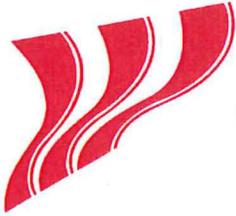
FINANCIAL CONSIDERATION:

LEGAL:

Department/Responsible Party: Kevin J. Halliday, City Clerk-Treasurer

OSLO MEADOWS





WILLMAR



**FIRE DEPARTMENT
FIRE CHIEF / MARSHAL**

**515 2ND ST. SW
WILLMAR, MN 56201
320-235-1354
FAX 320-235-1607**

COUNCIL ACTION REQUEST

DATE: August 22, 2016

SUBJECT: Fire Station roof replacement

RECOMMENDATION: It is respectfully recommended the City Council approve the following:

Approval for the Fire Department to replace the entire roof of the fire station.

DESCRIPTION: The last time the roof was replaced at the fire station (garage area & office area) was in 1996. The roof over the training room addition was installed in 1990 and has never been replaced. Every time it rains hard or the snow melts the roof leaks. We have to put out pails to catch the leaking water. This has caused damage to the suspended ceiling as well as causing damage to electrical fixtures. This is also unsafe for our employees to have water leaking into the light fixtures above where they work. The current roof is pulling away from the sides of the building. Over the years we have tried to keep up with repairs, spending thousands of dollars, but it is now time for a total replacement.

We were received two quotes. One quote from **ROOF 1 – RBR Inc. of Freeport** for \$60,177.00, the second quote from **West Central Roofing of Willmar** for \$77,303.90. Both quotes are for 60 mil roofing material with a 20 year warranty.

FINANCIAL CONSIDERATIONS: There is \$48,500 approved in the 2016 CIP budget. The additional \$11, 677.00 will be taken from the fire department’s 2016 operational budget for building maintenance.

LEGAL: N/A

DEPARTMENT/RESPONSIBLE PARTY: Frank Hanson, Fire Chief

REVIEWED BY: Larry Kruse, City Administrator

Handwritten notes in red ink:
60,177.00
+ 48,500.00
= 11,677.00
Bldg Mntn. →
\$500
Fragalix Maaske

ROOF 1 - RBR Inc.

PO Box 157, Freeport, MN. 56331

Phone: 320-836-ROOF (7663)
Fax: 320-836-7662 Cell Phone: 320-304-ROOF (7663)

To: Willmar Fire Department Attn: Mark Thompson 515 2nd St SW Willmar MN 56201 Phone: (320)235-1354 Email: mthompson@willmarmn.gov	Job Name: Willmar Fire Department Re-roofing the facility garages and tower roof sections. 515 2nd St. SW Willmar MN 56201 Phone: (320)235-1354 Fax:	Date: 6/2/16
---	--	---------------------

Total Sq Ft.	8,906
Deck Height	20
Deck Const:	Steel

Proposal

We hereby submit scope of work, specifications, and or estimates as requested:

We are please to submit a proposal for the installation of a new EPDM ballasted roofing system for the garages and tower roof sections. This will include the following:

We will begin with the removal of the metal copings and metal accessories related to the roofing system. Next the rock ballast and the existing EPDM roofing membrane system will be removed down to the existing insulation. After that is complete and all the debris is removed from the roof we will lay out our new 60 mil EPDM Versico membrane system over the existing insulation system. A smooth round washed river rock ballast will be applied at a rate of 10 lbs per square foot over the entire roof surface. Last we will measure, fabricate, and install all metal copings and accessories to complete the roofing system. Upon completion we will provide a 15 year warranty.

Total for the two garage and tower sections of roof:

15 year warranty

Thirty Three Thousand Nine Hundred Eighty Seven Dollars

533,987.00

From 15 year to

20 year warranty

Add

\$ 830.00

\$ 34,817.00

25,360.00

Total \$ 60,177.00

Notes:

Any changes or additions may be in addition to the contract amount.

Building permit to be paid by the owner (If Required).

Any mechanical, electrical, plumbing, or carpentry work required to properly install the new system, to be by others.

The owner is responsible for determining if the existing structure is capable of supporting the proposed system.

Material pricing is subject to change prior to the signed contract, per market conditions.

All wet or deteriorated insulation and blocking will be replaced on a time and material basis.

Any snow and ice removal will be completed on a time and material basis.

Proposal is guaranteed to be as specified. Payment is due upon completion of work.

Finance charges of 1 1/2% per month or (18% per year) added to balance over 30 days.

Authorized

Signature: 

Acceptance

Signature:

Proposal Valid for 30 Days

Date Accepted:

ROOF 1 - RBR Inc.

PO Box 157, Freeport, MN. 56331

Phone: 320-836-ROOF (7663)

Fax: 320-836-7662 Cell Phone: 320-304-ROOF (7663)

To: Willmar Fire Department Attn: Mark Thompson 515 2nd St SW Willmar MN 56201 Phone: (320)235-1354 Email: mthompson@willmarmn.gov	Job Name: Willmar Fire Department Re-roofing the facility office and training roof sections. 515 2nd St. SW Willmar MN 56201 Phone: (320)235-1354 Fax:	Date: 6/2/16 <table border="1"><tr><td>Total Sq Ft.</td><td>4,800</td></tr><tr><td>Deck Height</td><td>20</td></tr><tr><td>Deck Const:</td><td>Steel</td></tr></table>	Total Sq Ft.	4,800	Deck Height	20	Deck Const:	Steel
Total Sq Ft.	4,800							
Deck Height	20							
Deck Const:	Steel							

Proposal

We hereby submit scope of work, specifications, and or estimates as requested:

We are please to submit a proposal for the installation of a new EPDM ballasted roofing system for the office and training roof sections. This will include the following:

We will begin with the removal of the metal copings and metal accessories related to the roofing system. Next the rock ballast and the existing EPDM roofing membrane system will be removed down to the existing insulation. After that is complete and all the debris is removed from the roof we will lay out our new 60 mil EPDM Versico membrane system over the existing insulation system. A smooth round washed river rock ballast will be applied at a rate of 10 lbs per sqaure foot over the entire roof surface. Last we will measure, fabricate, and install all metal copings and accessories to complete the roofing system. Upon completion we will provide a 20 year warranty.

Total for the office and training sections of roof:

Twenty Five Thousand Three Hundred Sixty Dollars

\$25,360.00

Notes:

Any changes or additions may be in addition to the contract amount.

Building permit to be paid by the owner (If Required).

Any mechanical, electrical, plumbing, or carpentry work required to properly install the new system, to be by others.

The owner is responsible for determining if the existing structure is capable of supporting the proposed system.

Material pricing is subject to change prior to the signed contract, per market conditions.

All wet or deteriorated insulation and blocking will be replaced on a time and material basis.

Any snow and ice removal will be completed on a time and material basis.

Proposal is guaranteed to be as specified. Payment is due upon completion of work.

Finance charges of 1 1/2% per month or (18% per year) added to balance over 30 days.

Authorized

Signature: 

Acceptance

Signature:

Proposal Valid for 30 Days

Date Accepted:



West Central Roofing

P.O. Box 1292 - 4030 Hwy 71 NE
Willmar, MN 56201

Lic. #: 20627812 • www.westcentralroofing.net

(320) 235-8748

(800) 675-8748

Fax (320) 214-7334

License# RR627812

CONTRACT# 3466

PROPOSAL SUBMITTED TO: City of Willmar P.O. Box 755 Willmar, MN 56201	CONTACT: Mark Thompson DATE: 6/6/2016
HOME PHONE:	WORK PHONE: (320) 235-4202
	JOB NAME: Fire Station lunch & training rooms, 5214 Sq, Ballas
	JOB LOCATION: 515 2nd Street SW, Willmar, MN
	ESTIMATOR: Kai Torkelson FAX:

We hereby submit specifications and estimates for:

- (1) - Tear off old membrane and dispose of
- (2) - Ballasted EPDM Rubber Roofing System, 45 mil
- (3) - Secure all the edges and flash in
- (4) - Flash all penetrations
- (5) - Flash in curbs
- (6) - Boots at vents
- (7) - Flash in drains
- (8) - Flash Scuppers
- (9) - Owner to provide plumber (if needed)
- (10) - Owner to provide mechanical contractor (if needed)
- (11) - 15 year Labor and Materials Warranty by Manufacturer
- (12) - OWNER TO PROVIDE BUILDING PERMIT

NOTE: 60 mil add \$900.00
20 Year warranty add \$2,100.00

\$ 37,457.59

~~The~~ **Propose** hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:
Thirty Four Thousand Four Hundred Fifty Seven Dollars And Fifty Eight Cents dollars (\$34,457.59).

Payment to be made as follows: Down Payment of 1/3 is required before work will begin, balance due upon completion

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized Signature _____

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal:

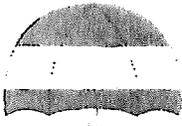
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 30 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

Signature _____

Date of Acceptance: _____

Signature _____

TOTAL \$77,303.90



West Central Roofing

P.O. Box 1292 - 4030 Hwy 71 NE
Willmar, MN 56201

Lic. #: 20627812 • www.westcentralroofing.net

(320) 235-8748

(800) 675-8748

Fax (320) 214-7334

License# RR627812

CONTRACT# 3460

PROPOSAL SUBMITTED TO: City of Willmar P.O. Box 755 Willmar, MN 56201		CONTACT: Mark Thompson	DATE: 6/6/2016
HOME PHONE:		WORK PHONE: (320) 235-4202	JOB NAME: Fire Department non-training roofs, 9050 SqFt, Ball
		ESTIMATOR: Todd Asche	FAX:
		JOB LOCATION: 515 2nd Street SW, Willmar, MN	

We hereby submit specifications and estimates for:

- (1) - Tear off old membrane and dispose of
- (2) - Ballasted EPDM Rubber Roofing System
- (3) - Secure all the edges and flash in
- (4) - Flash all penetrations
- (5) - Flash in curbs
- (6) - Boots at vents
- (7) - Flash in drains
- (8) - Flash Scuppers
- (9) - Remove and reinstall metal copings
- (10) - Owner to provide plumber (if needed)
- (11) - Owner to provide mechanical contractor (if needed)
- (12) - 15 year Labor and Materials Warranty by Manufacturer
- (13) - OWNER TO PROVIDE BUILDING PERMIT

\$ 39,846.31

OPTIONS: 60 mil EPDM, add \$3,868.00

20 year warranty, add \$2,715.00

We propose hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:
Thirty Three Thousand Two Hundred Sixty Three Dollars And Thirty Cents dollars (\$33,263.31).

Payment to be made as follows: Down Payment of 1/3 is required before work will begin, balance due upon completion

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. Replacement of damaged decking or insulation to be completed on a labor and materials basis. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Authorized Signature

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal:

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. A 1 1/2% (18% APR) late fee will be charged on all unpaid balances over 30 days. In event of default by buyer, buyer agrees to pay all costs of collection including reasonable attorneys fees in addition to other damages incurred by seller.

Signature

Date of Acceptance:

Signature

Total

= \$ 77,303.90

PUBLIC WORKS/SAFETY COMMITTEE

MINUTES

The Public Works/Safety Committee of the Willmar City Council met on Tuesday, August 23, 2016, in Conference Room No. 1 at the City Office Building.

Present:	Ron Christianson	.....	Chair
	Audrey Nelsen	.....	Vice Chair
	Steve Ahmann	.....	Member
	Andrew Plowman	.....	Member

Others present: Public Works Director Sean Christensen; Director of Planning and Development Services Bruce Peterson; Chief of Police Jim Felt; Fire Chief Frank Hanson; Shelby Lindrud "West Central Tribune"; Gary Hildebrand - Energy Organic Systems; John Offerman - Energy Organic Systems; Tom Walsh - Meadowstar Dairy; Kim Larson - Meadowstar Dairy; and Arvind Auluck-Wilson.

Item No. 1 Call to Order

The meeting was called to order by Chair Christianson at 4:47 p.m.

Item No. 2 Public Comment

There were no public comments.

Item No. 3 Police and Fire Updates (For Information Only)

Chief Felt noted the jail census for August 23, 2016 was 113; 32 inmates from the Department of Corrections, 65 inmates from Kandiyohi County and 16 inmates from other counties. The calls for service since August 9, 2016 totaled 778 and are 6 days ahead of this date last year. The majority of calls for the last two weeks were for traffic stops, followed by public assists and abandoned vehicles.

Chief Hanson noted total Fire Department total calls for service in the previous weeks totaled 27. The total calls for service this year is 216, compared to 229 calls in 2015. The dispatch to en route time is currently 3 minutes 25 seconds.

Chief Felt also mentioned the Willmar Police Department will be holding a new event - Pop with a Cop on Thursday, September 1st from 1-3pm at Miller Park. This program is sponsored by Bernick's Pepsi with hopes to get law enforcement connected with the youth.

Council Member Ahmann expressed concern with the uncontrolled intersection of 9th Street Southwest/Becker Avenue Southwest. Staff explained they have looked at this intersection on numerous occasions and at this time it doesn't warrant a stop sign. Council Member Ahmann made a motion to direct staff to install a stop sign, the motion died due to lack of second.

Item No. 4 Walmart Grant Application for DARE Program (Resolution)

Chief Felt noted the Willmar Police Department has been active in the DARE program since 1990, teaching 5th grade students in Willmar Schools. The Wal-Mart Foundation has been a regular contributor for over 10 years to the DARE program. If approved, grant funds would be used for instructor training and development and curriculum materials for students.

A motion was made by Council Member Nelsen, seconded by Council Member Plowman to approve the Willmar Police Department to apply and accept a \$1,000 grant from Wal-Mart Foundation for the DARE program. The motion carried.

Item No. 5 Walmart Grant Application for Shop with a Cop program (Resolution)

Chief Felt noted the Willmar Police Department has participated with the Willmar Wal-Mart for over 10 years in the Shop with a Cop program. For this program, officers volunteer their time to assist an underprivileged child in shopping for holiday gifts for the child's family. Gift cards for merchandise are provided through the grant.

A motion was made by Council Member Nelsen, seconded by Council Member Ahmann to approve the Willmar Police Department to apply and accept a \$1,000 grant from Wal-Mart Foundation for the Shop with a Cop event. The motion carried.

Item No. 6 1st Light Facility Development Presentation (For Information Only)

Gary Hildebrand and John Offerman of Energy and Organic Systems, LLC (EOS) presented a proposal to build a waste conversion facility at or near the WWTP. The proposed facility would use bio-solids from the Wastewater Treatment Facility and convert into compressed natural gas, clean water, organic fertilizer, and waste mitigation. After a lengthy discussion, the Committee felt this presentation should be presented to the full Council as this would be a policy discussion. Staff was directed to put this item on a future Council agenda.

Item No. 7 Projects of Regional Significance Sales Tax Marketing (For Information Only)

Staff opened discussion of possible marketing of the proposed regional projects. Council Member Nelsen said at the last CER Board Meeting this topic was discussed as well. The Committee inquired what the City can legally do to market/educate the public. Staff was directed to contact Attorney Robert Scott to clarify what options are available.

Item No. 8 Old Business (For Information Only)

Council Member Ahmann brought before the Committee his concern with storm water issues. The Committee directed staff to compile a list of improvements that have been done to improve storm water issues and what further improvements can be made along with estimated costs.

Council Member Christianson mentioned that he spoke with Public Works Superintendent Scott Ledebor regarding four parks that have minimal use. The four parks that were listed were Welshire, Wellin, Canigo, and East Willmar Park. Council Member Nelsen suggested these parks shouldn't be closed but rather turned into green space.

There being no further business to come before the Committee, the meeting was adjourned at 6:35 p.m. by Chair Christianson.

Respectfully submitted,



Sean E. Christensen, P.E.
Public Works Director



WILLMAR

Police Chief

Willmar Police Department
2201 23rd Street NE, Ste 102
Willmar, MN 56201
Main Number 320-214-6700
Fax Number 320-231-6556

COUNCIL ACTION REQUEST

DATE: August 23, 2016

SUBJECT: Walmart Grant Application for DARE program

RECOMMENDATION: Recommend approval for the Willmar Police Department to apply with the Wal-Mart Foundation for a \$1,000 grant for the DARE program.

BACKGROUND: The Willmar Police Department has been active in the DARE program since 1990, teaching 5th grade students in the Willmar Schools. The Wal-Mart Foundation has been a regular contributor for over 10 years to the DARE program. If approved, grant funds would be used for instructor training and development and curriculum materials for students.

FINANCIAL CONSIDERATION: Current funding for the DARE program is a combination of the Wal-Mart Foundation grant, miscellaneous donations and drug fine proceeds received by the court which varies through fines collected. If not approved, alternate grants & donations may be needed for funding.

LEGAL: N/A

Department/Responsible Party: Jim Felt, Police Chief

Reviewed By: Larry Kruse, City Administrator

Resolution No. _____

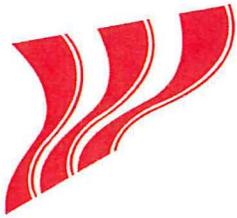
BE IT RESOLVED, by the City Council of the City of Willmar to support staff's submittal of a grant application to Wal-Mart Foundation for, and the acceptance of, a \$1,000 grant for the DARE Program.

Dated this 6th day of September, 2016.

Mayor

Attest:

City Clerk



WILLMAR

Police Chief

Willmar Police Department
2201 23rd Street NE, Ste 102
Willmar, MN 56201
Main Number 320-214-6700
Fax Number 320-231-6556

COUNCIL ACTION REQUEST

DATE: August 23, 2016

SUBJECT: Walmart Grant Application for Shop with a Cop program

RECOMMENDATION: Recommend approval for the Willmar Police Department to apply with the Wal-Mart Foundation for a \$1,000 grant for the Shop with a Cop event.

BACKGROUND: The Willmar Police Department has participated with the Willmar Wal-Mart for over 10 years in the Shop with a Cop program. For this program, officers volunteer their time to assist an underprivileged child in shopping for holiday gifts for the child's family. Gift cards for merchandise are provided through the grant.

FINANCIAL CONSIDERATION: No matching grant requirements or other financial obligations. All Willmar PD time is volunteered.

LEGAL: N/A

Department/Responsible Party: Jim Felt, Police Chief

Reviewed By: Larry Kruse, City Administrator

Resolution No. _____

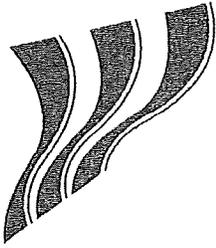
BE IT RESOLVED, by the City Council of the City of Willmar to support staff's submittal of a grant application to Wal-Mart Foundation for, and the acceptance of, a \$1,000 grant for Shop with a Cop event.

Dated this 6th day of September, 2016.

Mayor

Attest:

City Clerk



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: August 23, 2016

SUBJECT: Proposal to Construct Waste Bioconversion Facility Near WWTP

RECOMMENDATION: N/A

BACKGROUND: Energy and Organic Systems, LLC (EOS) proposes to build a waste conversion facility at or near the WWTP. Representatives of EOS will present information about their proposal, as well as request City consideration of the leasing of land and providing biosolids. Because of the impact on the WWTP, this development proposal was directed to the Public Works/Safety Committee.

FINANCIAL CONSIDERATION: No municipal financial participation is requested.

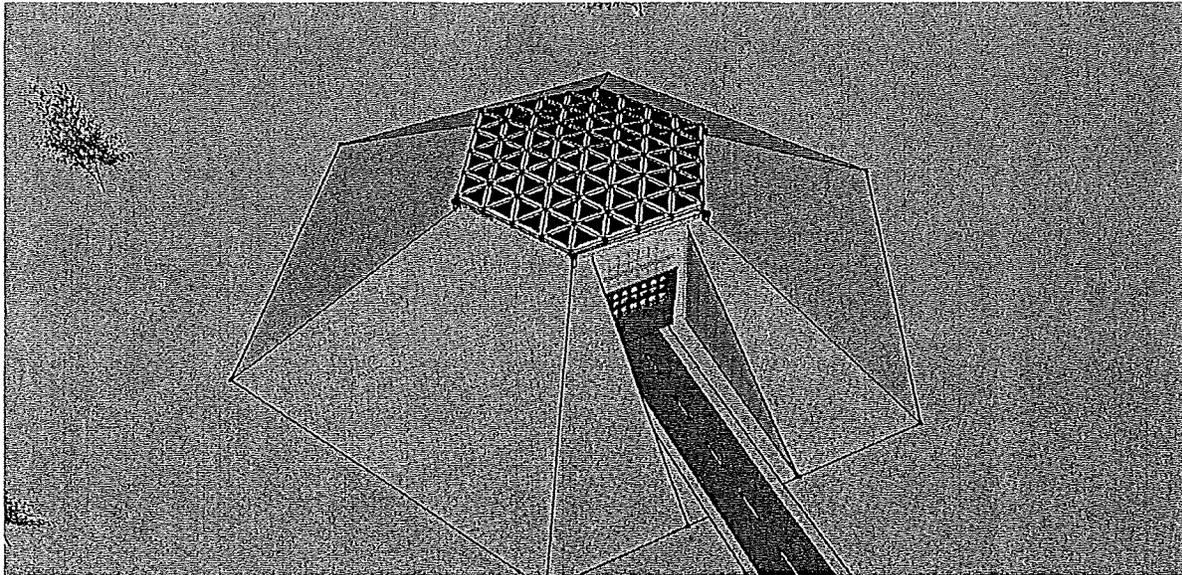
LEGAL: Specific issues will require legal agreements.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

Facility Development Proposal

(Preliminary)

July 26, 2016



EOS 1stLight18sv Organic Waste Bioconversion Facility

To: City of Willmar, Kandiyohi County, MN

From: Energy & Organic Systems, LLC (EOS)

Proposed: Energy & Organic Systems, LLC (EOS , Minneapolis, MN) proposes to the City of Willmar (Kandiyohi County, MN) to build and operate, in perpetuity, a 1stLight 18 cell waste bioconversion facility (1stLight 18lv) on the Brush Creek Site, adjacent the wastewater treatment facility currently in operation on the site.

The Specifications of the 1stLight 18lv facility proposed herein are:

Containment Cells: 18 ea. Large volume HDPE plastic, interconnected digestion cells

Facility Maximum Volume: 160,974 gallons

Facility Operating Volume: 156,949 gallons

Anticipated Daily Feedstock Input: 16,239 gallons

Average Estimated Feedstock Digestion Time (SRT): 4.04 days

If it receives preliminary approval from the City of Willmar, EOS will immediately begin work on:

(a.) Lease Agreement: A lease agreement with the City of Willmar that will provide access to a land parcel (plus easement) at the Brush Creek Site on which to build and operate a 1stLight 18lv facility. The parcel required will be between 1 and 1.5 acres to accommodate the 188' diameter hexagonal facility and a 275 ft. diameter earthen berm to surround the facility. The site must also be suitable for an on-site 200' diameter x 20' deep excavation remaining above the water table. The specific location, lease cost and term will be suitable to both parties.

(b.) Engineering Drawings: Prepare a complete set of engineering drawings covering all details of facility construction and operation.

(c.) Feedstock Contracts: Prepare contracts to define the acquisition and processing of specific feedstock varieties and volumes suitable for the successful operation of the facility in perpetuity, estimated to be 95%+.

Below is an estimate of the feedstock types and volumes suitable for the successful operation of a 1stLight 18lv facility, including the industrial biosolids, municipal biosolids, presumed MSW materials from the Brush Site plus one other possible feedstock from the area:

Brush Creek Facility Feedstock Volumes			Feed Dry Weight	
Selected Feedstock	Daily	Annual	Daily	Annual
Municipal Biosolids	226 tons 54161 gallons	82490 tons 1,976,872.9 gallons	16 tons	5559 tons
Industrial Biosolids	282 tons 67485 gallons	102784 tons 2,463,218.6 gallons	14 tons	5201 tons
Jarrie O Turkey Fat	130 tons 31155 gallons	47450 tons 1,137,139.3 gallons	98 tons	3,558.8 tons
Grass & Tree Clippings	40 tons 9586 gallons	14600 tons 349,890 gallons	24 tons	8760 tons
Volume Totals	67.8 tons 16,238.7 gallons	24,732.4 tons 5,927,119.7 gallons	151 tons	5,520.7 tons

(d.) Facility Product Sales Contracts: Identify and begin negotiations with potential buyers of the green products generated by the 1stLight 18lv facility. It is anticipated that the potential products of value will include many – or all – of the following:

- 1) Methane-rich biogas
- 2) Green CNG (Compressed Natural Gas)
- 3) Liquid Organic Fertilizer

- 4) Granular Dry Organic Fertilizer
- 5) Distilled Water
- 6) Irrigation Water
- 7) Compressed (Bottled) Carbon Dioxide
- 8) Solar Panel Electricity (Facility Rooftop)
- 9) Remediation (Tipping) Fees:

Below is the estimated daily and annual production output from the proposed 1stLight 18lv facility:

Brush Creek Facility Production		
1stLight Production	Daily	Annual
Green CNG:	303.3 mmbtu	110,714.5 mmbtu
Liquid Organic Fertilizer :	7,525 gallons	2,736,663.7 gallons
Distilled Water :	6,000.0 gallons	2,190,000.0 gallons
Discharge (Irrigation) Water:	0.0 gallons	0.0 gallons
Solar Panel Power :	1,200.0 KWH	439,900.0 KWH

The following statements will further define the terms of this proposal:

1. All of capital required to build the 1stLight 18lv facility shall be the obligation of EOS and its investors.
2. All revenues earned by the 1stLight 18lv facility shall be the property of EOS and its investors.
3. All costs associated with operating the 1stLight 18lv facility shall be the obligation of EOS and its investors.

4. EOS anticipates the hiring of one or two employees from the Willmar area to assist in plant supply & operation.
5. EOS anticipates that the components for the construction of this first facility will, in large part, be assembled in the Willmar area, and that the EDC or other affiliates of the City, will assist EOS with this task.
6. EOS anticipates that Willmar and/or Kandiyohi County will provide EOS and/or the 1stLight 18lv facility, with tax advantages and/or other inducements for locating the company's 1st facility and initial component manufacturing in the Willmar Area.
7. EOS is obligated to successfully build and operate the 1stLight 18lv facility for a period of time to be negotiated with the City. If, for any reason, EOS fails to successfully build and/or operate the facility, the company and its investors will remove the facility and restore the building site to its original state.
8. EOS expects that the bioconversion (digestion) of some or all of the feedstock passing through the plant will result in reducing one or more operating costs for the City and/or its industrial affiliates. If so, EOS expects to receive a significant share of these savings, which may include one or more of the following:
 - a. Remediation Costs associated with biosolids processing.
 - b. Remediation Costs associated with MSW processing. *grass & brush & leaves*
 - c. Remediation Costs associated with Kandiyohi County industries.
 - d. Biogas supplied by the 1stLight 18lv facility to Willmar municipal entities (i.e. WWT Facility) and/or Kandiyohi County industries.
 - e. CNG (transportation fuel) supplied to Willmar municipal entities (i.e. WWT Facility) and/or Kandiyohi County industries.
 - f. Water resources supplied to Willmar municipal entities (i.e. WWT Facility) and/or Kandiyohi County industries.
 - g. Excess electric power supplied to Willmar municipal entities (i.e. WWT Facility) and/or Kandiyohi County industries.



WILLMAR

Public Works Director

**City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5160
Fax Number 320-235-4917**

COUNCIL ACTION REQUEST

DATE: August 23, 2016

SUBJECT: Projects of Regional Significance Sales Tax Marketing Discussion

RECOMMENDATION: It is respectfully requested the City Council consider the following recommendation:

Receive for information only.

BACKGROUND: Discussion of marketing strategies for projects of regional significance.

FINANCIAL CONSIDERATION: N/A

LEGAL: N/A

Department/Responsible Party: Sean E. Christensen, Public Works Director

Reviewed By: Larry Kruse, City Administrator

LABOR RELATIONS COMMITTEE

MINUTES

The Labor Relations Committee met on Wednesday, August 24, 2016 at 4:45 p.m. in Conference Room No. 1 at the Willmar City Office Building.

Present: Shawn Mueske Acting Chair
 Denis Anderson Member
 Rick Fagerlie Member

Others present: City Administrator Larry Kruse, Finance Director Steve Okins, and Janell Sommers, Administrative Assistant.

Item No. 1 Call to Order

The meeting was called to order by Council Member Anderson at 4:47 p.m. Acting Chair Shawn Mueske arrived at 5:00 p.m.

Item No. 2 Public Comment

There were no public comments.

Item No. 3 Health Insurance Update (Motion)

City Administrator Larry Kruse presented the recent information received from the SWWC Service Cooperative relating to the City's health insurance rates and the options available for the addition of a VEBA/HSA plan for employees. Administrator Kruse informed the Committee that the City fared well with an increase in health insurance premiums of 2.5% for 2017. He reviewed the current health insurance plans and how many family and single policies were in each.

City Administrator Kruse has been working with Gene Thule of the SWWC on a VEBA/HSA plans for the City implementation. It is proposed the City add a VEBA/HSA plan as fourth Health Insurance plan. The Committee discussed three funding variants of a plan with deductibles similar to the Willmar Municipal Utilities (\$2,600 single/\$5,200 family). The plan gaining most support has an employer paid VEBA/HSA contribution for single plans of \$2,600 and family of \$5,200, with a second option for the family to pay a single premium and obtain family coverage without the City making any VEBA or HSA contribution. With this plan, employees can also contribute additional funds towards their HSA account.

City of Willmar 2017 VEBA/HSA							
Option #1	Premium	Annual Premium	Employee Paid	Employer Paid	VEBA/HSA Contribution	City Annual Costs	Monthly (2017)
Single \$2,600	\$ 505.50	\$ 6,066.00	\$ -	\$ 6,066.00	\$ 2,600.00	\$ 8,666.00	\$ 722.17
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 6,066.00	\$ 10,854.00	\$ 5,200.00	\$ 16,054.00	\$ 1,337.83
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 70.50	\$ 16,849.50	\$ -	\$ 16,849.50	\$ 1,404.13

Discussion was held pertaining to how best to educate employees on the new plan and which option was the best fit for the family contribution. The Council Member Anderson made a motion to recommend the City in 2017 offer a \$2,600/5,200 VEBA/HSA plan (Option 1). Council Member Christianson seconded the motion, which carried.

Item No. 4 City Clerk and Human Resources Director Application Update (Information)

City Administrator Kruse informed the Committee that to date there are not a lot of applications for either position, but he expects more before the closing on August 31st.

Item No. 5 Goals (Information)

The Committee briefly discussed the Labor Committee establishing goals. It was the consensus of the Committee that goals be set at a retreat in the near future.

A motion was made, seconded and passed to adjourn. The meeting was adjourned at 5:52 p.m.

Respectfully submitted,

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

Janell Sommers
Administrative Assistant

Memorandum

Date: August 24, 2016
 To: Labor Committee
 From: Larry Kruse, City Administrator
 RE: City of Willmar VEBA HSA Plan \$2,600/\$5,200

Currently, the City does not offer a VEBA/HSA Health Plan. The City’s Labor Agreements states “the City will provide a VEBA plan as an additional option provided there is a minimum of at least ten (10) employees enrolled City wide.” Staff has researched a number of options and has found it difficult to select a plan that is beneficial to both the employee and the City. For purposes of discussion, staff is bringing forward the plan currently used by the Willmar Municipal Utilities. The following scenario builds off of the WMU’s 2016 health plan. Effective in 2017, they will see an increase in the 3.5% range.

Willmar Municipal Utilities (2016)							
Family Unit	Monthly Premium	Annual Premium	Employee Paid	Employer Paid	VEBA/HSA Contribution	City Annual Costs	City Monthly Costs
VEBA \$2,600	\$ 498.00	\$ 5,976.00	\$ -	\$ 5,976.00	\$ 2,600.00	\$ 8,576.00	\$ 714.67
Family \$5,200	\$ 1,510.00	\$ 18,120.00	\$ 6,000.00	\$ 12,120.00	\$ 5,200.00	\$ 17,320.00	\$ 1,443.33
HSA \$2,600	\$ 498.00	\$ 5,976.00	\$ -	\$ -	\$ 2,600.00	\$ 8,576.00	\$ 714.67
Family \$5,200	\$ 1,510.00	\$ 18,120.00	\$ 600.00	\$ 17,520.00	\$ -	\$ 17,520.00	\$ 1,460.00

Single Coverage: The City proposes to pay 100% of a single up to a maximum premium of \$505.50 and contribute \$2,600 into a VEBA/HSA account.

Family Coverage: The City will pay 100% of the family less the single coverage (as described above - \$505.50) and contribute \$5,200 into a VEBA/HSA account, or The City will pay 95% of the family coverage and make no contribution into the VEBA/HSA account.

Legal: To proceed with the various bargaining units, it is recommended to meet to share the proposed plan. Ultimately, it is recommended to enter into a Memorandum of Understanding with each of the bargaining groups.

City Contribution Calculation	
2016 Family Rate	\$ 1,680.00
2016 Single Rate	\$ 599.00
Dependant Coverage	\$1,081.00
Previous coverage	\$1,054.50
Difference	\$26.50
Split Increase (Half)	\$13.25
2016 Family Co-pay	\$211.00
New Family Co-pay	\$224.25
2017 City Max Contribution	\$1,455.75

- This is one of four Health Plans available for employees
- Adoption of a higher deductible Health Insurance Plan with funds managed by the employee should result in more prudent use and overall reduced premiums in the future.
- Preventive care is covered 100%.
- It is unknown how many employees will participate in an VEBA/HSA Plan, so cost implications are hard to identify.
- HSA and VEBA Plans offer employees the ability to save funds for future needs.
- Willmar Utilities does not offer the number of choices compared to the City.
- One size does not fit all.
- When an employee migrates from a family to a single plan, the City reduces expenses.
- Adopting a VEBA/HSA similar to the WMU will likely cost the City initially more, however may save the City over time with lower premiums.

Option #1		City of Willmar 2017 VEBA/HSA										
Family Unit	Premium	Annual Premium	Employee Paid	Employer Paid	VEBA/HSA Contribution	City Annual Costs	Monthly (2017)	2016 City Expense Monthly	Increased City Costs	Single Family	Increase monthly City Expense	Increase/Decrease 25% participation
Single\$ 2,600	\$ 505.50	\$ 6,066.00	\$ -	\$ 6,066.00	\$ 2,600.00	\$ 8,666.00	\$ 722.17	\$ 599.00	\$ 123.17	38	\$ 4,680.33	\$ 14,041.00
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 6,066.00	\$ 10,854.00	\$ 5,200.00	\$ 16,054.00	\$ 1,337.83	\$ 1,455.75	\$ (117.92)	73	\$ (8,607.92)	\$ (25,823.75) \$ (11,782.75)
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 70.50	\$ 16,849.50	\$ -	\$ 16,849.50	\$ 1,404.13	\$ 1,455.75	\$ (51.63)	73	\$ (3,768.63)	\$ (11,305.88) \$ 2,735.13

Option #2		City of Willmar 2017 VEBA/HSA Scenario - Similar to WMU, except Family deductible is at the \$224.25 instead of \$505.50										
Family Unit	Premium	Annual Premium	Employee Paid	Employer Paid	VEBA/HSA Contribution	City Annual Costs	Monthly (2017)	2016 City Expense Monthly	Increased City Costs	Single Family	Increase monthly City Expense	Increase/Decrease 25% participation
Single\$ 2,600	\$ 505.50	\$ 6,066.00	\$ -	\$ 6,066.00	\$ 2,600.00	\$ 8,666.00	\$ 722.17	\$ 599.00	\$ 123.17	38	\$ 4,680.33	\$ 14,041.00
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 2,691.00	\$ 14,229.00	\$ 5,200.00	\$ 19,429.00	\$ 1,619.08	\$ 1,455.75	\$ 163.33	73	\$ 11,923.33	\$ 35,770.00 \$ 49,811.00
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 70.50	\$ 16,849.50	\$ -	\$ 16,849.50	\$ 1,404.13	\$ 1,455.75	\$ (51.63)	73	\$ (3,768.63)	\$ (11,305.88) \$ 2,735.13

Option #3		City of Willmar 2017 VEBA/HSA Scenario - Similar to WMU, except Single VEBA\HSA contribution reduced from \$2,600 to \$2,080										
Family Unit	Premium	Annual Premium	Employee Paid	Employer Paid	VEBA/HSA Contribution	City Annual Costs	Monthly (2017)	2016 City Expense Monthly	Increased City Costs	Single Family	Increase monthly City Expense	Increase/Decrease 25% participation
Single\$ 2,600	\$ 505.50	\$ 6,066.00	\$ -	\$ 6,066.00	\$ 2,080.00	\$ 8,146.00	\$ 678.83	\$ 599.00	\$ 79.83	38	\$ 3,033.67	\$ 9,101.00
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 6,066.00	\$ 10,854.00	\$ 5,200.00	\$ 16,054.00	\$ 1,337.83	\$ 1,455.75	\$ (117.92)	73	\$ (8,607.92)	\$ (25,823.75) \$ (16,722.75)
Family \$5,200	\$ 1,410.00	\$ 16,920.00	\$ 70.50	\$ 16,849.50	\$ -	\$ 16,849.50	\$ 1,404.13	\$ 1,455.75	\$ (51.63)	73	\$ (3,768.63)	\$ (11,305.88) \$ (2,204.88)

CONSUMER-DIRECTED MODEL COMPARISON
HSAs, VEBA Plan and FSAs
For 2016

FEATURE	Health Savings Accounts (HSAs)	VEBA Plan	Flexible Spending Accounts (FSA)
Market segment(s)	Individual, and groups of any size	Public Sector employers	Groups of any size.
What is it?	<p>An HSA is a tax-exempt trust or custodial account owned by an individual that can be funded by an employer and/or employee, or another individual. The HSA is used to help pay current medical expenses of the account holder and his or her spouse or tax dependents and to save for future medical expenses.</p> <p>Medical expenses are limited to Section 213(d) eligible expenses. Section 213(d) is the part of the tax code that outlines eligible expenses for medical FSAs, as well as HSAs.</p>	<p>The VEBA account is funded by the employer, pursuant to either a bargaining agreement or a personnel policy; either way, an individual may not decide to participate or not participate beyond the terms of the applicable agreement.</p> <p>The VEBA account is used to help pay for cost sharing under the health plan, and can also be used to pay additional expenses not covered by the health plan (limited to Section 213(d) eligible expenses). Section 213(d) is the part of the tax code that outlines eligible expenses for medical FSAs, as well as HSAs.</p>	<p>An FSA is funded by the employee with an optional election to fund the FSA with pre-tax payroll dollars. Employers can make contributions but it is rare to do so. The FSA is used to help pay employee cost sharing under the health plan, and can also be used to pay additional expenses not covered by the health plan and to pay Section 213(d) including dental and vision expenses.</p> <p>There are two types of FSAs – medical and dependent care. They are separate elections and cannot be used interchangeably.</p>

FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Health Plan	<p>Must be a qualified high deductible health plan with a minimum individual deductible of \$1,300 and a family deductible of \$2,600. (2016)</p> <p>The individual out-of-pocket maximum cannot exceed \$6,550 and the family out-of-pocket maximum cannot exceed \$13,100.</p> <p>The deductibles and out-of-pockets are subject to annual increases at renewal, based on the Consumer Price Index (CPI).</p> <p>There can be no individual deductible on family contracts, if the individual deductible is less than \$2,600. All benefits are subject to the deductible (including prescription drugs) except preventive care.</p>	<p>The Service Cooperatives have designed health plans that can be paired with a VEBA. There are no federal requirements for health plan design.</p>	<p>Any type or design of health plan can be offered. There are no federal requirements for health plan design.</p>
Coordination of benefits (COB)	<p>The health plan can only coordinate benefits with another qualified high-deductible health plan (HDHP) as defined by Federal law, in order to protect tax status of the HSA. Health FSAs must be limited to vision, dental and preventive until the health plan deductible is met. If an HSA is not established and contributions made to the account, then any other insurance is permissible, and the FSA does not need to be limited.</p>	<p>The health plan follows standard COB rules and the VEBA account pays after all other health plans have paid. A flexible spending account (FSA) pays before or after the VEBA account, based on the employer plan design.</p>	<p>Generally the health plan follows standard COB rules and the FSA pays after all other health plans have paid.</p>
Employer contributions are tax deductible to the employer.	<p>YES - on any dollars the employer contributes to the account.</p>	<p>YES</p>	<p>YES – on paid claims only.</p>
Employer FICA tax is due on employer contributions.	<p>NO- additionally employers realize FICA/FUTA savings on pretax employee contributions made via a cafeteria plan.</p>	<p>NO</p>	<p>NO</p>

This document is meant to be a guide only. This document was created using reliable sources, but it should not be considered or construed as legal advice.

FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Funds need to be deposited in an actual account in order to pay the liability on a claim.	YES	YES	Medical FSA elections are available in full on the first day of the plan year regardless of how much has been withheld pretax from their payroll check. Dependent Care FSA elections are only available up to the amount that has been withheld from their payroll check.
Employee can accumulate money to pay future medical expenses.	YES	YES, this is often an underlying strategy of these plans	YES, as long as the expense is incurred in the current plan year. The exception to this is Grace Period and Rollover
Tax and penalty for withdrawals for non-eligible medical expenses.	YES- Income tax and 20% penalty, but no penalty at attained age 65 and later.	Non-qualified withdrawals are not allowed.	Non-qualified withdrawals are not allowed.
Employee contributions to the account are tax-deductible to the employee.	YES	N/A. All contributions are by the employer.	Yes, if deducted from their payroll. Only option is pre-tax.
Employee contributions and interest to the account are taxed as ordinary income.	NO	N/A. Employee contributions not allowed.	N/A
Employee contributions are made with after-tax dollars.	YES, however contributions can also be made pretax via salary reduction under a cafeteria plan, if offered by employer.	N/A. All contributions are by the employer.	N/A
Withdrawals for eligible medical expenses are taxable to the employee.	NO	NO	NO
Funds belong to the employee during employment and are portable (belong to employee after leaving employment)	YES	YES	Unused funds are forfeited back to employer, but employers can opt for more portability by electing either a Grace Period or the \$500 rollover option.
Both the employer and employee can contribute to account within same calendar year.	YES	N/A. All contributions are by the employer.	Yes, however it is rare that an employer would contribute to an FSA.

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FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Combined medical and pharmacy deductible and out-of-pocket.	YES	YES	From a medical FSA, both medical and pharmacy claims are eligible as well as 213(d)
Are all medical Section 213(d) expenses covered? Note: 213(d) is the section of the tax code that outlines eligible expenses for various 'accounts', including MSAs and FSAs, and covers such things as Lasik and acupuncture.	YES, except insurance premiums limited to 1) COBRA coverage, 2) Long term care 3) Over 65 retiree medical 4) Medicare part B&D (but not Medicare supplements) Note: there are changes to eligibility of OTC drugs and medicines effective Jan. 1, 2011; they will now require a prescription	YES Note: there are changes to eligibility of OTC drugs and medicines effective Jan. 1, 2011; they will now require a prescription	YES
Investment options available.	YES, Available through SelectAccount. Funds selected by Devenir for SelectAccount.	Yes, Available through SelectAccount. Funds selected by Devenir for SelectAccount.	NO
Funds earn interest and roll over from year to year.	YES	YES	No interest; Rollover is based on employer design and IRS limits.
Cash-out option for the employee.	YES, subject to income tax and 20% penalty if for non-eligible medical expenses.	Neither cash-outs nor non-qualified withdrawals are allowed.	NO
Administrative fees are charged by the account administrator.	YES	YES	YES
Availability of funds	As contributions are made.	As contributions are made.	Medical FSA elections are available in full on the first day of the plan year regardless of how much has been withheld pretax from their payroll check. Dependent Care FSA elections are only available up to the amount that has been withheld from their payroll check
Summary plan descriptions (SPD) or employee certificate.	A Plan Document is required for employee pretax contributions under a cafeteria plan.	Required.	Required.

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FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Minimum contribution each calendar year.	NO	NO	NO, based on employer design.
Maximum contribution each calendar year.	<p>YES –up to an annual maximum of \$3,350 for individuals and \$6,750 for families. Maximum contributions are subject to annual cost-of-living adjustments,</p> <p>Persons age 55 or older (who are not on Medicare) can contribute up to \$1,000 above the normal maximum (beginning in the tax year they turn 55). This will remain at \$1,000 in subsequent years. Spouse is also eligible for catch up contribution if they have their own HSA account and are over 55.</p> <p>Annual contributions are normally subject to prorating based on the number of months of HDHP eligibility. Note that in the year the account is created, this requirement is waived if the HSA is opened by December 1 and HDHP coverage is maintained through December 31 of the following year. This allows for a full contribution in the first year of the HSA even though HDHP became effective mid-year.</p>	NO maximums. Some plans put unused sick leave and severance monies into the VEBA accounts.	YES, for the medical FSA there is a \$2550 limit for employee contribution. For dependent care FSA there is a \$5000 annual limit.

FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Is the account impacted by COBRA events?	Generally, NO. COBRA relates to the health plan, not the HSA. Individuals can continue to make contributions to the HSA while they are on COBRA, but the employer is not required to continue to make contributions, even if they do so for active employees. The assets of the HSA belong to the account holder and are only split or taken away based on a court order (e.g. divorce decree). If certain dependents are taken off the health plan due to COBRA events, this could impact how much money can be contributed to the HSA (if it changes the health plan deductible from family to single).	Yes, COBRA relates to the health plan and to the VEBA account. There are separate elections for each, and since the “premium” for the VEBA account is 102% of the contribution, it is unlikely that one would elect that.	YES, COBRA law applies to FSAs. COBRA participants must be treated the same as actives, in regards to the HRA. HRA account balances are created for COBRA events that result in a COBRA continuant being set up separately from the employee. Election of COBRA for the health plan means that the HRA must also be elected (this is a Blue Cross rule).
Can the health plan be purchased without purchasing the account?	YES - the individual or group may purchase the HDHP but decide not to offer or establish an HSA, or use an HSA custodian other than SelectAccount.	N/A. The product was designed to accommodate the VEBA accounts.	YES, the individual or group may purchase the group health plan but decide not to elect an FSA.

FEATURE	Health Savings Accounts (HSAs)	VEBA Plan for Service Cooperatives	Flexible Spending Accounts (FSA)
Can sole proprietors, members of an LLC, LLP, or individuals owning more than 2% of an S Corp, participate in the account?	YES – Accounts must be funded with post tax dollars.	N/A, as the product is only available to Service Cooperatives.	While IRS regulations prohibit these individuals from participating in an FSA, they may still sponsor an FSA and benefit from the savings on payroll taxes. “Employee” shareholders of regular corporations may participate in an FSA.
Regulatory Reference	Medicare Prescription Drug and Modernization Act, Title XII, Section 1201	Section 501(c) (9) of the Internal Revenue Code	IRS code § 125, § 105(b) reimb; § 105(h) NDT; Prop. Treasury regulation 1.125-5 & 6
What can the account pay for in (early) retirement?	Early (pre-65) retirees CANNOT use HSA funds to pay premiums for retiree medical insurance. Account dollars CAN be used to pay the group’s share of retiree medical insurance premiums AFTER reaching age 65. Account dollars CANNOT be used to purchase Medigap supplement policies, but dollars CAN be used to pay Medicare premiums.	Account dollars CAN be used to pay for eligible health insurance premiums and expenses, including Medicare and Medigap supplement policies, when Medicare eligible.	NA – FSA is for active employees only
Can (early) retirees still have dollars contributed to the account?	If HSA eligible, contributions into the account CAN continue (with a supplemental catch-up contribution amount for those 55 and older). Upon enrollment to Medicare, contributions into the HSA are no longer allowed (although these individuals can continue to make account withdrawals).	When VEBA is used for retirees, the VEBA plan is often funded with contributions from accumulated severance pay, sick pay and similar longevity-based benefits upon retirement.	NO

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**COMMUNITY DEVELOPMENT COMMITTEE
MINUTES**

The Community Development Committee of the Willmar City Council met on Thursday, September 1, 2016, in Conference Room No. 1 at the City Office Building.

Present:	Rick Fagerlie	.....	Chair
	Andrew Plowman	.....	Vice Chair
	Tim Johnson	.....	Member
	Audrey Nelsen	.....	Member

Others present: Bruce Peterson - Director of Planning and Development Services, Sean Christensen - Public Works Director, Megan DeSchepper - Planner/Airport Manager, Kevin Madsen, and Troy Gorans.

Item No. 1 Call to Order

The meeting was called to order by Chair Fagerlie at 4:45 p.m.

Item No. 2 Public Comments (For Information Only)

There were no public comments.

Item No. 3 Airport Grant Acceptance (Resolutions)

Staff presented two resolutions calling for the acceptance of airport grants for the airport master plan update and the design work for the rehabilitation of the east taxi lanes. The projects have a 90 percent Federal, 5 percent State, and 5 percent City split with the City's share being \$19,376.10.

Following discussion, a motion was made by Council Member Nelsen, seconded by Council Member Plowman and passed that the Council adopt the resolution accepting and authorizing the execution of the Federal Aviation Administration grant.

A motion was made by Council Member Johnson, seconded by Council Member Nelson and passed that the Council adopt the resolution accepting and authorizing the execution of the Minnesota Department of Transportation grant.

Council Member Johnson requested that, over the course of the year, the capital improvement budget expenditures be tracked for a comparison to the amounts budgeted.

Item No. 4 FBO Recommendation (Motion)

Megan DeSchepper - Planner/Airport Manager, reviewed the history and the process for the selection of a new FBO. RFP's were solicited and the City received two proposals. An interview committee interviewed both and, following the review of their proposals and the interviews, had recommended to the Council that the City select Oasis Aero as the new FBO and to pursue negotiation of a contract with them. The Council discussed the recommendation and how to best integrate a new FBO into the airport. Council Member Plowman said he was impressed by the process. All the steps

were timely, documented, and carefully taken. He said the City was fortunate to have two proposals. The Committee briefly discussed the need for a full-time airport manager. It was acknowledged that the right FBO could serve as the site manager as well.

A motion was made by Council Member Fagerlie, seconded by Council Member Johnson and passed to select Oasis Aero as the new FBO and to pursue negotiation of an FBO Agreement.

Item No. 5 Civic Center Roof Bid (Motion)

Public Works Director Christensen provided background on the project. The roof has been bid twice; both times the bids far exceeded the estimates. The roof continues to deteriorate as it leaks in rain events and the wooden shakes are blowing off. The Committee discussed possible ways to re-bid the project, as well as reasons for the bids coming in so high. Mr Christensen said there were really three options: (A) reject all bids, (B) find a way to fund the difference in 2016, or (C) push it to a future capital improvement plan.

Following discussion, a motion was made by Council Member Nelson, seconded by Council Member Plowman, and passed that the Council reject the bid received.

Item No. 6 Curling Club (Motion)

Planning and Development Services Director Peterson presented a proposal generated by Staff to assist the Curling Club with their proposed project. At a previous meeting, the Council had agreed with the concept of providing a site and providing some site assistance, but had asked Staff to quantify the cost. Staff has done that and offered a proposal to assist the Curling Club by providing a site, sewer and water to the building, and a minimal amount of site work in a not to exceed amount of \$15,500.

A motion was made by Council Member Nelsen, seconded by Council Member Plowman and passed that the Council make a formal proposal that subject to negotiating an acceptable lease with the Curling Club, the City of Willmar agrees to provide an accessible site at the Civic Center property, limited excavation and soil correction, and water and sanitary sewer connections to the building in a not to exceed amount of \$15,500.

Item No. 7 Permit Fees for Flood Damage (Motion)

Staff presented a proposal to waive plan review fees for rehabilitation permits necessitated by the recent flooding. The Committee discussed the extent of the flooding and the speed at which repairs can be made to the damaged properties. City Attorney Scott had provided an email to the Council outlining his review of the law regarding waiving permit fees. Staff told the Committee that there had been very little push-back from property owners or contractors regarding permits and fees for the flood damage rehab work.

A motion was made by Council Member Nelsen, seconded by Council Member Plowman and passed that the City waive plan review fees for all permits issued due to flood damage, and that no permit fees be charged for replacement of furnaces, water heaters, and water softeners damaged by the flood. The forgiveness period is to be in effect through the end of October 2016.

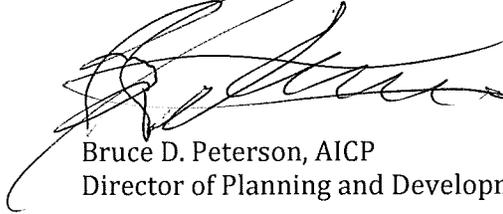
Item No. 8 Willmar Fire Station Driveway Replacement (Resolution)

Public Works Director Christensen presented a request to remove and replace the concrete driveway at the Willmar Fire Station. The 2016 CIP included \$34,000 for the work. A low quote in the amount of \$30,223.40 was received. The work will be completed yet this season.

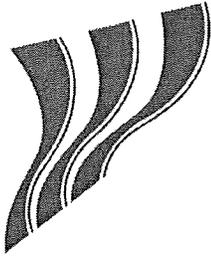
A motion was made by Council Member Nelsen, seconded by Council Member Plowman, and passed that a resolution be adopted accepting the quote from Haats Masonry in the amount of \$30,223.40 and authorizing the Mayor and the Administrator to execute the contract.

There being no further business to come before the Committee, the meeting was adjourned at 6:05 p.m. by Chair Fagerlie.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce D. Peterson", is written over a faint, illegible typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bruce D. Peterson, AICP
Director of Planning and Development Services



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Acceptance of Federal Grant Offer for Airport Master Plan Update and Rehabilitation of East taxilanes.

RECOMMENDATION: Staff recommends City Council adoption of resolution accepting Federal Grant Offer for the Airport Master Plan Update and Rehabilitation of East Taxilanes (AIP 3-27-0115-10-16, SP A3401-66)

BACKGROUND: The City has completed the land release and easement issues and has gained compliance with the Federal Aviation Administration. The first two projects that have been on the 5 Year Capital Improvement Plan for many years are the Master Plan Update and rehabilitation of the ease taxilane area (private hangars/drainage). The City Council approved the two Bolton and Menk Work Orders for the projects on June 20, 2016.

FINANCIAL CONSIDERATION: Total project cost is \$387,518.00. With a cost share of 90% Federal, 5% State, and 5% local share, the City of Willmar's portion will be \$19,376.10.

LEGAL: The City Attorney will also have to review and sign the grant agreement.

DEPARTMENT/RESPONSIBLE PARTY: Planning and Development Services, Megan M. DeSchepper, AICP, Planner/Airport Manager

RESOLUTION NO. _____

AUTHORIZATION TO EXECUTE
FEDERAL AVIATION ADMINISTRATION
GRANT AGREEMENT FOR AIRPORT MASTER PLAN UPDATE
AND TAXILANE REHABILITATION (DESIGN)

IT IS RESOLVED by the City of Willmar as follows:

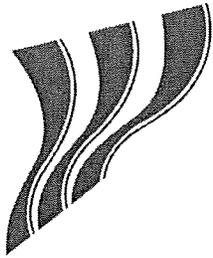
1. That the Federal Aviation Administration grant agreement 3-27-0115-010-2016 "Grant Agreement for Update Airport Master plan study, including airport layout plan; rehabilitate taxilanes (2,800' x 35')-(DESIGN)" for the Willmar Municipal Airport is accepted.
2. That the City Administrator and City Attorney are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 6th day of September, 2016.

MAYOR

Attest:

CITY CLERK



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

www.willmarmn.gov

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Acceptance of Minnesota Department of Transportation Grant Offer for Airport Master Plan Update and Rehabilitation of East taxilanes.

RECOMMENDATION: Staff recommends City Council adoption of resolution accepting State Grant Offer for the Airport Master Plan Update and Rehabilitation of East Taxilanes (MNDOT Agreement # 1026455, SP A3401-66).

BACKGROUND: The City has completed the land release and easement issues and has gained compliance with the Federal Aviation Administration. The first two projects that have been on the 5 Year Capital Improvement Plan for many years are the Master Plan Update and rehabilitation of the ease taxilane area (private hangars/drainage). The City Council approved the two Bolton and Menk Work Orders for the projects on June 20, 2016.

FINANCIAL CONSIDERATION: Total project cost is \$387,518.00. With a cost share of 90% Federal, 5% State, and 5% local share, the City of Willmar's portion will be \$19,376.10.

LEGAL: The City Attorney will also have to review and sign the grant agreement.

DEPARTMENT/RESPONSIBLE PARTY: Planning and Development Services, Megan M. DeSchepper, AICP, Planner/Airport Manager

RESOLUTION NO. ____

AUTHORIZATION TO EXECUTE
MINNESOTA DEPARTMENT OF TRANSPORTATION
GRANT AGREEMENT FOR AIRPORT MASTER PLAN UPDATE
AND TAXILANE REHABILITATION (DESIGN)

IT IS RESOLVED by the City of Willmar as follows:

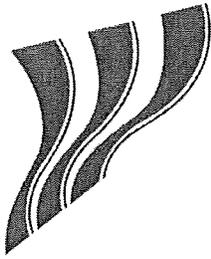
1. That the Minnesota Department of Transportation grant agreement MNDOT Agreement No. 1026455, State Project No. A3401-66 "Grant Agreement for Update Airport Master plan study; rehabilitate taxilanes - (design)" for the Willmar Municipal Airport is accepted.
2. That the Mayor and City Administrator are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 6th day of September, 2016.

MAYOR

Attest:

CITY CLERK



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

www.willmarmn.gov

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: New Fixed Base Operator for Willmar Municipal Airport

RECOMMENDATION: To be determined.

BACKGROUND: On June 6, 2016 the City Council voted to terminate the contract with the FBO Maximum Cruise Aviation. The City took over fuel operations at the Airport on Friday June 24, 2016. On July 1, 2016 the City sent out RFP's for and FBO and published it in the paper July 2 and 8, 2016. Proposals were due on July 29, 2016, the City received two submittals: Oasis Aero, Inc. (Paul Beck & Eric Rudningen); and Ron Buchanan, Dan O'Meara, Brian Frost, and William Fry. Interviews were held on August 23 and 25, 2016. The Interview Committee consisted of two Airport Commission members, City Council Liaison, and two City Staff. The Interview Committee will meet on Tuesday August 30, 2016 to determine their recommendation to the Council.

FINANCIAL CONSIDERATION: Negotiable.

LEGAL: Negotiable contract.

DEPARTMENT/RESPONSIBLE PARTY:



WILLMAR



AIRPORT

AIRPORT MANAGER
City Office Building
Box 755
Willmar, Minnesota 56201
320-214-9669
Fax: 320-235-4917
www.ci.willmar.mn.us

MEMO

TO: Community Development Committee

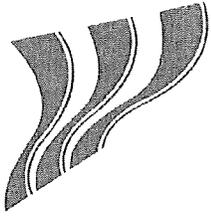
FROM: Megan M. DeSchepper, AICP, Planner/Airport Manager *MMD*

DATE: August 31, 2016

RE: Fixed Base Operator selection recommendation

On August 31, 2016 the FBO interview committee met at noon to discuss the two proposals and interviews from the previous week. After a lengthy discussion regarding the pros/cons of each proposal and philosophies for FBO operations, the committee recommends the City negotiate with Oasis Aero Inc. for FBO services. The reasoning the committee cited for their recommendation is direct FBO experience, agency contacts at the local (City), state (MNDOT Aeronautics), and federal level (Federal Aviation Administration), known quantity- existing relationships, and ability to start immediately.





WILLMAR

Public Works Director

**City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5160
Fax Number 320-235-4917**

COUNCIL ACTION REQUEST

DATE: August 26, 2016

SUBJECT: Civic Center Roof Replacement

RECOMMENDATION: It is respectfully requested the City Council consider the following recommendation:

To reject all bids for the Civic Center Roof Replacement from Everstrong Construction name in the amount of \$221,507.

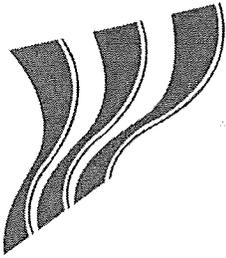
BACKGROUND: Bids were requested to remove and replace the cedar shake roofing at the Civic Center. Staff opened bids for the roof replacement at the Civic Center in accordance with the 2016 Capital Improvement Program on August 26, 2016. Lowest bidder was Everstrong Construction in the amount of \$221,507. There were no other bidders for the project.

FINANCIAL CONSIDERATION: The 2016 Capital Improvement Program includes \$95,000 for the project.

LEGAL: N/A

Department/Responsible Party: Sean E. Christensen, Public Works Director

Reviewed By: Larry Kruse, City Administrator



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: September 1, 2016

SUBJECT: Curling Club Proposal

RECOMMENDATION: To be presented

BACKGROUND: Staff have been working to prepare a proposal to the Curling Club for the construction of a curling facility on the Civic Center property. The Council previously directed staff to pursue a proposal that would include a long term lease to the Club, the extension of sewer and water to the facility, and an amount to be determined for soil corrections for the building. Soil borings were conducted on August 23, 2016. The City is still awaiting the results of the borings. It is anticipated the boring results will be available prior to the Committee Meeting so staff can draft a proposal with accurate numbers regarding City obligations. That information will be presented at the Committee.

FINANCIAL CONSIDERATION: To be determined based on soil conditions.

LEGAL: The City will need to enter into a Memorandum of Understanding or similar document detailing its responsibilities for the project.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services



PLANNING AND DEVELOPMENT SERVICES

City Office Building
333 SW 6th Street, Box 755
Willmar, MN 56201
320-235-8311
Fax: 320-235-4917
www.willmarmn.gov

MEMORANDUM

TO: Community Development Committee and Full City Council

FROM: Bruce D. Peterson , AICP, Director of Planning & Development Services

DATE: August 31, 2016

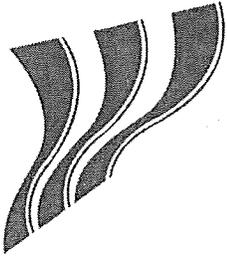
RE: Curling Club Proposal

The Willmar Curling Club had previously requested a proposal from the City to consider in determining a location for a future curling center. Preliminary discussion or approval yielded an offer to assist them with a site, sewer and water extensions, and site preparation or soil correction. The Council had requested that Staff try to quantify the offer so that a formal proposal could be made.

Braun Intertec Corporation conducted soil borings at a site adjacent to the Blue Line Center at the Civic Center property. This site was felt to be representative of several different options that are available for locating a curling facility at the Civic Center. The results of the soil borings and geo-technical evaluation are that the soils are adequate to support the type of structure being proposed with minimal soil corrections by simply creating a spread-footing. It was also noted that the area underneath the slab should be excavated with granular material replaced to provide for the necessary structure.

Following analysis of the site and estimating costs internally for the soil work and the utility extensions, it is the recommendation of Staff that the Council make the following proposal:

PROPOSAL: Subject to negotiating an acceptable lease with the Curling Club, the City of Willmar agrees to provide an accessible site at the Civic Center property, limited excavation and soil correction, and water and sanitary sewer extensions to the building in a not to exceed amount of \$15,500.



CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: September 1, 2016

SUBJECT: Permit Fees for Flood Damage

RECOMMENDATION: To waive plan review fees for all permits issued due to flood damage through the month of September.

BACKGROUND: It was suggested that the City waive building permit fees for flood damaged properties in the City of Willmar. The City Attorney prepared a memo (see attachment) regarding the matter. State law makes it pretty clear what the City does and does not have the authority to do. Prior to getting the Attorney's opinion, staff had already begun to waive the plan review fees while still requiring building permit fees. That has met with good acceptance by the contractors. The City still has costs in issuing permits and conducting inspections that should be covered by a building permit fee.

FINANCIAL CONSIDERATION: The lost plan review revenues will not be significant in the overall permit fee picture.

LEGAL: See Attorney's email.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

Bruce Peterson

From: Robert Scott <rtscott@flaherty-hood.com>
Sent: Wednesday, August 17, 2016 5:28 PM
To: Kevin Halliday
Cc: Bruce Peterson; Larry Kruse; Chris Hood
Subject: RE: FREE BUILDING PERMIT FEES

Good afternoon,

I've looked into the building permit fee issue, and whether the city has authority to temporarily waive permit fees for projects to repair damage caused by the recent storm. Certainly, the surcharge on all building permit fees imposed by the state under Minn. Stat. § 326B.148 is mandatory and the city cannot waive it. Otherwise, I have not found anything that would prevent the city from adopting a policy by resolution that would provide for temporary waivers of building permit fees that would be paid to the city for projects (or certain specified kinds of projects) shown to be necessary to correct or repair damage caused by the August 10-11 storm. Other cities nationally have established building permit fee waiver programs under limited, targeted circumstances. I am not aware of any Minnesota cities that have done anything similar, but neither have I found any authority saying Minnesota cities could not do so, especially under extraordinary circumstances.

Both statute and the Department of Labor and Industry's regulations make clear that while building permit fees are required, the municipality is free to adopt a fee schedule that differs from the state's standard fees (see Minn. Stat. § 326B.153; Minn. R. 1300.0160). The city arguably has authority under these provisions to set permit fees for qualifying specified projects at zero, or to simply waive the fee upon satisfaction of certain criteria.

Whether or not to establish a limited building permit fee waiver program is obviously a policy question for the council, but if the council wishes to temporarily waive the city's portion of building permit fees for a defined period of time for specified projects documented to be necessary to repair damage caused by the recent storm, I think it could do so. And while the city's authority to do this is admittedly in a gray area, any decision to establish and implement such a temporary program is unlikely to be challenged.

The City could also likely establish that the expenditure (by not collecting the prescribed fees) is for a public purpose. I would suggest that if the staff and Council want to pursue a temporary fee waiver program that a resolution be drafted setting out the circumstances and justification for the waiver program and the criteria under which it will be applied, which criteria must be uniform in application, as well as a specifically defined period in which the waivers will be available.

Please let me know if you have any questions or need anything further on this issue.

Thank you.

Robert

Robert T. Scott, Senior Attorney
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St. Paul, MN 55103
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www.flaherty-hood.com



WILLMAR

Public Works Director

City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5160
Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: September 1, 2016

SUBJECT: Remove and replace concrete driveway at the Willmar Fire Station

RECOMMENDATION: It is respectfully requested the City Council consider the following recommendation:

To accept and authorize signatures for the removal and replacement of the concrete driveway at the Willmar Fire Station from Haats Masonry, LLC in the amount of \$30,223.40.

BACKGROUND: Quotes were requested and opened on August 29, 2016 to remove and replace the concrete driveway at the Willmar Fire Station. Lowest quote was Haats Masonry, LLC in the amount of \$30,223.40. There were no other quotes received for the project.

FINANCIAL CONSIDERATION: The 2016 Capital Improvement Program includes \$34,000 for the project.

LEGAL: N/A

Department/Responsible Party: Sean E. Christensen, Public Works Director

Reviewed By: Larry Kruse, City Administrator

RESOLUTION NO. _____

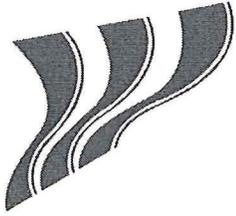
BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the quote of Haats Masonry, LLC for removal and replacement of the concrete driveway at the Willmar Fire Station is accepted, and be it further resolved the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$30,223.40.

Dated this 6th day of September, 2016.

Mayor

Attest:

City Clerk-Treasurer



WILLMAR

City Clerk-Treasurer

City Office Building
333 SW 6th Street
Willmar, MN 56201
Main Number 320-214-5166
Fax Number 320-235-4917

COUNCIL ACTION REQUEST

DATE: September 6, 2016

SUBJECT: Certification of Unpaid Utility Charges as a Lien

RECOMMENDATION: It is respectfully recommended the City Council approve the following:

Adopt the Resolution for Certification of Unpaid Utility Charges as a Lien

BACKGROUND:

Section 16-127 of the Willmar City Code states that such unpaid utility bills represent a lien on the real property receiving utility services; and Willmar Municipal Utilities Commission has offered the owner the right to request an appearance before the Commission to make objections to payment. After holding that meeting, the Willmar Municipal Utilities Commission has adopted Resolution No. 39 on August 8, 2016, requesting that the Willmar City Clerk-Treasurer certify the unpaid utility charges as a lien on the real property.

The City Council should adopt the resolution for the unpaid utility charges totaling \$72,358.49 and direct staff to certify to the County Auditor for collection along with other taxes

FINANCIAL CONSIDERATION: \$72,358.49

LEGAL:

Department/Responsible Party: Kevin J. Halliday, City Clerk-Treasurer

RESOLUTION NO. 39

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Municipal Utilities Commission requests that the City Council place liens on the following properties for non-payment of utility bills:

ACCOUNT		AMOUNT
16378002	\$	1,403.88
19698001	\$	432.07
19910001	\$	347.24
22437001	\$	407.16
22476001	\$	1,309.63
22897001	\$	640.42
23019001	\$	618.09
23419001	\$	297.14
24067001	\$	233.84
24166001	\$	333.16
32442001	\$	175.93
24835001	\$	628.50
26074001	\$	468.33
26444001	\$	256.18
27185001	\$	1088.47
27216001	\$	247.63
27356001	\$	172.36
30898001	\$	923.09
31277001	\$	373.62
31726001, 31726002, 31726003	\$	62001.75
Total	\$	72,358.49

Dated this 8th day of August, 2016

RESOLUTION NO. _____

WHEREAS, Section 16-127 of the Willmar City Code states that such unpaid utility bills represent a lien on the real property receiving utility services; and

WHEREAS, the Willmar Municipal Utilities Commission has offered the owner the right to request an appearance before the Commission to make objections to payment; and

WHEREAS, the Willmar Municipal Utilities Commission has adopted Resolution No. 39 on August 8, 2016, requesting the Willmar City Clerk-Treasurer to certify the unpaid utility charges as a lien on the real property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the amount of the unpaid utility charges totaling \$72,358.49 be certified to the County Auditor to be extended on the tax rolls of such real property in the same manner as other taxes for collecting in 2017 and collected by the County Treasurer, and paid to the City Clerk-Treasurer along with other taxes; and

BE IT FURTHER RESOLVED that the unpaid utility charges be certified against the real property as follows:

1. Parcel No. 95-006-1610
Located at 602 2nd Street SW \$1,403.88
Described as Section 15, Township 119, Range 35, Block 68
FIRST ADDITION TO THE CITY OF WILLMAR
LOTS 1&2 EXC. W 15FT.
2. Parcel No. 95-922-7890
Located at 2106 6th Street SW \$432.07
Described as Section 22, Township 119, Range 35
W.75' OF E.1430' OF THE S. 125' OF N.800' OF SE 1/4.
3. Parcel No. 95-040-0315
Located at 615 16TH Street SW \$347.24
Described as Section 16, Township 119, Range 35, Lot 12, Block 4
BARNSTAD'S ADDITION TO THE CITY OF WILLMAR
4. Parcel No. 95-250-0520
Located at 502 Mary Avenue SE \$407.16
Described as Section 14, Township 119, Range 35, Lot 12, Block 3
GLARUM'S ADDITION TO WILLMAR
5. Parcel No. 95-740-1630
Located at 609 4th Street SE \$1,309.63
Described as Section 14, Township 119, Range 35, Block 11
SPICER'S ADDITION TO WILLMAR
LOTS 3 & 12

6. Parcel No. 95-820-0030
 Located at 902 Park Avenue NW \$640.42
 Described as Section 10, Township 119, Range 35, Block 1
 THORPE & LIEN'S ADDITION TO THE CITY OF WILLMAR
 PART OF LOT 2, BLK. 1:COM. AT A PT.176' E.OF SW COR OF LOT 2 TH.N.PARA.TO E.
 LINE LOT 2,80', N.64'30" E.65', TH. S. PARA TO E. LINE OF LOT 2 A DIST. OF 100.05' TO
 S.LINE W.60' ALONG S.LINE TO BEG.
7. Parcel No. 95-916-3450
 Located at 414 15th Street SW \$618.09
 Described as Section 16, Township 119, Range 35
 S'LY 75' OF THAT PART OF LOT 7 OF STATE SUBDIV. LYING S.& E'LY OF WILLMAR -
 SIOUX FALLS RWY. R.O.W. EXC. PART N. OF BECKER AVE.
8. Parcel No. 95-630-0220
 Located at 233 Benson Avenue \$297.14
 Described as Section 14, Township 119, Range 35, Block 2
 PAULSON & SUNDE'S SUBD OF LOT D EASTERN AD
 LOT 1 EXC THE E 29.40' AND ALL OF LOTS 2, 3 & 4.
9. Parcel No. 95-670-0220
 Located at 1205 9th Street SE \$233.84
 Described as Section 23, Township 119, Range 35, Lot 2, Block 2
 PLEASANT VIEW ADDITION TO THE CITY OF WILLMAR
10. Parcel No. 95-280-1210
 Located at 1002 3rd Street SW \$333.16
 Described as Section 15, Township 119, Range 35, Lot 1, Block 7
 HANSON'S ADDITION TO WILLMAR
11. Parcel No. 95-570-0480
 Located at 1105 13th Street SW \$175.93
 Described as Section 15, Township 119, Range 35, Block 3
 NURSERY ADDITION TO THE CITY OF WILLMAR
 LOT 7 OF SUBDIV. OF LOTS 5, 6 & 7
12. Parcel No. 95-009-1030
 Located at 1115 Campbell Avenue NW \$628.50
 Described as Section 15, Township 119, Range 35, Lot 4, Block 132
 SECOND ADDITION TO THE CITY OF WILLMAR
13. Parcel No. 95-715-0080
 Located at 2408 Williams Parkway SW \$468.33
 Described as Section 21, Township 119, Range 35, Lot 8, Block 1
 SOUTHGATE ADDITION
14. Parcel No. 95-671-0700
 Located at 817 Pleasant View Drive SE \$256.18
 Described as Section 23, Township 119, Range 35, Lot 20, Block 4
 PLEASANT VIEW SECOND ADDITION

- | | | |
|-----|---|-------------|
| 15. | Parcel No. 95-006-0630
Located at 521 7 th Street SW
Described as Section 15, Township 119, Range 35, Lot 9, Block 61
FIRST ADDITION TO THE CITY OF WILLMAR | \$1088.47 |
| 16. | Parcel No. 95-020-0120
Located at 815 2 nd Street SE
Described as Section 14, Township 119, Range 35, Block 2
FIFTH ADDITION TO THE CITY OF WILLMAR
N 62 1/2 FT. OF LOT 7 EXC. E. 50 FT. | \$247.63 |
| 17. | Parcel No. 95-480-0010
Located at 1200 5 th Street SW
Described as Section 22, Township 119, Range 35, Block 1
LEARY'S ADDITION TO WILLMAR
LOTS 1 & 2 | \$172.36 |
| 18. | Parcel No. 95-250-0900
Located at 936 3 rd Street SE
Described as Section 14, Township 119, Range 35, Lot 10, Block 5
GLARUM'S ADDITION TO WILLMAR | \$923.09 |
| 19. | Parcel No. 95-665-0240
Located at 1109 Olena Ave SE
Described as Section 14, Township 119, Range 35, Lot 14, Block 2
PERKINS FIFTH ADDITION | \$373.62 |
| 20. | Parcel No. 95-922-6050
Located at 400 15 th Avenue SW
Described as Section 22, Township 119, Range 35
W.280.68' OF E.730.68' OF NE1/4 OF NE1/4 EXC. TH. N. 855.60' THEREOF. | \$62,001.75 |

Dated this 6th day of September, 2016.

Mayor

Attest:

City Clerk-Treasurer