

**SPECIAL JOINT BUDGET & FINANCE COMMITTEE AND CITY COUNCIL  
CITY HALL COUNCIL CHAMBERS  
MAY 9, 2011  
6:00 P.M.**

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
  - A. Minutes (page 1) – may be available prior to or at the meeting.
- III. NEW BUSINESS
  - A. Investments 101 – Rich Knowlton, Smith Barney will be in attendance (6:00 – 7:00 p.m.) (page 2)
  - B. Police Department Surcharge - Discuss charging (\$30.00) for the Police Department to deliver apartment utility shut off notices
- IV. OLD BUSINESS
  - A. Discuss 2012 Budget:
    - 1. Tax Levy
    - 2. LGA Budget Amount
    - 3. Market Value Homestead Credit Budget Amount
  - B. Department of Public Safety Lease (page 12)
- V. INFORMATIONAL
- VI. ADJOURN

**\*\*\*Please contact Renee Eckerly if you can't attend the meeting.\*\*\***

**Voting Members: Jean Soine, Belinda Ludwig, Kirk Johnson, Dennis Zimmerman, and Renee Eckerly.**

This agenda has been prepared to provide information regarding an upcoming meeting of the Paynesville Budget & Finance Committee. This document does not claim to be complete and is subject to change.

**BARRIER FREE:** All Paynesville Budget & Finance Committee meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

## REQUEST FOR COMMITTEE/COUNCIL ACTION

**COMMITTEE/COUNCIL NAME:** Budget & Finance Committee

Committee/Council Meeting Date: May 9, 2011

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: III - A

**ITEM DESCRIPTION:** Minutes

Prepared by: Staff

**COMMENTS:**

The minutes may be available prior to or at the meeting for consideration.

Please review the attached minutes from the April 11, 2011 Special Joint Budget & Finance Committee and City Council meeting.

**ADMINISTRATOR COMMENTS:**

**COMMITTEE/COUNCIL ACTION:**

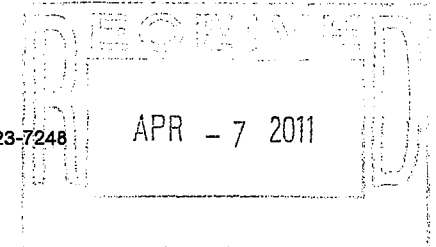
Motion to approve the minutes from the April 11, 2011 Special Joint Budget & Finance Committee and City Council meeting.

Ref: 00009862 00077594

C1100009862 311090AA01 APWMFD01A  
CITY OF PAYNESVILLE  
ATTN: RENEE ECKERLY  
221 WASHBURNE AVE  
PAYNESVILLE MN 56362-1642

Morgan Stanley Smith Barney LLC. Member SIPC.

Your Financial Advisor  
RICHARD C KNOWLTON  
333 SOUTH 7TH STREET  
SUITE 2600  
MINNEAPOLIS MN 55402  
612 349 4899  
Reserved Client Service Center: 800-423-7248  
Branch Phone: 800 334 1515



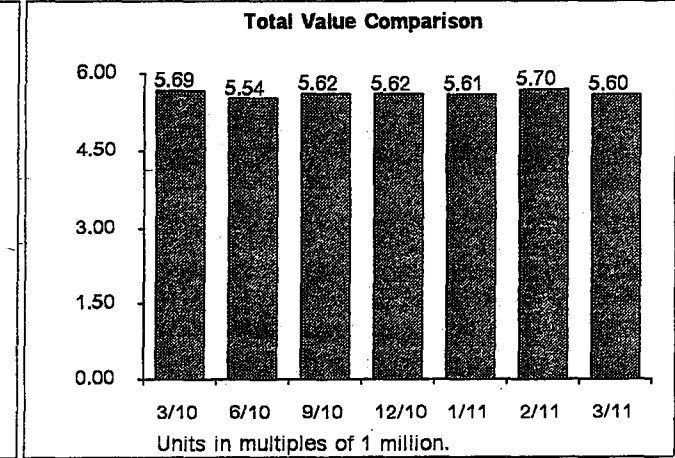
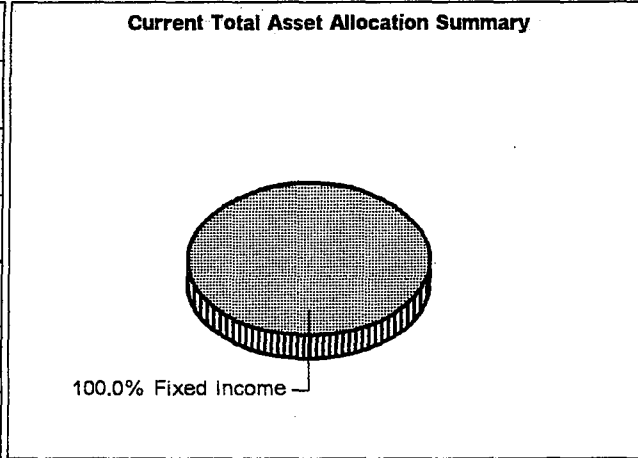
Accounts carried by Citigroup Global Markets Inc. Member SIPC.

Enclosed are statements for the following accounts in your consolidated household. "Total Value Comparison" and "Year to Date Summary" may contain information for previously existing accounts which have been recently consolidated. Unpriced securities are not included in the "Net Value" columns. Unless otherwise indicated, values shown are for "This Period." Accrued interest and dividends, earned but not paid, are excluded from the Adjusted Net Value.

**Summary**

Account Number	Abbreviated Name	Account Type	Total Value Prior Month/ Adj.Net Value	Total Value This Period/ Adj.Net Value	Net Securities Deposited/ Withdrawn	Net Capital Deposits/ Withdrawals	Total Income Taxable/ Non-Taxable	Unrealized Gain or (Loss)	Adjusted YTD Realized Gain or (Loss)
239-19797	CITY OF PAYNESVILLE	RESERVED	\$ 5,699,583.87 \$ 5,669,252.68	\$ 5,601,653.13 \$ 5,566,881.73	\$ 0.00	(\$ 107,746.72)	\$ 9,956.12 \$ 0.00	\$ 45,886.23	\$ 0.00 ST \$ 0.00 LT
<b>Total</b>			<b>\$ 5,699,583.87</b> <b>\$ 5,669,252.68</b>	<b>\$ 5,601,653.13</b> <b>\$ 5,566,881.73</b>	<b>\$ 0.00</b>	<b>(\$ 107,746.72)</b>	<b>\$ 9,956.12</b> <b>\$ 0.00</b>	<b>\$ 45,886.23</b>	<b>\$ 0.00 ST</b> <b>\$ 0.00 LT</b>

Year to Date Summary	
Beginning total net value/	\$ 5,615,970.50
Adjusted net value as of 12/31/10	\$ 5,571,664.77
Net security deposits/withdrawals (year to date)	0.00
Net cash deposits/withdrawals (year to date)	(39,731.91)
Beginning value net of deposits/withdrawals	\$ 5,531,932.86
Ending total net value/	\$ 5,601,653.13
Adjusted net value as of 03/31/11	\$ 5,566,881.73
Year to date change in value	34,948.87



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Ref: 00009862 00077595

C1100009862 311090AA01 APWMFD01A  
CITY OF PAYNESVILLE  
ATTN: RENEE ECKERLY  
221 WASHBURNE AVE  
PAYNESVILLE MN 56362-1642

Account number 239-19797-19 089

**Morgan Stanley Smith Barney LLC. Member SIPC.**

Your Financial Advisor  
RICHARD C KNOWLTON  
333 SOUTH 7TH STREET  
SUITE 2600  
MINNEAPOLIS MN 55402  
612 349 4899  
Email: richard.c.knowlton@mssb.com  
Website: www.smithbarney.com

Reserved Client Service Center: 800-423-7248  
Branch Phone: 800 334 1515

**Account carried by Citigroup Global Markets Inc. Member SIPC.**

Account value	Last period	This period	%
Cash balance	\$ 97,790.60	\$ 0.00	
Accrued interest on bonds/CDs	30,331.19	34,771.40	.62
Government & GSE bonds	1,798,209.50	1,786,384.00	32.07
Certificates of deposit	3,773,252.58	3,770,497.73	67.31
<b>Total value</b>	<b>\$ 5,699,583.87</b>	<b>\$ 5,601,653.13</b>	<b>100.00</b>
Total value (excluding accrued interest)	\$ 5,669,252.68	\$ 5,566,881.73	

Cash, money fund, bank deposits	This period	This year
<b>Opening balance</b>	<b>\$ 97,790.60</b>	
Deposits	0.00	450,000.00
Withdrawals	(107,746.72)	(489,731.91)
Interest credited	9,956.12	
<b>Closing balance</b>	<b>\$ 0.00</b>	

A free credit balance in any securities account may be paid to you on demand. Although properly accounted for, these funds may be used for business purposes.

Earnings summary	This period		This year	
	Taxable	Non-taxable	Taxable	Non-taxable
Interest	\$ 9,956.12	\$ 0.00	\$ 51,731.91	\$ 0.00
<b>Total</b>	<b>\$ 9,956.12</b>	<b>\$ 0.00</b>	<b>\$ 51,731.91</b>	<b>\$ 0.00</b>

Portfolio summary	This period	This year
Beginning total value (excl. accr. int.)	\$ 5,669,252.68	\$ 5,571,664.77
Net security deposits/withdrawals	0.00	0.00
Net cash deposits/withdrawals	(107,746.72)	(39,731.91)
Beginning value net of deposits/withdrawals	5,561,505.96	5,531,932.86
Total value as of 3/31/2011 (excl. accr. int.)	\$ 5,566,881.73	\$ 5,566,881.73
Change in value	\$ 5,375.77	\$ 34,948.87

Gain/loss summary	This period	This year
Original Realized gain or (loss)	\$ 0.00	\$ 0.00 LT \$ 0.00 ST
Adjusted Realized gain or (loss)	0.00	0.00 LT 0.00 ST
Realized losses disallowed based on wash sales rules	0.00	0.00
Unrealized gain or (loss) to date	45,886.23	



Ref: 00009862 00077596

CITY OF PAYNESVILLE

Account number 239-19797-19 089

**PORTFOLIO DETAILS**

Your holdings are valued using the most current prices available to Citigroup Global Markets Inc. (CGMI). In most cases, these values are as of 03/31/11, but in some cases CGMI's sources are unable to provide timely information. To see the date of the most recent price update, please view your account online at [www.smithbarney.com](http://www.smithbarney.com).

Securities purchased or sold are included or excluded in this section as of the trade-date. This section may include securities that have not settled as of this statement closing date. Please see the "Unsettled Purchases/Sales" section for more information. Dividend yield is the estimated annual income, assuming the current dividend, divided by the security's market price at the end of the statement period. We do not guarantee the accuracy of the prices reflected on the statement nor do these prices represent levels at which securities can be bought or sold.

**Please Note:** unrealized gain/(loss) is being shown for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

**Bonds**

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or extraordinary calls.

The research rating for Moody's Investors Service and Standard & Poor's may be shown for certain fixed income securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting research ratings.

**Government & government sponsored entity (GSE) bonds**

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
<b>200,000</b>	FEDERAL HOME LOAN MTG CORP MED TERM NTS BOOK/ENTRY DTD 2/11/10 INT: 03.000% MATY: 02/15/2016 Next call on 05/15/11 @ 100,000	02/08/10 3133F4NN7	\$ 200,000.00 \$ 200,000.00	\$ 100.00 \$ 100.00	100.329 \$ 766.67	\$ 200,658.00	\$ 658.00 LT \$ 658.00 LT	-2.99 \$ 6,000.00	\$ 0.00 \$ 658.00
<b>150,000</b>	FEDERAL HOME LOAN MTG CORP MED TERM NTS BK/ENTRY DTD 07/27/2010 INT: 02.000% MATY: 07/27/2018 Next call on 07/27/11 @ 100,000	06/30/10 3134G1LK8	150,000.00 150,000.00	100.00 100.00	99.761 533.33	149,641.50	(358.50) ST (358.50) ST	2.004 3,000.00	0.00 (358.50)
<b>250,000</b>	FEDERAL HOME LOAN MTG CORP MED TERM NTS BK/ENTRY STEP DTD 08/19/2010 INT: 02.500% MATY: 11/19/2018 Next call on 08/19/11 @ 100,000	07/23/10 3134G1PA6	250,000.00 250,000.00	100.00 100.00	97.99 729.17	244,975.00	(5,025.00) ST (5,025.00) ST	2.551 6,250.00	0.00 (5,025.00)



Ref: 00009862 00077597

CITY OF PAYNESVILLE

Account number 239-19797-19 089

Government & government sponsored entity (GSE) bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
100,000	FEDERAL HOME LOAN MTG CORP STEP UP DTD 01/28/2011 INT: 03.000% MATY: 01/28/2019 Next call on 07/28/11 @ 100.000	01/14/11 3134G1S62	\$ 100,000.00 \$ 100,000.00	\$ 100.00 \$ 100.00	98.958 \$ 525.00	\$ 98,958.00	(\$ 1,042.00) ST (\$ 1,042.00) ST	3.031 \$ 3,000.00	\$ 0.00 (\$ 1,042.00)
200,000	FEDERAL HOME LOAN BANK CONS BOOK ENTRY BONDS STEP UP DTD 09/23/2010 INT: 02.250% MATY: 09/23/2020 Next call on 09/23/11 @ 100.000	08/27/10 313370TY4	200,000.00 200,000.00	100.00 100.00	95.584 100.00	191,168.00	(8,832.00) ST (8,832.00) ST	2.353 4,500.00	0.00 (8,832.00)
450,000	FEDERAL NATL MTG ASSOCIATION BK/ ENTRY STEP DTD 20100929 INT: 02.000% MATY: 09/29/2020 Next call on 09/29/11 @ 100.000	09/24/10 3136FPPJ0	450,000.01 449,995.50	100.00 99.999	95.943 50.00	431,743.50	(18,256.51) ST (18,252.00) ST	2.084 9,000.00	0.00 (18,252.00)
300,000	FEDERAL HOME LOAN MTG CORP BK/ ENTRY STEP DTD 20101015 INT: 02.000% MATY: 10/15/2020 Next call on 10/15/11 @ 100.000	10/14/10 3133F4B26	300,000.00 300,000.00	100.00 100.00	93.12 2,766.67	279,360.00	(20,640.00) ST (20,640.00) ST	2.147 6,000.00	0.00 (20,640.00)
200,000	FEDERAL HOME LOAN MTG CORP BK/ ENTRY STEP DTD 02/25/2011 INT: 04.000% MATY: 02/25/2021 Next call on 05/25/11 @ 100.000	02/08/11 3134G13U6	200,000.00 200,000.00	100.00 100.00	99.94 800.00	199,880.00	(120.00) ST (120.00) ST	4.002 8,000.00	0.00 (120.00)
<b>Total government &amp; government sponsored entity (GSE) bonds</b>			\$ 1,850,000.01		\$ 6,270.84	\$ 1,796,384.00	(\$ 54,269.50) ST	2.54	\$ 0.00
1,850,000			\$ 1,849,995.50				\$ 858.00 LT	\$ 45,750.00	(\$ 53,811.50)



Ref: 00009862 00077598

CITY OF PAYNESVILLE

Account number 239-19797-19 089

**Certificates of deposit**

Certificates of deposit ("CDs") are insured by the FDIC up to \$250,000 per account owner per depository institution (principal and accrued interest combined) when aggregated with other deposits held in the same insurable capacity at the same depository institution. The market value of any CD on this statement is estimated using a matrix based on interest rates. If a CD cannot be priced using this method, the statement will not reflect a market value for the CD. The estimated market value may not reflect the actual price you would receive if you were able to sell your CD prior to maturity. FDIC insurance is based on the outstanding principal amount of the CD, or the accreted value in the case of a zero coupon CD, not the estimated market value.

Issuer names followed by a \*C\* indicate that issuer is an affiliate of Citigroup Global Markets Inc.

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value/ Maturity value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary income/ Capital gain/(loss)
<b>90,000</b>	CAPITAL ONE BANK - VA DTD 01/24/07 INT : SEMI-ANN INT: 05.000% MATY: 01/24/2012	01/18/07 14041ASJ9	\$ 90,000.00 <b>\$ 90,000.00</b>	\$ 100.00 \$ 100.00	103.235 <b>\$ 826.03</b>	<b>\$ 92,911.50</b> \$ 90,000.00	\$ 2,911.50 LT <b>\$ 2,911.50</b> LT	<b>4.843</b> <b>\$ 4,500.00</b>	<b>\$ 0.00</b> <b>\$ 2,911.50</b>
<b>95,000</b>	COLE TAYLOR BANK - IL DTD 01/30/08 INT : SEMI-ANN INT: 04.400% MATY: 01/30/2012	01/16/08 193296QL7	95,000.00 <b>95,000.00</b>	100.00 100.00	102.791 <b>698.58</b>	<b>97,651.45</b> 95,000.00	2,651.45 LT <b>2,651.45</b> LT	<b>4.28</b> <b>4,180.00</b>	<b>0.00</b> <b>2,651.45</b>
<b>96,000</b>	WASHINGTON MUTUAL BANK - NV DTD 02/09/07 INT : SEMI-ANN INT: 05.200% MATY: 02/09/2012	02/02/07 939369Z49	96,000.00 <b>96,000.00</b>	100.00 100.00	103.578 <b>697.51</b>	<b>99,434.88</b> 96,000.00	3,434.88 LT <b>3,434.88</b> LT	<b>5.02</b> <b>4,992.00</b>	<b>0.00</b> <b>3,434.88</b>
<b>96,000</b>	AMERICAN EXPRESS BANK, FSB DTD 02/19/09 INT : SEMI-ANN INT: 03.000% MATY: 02/21/2012	02/09/09 02580V2	96,000.00 <b>96,000.00</b>	100.00 100.00	101.949 <b>323.51</b>	<b>97,871.04</b> 96,000.00	1,871.04 LT <b>1,871.04</b> LT	<b>2.942</b> <b>2,880.00</b>	<b>0.00</b> <b>1,871.04</b>
<b>96,000</b>	CAPMARK BANK - UT DTD 02/20/08 INT : SEMI-ANN INT: 03.700% MATY: 02/21/2012	02/11/08 140653PNO	96,000.00 <b>96,000.00</b>	100.00 100.00	102.353 <b>389.26</b>	<b>98,258.88</b> 96,000.00	2,258.88 LT <b>2,258.88</b> LT	<b>3.614</b> <b>3,552.00</b>	<b>0.00</b> <b>2,258.88</b>
<b>150,000</b>	FIRSTBANK OF PUERTO RICO - PR DTD 10/09/09 INT : MONTHLY INT: 02.300% MATY: 04/09/2012	10/02/09 337624DZ0	150,000.00 <b>150,000.00</b>	100.00 100.00	101.085 <b>217.40</b>	<b>151,627.50</b> 150,000.00	1,627.50 LT <b>1,627.50</b> LT	<b>2.275</b> <b>3,450.00</b>	<b>0.00</b> <b>1,627.50</b>
<b>200,000</b>	CITIBANK, NA - NV *C* DTD 09/17/09 INT : MONTHLY INT: 02.700% MATY: 09/17/2012	09/11/09 17312QLQ0	200,000.00 <b>200,000.00</b>	100.00 100.00	102.116 <b>221.92</b>	<b>204,232.00</b> 200,000.00	4,232.00 LT <b>4,232.00</b> LT	<b>2.644</b> <b>5,400.00</b>	<b>0.00</b> <b>4,232.00</b>
<b>100,000</b>	FLAGSTAR BANK, FSB - MI DTD 10/09/09 INT : MONTHLY INT: 02.500% MATY: 10/09/2012	10/02/09 33847ER82	100,000.00 <b>100,000.00</b>	100.00 100.00	101.751 <b>157.53</b>	<b>101,751.00</b> 100,000.00	1,751.00 LT <b>1,751.00</b> LT	<b>2.456</b> <b>2,500.00</b>	<b>0.00</b> <b>1,751.00</b>
<b>150,000</b>	GE MONEY BANK - UT DTD 12/11/09 INT : SEMI-ANN INT: 02.350% MATY: 12/11/2012	12/07/09 36159CLM6	150,000.00 <b>150,000.00</b>	100.00 100.00	101.689 <b>1,071.99</b>	<b>152,533.50</b> 150,000.00	2,533.50 LT <b>2,533.50</b> LT	<b>2.31</b> <b>3,525.00</b>	<b>0.00</b> <b>2,533.50</b>
<b>96,000</b>	GE CAPITAL FINANCIAL INC, - UT DTD 12/18/08 INT : SEMI-ANN INT: 04.150% MATY: 12/18/2012	12/16/08 36160TFL5	96,000.00 <b>96,000.00</b>	100.00 100.00	103.906 <b>1,135.17</b>	<b>99,749.76</b> 96,000.00	3,749.76 LT <b>3,749.76</b> LT	<b>3.993</b> <b>3,984.00</b>	<b>0.00</b> <b>3,749.76</b>
<b>96,000</b>	M & I MARSHALL & ILSLEY BK- WI DTD 12/20/07 INT : SEMI-ANN INT: 04.650% MATY: 12/20/2012	12/13/07 55405PFB0	96,000.00 <b>96,000.00</b>	100.00 100.00	104.77 <b>1,247.47</b>	<b>100,579.20</b> 96,000.00	4,579.20 LT <b>4,579.20</b> LT	<b>4.438</b> <b>4,464.00</b>	<b>0.00</b> <b>4,579.20</b>



Ref: 00009862 00077599

CITY OF PAYNESVILLE

Account number 239-19797-19 089

Certificates of deposit-continued

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value/ Maturity value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
96,000	M & I BANK FSB - NV DTD 01/16/08 INT : SEMI-ANN INT: 04.600% MATY: 01/16/2013	01/08/08 553036FM1	\$ 96,000.00 \$ 96,000.00	\$ 100.00 \$ 100.00	104.883 \$ 907.40	\$ 100,687.68 \$ 96,000.00	\$ 4,687.68 LT \$ 4,687.68 LT	4.385 \$ 4,416.00	\$ 0.00 \$ 4,687.68
96,000	WACHOVIA MORTGAGE, FSB DTD 02/06/08 INT : SEMI-ANN INT: 03.650% MATY: 02/06/2013	01/31/08 929781AM4	96,000.00 96,000.00	100.00 100.00	103.296 518.40	99,164.16 96,000.00	3,164.16 LT 3,164.16 LT	3.533 3,504.00	0.00 3,164.16
96,000	ORIENTAL BANK & TRUST - PR DTD 04/11/08 INT : SEMI-ANN INT: 04.250% MATY: 04/11/2013	04/08/08 686184NZ1	96,000.00 96,000.00	100.00 100.00	104.391 1,922.63	100,215.36 96,000.00	4,215.36 LT 4,215.36 LT	4.071 4,080.00	0.00 4,215.36
96,000	DISCOVER BANK - DE DTD 04/15/09 INT : SEMI-ANN INT: 03.250% MATY: 04/15/2013	04/09/09 25469JQ51	96,000.00 96,000.00	100.00 100.00	102.408 1,436.05	98,311.68 96,000.00	2,311.68 LT 2,311.68 LT	3.173 3,120.00	0.00 2,311.68
96,000	NATIONAL CITY BANK - OH DTD 04/16/08 INT : SEMI-ANN INT: 04.250% MATY: 04/16/2013	04/08/08 635349FZ1	96,000.00 96,000.00	100.00 100.00	104.42 1,866.74	100,243.20 96,000.00	4,243.20 LT 4,243.20 LT	4.07 4,080.00	0.00 4,243.20
96,000	SALLIE.MAE BANK - UT DTD 05/20/09 INT : MONTHLY INT: 03.350% MATY: 05/20/2013	05/14/09 795450KP9	96,000.00 96,000.00	100.00 100.00	102.734 105.73	98,624.64 96,000.00	2,624.64 LT 2,624.64 LT	3.26 3,216.00	0.00 2,624.64
96,000	FIRSTBANK OF PUERTO RICO - PR DTD 07/03/08 INT : MONTHLY INT: 05.000% MATY: 07/03/2013	06/24/08 337629UP2	96,000.00 96,000.00	100.00 100.00	106.534 381.37	102,272.64 96,000.00	6,272.64 LT 6,272.64 LT	4.693 4,800.00	0.00 6,272.64
96,000	AMERICAN EXPRESS CENTURION BK DTD 12/24/08 INT : SEMI-ANN INT: 04.750% MATY: 12/24/2013	12/16/08 02586TDA9	96,000.00 96,000.00	100.00 100.00	106.354 1,224.33	102,099.84 96,000.00	6,099.84 LT 6,099.84 LT	4.466 4,560.00	0.00 6,099.84
96,000	GOLDMAN SACHS BANK USA - UT DTD 02/06/08 INT : SEMI-ANN INT: 03.800% MATY: 02/06/2014	01/28/08 381426GA7	96,000.00 96,000.00	100.00 100.00	104.003 539.70	99,842.88 96,000.00	3,842.88 LT 3,842.88 LT	3.653 3,648.00	0.00 3,842.88
90,000	CIT BANK - UT DTD 04/08/09 INT : SEMI-ANN INT: 03.500% MATY: 04/08/2014	04/01/09 17284P4R3	90,000.00 90,000.00	100.00 100.00	102.912 1,510.27	92,620.80 90,000.00	2,620.80 LT 2,620.80 LT	3.40 3,150.00	0.00 2,620.80
96,000	BARCLAYS BANK DELAWARE DTD 09/16/09 INT : SEMI-ANN INT: 03.150% MATY: 09/16/2014	09/10/09 06740KBLO	96,000.00 96,000.00	100.00 100.00	103.841 132.56	99,687.36 96,000.00	3,687.36 LT 3,687.36 LT	3.033 3,024.00	0.00 3,687.36
96,000	ALLY BANK-UT(FORMERLY GMAC BK) DTD 11/12/10 INT : SEMI-ANN INT: 01.750% MATY: 11/12/2014	11/08/10 02004M4W0	96,000.00 96,000.00	100.00 100.00	98.264 644.38	94,333.44 96,000.00	(1,666.56) ST (1,666.56) ST	1.78 1,680.00	0.00 (1,666.56)
96,000	GE MONEY BANK - UT DTD 11/19/10 INT : SEMI-ANN INT: 01.700% MATY: 11/19/2014	11/17/10 36159CXR2	96,000.00 96,000.00	100.00 100.00	98.081 594.67	94,157.76 96,000.00	(1,842.24) ST (1,842.24) ST	1.733 1,632.00	0.00 (1,842.24)





Ref: 00009862 00077600

CITY OF PAYNESVILLE

Account number 239-19797-19 089

Certificates of deposit-continued

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value/ Maturity value	Unrealized Gain/(loss) Original/Adjusted	Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
150,000	ALLY BANK-UT(FORMERLY GMAC BK) DTD 11/26/10 INT : SEMI-ANN INT: 01.750% MATY: 11/26/2014	11/17/10 02004M7R8	\$ 150,000.00 \$ 150,000.00	\$ 100.00 \$ 100.00	98.246 \$ 906.16	\$ 147,369.00 \$ 150,000.00	(\$ 2,631.00) ST (\$ 2,631.00) ST	1.781 \$ 2,625.00	\$ 0.00 (\$ 2,631.00)
96,000	CAPITAL ONE, N.A. - VA DTD 12/05/07 INT : SEMI-ANN INT: 04.850% MATY: 12/05/2014	11/30/07 14042EAS9	96,000.00 96,000.00	100.00 100.00	107.335 1,492.47	103,041.60 96,000.00	7,041.60 LT 7,041.60 LT	4.518 4,656.00	0.00 7,041.60
96,000	BMW BANK OF NORTH AMERICA - UT DTD 12/11/09 INT : SEMI-ANN INT: 03.000% MATY: 12/11/2014	12/07/09 05568PUD7	96,000.00 96,000.00	100.00 100.00	102.658 875.84	98,551.68 96,000.00	2,551.68 LT 2,551.68 LT	2.922 2,880.00	0.00 2,551.68
96,000	AMERICAN EXPRESS CENTURION BK DTD 12/16/09 INT : SEMI-ANN INT: 03.000% MATY: 12/16/2014	12/07/09 02586T6M1	96,000.00 96,000.00	100.00 100.00	102.667 836.38	98,560.32 96,000.00	2,560.32 LT 2,560.32 LT	2.922 2,880.00	0.00 2,560.32
96,000	DISCOVER BANK - DE DTD 12/16/09 INT : SEMI-ANN INT: 02.950% MATY: 12/16/2014	12/07/09 254670VC3	96,000.00 96,000.00	100.00 100.00	102.489 822.44	98,389.44 96,000.00	2,389.44 LT 2,389.44 LT	2.878 2,832.00	0.00 2,389.44
96,000	MIDFIRST BANK - OK DTD 01/06/10 INT : SEMI-ANN INT: 03.000% MATY: 01/06/2015	12/30/09 59740JJY6	96,000.00 96,000.00	100.00 100.00	102.709 670.68	98,609.64 96,000.00	2,600.64 LT 2,600.64 LT	2.92 2,880.00	0.00 2,600.64
150,000	BMW BANK OF NORTH AMERICA - UT DTD 01/14/11 INT : SEMI-ANN INT: 01.700% MATY: 01/14/2015	01/13/11 05568PD53	150,000.00 150,000.00	100.00 100.00	98.003 537.95	147,004.50 150,000.00	(2,995.50) ST (2,995.50) ST	1.734 2,550.00	0.00 (2,995.50)
96,000	PARAGON COMMERCIAL BANK - NC DTD 01/15/10 INT : MONTHLY INT: 03.000% MATY: 01/15/2015	01/05/10 69911Q2M6	96,000.00 96,000.00	100.00 100.00	102.726 134.14	98,616.96 96,000.00	2,616.96 LT 2,616.96 LT	2.92 2,880.00	0.00 2,616.96
96,000	SOUTHWEST BK OF ST. LOUIS - MO DTD 02/08/08 INT : SEMI-ANN INT: 04.000% MATY: 02/09/2015	01/28/08 844776DQ4	96,000.00 96,000.00	100.00 100.00	104.57 547.07	100,387.20 96,000.00	4,387.20 LT 4,387.20 LT	3.825 3,840.00	0.00 4,387.20
96,000	STOCKMAN BANK OF MONTANA DTD 10/24/08 INT : SEMI-ANN INT: 05.150% MATY: 10/26/2015	10/21/08 86128QBB3	96,000.00 96,000.00	100.00 100.00	108.707 2,153.69	104,358.72 96,000.00	8,358.72 LT 8,358.72 LT	4.737 4,944.00	0.00 8,358.72
96,000	GE CAPITAL FINANCIAL INC, - UT DTD 01/08/10 INT : SEMI-ANN INT: 03.450% MATY: 01/09/2017	01/05/10 36160TMV5	96,000.00 96,000.00	100.00 100.00	100.787 753.14	96,755.52 96,000.00	755.52 LT 755.52 LT	3.423 3,312.00	0.00 755.52
<b>Total certificates of deposit</b>			<b>\$ 3,671,000.00</b>		<b>\$ 28,500.56</b>	<b>\$ 3,770,497.73</b>	<b>(\$ 9,135.30) ST</b>	<b>3.30</b>	<b>\$ 0.00</b>
<b>3,671,000</b>			<b>\$ 3,671,000.00</b>				<b>\$ 108,633.03 LT</b>	<b>\$ 124,616.00</b>	<b>\$ 99,497.73</b>
<b>Total portfolio value</b>			<b>\$ 5,520,995.50</b>			<b>\$ 5,566,881.73</b>	<b>(\$ 63,404.80) ST</b>	<b>3.06</b>	<b>\$ 0.00</b>
							<b>\$ 199,291.03 LT</b>	<b>\$ 170,366.00</b>	<b>\$ 45,886.23</b>

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Ref: 00009862 00077601

CITY OF PAYNESVILLE

Account number 239-19797-19 089

**TRANSACTION DETAILS**

All transactions appearing are based on trade date

**Withdrawals**

Date	Description	Reference no.	Amount
03/01/11	MONEY TRANSFER 03/01/11MH THRU CENTRAL MINNESOTA CREDIT UNION CENTRAL MINNESOTA CREDIT UNION MELROSE MN CITY OF PAYNESVILLE REFERENCE # 46764782		96,000.00
03/01/11	\$25 MONEY TRANSFER FEE WAIVED		0.00
03/01/11	CHECK 6110579318 BY MINNEAPOLIS MN PYRAMAX BANK 3.7%		1,790.60
03/04/11	CHECK 6110581825 BY MINNEAPOLIS MN FIRSTBANK OR PUERTO RICO 5%		368.22
03/10/11	CHECK 6110584252 BY MINNEAPOLIS MN FIRSTBANK 2.3% \$264.66 FLAGSTAR 2.5% \$191.78		456.44
03/16/11	CHECK 6110587934 BY MINNEAPOLIS MN PARAGON COMMERCIAL BANK 3%		220.93

Date	Description	Reference no.	Amount
03/17/11	CHECK 6110588339 BY MINNEAPOLIS MN BARCLAYS BANK 3.150%		1,449.57
03/21/11	CHECK 6110589674 BY MINNEAPOLIS MN CITIBANK 2.7%		414.25
03/22/11	CHECK 6110590242 BY MINNEAPOLIS MN SALLIE MAE BANK 3.35%		246.71
03/22/11	CHECK 6110590252 BY MINNEAPOLIS MN CK ISSUED 03/17/11 BARCLAYS BK WAS \$50.00 SHORT		50.00
03/24/11	CHECK 6110591634 BY MINNEAPOLIS MN FHLBC 2.25%		2,250.00
03/30/11	CHECK 6110594434 BY MINNEAPOLIS MN FNMA 2%		4,500.00
<b>Total withdrawals</b>			<b>\$ 107,746.72</b>

**EARNINGS DETAILS**

The tax status of earnings is reliable to the best of our knowledge. Taxable and non-taxable designations refer to the federal income tax status of your securities, not of your account.

**Interest credited**

Date	Description	Comment	Taxable	Non-taxable	Amount
03/03/11	FIRSTBANK OF PUERTO RICO - PR *CERTIFICATE OF DEPOSIT DTD 07/03/08 INT : MONTHLY DUE 07/03/2013 RATE 5.000	REG INT ON 96000 CD PAYABLE 03/03/11	\$ 368.22		\$ 368.22
03/09/11	FIRSTBANK OF PUERTO RICO - PR *CERTIFICATE OF DEPOSIT DTD 10/09/09 INT : MONTHLY DUE 04/09/2012 RATE 2.300	REG INT ON 150000 CD PAYABLE 03/09/11	264.66		264.66

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Ref: 00009862 00077602

CITY OF PAYNESVILLE

Account number 239-19797-19 089

Interest credited

continued

Date	Description	Comment	Taxable	Non-taxable	Amount
03/09/11	FLAGSTAR BANK, FSB - MI *CERTIFICATE OF DEPOSIT DTD 10/09/09 INT : MONTHLY DUE 10/09/2012 RATE 2.500	REG INT ON 100000 CD PAYABLE 03/09/11	\$ 191.78		\$ 191.78
03/15/11	PARAGON COMMERCIAL BANK - NC *CERTIFICATE OF DEPOSIT DTD 01/15/10 INT : MONTHLY DUE 01/15/2015 RATE 3.000	REG INT ON 96000 CD PAYABLE 03/15/11	220.93		220.93
03/16/11	BARCLAYS BANK DELAWARE *CERTIFICATE OF DEPOSIT DTD 09/16/09 INT : SEMI-ANN DUE 09/16/2014 RATE 3.150	REG INT ON 96000 CD PAYABLE 03/16/11	1,499.57		1,499.57
03/17/11	CITIBANK, NA - NV *C* *CERTIFICATE OF DEPOSIT DTD 09/17/09 INT : MONTHLY DUE 09/17/2012 RATE 2.700	REG INT ON 200000 CD PAYABLE 03/17/11	414.25		414.25
03/21/11	SALLIE MAE BANK - UT *CERTIFICATE OF DEPOSIT DTD 05/20/09 INT : MONTHLY DUE 05/20/2013 RATE 3.350	REG INT ON 96000 CD PAYABLE 03/20/11	246.71		246.71
03/23/11	FEDERAL HOME LOAN BANK CONS BOOK ENTRY BONDS STEP UP DTD 09/23/2010 DUE 09/23/2020 RATE 2.250	REG INT ON 200000 BND PAYABLE 03/23/11	2,250.00		2,250.00
03/29/11	FEDERAL NATL MTG ASSOCIATION BK/ ENTRY STEP DTD 20100929 DUE 09/29/2020 RATE 2.000	REG INT ON 450000 BND PAYABLE 03/29/11	4,500.00		4,500.00
<b>Total interest earned</b>			<b>\$ 9,956.12</b>	<b>\$ 0.00</b>	<b>\$ 9,956.12</b>

**Message:** In the wake of extreme volume and volatility impacting the various debt markets, please be aware that security valuations reflected under the "Current Value" heading of your client statement and/or the "Market Value" of your account position page online, may not necessarily be reflective of actual market prices at which debt securities may be purchased or sold.

Statement valuations provided to us through our pricing sources may not necessarily be indicative of where you may ultimately be able to buy or sell a debt security due to various factors. These factors include, but are not limited to, liquidity of the specific security and overall market, trade size, general credit quality and independent credit ratings, security product attributes such as call provisions and other features disclosed in security prospectuses and debt covenants, supply/demand imbalances in the market, and general volatility attributable to the issuer or overall market in general.



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Ref: 00009862 00077603

CITY OF PAYNESVILLE

Account number 239-19797-19 089

**Message:** Consolidated Statement of Financial Condition:

At December 31, 2010, Citigroup Global Markets Inc. had net capital of \$8.9 billion which exceeded the Securities and Exchange Commission's minimum requirement by \$8.2 billion. A copy of the Citigroup Global Markets Inc. Consolidated Statement of Financial Condition can be viewed online at: [www.smithbarney.com/pdf/sfc2436.pdf](http://www.smithbarney.com/pdf/sfc2436.pdf) or may be mailed to you at no cost by calling (877) 936-2737.

**Message: Important information if you are a margin customer**

If you have a margin account with us, as permitted by law we may use certain securities in your account for, among other things, settling short sales and lending the securities for short sales, and as a result may receive compensation in connection therewith.

Information regarding commissions and charges will be made available to you promptly upon request. Please advise Morgan Stanley Smith Barney of any material change in your financial objectives or financial situation. All checks written and deposited to your account must be made payable to Citigroup Global Markets Inc. A financial statement of Citigroup Global Markets Inc. is available for your personal inspection at its offices, or a copy of it will be mailed upon your written request. **If you believe there are any inaccuracies or discrepancies in your account, you must promptly contact Citigroup Global Markets Inc. at 212-723-9903 and the Manager of the branch servicing your account (see page 1 of statement for address and phone number).** To protect your rights, including any rights you may have under the Securities Investor Protection Act (SIPA), you should reconfirm all oral communication in writing to Morgan Stanley Smith Barney, Attention: Early Dispute Resolution Group, 485 Lexington Avenue, 14th Floor, New York, NY 10017.



**Renee Eckerly**

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**From:** Folkers, Holly (DPS) [holly.folkers@state.mn.us]  
**Sent:** Thursday, April 14, 2011 3:09 PM  
**To:** Renee Eckerly  
**Cc:** Folkers, Holly (DPS)  
**Subject:** Lease PS0099 - Paynesville Exam

Ms. Eckerly,

The Department of Public Safety is interested in renewing the lease for the DVS Exam station in Paynesville. The current lease number is PS0099 and we are currently paying a rate of \$400 quarterly. Due to budget reductions, we are proposing an approximate 12.5% reduction in the rent, to a quarterly rate of \$350.

We are happy to partner with the City of Paynesville in order to best serve the citizens of Minnesota and feel this is a fair offer for both parties given the current economic conditions.

Please let me know if the City will accept this offer and I will draft the lease.  
Thank you,  
Holly

**Holly L. Folkers**  
Lease Coordinator  
Minnesota Department of Public Safety  
444 Cedar Street, Suite 126  
St. Paul, MN 55101-5126  
651.201.7007

Lease with State of Minnesota (Driver's License)

Litchfield – Examiners come from Willmar and base out of the National Guard Armory.

Sauk Centre – Examiners come from St. Cloud and base out of the Armory.

Milaca – Examiners come from St. Cloud and the state rents space from the City at a rate of \$20.00 per day, and come one day a week for a total of \$240.00 per quarter. The City of Milaca contends that this is considered more of a service provided to their community than a money maker.

Lease

STATE OF MINNESOTA  
LEASE

LEASE NO. **PS0099**

THIS LEASE AGREEMENT is made by and between the City of Paynesville, 221 Washburne, Paynesville, MN 56362 hereinafter referred to as LESSOR, and the STATE OF MINNESOTA, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the Department of Public Safety.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to lease non-state owned property;

WITNESSETH: LESSOR and LESSEE, in consideration of the rents, covenants and considerations hereinafter specified, do hereby agree each with the other as follows:

1. **LEASED PREMISES** LESSOR grants and LESSEE accepts a lease of the following described Leased Premises located in the City of Paynesville, County of Stearns, Minnesota 56362, to wit:  
  - one room, 36' X 18' approximately Six Hundred Forty Eight (648) usable sq ft of space on the downstairs floor of City Hall located at 221 Washburne Avenue;
2. **USE** LESSEE shall use and occupy the Leased Premises only as driver exam station and for such related activities.
3. **LEASE TERM**
  - 3.1 The term of this Lease Agreement is five (5) years, commencing on July 1, 2006 and continuing through June 30, 2011, between the hours of 9:00 a.m. and 4:30 p.m. on Thursday of each week.
  - 3.2 LESSOR and LESSEE hereby agree that a change in the hours, day(s), or location of use may be made by mutual agreement in writing between the parties, so long as there is no increase in usage.
4. **RENT**
  - 4.1 As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Lease Agreement, LESSEE agrees to pay to LESSOR a rental rate not to exceed Six Thousand Eight Hundred Forty and no/100 Dollars (\$6,840.00) for the term of this agreement due and payable according to the following schedule:

<u>Date</u>	<u>Quarterly rate</u>	<u>Total</u>
07/01/06-06/30/07	\$260.00	\$1,040.00
07/01/07-06/30/08	\$325.00	\$1,300.00
07/01/08-06/30/09	\$35000	\$1,400.00
07/01/09-06/30/10	\$375.00	\$1,500.00
07/01/10-06/30/11	\$400.00	\$1,600.00

- 4.2 LESSOR represents and warrants that it is solely entitled to all of the rents payable under the terms of this Lease Agreement and that LESSEE shall have the quiet enjoyment of the Leased Premises during the full term of this Lease Agreement and any extension or renewal thereof.

## 5. TERMINATION

- 5.1 In the event that the Minnesota State Legislature does not appropriate to the Minnesota Department of Public Safety, funds necessary for the continuation of this Lease Agreement, or in the event that Federal Funds necessary for the continuation of this Lease Agreement are withheld for any reason, this Lease Agreement may be terminated by LESSEE upon giving thirty (30) days written notice.
- 5.2 Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease Agreement is subject to cancellation upon thirty (30) days written notice by LESSEE for any reason except lease of other non-state-owned land or premises for the same use.
- 5.3 Notwithstanding Clauses 5.1 and 5.2 above, this Lease Agreement may be terminated by LESSEE or LESSOR for any reason at any time upon giving 30 days prior written notice to the other.

## 6. DUTIES OF LESSOR

- 6.1 LESSOR shall furnish and provide, at its expense, the following:
- heat, lights, electricity, water;
  - toilet facilities, janitorial services, trash removal;
  - desk, tables, chairs as required; and
  - a telephone for local service.
- 6.2 Handicapped Accessibility LESSOR agrees to provide and maintain the Leased Premises and the building of which the Leased Premises are a part with accessibility and facilities meeting code requirements for handicapped persons; pursuant to all applicable laws, rules, ordinances and regulations as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.



- 6.2 Management LESSOR agrees that in exercising its management responsibilities of the property which the Leased Premises are a part, including the maintenance, repair, alterations and construction relating thereto, it shall comply with all applicable laws, statutes, rules, ordinances and regulations, including but not limited to building code, disabilities access, zoning, air quality, pollution control, recyclable materials and prevailing wage requirements, as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

7. DUTIES OF LESSEE

- 7.1 LESSEE covenants that at the termination of this Lease Agreement by lapse of time or otherwise, it shall remove its personal property and vacate and surrender possession of the Leased Premises to LESSOR in as good condition as when LESSEE took possession, ordinary wear and damage by the elements excepted. Alterations or fixtures attached to the Leased Premises shall remain a part thereof and shall not be removed unless LESSOR elects to permit removal.
- 7.2 Smoking Pursuant to Minn. Stat. 16B.24, Subd. 9, LESSOR and LESSEE shall not permit smoking in the Leased Premises.
- 7.3 Energy Conservation LESSEE agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, any other utility or any service, whether such is furnished by LESSOR or obtained and paid for by LESSEE.

8. INSURANCE; LIABILITY

- 8.1 Property Damage. It shall be the duty of LESSOR and LESSEE to maintain insurance or self-insurance on their own property, both real and personal. Notwithstanding anything apparently to the contrary in this Lease Agreement, LESSOR and LESSEE hereby release one another and their respective partners, officers, employees and property manager from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for loss or damage, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.
- 8.2 Liability. LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. LESSEE'S liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section 3.736, and other applicable law

9. DESTRUCTION If the Leased Premises shall be destroyed or damaged by fire, tornado, flood, civil disorder or any cause whatsoever, so that the Leased Premises become untenable, the rent shall be abated from the time of such damage and LESSEE shall have the option of terminating this Lease Agreement immediately or allowing LESSOR such amount

of time as LESSEE deems reasonable to restore the damaged Leased Premises to a tenable condition.

10. **MAINTENANCE AND REPAIRS**

10.1 It shall be the duty of LESSOR to maintain at its own expense, in working condition, all appurtenances within the scope of this Lease Agreement, including the maintenance of proper plumbing, wiring, heating (and, where applicable, cooling) devices and ductwork.

10.2 LESSOR shall, at its own expense, make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Lease Agreement, provided, however, that LESSOR shall not be responsible for repairs upon implements or articles which are the personal property of LESSEE, nor shall LESSOR bear the expense of repairs to the Leased Premises necessitated by damage caused by LESSEE beyond normal wear and tear.

11. **AUDIT** Pursuant to Minn. Stat., 16C.05, Subd. 5, the books, records, documents and accounting procedures and practices of LESSOR relevant to this Lease Agreement shall be subject to examination by the State and/or Legislative Auditor, as appropriate, for a minimum of six (6) years.

12. **DEFAULT BY LESSOR** If LESSOR shall default in the performance of any of the terms or provisions of this Lease Agreement, LESSEE shall promptly so notify LESSOR in writing. If LESSOR shall fail to cure such default within thirty (30) days after receipt of such notice, or if the default is of such character as to require more than thirty (30) days to cure, and LESSOR shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event, LESSEE, at its sole option, may terminate this Lease upon thirty (30) days written notice or may cure such default. In the event LESSEE cures the default, LESSOR shall pay all reasonable and actual expenses paid by LESSEE to cure said default, including attorneys fees, within ten (10) days of receipt of invoices therefore are rendered, or LESSEE shall have a specific right to set-off any such amounts due from LESSOR against any rent payments or other amounts due under this Lease Agreement. In the event LESSEE elects to terminate this Lease Agreement, said termination shall not limit LESSEE'S rights to damages caused by the breach and failure to cure. This provision in no way limits LESSEE'S other remedies for breach under common law or this Lease Agreement.

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

**LESSOR: City of Paynesville**

*Lessor certifies that the appropriate person(s) have executed the Lease Agreement on behalf of Lessor as required by applicable articles, bylaws, resolutions, or ordinances.*

By *Jeff Thompson*

Title *Mayor*

Date *6/27/06*

By *Ron Morgan*

Title *acting City Admin*

Date *6/27/06*

**LESSEE:**

**STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
COMMISSIONER**

Delegated to

By *Vivian Gulasky*

Title *Lease Coordinator*

Date *7/13/06*

**APPROVED:**

**STATE OF MINNESOTA  
DEPARTMENT OF PUBLIC SAFETY**

By *Pat M. ...*

Title *FAs Assistant Director*

Date *7-13-06*

**STATE ENCUMBRANCE VERIFICATION**

*Individual signing certifies that funds have been encumbered as required by Minn. Stat. § 16A.15. and 16C.05*

By *Vivian Gulasky*

Date *7/14/06*

CFMS Contract No. *A08749*

DEP

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