



AGENDA

Blackduck City Council Meeting

6:00 PM - Monday, October 10, 2022
City Hall, 8 Summit Drive, Blackduck MN

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1. CALL TO ORDER	
a. Roll Call	
b. Pledge of Allegiance	
2. APPROVAL OF AGENDA	
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4.	BLACKDUCK FORUM <i>Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.</i>	
5.	REPORTS OF COMMITTEES AND CITY STAFF	
5.1.	Liquor Store Report - Shawnda Lahr, Director of Liquor Operations	
5.2.	Golf Course Report - Misty Frenzel, Golf Course Director	
a.	October 20, 2022 @ 2pm - Blackduck Golf Board Meeting - Blackduck Golf Course	
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property from the Minnesota Department of Transportation for private ownership - Phillip Patch, Resident

[2022-22 Resolution acknowledging support for the Phillip Patch to convey state rail bank property from the MnDot for economic development](#)

- d. Council Consideration - Support for 2022 Blackduck Glow in the Snow - Tony Rossberg
- e. Approval Needed - Resolution 2022-23 - Resolution supporting the establishment of a deputy registrar office in the City of Blackduck 252 - 253
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- f. Council Consideration - Call Public Hearing November 7, 2022 to consider the adoption of a Spending Plan for Tax Increment Financing District #1-4 & #1-6 - Todd Hagen, Ehlers 254
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- g. Council Consideration - Call a Special Meeting on October 22, 2022 preceding the scheduled work session to hear the first reading of Ordinance #2022-01: an Ordinance of the City of Blackduck, Minnesota, amending Chapter 15 entitled "Land Use and Subdivision Ordinance" and final reading on November 7, 2022. 255
[Legal Notice Ordinance 2022-01](#)
- h. Council Information - Black Duck Repairs Needed - representing on behalf of citizens, Christina Regas 256 - 258
[Black Duck Concerns](#)
- i. October 12, 2022 @ 11am - Blackduck Development Corp Meeting - Blackduck City Hall
- j. October 19, 2022 @ 2pm - Blackduck Planning Commission Meeting - Blackduck City Hall
- k. October 20, 2022 @ 8am - Blackduck Personnel Committee Meeting - Blackduck City Hall
- l. October 20, 2022 @ 9:30am - Blackduck Ambulance Board Meeting - Blackduck City Hall
- m. October 20, 2022 @ 10:30am - Blackduck Combined Maintenance & Police Facility Construction Meeting - Blackduck City Hall
- n. October 21, 2022 @ 9:30am - FEMA Recovery Scoping Meeting DR-4659 - Blackduck City Hall
- o. October 24, 2022 @ 6pm - Blackduck City Council Work Session - Blackduck City Hall
- p. November 3, 2022 @ 10:30am - Blackduck Combined Maintenance & Police Facility Construction Meeting - Blackduck City Hall
- q. November 7, 2022 @ 6pm - Blackduck City Council Regular Meeting - Blackduck City Hall

7. 2023 GENERAL ELECTION

- a. October 18, 2022 - Voter pre-registration closes for November General Election
- b. November 1, 2022 - Blackduck Healthcare Facility Absentee Voting
- c. November 5 & November 7, 2022 - County Auditors offices open for absentee voting
- d. November 8, 2022 - Minnesota State General Election (*includes municipal and school board*) 259 - 261
[2022 General Notice of Election](#)
[Sample ballot 11082022 Blackduck](#)
- e. November 14, 2022 @ 6pm - City of Blackduck Canvassing of General Election - City Hall
- 8. MAYOR AND/OR COUNCIL MEMBER REPORTS
- 9. COMMUNITY EVENTS/GOOD THINGS HAPPENING
 - a. Community Event Coordinator - Cian Verbridge 262
[EBDC51EA-08B4-4A99-899E-AA4CE5D3D67D](#)
 - b. October 19, 2022 @ noon - Blackduck Area Chamber Meeting - Blackduck Golf Course
- 10. ADJOURNMENT



MINUTES

Council Meeting

6:00 PM - Tuesday, September 6, 2022

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Tuesday, September 6, 2022, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

COUNCILORS PRESENT: Mayor Maxwell Gullette, Councilor Nicholas Seitz, Councilor Donald Johnson, Councilor Laurie Hamilton, and Council member Ronald Fredrickson

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas, Director of Liquor Operations Shawnda Lahr, and Librarian Kelly Hanks

OTHERS PRESENT: Deputy Sheriff Jarret Walton, Blackduck Library Board member Mary Salmonson

1. CALL TO ORDER

- a. Roll Call
Roll Call was taken of those present to the regular council meeting.
- b. Pledge of Allegiance
Mayor Gullette lead the meeting in the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Maxwell Gullette moved to approve the agenda with the addition of Consent Agenda item 'bb' Letter of Acknowledgement from MN Pollution Control Agency for Combined Maintenance and Police Facility to City of Blackduck and TNT Construction Group, LLC - and removal of item '9.a' - Donation Request - Blackduck Area Chamber of Commerce from the Administrator's Report Nicholas Seitz seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

3. CONSENT AGENDA

All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.

- a. August 8, 2022 Blackduck City Council Meeting Minutes
- b. August 11, 2022 Blackduck Finance Committee Meeting Minutes
- c. August 17, 2022 Blackduck Planning Commission Meeting Minutes
- d. August 22, 2022 Blackduck City Council Public Hearing Meeting Minutes
- e. August 22, 2022 Blackduck City Council Special Meeting Minutes
- f. August 22, 2022 Blackduck City Council Work Session Meeting Minutes
- g. August 25, 2022 Blackduck Finance Committee Meeting Minutes
- h. August 25, 2022 Blackduck Fire Protection Budget Meeting Minutes
- i. August 2022 Fund Balance Report
- j. August 2022 Bill Report
- k. August 2022 Sewer Income Statement
- l. August 2022 Water Income Statement
- m. August 2022 Pine Tree Park Income Statement
- n. August 2022 Golf Course Income Statement
- o. August 2022 Liquor Store Income Statement
- p. Final Approval - August 2022 Business Credit Card(s) Payment Batch
- q. Final Approval - July 2022 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- r. Final Approval - August new/returning part-time employees
- s. Final Approval - 2022 Owner Occupied Compliance Certificate and Rental Compliance Certificate Tax Increment Financing Agreement with Midwest Minnesota Community Development Corporation
- t. Final Approval - Payment 3 - Dobmeier Excavating & Septic Service Plus Demolition Contract - City of Blackduck
- u. Final Approval - City of Blackduck Police Department Avoiding Racial Profiling Policy - revised
- v. Final Approval - City of Blackduck Valuation of Other Postemployment Benefits (OPEB) Under GASB Statement #75 Report for 2021
- w. Final Approval - DNR Grant Reimbursement for Blackduck Stumpjumpers
- x. Final Approval - Agreement made between MaxQueen Equipment, LLC and City of Blackduck for a Fire Freightliner (tanker/pumper)
- y. Final Approval - 2023 MHC Statewide Pool Renewal for City of Blackduck - Employer Healthcare Plan
- z. Final Approval - Pay Request 5 - Combined Maintenance / Public Safety Facility -City of Blackduck & TNT Construction Group LLC
- aa. Final Approval - Combined Maintenance and Public Safety Facility construction meeting notes and Field Report - August 25, 2022
- ab. Final Approval - Letter of Acknowledgment Combined Maintenance & Police Facility City of Blackduck and TNT Construction Group LLC and MN Pollution Control Agency (MPCA)

Laurie Hamilton moved to approve the consent agenda with changes Nicholas Seitz seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

ac.

4. BLACKDUCK FORUM

Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.

- a. there was no one present to speak for the Blackduck Forum.

5. BELTRAMI COUNTY SHERIFF DEPARTMENT JAIL PROJECT PRESENTATION - JARRET WALTON

- a. Beltrami County Jail Feasibility Study Presentation - Chief Deputy Walton presented the Beltrami County Jail Feasibility presentation and took questions from the audience.

6. ORDINANCE 2022-01 FIRST READING - CITY ADMINISTRATOR REGAS

- a. Ordinance 2022-01 - An Ordinance of the City of Blackduck, MN Annexing land located in Hines Township, Beltrami County, MN pursuant to MN Statute §414.033 Subd. 2 (1), permitting annexation by Ordinance
Administrator Regas read Ordinance 2022-01 into the record for the first reading of the proposed Annexation by Ordinance for City of Blackduck land located in Hines Township by MN Statute §414.033 Subd. 2 (1). and took questions from the audience.

7. NEW CITIZEN CONCERNS - ANNETTE MEYER 173 MAIN STREET NORTH

- a. Annette Meyer - 173 Main Street North
Ms. Meyer was not present to the council meeting to discuss her concerns. Mayor Gullette requested the Administrator to reach out to Meyer and invite her to the next meeting. Nothing further.

8. REPORTS OF COMMITTEES AND CITY STAFF

8.1. LIQUOR STORE REPORT - SHAWNDA LAHR, DIRECTOR OF LIQUOR OPERATIONS

8.1.1. Report -

Lahr provided a report on payroll savings in August, upcoming promotions, and positive movement on the Liquor income statement. Mayor Gullette asked Lahr if the department is coming around so the general fund transfers budgeted for 2022 will be able to be made. Lahr could not state that the department would be able to transfer the full \$75,000. Regas further stated that her department is not confident the liquor store will transfer what was budgeted. Councilor Johnson asked after reducing payroll what else could be done. Lahr stated that besides shutting down which should not be an option;

the department has made major movement. Regas stated the liquor department has made major changes including raising prices on the food menu and scaling down on inventory fringe. Lahr stated she has asked her department to do more with less and they are. Mayor Gullette stated he will wait to hear after the personnel meeting for more. Lahr asked Mayor Gullette what information he is seeking. Regas asked if the question is around the transfers then she believes that information has been stated. Regas further stated the finance committee is discussing a reduced amount of transfers to the general fund for 2023 due in part the liquor store needs to make its first debt payment. Lahr reminded the council all the newness is still impacting the business and will continue. Lahr further stated beer vendors continue to increase prices on their items including Busch Light 24packs going up \$2.25/each.

8.2. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

8.2.1. Report -

Hanks presented a review of the recent County Commissioner's work session stating in observation the County could split their vote on approving the levy request of Kitchigami. Hanks and the board member discuss potential options for the Blackduck Levy and the new library acquisition project. Regas reported budgeting increases to the operational budget for 2023 anticipating the sale of the buildings and costs the city could incur.

9. ADMINISTRATOR'S REPORT

- a. ~~Council Consideration - Donation Request - Blackduck Area Chamber of Commerce - Lori Lundberg~~
- b. Council Approved Needed - Resolution 2022-18 - Resolution Authorizing the sale of public property in the City limits of the City of Blackduck, MN

Laurie Hamilton moved to approve Resolution 2022-18 Nicholas Seitz seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

- c. Council Approval Needed - Preliminary Land Combination by tax parcel request City of Blackduck

Laurie Hamilton moved to approve the preliminary land combination by tax parcel request of City of Blackduck Ronald Fredrickson seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

- d. Council Approval Needed - Resolution 2022-19 - Resolution authorizing the sale of public property in the City limits of the City of Blackduck, MN pursuant to Minnesota Department of Economic Development Demolition Loan Program Agreement (RDLP-21-0001-o-FY21)

Nicholas Seitz moved to approve Resolution 2022-19 Laurie Hamilton seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

- e. Council Information - City of Blackduck Limited DMV Request Approval Notice
Regas announced the City received word the request for a limited DMV was approved by the state DPS office. More information regarding a timeline for when it will launch will be announced as the process proceeds.
- f. September 8, 2022 @ 10:30am Blackduck Combined Maintenance Facility Construction meeting - City Hall
- g. September 8, 2022 @ 2pm - Blackduck Personnel Committee Meeting - The Pond
- h. September 8, 2022 @ 3pm - Blackduck 2023 General Fund Budget Meeting - Finance Committee - City Hall
- i. September 14, 2022 @ 11am - Blackduck Development Corporation Meeting - Blackduck City Hall
- j. September 15, 2022 @ 9:30am - BAAI Board of Directors Meeting - Blackduck City Hall
- k. September 19, 2022 @ 6pm - City Council Work Session - City Hall
- l. September 21, 2022 @ 2pm - Blackduck Planning Commission Meeting - Blackduck City Hall
- m. September 22, 2022 @ 10:30am - Blackduck Combined Maintenance Facility Construction Meeting - Blackduck City Hall
- n. September 22, 2022 @ 2pm - Blackduck 2023 General Fund Budget Meeting - Finance Committee - City Hall
- o. September 26, 2022 @ 6pm - Blackduck City Council Special Meeting - Preliminary 2023 Levy Approval - City Hall
- p. October 10, 2022 @ 6pm - Blackduck City Council Regular Meeting - City Hall

10. 2023 GENERAL ELECTION

- a. September 23, 2022 - Absentee ballots available for State General Election
- b. October 18, 2022 - Voter pre-registration closes for November General Election
- c. November 1, 2022 - Blackduck Healthcare Facility Absentee Voting
- d. November 5 & November 7, 2022 - County Auditors offices open for absentee voting
- e. November 8, 2022 - Minnesota State General Election (*including municipal and school board*)

- f. November 14, 2022 @ 6pm - City of Blackduck Canvassing of General Election - City Hall

11. MAYOR AND/OR COUNCIL MEMBER REPORTS

12. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. September 7, 2022 @ 5-7pm Blackduck Chamber After Hours - Liquor Lodge, Turtle River
- b. September 21, 2022 @ Noon - Blackduck Chamber of Commerce Regular Meeting - Restaurant 71
- c. September 24, 2022 - Chamber Night @ The Golf Course Scramble
- d.

13. ADJOURNMENT

- a.

Laurie Hamilton moved to adjourn the meeting at 7:52pm Ronald Fredrickson seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor



BLACKDUCK FINANCE COMMITTEE MEETING

THURSDAY, SEPTEMBER 8, 2022 @ 3PM

BLACKDUCK CITY HALL

CALL TO ORDER: The Finance Committee for the City of Blackduck met in a scheduled work session in council chambers at City Hall at 3:00PM on September 8, 2022.

Roll Call

Councilors present: Councilor Seitz

Staff Present: City Administrator, Christina Regas, Public Works Supervisor Mike Schwanke

The meeting was called to order at 3:00pm the Pledge of Allegiance was not recited.

Regas reviewed action items and key points from previous meeting held on August 25, 2022.

Topics covered in the work session were as follows:

General Fund Budget 2023 total levy increase options:

Library Increase– Regas recommends providing the \$10,000 levy increase to the library budget as reported from the August 25th meeting in case Beltrami County does not provide their full levy requested from KRLS. Regas further states if the sale of the building(s) does not finalize in 2023 then additional funding could be utilized for improvements to the building or supplement the county shortfall.

Option A Levy increase with this scenario = 6.2% increase over 2022

Liquor transfers to Golf Course – Regas proposed a secondary option for the 2023 levy to reduce the burden on the liquor store by levying taxes for an additional \$5,000 for the golf course –

Option B Levy increase with this scenario & Option A = 7.5% increase over 2022

Final Levy Option – reduce library budget with option A and Option B for golf course debt

Option C Levy increase with this scenario = 3.5% increase over 2022

Factors not considered at this meeting are as follows:

1. Blackduck HRA Levy – NTC was not obtained by the County at the time of meeting – Regas estimating amount from 2022 budget.
2. Property Tax Sample for City of Blackduck Tax Payers – due to NTC not obtained Regas could not provide a sample dollar amount for City sales tax and could not provide Mill Rate with above proposed increases. Regas is awaiting information from County.

Next meeting of committee is September 22, 2022 @ 3pm.

ADJOURN – Finance Committee adjourned their work session at 3:45pm.

Christina Regas, City Administrator

Maxwell Gullette, Mayor



BLACKDUCK PERSONNEL COMMITTEE

THURSDAY, SEPTEMBER 8, 2022 @ 2PM

MEETING MINUTES

CALL TO ORDER: The City of Blackduck Personnel Committee met in a scheduled meeting at the The Pond at 2:00pm on September 8, 2022.

Roll Call

Committee Members present: Public Works Director Mike Schwanke, Councilor Donald Johnson, Director of Liquor Operations Shawnda Lahr, and City Administrator Christina Regas

Committee Members Absent: none

The meeting was called to order at 2:05pm the Pledge of Allegiance was not recited.

Topics covered in the personnel meeting were as follows:

OLD BUSINESS:

1. Hiring Process Update for:
 - a. Police Chief – Regas reported position has been reposted. Nothing further.
2. 2022 Liquor Store department(s) payroll budget – Committee members took up the majority of the meeting reviewing payroll hours worked vs. hours paid from payrolls 15-18 from 2022 and comparing the numbers to 2021. Liquor schedules were reviewed and all committee members agreed the reduction of hours to the schedules was a positive to the department. Lahr provided Net Sales by Time of Day and Day of Week reports from the On-Sale department showing a clear path for scheduling and where overlap of staff is needed in all 3 departments. Committee members agreed Off-Sale was to be scheduled and hours to not be reduced more that operating hours to the public. Detailed conversations on the Kitchen and Cook staff was reviewed. After much conversation the committee agreed the department needed to have a full year of sales and expenses to make a confident decision on how payroll affects the expenditures and the budget of the liquor store. No decisions were made to reduce staffing or schedules more than what Lahr has provided in August.

Personnel Committee agreed to the following:

- a. Liquor Store will continue to review and streamline scheduled hours
- b. Committee will meet in October to review payroll expenses and affects to the cash balances of the department for 2022 general fund transfers– Dates still to be set.
3. LMC WC 472268 – Chris Brown – nothing discussed

Regas left meeting to attend Finance Meeting and meeting with Fire Chief at 3:04pm



BLACKDUCK PERSONNEL COMMITTEE

THURSDAY, SEPTEMBER 8, 2022 @ 2PM

MEETING MINUTES

NEW BUSINESS:

1. 2023 IUO & City of Blackduck Proposal #1 – Union Contract Changes – Schwanke
discussed proposal with committee members. Discussion on the following items were not resolved:
 - a. Article 8. Overtime / Comp-time -
All hours worked by an employee in excess of eight (8) hours per day or forty (40) hours per week shall be paid for at one and one-half (1½) times the employee's regular straight time rate of pay. Vacation and sick leave will count towards hours worked.
 - b. ARTICLE 11. Sick Leave.
Members of the Local 49ers are requesting consideration for the following:
(Severance)

<i>10-19 years of service</i>	<i>30-40% of unused sick leave</i>
<i>20 years or more</i>	<i>50-60% of unused sick leave</i>
 - c. *Article 12 & 17 not resolved –*

Meeting length was cut at 3:45pm without resolve to remaining agenda items:

2. 2023 Proposed Wage Scale(s) – included DOL increases – nothing discussed – committee will meet the following week to further discuss – Proposed date 9/13/22
3. City of Blackduck Drug & Alcohol Testing & Drug-Free Workplace Policy revisions –
nothing discussed – nothing discussed - committee will meet the following week to further discuss – Proposed date 9/13/22

ADJOURN – Committee adjourned their meeting at 3:45pm.

Christina Regas, City Administrator

Maxwell Gullette, Mayor



BLACKDUCK PERSONNEL COMMITTEE

THURSDAY, SEPTEMBER 15, 2022 @ 8AM

MEETING MINUTES

CALL TO ORDER: The City of Blackduck Personnel Committee met in a scheduled meeting at the City Hall at 8:00am on September 15, 2022.

Roll Call

Committee Members present: Public Works Director Mike Schwanke, Councilor Donald Johnson, Director of Liquor Operations Shawnda Lahr, and City Administrator Christina Regas

Committee Members Absent: none

The meeting was called to order at 8:10am the Pledge of Allegiance was not recited.

Topics covered in the personnel meeting were as follows:

OLD BUSINESS:

1. 2023 IUO & City of Blackduck Proposal #1 – Union Contract Changes – Proposal article changes discussed. All proposals agreed to by the committee with recommendation for final approval of City Council.
 - a. Note – Article 12. Parenting Leave – the vote on this article passed with a vote of 3 to 1.
2. 2023 Proposed Wage Scale(s) – included DOL increases – Updates to wage scale discussed and agreed to. Committee recommends final approval of City Council. Nothing further.
3. City of Blackduck Drug & Alcohol Testing & Drug-Free Workplace Policy revisions – nothing discussed – Policy changes discussed in length by committee members including scenarios for pre-employment screening and on-the-job scenarios. After discussion and consideration for future changes to the law the committee agreed to table the decision on the revisions to the policy for more action and direction from the State of Minnesota. Committee will revisit at next meeting in Mid-October. Nothing further.

NEW BUSINESS:

1. Next Meeting – Committee agreed to meet in October to further discuss old business item 3; and any potential union agreement proposals that could provide benefits to the city and non-union employees.

ADJOURN – Committee adjourned their meeting at 9:25am.

Christina Regas, City Administrator

Maxwell Gullette, Mayor



MINUTES

Council - Work Session Meeting

6:00 PM - Monday, September 19, 2022

City Hall, 8 Summit Drive, Blackduck MN

The Council - Work Session of the City of Blackduck was called to order on Monday, September 19, 2022, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

- COUNCILORS PRESENT:** Mayor Maxwell Gullette, Councilor Nicholas Seitz, Councilor Donald Johnson, and Council member Ronald Fredrickson
- COUNCILORS EXCUSED:** Councilor Laurie Hamilton
- STAFF PRESENT:** City Administrator Christina Regas and Public Works Director Mike Schwanke
- OTHERS PRESENT:** Tiffany Fettig, Greater Bemidji Inc. and Miriam Osborn-Dougherty, Blackduck Library Board, Todd Hagen Ehlers

1 CALL TO ORDER

- a) Roll Call
Regas took roll call of those present to the meeting.
- b) Pledge of Allegiance
Mayor Gullette dispensed with the pledge of allegiance.

2 APPROVAL OF AGENDA

- a)

Nicholas Seitz moved to approve the agenda as presented Ronald Fredrickson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Ronald Fredrickson	For

3 OLD BUSINESS

- a) Public Works / Public Safety Facility - Updates & Discussion for Change Order #4
Regas provided the board the Field Report and Progress Meeting Minutes from #7 meeting. The board had no questions on the report. Regas provided Change Order #4 for consideration. The board agreed to approve change order #4. Nothing further.
- b) Downtown Redevelopment Project - Updates

Regas reported on the progress of the project noting the reconstruction was slated to begin this week and next and the demolition contractor would return to complete the grading. Regas reported meeting with a local realtor and having final survey reports and parcel descriptions for Murray Survey to move forward with the sale of the properties. Nothing further.

c) Kitchigami Regional Library Capital Appropriation Project

Regas reported in the progress of reviewing the current library property lines a identifiable lot line issue needs resolve. Regas is working with Murray Surveying to remedy this issue prior to listing the property for sale. Regas further reports reaching out to the City inspector for input on inspecting the new building prior to purchase.

d) Blackduck Limited DMV

Regas reports application for deputy registrar has been submitted to DPS along with background and fingerprints for herself and awaiting further direction and timeline from the state. Regas provided a sample of the DMV signage that will be produced for the outside of City Hall when live.

e) City of Blackduck Property Annexation Process - Revised process per City Attorney Joe Lange

Hines Township Board Meeting October 12, 2022 @ 7pm

Regas reported that the City Attorney missed the language on the procedures for annexation of property that 'does not border' the municipal boundary and in doing so has revised the procedures to complete the City owned property in Hines Township. Regas stated the City must gain permission from the township prior to City Council approval and forwarding on to the Board of Appeals. Regas stated she will be in attendance to the next Hines Town Board on October 12, 2022 @ 7pm to present the request to the board. After that presentation and consideration for approval Regas will provide the Resolution for approval of the City. Mayor Gullette stated he may attend with Regas on October 12th.

f) HSEM & FEMA Declared Disaster DR-4659 - Exploratory Call Friday, September 23, 2022 @ 9am

Regas reported the damage inventory is almost complete but is missing some cost estimates for a few locations. Regas reports a meeting with the the identified PDMG (Program Delivery Manager) will be on September 23 to review the City's inventory and to discuss priorities and needs. Mayor Gullette asked how long it will take for approval. Regas stated the majority of the inventory was submitted in May and not turned away by FEMA. Regas further stated the finance process is reimbursable and the City must continue to work on the needed updates to the inventory locations now. Gullette asked if there is a definition of what FEMA believes to be an emergency vs non-emergency repair/update on the inventory. Regas stated she will discuss this with the PDMG at this meeting.

4 NEW BUSINESS

a) New Citizen Concerns - Annette Meyer 173 Main Street North

Ms. Meyer was not present to the meeting. No action taken or discussed.

b) 2009 Residential Rehab - Property Owner Forgiveness Request - Joey Enger Jr.

Regas provided the board with the history of the Housing Rehab funding provided to the previous owner of 224 Carlson and why the current owner has interest in forgiveness and removal of the judgement on the property. Regas reported in 2016 the City of Blackduck placed a judgement on 224 Carlson due to the failure of Sarah Huseman to complete the requirements of the promissory note of the housing rehab in the amount of \$17,851 received by SCDG. Regas recommended the City Council not release the judgement on the property due to the failure stated. Regas further stated that since the current owner, Joey Enger Jr., did not attend today's meeting as recommended by Regas that the city council has not action to take at this time.

- c) Greater Bemidji Inc. - Tiffany Fettig
Ms. Fettig provided a presentation on what is Greater Bemidji Inc. what it does and how it benefits the service area. Fettig answered questions of the board and had good dialogue with the council.
- d) Unobligated Tax Increment - Temporary Tax Increment Options for the City of Blackduck - Ehlers Senior Municipal Advisor Todd Hagen
Hagen provided to the board a review of Tax Increment Finance projects and procedures and its history in Blackduck. Hagen reports as part of the omnibus tax bill enacted in July 2021 the state is giving Minnesota cities temporary flexibility to use unobligated increment from existing TIF districts to help stimulate private development. Hagen reports Blackduck has \$155,797 in tax increment currently to use for this purpose. Hagen reports the city may adopt a spending plan by end of 2022 to utilize unobligated increment for other purposes in the city to make improvements to city infrastructure. Hagen states after a required public hearing on the spending plan the adoption may be approved.
Hagen took questions regarding the TIF projects in Blackduck and how the spending plan can benefit the City.
Board members agreed to move forward with drafting and adopting the spending plan.
- e) Citizen Request for support to convey state rail bank property from MnDot for personal use - Phill Patch
Regas reported to the board the interest of Phil Patch to acquire a parcel owned by MnDot that is part of the old railroad. Regas agreed to provide the city council with the idea to pursue this potential purchase. The council agreed to hear Patch's request and approve the project partnership at the October council meeting. Regas will discuss the next steps with Patch.
- f) Minnesota Department of Transportation Advertising Permit #3532 Sign Redevelopment - Pine Tree Park & Blackduck Golf Course
Regas provided the council the signage replacement project for the current MnDot Advertising signage License 3532 for Pine Tree Park Campground and the Blackduck Golf Course. Regas requested feedback from the board to pursue the purchase of the signage from Ross Lewis signage. Schwanke stated he and his staff would erect the signage if completed this fall. Regas further stated how the departments have been researching the replacement of the MnDot road signs that are currently on MN Hwy 71 N and the costs. Regas is recommending the removal of the road signs and the improvement of the advertising signage for the cost of \$3600. Regas added that if the signage works well the addition to erecting directional signage on the corner of CSAH 30 near the golf course and the entrance to the campground would be replaced and the golf course would replace signage that is on Hole #6. The board was on board with the replacement and costs.
- g) 2023 Property Tax Preliminary Levy & Budget Review - Christina Regas
Regas provided to the board the 2023 General Fund Levy Financial Summary of all departments and 4 options for levy increases. Regas discussed the budget for the Blackduck Library and how Beltrami County Library budget will affect the local branch in 2023. Regas provided how all 4 options will/could affect the tax payer with a sample calculation for a residential home owner that is valued at \$100,000 with homestead exclusion. Regas stated that due to the rise in Net Tax Capacity, Estimated Market Value, and Taxable Market Value the sample tax calculation would decrease in 2023 compared to 2022. After discussing the 4 options and how they affect the tax payer and budget Regas requested feedback from the board on which option to move forward with for adopting the preliminary levy for 2023. The each board member discussed which option they would like to see be approved, however, the board members could not decide on only one option. Regas stated the finance committee has a final meeting scheduled for September 22 to make final revisions to the budget and levy before the scheduled special meeting on September 26th to

approve the preliminary levy at which point the board must approve one of the options.

5 ADJOURNMENT

a)

Maxwell Gullette moved to adjourn the meeting at 8:54pm Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Ronald Fredrickson	For

Christina Regas, City Administrator

Maxwell Gullette, Mayor



BLACKDUCK PLANNING MEETING

Regular Planning Meeting

Blackduck City Hall

September 21, 2022 @ 2pm.

CALL TO ORDER: Commissioner Winnett called the meeting to order @ 2:00pm.

ROLL CALL:

Commissioners present: John Wilson Winnett, Ron Rockis, and Ernie Tindell

Commissioners Absent: Kurt Cease

Staff Present: City Administrator Christina Regas

Others Present: Maxwell Gullette

Approval of Minutes – Moved by Commissioner Tindell and seconded by Commissioner Rockis to approve the minutes from August 17, 2022. Motion carried unanimously.

Old Business

1. Planning Commission Vacancy – no updated at this time.
2. Permits issued since last meeting:
 - a. Permit 2022-08 – Sam Wick Roofing – 273 1st Street NW – re-roof single family home
3. Spot Annexation - Regas provided updates on the annexation process. Nothing further.

New Business –

1. Final Certification of Survey – Main Street Properties – Regas provided review of the final certificate of survey and proposed parcel descriptions for the demolition properties sent to the county. Nothing further.

ADJOURN THE PLANNING MEETING – Moved by Commissioner Tindell and seconded by Commissioner Rockis to adjourn the planning meeting at 2:17pm. Motion carried unanimously.

Christina Regas, City Administrator

Kurt Cease, Chairperson



BLACKDUCK FINANCE COMMITTEE MEETING

THURSDAY, SEPTEMBER 22, 2022 @ 2PM

BLACKDUCK CITY HALL

CALL TO ORDER: The Finance Committee for the City of Blackduck met in a scheduled work session in council chambers at City Hall at 2:00PM on September 22, 2022.

Roll Call

Councilors present: Councilor Seitz

Staff Present: City Administrator, Christina Regas, Public Works Supervisor Mike Schwanke

The meeting was called to order at 2:00pm the Pledge of Allegiance was not recited.

Regas reviewed action items and key points from previous meeting held on September 8, 2022 and the work session on September 19, 2022.

Topics covered in the work session were as follows:

FY23 General Fund Budget(s) 2023 & FY23 Levy increase options:

Library Increase– Regas reports Beltrami County are funding the KRLS budget FY23 request for \$420,889. *(Voted and approved 9/20/2022)*

License Center Department fund – Regas reports the License Center budget only increases the general fund \$1,300 due to administration budget payroll shifting to this department – *no significant increase.*

Final Levy Option(s) – Committee members discussed the 4 options presented at the work session. Members discussed the 4 options and provided input towards the option they would recommend. After much discussion the finance committee agreed unanimously to recommend the Blackduck City Council **approve Option D** *(presented at the work session).*

Reasons for Recommendation are as follows:

1. Finance Committee members agree the license center will do more revenue than predicted.
2. Finance Committee members agree the work and materials needed to complete the FEMA Damage Inventory will place a burden on the street materials budget and once all work is completed it will be reimbursed to the general fund.
3. Finance Committee members agree after Beltrami County Board agreed to support and fund the FY23 KRLS budget request proceeding with the sale and acquisition of the new facility will require additional funding.
4. Finance Committee members agree that although the percentage increase over 2022 is 8.8% with the increase in Net Tax Capacity, FY23 individual property taxes are now lower than FY22 *(city sample = \$52 less).*

ADJOURN – Finance Committee adjourned their work session at 2:35pm.



BLACKDUCK FINANCE COMMITTEE MEETING
THURSDAY, SEPTEMBER 22, 2022 @ 2PM
BLACKDUCK CITY HALL

Christina Regas, City Administrator

Maxwell Gullette, Mayor



MINUTES

Special Council Meeting

6:00 PM - Monday, September 26, 2022

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, September 26, 2022, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

COUNCILORS PRESENT: Mayor Maxwell Gullette, Councilor Nicholas Seitz, Councilor Donald Johnson, Councilor Laurie Hamilton, and Council member Ronald Fredrickson

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas and Public Works Director Mike Schwanke

OTHERS PRESENT: Miriam Osborn-Dougherty, Blackduck Library Board member

1. CALL TO ORDER

- a. Roll Call
Regas took roll of those present to the meeting.
- b. Pledge of Allegiance
Mayor Gullette led the meeting in the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Laurie Hamilton moved to approve the agenda as presented Nicholas Seitz seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

3. BLACKDUCK FORUM

Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.

- a. no one was present to speak for the Forum.

4. ADMINISTRATOR'S REPORT

- a. September 19, 2022 Blackduck City Council Work Session Meeting Minutes
Regas provided the work session minutes for the board review. No action needed.
- b. September 22, 2022 Blackduck Finance Committee Meeting Minutes
Regas provided the finance committee meeting minutes for council review. No action required.
- c. 2023 General Fund Budget Highlights
Regas reviewed updated highlights for the general fund from the finance committee recommendations.
- d. 2023 General Fund Proposed Revenue & Expenditures
- e. 2023 Proposed City Debt including HRA Levy
Regas reviewed the recommended levy option D proposed 2023 debt schedule.
- f. 2023 Net Tax Capacity sample Blackduck tax
Regas reviewed the net tax capacity and sample city sales tax scenario for recommended option D.
- g. Approval Needed - Resolution 2022-21 - Resolution approving proposed 2022 tax levy, collectable in 2023

Laurie Hamilton moved to approve resolution 2022-21 - Resolution approving proposed 2022 tax levy, collectable in 2023 in the total of \$373,942 Nicholas Seitz seconded the motion.

Mayor Gullette asked for discussion on the motion.

Councilor Fredrickson states that is a tough pill to swallow and would like to see a more conservative number.

Councilor Seitz states the amount of road work needed in town; and the status of the library it is a needed amount.

Councilor Hamilton states it is a hard number but sometimes it is needed.

Councilor Seitz states that with the FEMA disaster work needed knowing the funding will be reimbursed it is necessary.

Gullette states that everyone wants the number to be lower and Option A was also a good one but he never likes to approve the big budget and reduce it by December because that doesn't allow happens. Gullette states that with a lower tax rate it gives room to expand next year.

Regas states the city will need to recoup some of the city funding since the 2022 budget was not predicting the high cost of fuel, heating costs, and insurance increases. Regas states that everyone is feeling the pinch and the county tax levy was approved at almost 7% with the library full funding. Regas further states the city is going to have good support at the county level and the board should be aware of that partnership. Regas requested a roll-call vote on the motion with the board was prepared.

Gullette called for more discussion asking for input from Councilor Johnson.

Johnson states that at the last meeting he did not approve of Option D. Gullette asked why. Johnson stated it was the bottom line. Johnson stated he reviewed all the documentation and he feels option A is a better choice.

Gullette stated doing something bigger for the community with the library funding is a good choice and helps the streets now. Gullette further states that the board members have to listen to the public feedback. Hamilton invites those people to come to a meeting and reminds those people about the tax rebate and the city has fixed increases that can't change.

Gullette states the mill rate is still high but the funding helps the community; and the extra funding in the streets budget won't fix everything in town. Gullette asked for further discussion.

Regas asked for more discussion from Johnson on his decision from option A and after reviewing all the documents provided if there was anything in the budget Johnson would change.

Johnson states he is not in favor of the library project because we really don't know where it is going. We are putting tax burden on people in this town that can't afford to go 'on a whim' and who knows if the city is going to sell the existing building to purchase the new one for it to just sit there. Regas stated that in previous conversations from the council the board is understanding that the current facility does not provide a good place for the library now so regardless is the sale does not go through the \$10,000 in the library budget can go for improving the old facility and cautioned the board not to be nearsighted on the project unless the board had no intention on supporting the library in the first place. Johnson states he supports putting funding into the library but if do not put move forward with the purchase of the new building and put it into the old then we will still need additional funding if and when a new building comes around.

Schwanke asked for clarification 'when the building comes up'. Johnson clarified with the purchase of the new building. Schwanke stated he was understanding that has been decided and gone over already.

Hamilton stated that with the contingencies have to be satisfied first and the purchase order hasn't been reviewed yet. Johnson stated there could be more in our way to make the purchase difficult. Hamilton stated that if that doesn't happen then the extra funding could go into the existing library. Johnson agreed. Hamilton stated how all that was reviewed first.

Regas further stated that since the county's decision has been so public the community is well aware of the city's intentions to improve the community library and support it. Regas further states how everyone supports the library not just the city.

Gullette asked for further discussion.

Hearing none a vote on the motion was called requesting a roll call vote.

Carried 3 to 2

Nicholas Seitz	For
Laurie Hamilton	For
Maxwell Gullette	For
Donald Johnson	Against
Ronald Fredrickson	Against

5. ADJOURNMENT

a.

Maxwell Gullette moved to adjourn the meeting at 6:28pm Laurie Hamilton seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor

Kitchigami Regional Library
Board Meeting September 22, 2022, 6 p.m.
Kitchigami Regional Headquarters Building, Pine River, MN

A G E N D A

1. Call to order
2. Pledge of Allegiance
3. Approval of Agenda
4. KRLS Oath of Office for new members (if required)
5. Consent Agenda
 - a. Minutes: July 2022, pg 3
 - b. Bills: August – September 2022, pg 5
 - c. Financial Statements: July – August 2022, pg 9
 - d. ACHF FRF FY21 (July-Sept 2022), pg 13
 - e. ACHF FY23 Budget Application Revision, pg 14
 - f. Director's Report, pg 15
6. Old Business
 - a. FY2023 City / County Budgets, pg 20
 - b. Personnel Policy Manual, pg 21
 - c. Regional Policy Manual, pg 22
 - d. Other
 - e. Public Input
7. New Business
 - a. 2021 Audit, pg 23
 - b. CD Renewal, pg 24
 - c. Capital Appropriation Fund, pg 26
 - d. RLTA FY2022 Final, pg 27
 - e. RLTA FY2023 Application, pg 32
 - f. RLBSS: Report of Results Accomplished FY2022, pg 39
 - g. ARPA Grant Application, pg 44
 - h. ACHF Completion Report FY21, pg 74
 - i. ACHF FY22 Interim Report, pg 88
 - j. Other
 - k. Public Input
8. Chair's Report
9. Adjournment

Please contact Carol Christensen at 218-587-2171 x 224 or christensenc@krls.org with your attendance preference, or if you are unable to attend.

FUTURE BOARD MEETINGS

Thursday November 17, 2022

Thursday January 19, 2023

Thursday March 16, 2023

Thursday May 18, 2023

2022 Kitchigami Regional Library Board Members (revised 9/7/22)

KRLS Director Melissa Whatley (whatley@krls.org)

BELTRAMI COUNTY

Reed Olson (County Commissioner)

Ph: 218-766-0383

E: reed.olson@co.beltrami.mn.us

Alternate: Richard D. Anderson (County Commissioner)

Ph: 218-766-3283; E: Richard@paulbunyan.net

CASS COUNTY

Scott Bruns (County Commissioner)

Ph: 218-820-6545; E: scott.bruns@co.cass.mn.us

CROW WING COUNTY

Bill Brekken (County Commissioner)

Ph: 218-232-0257; E: bill.brekken@crowwing.us

Alternate: Steve Barrows (County Commissioner)

Ph: 218-820-8199; E: steve.barrows@crowwing.us

HUBBARD COUNTY

Tom Krueger (County Commissioner)

Ph: 218-616-4069; E: tkrueger@co.hubbard.mn.us

Alternate: Charlene Christenson (County Commissioner)

Ph: 218-616-2181; E: cchristenson@co.hubbard.mn.us

WADENA COUNTY

Murlyn Kreklau (County Commissioner)

Ph: 218-837-5352

E: murlyn.kreklau@co.wadena.mn.us

Alternate: Sheldon Monson (County Commissioner)

Ph: 218-640-3278

E: Sheldon.monson@co.wadena.mn.us

CITY OF BEMIDJI

Lynn Eaton

Ph: 218-766-4722; E: lynn.eaton@ci.bemidji.mn.us

Alternate: Jorge Prince

Ph: 218-407-7312; E: jorge.prince@ci.bemidji.mn.us

CITY OF BLACKDUCK

Laurie Hamilton

Ph: 218-760-9320;

E: laurie.hamilton@blackduckmn.com

CITY OF BRAINERD

Gabe Johnson

Ph: 218-831-3623; E: gjohnson@ci.brainerd.mn.us

CITY OF CASS LAKE

Mike Hanson

Ph: 218-547-1121; E: casslakecouncil5@gmail.com

CITY OF LONGVILLE

Phyllis Eck

Ph: 218-539-0354; E: 1849pe@gmail.com

Alternate: Neil Tobiason

Ph: 218-363-2022

CITY OF PARK RAPIDS

Thomas Conway

Ph: 218-390-5748; E: tom.conway@lambweston.com

CITY OF PINE RIVER

Brent Norman

Ph: 218-536-0668; E: nscleaners@gmail.com

CITY OF WADENA

George Deiss

Ph: 218-639-2097; E: gdeiss@wadena.org

Alternate: Wade Miller

Ph: 218-631-6060; E: wademille@arvig.net

CITY OF WALKER

Mary Beth Hansen

Ph: 218-828-9861; E: mbhansen@ci.walker.mn.us

2022 KITCHIGAMI REGIONAL LIBRARY BOARD COMMITTEES

(Revised 9/14/2022)

Board Officers

Chair	Tom Conway
Vice-Chair	Tom Krueger
Treasurer	George Deiss
Secretary	Bill Brekken

BUDGET COMMITTEE

Tom Conway, Chair
Reed Olson
Murlyn Kreklau
Bill Brekken
Tom Krueger
Scott Bruns

PERSONNEL COMMITTEE

Tom Conway, Chair
Tom Krueger
Reed Olson
Non-voting staff members:
Carrie Huston
Jodi Schultz
Sheri Brumback
Tami Beto
Terria Rohloff
Laurel Hall
Megan Lysford

UNION NEGOTIATION COMMITTEE

Tom Conway, Chair
Reed Olson
Neal Gaalswyk

AUDIT COMMITTEE

Tom Conway, Chair
George Deiss, Treasurer

OUTREACH COMMITTEE

Committee of the Whole
Non-voting staff members:
Val McCormic
KRLS Director

STRATEGIC PLANNING / POLICY COMMITTEE

Tom Conway, Chair
Brent Norman
Murlyn Kreklau
Non-voting staff members:
Carrie Huston
Jodi Schultz
Sheri Brumback
Tami Beto
Megan Lysford
Terria Rohloff
Laurel Hall

INTERNET / ELECTRONIC RESOURCES COMMITTEE

Tom Conway, Chair
Bill Brekken
Reed Olson
Non-voting staff members:
Megan Lysford
Renee Frethem
Leann Willenbring
Sheri Brumback

EXTERNAL BOARDS

NORTHERN LIGHTS LIBRARY NETWORK

Governing Board Members:

Delegates: Reed Olson
George Deiss

NWLinks

Delegate: KRLS Director

**Kitchigami Regional Library System
Board Meeting July 21, 2022 6:00 p.m.
Kitchigami Headquarters Building, Pine River, MN**

Board members present: Scott Bruns, Tom Conway, Bill Brekken, Tom Krueger, Mary Koep, Lynn Eaton, Murlyn Kreklau, Brent Norman, George Deiss

Board members present virtually: Mary Beth Hanson (Walker, MN)

Board members absent: Mike Hanson, Reed Olson, Laurie Hamilton, Phyllis Eck

Others present non-voting: Staff members: KRLS Director Melissa Whatley, Carol Christensen, Tami Beto
Other: Connie Ford

Chair Tom Conway called the meeting to order at 6:00 p.m. and requested participation in reciting the Pledge of Allegiance.

Approval of Agenda Addition to the consent agenda of July 21, 2022 bills.
Motion by Bill Brekken, seconded by Scott Bruns, to approve the agenda with requested change. Motion carried unanimously.

Consent Agenda **Motion by Brent Norman, seconded by Mary Koep, to approve the Consent Agenda:**
 a. **Minutes: June 2022**
 b. **Bills: July 2022**
 c. **Financial Statements: June 2022**
 d. **ACHF FY21 FRF April – June 2022**
 e. **Director's Report**
Motion carried unanimously.

2023 Operating Budgets: Cities, Counties, Outreach Draft budgets remained the same as presented in June with no recommendations for revisions. Budget drafts have already been reviewed by Park Rapids, Hubbard County, Crow Wing County, and Wadena County with no recommendations. **Motion by Tom Krueger, seconded by George Deiss, to approve Director Melissa Whatley to distribute the 2023 KRLS operating budgets to cities and counties. Discussion. Motion carried by Bruns, Conway, Brekken, Krueger, Eaton, Kreklau, Norman, Deiss, Hanson in favor; and Koep against.**

RLBSS Application: State FY2023 **Motion by Mary Koep, seconded by Brent Norman, to approve the signatures and submission of the RLBSS application to the state. Motion carried unanimously.**

ACHF Application: State FY2023 **Motion by Murlyn Kreklau, seconded by Scott Bruns, to approve submission of the ACHF FY2023 application with necessary signatures to the state. Motion carried unanimously.**

Other

Audit field day is completed and firm is working to finalize. Once completed, draft will be presented to KRLS Audit Committee who will present to the Board as a whole. Director Whatley commends staff for their work with the auditors.

Connie Ford addressed the Board as a member of the public to comment on the KRLS periodical collection. **Motion by George Deiss, seconded by Tom Krueger, to refer to staff to look at the KRLS Collection Development Policy to determine whether or not we have a balanced collection; and whether there's any reason we would not be offering the Epoch Times as part of the collection. Motion carried unanimously.**

Chair's Report

Tom Conway announced at the city council meeting on June 28th in Park Rapids that he will not be running for re-election, so his term will end in December. He has taken a new position with Lamb Weston that will require travel, leaving him uncertain that he'll be able to attend the KRLS meetings.

Motion by Mary Koep, seconded by George Deiss, to adjourn at 6:36 p.m. Motion carried unanimously.

Minutes respectively submitted by Administrative Assistant Carol Elizabeth Christensen.

Minutes signed by Board Secretary, Bill Brekken _____

Date _____

KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
August 10, 2022

Check Number	Name	GL Account Title	Amount
23731	ALLEGRA MARKETING	LIBRARY SUPPLIES WD	119.95
23732	AMAZON CAPITAL SERVICES	HQ OFFICE SUPPLIES	63.04
23733	ARVIG	PHONES, CL, WD, LG, WK	169.96
23734	BIBLIOTHECA, LLC	E-RESOURCES	8,189.46
23735	BRAINERD PUBLIC LIBRARY	REIMBURSEMENT FOR SUMMER READING	549.56
23736	BREKKEN, BILL	KRLS BOARD MEETING	26.25
23737	CANON FINANCIAL SERVICES	LEASE FOR PR COPIER	85.10
23738	CASS COMPANY INSURANCE	KRL BOARD OF DIRECTOR'S INSURANCE	3,320.00
23739	CENTERPOINT LARGE PRINT	SHARED COLLECTIONS & LG BOOKS	314.04
23740	CENTURY LINK	PHONES, WD, BJ, BR	356.64
23741	CITY OF PINE RIVER	HQ WATER	29.50
23742	CLIFTON LARSON ALLEN LLP	PROFESSIONAL FEES, AUDIT	8,400.00
23743	CONWAY, THOMAS	MAY UNION MEETING/JULY BOARD MEETING	117.00
23744	DEERWOOD TECHNOLOGIES, INC	CONTRACTED NETWORK SUPPORT	8,617.00
23745	DEISS, GEORGE	KRLS BOARD MEETING	67.50
23746	D S ERICKSON	GARNISHMENT PAYABLE	514.31
23747	DULUTH PUBLIC LIBRARY	ILL EXPENSE	14.00
23748	EATON, LYNN	KRLS BOARD MEETING	71.25
23749	EBSCO	PERIODICALS, WALKER	33.64
23750	FORUM COMMUNICATIONS	LEGACY FUND EXPENSE	259.00
23751	GALE, CENGAGE LEARNING INC	BOOKS REGION WIDE	1,723.97
23752	HOOPLA BY MIDWEST TAPE	E-RESOURCES	5,155.01
23753	KOEP, MARY	KRLS BOARD MEETING	40.00
23754	KRELAU, MURLYN	KRLS BOARD MEETING	43.75
23755	KRUEGER, THOMAS	KRLS BOARD MEETING	37.50
23756	LAKES PRINTING	OFFICE SUPPLIES	956.45
23757	MIDWEST TAPE	VIDEO/DVD/SOUND REGION WIDE	3,286.11
23758	MINNESOTA CLEANING SOLUTIONS LLC	BRAINERD CUSTODIAL	180.00
23759	MN PEIP	EMPLOYER PAID HEALTH INSURANCE	19,512.07
23760	OFFICE SHOP	HQ OFFICE SUPPLIES, LIBRARY SUPPLIES BR	279.78
23761	OUTDOOR SPECIALTIES	HQ BUILDING & PROPERTY R&M DRIVEWAY	3,200.00
23762	PAUL BUNYAN COMMUNICATIONS	PHONES, BK & BJ	79.88
23763	PLUMBING ETC, INC	HQ BUILDING & PROPERTY R&M	55.65
23764	PR SANITARY DISTRICT	HQ SEWER	42.00
23765	REGENTS OF THE U OF M	HQ LIBRARY SUPPLIES	498.00
23766	RODENBURG LAW FIRM	GARNISHMENT PAYABLE	110.00
23767	SCHULTZ, JODI	SUMMER READING PROGRAM REIMBURSEMENT	80.18
23768	WASTE PARTNERS	HQ GARBAGE	82.40
23769	WHATLEY, MELISSA	DIRECTOR TRAVEL	246.25
23770	WILLENBRING, LEANN	T&D TRAVEL EXPENSE	52.65
23771	XCEL ENERGY	HQ BUILDING HEAT	28.49
23772	VINNY'S AUTO REPAIR	DELIVERY VAN R&M	622.23
TOTAL A/P CHECK RUN			\$ 67,629.57

KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS

Pay Day	Check Numbers	Account	Amount
8/10/2022	45434-45421	Direct Deposits	47,431.33
		Paper Checks	1,319.63
		Minnesota Withholding Tax	1,863.77
		Federal Withholding Tax	13,181.71
		Garnishments	624.28
		PERA-Public Employee Retirement Association	8,090.16
		Total Payroll Expense	\$ 72,510.88

AMOUNT EXPENSED \$ 140,140.45

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
August 25, 2022**

Check Number	Name	GL Account Title	Amount
23773	ARVIG	PHONES, PARK RAPIDS	45.39
23774	BAKER & TAYLOR L4409322	BOOKS, REGION WIDE	12,333.95
23775	BAKER & TAYLOR L4409332	BOOKS, REGION WIDE	737.92
23776	BAKER & TAYLOR L4409342	BOOKS, WALKER & MOBILE LIBRARY	30.72
23777	BAKER & TAYLOR L4409352	BOOKS, SHARED COLLECTION	58.77
23778	BAKER & TAYLOR L4409362	BOOKS, MOBILE LIBRARY	4.47
23779	DEERWOOD TECHNOLOGIES, INC	CONTRACTED NETWORK SUPPORT	4,140.45
23780	DIAMOND BUILT	PROPERTY R&M, LAWN CARE	230.00
23781	DS ERICKSON & ASSOCIATES PLLC	GARNISHMENT PAYABLE	514.28
23782	GALE CENGAGE LEARNING INC	BOOKS, REGION WIDE	1,642.93
23783	GREAT RIVER REGIONAL LIBRARY	DIRECTOR'S CRPSLA MEETING MEALS	32.18
23784	LYSFORD, MEGAN	T&D DELIVERY	28.75
23785	MCIT-MN COUNTIES INTERGOVERNMENT	TRAINING & DEVELOPMENT ADMINISTRATION	35.00
23786	MINNESOTA POWER	HQ ELECTRICITY	563.16
23787	MLA, MN LIBRARY ASSOCIATION	T&D REGION WIDE ATTENDANCE & HIRING AD	2,975.00
23788	NCPERS GROUP LIFE INSURANCE	EMPLOYEE PAID LIFE INSURANCE	208.00
23789	NORMAN, LILLIAN	LEGACY FUND EXPENSE	440.00
23790	OFFICE SHOP, INC	LIBRARY SUPPLIES FOR BEMIDJI	876.41
23791	QUINLIVAN & HUGHES, P.A.	PROFESSIONAL FEES	3,116.50
23792	RODENBURG LAW FIRM	GARNISHMENT PAYABLE	110.00
23793	SIRSI CORPORATION	ILS MAINTENANCE SEPT 2022 - AUG 2023	37,259.60
23794	SONENSTAHL, DONNA	LEGACY FUND EXPENSE	240.00
23795	SYNCB/AMAZON	BOOKS, REGION WIDE	661.51
23796	TDS 587-2171	PHONES, ADMIN	195.12
23797	TDS 587-3001	PHONES, ADMIN	50.47
23798	TDS 587-4639	PHONES, PINE RIVER LIBRARY	101.47
23799	VERIZON	PHONES, ADMIN CELL & REGION HOT SPOTS	2,002.04
23800	VERIZONML	MOBILE LIBRARY REMOTE ACCESS	65.02
23801	VISA, PRSB COMMUNITY CARD	SEE DISTRIBUTION REPORT PAGE 3	2,324.40
23802	WHATLEY, MELISSA	DIRECTOR TRAVEL	40.00
23803	XCEL ENERGY	HQ HEAT	28.49
23804	YOURMEMBERSHIP	HIRING AD & INTERVIEWS	324.00
TOTAL A/P CHECK RUN			\$ 71,416.00

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS
Payroll for August (1st-15th) 2022**

Pay Day	Check Numbers	Account	Amount
8/25/2022	45422-45500	Direct Deposits	49,660.55
		Paper Checks	1,393.72
		Minnesota Withholding Tax	2,176.52
		Federal Withholding Tax	14,643.55
		Garnishment Withholding	624.28
		PERA-Public Employee Retirement Association	8,404.99
		Total Payroll Expense	\$ 76,903.61

AMOUNT EXPENSED PAGE 1	\$ 140,140.45
AMOUNT EXPENSED PAGE2	\$ 148,319.61
TOTAL AMOUNT EXPENSED IN AGUGUST	\$ 288,460.06

KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
September 9, 2022

Check Number	Name	GL Account Title	Amount
=====	=====	=====	=====
23805	APG MEDIA OF MN	HIRING ADS & INTERVIEWS WK	26.40
23806	ARSL, ASSOCIATION FOR RURAL S LIB	TRAINING & DEVELOPMENT BEMIDJI	50.00
23807	ARVIG	PHONES, LV, WK, WD, CL, BR,	169.96
23808	BIBLIOTHECA, LLC	ARR - BRAINERD	24,371.86
23809	CENTURY LINK	PHONES, WD, BJ, & BR	372.31
23810	CHRISTENSEN, CAROL	KRL BOARD SPECIAL PROJECT, ALL STAFF DAY	51.00
23811	CITY OF PINE RIVER	HQ WATER	29.50
23812	CLA, CLIFTON LARSON ALLEN LLP	PROFESSIONAL FEES	3,570.00
23813	DDA HUMAN RESOURCES, INC	HIRING ADS & INTERVIEWS ADMINISTRATION	20,000.00
23814	DEERWOOD TECHNOLOGIES, INC	CONTRACTED NETWORK SUPPORT	11,722.00
23815	DS ERICKSON	GARNISHMENT PAYABLE	514.28
23816	FORUM COMMUNICATIONS	HIRING ADS & INTERVIEWS, BK, BR, PK, WK	2,149.61
23817	FRETHEM, RENEE	TRAINING & DEVELOPMENT WADENA	68.75
23818	GALE, CENGAGE LEARNING INC.	BOOKS, BK, LG, PK, WK, SHARED COLLECTION	996.98
23819	GORDON, SHERILYN	TRAINING & DEVELOPMENT BJ DASH 8/31/22	82.50
23820	HALL, LAUREL	TRAINING & DEVELOPMENT BR DASH 8/31/22	40.00
23821	HANKS, KELLY	TRAINING & DEVELOPMENT BK DASH 8/31/22	123.75
23822	HOOPLA BY MIDWEST	E-RESOURCES	5,597.63
23823	KIMBER CREEK FORD	MOBILE LIBRARY OIL, ENGINE & GENERATOR	104.09
23824	KULJU, THOMAS	LEGACY FUND EXPENSE	225.00
23825	MIDWEST TAPE		3,830.10
23826	MINNESOTA CLEANING SOLUTIONS LLC	CUSTODIAL EXPENSE BRAINERD	120.00
23827	OFFICE SHOP	COPIER CONTRACT	225.96
23828	PAUL BUNYAN COMMUNICATIONS	PHONES, BJ, BK	79.88
23829	PINE CONE PRESS	HIRING ADS & INTERVIEWS, LV	156.00
23830	ROCHESTER TELECOM SYSTEMS INC	PHONES, REGION WIDE	230.96
23831	RODENBURG LAW FIRM	GARNISHMENT PAYABLE	110.00
23832	SCHULTZ, JODI	TRAINING & DEVELOPMENT PK DASH 8/31/22	35.16
23833	WASTE PARTNERS	HQ GARBAGE	80.18
23834	WHATLEY, MELISSA	DIRECTOR TRAVEL TO WADENA	53.75
TOTAL A/P CHECK RUN			<u><u>\$ 75,187.61</u></u>

KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS
Payroll for August (16th-31st) 2022

Pay Day	Check Numbers	Account	Amount
=====	=====	=====	=====
9/9/2022	45501-45570	Direct Deposits	\$ 50,476.76
		Paper Checks	\$ 1,253.33
		Minnesota Withholding Tax	\$ 2,156.96
		Federal Withholding Tax	\$ 14,438.07
		Garnishments Withholding	\$ 624.28
		PERA-Public Employee Retirement Association	\$ 8,979.77
Total Payroll Expense			<u><u>\$ 77,929.17</u></u>
AMOUNT EXPENSED			<u><u>\$ 153,116.78</u></u>

KITCHIGAMI REGIONAL LIBRARY
BALANCE SHEET
After 2021 Audit
July 31, 2022

ASSETS		
Current Assets		
Petty Cash Checking PRSB	1,352.00	
Main Checking PRSB	510,414.99	
Money Market PRSB	4,256,540.20	
Special Money Market PRSB	685,628.35	
Endowment - MN Community Fund	153,292.00	
Accounts Receivable - General	57,238.00	
Interest Receivable	3,114.84	
Prepaid Insurance	7,307.03	
Prepaid Health Insurance	16,637.28	
Prepaid Materials	77,224.35	
Investment - Certificates of Deposit	536,075.45	
TOTAL Current Assets		6,304,824.49
Fixed Assets		
Land	30,000.00	
Buildings	650,368.00	
A/D Buildings	(321,241.36)	
Vehicles	176,647.71	
A/D Vehicles	(153,926.32)	
Furniture, Fixtures, and Equipment	336,537.00	
A/D Furniture, Fixtures, and Equipment	(318,449.73)	
Legacy Equipment	1,269.00	
A/D Legacy Equipment	(1,269.00)	
Shared Collections	223,505.97	
Book, Mobile Library	322,880.83	
A/D Books	(325,168.82)	
Intangible Assets	19,916.00	
Accumulated Amortization	(16,597.33)	
Sound, Mobile Library	31,527.00	
Video, Mobile Library	118,400.67	
TOTAL Fixed Assets		774,399.62
TOTAL ASSETS		<u>7,079,224.11</u>
Current Liabilities		
Accounts Payable	100,014.95	
Contracts Payable	28,200.00	
Accounts Payable Salaries	62,268.57	
Federal & FICA Withholding Payable	37,008.00	
PERA Life Insurance Withholding Payable	(104.00)	
Deferred Revenue	210,341.30	
TOTAL Current Liabilities		437,728.82
TOTAL LIABILITIES		437,728.82
CAPITAL		
Investment in Fixed Assets	746,313.15	
C/F Building Repair & Maintenance Reserve	40,967.53	
C/F Automation, HQ Reserve	413,127.34	
R/F ARR Branch Reserves	250,685.87	
C/F Building Reserve	93,204.29	
C/F HQ Gift	277.00	
C/F Accounting Software Reserve	25,873.62	
C/F Summer Reading Program Reserve	35,018.97	
C/F Sue Tricker Memorial Outreach Reserve	204,383.27	
R/F Endowment MN Community Fund	156,592.00	
C/F Loan Security	31,427.00	
C/F Outreach Reserve	59,330.17	
C/F Vehicle Reserve	133,086.40	
C/F Gates Grants Reserve	19,819.47	
C/F Crow Wing County Reserve	163,481.85	
R/F RLTS Reserve	89,353.08	
FUND BALANCE, General Funds	4,554,110.95	
Year-to-Date Earnings	(375,556.67)	
TOTAL CAPITAL		6,641,495.29
TOTAL LIABILITIES & CAPITAL		<u>7,079,224.11</u>

KITCHIGAMI REGIONAL LIBRARY**BALANCE SHEET****August 31, 2022**

ASSETS		
Current Assets		
Petty Cash Checking PRSB	1,346.00	
Main Checking PRSB	582,236.32	
Money Market PRSB	3,919,469.17	
Special Money Market PRSB	685,721.52	
Kitchigami Endowment Fund	153,292.00	
Accounts Receivable	57,238.00	
Interest Receivable	605.63	
Prepaid Insurance	7,307.03	
Prepaid Health Insurance	16,637.28	
Prepaid Materials	77,224.35	
Investment - Certificates of Deposit	538,909.16	
TOTAL Current Assets		6,039,986.46
Fixed Assets		
Land	30,000.00	
Buildings	650,368.00	
A/D Buildings	(321,241.36)	
Vehicles	176,647.71	
A/D Vehicles	(153,926.32)	
Furniture, Fixtures, and Equipment	336,537.00	
A/D Furniture, Fixtures, and Equipment	(318,449.73)	
Legacy Equipment	1,269.00	
A/D Legacy Equipment	(1,269.00)	
Shared Collections	225,270.54	
Book, Mobile Library	323,550.49	
A/D Books	(325,168.82)	
Intangible Assets	19,916.00	
Accumulated Amortization	(16,597.33)	
Sound, Mobile Library	31,527.00	
Video, Mobile Library	118,442.90	
TOTAL Fixed Assets		776,876.08
TOTAL ASSETS		6,816,862.54
Current Liabilities		
Accounts Payable	128,214.95	
Accounts Payable Salaries	62,268.57	
Federal & FICA Withholding Payable	37,008.00	
PERA Life Insurance Withholding Payable	(96.00)	
Deferred Revenue	210,341.30	
TOTAL Current Liabilities		437,736.82
TOTAL LIABILITIES		437,736.82
CAPITAL		
Investment in Fixed Assets	746,313.15	
C/F Building Repair & Maintenance Reserve	40,967.53	
C/F Automation, HQ Reserve	413,127.34	
C/F HQ Gift	277.00	
R/F ARR Branch Reserves	250,685.87	
C/F Building Reserve	93,204.29	
C/F Accounting Software Reserve	25,873.62	
C/F Summer Reading Program Reserve	35,018.97	
C/F Sue Tricker Memorial Outreach Reserve	204,383.27	
C/F Loan Security	31,427.00	
C/F Outreach Reserve	59,330.17	
C/F Vehicle Reserve	133,086.40	
C/F Gates Grants Reserve	19,819.47	
C/F Crow Wing County Reserve	163,481.85	
R/F RLTS Reserve	89,353.08	
C/F Endowment MN Community Fund	156,592.00	
FUND BALANCE, General Funds	4,554,110.95	
Year-to-Date Earnings	(637,926.24)	
TOTAL CAPITAL		6,379,125.72
TOTAL LIABILITIES & CAPITAL		6,816,862.54

**KITCHIGAMI REGIONAL LIBRARY
INCOME STATEMENT
2022**

	<i>July</i>	<i>August</i>	<i>Year-to-Date</i>	<i>Budget</i>	<i>Budget Balance</i>	<i>% Received</i>
STATE AND FEDERAL FUNDS						
State RLBSS	67,542.16		278,621.29	675,421.00	396,799.71	41.25%
State RLTA Cat 1			10,626.60	34,232.00	23,605.40	31.04%
State MN LINKS			-		-	
State RLTA Cat 3			65,331.10	70,000.00	4,668.90	93.33%
NW-LINKS Library System Funds	24,875.75		24,875.75			
Misc. State Funds			-	10,000.00	10,000.00	0.00%
State CARES Act Grant			-		-	
Legacy Funds			53,255.74	97,510.00	44,254.26	54.62%
Federal Covid Retention Funds			-		-	
TOTAL STATE AND FEDERAL FUNDS	92,417.91	-	432,710.48	887,163.00	479,328.27	48.77%
COUNTY GOVERNMENTS						
Beltrami County			204,340.50	408,681.00	204,340.50	50.00%
Cass County			193,513.50	387,027.00	193,513.50	50.00%
Crow Wing County			254,563.50	509,127.00	254,563.50	50.00%
Hubbard County			108,375.00	216,750.00	108,375.00	50.00%
Wadena County 2nd half 2021 plus			100,189.00	104,151.00	3,962.00	96.20%
TOTAL COUNTY GOVERNMENTS	-	-	860,981.50	1,625,736.00	764,754.50	52.96%
CITY GOVERNMENTS						
Bemidji			66,602.00	133,204.00	66,602.00	50.00%
Blackduck			8,000.00	16,000.00	8,000.00	50.00%
Brainerd			39,250.00	78,500.00	39,250.00	50.00%
Cass Lake			8,200.00	8,200.00	-	100.00%
Longville			4,950.00	9,900.00	4,950.00	50.00%
Park Rapids			23,750.00	47,500.00	23,750.00	50.00%
Pine River			12,000.00	12,000.00	-	100.00%
Wadena			37,000.00	74,000.00	37,000.00	50.00%
Walker Levy * 2021			14,765.00	15,117.00	352.00	97.67%
TOTAL CITY GOVERNMENTS	-	-	214,517.00	394,421.00	179,904.00	54.39%
AUTOMATION RR						
Bemidji			5,647.00	5,647.00	-	100.00%
Blackduck			350.00	350.00	-	100.00%
Brainerd			4,659.00	4,659.00	-	100.00%
Cass Lake			300.00	300.00	-	100.00%
Longville			289.00	289.00	-	100.00%
Park Rapids			3,601.00	3,601.00	-	100.00%
Pine River			255.00	255.00	-	100.00%
Wadena			1,374.00	1,374.00	-	100.00%
Walker			406.00	406.00	-	100.00%
TOTAL AUTOMATION RR	-	-	16,881.00	16,881.00	-	100.00%
OTHER INCOME						
Interest	1,005.98	997.41	7,679.20	15,000.00	7,320.80	51.19%
Endowment Income			5,188.28	4,933.00	(255.28)	105.17%
NLLN Grant for E-Resources			5,000.00	5,000.00	-	100.00%
Donations Region Wide	1,286.27	18,982.34	33,160.09	15,000.00	(18,160.09)	221.07%
Branch Sales & Fees	2,204.68	2,458.41	13,988.51	25,000.00	11,011.49	55.95%
Winter Reading Program			1,635.66		(1,635.66)	
Inter Library Loan	112.00	30.00	301.97		(301.97)	
Miscellaneous	28.38	185.00	501.45		(501.45)	
Over/Short	23.23	39.29	187.69		(187.69)	
TOTAL OTHER INCOME	4,660.54	22,692.45	67,642.85	64,933.00	(2,709.85)	104.17%
TOTAL INCOME BEFORE TRANSFERS	97,078.45	22,692.45	1,592,732.83	2,989,134.00	1,421,276.92	53.28%
TRANSFERS FROM FUNDS				334,019.00		
TOTAL INCOME				3,323,153.00		

**KITCHIGAMI REIONAL LIBRARY
EXPENSE STATEMENT
2022**

	July	August	Year-to-Date	Budget	Budget Balance	% Spent
PERSONNEL						
Wages and Benefits	147,650.03	148,042.38	1,149,143.93	1,877,548.00	728,404.07	61%
Health Plan + Supplement	21,158.72	21,280.14	162,950.10	240,000.00	77,049.90	68%
Training & Development	173.00	2,766.40	5,014.36	14,450.00	9,435.64	35%
Hiring Ads & Interviews		424.00	9,121.12	8,000.00	(1,121.12)	114%
TOTAL PERSONNEL	168,981.75	172,512.92	1,326,229.51	2,139,998.00	813,768.49	62%
LIBRARY MATERIALS						
Books, Collections & Processing	19,508.29	15,074.05	141,410.45	307,967.00	166,556.55	46%
Video	8,093.29	3,243.88	43,029.20	79,373.00	36,343.80	54%
Periodicals	39.20	33.64	16,270.50	15,925.00	(345.50)	102%
Hot Spots	4,958.89	1,778.03	19,920.10	40,000.00	20,079.90	50%
E-Resources	9,524.65	13,344.47	65,956.82	153,422.00	87,465.18	43%
Data Based Platforms			8,399.92	20,000.00	11,600.08	42%
TOTAL LIBRARY MATERIALS	42,124.32	33,474.07	294,986.99	616,687.00	321,700.01	48%
LIBRARY OPERATIONS						
Postage/Meter Rental	359.82	1,024.00	4,266.68	6,000.00	1,733.32	71%
Telecommunications	1,635.97	1,287.96	11,475.67	18,855.00	7,379.33	61%
Supplies	2,538.72	2,793.63	17,381.24	11,500.00	(5,881.24)	151%
Copier Contract	378.03	85.10	1,059.11	1,000.00	(59.11)	106%
Data Lines NW Links	7,443.00		14,886.00	50,000.00	35,114.00	30%
ARR Reserve Expenses	97.16		11,349.55	5,500.00	(5,849.55)	206%
Capital Grant Expense			84,001.33		(84,001.33)	
Contracted Network Support	12,573.22	12,757.45	110,614.68	102,000.00	(8,614.68)	108%
Network infrastructure	44,544.80					
ILS Maintenance		37,259.60	92,083.53	95,713.00	3,629.47	96%
Software Licenses				25,000.00	25,000.00	0%
Summer Reading Program	143.37	629.74	12,206.43	14,495.00	2,288.57	84%
Promotion	83.95	19.33	416.18		(416.18)	
Inter Library Loans	19.95	(5.95)	148.88		(148.88)	
TOTAL LIBRARY OPERATIONS	69,817.99	55,850.86	359,889.28	330,063.00	(29,826.28)	109%
DELIVERY & STAFF VAN						
Mileage/Route Expense	1,672.68	882.35	8,528.57	21,475.00	12,946.43	40%
Insurance			2,780.01	3,000.00	219.99	93%
Repairs and Maintenance	2,942.12	622.23	4,063.84	4,420.00	356.16	92%
Capital Van Replacement Transfer				2,400.00		
TOTAL DELIVERY & STAFF VAN	4,614.80	1,504.58	15,372.42	31,295.00	15,922.58	49%
MOBILE VEHICLE, Reginal Outreach						
Mileage/Route Expense	649.57	638.82	4,824.57	10,000.00	5,175.43	48%
Insurance			2,840.58	3,000.00	159.42	95%
Repairs and Maintenance			70.77	1,000.00	929.23	7%
TOTAL MOBIL LIBRARY VEHICLE	649.57	638.82	7,735.92	14,000.00	6,264.08	55%
HEADQUARTERS FACILITY						
Utilities	740.05	774.04	6,779.06	7,600.00	820.94	89%
Insurance-Contents & Liability			6,280.00	7,200.00	920.00	87%
Building Repair & Maintenance	1,168.51	3,506.05	40,079.63	6,400.00	(33,679.63)	626%
TOTAL HEADQUARTERS FACILITY	1,908.56	4,280.09	53,138.69	21,200.00	(31,938.69)	251%
KRL BOARD & ADMINISTRATION						
Board Meetings	226.98	403.25	1,664.51	7,000.00	5,335.49	24%
Special Projects			998.75	11,000.00	10,001.25	9%
Legacy	11,167.26	1,181.92	71,777.89	97,510.00	25,732.11	74%
Membership Dues			695.00	2,000.00	1,305.00	35%
Professional Fees	141.00	11,516.50	31,980.64	28,000.00	(3,980.64)	114%
Board Insurance		3,320.00	3,320.00	3,000.00	(320.00)	111%
Software/Fees	160.96	160.96	3,995.37	4,900.00	904.63	82%
TOTAL KRL BOARD	11,696.20	16,582.63	114,432.16	153,410.00	38,977.84	75%
OTHER						
Administration Travel	206.25	879.05	5,585.29	6,500.00	914.71	86%
Associate Service Crosslake			5,000.00	5,000.00	-	100%
Associate Service Pequot Lakes			5,000.00	5,000.00	-	100%
Banking Fees	13.00	6.00	175.66		(175.66)	
Miscellaneous	(63.68)	(667.00)	(659.00)		659.00	
Late Fees & Discounts Saved			(772.65)		772.65	
TOTAL OTHER	155.57	218.05	14,329.30	16,500.00	2,170.70	87%
TOTAL EXPENSES	299,948.76	285,062.02	2,230,659.07	3,323,153.00	1,092,493.93	67%
TOTAL INCOME	97,078.45	22,692.45	1,592,732.83	2,989,134.00	1,396,401.17	53%
EXCESS (DEFICIT) OVER EXP.	(202,870.31)	(262,369.57)	(637,926.24)	(334,019.00)		
TRANSFERS APPROVED				334,019.00		

STATE OF MINNESOTA - MN Department of Education

Cumulative Report

Grantee: Kitchigami Regional Library System
Fund Source: Arts & Cultural Heritage - Library Legacy
Project Title: FY21 Funds
Grant ID: 5290

Grant Period: 9/15/2020-6/30/2023 Grant Total: \$108,739.12
Expenditures Through: 6/30/2022 Claim Number: 7
Current Reimbursement Period Dates 07/01/2022 Thru 09/30/2022

Return/Mail To: Deb Rose
MN Department of Education
Grant Services Division
1500 Highway 36 W
Roseville, MN 55113

Financial Reporting Form

Fill in only 'current' columns. Enter actual expenditures for the period and the amount of advance 'spend down'.

Phone: (651) 582-8853
Email: debra.rose@state.mn.us

Code\Description	Grants				
	Budget	Expended	Cur. Balance	Cur. Expended	New Balance
Adm Administration	\$5,436.95	\$5,436.95	\$0.00	\$0.00	\$0.00
Statewide initiative (up to 10%)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other (estimate of expenses are in application)	\$103,302.17	\$93,551.56	\$9,750.61	\$9,750.61	\$0.00
	\$108,739.12	\$98,988.51	\$9,750.61	\$9,750.61	\$0.00

Amount To Be Paid \$9,750.61
Apply To Advance \$0.00
Amount To Be Paid on this request \$9,750.61

Previous Amount Remaining To Be Paid \$98,988.51
Outstanding Advance Amount \$0.00

Please indicate if this is a final payment. Final Payment? ☒ Yes ☐ No Any remaining funds will be cancelled if 'YES' is marked.

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Carol Christensen 9/12/2022
Completed By Date

Melissa Whatley 9/12/2022
Authorized By Date

Notes:

**ARTS AND CULTURAL HERITAGE FUND (ACHF)
REGIONAL LIBRARY SYSTEM
BUDGET APPLICATION FORM**

State Fiscal Year 2023 (July 1, 2022-June 30, 2023)



Regional library system name: Kitchigami Regional Library System

Full-time equivalents (FTE) funded with ACHF :

Use the total FTE represented by all regional library system staff--both program administration and other--who will be paid using ACHF. Calculated as total # hours planned divided by 2,080.

Budget items (used to create Financial Reporting Form)	FY23 Estimated Expenditures	Notes
Administration	\$5,351.70	
Statewide initiative (up to 10%)	\$0.00	
Other (auto sums from info entered below)	\$101,682.43	
TOTAL	\$107,034.13	

Other estimated expenses (will be included above)	FY23 Estimated Expenditures	Notes
Contracted services	\$86,430.07	
Personnel	\$15,252.36	
Subgrants	\$0.00	
<i>(Other--please specify; insert rows as needed)</i>	\$0.00	
Total Other	\$101,682.43	

5f Director's Report

IRS COVID Credits

There were COVID credits that we believed we were due for expenses during COVID closure, but after a few appeals to the IRS they made the final decision that we are not eligible for those credits. We will receive a bill from the IRS for those denied credits of approximately \$36,000; I will bring that bill before the board when received. Attached is a copy of the letter.

City/County FY2023 Budget Presentations

I have visited Crow Wing, Beltrami, and Hubbard counties and the City of Wadena with local branch managers to discuss the FY2023 Budget. LGUs have been receptive to KRLS needs but there has been some push back on the 3% increase. Later in the meeting I will ask the board to discuss and provide direction to the Budget Committee's consideration once official county/city levy information is received.

Branch Manager Meeting

At a recent branch manager meeting we discussed the gift of a periodical subscription as mentioned at the last board meeting and that I offered contact information for that to any interested branches. Per the KRLS Gift Policy the director or agency supervisor reserve the right to accept or discard any gift at their discretion, so I am allowing branch managers to make that determination for their branch. I passed along the board request that staff examine their periodical collection for balance and appropriateness. During discussion it was mentioned that branch collections contain mostly local, and not national, newspapers.

Personnel Update

Our Technical Services manager resigned in early August. That position was advertised and we are now reviewing applications and interviewing for the position. Our technical services staff has been handling some delivery scheduling issues due to a medical leave for our primary driver, but they have all pitched in and helped tremendously in maintaining service to the branches.

Deerwood Updates

Deerwood's 3-year contract included some first-year discounts for security support and IT management that are now expiring; costs are expected to go up about \$3000 per month with the expiration of those discounts. Deerwood is a Microsoft vendor so we have renewed our Microsoft 365 licenses through them at a lower academic rate; this has provided us some savings that we plan to use to increase our threat protection coverage.

RLBSS FY2023

We have not yet received RLBSS updated calculations for FY2023 from the state; once received the board will get an updated application to approve for submission to the state.

MLA 2022

10 staff from around the region are planning to attend the MN Library Association Conference in Duluth October 27-28. We look forward to an in-person conference again and to the information, training, and renewed sense of purpose that conferences give. Thank you for supporting this effort by budgeting for staff training and development funds used for this purpose.

Staff Day

2022 KRLS Staff Day is coming up October 10th here in Pine River with a keynote speaker and three breakout sessions planned in our day of learning and staff connection. Thank you for your support of this day for staff and to the Staff Day Committee for preparing an excellent program for KRLS Staff.



Department of the Treasury
Internal Revenue Service
Tax Exempt /Government Entities
SE:T:EOGE:GE:FSL/ET
Mail Stop 4900
1100 Commerce Street
Dallas, TX 75242-1027

Kitchigami Regional Library
PO Box 84
Pine River, MN 56474-0084

RECEIVED
BY CC / DATE 8/30/22

COPY

Date:
August 17, 2022
Taxpayer ID number (last 4 digits):
xx-xxx5773
Form:
941
Tax period:
June 30, 2020
Person to contact:
Name: John Darr
ID number: 100105203
Telephone: 412-404-9305
Hours: 8:00 a.m. – 4:00 p.m. ET

Dear Taxpayer:

Why you're receiving this letter

Thank you for your response to our Letter 6362 dated 2/18/21 . Based on the information you sent and a review of your entity status, we're making a change to the COVID-19 employer credits you claimed on your Form 941, Employer's Quarterly Federal Tax Return.

What you need to know

Your entity is covered by a Section 218 Agreement between your state and the Social Security Administration. Section 218 Agreements can only cover employee positions of states, political subdivisions, municipalities, and interstate instrumentalities (state/local governmental employers). Federal, State, and local governmental employers are not permitted to claim the tax credits under the Family First Coronavirus Relief Act for sick leave and family leave wages paid in any periods of 2020 nor the employee retention credit under the Coronavirus Aid, Relief, and Economic Security Act, as amended by the Taxpayer Relief Act of 2020, for wages paid in any of the periods of 2020.

We disallowed credits as shown below. This adjustment changes your employment tax liability and the amount of tax due. You'll receive a balance due notice.

KRLS Checkouts

January - August 2022

Location	2021	2022	Percent Change
Bemidji	67,641	69,930	3.38%
Blackduck	5,244	5,121	-2.35%
Brainerd	72,595	114,497	57.72%
Cass Lake	2,918	3,423	17.31%
Longville	7,903	7,396	-6.42%
Park Rapids	32,753	36,324	10.90%
Pine River	11,569	19,006	64.28%
Wadena	27,137	25,547	-5.86%
Walker	10,868	11,733	7.96%

Mobile Locations

Backus	319	469	47.02%
Bay Lake	132	195	47.73%
Becida	297	33	-88.89%
Garrison	145	526	262.76%
Hackensack	434	124	-71.43%
Laporte	353	97	-72.52%
Leader	2,928	483	-83.50%
Menahga	775	2,608	236.52%
Nevis	661	782	18.31%
Nimrod	129	323	150.39%
Nisswa	311	248	-20.26%
Remer	511	591	15.66%
Sebeka	938	1,001	6.72%

Associate Locations

Crosslake	618	866	40.13%
Pequot Lakes	2,590	2,114	-18.38%

TOTAL	249,769	303,437	21.49%
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Electronic Resources January-August 2022

cloudLibrary	2021	2022	Percent change
Checkouts: eBooks	45,964	40,461	-12%
Checkouts: eAudio	28,681	27,942	-3%
New Patrons	450	629	40%

Ancestry Library

Searches	518	2787	438%
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hoopla	2021	2022	
Checkouts: eBooks	2,581	6775	162%
Checkouts: Comics	220	317	44%
Checkouts: Movies	659	937	42%
Checkouts: eAudio	4,230	10785	155%
Checkouts: Music	144	232	61%
Checkouts: Television	425	953	124%
New Patrons	1095	1349	23%

ELM: EBSCO	2021	2022	Percent change
Sessions	209		-100%
Searches	827		-100%

ELM: Britannica

Sessions	379	479	26%
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Flipster

Online View	778	723	-7%
Downloads	2600	2261	-13%

*ELM Ebsco not included due to technical issues

6a 2023 KRLS City & County Budgets

Action Request: That the board discuss and make recommendations on 2023 budgets for further Budget Committee revisions

2023 Budgets were distributed to the cities & counties in July and I have been visiting some of them for budget presentations and discussion on the KRLS budget. We have not yet received official word on what support they will provide.

6b KRLS Personnel Policies

Action Request: That the Board move to have first and second reading and approval of personnel policies

KRLS administration, in conjunction with Quinlivan & Hughes lawyers and interim director Melissa Brechon, have been working on the Personnel Policies. The complete handbook will be printed with the board packet materials. Please review prior to the meeting in preparation of approval at the September meeting.

6c KRLS Regional Policies

Action Request: That the Board move to have first and second reading and approval of regional policies

KRLS administration and staff have been working on the Regional Policies. The complete group of policies will be printed with the board packet materials. Please review prior to the meeting in preparation of approval at the September meeting.

7a 2021 KRLS Financial Audit

Action Request: That the Board move to approve the 2021 Financial Audit of Kitchigami Regional Library System

The Audit committee consisting of Board Chair, Tom Conway, and Treasurer, George Deiss, met prior to the board meeting with KRLS Director Melissa Whatley and Clifton Larson Allen representatives to discuss the 2021 financial audit of KRLS.

One of the auditors will be at the Thursday, September 22nd meeting to go over the 2021 Financial Audit with the full Board.

A copy of the 2021 Final Audit is included with the Board packet materials.

7b CD Renewals

Action Request: That the board motion to approve changes in CDs as described

1. That the board designate the financial institution with the highest interest rate the day of Maturity or reinvest/auto renew at Security State Bank Bemidji for another six months at their interest rate the day of Maturity.
2. That the board make a motion to cash out the Loan Security/SRP CD 17245 and the Summer Reading CD 17242 and retain \$12,300.00 to cover the Summer Reading Program expenses passed by the board and then combined balances of the two CDs into a new Summer Reading CD.
3. That the board make a motion to zero the C/F-Loan Security Reserve and transfer \$12,300.00 to the Fund Balance and transfer the rest to the C/F Summer Reading Program Reserve.
4. That the board confirm the renewal of CD 6443 which matured 8/5/22 for 6 months at the same institution

To renew upcoming CDs

Security Bank Bemidji	Account Nickname/Purpose	Projected Value at Maturity	Maturity Date
17242	Summer Reading	28,525.85	10/18/2022
17243	Auto/Software	262,509.71	10/18/2022
17244	Non-Restricted	126,668.53	10/18/2022
17245	Loan Security/SRP	38,048.10	10/18/2022

Action Request:

1. That the board designate the financial institution with the highest interest rate the day of Maturity or reinvest/auto renew at Security State Bank Bemidji for another six months at their interest rate the day of Maturity.
2. That the board make a motion to cash out the Loan Security/SRP CD 17245 and the Summer Reading CD 17242 and retain \$12,300.00 to cover the Summer Reading Program expenses passed by the board and then combined balances of the two CDs into a new Summer Reading CD.
3. That the board make a motion to zero the C/F-Loan Security Reserve and transfer \$12,300.00 to the Fund Balance and transfer the rest to the C/F Summer Reading Program Reserve.

Background

A list of rates and terms might/might not be available at the Board Meeting because of the volatility of interest rates between September 22nd and the maturity date of October 18th, 2022.

History: The board made a motion in March of 2009 to combine the Loan Security CD funds with the Summer Reading CD but these were never at the same bank with the same Maturity date until recently, so this never got done.

7c Capital Appropriation Fund

Action Request: That the board approve the creation of a Capital Appropriation Fund of \$1,160,969 retroactive to January 2022

In working with the auditor it was discovered that while the Board decided to approve the Capital Appropriation Policy in January and to set aside a designated amount of money to go into a Capital Appropriation fund, they did not make a motion or approve that reserve account creation. Please approve the creation of that fund to match the policy.

7d Regional Library Telecommunications Aid (RLTA) FY2022 Final Report

Action Request: That the board approve the RLTA FY2022 Final Report and requisite signatures for the submission to the state.

Regional Library Telecommunications Aid Program FY 2022 (July 1, 2021 – June 30, 2022)

Final Report Signature Page

A complete final report for the FY 2022 RLTA program includes a signature page, spreadsheet, and documentation of actual costs for Category 1, Category 2, Category 3, and participation costs. Acceptable documentation includes:

Category One Costs (please choose one):

- BEAR forms
- SPI forms
- Vendor invoices
- Statement from your consortium verifying actual costs and e-rate discounts

Category Two Costs:

- E-rate notification (if applied for)
- Vendor invoices
- Statement from your consortium verifying actual costs and e-rate discounts

Participation Costs:

- Vendor invoices

Please contact [Hannah Buckland](#) if you have questions about documentation or any other part of the report.

We, the undersigned, certify that the data provided in the attached final report (spreadsheet and documentation) are true and correct to the best of our knowledge and belief.

Regional Public Library System Name: Kitchigami Regional Library System

Signature:

Name: Tom Conway
Chair, System Governing Board

Date:

Signature:

Name: Melissa Whatley
Regional Public Library System Administrator

Date:

Please email your report to hannah.buckland@state.mn.us by **September 16, 2022**.

Regional Library Telecommunications Aid: Cat. 3 Report (FY22)

FY22 Category 3 funds can support eligible expenses incurred from July 1, 2021 to June 30, 2022. Invoices and receipts do not need to be submitted to MDE but should be retained by the library system.

	Category	Total Budgeted	Brief Description
Content	Library Subscriptions <i>annual Overdrive fees</i>		
	Library Resources <i>Overdrive materials</i>	\$27,500.00	hoopla materials
Equipment	Individual Devices <i>tablets, computers, hotspots without service</i>		originally budgeted - ended up getting a deal to get devices free
	Operational Devices <i>copier, printer, self-check</i>		
	Networking Equipment <i>server, redundant lines</i>	\$19,912.13	HQ server upgrade
	Tech Supplies <i>hotspot cases, USB drives</i>		
Subscriptions	Data Plans <i>hotspot data plans, off-site internet service</i>	\$25,177.98	hotspot data plans
	Service Subscriptions <i>Zoom, website hosting</i>		
	Software Licenses <i>MS Office, Deep Freeze</i>		
Miscellany	Professional Services <i>web design, tech repair</i>		
	Other <i>category 2 cost allocations</i>		
		\$72,590.11	If the auto-sum function doesn't work, please enter the total here.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Regional Public Library System: Kitchigami Regional Library System													
2	Actual Costs State FY 2022													
3		Hours Open to the Public	E Rate Year 2021 Discount %	Bandwidth Available 7/1/2021	Bandwidth Available 6/30/2022		Total Actual Costs- Category One	Total E-rate Reimburse- ment for Category One	RLTA for Category One	Participation Fees	Total Actual Costs- Category Two	Total E-rate Reimburse- ment for Category Two	RLTA for Category Two	Notes
4	Sites Eligible for RLTA:								\$0.00				\$0.00	
5									\$0.00				\$0.00	
6	Bemidji Public Library	2805	80%	1000.00	1000.00		\$13,200.00	\$10,560.00	\$2,640.00	\$565.00			\$0.00	
7	Blackduck Community Library	1046	80%	1000.00	1000.00		\$13,200.00	\$10,560.00	\$2,640.00	\$565.00			\$0.00	
8	Brainerd Public Library	1899	80%	45.00	200.00		\$17,400.00	\$13,920.00	\$3,480.00	\$565.00			\$0.00	
9	Cass Lake Community Library	832	80%	200.00	200.00		\$11,220.00	\$8,976.00	\$2,244.00	\$565.00			\$0.00	
10	Margaret Welch Memorial Library	1024	80%	200.00	200.00		\$11,220.00	\$8,976.00	\$2,244.00	\$565.00			\$0.00	
11	Park Rapids Area Library	2193	80%	1000.00	1000.00		\$16,200.00	\$12,960.00	\$3,240.00	\$565.00			\$0.00	
12	Pine River Public Library	1634	80%	15.00	100.00		\$22,020.00	\$17,616.00	\$4,404.00	\$565.00			\$0.00	
13	Wadena City Library	1980	80%	200.00	200.00		\$11,220.00	\$8,976.00	\$2,244.00	\$565.00			\$0.00	
14	Walker Public Library	1785	80%	200.00	200.00		\$11,160.00	\$8,928.00	\$2,232.00	\$565.00			\$0.00	
15	Kitchigami Regional Library HQ	1560	80%	45.00	100.00		\$22,020.00	\$17,616.00	\$4,404.00	\$565.00			\$0.00	
16									\$0.00				\$0.00	
17									\$0.00				\$0.00	
18									\$0.00				\$0.00	
19									\$0.00				\$0.00	
20									\$0.00				\$0.00	
21									\$0.00				\$0.00	
22									\$0.00				\$0.00	
23									\$0.00				\$0.00	
24	ELIGIBLE SITE TOTAL	16758	n/a	n/a	n/a		\$148,860.00	\$119,088.00	\$29,772.00	\$5,650.00	\$0.00	\$0.00	\$0.00	
25														
26													\$35,422.00	RLTA Category 1 & 2



Connecting Schools and Libraries across Northwest Minnesota

FISCAL YEAR 2022

SITE	Bandwidth	Total Annual Undiscounted Cost including Non-Recurring	Specific Site E-Rate Discount Percent	Total Annual E-Rate Discount Amount	Non-Reimbursed Costs	NW Links Member Fee (\$565) Billed Q1	Total Annual Billing	Q1 billing	Q2 Billing	Q3 Billing	Q4 Billing
Bemidji Public Library	1000	\$ 13,200.00	80%	\$ 10,560.00	\$ 2,640.00	\$ 565.00	\$ 3,205.00	\$ 1,225.00	\$ 660.00	\$ 660.00	\$ 660.00
Blackduck Community Library	1000	\$ 13,200.00	80%	\$ 10,560.00	\$ 2,640.00	\$ 565.00	\$ 3,205.00	\$ 1,225.00	\$ 660.00	\$ 660.00	\$ 660.00
Brainerd Public Library	200	\$ 17,400.00	80%	\$ 13,920.00	\$ 3,480.00	\$ 565.00	\$ 4,045.00	\$ 1,435.00	\$ 870.00	\$ 870.00	\$ 870.00
Cass Lake Community Library	200	\$ 11,220.00	80%	\$ 8,976.00	\$ 2,244.00	\$ 565.00	\$ 2,809.00	\$ 1,126.00	\$ 561.00	\$ 561.00	\$ 561.00
Margaret Welch Memorial Library	200	\$ 11,220.00	80%	\$ 8,976.00	\$ 2,244.00	\$ 565.00	\$ 2,809.00	\$ 1,126.00	\$ 561.00	\$ 561.00	\$ 561.00
Park Rapids Area Library	1000	\$ 16,200.00	80%	\$ 12,960.00	\$ 3,240.00	\$ 565.00	\$ 3,805.00	\$ 1,375.00	\$ 810.00	\$ 810.00	\$ 810.00
Pine River Public Library	100	\$ 22,020.00	80%	\$ 17,616.00	\$ 4,404.00	\$ 565.00	\$ 4,969.00	\$ 1,666.00	\$ 1,101.00	\$ 1,101.00	\$ 1,101.00
Wadena City Library	200	\$ 11,220.00	80%	\$ 8,976.00	\$ 2,244.00	\$ 565.00	\$ 2,809.00	\$ 1,126.00	\$ 561.00	\$ 561.00	\$ 561.00
Walker Public Library	200	\$ 11,160.00	80%	\$ 8,928.00	\$ 2,232.00	\$ 565.00	\$ 2,797.00	\$ 1,123.00	\$ 558.00	\$ 558.00	\$ 558.00
Kitchigami Regional Library HQ	100	\$ 22,020.00	80%	\$ 17,616.00	\$ 4,404.00	\$ 565.00	\$ 4,969.00	\$ 1,666.00	\$ 1,101.00	\$ 1,101.00	\$ 1,101.00
Kitchigami Regional Library System	4200	\$148,860.00		\$ 119,088.00	\$ 29,772.00	\$ 5,650.00	\$35,422.00	\$13,093.00	\$ 7,443.00	\$ 7,443.00	\$ 7,443.00

7e Regional Library Telecommunications Aid (RLTA) FY2023 Application

Action Request: That the board approve the RLTA FY2023 Application and requisite signatures for the submission to the state.



REGIONAL LIBRARY TELECOMMUNICATIONS AID

FY 2023 (July 1, 2022 – June 30, 2023)

APPLICANT INFORMATION, ASSURANCES, AUTHORIZED SIGNATURES

Contact Person: Melissa Whatley

Regional Public Library System: Kitchigami Regional Library System

Street Address: 310 2nd St. N

City: Pine River

State: MN

Zip Code: 56425

Telephone: 218-587-2171

Fax: 218-587-4855

E-mail: whatleym@krls.org

Minnesota Tax ID#: 74-26083

Locations Open Fewer than 20 Hours per Week

Please identify any locations open fewer than 20 hours per week and provide a reason for each:

Assurances:

All regional public library system members or branches meet the state-certified level of library support as required under *Minnesota Statutes 134.34 and Minnesota Statutes 275.761*.

Connections are adequate and employ open network architecture permitting interconnectivity with school districts, post-secondary education, or other governmental agencies.

Connections are established using the most cost-effective means and are coordinated with other education and government entities where appropriate.

The regional public library system has submitted or is included in a federal e-rate application for discounts on category one expenses funded through the RLTA program.

The regional public library system and its members or branches are in compliance with the requirements of the Children's Internet Protection Act.

The regional public library system and its members or branches are in compliance with *Minnesota Laws 2000, Chapter 489, Article 6, Section 27, Section (a)*. This means all public library computers with access to the internet and available for use by children under the age of 17 restrict all access by children to material that is reasonably believed to be obscene or child pornography or material harmful to minors under federal or state law. The library system is also in compliance with section (c), prohibiting adult access to material that under federal or state law is reasonably believed to be obscene or child pornography.

The regional public library system and its members or branches are in compliance with *Minnesota Laws 2000, Chapter 492, Article 1, Section 49, Subd. 5A*, and have a policy prohibiting library users from using the library's internet access to view, print, or distribute material that is obscene per *Minnesota Statutes 1998 Chapter 617, Article 241*.

The regional public library system will retain for ten years all records related to the RLTA and e-rate programs, including pre-commitment, contracting, post-commitment, invoicing and backup data. When requested, the regional public library system will make these documents available to State Library Services.

Authorized Signatures

I certify that my organization will comply with the above assurances and all other applicable laws and regulations.

Date: 9/22/22

Signature:

Name: Tom Conway

Chair, System Governing Board

Date: 9/22/22

Signature:

Name: Melissa Whatley

Regional Public Library System Administrator

The following forms comprise a complete application:

- ☐ FY23 Applicant Information, Assurances and Authorized Signatures
- ☐ FY23 RLTA Priority 1 application spreadsheet
- ☐ E-rate FCDLs for 2022. Each entity included in the RLTA application must be included in FCDL(s).

If 2022 FCDLs are not available, submit 2022 form 471 and 2021 FCDLs as an initial estimate for the current RLTA application. Upon receipt of the 2022 FCDL, please submit it along with an updated application spreadsheet.

Please note that you will need to submit BEAR forms or other documentation of actual costs as part of the FY23 final report.

Please email the signed and completed application forms to State Library Services by **Friday, October 21, 2022**. Completed forms can be sent as PDF documents or in original formats.



Connecting Schools and Libraries across Northwest Minnesota

August 15, 2022

TO: Melissa Whatley, Director
Kitchigami Regional Library System

FROM: Bob Wheeler, Executive Director
Region 1 (NW-Links fiscal host)

RE: Fiscal Year 2023 Bandwidth and Membership Costs

We are providing final estimated cost information for the wide area network costs for fiscal year 2023. This information is to be used on the Fiscal Year 2023 RLTA application.

NW-Links has submitted the FCC Form 471 #2110000306 for Annual Total Pre-Discount Charge of \$190,438.56. The approved Funding Commitment Decision Letter is attached.

Member Entity Name	FY 2023 Member Finalized Bandwidth	FY 2023 Monthly Recurring Cost (MRC)	E-Rate Discount %	FY 2023 Monthly Cost After E- Rate Discount	FY 2023 Annual Cost After E-Rate Discount	FY 2023 Annual Membership Fee
Bemidji Public Library	1000	\$ 1,100.00	80%	\$ 220.00	\$ 2,640.00	\$ 565.00
Blackduck Community Library	1000	\$ 1,100.00	80%	\$ 220.00	\$ 2,640.00	\$ 565.00
Brainerd Public Library	300	\$ 1,824.12	80%	\$ 364.82	\$ 4,377.89	\$ 565.00
Cass Lake Community Library	200	\$ 935.00	80%	\$ 187.00	\$ 2,244.00	\$ 565.00
Margaret Welch Memorial	200	\$ 935.00	80%	\$ 187.00	\$ 2,244.00	\$ 565.00
Park Rapids Area Library	1000	\$ 1,350.00	80%	\$ 270.00	\$ 3,240.00	\$ 565.00
Pine River Public Library	300	\$ 2,075.00	80%	\$ 415.00	\$ 4,980.00	\$ 565.00
Wadena City Library	300	\$ 1,107.18	80%	\$ 221.44	\$ 2,657.23	\$ 565.00
Walker Public Library	200	\$ 930.00	80%	\$ 186.00	\$ 2,232.00	\$ 565.00
Kitchigami Regional Library HQ	300	\$ 2,075.00	80%	\$ 415.00	\$ 4,980.00	\$ 565.00
Kitchigami Regional Library System	4800	\$13,431.30		\$ 2,686.26	\$ 32,235.12	\$ 5,650.00

	A	B	C	D	E	F	G	H	I	J	K
3	Regional Public Library System:										
4	Member Library Sites Included:	Open 20+ hours per week?*	Bandwidth Available 6/30/2022	Anticipated Bandwidth 6/30/2023	E-Rate % Discount (2022)	Total Costs - Category One	E-Rate for Category One	RLTA for Category One	Participation Costs	RLTA Priority 1 Total	NOTES
5	Bemidji Public Library	yes	1000.00	1000	80%	\$13,200.00	\$10,560.00	\$2,640.00	\$565.00	\$3,205.00	
6	Blackduck Community Library	yes	1000.00	1000	80%	\$13,200.00	\$10,560.00	\$2,640.00	\$565.00	\$3,205.00	
7	Brainerd Public Library	yes	200.00	300	80%	\$21,889.44	\$17,511.55	\$4,377.89	\$565.00	\$4,942.89	
8	Cass Lake Community Library	yes	200.00	200	80%	\$11,220.00	\$8,976.00	\$2,244.00	\$565.00	\$2,809.00	
9	Margaret Welch Memorial Library	yes	200.00	200	80%	\$11,220.00	\$8,976.00	\$2,244.00	\$565.00	\$2,809.00	
10	Park Rapids Area Library	yes	1000.00	1000	80%	\$16,200.00	\$12,960.00	\$3,240.00	\$565.00	\$3,805.00	
11	Pine River Public Library	yes	100.00	300	80%	\$24,900.00	\$19,920.00	\$4,980.00	\$565.00	\$5,545.00	
12	Wadena City Library	yes	200.00	300	80%	\$13,286.16	\$10,628.93	\$2,657.23	\$565.00	\$3,222.23	
13	Walker Public Library	yes	200.00	200	80%	\$11,160.00	\$8,928.00	\$2,232.00	\$565.00	\$2,797.00	
14	Kitchigami Regional Library HQ	yes	100.00	300	80%	\$24,900.00	\$19,920.00	\$4,980.00	\$565.00	\$5,545.00	
15							\$0.00	\$0.00		\$0.00	
16							\$0.00	\$0.00		\$0.00	
17						\$161,175.60	\$128,940.48	\$32,235.12	\$5,650.00	\$37,885.12	
18	*If any sites are under 20 hours per week, please explain.										
19											
20											
21											
22											
23											
24											



BEN Name: NW-LINKS
BEN: 157212

FCC Form 471: 221000306
Wave: 16

KPS

FRN 2299000121	Service Type Data Transmission and/or Internet Access	Status Funded
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Dollars Committed			
Monthly Cost		One-time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$190,438.56	Total Eligible One Time Charges	\$0.00
Total Pre-discount Charges		\$190,438.56	
Discount Rate		70.00%	
Committed Amount		\$133,306.99	

Dates	
Service Start Date	7/1/2022
Contract Expiration Date	6/30/2023
Contract Award Date	2/26/2020
Service Delivery Deadline	6/30/2023
Expiration Date (All Extensions)	6/30/2025

Service Provider and Contract Information	
Service Provider	VAL-ED Joint Venture LLP, dba 702 Communications
SPIN (498ID)	143019551
Contract Number	
Account Number	
Establishing FCC Form 470	200010162

Consultant Information	
Consultant Name	
Consultant's Employer	
CRN	

Funding Commitment Decision Comments

MR1: Approved as submitted.

7f Regional Library Basic System Support (RLBSS) Report of Results Accomplished FY2022

Action Request: That the Board approve the Regional Library Basic System Support (RLBSS) FY2022 Report and the requisite signatures for submission to the State.

The RLBSS Report of Results Accomplished is required to obtain RLBSS, which is our primary grant in aid. The report is only on the use of state dollars within the state fiscal year, July 1st – June 30th.



REGIONAL LIBRARY BASIC SYSTEM SUPPORT

REPORT OF RESULTS AND EXPENDITURES

FY22 (July 1, 2021 - June 30, 2022)

This report is provided as required by Minnesota Rules, Chapter 3530.

Name and address of regional public library system: Kitchigami Regional Library System, 310 2n St. N, PO Box 84, Pine River MN 56474

Name, phone number and e-mail address of regional public library system administrator: Melissa Whatley, 218-587-2171 x 222, whatley@krls.org

Please estimate the number of people who received services provided with Regional Library Basic System Support (RLBSS): 79,000 (registered users)

By signing, we certify that the data and information contained in this report are true and correct to the best of our knowledge and belief:

Signature:

Name: Tom Conway
Chair, Governing Board
Date: 9/22/2022

Signature:

Name: Melissa Whatley
Regional Public Library System Administrator
Date: 9/22/2022

Please send one PDF copy of the signed report to Hannah Buckland at hannah.buckland@state.mn.us by October 1, 2022.

Report of Accomplishments

Overall Results

At a Glance – Please provide a few quick statistics that summarize your FY22 results: 369,104 physical items were circulated and digitally we saw 131,551 downloaded items and 4,414 e-resource retrievals; total collection use of 505,069. We increased our regional e-books collection by 605 titles to 7,493 total. We had 286,692 visits in branch (including contactless visits).

Individual Programs

Briefly highlight the programs/services/activities that took place during FY22, using the format below for each. Please include as many programs needed to fully describe your activities and limit the narrative for each program to 200-250 words.

Description of Program: Technical Services

- Please describe what you did through this program: **Acquisitions, processing of items, maintenance of databases, equipment, and software**
- What was the goal of your program? **To provide library services to our 5-county area through technological support, online access to materials, acquisitions and processing of physical materials; to provide administrative functions to support the necessary staff for library services.**
- Who was served by this program? **Residents of Beltrami, Cass, Crow Wing, Hubbard and Wadena counties and residents of greater MN area that choose to use our facilities.**
- How did this program contribute to your organization's mission and strategic plan goals? **Technical services provide the core of KRLS functions through electronic resources, delivery planning and management, acquisitions and processing of materials, and reporting.**

Program Outcomes – Please provide one or more performance measures, including two data points for each and the dates of those data points.

Name of measure	FY2021 data	FY2022 data
Circulation (physical and digital)	416,670	500,655
Items processed into collection	25,174	28,926

Description of Program: Delivery

- Please describe what you did through this program: **Delivered materials to our 9 branches from our own collection as well as ILL materials through collaborating libraries across Minnesota**

- What was the goal of your program? **To provide access to materials outside of the local physical collection and reduce duplication of materials across our system**
- Who was served by this program? **Residents of Beltrami, Cass, Crow Wing, Hubbard and Wadena counties as well as other MN library users requesting KRLS materials through ILL.**
- How did this program contribute to your organization's mission and strategic plan goals? **KRLS delivery supports our mission of regional access by increasing the number of materials available to our patrons**

Program Outcomes – Please provide one or more performance measures, including two data points for each and the dates of those data points.

Name of measure	FY2021 data	FY2022 data
Miles driven	60,273	57,228
ILL items processed and delivered to/from KRLS branches	19,009	22,029

Summary of Expenditures

Please complete the spreadsheet that accompanies this form.

Explain expenditures that varied 10% or more from the FY22 state aid application: Staff Development, Tuition, and Other Reimbursements – 21.55% less than budgeted, continued concerns over COVID safety at conferences and reduced fees for online training over in-person budgeted amounts caused this to be lower than expected in FY22.

Regional Library System Name: Kitchigami Regional Library System	
State Fiscal Year 2022	
Summary of Expenditures	
	Amount
Personnel Expenses	
Salaries and Wages	\$380,899
Benefits	\$65,013
Staff Development, Tuition and Other Reimbursements	\$3,530
Total Personnel Expenses	\$449,442
Total FTE Supported	7
Operating Expenses	
Telephone (voice and data)	\$45,455
Telecommunications	\$6,800
Computer Software and Software Licensing	
Other Technology Equipment	
Printing and Copying	
Postage and Delivery	
Travel and Mileage	
Rent	
Operating Leases or Rentals	
Utility Services	\$9,239
Repairs and Maintenance Services	\$27,450
Insurance	\$6,280
Dues and Memberships	
Audit	\$14,200
Board expenses, including per diem	
Materials and Supplies	
Other (please specify)	
Total Operating Expenses	\$109,424
Program Expenses	
Consulting Fees/Fees for Services	
Services Purchased from Other MN Joint Powers Agencies	
Automation System	\$34,000
Delivery	
Vehicles	
Equipment	
Travel and Mileage	
Scholarships/Direct Member support	
Library Materials and Collections	\$21,000
Communications and Marketing	
Staff Development	\$0
Materials and Supplies	\$24,833
Workshops and Events	
Other Contracted services	
Food and Beverages	
Other (please specify)	
Total Program Expenses	\$79,833
Total State Aid Expenditures	\$638,699

7g ARPA Grant Application

Action Request: That the board approve submission of ARPA Grant Application

State Library Services has made available to KRLS \$71,764.33 of ARPA funds to be spent by December 30, 2022. We plan to use a large portion to assist in the ongoing Technology Infrastructure Refresh project through Deerwood Technologies, to create a new website including employee intranet, and to create Outreach Kits to allow KRLS to serve customers at events throughout the community. We'll also purchase devices to allow streaming of virtual programming.

APPLICATION COVERSHEET

American Rescue Plan Act – Targeted Library Grants

APPLICANT INFORMATION

Legal name of applicant organization: Kitchigami Regional Library

Total grant request: \$71,764.33

OFFICIAL WITH AUTHORITY

Name of official with authority to sign: Melissa Whatley

Title: Director

Address: 310 2nd St. N

City, state and zip code + 4: Pine River MN 56474-4485

Phone number and email: 218-587-2171 x 222, whatley@krls.org

REQUIRED IDENTIFICATION NUMBERS

Minnesota SWIFT vendor ID number: 0000193524

Federal DUNS number: 92793827

PRIMARY PROGRAM CONTACT

Name of Program Contact: Melissa Whatley

Title: Director

Address: 310 2nd St. N

City, state and zip code: Pine River MN 56474-4485

Phone number and email: 218-587-2171 x 222 whatley@krls.org

BUSINESS MANAGER

Name of business manager: Patricia Kline (bookkeeper)

Address: 310 2nd St. N

City, state and zip code: Pine River MN 56474-4485

Phone number and email: 218-587-2171 x 225 klinep@krls.org

SIGNATURE AND DATE

I certify I have read the application (narrative, assurances, budget and supplemental documents, if applicable) and will comply with the approved application and assurances herein and additional state, local, federal regulations and policies that apply to my organization.

APPLICATION NARRATIVE

PURPOSE, FUNDING AND GRANT PERIOD

State Library Services makes available \$71,764.33 from the American Rescue Plan Act (ARPA) in the form of targeted grants to the county law libraries to support projects, programs, and services aligned with any of the following priority areas identified by the federal Institute of Museum and Library Services: (1) Responding directly and immediately to the pandemic, as well as to related economic and community needs through equitable approaches; (2) Reaching residents with internet hotspots, accessible wi-fi, and other digital inclusion efforts; (3) Meeting the needs of communities through costs related to personnel, technology, training, materials, supplies, equipment, and associated indirect costs; or (4) Supporting any of the goals outlined in Minnesota [State Library Services' 5-year LSTA plan](#).

- Funding is available from CFDA 45.310.
- The term of the grant period is anticipated to run from July 1, 2022 until June 30, 2023.
- The application must contain all required application components including a budget and any other required supplemental components.
- The application must be reviewed and approved before an award may be made.

TITLE OF PROJECT: American Rescue Plan Act – Targeted Library Grants

APPLICATION NARRATIVE SECTION

PROJECT WORK PLAN

KRLS will use a large portion of the ARPA funding to invest in system-wide technology upgrades to servers, switches, and other equipment to support continued internet service in locations and help library staff better assist customers well into the future. KRLS will also use funds to improve digital inclusion on our website and improving user access and navigation to our electronic materials and databases. KRLS will purchase hotspots, laptops and scanners to allow staff to offer library card sign up at outreach and community events and technology for staff to provide recorded / streaming programming virtually to customers. KRLS will also use funds to increase digital inclusion efforts by purchasing use of eBook and eAudiobook materials on the Hoopla platform.

PROJECT TIMELINE

Please provide a timeline that includes major project components, expected start/end dates, and responsible parties. You may use the table provided as a starting point or create your own interpretation of a timeline.

Component	Dates	Parties
Website update	10/1/2022-12/30/2022	KRLS HQ
Technology infrastructure improvements	10/1/2022-12/30/2022	KRLS HQ / Deerwood Technologies

Technology kits (outreach kit, virtual programming Ipads)	10/1/2022-12/30/2022	KRLS HQ
Hoopla materials	10/1/2022-12/30/2022	KRLS HQ

BUDGET NARRATIVE JUSTIFICATION WORKSHEET

The budget Excel worksheet must be completed and submitted as part of the signed application. The worksheet should be completed based on the anticipated grant period and award amount.

Please provide clear descriptions for each amount entered into each budget object code line. The budget must align with the work plan activities and reflect necessary and reasonable proposed expenditures. Necessary means it adds value to the project and reasonable means you have done some type of market comparison to determine the cost is reasonable.

If subcontracting is approved, MDE expects grantees to select responsible vendors who are not debarred or suspended, who have not engaged in unlawful practices and are qualified to perform the services. Grantees must follow applicable federal or state procurement practices.

- Complete the Budget for this Grant Period: 7/1/22 – 6/30/23
- UFARS Finance Code: 499
- Source of Funding—Federal (CFDA and title, award number): 45.310, American Rescue Plan Act, LS-250219-OLS-21

FEDERAL TRANSPARENCY FINANCIAL REPORTING

Respond to these questions if your grant award will be \$25,000 or more and your gross income is \$300,000 or more from all sources for the previous tax year. MDE requires that this information in order to meet reporting requirements under the Federal Funding Accountability and Transparent Act (FFATA).

1. In your organization's preceding fiscal year, did you receive 80% or more of your annual gross revenues in federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements AND \$25M or more in annual gross revenues from federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements?

No

2. If you answered yes to Question 1, can the public access information about the compensation of your organization's executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934? If you respond no, we may contact you for more information.

n/a

SUBMISSION

Please return the completed and signed application by email (PDF preferred) to Hannah Buckland at hannah.buckland@state.mn.us.

ASSURANCES

The applicant by signing the coversheet to the application submitted to the state, certifies they have read the application and will comply with the approved application and all federal, state and local laws, ordinances, rules and regulations, public policies herein and others as applicable.

1. Survival of Terms

The following clauses survive the expiration or cancellation of this award: 4) State and Federal Audits; 5) Liability; 6) Ownership of Materials and Intellectual Property Rights; 7) Publicity; 8) Government Data Practices; 9) Data Disclosure; and 12) Governing Law, Jurisdiction and Venue.

2. Use of Funds

The use of funds shall be limited to that portion identified in the application materials and the attached application and by any applicable state or federal laws. Funds may not be used for gifts or novelty items (unless individually and specifically approved by the state) or for payments to vendors displaying exhibits for their profit. Funds may not be used to pay for or support other projects that are not identified in this application. Funds may not be used for the benefit of state employees, which includes, but is not limited to, reimbursement for any of their expenditures, including travel expenses, alcohol purchases, costs of registration fees for training sessions or educational courses presented or arranged, payments to state employees for presentations at workshops, seminars, etc., whether on state time, vacation time, leave of absence or any other non-work time.

A. The grantee, in the conduct of activities under this award, shall submit such reports as may be required by written instructions of the state within the times required by it. The state shall withhold funding if reporting requirements are not met in a complete, accurate and timely manner. The grantee must promptly return to the state any unexpended funds that have not been accounted for in an accepted financial report to the state due at grant closeout.

B. The grantee shall present reports to the Commissioner of the Department of Education (COMMISSIONER) or state's Authorized Representative. At the COMMISSIONER'S discretion, the reports may be presented at departmental, legislative, other state agency or public meetings where the grantee shall be available to explain the project and to respond to questions.

C. Reimbursement for travel and subsistence expenses actually and necessarily incurred by grantee in performance of this project will be paid provided that the grantee shall be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than in the current "Commissioner's Plan," promulgated by the Commissioner of Minnesota Management & Budget (MMB), and grantee will only be reimbursed for travel and subsistence outside the state of Minnesota if it has received prior written approval for such out-of-state travel from the state. Exceptions to these travel rates are those that may be negotiated with the University of Minnesota. The current Commissioner's

Plan can be viewed: [Access this link to obtain current maximum expense reimbursement rates](http://www.mmd.admin.state.mn.us/commissionersplan.htm) or at (<http://www.mmd.admin.state.mn.us/commissionersplan.htm>)

3. Equipment

Upon termination of the award, the state shall have the right to require transfer or return of any equipment purchased during the award grant period using these grant funds.

4. Financial and Administrative Provisions

A. Allowability of Costs. The allowability of costs for federal funding incurred under this award shall be determined in accordance with the procedures and principles given in the federal Office of Management and Budget (OMB) circulars relocated to 2 CFR, Part 200 and/or the approved application.

For all funds, no claim for materials purchased in excess of budget categories or program services not specifically provided for in this award by the grantee will be allowed by the state unless approved in writing by the state. Such approval shall be considered to be a modification of the award. There may be additional limitations on allowable costs which shall be noted in the award.

A grantee hosting a meeting or conference may not use federal grant funds to pay for food for attendees unless it is necessary and reasonable to accomplish legitimate meeting, conference business or approved grant activities. Budget allocations for food must be approved by MDE. Example: A working lunch might be allowable to ensure full participation by attendees and if training continues during the lunch. Funds may not be used for entertainment, alcohol purchases or gifts. Refer to the applicable federal uniform guidance for cost principle information.

A meeting or conference hosted by a grantee and charged to the grant must not be promoted as a U S Department of Education conference.

B. Records. The grantee shall maintain books, records, documents and other evidence pertaining to the costs and expenses of implementing this application to the extent and in such detail as will accurately reflect all gross costs, direct and indirect, of labor materials, equipment, supplies, services and other costs and expenses of whatever nature. The grantee shall use generally accepted accounting principles. The grantee shall preserve all financial and cost reports, books of account and supporting documents and other data evidencing costs allowable and revenues and other applicable credits under this award which are in the possession of the grantee and relate to this award, for a period of no less than six years and the respective federal requirements where applicable.

All pertinent records and books of accounts related to this award and subsequent awards shall be preserved by the grantee for a period of six years subject to the following criteria:

- 1) The six-year retention period shall commence from the date of submission of the final expenditure report.

- 2) If any litigation, claim or audit is started before the expiration of the six-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
- 3) The grantee agrees to cooperate in any examination and audit under the provisions of this paragraph.

C. Examination. The state or its representative or the federal administering department (when applicable) shall have the right to examine books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs and the method of implementing the award. The grantee shall make available at its office and at all reasonable times before and during the period of record retention, proper facilities for such examination and audit.

D. State and Federal Audits. Under Minnesota Statutes, section 16B.98, Subdivision 8, the grantee's books, records, document, and accounting procedures and practices relevant to this grant are subject to examination by the state and/or the state auditor or legislative auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state retention requirements, whichever is later. If federal funding, all grantees are subject to retention requirements related to audits.

If the grantee (in federal OMB Circular language known as "subrecipient") receives federal assistance from the state of Minnesota, it will comply with the applicable single audit requirements. The grantee will provide copies of the single audit reporting package upon request.

5. Liability

Grantee agrees to indemnify and save and hold the state, its agents and employees harmless from any and all claims or causes of action, including all attorneys' fees incurred by the state arising from the performance of the award by grantees, agents or employees. This clause shall not be construed to bar any legal remedies grantee may have for the state's failure to fulfill its obligations pursuant to the award and subsequent awards.

6. Ownership of Materials and Intellectual Property Rights

A. **Intellectual Property Rights:** The state shall own all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks and service marks in the works and documents created and paid for under the award. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes and disks conceived, reduced to practice, created or originated by the grantee, its employees, agents and subcontractors, either individually or jointly with others in the performance of this award. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks or other materials, whether in tangible or electronic forms, prepared by the grantee, its employees,

agents or subcontractors in the performance of this award. The documents will be the exclusive property of the state and all such documents must be immediately returned to the state by the grantee upon completion or cancellation of the award. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be “works for hire.” The grantee assigns all right, title and interest it may have in the works and the documents to the state. The grantee, at the request of the state, shall execute all papers and perform all other acts necessary to transfer or record the state’s ownership interest in the works and documents.

B. ***Obligations:***

Notification: Whenever any invention, improvement or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the grantee, including its employees and subcontractors, in the performance of the award, the grantee will immediately give the state’s authorized representative written notice thereof, and must promptly furnish the authorized representative with complete information and/or disclosure thereon.

Representation: The grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the state, and that neither the grantee nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The grantee represents and warrants that the works and documents do not and will not infringe upon any intellectual property of other persons or entities. Notwithstanding Liability clause 5, the grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the state, at the grantee’s expense, from any action or claim brought against the state to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the grantee’s or the state’s opinion is likely to arise, the grantee, must at the state’s discretion, either procure for the state the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the state will be in addition and not exclusive of other remedies provided by law.

7. Publicity

Any publicity given to the program on, publications or services provided resulting from the award, including, but not limited to, notices, informational pamphlets, press releases, research, reports, signs and similar public notices prepared for the grantee or its employees individually or jointly with others or any subrecipients, ***shall publicly identify the state as the sponsoring agency and identify the source of funding including on the grantee’s website.*** The publicity described may only be released with the prior approval of the state’s authorized representative.

The applicant/awardee must **not** claim that the state **or** the federal Department of Education **endorses** its products or services. See a sample statement below:

Example: The contents of this publication, film or conference do not necessarily represent the policy of the federal Department of Education or the state Department of Education and you should not assume endorsement by the federal or state government.

See the sample publicity statement below for citing the funding source below:

This training is partially funded with a grant from the Minnesota Department of Education using federal funds, CFDA 45.310, Library Services and Technology Act – American Rescue Plan Act, LS-250219-OLS-21.

8. Government Data Practices and Disclosure of Breach in Security

The grantee and the state must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by the state under the award, and as it applies to all data created collected, received, stored, used, maintained or disseminated by the grantee under the award. The civil remedies of Minnesota Statutes, section 13.08 apply to the release of the data referred to in this paragraph by either the grantee or the state.

If the grantee receives a request to release the data referred to in this paragraph, the grantee must immediately notify the state. The state will give the grantee instructions concerning the release of the data to the requesting party before the data is released.

Effective August 1, 2014, the 2014 Laws of Minnesota, Charter 284, amends Minnesota Statutes, section 13.055, to apply to all government entities in Minnesota, not just state agencies. This applies to all school districts and charter schools. Government entities must notify individual data subjects when nonpublic data about them has been the subject of a breach of security of the data.

9. Data Disclosure

Under Minnesota Statutes, section 270C.65, and other applicable laws, the grantee consents to disclosure of its SWIFT Vendor ID Number, Social Security number, DUNS number, federal employer tax identification number and/or Minnesota tax identification number, already provided to the state, to federal and state tax agencies and state personnel involved in the payment of state obligations. These numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the grantee to file state tax returns and pay delinquent state tax liabilities, if any.

10. Worker's Compensation

Grantee certifies that it is in compliance with Minnesota Statutes, section 176.181, subdivision 2, pertaining to workers' compensation insurance coverage. The grantee's employees and agents will not be considered state employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the state's obligation or responsibility. (Exemption/Waiver as allowed under law.)

11. Antitrust

Grantee hereby assigns to the state of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with the award resulting from antitrust violations which arise under the antitrust laws of the United States and the antitrust laws of the state of Minnesota.

12. Governing Law, Jurisdiction and Venue

Minnesota law, without regard to its choice-of-law and provisions, governs the award. Venue for all legal proceedings arising out of the award, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. Lobbying

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 2 CFR, Part 200, the grantee when signing the application, certifies that:

- A. No federally appropriated funds have been paid or will be paid, by or on behalf of organization, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal award, and the extension, continuation, renewal, amendment or modification of any federal grant.
- B. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal grant award, the applicant/grantee shall complete and submit a Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The grantee shall require that the language herein shall be included in any award documents for all subawards at all tiers (including subgrants, contracts under award, and subcontracts) and that all subrecipients shall certify and disclose accordingly. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

14. Debarment, Suspension, and Other Responsibility Matters

As required by Executive Order 12549, Debarment and Suspension, and implemented at 2 CFR 180.200 or amendments thereto, for prospective participants in primary covered transactions.

A. The grantee when signing this application certifies that it and its principals:

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or agency;

- 2) Have not within a three-year period preceding this application or award been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (2)(b) of this certification; and,
- 4) Have not within a three-year period preceding this application had one or more public transaction (federal, state or local) terminated for cause or default.

15. Drug-Free Workplace (Awardees Other Than Individuals)

As required by the Drug-Free Workplace Act of 1988, and implemented at 2 CFR, Part 200, the grantee certifies that it will continue to provide a drug-free workplace by:

- 1) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- 2) Establishing an on-going drug-free awareness program to inform employees about:
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- 3) Making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by paragraph (1);
- 4) Notifying the employee in the statement required by paragraph (1) that, as a condition of employment under the award, the employee will:
 - (a) Abide by the terms of the statement; and,
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

- 5) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (4)(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Director, Grants Policy and Oversight Staff, U.S. Department of Education, 400 Maryland Avenue, S.W. (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248. Notice shall include the identification number(s) of each affected award;
- 6) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (4)(b), with respect to any employee who is so convicted:
- (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or,
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement or other appropriate agency;
- 7) Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs (1), (2), (3), (4), (5) and (6).

16. Transferability

The grantee shall not transfer or assign to any party or parties any right(s), obligation(s) or claim(s) under the award without the prior written consent of the state. It is understood, however, that grantee remains solely responsible to the state for providing the products and services described.

17. Time

The grantee must comply with the time requirements described in the application and award, in the performance of this award and if inform the grantor of any potential long term delays or changes affecting those timelines.

18. Nondiscrimination

The grantee will comply with nondiscrimination statutes

- A. Grantees will follow the Civil Rights Act of 1964 and amendments thereto which prohibits discrimination on the basis of race, color, or national origin
- B. Section 504 of the Rehabilitation Act of 1973, and amendments which prohibits discrimination on the basis of disability
- C. Title IX of the Education Amendments of 1972 which prohibits discrimination on the basis of sex in education programs
- D. Age Discrimination in Employment Act of 1975 and amendments.

- E. In addition, per federal CFR 200.415, Agreement of Applicant, which states that prior to the Commissioner's issuance of any commitment or other loan approval, shall agree, by signing the application, (in a form prescribed by the Commissioner), that there shall be no discrimination against anyone who is employed in carrying out work receiving assistance pursuant to this chapter, or against an applicant for such employment, because of race, color, religion, sex, handicap, age or national origin.

19. Pre-Award Work and Pre-Award Costs

The grantee understands that no work should begin and no pre-award costs would be covered under this award until all required signatures have been obtained; an Official Grant Award Notification (OGAN) has been issued or other award documentation has been received and the grantee is notified to begin work by the state's program authorized representative or their designee. If an exception to this is determined necessary by MDE, the grantee would be informed in writing or email by the state's program authorized representative or designee.

20. Grantee's Grant Program Representative

The applicant's Program Contact Representative will be named on the OGAN or other award information. If the Program Contact Representative or official with authority to sign changes at any time during the grant award period, the applicant/grantee must immediately notify the state.

21. Delinquent State or Federal Debt

As an applicant, you are not delinquent on the repayment of any federal debt. If delinquent in state debt, payments shall not be made by the state agency to the vendor until the commissioner notifies the agency the vendor is no longer a delinquent taxpayer or as otherwise indicated under Minnesota Statutes, section 270C.65, Subdivision 3.

22. Cancellation With or Without Cause

An award contract may be cancelled by the state at any time, with or without cause, upon thirty (30) days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed and for approvable expenditures.

23. Cancellation Due to Discontinued or Insufficient Funding

It is expressly understood and agreed that in the event the funding to the state from Federal sources or appropriations by the Minnesota Legislature are not obtained and/or continued at an aggregate level sufficient to allow for the grantee's program to continue operating, the grant shall immediately be terminated upon written notice by the state to the grantee. The state is not obligated to pay for any services that are provided after notice and effective date of termination. However, the grantee will be entitled to payment, determined on a pro-rata basis, for services satisfactorily performed and approvable expenditures incurred prior to termination to the extent that funds are available. The state will not be assessed any penalty if the grant is terminated because of a decision of the Minnesota

Legislature, or other funding source, not to appropriate funds. The state must provide the grantee notice within a reasonable time of the state receiving notice.

24. Cancellation Due to Failure to Comply

The state may cancel an award contract immediately if the state finds that there has been a failure to comply with the provisions of an award, that reasonable progress has not been made or that the purposes for which the funds were awarded/granted have not been or will not be fulfilled. The state may take action to protect the interests of the state of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

25. Salaries - Supplanting

Grant funds shall not be used to supplant salaries and wages normally budgeted for an employee of the applicant/agency. Total time for each staff position paid through various funding streams financed in part or whole with grant funds shall not exceed one Full Time Equivalent (FTE) except in certain situations. The grantee may allow staff to work on extended day assignments such as after school programs, special education services or other projects, if necessary, or allowable under funding. The grantee must be prepared to disclose all required supporting documentation for salaries paid for their employees.

26. Conflict of Interest

In accordance with the Minnesota Office of Grants Management Policy 08-01, the grantee will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or present the appearance of personal or organizational conflicts of interest, or personal gain.

27. Voter Registration Services

The commissioner or chief administrator officer of each state agency or community-based public agency or nonprofit corporation that contracts with the state agency to carry out obligations of the state agency shall provide voter registration services for employees and the public. Refer to Minnesota Statutes, section 201.162, Duties of State Agencies for the complete statute.

28. Minimizing State Funded Administrative Costs

Under Minnesota Statutes, section 16B.98, Grants Management Process, a grant from an appropriation of state funds, the recipient of the grant must agree to minimize administrative costs.

29. Uniform Municipal Contracting Law – Supplies/Construction

Per Minnesota Statutes, section 471.345, grantees that are municipalities as defined in Subdivision 1 must follow service contracting and bidding requirements as stated including prevailing wage rules for construction work of \$25,000 or more. Support documentation for the procurement processes must be

retained. Support document for the procurement processes must be retained regardless of the source of funding.

30. Contracting – Nongovernmental Entities

Any grant-funded services and/or materials that are expected to cost:

- \$100,000 or more must undergo a formal notice and bidding process.
- Between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- Between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.

The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:

- [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
- Metropolitan Council's Targeted Vendor list: [Minnesota Unified Certification Program](#)
- Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Program](#)

The grantee must maintain:

- Written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- Support documentation of the purchasing and/or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.

The grantee must not contract with vendors who are suspended or debarred in MN.

31. Other Provisions

- A. Any amendment to an award must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant award, or their successors in office.
- B. When a grant includes the production of a report or other publication and this publication may be posted on the MDE Website, that document must adhere to all MDE Communication's policies, available upon request from the Communication's Division.
- C. The grantee assures that if the award involves federal funding the reimbursement of expenditures is in compliance with all program provisions, relevant provisions of the Cash Management Improvement Act of 1990 (Public Law 101-453) as amended by the CMIA of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503; all current Office of

Management and Budget circulars and cost principles principles, with the current Federal Education Department General Uniform Administrative Regulations, Part 200 or other applicable code of federal regulations applicable to this federal reimbursement request.

- D. Grantee if a political subdivision of the state and funded with federal dollars, will consider the federal Resource Conservation and Recovery Act of 1976 in all procurement transactions. The objectives of the Resource Conservation and Recovery Act (RCRA) are to protect human health and the environment from the potential hazards of waste disposal, to conserve energy and natural resources, to reduce the amount of waste generated, and to ensure that wastes are managed in an environmentally sound manner.
- E. Federal grant recipients, subrecipients and their grant personnel are prohibited from text messaging while driving a government owned vehicle, or while driving their own privately owned vehicle during official grant business, or from using government supplied electronic equipment to text message or email when driving. Recipients must comply with these conditions under Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", October 1, 2009.
- F. The grantee shall also cooperate with the state when the state is enforcing applicable Minnesota Office of Grants Management policies.
- G. Grantees funded with federal funding must follow 200.308, Revision of Budget and Program or as approved in the Official Grant Award Notification (OGAN).
- H. Non-federal entities with federal grants must implement internal control processes as referenced in CFR 200.61 and 200.62.
- I. Non-federal entities with federal grants will take reasonable measures to safeguard protected personally identifiable information as well as any information that the federal awarding agency or pass-through designates as sensitive. Refer to federal regulation 200.303, Protected Personally Identifiable Information means as individual's first name or first initial and last name in combination with any one or more types of information such as social security number, credit card numbers, place of birth.
- J. The non-federal entity using federal funding when contracting must take all necessary affirmative steps to assure that minority businesses, women's business enterprises and labor surplus area firms are used when possible. Refer to 200.321 for more information.
- K. Grantee and their subrecipients of federal grant funds will adopt the requirements in the Code of Federal Regulations at, CFR 175.15 (b) pertaining to Trafficking in Persons. These requirements are incorporated into this grant award. A grant may be terminated for any violation of these provisions by the grantee, its employees or its subrecipients.

- L. Grantees and subcontractors receiving federal grants exceeding \$100,000 must comply with all applicable standards, orders, or requirements under Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Environmental Protection Agency regulations (40 CFR, part 15).
- M. The non-federal entity or applicant for a federal award must disclose, in a timely manner, in writing to the federal awarding agency or pass-through entity all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Failure to make required disclosures can result in any of the remedies described in 200.338 Remedies for noncompliance, including suspension and debarment.
- N. If the initiative is federally funded with an award from the federal Office of Education, grantees must follow all other applicable uniform guidance under 2 CFR, Part 200 as applicable and 76.500 – 76.910.
- O. The grantee must promptly return to the state any unexpended funds that have not been accounted for in a financial report to the state due at grant closeout.
- P. The grantee shall comply with any and all provisions of the Family Educational Rights to Privacy Act of 1974 (FERPA).
- Q. Grantees will provide information to MDE, upon request and in a timely fashion to accommodate MDE's reporting under the Federal Funding Accountability and Transparency Act. Prior to an award, propose grantees must provide, upon request any documentation necessary for MDE to conduct their risk assessment.
- R. Grantees must follow the reporting requirements and terms outlined in the Official Grant Award Notification (OGAN) or other award documentation.

GRANTEE RESOURCES

The applicant may delete the resources below before submitting their application.

Federally Funded Grants

Please refer to Code of Federal Regulations (CFR) Title 2, Parts 200, for new uniform guidance, crosswalks and cost principles for state, local and tribal governments, institutions of higher ed and nonprofit organizations. Information can be accessed at [the federal office of management and budget and uniform guidance](#).

State Travel Plan

[Access current mileage rates and reimbursement rates for lodging](#)

Minnesota Office of Grant Management Policies

Policies are available [to view](#).

REQUIRED I.D. NUMBERS

Your organization may already have these numbers; check with your business office.

1. Minnesota Statewide Integrated Financial Tool System (SWIFT) Vendor Number (*required for all applicants*). If you are a fiscal agent applicant, your SWIFT vendor number must be for the fiscal agent who will be receiving and administering the grant funds. To get a SWIFT Vendor Number, access the [vendor site](#).
2. Data Universal Numbering System (DUNS) number. All organizations applying for **federal funding** must have a Data Universal Numbering System (DUNS). A DUNS is a unique nine-character I.D. number that is used to track how the federal grant is allocated. To verify or register for a DUNS number, access [the Dun and Bradstreet website](#).

GENERAL EXPECTATIONS OF GRANTEES

When awarded a grant, you will be required to submit both interim and final expenditure and program progress reports by the timeframe indicated in the Official Grant Award Notification (OGAN) or other award documentation. An annual program report is the minimum required.

If subcontracting with grant funds is approved, MDE expects grantees to select "responsible vendors" who are not currently debarred or suspended, have not engaged in unlawful practices, lack of delinquent tax liability and qualifications to provide the services. Grantees must follow applicable procurement laws and retain documentation related to procurements.

MONITORING GRANTEES

A financial reconciliation or desk review is required for grants over \$50,000. The desk review may be conducted on at least two budget object code line items for one reimbursement period. In addition, a monitoring visit may also be necessary. If you are contacted for a desk review or reconciliation, you will be sent a MDE Fiscal Monitoring Tool that will need to be completed and returned. A general ledger plus all source documents to support the budget line item expenses may also need to be provided to the grant specialist.

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
1	Name of Legal Applicant: Kitchigami Regional Library System		ARPA Grant Expenditures					Cost Share			
2	Cost Code	Budget Item Descriptions	Quantity		Cost Per Unit	Activity Cost		Quantity		Cost Per Unit	Activity Cost
3	100 Series: Salaries and Wages		hours	FTE	hourly wage	position cost		hours	FTE	hourly wage	position cost
4	Position 1			0.000		\$0.00			0.000		\$0.00
5	Position 2			0.000		\$0.00			0.000		\$0.00
6	Position 3			0.000		\$0.00			0.000		\$0.00
7	Position 4			0.000		\$0.00			0.000		\$0.00
8	Position 5			0.000		\$0.00			0.000		\$0.00
9	100 Series Sub Total					\$0.00					\$0.00
10	Salaries and Wages Justification Narrative: explain why each position is needed to achieve the goals of this project. Include justifications for both ARPA and Cost Share amounts.										
11											
12	200 Series: Fringe Benefits		position cost		benefit rate	benefit cost		position cost		benefit rate	benefit cost
13	Benefit costs for Position 1		\$0.00		0.00%	\$0.00		\$0.00		0.00%	\$0.00
14	Benefit costs for Position 2		\$0.00		0.00%	\$0.00		\$0.00		0.00%	\$0.00
15	Benefit costs for Position 3		\$0.00		0.00%	\$0.00		\$0.00		0.00%	\$0.00
16	Benefit costs for Position 4		\$0.00		0.00%	\$0.00		\$0.00		0.00%	\$0.00
17	Benefit costs for Position 5		\$0.00		0.00%	\$0.00		\$0.00		0.00%	\$0.00
18	200 Series Sub Total					\$0.00					\$0.00
19	Fringe Benefits (Justification Narrative is not required) You may use this space if you wish to provide additional information.										
20											

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
21	303 Consultant Services: portion of each contract UP TO \$25,000		number of days/hours		cost per day/hour	contract amount		number of days/hours		cost per day/hour	contract amount
22										\$0.00	
23									\$0.00		
24									\$0.00		
25			303 - Consultant Services - Sub Total						\$0.00		
26	Consultant Services Justification Narrative: please describe the expertise of the consultant and the role they will have in the project. Include the proposed consultant’s name, if known. Include justifications for both ARPA and Cost Share amounts.										
27											
28	304 Consultant Services: portion of each contract EXCEEDING \$25,000		number of days/hours		cost per day/hour	contract amount		number of days/hours		cost per day/hour	contract amount
29					\$0.00	\$0.00				\$0.00	\$0.00
30					\$0.00	\$0.00		\$0.00		\$0.00	
31	304 - Consultant Services Sub Total							\$0.00		\$0.00	
32	(Justification Narrative <i>is not required</i>)										
33	303 Other Purchased Services: portion of each contract UP TO \$25,000		contract amount UP TO \$25,000					contract amount UP TO \$25,000			
34		Infrastructure improvements - installation and service	\$12,400.00					\$0.00			
35		Website	\$6,500.00					\$0.00			
36	303 - Other Purchased Services Sub Total		\$18,900.00					\$0.00			
37	Other Purchased Services Justification Narrative: describe the service and the contribution that it will make to the project. Include justifications for both ARPA and Cost Share amounts.										
38	Technologies infrastructure improvements will allow KRLS to better handle internet capacity required to help customers in the branches; services include installation and configuration of infrastructure equipment. Website improvements will improve digital equity by better guiding customers to our e-resources including audio and e-audio book platforms.										
39	304 Other Purchased Services: portion of each contract EXCEEDING \$25,000		contract amount EXCEEDING \$25,000					contract amount EXCEEDING \$25,000			
40		Contract 1	\$0.00					\$0.00			
41		Contract 2	\$0.00					\$0.00			
42	304 - Other Purchased Services Sub Total		\$0.00					\$0.00			

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
43	(Justification Narrative <i>is not required</i>)										
44	320 - Telecommunication Services		quantity		cost per unit				quantity	cost per unit	
45		Cost 1			\$0.00	\$0.00				\$0.00	\$0.00
46		Cost 2			\$0.00	\$0.00				\$0.00	\$0.00
47		320 - Telecommunication Services Sub Total				\$0.00					\$0.00
48	Telecommunication Services Justification Narrative: describe the need and purpose for the identified Telecommunications Services. Include justifications for both ARPA and Cost Share amounts.										
49											
50	329 - Postage and Parcel Services		# of items mailed		postage per item				# of items mailed	postage per item	
51		What will be mailed 1			\$0.00	\$0.00				\$0.00	\$0.00
52		What will be mailed 2			\$0.00	\$0.00				\$0.00	\$0.00
53		What will be mailed 3			\$0.00	\$0.00				\$0.00	\$0.00
54		329 - Postage and Parcel Services Sub Total				\$0.00					\$0.00
55	Postage and Parcel Services Justification Narrative: describe what information will be sent to whom and how this activity supports the project. Include justifications for both ARPA and Cost Share amounts.										
56											
57	366 - Staff Travel In-State		number of trips		cost per trip				number of trips	cost per trip	
58		Identify type of travel cost 1			\$0.00	\$0.00				\$0.00	\$0.00
59		Identify type of travel cost 2			\$0.00	\$0.00				\$0.00	\$0.00
60		Identify type of travel cost 3			\$0.00	\$0.00				\$0.00	\$0.00
61		366 - Staff Travel In-State Sub Total				\$0.00					\$0.00
62	Staff Travel In-State Justification Narrative: describe the destination and purpose of the travel and how it will help to achieve project goals. Provide additional details to substantiate total cost – transportation, accommodation, registration, etc. Proposed expenditures may not exceed amounts listed in the Commissioner's Travel Plan. Include justifications for both ARPA and Cost Share amounts.										

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
63											
64	368 - Staff Travel Out-of-State		number of trips		cost per trip			number of trips		cost per trip	
65		Identify type of travel cost 1			\$0.00	\$0.00				\$0.00	\$0.00
66		Identify type of travel cost 2			\$0.00	\$0.00				\$0.00	\$0.00
67		368 - Staff Travel Out-of-State Sub Total				\$0.00					\$0.00
68	Staff Travel Out-of State Justification Narrative: describe the destination and purpose of the trip, state which project staff will travel and explain how the trip is essential to the success of this project. Provide additional details to substantiate total cost – transportation, accommodation, registration, etc. Proposed expenditures may not exceed amounts listed in the Commissioner's Travel Plan. Include justifications for both ARPA and Cost Share amounts.										
69											
70	370 - Rental of Meeting Rooms		number of meetings		cost per meeting			number of meetings		cost per meeting	
71		Location or Purpose of Meetings 1			\$0.00	\$0.00				\$0.00	\$0.00
72		Location or Purpose of Meetings 2			\$0.00	\$0.00				\$0.00	\$0.00
73		370 - Rental of Meeting Rooms Sub Total				\$0.00					\$0.00
74	Rental of Meeting Rooms Justification Narrative: describe the purpose of the meeting room rental and indicate why the particular meeting location is suited to the needs of the project. Include justifications for both ARPA and Cost Share amounts.										
75											
76	401 - Supplies and Materials - Non-Instructional (for use by grant project staff)		quantity		cost per unit			quantity		cost per unit	
77										\$0.00	\$0.00
78										\$0.00	\$0.00
79										\$0.00	\$0.00

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
80	401 - Supplies and Materials - Non-Instructional Sub Total					\$0.00					\$0.00
81	Supplies and Materials - Non-Instructional Justification Narrative: describe what items will be purchased and why they are needed to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
82	Supplies and materials to build career exploration makerspace kits based on the Minnesota Career Information System career clusters.										
83	405 - Non-Instructional Software Licensing (for use by grant project staff)		number of licenses		cost per license			number of licenses		cost per license	
84		Identify cost 1			\$0.00	\$0.00				\$0.00	\$0.00
85		Identify cost 2			\$0.00	\$0.00				\$0.00	\$0.00
86	405 - Non-Instructional Software Licensing Sub Total					\$0.00					\$0.00
87	Non-Instructional Software Licensing Justification Narrative: describe what software will be licensed and used by grant project staff, the effective dates of the license and why it is needed to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
88											
89	455 - Non-Instructional Non-Capitalized Technology Related Supplies (for use by grant project staff - see Chapter 5 of the UFARS manual for more instructions)		quantity		cost per unit			quantity		cost per unit	
90		Identify cost 1			\$0.00	\$0.00				\$0.00	\$0.00
91		Identify cost 2			\$0.00	\$0.00				\$0.00	\$0.00
92	455 - Non-Instructional Non-Capitalized Technology Related Supplies Sub Total					\$0.00					\$0.00
93	Non-Instructional Non-Capitalized Technology Related Supplies Justification Narrative: describe what technology related supplies and materials will be purchased for staff and why they are needed to support the grant project. Include justifications for both ARPA and Cost Share amounts.										

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
94											
95	465 - Non-Instructional Technology Devices		quantity		cost per unit				quantity	cost per unit	
96		Identify cost 1			\$0.00	\$0.00				\$0.00	\$0.00
97		Identify cost 2			\$0.00	\$0.00				\$0.00	\$0.00
98	465 - Non-Instructional Technology Devices Sub Total					\$0.00					\$0.00
99	Non-Instructional Technology Devices Justification Narrative: describe what non-instructional technology devices will be purchased and why they are needed to support the grant project. Include ARPA funded and Cost Share amounts.										
100											
101	466 - Instructional Technology Devices		quantity		cost per unit				quantity	cost per unit	
102		Outreach kit (laptops, scanner, hotspots)	2		\$3,857.00	\$7,714.00				\$0.00	\$0.00
103		Virtual programming Ipads	9		\$477.79	\$4,300.11				\$0.00	\$0.00
104	466 - Instructional Technology Devices Sub Total					\$12,014.11					\$0.00
105	Instructional Technology Devices Justification Narrative: describe what instructional technology devices will be purchased and why they are needed to support the grant project. Include ARPA funded and Cost Share amounts.										
106	Outreach kit to provide ability to instruct the public on our catalog, website, and e-resources outside of library walls and checkout materials to them; laptop, scanner, hotspot for internet access. Virtual programming Ipads allow us to support digital equity by providing online programming options and expanding our reach beyond the place / time of the program.										

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
	470 - Library Media Resources (for use by students or the public/project audience)		quantity		cost per unit			quantity		cost per unit	
107			1		\$3,446.22	\$3,446.22				\$0.00	\$0.00
108		Hoopla materials			\$0.00	\$0.00				\$0.00	\$0.00
109		Identify cost 3			\$0.00	\$0.00				\$0.00	\$0.00
110		Identify cost 4			\$0.00	\$0.00				\$0.00	\$0.00
111		Identify cost 5			\$0.00	\$0.00				\$0.00	\$0.00
112		Identify cost 6			\$0.00	\$0.00				\$0.00	\$0.00
113		Identify cost 7			\$0.00	\$0.00				\$0.00	\$0.00
114		Identify cost 8			\$0.00	\$0.00				\$0.00	\$0.00
115		470 - Library Media Resources Sub Total				\$3,446.22					\$0.00
116	Library Media Resources Justification Narrative: indicate what will be purchased and how the resources contribute to the project. Include justifications for both ARPA and Cost Share amounts.										
117	KRLS will increase digital inclusion efforts by purchasing in ebook and eaudiobook materials through Hoopla.										
118	490 - Meals for Workshop Trainings		meals		cost per meal			meals		cost per meal	
119		Identify cost 1	0		\$0.00	\$0.00		0		\$0.00	\$0.00
120		490 - Meals for Workshop Trainings Sub Total				\$0.00					\$0.00
121	Meals for Workshop Trainings Justification Narrative: describe the food that will be purchased and the nature and length of the training that the food is needed for. Include justifications for both ARPA and Cost Share amounts.										
122											
123	530 - Capitalized Other Equipment Purchased (special purpose furniture is limited to 10% of the ARPA funded portion of the total project cost)		quantity		cost per unit			quantity		cost per unit	
124										\$0.00	\$0.00
125										\$0.00	\$0.00

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
126		530 - Other Equipment Purchased Sub Total				\$0.00					\$0.00
127	Capitalized Other Equipment Purchased Justification Narrative: describe the special purpose equipment or furniture item to be purchased and why it is specifically required to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
128	These new firewall, UPS, wireless access devices and switches are part of a systemwide technology infrastructure upgrade to replace outdated equipment and maintain access and service at branch locations.										
129		555 - Non-Instructional Capitalized Technology Related Hardware (for use by grant project staff - that are capitalized or have a per item cost of \$5,000+)	quantity		cost per unit				quantity	cost per unit	
130		Large library Infrastructure equipment - switches, firewall, UPS and wireless access	1		\$22,758.00	\$22,758.00				\$0.00	\$0.00
131		Small library infrastructure equipment - firewall, switches, UPS and wireless access	2		\$7,323.00	\$14,646.00					
132		555 - Non-Instructional Capitalized Technology Related Hardware Sub Total				\$37,404.00					\$0.00
133	Non-Instructional Capitalized Technology Related Hardware Justification Narrative: describe the purpose of the technology related hardware to be purchased and why they are required to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
134	These new firewall, UPS, wireless access devices and switches are part of a systemwide technology infrastructure upgrade to replace outdated equipment and maintain access and service at branch locations.										
135		556 - Instructional Technology Capitalized Related Hardware (for use by students or the public/project audience - that are capitalized or have a per item cost of \$5,000+)	quantity		cost per unit				quantity	cost per unit	
136		Identify cost 1	0		\$0.00	\$0.00			0	\$0.00	\$0.00
137		556 - Instructional Technology Capitalized Related Hardware Sub Total				\$0.00					\$0.00

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K
138	Instructional Technology Capitalized Related Hardware Justification Narrative: describe the purpose of the technology related hardware to be purchased and why they are required to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
139											
140	820 - Online Licensed Resources		number of licenses	cost per license				number of licenses	cost per license		
141								0	\$0.00	\$0.00	
142								0	\$0.00	\$0.00	
143	820 - Online Licensed Resources Sub Total				\$0.00					\$0.00	
144	Online Licensed Resources Justification Narrative: describe what online resource(s) will be licensed, the beginning and end dates of the license, and why it is needed to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
145											
146	899- Other Expenditures		quantity	cost per unit				quantity	cost per unit		
147		Identify cost 1	0	\$0.00	\$0.00				\$0.00	\$0.00	
148		Identify cost 2		\$0.00	\$0.00				\$0.00	\$0.00	
149	899 - Other Expenditures Sub Total				\$0.00					\$0.00	
150	Other Expenditures Justification Narrative: describe the purpose of the items to be purchased and why they are required to support the grant project. Include justifications for both ARPA and Cost Share amounts.										
151											
152	895 - Indirect Cost		ARPA					Cost Share			
153	1	Total project costs before indirect	\$71,764.33					\$0.00			
154	2	Costs not eligible for indirect (total of 304, 530, 555 and 556 costs)	\$37,404.00					\$0.00			
155	3	Modified Total Direct Costs (MTDC) (line 1 minus line 2)	\$34,360.33					\$0.00			

ARPA Budget Plan and Justification

	A	B	C	D	E	F	G	H	I	J	K	
156	4	Indirect Approved Restricted or De minimis rate of 10%	0.00%					0.00%				
157		Comments						Comments				
158		895 Indirect Cost - (MTDC in line 3 x indirect rate in line 4)	\$0.00					\$0.00				
159		TOTAL Project Cost (Amount in line 1 plus 895)		\$71,764.33				\$0.00				

DO NOT COMPLETE OR DELETE THIS WORKSHEET**Summary Budget****Applicant:** ='Budget Plan and Justification'!B1

Cost Code	Budget Item Descriptions	ARPA Funds	Cost Share
100 Series	Salaries and Wages	\$0.00	\$0.00
200 Series	Fringe Benefits	\$0.00	\$0.00
303	Consultant Services: /portion of each contract UP TO \$25,000	\$0.00	\$0.00
304	Consultant Services: /portion of each contract EXCEEDING \$25,000	\$0.00	\$0.00
303	Other Purchased Services: /portion of each contract UP TO \$25,000	\$18,900.00	\$0.00
304	Other Purchased Services: /portion of each contract EXCEEDING \$25,000	\$0.00	\$0.00
320	Telecommunication Services	\$0.00	\$0.00
329	Postage and Parcel Services	\$0.00	\$0.00
366	Staff Travel In-State	\$0.00	\$0.00
368	Staff Travel Out-of-State	\$0.00	\$0.00
370	Rental of Meeting Rooms	\$0.00	\$0.00
401	Supplies and Materials - Non-Instructional	\$0.00	\$0.00
405	Non-Instructional Software Licensing	\$0.00	\$0.00
455	Non-Instructional Non-Capitalized Technology Related Supplies	\$0.00	\$0.00
465	Non-Instructional Technology Devices	\$0.00	\$0.00
466	Instructional Technology Devices	\$12,014.11	\$0.00
470	Library Media Resources	\$3,446.22	\$0.00
490	Meals for Workshop Trainings	\$0.00	\$0.00
530	Other Equipment Purchased	\$0.00	\$0.00
555	Non-Instructional Technology Related Hardware	\$37,404.00	\$0.00
556	Instructional Technology Related Hardware	\$0.00	\$0.00
820	Online Liscensed Resources	\$0.00	\$0.00
899	Other Expenditures	\$0.00	\$0.00
895	Indirect Costs	\$0.00	\$0.00
Total Project Cost		\$71,764.33	\$0.00
End of Worksheet		\$71,764.33	

7h Arts and Cultural Heritage Fund (ACHF) FY21 Completion Report

Action Request: That the Board discuss and approve submission of the report with the necessary signatures

We have finished expending the FY21 Legacy funds and the final report is due at the end of the month.



ARTS AND CULTURAL HERITAGE FUND (ACHF)

Completion Report – Executive Summary

State Fiscal Year 2020: July 1, 2021–June 30, 2022

A Completion Report, due 90 days after the completion of state fiscal year 2021 allocation spending, includes three parts – two required and one optional:

Required:

- 1) This completed and signed Executive Summary form. (.pdf)
- 2) A spreadsheet with details about each of the projects paid for with funds from the state fiscal year 2021 allocation. The spreadsheet includes all reporting elements required by the Legislative Coordinating Commission (LCC) and the data is uploaded to the LCC's ACHF website. The total of funds spent should add up to your regional library system's allocation for this fiscal year. The spreadsheet may be created through an export of information entered via the online reporting form created by MDE or through another MDE-approved reporting mechanism. If you do not have access to the MDE-created online reporting form or are having trouble using it, please contact **Ashley Bieber** at ashley.bieber@state.mn.us. (.xls)

Optional:

- 3) Selected promotional materials and high-resolution event photos in electronic format. The LCC may use these materials to illustrate ACHF projects in public libraries on its website. While optional, these help to convey the value of your work.

Please submit one PDF of the signed Executive Summary and all other components of your Completion Report to **Ashley Bieber**, ashley.bieber@state.mn.us, at State Library Services.

Grantee Information

Regional library system name and address:

Kitchigami Regional Library System, 310 2nd St. N, PO Box 84, Pine River, MN 56474

Name, phone, and email address of regional library system administrator:

Melissa Whatley, 218-587-2171 x222, whatley@krsls.org

Name, phone, and email address of regional library system ACHF program coordinator:

Carol Christensen, 218-587-2171 x224, christensenc@krsls.org

Name, phone, and email address of regional library system finance manager:

Patricia Kline, 218-587-2171 x225, klinep@krsls.org

Authorized Signatures

The information in the report documents are true and correct to the best of our knowledge.

Signature _____

Printed Name **Tom Conway**

Chair, Regional Library System Governing Board

Date **9/22/22**

Signature _____

Printed Name **Melissa Whatley**

Regional Library System Administrator

Date **9/22/22**

FY 2021 ACHF Project Highlights

Summary Data:

Total number of activities, programs, and/or events: 34

Total participation/attendance: 4,045

Total number of partnerships: [Click here to enter text.](#)

Total FTE (funded by ACHF): \$108,739.12

Total value of in-kind contributions: \$3,150.00

Total administrative costs (funded by ACHF): \$5,436.95

Highlights:

Briefly describe two to three ACHF-funded projects that are models of the work done with ACHF funding by your regional library system. Please list outcomes, partnerships, unique locations, great stories, anecdotes, etc.

Award-winning author and historian Anton Treuer gave a series of four talks in the KRLS region focused on topics from his two books “Everything You Wanted Know About Indians But Were Afraid to Ask” and “The Cultural Toolbox: Traditional Ojibwe Living in the Modern World”. As a professor of Ojibwe at Bemidji State University, his equity, education, and cultural work is nationally known. Our hope for the program was to give the audience a unique perspective on current events and modern living. Attendance reached 760 in-person and live online views. We provided the audience with a paper and digital survey to measure the program’s quality and educational value and found approximately 45% of respondents’ favorite part of the event was Dr. Treuer’s inclusion of personal stories. Two new venues were utilized for the program with great success: Walker Area Community Center and Park Rapids’ Armory Arts and Event Center. The experience gave library branches with space limitations a chance to host large event.

Indie rocker, songwriter, playwright, and children’s book author Ralph Covert visited ten regional libraries with his children’s program “Ralph’s World”. His high-energy music concert engaged the audience with activity songs, story songs, and dance songs. Touring during summer reading programs, the event was an added incentive for families to visit our libraries and sign up across the KRLS region. Paper and digital surveys were

available with over 45% of respondents indicating they learned something they could share with their children and 90% indicating the quality of their experience was excellent.

Local artist and flint knapper Tom Kulju put together twenty-five stone bead necklace take and make kits for the Margaret Welch Memorial Library in Longville. Using the contents supplied in the completed kit, which included a stone bead, leather necklace and wire, along with simple items from home, participants made a natural stone bead necklace. The Legacy program gave one of our smallest branch locations with few staff the opportunity to expand their programming and teach the public skills in jewelry making. A postcard was included with each kit to evaluate the quality of the program, and 100% of respondents rated the program as excellent. The MWM Library is now planning future kits to offer the public.

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
"A Lot Can Happen in the Middle of Nowhere" book talk with author Todd Melby	Previous Legacy program with outstanding invoice.	12/15/2021	12/15/2021	2021	Bemidji Public Library	\$817.62	100	KRLS 100	A paper and digital survey was available for attendees to fill out to determine if the event was enjoyable and educational.	Over 85% of respondents indicated that the program was an enjoyable experience and it furthered their knowledge about film making in Minnesota.	18	Completed	Beltrami
Decorate a Holiday Stocking	Pine River Public Library partnered with the Pine River Chamber of Commerce to host a stocking decorating event as part of the Parade of Lights celebration. Children were able to select and decorate a Holiday stocking to take home.	12/11/2021	12/11/2021	2021	Pine River Chamber of Commerce, 102 Barclay Avenue West Pine River, MN 56474	\$500.00	50	KRLS 50	A digital survey was available via QR code for attendees to fill out to determine if the event was enjoyable and educational.	Over 80% of survey respondents indicated that the program was enjoyable and the quality was good or excellent. Many stated their favorite part of the program was watching the kids during the activity and spending time with family.	125	Completed	Cass
Songwriting workshop with Kristi Kellogg	Kristi Kellogg used her experience as a musician and songwriter to guide a weekly adult song writing workshop as well as a children's song writing workshop geared toward ages 10-15 for 8 weeks. at Walker Public Library She worked with each participant to build their confidence and walk them through the process of creating words to music resulting in each participant creating an original work.	10/18/2021	12/16/2021	2021	Walker Public Library	\$6,400.00	250	KRLS 250	A paper survey was available for attendees to fill out to determine if the workshop was enjoyable and educational.	100% of respondents indicated that the program was an enjoyable experience and furthered their knowledge about song writing. Collaborating with a group and rapping were favorite parts of the program.	120	Completed	Cass
Take N' Makes with Mary Jo Litke	Local artist, Mary Jo Litke, provided Pine River Public Library take and make craft kits monthly for a 5 part series for children and families. The projects she provided used varied artistic skills. Program was funded by ACHF FY20 and FY21.	9/27/2021	1/24/2022	2021	Pine River Public Library	\$320.00			A paper survey was included with each kit for attendees to fill out and return to determine if the event was enjoyable and educational.	80% of respondents indicated that the program was an enjoyable experience and furthered their knowledge about crafts and crafting at home.	200	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
The Art of Leatherworking	Local leatherworker Tony Rossberg provided a series of beginner leatherworking workshops for Blackduck Community Library. The artist talked about the history of leatherworking and provided instruction and support for attendees who produced a key fob, belt, and bracelet to take home over 3 sessions. The artist also hosted a special session at the library for Beltrami County 4-H youth.	1/11/2022	2/8/2022	2021	Blackduck Public Library	\$4,160.30	100	KRLS 100	A paper survey was available for attendees to fill out to determine if the events were enjoyable and educational.	Over 70% of respondents indicated that the program was enjoyable and it furthered their knowledge about the history and craft of leatherworking. One 4-H youth commented "I can't wait to check out a kit and try more at home!".	18	Completed	Beltrami
"The Adventurer and Her Husband" book talk	Local author and traveler Polly Scotland talked about her book "The Adventurer and Her Husband" that describes her travels through the Arrowhead, Western Lake Superior, Isle Royale, and other Minnesota destinations for Bemidji Public Library.	2/9/2022	2/9/2022	2021	Bemidji Public Library	\$360.00	50	KRLS 50	A paper survey was available for attendees to fill out to determine if the event was enjoyable and educational.	100% of respondents indicated that the program was enjoyable and that it furthered their knowledge about Minnesota destinations and travel.	487	Completed	Beltrami
"Code 4" book talk	Local author Terry Smith presented on his memoir "Code 4" for Bemidji Public Library. For over thirty years, Terry Smith worked as a uniformed police officer, long-haired undercover narcotics agent, SWAT Commander, and homicide detective.	1/29/2022	1/29/2022	2021	Bemidji Public Library	\$833.50	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine if the program was enjoyable and educational.	Over 90% of respondents indicated that the program was enjoyable, and over 70% indicated the program furthered their knowledge about topics in Minnesota's history.	406	Completed	Beltrami
Kids' Comedy Magic Show	Local magician, Lynn Halbrook, performed his magical performance at the Pine River Public Library weaving entertainment with educational messages.	2/5/2022	2/5/2022	2021	Pine River Public Library	\$350.00	50	KRLS 50	A paper survey was available for attendees to fill out to determine if the program was enjoyable and educational.	Over 85% of respondents indicated that the program was enjoyable and furthered their knowledge of magic and children's programming at the library.	31	Completed	Cass
Library Bag Take and Make Art Project	One Little Piggy Sign Studio of Walker, MN provided 40 tote bag kits to Walker Public Library as a take and make craft kit distributed during Take Your Child to the Library Day. Kits contained a canvas tote bag, stencils, fabric paint, sponges, and instructions.	2/5/2022	2/5/2022	2021	Walker Public Library	\$860.00	50	KRLS 50	A paper survey was included with each kit for attendees to fill out to determine if the event was enjoyable and educational.	Over 80% of respondents indicated the program was enjoyable and it furthered their knowledge about stenciling.	42	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
Take N' Make Craft Kit	Local artist Rachel Smith provided 40 children's craft kits to Pine River Public Library. Using pinecones, cotton, fabric, and glue, participants were able to create their own snow owl.	2/22/2022	2/26/2022	2021	Pine River Public Library	\$400.00	50	KRLS 50	A paper survey was included with each kit for attendees to fill out to determine if the program was enjoyable and educational.	100% of respondents agreed that the program was enjoyable and furthered their knowledge about crafting and design.	41	Completed	Cass
Kitchi Reads/Kitchi Writes: Anton Treuer Author Talk	Award-winning author and historian Anton Treuer gave a series of 4 talks in our region focused on topics from his two books "Everything You Wanted to Know About Indians But Were Afraid to Ask" and "The Cultural Toolbox". As a professor of Ojibwe at Bemidji State University, his equity, education, and cultural work gave the audience a unique perspective on current events and modern living.	3/2/2022	3/10/2022	2021	Bemidji Public Library, Brainerd Public Library, Park Rapids Public Library, Walker Public Library	\$12,366.35	250	KRLS 250	A paper and digital survey was available for attendees to fill out to determine the overall quality of the program and if the program was educational.	Over 75% of respondents indicated that the overall quality of the program was excellent and that the program furthered their knowledge about Ojibwe culture. One participant responded "I recently moved to the area from a larger cultural center and am so excited to have similar experiences here".	760	Completed	Beltrami, Cass, Crow Wing, Hubbard
Niimi'idiwag (They Dance) presentation: Battle of Sugar Point	Bemidji Public Library, in collaboration with the Beltrami County Historical Society, presented the exhibit Niimi'idiwag (They Dance), an exploration of the history of the Anishinaabe powwow. Local author and historian Cecelia McKeig gave a presentation about the conflict that took place on the shores of Leech Lake in 1898. Presentation was followed by a Q & A with the audience.	3/12/2022	3/12/2022	2021	Bemidji Public Library	\$1,063.50	50	KRLS 50	A paper survey was available to attendees to determine the overall quality of the program and if the program was educational.	75% of survey respondents indicated the quality of the program was excellent and furthered their knowledge about Minnesota history.	57	Completed	Beltrami
Songwriting Workshop with Kristi Kellogg	Professional songwriter, Kristi Kellogg, lead an eight week songwriting class in two age categories (adult and children) at the Pine River Public Library.	1/24/2022	3/21/2022	2021	Pine River Public Library	\$7,374.00	250	KRLS 250	A paper survey was available to fill out to determine if the program was enjoyable and educational.	Approximately 70% of respondents indicated that the program was enjoyable and of excellent quality. Multiple respondents indicated that the collaboration with the songwriting group was their favorite part of the program.	135	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
Take N' Make Craft series	Local artist Jill Ashcraft provided Pine River Public Library with 40 craft kits for a 2 part take and make art series for children and families. The kits had all supplies and materials to complete a creative magnet and a birdhouse.	1/18/2022	3/25/2022	2021	Pine River Public Library	\$320.00	50	KRLS 50	A paper survey was included in the kits for attendees to fill out and return to the library to determine if the program was enjoyable and educational.	Although no surveys were returned, all kits were distributed on a first come first serve basis before the end of the program week was up, and the program post received 14 thumbs up on the library Facebook page.	40	Completed	Cass
Niimi'diwag (They Dance) Opening Ceremony performance	Bemidji Public Library, in collaboration with the Beltrami County Historical Society, presented the exhibit Niimi'diwag (They Dance), an exploration of the history of the Anishinaabe powwow. Daniel Kingbird and the Eagle Clan Drum Group performed during the opening ceremony to mark the start of the exhibit.	3/16/2022	3/16/2022	2021	Bemidji History Center, 130 Minnesota Ave SW, Bemidji, MN 56601	\$1,343.50	50	KRLS 50	A paper survey was available to attendees to determine the overall quality of the performance and if the performance was educational.	60% of respondents determined the quality of the program was excellent and that it furthered their knowledge about the Anishinaabe powwow. Over 50% of respondents traveled greater than 30 miles to participate in the program.	45	Completed	Beltrami
Niimi'diwag (They Dance) Presentations with Logan Monroe	Bemidji Public Library, in collaboration with the Beltrami County Historical Society, presented the exhibit Niimi'diwag (They Dance), an exploration of the history of the Anishinaabe powwow. Logan and Leah Monroe, as well as the Sugar Point Singers, presented 2 programs for the exhibit: Powwow Music, the Drum Circle; and Exploring Powwow Regalia and Dance.	3/19/2022	3/26/2022	2021	Bemidji Public Library	\$2,692.00	250	KRLS 250	A paper survey was available to fill out to determine the overall quality of the program and if the program was educational.	Over 75% of respondents determined the quality of their experience was excellent and that the program furthered their knowledge about powwow music. 100% of respondents determined the program furthered their knowledge about powwow regalia and dance.	114	Completed	Beltrami
Crafts with Kim	Local artist Kim Norman provided craft kits to Pine River Public Library for adults and children monthly for a four month take and make series. The artist provided all materials and basic instructions to complete each kit. Kits included Valentine gnomes, beaded carrot decor, tasseled bookmarks, boho trays, suncatchers, pom pom cacti, and a quilling project.	2/7/2022	5/21/2022	2021	Pine River Public Library	\$2,896.00	250	KRLS 250	A paper survey was included with each kit to determine if the program was enjoyable and educational.	Over 85% of respondents indicated that the program was enjoyable and furthered their knowledge about arts and crafts.	240	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
"Let's Create" Kit Series	Local artist Lillian Norman provided 40 art kits per month to Wadena City Library for a take and make art series for children and adults (12 months total). Kits included a craft, writing prompts, fun fact sheet, book list, and instructions. Kits introduced skills such as embroidery, ceramics, watercolor, and beading.	2/18/2022	1/20/2023	2021	Wadena Public Library	\$2,230.16	50	KRLS 50	A self-addressed stamped postcard was included with each kit for attendees to fill out to determine the quality of the program and gather comments.	TBA	TBA	In Progress	Wadena
"Secrets of the Congdon Mansion" author talk	Joe Kimball presented on his best-selling book "Secrets of the Congdon Mansion" for Pine River Public Library. Even 40 years later, Minnesotans are fascinated by the story of the mansion, money, and murders. A brief Q & A with the audience followed the presentation.	5/16/2022	5/16/2022	2021	Pine River Public Library	\$893.88	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the event and if the event was educational.	Over 90% of respondents indicated the quality of the program was excellent and furthered their knowledge about Minnesota history.	35	Completed	Cass
Niimi'idiwag (They Dance) presentation: All About Fry Bread	Benidji Public Library, in collaboration with the Beltrami County Historical Society, presented the exhibit Niimi'idiwag (They Dance), an exploration of the history of the Anishinaabe powwow. Tana Morgan Robinson presented on the history and cultural relevance of fry bread as a staple of powwows. She also guided participants in making fry bread at the local food co-op.	4/23/2022	4/23/2022	2021	Harmony Natural Foods Co-op, 302 Irvine Ave NW, Benidji, MN 56601	\$587.00	50	KRLS 50	A paper survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 80% of respondents indicated the quality of the program was excellent and that the program furthered their knowledge about cooking fry bread.	21	Completed	Beltrami
Nature & Self / Environment & Body	Poets Moheb Soliman and Kathryn Savage visited Benidji Public Library for a book reading and discussion. Soliman read from his poetic travelogue "Homes", and Savage shared her lyric essays from her debut work "Groundglass".	4/23/2022	4/23/2022	2021	Benidji Public Library	\$1,721.49	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 80% of participants responded that the program quality was excellent and that it furthered their knowledge about environmental and ecopoetic writing.	11	Completed	Beltrami

**Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21**

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
Author Talk with Nathan Jorgenson	Local author Nathan Jorgenson, author of "Waiting For White Horses", "The Mulligan", "Crooked Number", and "Contrapasso", read from his new book and discussed writing and publishing with the audience at Bemidji Public Library.	5/3/2022	5/3/2022	2021	Bemidji Public Library	\$1,003.00	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 85% of respondents indicated the quality of the program was excellent and the program furthered their knowledge about the writing process.	26	Completed	Beltrami
Songwriting Workshop with Kristi Kellogg	Professional songwriter, Kristi Kellogg, lead an eight week songwriting class in two age categories (adult and children) at the Park Rapids Area Library.	4/18/2022	5/23/2022	2021	Park Rapids Public Library	\$5,235.00	250	KRLS 250	A paper survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	80% of respondents indicated the quality of the program was excellent and it furthered their knowledge about songwriting.	27	Completed	Hubbard
Is What My Grandma Told Me True? How to Trace Your Family History	Local author Wendell Affield spent three decades tracing his family's convoluted family history and attempting to find out where he is really from. His 2 hour workshop at Bemidji Public Library focused on his experience and teaching attendees how to find information and use it to explore their ancestry.	5/19/2022	5/19/2022	2021	Bemidji Public Library	\$943.00	50	KRLS 50	A paper survey was available to attendees to determine the quality of the program and if the program was educational.	75% of respondents indicated the quality of the program was excellent; and over 55% of respondents indicated the program furthered their knowledge about researching their family history.	18	Completed	Beltrami
Fluid Painting Class	Local artist Harper Bennett lead four classes on the skills and procedure to create fluid paintings at Pine River Public Library. He demonstrated and led the class on different techniques including pouring, tipping, chains, and using heat. Participants were able to take home two 8"x10" original works.	5/5/2022	6/3/2022	2021	Pine River Public Library	\$1,200.00	50	KRLS 50	A paper survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 85% of respondents indicated the quality of the program was excellent and that the program furthered their knowledge about fluid painting. There was a wide range and good mix of all ages. A common comment was the high quality of the instructor and the enjoyment of collaborating with their children on the project.	79	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
"The Other Side of the Fence" Story time	Local author Corinda Edevold presented a storytime exploring her book "The Other Side of the Fence: Ana and the Lilys" at Bemidji Public Library. The Bemidji Area Reading Canines (BARC) joined the special children's storytime about Ana's magical adventures.	6/11/2022	6/11/2022	2021	Bemidji Public Library	\$893.00	50	KRLS 50	A paper survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	100% of respondents indicated the quality of the program was excellent or good and that the program furthered their knowledge about fantasy writing.	46	Completed	Beltrami
"Code 4" author talk	Local author Terry Smith discussed his book "Code 4", which includes stories of his over thirty-seven-year span as a uniformed officer, a long-haired undercover narcotics agent, an organized crime investigator, a SWAT commander, and a homicide detective. The author participated in a brief Q & A with the audience.	6/15/2022	6/15/2022	2021	Bemidji Public Library	\$842.99	50	KRLS 50	A paper survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 80% of respondents indicated the quality of the program was excellent; and all respondents indicated their age was 55 or older.	54	Completed	Beltrami
Derek Anderson author and illustrator visit	Minnesota author/illustrator Derek Anderson visited Brainerd Public Library to talk about his creative process at two events. The morning session included a storytime for younger children. The afternoon session was geared toward older children and included a Q & A with the author and a drawing demonstration.	6/16/2022	6/16/2022	2021	Brainerd Public Library	\$1,365.00	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	100% of respondents indicated the quality of the program was excellent and that it furthered their knowledge about creating stories and pictures for books.	36	Completed	Crow Wing
Exploring the Fiber Heritage of Minnesota	The Sustainable Sheep and Fiber Community of Northern Minnesota (SSFC) and artist/shepherdess Linda Johnson-Morke visited the Brainerd Public Library to showcase local fiber producers and artists. Artists gave public demonstrations and distributed take and make kits featuring different skills in fiber art.	6/25/2022	6/25/2022	2021	Brainerd Public Library	\$3,775.00	250	KRLS 250	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 90% of respondents indicated that the program was enjoyable and the quality was excellent. 100% indicated the program furthered their knowledge about Fiber Arts in Minnesota.	83	Completed	Crow Wing

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties
Ralph's World	Ralph Covert visited 10 regional libraries with his children's program Ralph's World. His high-energy music concert engaged the audience with activity songs, story songs, and dance songs.	6/21/2022	6/25/2022	2021	Bemidji Public Library, Blackduck Public Library, Brainerd Public Library, Cass Lake Community Library, Margaret Welch Memorial Library, Park Rapids Public Library, Walker Public Library, Cass County Fairgrounds, 100 Main St, Pine River, MN 56474 Cole Memorial Building, 4285 Tower Square, Pequot Lakes, MN 56472 Crosslake Area Library, 14126 Daggett Pine Rd, Crosslake, MN 56442	\$8,724.97	250	KRLS 250	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 45% of respondents learned something they could share with their children; 90% indicated the quality of their experience was excellent; many commented they liked the program because it was interactive and engaging.	412	Completed	Beltrami, Cass, Crow Wing, Hubbard
Summer Crafting Series	Local artist Donna Sonenstahl guided six classes on different artistic skills, including card making, scissor skills, tying, and basket weaving. The artist provided all supplies for attendees to complete and take home the projects.	6/21/2022	8/17/2022	2021	Pine River Public Library	\$240.00	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	TBA	TBA	In Progress	Cass
Stone Bead Necklace take and make kit	Local artist and flint knapper Tom Kulju put together 25 stone bead necklace take-and-make kits for the Margaret Welch Memorial Library in Longville. Using the contents supplied in the completed kit, which included a stone bead, leather necklace & wire, along with simple items from home including a pencil, needle nose pliers and wire cutters, participants made a natural stone bead necklace. Kits were appropriate for teens to adults.	8/2/2022	8/6/2022	2021	Margaret Welch Memorial Library	\$83.00	50	KRLS 50	A self-addressed stamped postcard was included with each kit for attendees to fill out to determine the quality of the program and gather comments.	100% of respondents rated the program as excellent. All indicated the project was fun to do. One "wore it proudly out to eat that night".	25	Completed	Cass

Kitchigami Regional Library System
Arts and Cultural Heritage Fund FY21

Project Title	Description	Start Date	End Date	FY	Locations	Funding Amount	In-Kind	In Kind Source	Proposed Measurement	Measured Results	Attendance	Status	Counties	
"The Impossible Road Trip" author talk	Author Eric Dregni talked about his book "The Impossible Road Trip" at Bemidji Public Library. The book is about the oddities that dot our highways and byways across Minnesota and the rest of the United States.	7/13/2022	7/13/2022	2021	Bemidji Public Library	\$300.00	50	KRLS 50	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	90% of respondents indicated the quality of the program was excellent and that it furthered their knowledge about roadside attractions in Minnesota.	43	Completed	Beltrami	
Exploring the Fiber Heritage of Minnesota	The Sustainable Sheep and Fiber Community of Northern Minnesota (SSFC) and artist/shepherdess Linda Johnson-Morke visited the Bemidji Public Library to showcase local fiber producers and artists. Artists gave public demonstrations and distributed take and make kits featuring different skills in fiber art.	7/16/2022	7/16/2022	2021	Bemidji Public Library	\$3,023.13	250	KRLS 250	A paper and digital survey was available for attendees to fill out to determine the quality of the program and if the program was educational.	Over 90% of respondents indicated that the program was enjoyable and the quality was excellent. 80% indicated the program furthered their knowledge about Fiber Arts in Minnesota.	250	Completed	Beltrami	
Administration	n/a	1/1/2022	7/31/2022	2021	n/a	\$5,436.95	n/a	n/a	n/a	n/a	n/a	Completed	Cass	
Region Wide Personnel	n/a	1/1/2022	7/31/2022	2021	n/a	\$27,184.78	n/a	n/a	n/a	n/a	n/a	Completed	Cass	
						\$108,739.12	\$3,150.00							
	Total Programs						34	Regional Programs						2
	Total Attendance						4,045	Local Programs						32
	Expense						\$108,739.12							



Kitchigami Regional Library System

FY2021 Arts and Cultural Heritage Fund Programs (12/2021-7/2022)

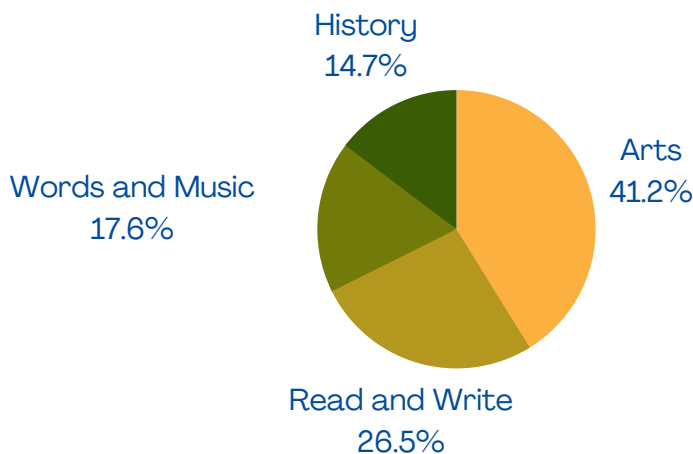
PEOPLE SERVED

4,045 people attended free library programs funded by ACHF FY21 - **in-person and online**

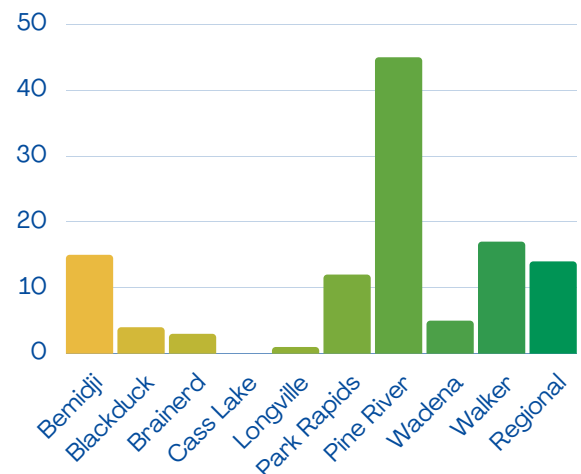


PROGRAM BREAKDOWN

34 programs were funded with ACHF FY21, producing 116 separate events.



The four main categories of KRLS Legacy Programs



KRLS Legacy events at each branch

PROGRAM ATTENDEE EXPERIENCE

81% rated the quality of their experience as "excellent"

68% "strongly agreed" they furthered their knowledge about the program's topic

75% will "very likely" attend future Legacy programming

Information from KRLS program survey results

7i Arts and Cultural Heritage Fund (ACHF) FY22 Interim Report

Action Request: That the Board approve the ACHF FY22 Interim Report for submission to the state.

Following ACHF grant guidelines for regional library systems, on September 30th of each year KRLS submits an Interim Progress Report (IPR) for each fiscal year of ACHF funding that it is still spending. The report consists of an Executive Summary that highlights at least one exemplary project and a project spreadsheet that details each of the projects paid for with funds from the identified fiscal year. A copy of the completed report will be available at the next board meeting.

KITCHIGAMI REGIONAL LIBRARY SYSTEM

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Kitchigami Regional Library System
Pine River, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Kitchigami Regional Library System (the Library System), Pine River, Minnesota, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Library System's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Library System as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library System and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter Regarding Restatement of Prior Period

As discussed in Note 7, the Library System did not report all of its capital assets as of December 31, 2020. The error was corrected through beginning net position. Our auditors' opinion was not modified with respect to this misstatement.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Library System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule – General Fund, budgetary comparison schedule – Arts and Cultural Heritage Fund, the schedule of the Library System's proportionate share of the net pension liability, and the schedule of the Library System contributions be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library System's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information section listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2022, on our consideration of the Library System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library System's 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 Library System's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Brainerd, Minnesota
September 8, 2022

REQUIRED SUPPLEMENTARY INFORMATION

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

This section of Kitchigami Regional Library System's (the Library System) annual financial report presents our discussion and analysis of the Library System's financial performance during the year ended on December 31, 2021.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2021 include the following:

- Overall revenues in the statement of activities were \$3,090,210 and expenses were \$2,968,014.
- As of the close of the current fiscal year, the governmental activities combined net position was \$6,062,840, an increase of \$122,196 from the prior year after accounting for the restatement. \$752,511 of this amount is the net investment in capital assets, and \$403,978 is restricted to specific purposes.
- The General Fund's fund balance decreased \$40,662 from 2021 activity.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the Library System:

- The first two statements are government-wide financial statements that provide both *short-term* and *long-term* information about the Library System's overall financial status.
- The remaining statements are fund financial statements that focus on *individual parts* of the Library System, reporting the Library System's operations in more detail than the entity-wide statements.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data.

Entity-Wide Statements

The entity-wide statements report information about the Library System as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Library System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two entity-wide statements report the Library System's net position and how it has changed. Net position – the difference between the Library System's assets and deferred outflows of resources, and liabilities and deferred inflows of resources – is a way to measure the Library System's financial position.

- Over time, increases or decreases in the Library System's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the Library System you need to consider additional nonfinancial factors such as changes in the member county's tax bases, and other nonfinancial factors.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Entity-Wide Statements (Continued)

In the Entity-Wide financial statements the Library System's activities are shown in one category:

- *Governmental activities* – Includes all of the Library System's basic services

Fund Financial Statements

The fund financial statements provide more detailed information about the Library System's funds – focusing on its most significant or "major" funds – not the Library System as a whole. Funds are accounting devices the Library System uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The Library System establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The Library System has one kind of fund:

- ***Governmental funds*** – The Library System's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Library System's programs. Because this information does not encompass the additional long-term focus of the Entity-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM AS A WHOLE

Net Position

The Library System's combined net position was \$6,062,840 on December 31, 2021. There was an overall increase of \$122,196 from the prior year after accounting for the restatement.

**Table A-1
Net Position**

	Governmental Activities		
	2021	2020	Change
Current and Other Assets	\$ 6,699,452	\$ 6,563,394	2.07 %
Capital and Noncurrent Assets	755,871	624,031	21.13
Total Assets	<u>7,455,323</u>	<u>7,187,425</u>	3.73
Deferred Outflows of Resources	570,035	92,030	519.40
Current Liabilities	383,874	263,029	45.94
Long-Term Liabilities	842,711	1,132,806	(25.61)
Total Liabilities	<u>1,226,585</u>	<u>1,395,835</u>	(12.13)
Deferred Inflows of Resources	735,933	71,605	927.77
Net Position:			
Net Investment in Capital Assets	752,511	619,711	21.43
Restricted	403,978	385,175	4.88
Unrestricted	4,906,351	4,807,129	2.06
Total Net Position	<u>\$ 6,062,840</u>	<u>\$ 5,812,015</u>	4.32

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM AS A WHOLE (CONTINUED)

Changes in Net Position

A summary of the revenues and expenses is presented below and described in more detail following the table.

The total net position of the Library System increased \$121,196. The increase is mainly due to expenditures under budgeted amounts and higher than budgeted intergovernmental revenues.

**Table A-2
Change in Net Position**

	Governmental Activities for the fiscal year ended December 31,		Total % Change
	2021	2020	
REVENUES			
Program Revenues:			
Charges for Services	\$ 41,284	\$ 17,649	133.92 %
Regional Library Basic System Support Grant	667,061	667,385	(0.05)
Regional Library Telecommunications Aid Grant	41,675	41,030	1.57
Legacy Grant	72,752	69,461	4.74
Other Grants and Contributions	263,529	104,836	151.37
General Revenues:			
Allotments from Participating Governments	1,960,628	2,034,507	(3.63)
Investment Earnings	43,281	45,374	(4.61)
Other	-	40,018	(100.00)
Total Revenues	3,090,210	3,020,260	2.32
EXPENSES			
Library Operations	2,463,225	2,146,315	14.77
Building	22,267	72,556	(69.31)
Vehicle	24,632	22,668	8.66
Branch Collections	240,873	257,384	(6.41)
Library Materials	79,962	147,882	(45.93)
Legacy Programs	72,752	69,461	4.74
Board	54,303	28,757	88.83
Associate Service	10,000	10,000	-
Total Expenses	2,968,014	2,755,023	7.73
CHANGE IN NET POSITION	122,196	265,237	
Net Position - Beginning of Year	5,812,015	5,546,778	
Restatement	128,629	-	
Net Position - Beginning of Year, as Restated	5,940,644	5,546,778	
NET POSITION - END OF YEAR	\$ 6,062,840	\$ 5,812,015	

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM AS A WHOLE (CONTINUED)

The cost of all governmental activities this year was \$2,960,058.

- Some of the cost was paid by the users of the Library System's programs \$41,284.
- The state and local governments subsidized certain programs with grants and contribution \$1,045,017.
- Most of the Library System's costs, however, were paid for by Library System taxpayers and the taxpayers of our state.
- This portion of governmental activities was paid for with \$1,960,626 in property taxes, \$43,281 of investment earnings, and other general revenues.

Figure A-1 Sources of Library's Revenues for Fiscal 2021

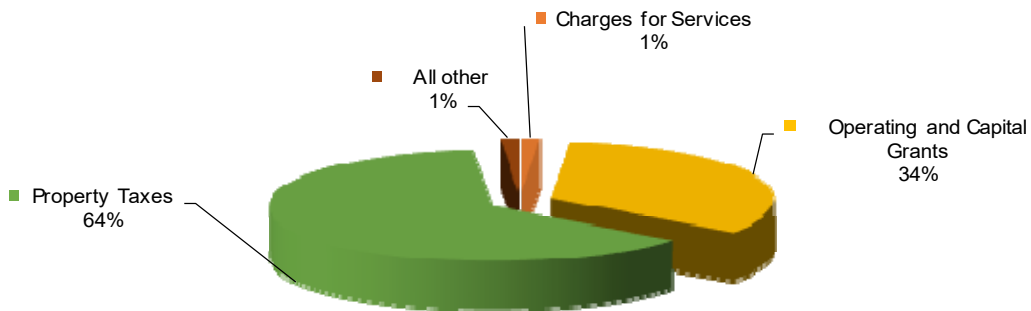
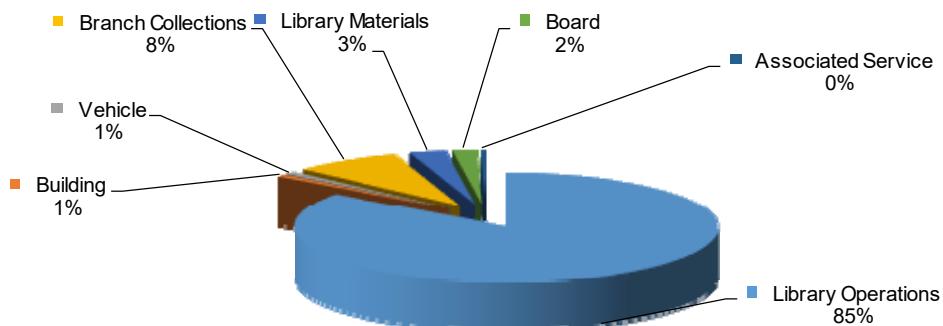


Figure A-2 Library Expenses for Fiscal 2021



**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM AS A WHOLE (CONTINUED)

Table A-3 presents the cost of each of the Library System's program functions, as well as each function's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Library System's taxpayers by each of these functions.

**Table A-3
Cost and Net Cost of Services**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2021	2020		2021	2020	
Library Operations	\$ 2,463,225	\$ 2,146,315	14.77 %	\$ 1,449,676	\$ 1,315,415	10.21 %
Building	22,267	72,556	(69.31)	22,267	72,556	(69.31)
Vehicle	24,632	22,668	8.66	24,632	22,668	8.66
Branch Collections	240,873	257,384	(6.41)	240,873	257,384	(6.41)
Library Materials	79,962	147,882	(45.93)	79,962	147,882	(45.93)
Legacy Programs	72,752	69,461	4.74	-	-	-
Board	54,303	28,757	88.83	54,303	28,757	88.83
Associate Service	10,000	10,000	-	10,000	10,000	-
Total	<u>\$ 2,968,014</u>	<u>\$ 2,755,023</u>	7.73	<u>\$ 1,881,713</u>	<u>\$ 1,854,662</u>	1.46

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM'S FUNDS

The financial performance of the Library System as a whole is reflected in its governmental funds as well. As the Library System completed the year, its governmental funds reported a combined fund balance of \$6,260,663. This is a decrease of \$40,662 .

Revenues for the Library System's governmental funds were \$3,034,333 while total expenditures were \$3,074,995. The associated decrease of \$40,662 resulted from expenditures being higher than revenues.

GENERAL FUND

The General Fund includes the primary operations of the Library System in providing services to citizens. The year-ending fund balance in the General Fund decreased by \$40,662 from 2020, primarily due to an increase in library operation costs.

ARTS AND CULTURAL HERITAGE FUND

The Arts and Cultural Heritage Fund accounts for the activity of the Library System's Legacy Program during the year. The Fund has a total Fund balance of \$0. There was no change in fund balance during the current year.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE LIBRARY SYSTEM'S FUNDS (CONTINUED)

The following schedule presents a summary of General Fund revenues.

**Table A-4
General Fund Revenues**

	Year Ended		Change	
	December 31, 2021	December 31, 2020	Increase (Decrease)	Percent
Intergovernmental:				
Federal Sources	\$ 131,890	\$ 13,000	\$ 118,890	914.5
State Sources	790,514	753,084	37,430	5.0
Other Sources	1,915,306	2,034,507	(119,201)	(5.9)
Charges for Services	40,729	17,649	23,080	130.8
Investment Earnings	43,281	45,375	(2,094)	(4.6)
Miscellaneous and Other	39,861	47,166	(7,305)	(15.5)
Total General Fund Revenues	<u>\$ 2,961,581</u>	<u>\$ 2,910,781</u>	<u>\$ 50,800</u>	1.7

Total General Fund revenues increased by \$50,800 or 1.7% over the previous year. This increase was due primarily to increased in federal and state grants in 2021.

The following schedule presents a summary of General Fund expenditures.

**Table A-5
General Fund Expenditures**

	Year Ended		Change	
	December 31, 2021	December 31, 2020	Increase (Decrease)	Percent
Library Operations	\$ 2,471,294	\$ 2,048,689	\$ 422,605	20.6 %
Building	91,008	72,556	18,452	25.4
Vehicle	24,632	22,668	1,964	8.7
Branch Collections	270,084	280,363	(10,279)	(3.7)
Library Materials	79,962	147,882	(67,920)	(45.9)
Board	54,303	28,757	25,546	88.8
Associate Service	10,000	10,000	-	-
Capital Outlay	-	5,040	(5,040)	(100.0)
Debt Service:	960	720	240	(3.7)
Total Expenditures	<u>\$ 3,002,243</u>	<u>\$ 2,616,675</u>	<u>\$ 385,568</u>	14.7

Total General Fund expenditures increased \$385,568 or 14.7% from the previous year due primarily to increased library operation expenditures.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

General Fund Budgetary Highlights

The General Fund revenues were \$262,438 higher than budget due to an increase in intergovernmental revenues and sales that were not budgeted for. Expenditures were under budget by \$218,404 during the current fiscal year due to lower than expected library operational and library material expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Through 2021, the Library System has invested \$749,673 (net of accumulated depreciation) in a broad range of capital assets. (More detailed information about capital assets can be found in Note 5 to the financial statements.) Total depreciation expense for the year was \$94,742.

**Table A-6
The Library System's Capital Assets**

	2021	Restated 2020	Percentage Change
Land	\$ 30,000	\$ 30,000	-
Buildings and Improvements	650,368	587,168	10.8
Vehicles	176,648	176,648	-
Furniture, Fixtures, and Equipment	337,806	332,265	1.7
Books and Materials (Collections)	761,483	732,272	4.0
Intangible Asset - Software	19,916	19,916	-
Less: Accumulated Depreciation	(1,220,350)	(1,125,608)	8.4
Total	<u>\$ 755,871</u>	<u>\$ 752,661</u>	0.4

Note: The 2020 capital asset balances are restated. More detailed information about the capital asset restatement can be found in Note 12 to the financial statements.

Long-Term Debt

The long-term liability balances for the years ended December 31 are:

**Table A-7
The Library System's Long-Term Debt**

	2021	2020	Percentage Change
Capital Lease Payable	\$ 3,360	\$ 4,320	(26.37)%
Net Pension Liability	785,762	1,067,191	(26.37)
Compensated Absences Payable	54,549	62,255	(12.38)
Total	<u>\$ 843,671</u>	<u>\$ 1,133,766</u>	(25.59)

During the current fiscal year, the Library System's long-term compensated absences decreased by \$7,706, and the net pension liability decreased by \$281,429. Capital lease payable decreased by \$960. (More detailed information about long-term liabilities can be found in Note 7 to the financial statements)

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FACTORS BEARING ON THE LIBRARY SYSTEM'S FUTURE

The future financial health of the Library System depends on receipts of revenues from state and member organization for programs and services. Projecting future revenue is tenuous because of factors affecting those member governments.

CONTACTING THE LIBRARY SYSTEM'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the Library System's finances and to demonstrate the Library System's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Regional Office, Kitchigami Regional Library System, P.O. Box 84, Pine River, MN 56474.

BASIC FINANCIAL STATEMENTS

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 6,386,589
Restricted Investments	153,292
Accounts Receivable	57,238
Interest Receivable	1,165
Prepaid Items	101,168
Capital Assets	
Land and Construction in Progress	30,000
Other Capital Assets, Net of Depreciation	725,871
Total Assets	<u>7,455,323</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related	570,035
LIABILITIES	
Salaries and Payroll Deductions Payable	62,269
Accounts and Contracts Payable	166,179
Unearned Revenue	154,466
Long-Term Liabilities	
Current Portion Due Within One Year - Capital Leases	960
Compensated Absences	54,549
Capital Leases Payable	2,400
Net Pension Liability	785,762
Total Liabilities	<u>1,226,585</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related	735,933
NET POSITION	
Net Investment in Capital Assets	752,511
Restricted for	
Endowment - Minnesota Community Foundation	153,292
Library Branch Automation	250,686
Unrestricted	4,906,351
Total Net Position	<u><u>\$ 6,062,840</u></u>

See accompanying Notes to Financial Statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants Contributions	Total Governmental Activities 2021
Governmental Activities				
Library Operations	\$ 2,463,225	\$ 41,284	\$ 972,265	\$ (1,449,676)
Building	22,267	-	-	(22,267)
Vehicle	24,632	-	-	(24,632)
Branch Collections	240,873	-	-	(240,873)
Library Materials	79,962	-	-	(79,962)
Legacy Programs	72,752	-	72,752	-
Board	54,303	-	-	(54,303)
Associate Service	10,000	-	-	(10,000)
Total Library	<u>\$ 2,968,014</u>	<u>\$ 41,284</u>	<u>\$ 1,045,017</u>	<u>(1,881,713)</u>
GENERAL REVENUES				
Allotments from Governments				1,960,628
Earnings on Investments				<u>43,281</u>
Total General Revenues				<u>2,003,909</u>
CHANGE IN NET POSITION				122,196
Net Position - Beginning of Year				5,812,015
Restatement (See Note 12)				<u>128,629</u>
Net Position - Beginning of Year, as Restated				<u>5,940,644</u>
NET POSITION - END OF YEAR				<u>\$ 6,062,840</u>

See accompanying Notes to Financial Statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Major Funds		Total Governmental Funds
	General	Arts and Cultural Heritage	2021
ASSETS			
Cash and Cash Equivalents	\$ 6,232,123	\$ 154,466	\$ 6,386,589
Restricted Investments	153,292	-	153,292
Account Receivable	57,238	-	57,238
Interest Receivable	1,165	-	1,165
Prepaid Items	101,168	-	101,168
Total Assets	<u>\$ 6,544,986</u>	<u>\$ 154,466</u>	<u>\$ 6,699,452</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Salaries and Payroll Deductions Payable	\$ 62,269	\$ -	\$ 62,269
Accounts and Contracts Payable	166,179	-	166,179
Unearned Revenue	-	154,466	154,466
Total Liabilities	<u>228,448</u>	<u>154,466</u>	<u>382,914</u>
DEFERRED INFLOWS OF RESOURCES			
Other	<u>55,875</u>	<u>-</u>	<u>55,875</u>
FUND BALANCE			
Nonspendable:			
Prepaid Items	101,168	-	101,168
Restricted	403,978	-	403,978
Committed	1,309,349	-	1,309,349
Unassigned	4,446,168	-	4,446,168
Total Fund Balance	<u>6,260,663</u>	<u>-</u>	<u>6,260,663</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 6,544,986</u>	<u>\$ 154,466</u>	<u>\$ 6,699,452</u>

See accompanying Notes to Financial Statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Total Fund Balance for Governmental Funds	\$	6,260,663
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land		30,000
Buildings and Improvements, Net of Accumulated Depreciation		329,127
Vehicles, Net of Accumulated Depreciation		22,722
Equipment, Net of Accumulated Depreciation		18,087
Books and Materials, Net of Accumulated Depreciation		352,616
Intangible Assets, Net of Accumulated Amortization		3,319

Other long-term assets (deferred inflows of resources) are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Allotments from Governments		55,875
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The System's net pension liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:

Net Pension Liability		(785,762)
Deferred Inflows of Resources - Pension Related		(735,933)
Deferred Outflows of Resources - Pension Related		570,035

Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position.

Balances at year-end are:

Capital Leases Payable		(3,360)
Compensated Absences Payable		(54,549)

Total Net Position of Governmental Activities	\$	6,062,840
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KITCHIGAMI REGIONAL LIBRARY SYSTEM
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	Major Funds		Total Governmental Funds
	General	Arts and Cultural Heritage	2021
REVENUES			
Intergovernmental			
Federal Sources	\$ 131,890	\$ -	\$ 131,890
State Sources	790,514	72,752	863,266
Other Sources	1,915,306	-	1,915,306
Interest Earnings	43,281	-	43,281
Sales	40,729	-	40,729
Automation	16,881	-	16,881
Miscellaneous	22,980	-	22,980
Total Revenues	2,961,581	72,752	3,034,333
EXPENDITURES			
Current:			
Library Operations	2,471,294	-	2,471,294
Building	91,008	-	91,008
Vehicle	24,632	-	24,632
Branch Collections	270,084	-	270,084
Library Materials	79,962	-	79,962
Legacy Program	-	72,752	72,752
Board	54,303	-	54,303
Associate Service	10,000	-	10,000
Debt Service:			
Principal	960	-	960
Total Expenditures	3,002,243	72,752	3,074,995
NET CHANGE IN FUND BALANCES	(40,662)	-	(40,662)
Fund Balances - Beginning of Year	6,301,325	-	6,301,325
FUND BALANCES - END OF YEAR	\$ 6,260,663	\$ -	\$ 6,260,663

See accompanying Notes to Financial Statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balance-Total Governmental Funds	\$ (40,662)
Amounts reported for governmental activities in the statement of activities are different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	55,875
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	97,952
Depreciation Expense	(94,742)
Pension expenditures on the governmental funds are measured by current year employer contributions. Pension expenses on the statement of activities are measured by the change in net pension liability and the related deferred inflows and outflows of resources.	95,107
Some capital asset additions are financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. Repayment of capital lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.	
Principal Payments for Capital Leases	960
In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	7,706
Change in Net Position of Governmental Activities	\$ 122,196

See accompanying Notes to Financial Statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Kitchigami Regional Library System's (the Library System) financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for the year ended December 31, 2021. 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 Library System are discussed below.

A. Financial Reporting Entity

The Library System, a Minnesota Municipal Corporation, is an autonomous governmental unit, created by contractual agreement with various authorities that provides library services in Beltrami, Cass, Crow Wing, Hubbard, and Wadena counties. Funding is obtained from these counties and various cities located within these counties as noted in the Detailed Revenue and Expense Schedule – Entity Wide – Intergovernmental and Local Revenue Section. Revenues are also received by grants in aid from the state of Minnesota.

GAAP requires that the Library System's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separate from the Library System. In addition, the Library System's financial statements are to include all component units – entities for which the Library System is financially accountable. Based on the significance of any operational or financial relationships with the Library System, there are no component units to be included in these financial statements.

Financial accountability includes such aspects as appointing a voting majority of the organization's governing body, significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or receiving specific financial benefits from, or imposing specific financial burden on, the organization. These financial statements include all funds of the Library System. There are no other entities for which the Library System is financially accountable.

B. Basic Financial Statement Presentation

1. Government-Wide Statements

The Entity-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all the financial activities of the Library System.

In the government-wide statement of net position, the governmental activities are presented on a consolidated basis, and 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 Library System's net position is reported in three parts: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statement Presentation (Continued)

1. Government-Wide Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Library System applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expenses that can be specifically identified by function are included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. Generally, the effect of material interfund activity has been removed from the Entity-wide financial statements.

2. Fund Financial Statements

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

The Library System reports the following major governmental funds:

The General Fund is the Library System's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Arts and Cultural Heritage Special Revenue Fund is used to account for the proceeds of the Minnesota Arts and Cultural Heritage Grant (Legacy Grant) which are legally restricted to expenditures for specified purposes.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied. Grant and similar items are recognized when 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. Revenue is recognized when it becomes measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenue is generally considered as available if collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

1. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and all cash deposits and investments with an original maturity of three months or less.

2. Deposits and Investments

Cash balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Investments of the Library System are reported at fair value, as prescribed by GAAP. Additional information on the Library's investments and fair value measurements can be found in Note 3.

3. Receivables and Payables

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the Library System. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments in both government-wide and fund financial statements. Expenditures are allocated over the periods benefited. Prepaid items are expensed using the consumption method for the fund financial statements.

5. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Library System defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the Entity-wide financial statements, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15-39
Furniture, Equipment, and Vehicles	5-10
Improvements	20
Library Collections	15

Capital assets not being depreciated include land and construction in progress.

The Library System does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of building or other improvable property.

6. Deferred Outflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period. The Library System will not recognize the related outflow until a future event occurs.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

7. Compensated Absences

Full-time employees accumulate vacation leave which is payable upon termination. Sick leave can also be accumulated. This amount is not payable upon termination and the amount which will be used in future periods cannot be reasonably estimated, therefore, no liability has been recorded for sick leave.

The liability for vacation leave is reported as incurred in the Entity-Wide financial statements. A liability for those amounts is recorded in the Governmental Funds only if the liability has matured as a result of employee resignations or retirements.

8. Deferred Inflows of Resources

The Library System's financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund balance that applies to a future period. The Library System will not recognize the related revenue until a future event occurs. The Library System receives funds for the Legacy Fund Grant before any related expenditures have occurred, so there is an advanced allotment recognized for funds not spent as of year-end. The Library System has two types of items. The first type of deferred inflows of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the Library System's year) under the modified accrual basis of accounting. The second type relates to pension liabilities as described in Note 9 to the financial statements. These inflows arise only under the full accrual basis of accounting and consist of difference between expected and actual pension plan economic experience and also pension plan changes on proportionate share and, accordingly, are reported only in the statement of net position.

9. Unearned Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received but not yet earned.

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

10. Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

11. Pensions

For purposes of measuring the net pension liability, 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. 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.

12. Classification of Net Position

In the government-wide financial statements, net position is classified as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is the amount of net position representing capital assets, net of accumulated depreciation, and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets. Restricted net position is the amount of net position for which external restrictions of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is the amount of net position that does not meet the definition of restricted or net investment of capital assets.

13. Fund Equity

In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, and unassigned fund balances. Nonspendable portions of fund balance relate to prepaids, inventories, and long-term receivables, as applicable, which cannot be spent because they are not in spendable form. Restricted funds are constrained from outside parties (statute, grantors, bond agreements, etc.). Committed fund balances are established and modified by a resolution approved by the Board of Directors. Assigned fund balances are constrained by the Library System's intent to be used for specific purposes, but are not restricted nor committed. Intent is expressed by the Library System's Board of Directors itself, a body (budget or finance committee), or an official to which the Board of Directors has delegated the authority to assign amounts for specific purposes.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

13. Fund Equity (Continued)

Unassigned fund balances are considered the remaining amounts. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the Library System's practice to use restricted first, then unrestricted fund balance. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the Library System's practice to use committed first, then assigned, and finally unassigned amounts.

It is the Library System's practice that the General Fund is to maintain a minimum unassigned fund balance of 30% of the current fiscal year's budgeted operating expenditures or a fund balance that is necessary to keep the Library System from borrowing funds.

14. 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

A. Excess of Expenditures Over Budget

The following funds had expenditures in excess of budget at the departmental level for the year ended December 31, 2021:

<u>Fund</u>	<u>Function</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund	Current:			
	Building	\$ 40,200	\$ 91,008	\$ 50,808
	Board	42,130	54,303	12,173
	Debt Service:			
	Principal	-	960	960

The additional expenditures were financed by greater than anticipated grant and member revenues.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS

A. Deposits

The Library System maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the governmental funds balance sheet as Cash and Cash Equivalents or Investments. Interest is allocated based on management's estimate of interest earned by each fund. In accordance with Minnesota Statutes the Library System maintains deposits at financial institutions which are authorized by the Library System's Board of Directors.

Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds.

1. Deposits

The Library System is authorized by Minn. Stat. §§ 118A.02 and 118A.04 to designate a depository for public funds and to invest in certificates of deposits. The Library System is required by Minn. Stat. § 118A.03 to protect deposits with insurance, surety bond, or collateral. The market value of collateral pledged shall be at least 10% more than the amount of deposit at the close of the financial institution's banking day, not covered by insurance, bonds, or an irrevocable standby letter of credit issued by the Federal Home Loan Bank. Minnesota Statutes require 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.

Authorized collateral includes: U.S. government treasury bills, notes, or bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by a Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require 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 Library System's deposits may not be returned to it. The Library System has a deposit policy for custodial credit risk which follows Minnesota Statutes for deposits.

As of December 31, 2021, the Library System's deposits were covered by insurance or collateral.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

2. Investments

Minnesota Statutes §§118A.04 and 118A.05 generally authorize the following types of investments as available to the Library System:

- (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 Minnesota Statutes §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.

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. The Library System does not have a formal policy to manage its exposure to interest rate risk.

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 national recognized statistical rating organization. It is the Library System’s policy to invest only in securities that meet the rating requirements set by state statute.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

2. Investments (Continued)

Custodial Credit Risk – Investments

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 that are in the possession of an outside party.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the Library System's investment in a single issuer. The Library System places no limit on the amount that it may invest in any one issuer.

The following table presents the Library System's deposit and investment balances at December 31, 2021, and information relating to potential investment risks:

	<u>Credit Risk</u>		<u>Concentration Risk</u>	<u>Interest Rate Risk</u>	<u>Carrying (Fair) Value</u>
	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Over 5% of Portfolio</u>	<u>Maturity Date</u>	
Investment Pools/Mutual Funds:					
Minnesota Community Foundation (MCF)	N/R	N/A	100.0%	N/A	153,292
Deposits					6,385,187
Petty Cash					<u>1,402</u>
Total Deposits and Investments					<u>\$ 6,539,881</u>

N/A - Not Applicable
N/R - Not Rated

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

2. Investments (Continued)

Fair Value Measure

The Library System uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The Library System follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the Library System has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial asset and liabilities are valued using inputs that are adjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

The Minnesota Community Foundation investment is measured at amortized costs, therefore is not subject to levels. No other investments noted.

The Library System reports investments at amortized costs in accordance with authoritative guidance and per guidance provided by Minnesota Community Foundation.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

2. Investments (Continued)

Fair Value Measure (Continued)

Minnesota Community Foundation (MCF) fund is a classic endowment fund held and managed by the Saint Paul & Minnesota Community Foundation.

The Minnesota Community Foundation investment is valued using amortized cost. These funds use charitable gifts to build an investment designed for growth. The endowment's earnings flow back to the library system as annual income. The use is restricted by the grant agreement with the Foundation. The library system may request to terminate the fund and request the return of the assets and/or request additional amounts above the spending policy set by the board of the Foundation.

NOTE 4 PREPAID ITEMS

Prepaid items consisted of the following as of December 31, 2021:

Insurance Premiums	23,944
Library Materials	77,224
Total	<u>\$ 101,168</u>

KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 30,000	\$ -	\$ -	\$ 30,000
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	587,168	63,200	-	650,368
Vehicles	176,648	-	-	176,648
Furniture, Fixtures, and Equipment	332,265	5,541	-	337,806
Books and Materials (Collections)	732,272	29,211	-	761,483
Intangible Asset - Software	19,916	-	-	19,916
Total Capital Assets, Being Depreciated/Amortized	1,848,269	97,952	-	1,946,221
Accumulated Depreciation/Amortization for:				
Buildings and Improvements	305,022	16,219	-	321,241
Vehicles	129,107	24,819	-	153,926
Furniture, Fixtures, and Equipment	310,687	9,032	-	319,719
Books and Materials (Collections)	370,834	38,033	-	408,867
Intangible Asset - Software	9,958	6,639	-	16,597
Total Accumulated Depreciation/ Amortization	1,125,608	94,742	-	1,220,350
Total Capital Assets, Being Depreciated/Amortized, Net	722,661	192,694	-	725,871
Governmental Activities Capital Assets, Net	<u>\$ 752,661</u>	<u>\$ 192,694</u>	<u>\$ -</u>	<u>\$ 755,871</u>

Depreciation expense during the current year was allocated as follows:

Governmental Activities	
Buildings	\$ 16,219
Vehicles	24,819
Library Operations	47,065
Software	6,639
Total Depreciation/Amortization Expense, Governmental Activities	<u>\$ 94,742</u>

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 UNEARNED REVENUE

Unearned revenue in the governmental funds consisted of grants for the Legacy Program that are collected in advance of eligibility requirements being met. Total unearned revenues at December 31, 2021 totaled \$154,466 in the Arts and Cultural Heritage Fund.

NOTE 7 LONG-TERM LIABILITIES

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital Leases Payable	\$ 4,320	\$ -	\$ 960	\$ 3,360	\$ 960
Compensated Absences Payable	62,255	60,474	68,180	54,549	-
Total Governmental Activity					
Long-Term Liabilities	<u>\$ 66,575</u>	<u>\$ 60,474</u>	<u>\$ 69,140</u>	<u>\$ 57,909</u>	<u>\$ 960</u>

Compensated absences are to record the accrued vacation benefit for the Library System's employees. Resources for the payment of compensated absences benefits payable included in long-term liabilities will be provided primarily by the General Fund. The capital lease is liquidated in the General Fund.

B. Capital Lease

The Library System has a lease agreement with Pitney Bowes for a mailing machine that was entered into in 2020. The lease period is for 63 months. The historical cost of these leases is \$5,040 with \$2,621 of related accumulated depreciation.

Minimal annual principal payments required to retire long-term debt are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	960
2023	960
2024	960
2025	480
Total Minimum Lease Payments	<u>\$ 3,360</u>

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 FUND BALANCES

A. Nonspendable

Nonspendable balances include prepaid items of \$101,168.

B. Restricted

Following is a schedule of the automation repair and replacement balances allocated by location:

Branch	2020	2021				
	Balance	Interest	Capital	Revenue	Expenditures	Balance
Bemidji	\$ 52,931	\$ 145	\$ -	\$ 5,647	\$ 5,415	\$ 53,308
Blackduck	13,458	37	-	350	838	13,007
Brainerd	70,644	193	-	4,659	3,223	72,273
Cass Lake	8,976	25	-	300	955	8,346
KRL Headquarters	65,408	180	-	-	65,588	-
Longville	19,862	54	-	289	1,485	18,720
Park Rapids	26,832	73	-	3,601	2,352	28,154
Pine River	15,632	43	-	255	1,636	14,294
Wadena	29,614	82	-	1,374	944	30,126
Walker	14,458	41	-	406	2,447	12,458
Total	<u>\$ 317,815</u>	<u>\$ 873</u>	<u>\$ -</u>	<u>\$ 16,881</u>	<u>\$ 84,883</u>	<u>\$ 250,686</u>
Plus: Endowment - Minnesota Community Foundation						153,292
Total Restricted Fund Balance						<u>\$ 403,978</u>

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 FUND BALANCES (CONTINUED)

C. Committed

Following is a schedule of committed funds at December 31, 2021:

Automation	\$ 413,127
Sue Tricker Outreach	204,383
Crow Wing County	163,482
Regional Library Telecommunications Aid	89,353
Library Building	93,204
Vehicle	133,086
Outreach	59,330
Building Repair and Maintenance	40,968
Summer Reading	35,019
Loan Security	31,427
Software Accounting	25,874
Gates Grant	19,819
Headquarter's Gift	277
Total Committed Funds	<u><u>\$ 1,309,349</u></u>

NOTE 9 PENSION PLANS

A. Plan Description

The Library System 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 Plan (General Employees Plan)

Certain full time and part-time employees of the Library System are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 PENSION PLANS (CONTINUED)

B. 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. 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. General Employees Plan Benefits

General Employees Plan 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 Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 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.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 PENSION PLANS (CONTINUED)

C. Contributions

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

1. General Employees Plan Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2021 and the Library System was required to contribute 7.50% for Coordinated Plan members. The Library System's contributions to the General Employees Fund for the year ended December 31, 2021, were \$99,705. The Library System's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. General Employees Plan Pension Costs

At December 31, 2021, the Library System reported a liability of \$785,762 for its proportionate share of the General Employees Fund's net pension liability. The Library System's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the Library System totaled \$23,917.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library System's proportionate share of the net pension liability was based on the Library System's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The Library System's proportionate share was 0.0184% at the end of the measurement period and 0.0178% for the beginning of the period.

Library System's Proportionate Share of Net Pension Liability	\$ 785,762
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the Library System	23,917
Total	<u><u>\$ 809,679</u></u>

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

1. General Employees Plan Pension Costs (Continued)

For the year ended December 31, 2021, the Library System recognized pension expense of \$4,892 for its proportionate share of the General Employees Plan's pension expense. In addition, the Library System recognized \$1,930 pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2021, the Library System reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 4,828	\$ 24,047
Changes in Actuarial Assumptions	479,770	17,382
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	680,503
Changes in Proportion	36,925	14,001
Library Contributions Subsequent to the Measurement Date	48,512	-
Total	<u>\$ 570,035</u>	<u>\$ 735,933</u>

The \$48,512 reported as deferred outflows of resources related to pensions resulting from Library System contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expenses Amount</u>
2022	\$ (33,905)
2023	2,101
2024	3,003
2025	(185,609)

2. Total Pension Expense

The total pension expense for the General Employees Plan recognized by the Library system for the year ended December 31, 2021 was \$6,822.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 PENSION PLANS (CONTINUED)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return 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 geometric 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 Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Totals	100.0 %	

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5%. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 PENSION PLANS (CONTINUED)

F. Actuarial Methods and Assumptions

The following changes in actuarial assumptions and plan provisions occurred in 2021:

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

G. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan 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.

H. Pension Liability Sensitivity

The following presents the Library System's proportionate share of the net pension liability for the general employees plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Library System's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
Library's Proportionate Share of the General Employees Plan Net Pension Liability	\$ 1,602,554	\$ 785,762	\$ 115,535

I. Pension Plan Fiduciary Net Position

Detailed information about General Employees Plan's fiduciary's net position is available in a separately-issued PERA financial report. That report may be obtained on the Internet at www.mnpera.org.

NOTE 10 RISK MANAGEMENT

The Library System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omission; injuries to employees; and natural disasters. The Library System purchases commercial insurance coverage for such risks.

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

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 11 COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the Library System expects such amounts, if any, to be immaterial. The financial assistance received is subject to audits by the grantor agency.

NOTE 12 RESTATEMENT

Beginning governmental net position was restated to account for capital assets from 2013 to 2016. The restatement represents the full listing of capital asset from 2013 to 2016 net accumulated depreciation.

	Governmental Activity
Fund Balance, December 31, 2020, as Previously Reported	\$ 5,812,015
Restatement	128,629
Fund Balance, December 31, 2020, as Restated	<u>\$ 5,940,644</u>

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final	Amounts	
REVENUES				
Intergovernmental				
Federal Sources	\$ -	\$ -	\$ 131,890	\$ 131,890
State Sources	799,147	799,147	790,514	(8,633)
Other Sources	1,863,115	1,863,115	1,915,306	52,191
Interest Earnings	25,000	25,000	43,281	18,281
Sales	-	-	40,729	40,729
Automation	16,881	16,881	16,881	-
Miscellaneous	(5,000)	(5,000)	22,980	27,980
Total Revenues	2,699,143	2,699,143	2,961,581	262,438
EXPENDITURES				
Current:				
Library Operations	2,635,512	2,635,512	2,471,294	(164,218)
Building	40,200	40,200	91,008	50,808
Vehicle	33,980	33,980	24,632	(9,348)
Branch Collections	300,578	300,578	270,084	(30,494)
Library Materials	158,247	158,247	79,962	(78,285)
Board	42,130	42,130	54,303	12,173
Associate Service	10,000	10,000	10,000	-
Debt Service:				
Principal	-	-	960	960
Total Expenditures	3,220,647	3,220,647	3,002,243	(218,404)
NET CHANGE IN FUND BALANCE	<u>\$ (521,504)</u>	<u>\$ (521,504)</u>	(40,662)	<u>\$ 480,842</u>
Fund Balance - Beginning of Year			6,301,325	
FUND BALANCE - END OF YEAR			<u>\$ 6,260,663</u>	

See accompanying Notes to Required Supplementary Information.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
BUDGETARY COMPARISON SCHEDULE – ARTS AND CULTURAL HERITAGE FUND
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final	Amounts	
REVENUES				
Intergovernmental				
State Sources	\$ 97,510	\$ 97,510	\$ 72,752	\$ (24,758)
EXPENDITURES				
Current:				
Legacy Program	97,510	97,510	72,752	(24,758)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			-	
FUND BALANCE - END OF YEAR			<u>\$ -</u>	

See accompanying Notes to Required Supplementary Information.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF THE LIBRARY SYSTEM'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS**

	Measurement Date June 30, 2021	Measurement Date June 30, 2020	Measurement Date June 30, 2019	Measurement Date June 30, 2018	Measurement Date June 30, 2017	Measurement Date June 30, 2016	Measurement Date June 30, 2015
PERA - General Employees Fund							
System's Proportion of the Net Pension Liability	0.0184%	0.0178%	0.0175%	0.0184%	0.0183%	0.0187%	0.0202%
System's Proportionate Share of the Net Pension Liability	\$ 785,762	\$ 1,067,191	\$ 967,536	\$ 1,020,757	\$ 1,168,260	\$ 1,518,347	\$ 1,046,869
State of Minnesota's Proportionate Share of the Net Pension Liability	23,917	33,000	30,165	33,653	14,672	19,889	-
System's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability	809,679	1,100,191	997,701	1,054,410	1,182,932	1,538,236	1,046,869
System's Covered Payroll	1,321,507	1,315,318	1,400,653	1,338,922	1,177,307	1,162,160	1,164,880
System's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.46%	81.14%	69.08%	76.24%	99.23%	130.65%	89.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.00%	79.06%	80.20%	79.53%	75.90%	68.91%	78.20%

NOTE: Information is presented prospectively and an accumulation of 10 years will be provided.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF LIBRARY SYSTEM CONTRIBUTIONS
LAST 10 FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015
PERA - General Employees Fund							
Contractually Required Contribution	\$ 99,705	\$ 94,355	\$ 95,189	\$ 94,368	\$ 90,514	\$ 87,432	\$ 86,690
Contributions in Relation to the Contractually Required Contribution	(99,705)	(94,355)	(95,189)	(94,368)	(90,514)	(87,432)	(86,690)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
System's Covered Payroll	\$ 1,329,400	\$ 1,258,067	\$ 1,269,187	\$ 1,258,240	\$ 1,206,853	\$ 1,165,760	\$ 1,155,867
Contributions as a Percentage of Covered Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

NOTE: Information is presented prospectively and an accumulation of 10 years will be provided.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2021**

NOTE 1 LEGAL COMPLIANCE – BUDGETS

The Library System board adopts annual budgets for the General Fund and the Arts and Cultural Heritage Funds. These budgets and the actual amounts are both prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

In the following funds, expenditures exceeded the appropriations during the year ended December 31, 2021:

<u>Fund</u>	<u>Function</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund	Current:			
	Building	\$ 40,200	\$ 91,008	\$ 50,808
	Board	42,130	54,303	12,173
	Debt Service:			
	Principal	-	960	960

The overage above was considered by Library System management to be the result of necessary expenditures critical to operations. They were financed by greater than anticipated grant and tax revenues.

NOTE 2 CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended December 31:

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

**NOTE 2 CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS,
AND ASSUMPTIONS (CONTINUED)**

2020 (Continued)

Changes in Actuarial Assumptions (Continued):

- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreased from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018

Changes in Actuarial Assumption

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed postretirement benefit increase was changed from 1.0% per year through 2044 and 2.50% per year thereafter to 1.25% per year.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

NOTE 2 CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

2018 (Continued)

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after December 31, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50% beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Changes in Actuarial Assumption

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for nonvested deferred member liability.
- The assumed postretirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5 % per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter to 1.00% per year for all future years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate was changed from 7.90% to 7.50%.
- Other assumptions were changed pursuant to the experience study dated December 31, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

**NOTE 2 CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS,
AND ASSUMPTIONS (CONTINUED)**

2016 (Continued)

Changes in Actuarial Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter to 1.00% per year for all years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate changed from 7.90% to 7.50%.
- Other assumptions were changed pursuant to the experience study December 31, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

SUPPLEMENTARY INFORMATION

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
DETAILED REVENUE AND EXPENSE SCHEDULE – ENTITY WIDE
YEAR ENDED DECEMBER 31, 2021**

INTERGOVERNMENTAL AND LOCAL REVENUE

Federal:

Library Services and Technology Act - CARES Act	\$ 131,890
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State:

State Aid	790,514
Special/Grants	72,752
Total State	863,266

County:

Beltrami	390,729
Cass	365,397
Crow Wing	509,127
Hubbard	212,605
Wadena	96,227
Total County	1,574,085

City:

Bemidji	133,204
Blackduck	15,608
Brainerd	77,098
Cass Lake	7,896
Longville	9,402
Park Rapids	47,195
Pine River	12,881
Wadena	68,843
Walker	14,414
Total City	386,541

Total Intergovernmental and Local Revenue	2,955,782
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OTHER REVENUE

Interest on Savings and CD's	16,235
Endowment Investment Income and Gains	27,046
Automation R&R City Funds	16,881
Sales:	
Copies and Faxes	41,284
Miscellaneous Gifts and Other	32,982
Total Other Revenue	134,428

Total Revenues	\$ 3,090,210
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**KITCHIGAMI REGIONAL LIBRARY SYSTEM
DETAILED REVENUE AND EXPENSE SCHEDULE – ENTITY WIDE (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

EXPENSES

Library Materials	
Branch Collections	\$ 240,873
E-Materials	55,093
Periodicals and Papers	16,379
Shared Databases	8,490
Total Library Materials	<u>320,835</u>
Library Operations:	
Automation Operating Costs	197,359
Communications/Dataline/Fax	59,521
Postage	4,614
Library Supplies	19,230
Office Supplies	24,307
Shared Processing Cost	18,675
Interlibrary Service Maintenance	94,133
Winter Reading Program	4,920
Summer Reading Program	3,472
CARES Act Expense	85,845
Other	91,289
Total Library Operations	<u>603,365</u>
Vehicle:	
Delivery Van/Staff Van/Mobile Library Gas and Oil	13,907
Delivery Van/Staff Van/Mobile Library Repairs	6,079
Vehicles/Mobile Library Insurance	4,646
Total Vehicle	<u>24,632</u>
Building:	
Insurance - Contents and Liability	6,582
Repairs and Maintenance	7,878
Electric	5,056
Gas	1,009
Sanitation/Disposal	892
Sewer	504
Water	346
Total Building	<u>22,267</u>
Board:	
Meetings	2,707
Professional Fees and Dues/Special Projects	48,286
Insurance	3,310
Total Board	<u>54,303</u>
Legacy Program Expenses	72,752

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
DETAILED REVENUE AND EXPENSE SCHEDULE – ENTITY WIDE (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

EXPENSES (CONTINUED)

Branch Salaries:	
Bemidji	\$ 274,253
Blackduck	39,865
Brainerd	317,706
Cass Lake	32,574
Longville	36,597
Park Rapids	140,803
Pine River	69,135
Wadena	85,398
Walker	58,191
Total Branch Salaries	<u>1,054,522</u>
Regional Salaries:	
System Support	208,736
Technical Services	46,963
Interlibrary Loan	26,196
Mobile Library Salaries	36,218
Delivery	22,578
Total Regional Salaries	<u>340,691</u>
Employee Benefits:	
FICA	110,183
Health Benefits	228,913
PERA	4,395
Workers' Compensation	7,408
Total Employee Benefits	<u>350,899</u>
Miscellaneous:	
Meetings	5,941
Training	3,839
Travel	424
Investment Fees/Admin	1,588
Recruiting	7,069
Associate Service	10,000
Other	145
Total Miscellaneous	<u>29,006</u>
Depreciation/Amortization:	
Books and Materials	47,065
Buildings and Equipment	41,038
Software	6,639
Total Depreciation/Amortization	<u>94,742</u>
Total Expenses	<u><u>\$ 2,968,014</u></u>

**OTHER INFORMATION
(UNAUDITED)**

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF MINNESOTA LEGACY GRANT FUNDING
YEAR ENDED DECEMBER 31, 2021**

	2021	2020	2019	2018	2017	2016	2015
Cash Reconciliation							
Beginning Cash (Deficit)	\$ 111,981	\$ 80,246	\$ 79,231	\$ 66,245	\$ 22,181	\$ 45,970	\$ (8,365)
Cash Receipts	115,237	101,196	107,831	106,799	99,047	45,640	166,689
Cash Expenditures	(72,752)	(69,461)	(106,816)	(93,813)	(54,983)	(69,429)	(112,354)
Ending Cash (Deficit)	<u>\$ 154,466</u>	<u>\$ 111,981</u>	<u>\$ 80,246</u>	<u>\$ 79,231</u>	<u>\$ 66,245</u>	<u>\$ 22,181</u>	<u>\$ 45,970</u>
Governmental Funds Reconciliation							
Cash Receipts	\$ 115,237	\$ 101,196	\$ 107,831	\$ 106,799	\$ 99,047	\$ 45,640	\$ 166,689
Prior Year Grant Receivable	-	-	-	-	-	-	(57,455)
Prior Year Deferred Revenue	111,981	80,246	79,173	66,245	22,181	45,970	48,796
Deferred Revenue	(154,466)	(111,981)	(80,246)	(79,173)	(66,245)	(22,181)	(45,970)
Revenue	<u>72,752</u>	<u>69,461</u>	<u>106,758</u>	<u>93,871</u>	<u>54,983</u>	<u>69,429</u>	<u>112,060</u>
Cash Expenditures	72,752	69,461	106,816	93,813	54,983	69,429	112,354
Prior Year Accounts Payable	-	-	(58)	-	-	-	(294)
Accounts Payable	-	-	-	58	-	-	-
Governmental Funds Expense	<u>72,752</u>	<u>69,461</u>	<u>106,758</u>	<u>93,871</u>	<u>54,983</u>	<u>69,429</u>	<u>112,060</u>
Governmental Funds Increase (Decrease)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Governmental Funds Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Entity-Wide Reconciliation							
Capital Assets Purchased	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation	-	-	-	-	-	199	400
Entity-Wide Expense	<u>72,752</u>	<u>69,461</u>	<u>106,758</u>	<u>93,871</u>	<u>54,983</u>	<u>69,429</u>	<u>112,060</u>
Entity-Wide (Decrease)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (199)</u>	<u>\$ (400)</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199</u>

KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF REGIONAL LIBRARY TELECOMMUNICATION AID – CASH BASIS
YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
REVENUE	\$ 41,675	\$ 41,030	\$ 39,884	\$ 39,882	\$ 40,991	\$ 40,217	\$ 6,844
EXPENDITURES							
Priority 1:							
Datalines	35,422	46,274	39,883	51,203	31,285	47,906	44,552
Telephone	14,834	15,209	15,853	-	18,195	17,046	24,387
Remote Access	630	615	441	312	208	312	312
Internet Access	2,457	8,885	-	-	-	-	-
Priority 2:							
Internal Connections	2,758	4,998	1,119	36,713	5,100	1,913	14,836
Total Expenditures	<u>56,101</u>	<u>75,981</u>	<u>57,296</u>	<u>88,228</u>	<u>54,788</u>	<u>67,177</u>	<u>84,087</u>
REVENUES (UNDER) EXPENDITURES	<u>\$ (14,426)</u>	<u>\$ (34,951)</u>	<u>\$ (17,412)</u>	<u>\$ (48,346)</u>	<u>\$ (13,797)</u>	<u>\$ (26,960)</u>	<u>\$ (77,243)</u>

OTHER REQUIRED REPORTS



**INDEPENDENT AUDITORS' 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***

Board of Directors
Kitchigami Regional Library System
Pine River, 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 and each major fund of Kitchigami Regional Library System (the Library System), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Library System's basic financial statements, and have issued our report thereon dated September 8, 2022.

Reporting on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library System's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library System's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Library System's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2020-001 to 2020-003 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2020-004 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Library System's financial statements are free from 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 financial statements. 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*.

The Library System's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the The Library System's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Library System's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not to provide an opinion on the effectiveness of the Library System'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 Library System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Brainerd, Minnesota
September 8, 2022



INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Directors
Kitchigami Regional Library System
Pine River, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund information of Kitchigami Regional Library System (the Library System) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Library System's financial statements as listed in the table of contents and have issued our report thereon dated September 8, 2022.

In connection with our audit, nothing came to our attention that caused us to believe that the Library System failed to comply with provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. 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 Library System's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions* and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

Brainerd, Minnesota
September 8, 2022

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2021**

MATERIAL WEAKNESSES (FINANCIAL REPORTING):

Finding: 2021-001	Financial Reporting Process
Condition:	As part of the audit, management requested us to prepare a draft of the financial statements, including the related notes to the financial statements.
Criteria:	Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, in conformity with GAAP.
Effect:	The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the Library System's internal controls.
Cause:	The Library System's management have not monitored recent accounting developments to the extent necessary to enable them to prepare the financial statements and related disclosures, to provide a high level of assurance that potential omissions or other errors that are material would be identified.
Repeat Finding:	Yes, 2020-001.
Recommendation:	Management should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.
Views of Responsible Officials:	There is no disagreement with the audit finding. The Library System will continue to rely upon the audit firm to prepare the financial statements and related footnote disclosures and will review and approve these prior to the issuance of the annual financial statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

MATERIAL WEAKNESSES (FINANCIAL REPORTING) (CONTINUED):

Finding: 2021-002	Limited Segregation of Duties
Condition:	Due to the limited size of the Library System's business office staff, the Library System has limited segregation of duties. Currently procedures over transaction cycles related to cash disbursements, billing, and payroll at the Library System has limited segregation of duties.
Criteria:	Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.
Effect:	Inadequate segregation of duties could adversely affect the Library System's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned functions.
Cause:	There is a limited number of staff in the business office.
Repeat Finding:	Yes, 2020-002.
Recommendation:	We recommend that the Library System continue to segregate duties as best it can within the limits of what the Library System considers to be cost beneficial.
Views of Responsible Officials:	There is no disagreement with the audit finding. The Library System reviews and makes improvements to its internal controls on an ongoing basis, and attempts to maximize the segregation of duties in all areas within the limits of the staff available.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

MATERIAL WEAKNESSES (FINANCIAL REPORTING) (CONTINUED):

Finding: 2021-003	Audit Adjustments
Condition:	As part of the audit, we proposed material adjustments related to recording payables and receivables in accordance with GAAP and related to recording prepaids balances.
Criteria:	Management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair representation in the financial statements in accordance with U.S. generally accepted accounting principles. Management is responsible for the accuracy and completeness of all financial records and related information. Their responsibilities include adjusting the financial statement to correct material misstatements and produce accurate financial statements on a timely basis.
Effect:	Controls over year-end closing could affect the Library System's ability to detect or prevent errors.
Cause:	The Library System does not have enough office staff with enough time to record these adjustments.
Repeat Finding:	2020-003
Recommendation:	We recommend that Library System management and financial personnel continue to work on establishing a process to ensure the recording of all related transactions to properly adjust financial statements at year-end.
Views of Responsible Officials:	There is no disagreement with the audit finding. The Library System will create a process to ensure the proper and timely recording of all adjustments in order to produce accurate and timely financial statements.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

SIGNIFICANT DEFICIENCY (FINANCIAL REPORTING):

Finding: 2021-004	Fund Balance Policy
Condition:	As part of the audit, we noted that the Library System did not have a Board approved Fund Balance policy.
Criteria:	Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Library System are described in Note 1 to the financial statements. There is no formal Fund Balance policy approved by the Board to guide management in keeping track of their fund balances throughout the year.
Effect:	Practices may not be followed as intended by management and personnel may not understand the purpose of internal controls.
Cause:	The Library System's Board of Directors has not yet passed a policy.
Repeat Finding:	2020-004
Recommendation:	We recommend that Library System management work with the Board of Directors to approve a Fund Balance policy as soon as possible.
Views of Responsible Officials:	There is no disagreement with the audit finding. The Library System's management will work with the board to develop a Fund Balance Policy.

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

PREVIOUSLY REPORTED ITEMS RESOLVED

2020-005 Deposits and Investments

October 10, 2022

FUND	Deerwood Checking BEGINNING BALANCE	Bill Report through 10/10/2022	Deerwood Checking ENDING BALANCE	Deerwood First Preferred Savings BEGINNING BALANCE	Deerwood First Preferred Savings Bill Report through 10/10/2022	Deerwood First Preferred Savings ENDING BALANCE	Total Balance of all Accounts
GENERAL (101)	\$94,748.76	\$33,821.20	\$60,927.56	\$124,646.08	\$0.00	\$124,646.08	
POLICE RESTRICTED CASH	\$31,129.09	\$0.00	\$31,129.09	\$0.00	\$0.00	\$0.00	
CEMETERY (201)	(\$5,396.36)	\$0.00	(\$5,396.36)	\$2,522.28	\$0.00	\$2,522.28	
PERPETUAL CARE (202)	\$11,822.43	\$0.00	\$11,822.43	\$53,418.01	\$0.00	\$53,418.01	
SEWER MAINTENANCE	\$0.00	\$0.00	\$0.00	\$59,836.87	\$0.00	\$59,836.87	
SEWER REPLACE	\$0.00	\$0.00	\$0.00	\$54,015.45	\$0.00	\$54,015.45	
SCDP REVOLVING LOAN FUND	\$0.00	\$0.00	\$0.00	\$1,999.98	\$0.00	\$1,999.98	
FIRE DEPT RESERVE (TruckFund)	\$0.00	\$0.00	\$0.00	\$319,555.31	\$0.00	\$319,555.31	
PINE TREE PARK (209)	\$23,822.05	\$1,847.68	\$21,974.37	\$15,000.00	\$0.00	\$15,000.00	
WATER SINKING FUND	\$0.00	\$0.00	\$0.00	\$161,845.08	\$0.00	\$161,845.08	
PUBLIC WORKS RESERVE FUND	\$0.00	\$0.00	\$0.00	\$12,923.36	\$0.00	\$12,923.36	
Fire Dept Special Equip Fund (216)	\$414,665.98	\$0.00	\$414,665.98	\$26,460.05	\$0.00	\$26,460.05	
2018 Revolving Loan Fund (250 - NEW)	\$0.00	\$0.00	\$0.00	\$199,875.88	\$1,490.00	\$198,385.88	
2006 GO BOND (307)	\$37,729.86	\$0.00	\$37,729.86	\$33,368.75	\$0.00	\$33,368.75	
2009A Refunding Bond (309)	\$46,787.21	\$0.00	\$46,787.21	\$13,942.37	\$0.00	\$13,942.37	
2011 Industrial Lane IntraLoan (311)	\$7,007.56	\$0.00	\$7,007.56	\$0.00	\$0.00	\$0.00	
2014A Disposal System Loan (314)	\$23,001.20	\$0.00	\$23,001.20	\$0.00	\$0.00	\$0.00	
2017A Disposal System Project/Sum/Main	\$33,281.20	\$0.00	\$33,281.20	\$0.00	\$0.00	\$0.00	
2017A Disposal Sys Loan (317)	\$15,777.92	\$0.00	\$15,777.92	\$0.00	\$0.00	\$0.00	
2017 PFA Debt Sys Bond Debt Service (320)	\$56,489.84	\$0.00	\$56,489.84	\$0.00	\$0.00	\$0.00	
2018 Frontage/Pine Ave Internal Loan (325)	\$14,516.07	\$0.00	\$14,516.07	\$0.00	\$0.00	\$0.00	
TAX INCREMENT FINANCING (376)	\$123,728.31	\$0.00	\$123,728.31	\$0.00	\$0.00	\$0.00	
Blackduck HRA Fund (210)	\$8,444.65	\$0.00	\$8,444.65	\$0.00	\$0.00	\$0.00	
2022 CIP Project Fund (380) <i>PW/PS Facility</i>	\$1,012,069.97	\$0.00	\$1,012,069.97	\$0.00	\$0.00	\$0.00	
Capital Project Fund (401) <i>for city projects</i>	\$32,966.10	\$0.00	\$0.00	(\$56,028.84)	\$0.00	(\$56,028.84)	
WATER FUND (601)	\$128,016.40	\$16,026.18	\$111,990.22	\$0.00	\$0.00	\$0.00	
SEWER FUND (602)	\$77,350.57	\$37,777.41	\$39,573.16	\$0.00	\$0.00	\$0.00	
LIQUOR FUND (609)	\$174,081.49	\$105,108.53	\$68,972.96	\$0.00	\$0.00	\$0.00	
LIQUOR RENT FUND	\$10,472.64	\$0.00	\$10,472.64	\$0.00	\$0.00	\$0.00	
GOLF COURSE (613)	(\$153,105.10)	\$12,375.66	(\$165,480.76)	\$0.00	\$0.00	\$0.00	
Total:	\$2,219,407.84	\$206,956.66	\$1,979,485.08	\$1,023,380.63	\$1,490.00	\$1,021,890.63	\$3,001,375.71

Transfer Recommended:

Fund Transfer from:	Fund transfer to:	Reason:	Amount of Transfer:
2022 Bond Payments:	Principal:	Interest:	Fees:
			Total:

CITY OF BLACKDUCK

10/10/22 12:19 PM

Monthly Bills

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September 2022

Check Name	Amount		
Fund 101 GENERAL FUND		Fund 209 PINE TREE PARK FUND	\$1,847.68
Marco Technologies LLC	\$419.22	Fund 250 2018 REVOLVING LOAN FUND	
ameripride	\$221.56	MURRAY SURVEYING, INC.	\$1,490.00
AMERIPRIDE LINEN & APPAREL	\$138.89	Fund 250 2018 REVOLVING LOAN F	\$1,490.00
BANYON DATA SYTEMS	\$336.00	Fund 601 WATER FUND	
BELTRAMI ELECTRIC COOP	\$1,909.36	BANYON DATA SYTEMS	\$336.00
BEMIDJI PAPER	\$135.09	BELTRAMI ELECTRIC COOP	\$713.94
BLACKDUCK AUTO PARTS, INC	\$799.73	BLACKDUCK CO-OP	\$190.60
BLACKDUCK CO-OP	\$1,892.72	BOGARTS REPAIR AND RECOVERY	\$325.83
BLACKDUCK LEEVERS FOODS	\$109.45	Gopher State One Call	\$25.65
BOGARTS REPAIR AND RECOVERY	\$1,623.72	NORTHWOODS LUMBER CO	\$35.40
BUREAU OF CRIMINAL APP	\$600.00	PAUL BUNYAN COMMUNICATIONS	\$34.84
EHLERS AND ASSOCIATES	\$481.25	QUILL CORPERATION	\$79.26
FORUM COMMUNICATIONS CO	\$365.39	THEIN WELL CO	\$14,284.66
FRONTIER REPAIR	\$359.46	Fund 601 WATER FUND	\$16,026.18
Great Plains Fire	\$139.00	Fund 602 SEWER FUND	
JACOB LIEN	\$33.66	BANYON DATA SYTEMS	\$336.00
KITCHIGAMI REGIONAL LIBRARY	\$8,000.00	BELTRAMI ELECTRIC COOP	\$3,006.57
MJ REPAIR	\$51.07	BLACKDUCK CO-OP	\$190.60
NORTHWOODS LUMBER CO	\$234.37	MN PUMP WORKS	\$2,901.87
PAUL BUNYAN COMMUNICATIONS	\$473.81	NORTHERN IRRIGATION	\$30,841.38
PINNACLE MARKETING GROUP	\$79.00	RMB ENVIRONMENTAL LABORATORIES	\$289.68
QUILL CORPERATION	\$120.98	Ziegler Inc	\$211.31
RATWIK, ROSZAK & MALONEY, P.A.	\$2,339.50	Fund 602 SEWER FUND	\$37,777.41
ROGER'S TWO WAY RADIO	\$84.00	Fund 609 MUNICIPAL LIQUOR FUND	
STREICHERS	\$954.72	Marco Technologies LLC	\$279.48
TIMBERLINE SPORTS, INC	\$1,857.38	ameripride	\$803.72
TIRES PLUS OF BEMIDJI	\$331.00	AMERIPRIDE LINEN & APPAREL	\$956.42
TRUE NORTH EQUIPMENT	\$133.10	BANYON DATA SYTEMS	\$336.00
ULTIMATE SAFETY CONCEPTS	\$123.12	BELTRAMI COUNTY-AUDITOR/TREAS.	\$100.00
VERIZON WIRELESS	\$418.77	BELTRAMI ELECTRIC COOP	\$1,573.16
WASTE MANAGEMENT OF WI-MN	\$1,196.62	BEMIDJI COCA-COLA	\$296.80
WIDSETH	\$5,000.00	BERNATELLOS	\$445.50
Ziegler Inc	\$2,859.26	Bernick Companies	\$12,960.33
Fund 101 GENERAL FUND	\$33,821.20	BLACKDUCK LEEVERS FOODS	\$3,747.67
Fund 209 PINE TREE PARK FUND		Breakthru Beverage	\$4,554.55
BELTRAMI ELECTRIC COOP	\$446.95	CHARLIE WARD	\$200.00
BLACKDUCK AUTO PARTS, INC	\$615.55	DAHLHEIMER BEVERAGE BRAINERD	\$530.90
LOSSING EXCAVATING	\$336.00	D-S BEVERAGES, INC.	\$24,133.80
MIKE MARSH	\$30.00	FORESTEDGE WINERY	\$924.00
NORTHWOODS LUMBER CO	\$15.46	GOVERNMENT FORMS & SUPPLIES	\$132.75
QUILL CORPERATION	\$7.49	HEGGIES PIZZA LLC	\$337.95
WASTE MANAGEMENT OF WI-MN	\$396.23		

Check Name	Amount		
JIM DANDY SNACK FOOD CO.	\$90.00	RIVARDS TURF AND FORAGE	-\$68.00
JOHNSON BROTHERS LIQUOR CO.	\$13,111.30	SANFORD OCCUPATIONAL MEDICINE	\$49.00
MELISSAS CLEANING	\$1,143.00	TIMBERLINE SPORTS, INC	\$285.17
MIKINNON CO., INC	\$8,550.80	US FOODs	\$276.27
NAYLOR REFRIGERATION & HTG.	\$425.10	VERSATILE VEHICLES, INC	\$52.33
NEI BOTTLING INC	\$538.50	WASTE MANAGEMENT OF WI-MN	\$122.33
Northome School	\$40.00	WESTSIDE WHOLESALE TIRE & SUPPLY	\$624.71
NORTHWOODS ICE, INC	\$485.70	Fund 613 GOLF COURSE	\$12,375.66
NORTHWOODS LUMBER CO	\$23.60		
OLD DUTCH	\$392.64		
PAUL BUNYAN COMMUNICATIONS	\$330.02		
PAUSTIS WINE COMPANY	\$477.12		
PERFORMANCE FOOD SERVICE	\$6,724.18		
Phillips Wine and Spirits	\$8,221.13		
PINNACLE MARKETING GROUP	\$79.00		
QUILL CORPERATION	\$39.97		
SANFORD OCCUPATIONAL MEDICINE	\$49.00		
Southern Glazer's of MN	\$6,740.51		
TOTAL TAP SERVICES	\$75.00		
US FOODs	\$3,925.85		
VINOCOPIA INC	\$691.75		
WASTE MANAGEMENT OF WI-MN	\$479.53		
WINE MERCHANTS	\$161.80		
Fund 609 MUNICIPAL LIQUOR FUN	\$105,108.53		
Fund 613 GOLF COURSE			
ameripride	\$388.35		
AMERIPRIDE LINEN & APPAREL	\$258.90		
BANYON DATA SYTEMS	\$336.00		
BELTRAMI ELECTRIC COOP	\$460.14		
BEMIDJI COCA-COLA	\$268.60		
Bernick Companies	\$108.20		
BLACKDUCK CO-OP	\$2,142.83		
BLACKDUCK LEEVERS FOODS	\$107.15		
BOGARTS REPAIR AND RECOVERY	\$28.49		
D-S BEVERAGES, INC.	\$250.90		
GIOVANNIS FROZEN PIZZA	\$93.75		
HORNUNGS	\$104.14		
HUNTINGTON NATIONAL BANK	\$5,379.00		
JOHNSON BROTHERS LIQUOR CO.	\$447.90		
MIKINNON CO., INC	\$80.00		
NEI BOTTLING INC	\$270.55		
NORTHWOODS LUMBER CO	\$91.04		
PAUL BUNYAN COMMUNICATIONS	\$108.76		
PAUSTIS WINE COMPANY	\$52.16		
QUILL CORPERATION	\$56.99		

Check Name	Amount
	\$208,446.66

Sewer Fund
Year to Date Income Statement thru 09/30/2022

Sewer Operating Revenue:		Budget
Reimbursements	\$21.17	\$0.00
ARP Funding - Council Approved (non-budgeted items)	\$7,116.88	\$0.00
Interest Earnings	\$378.37	\$750.00
Sewer Sales	\$155,562.52	\$205,000.00
Farm Lease Agreement Revenue	\$3,049.00	\$6,098.00
Swr Penalty	\$872.91	\$1,500.00
Charges for Service	\$3,400.00	\$2,500.00
Total Sewer Revenues	\$170,400.85	\$215,848.00

Sewer Operating Expenditures:		Budget	Remaining
Full-Time Employees Regular	\$56,994.60	\$72,532.34	\$15,537.74
Part-Time Employees	\$2,579.72	\$1,209.60	(\$1,370.12)
PERA	\$4,468.04	\$5,420.97	\$952.93
FICA	\$4,498.83	\$6,937.55	\$2,438.72
Employer Paid Health	\$10,475.07	\$14,080.54	\$3,605.47
Office Supplies (GENERAL)	\$29.77	\$300.00	\$270.23
Heating Fuel	\$190.60	\$0.00	(\$190.60)
Electricity	\$22,231.05	\$20,000.00	(\$2,231.05)
Training and Instruction	\$23.00	\$1,000.00	\$977.00
Operating Supplies (GENERAL)	\$294.12	\$600.00	\$305.88
Motor Fuels	\$2,017.48	\$1,750.00	(\$267.48)
Lubricants and Additives	\$0.00	\$500.00	\$500.00
Repairs/Maint Supply	\$480.07	\$1,000.00	\$519.93
Equipment Parts	\$0.00	\$0.00	\$0.00
Computer Supplies	\$0.00	\$850.00	\$850.00
Merchandise Resale	\$0.00	\$0.00	\$0.00
Building Repair Supply	\$0.00	\$0.00	\$0.00
Tires	\$0.00	\$1,500.00	\$1,500.00
Small Tools	\$0.00	\$600.00	\$600.00
Auditing and Acc't	\$3,502.00	\$3,500.00	(\$2.00)
Construction Services - PW/PS Facility City Contribution	\$52,714.91	\$6,906.00	(\$45,808.91)
Architect Fees	\$5,609.30	\$9,633.00	\$4,023.70
Legal Fees - for project	\$191.25	\$0.00	(\$191.25)
Testing/Analysis	\$1,524.85	\$1,500.00	(\$24.85)
Other Professional Services	\$3,835.00	\$3,000.00	(\$835.00)
Telephone	\$0.00	\$500.00	\$500.00
Postage	\$600.00	\$600.00	\$0.00
Travel Expense	\$364.34	\$1,000.00	\$635.66
Other Printing/Binding	\$0.00	\$0.00	\$0.00
Freight and Express	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$73.59	\$0.00	(\$73.59)
General Liability Insurance	\$2,175.84	\$2,050.00	(\$125.84)
Property Insurance	\$3,381.00	\$3,000.00	(\$381.00)
Other Insurance	\$0.00	\$0.00	\$0.00
Automotive Insurance	\$0.00	\$0.00	\$0.00
Workers Compensation	\$2,570.99	\$3,500.00	\$929.01
Unemployment Paid	\$0.00	\$0.00	\$0.00
State Connection Fee	\$0.00	\$0.00	\$0.00
Repairs/Maint Building	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$3,484.54	\$10,000.00	\$6,515.46
Repairs/Main Machinery/Equip Irrigator Claim	\$30,841.38	\$0.00	(\$30,841.38)
ARP Funding - Council approved Lift Station repairs	\$7,116.88	\$0.00	(\$7,116.88)
Dues and Subscriptions	\$4,501.42	\$4,000.00	(\$501.42)
Improvements other	\$2,340.32	\$0.00	(\$2,340.32)
Refuse/Garbage Dispal - PW/PS Facility City Contribution	\$346.54	\$0.00	(\$346.54)
Medical Fees	\$0.00	\$0.00	\$0.00
Other Equipment (irrigator)	\$0.00	\$2,600.00	\$2,600.00
Total Sewer Expenditures	\$229,456.50	\$180,070.00	(\$49,386.50)

		Budget	Remaining
2019 Micro Loan Principal	\$10,000.00	\$10,000.00	\$0.00
2019 Micro Loan Interest	\$527.27	\$527.27	\$0.00
Debt Srv Principal 2014 Go Bond	\$3,000.00	\$3,000.00	\$0.00
Public Works/Police Facility	\$0.00	\$7,157.70	\$7,157.70
Depreciation/Capital Outlay	\$0.00	\$25,000.00	\$25,000.00
Total	\$13,527.27	\$45,684.97	\$32,157.70

Net Total (\$72,582.92) \$225,754.97 (\$17,228.80)

Water Fund

Year to Date Income Statement thru 09/30/2022

Water Operating Revenue:		Budget:
Water Meter Sales	\$2,033.34	\$0.00
Health Dept Charges	\$941.23	\$2,994.00
Penalties and Interest	\$0.00	\$0.00
Water Sales	\$158,186.91	\$216,500.00
Water Connect/Reconnect Fee	\$578.46	\$1,500.00
Water Penalty	\$910.22	\$1,750.00
Interest Earnings	\$592.18	\$1,750.00
Reimbursements	\$37.38	\$0.00
Total Water Revenues	\$163,279.72	\$224,494.00

Water Operating Expenditures:	Year to Date	Budget	Remaining
Full-Time Employees Regular	\$50,013.05	\$67,628.40	\$17,615.35
Full-Time Employees OT	\$3,904.38	\$2,000.00	(\$1,904.38)
Part-Time Employees	\$2,905.25	\$2,419.20	(\$486.05)
PERA	\$4,261.77	\$5,253.57	\$991.80
FICA	\$4,289.67	\$5,358.65	\$1,068.98
Employer Paid Health	\$10,036.08	\$13,497.29	\$3,461.21
Office Supplies (GENERAL)	\$79.26	\$300.00	\$220.74
Printed Forms	\$0.00	\$0.00	\$0.00
Heating	\$190.60	\$0.00	(\$190.60)
Electricity	\$11,010.56	\$12,000.00	\$989.44
Computer Supplies	\$0.00	\$850.00	\$850.00
Training and Instruction	\$0.00	\$1,000.00	\$1,000.00
Operating Supplies (GENERAL)	\$830.24	\$2,600.00	\$1,769.76
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$1,779.71	\$1,000.00	(\$779.71)
Lubricants and Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$0.00	\$0.00
Chlorine	\$5,003.28	\$7,000.00	\$1,996.72
Fluoride	\$0.00	\$1,000.00	\$1,000.00
Repairs/Maint Supply	\$1,119.38	\$1,000.00	(\$119.38)
Equipment Parts	\$0.00	\$0.00	\$0.00
Building Repair Supply	\$0.00	\$0.00	\$0.00
Utility Maint Supply	\$0.00	\$0.00	\$0.00
Small Tools	\$0.00	\$500.00	\$500.00
Merchandise for Resale	\$2,042.83	\$750.00	(\$1,292.83)
Auditing and Acc't	\$3,500.00	\$3,500.00	\$0.00
Legal fees - project	\$191.25	\$0.00	(\$191.25)
Architect/Legal Fees	\$5,609.30	\$9,633.00	\$4,023.70
Testing/Analysis	\$0.00	\$0.00	\$0.00
Construction Services - PW/PS Facility City Contrib	\$52,714.90	\$6,906.00	(\$45,808.90)
Professional Services	\$195.00	\$1,000.00	\$805.00
Other Professional Services	\$0.00	\$1,000.00	\$1,000.00
Telephone	\$312.66	\$500.00	\$187.34
Postage	\$885.77	\$900.00	\$14.23
Travel Expense	\$107.47	\$1,000.00	\$892.53
Other Equipment Rentals	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$187.68	\$0.00	(\$187.68)
General Liability Insurance	\$470.92	\$400.00	(\$70.92)
Property Insurance	\$3,016.00	\$1,850.00	(\$1,166.00)
Workers Compensation	\$2,097.77	\$2,300.00	\$202.23
Unemployment Paid	\$0.00	\$0.00	\$0.00
Refuse/Garbage Disposal	\$654.34	\$310.00	(\$344.34)
State Connection Fee	\$2,061.00	\$2,994.00	\$933.00
Repairs/Maint Building	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$3,215.10	\$12,000.00	\$8,784.90
Repairs/Maintenance Machinery	\$432.73	\$2,500.00	\$2,067.27
Dues and Subscriptions	\$4,044.65	\$3,000.00	(\$1,044.65)
Uncollectable Checks/Bad Debt	\$257.30	\$100.00	(\$157.30)
Medical Fees	\$0.00	\$0.00	\$0.00
Other Equipment Well 5 & 8	\$14,284.66	\$0.00	(\$14,284.66)
Bank Service Charges	\$175.25	\$150.00	(\$25.25)
Total Water Expenditures	\$191,879.81	\$174,200.11	(\$17,679.70)

Other Water Expenditures:	Budget	Remaining
Transfer Fr Other Fund	\$0.00	\$0.00
PFA Debt Service Principal	\$0.00	\$0.00
PFA Debt Service Interest	\$0.00	\$0.00
New Construction Interest	\$7,946.25	-\$788.55
Debt Service Bond Principal	\$45,000.00	\$0.00
Debt Service Bond Interest	\$16,297.25	\$0.25
Depreciation/Capital Outlay	\$500.00	\$9,500.00
Total	\$69,743.50	\$8,711.70
Net Total	(\$98,343.59)	-\$8,968.00

Pine Tree Park
Year to Date Income Statement thru 09/30/2022

PTP Revenues -	2022	Beach	2021	2022 Budget
Reservation Fees	\$866.00		\$910.00	\$1,000.00
Grants	\$11,000.00		\$11,000.00	\$11,000.00
Camping Fees	\$24,233.00		\$25,243.00	\$25,000.00
Other Revenue	\$0.00		\$0.00	\$0.00
Contributions and Donations	\$26,008.00	\$26,008.00	\$0.00	\$0.00
Interest Earnings	\$120.42		\$193.13	\$150.00
Total PTP Revenues	\$62,227.42	\$26,008.00	\$37,346.13	\$37,150.00

PTP Expenditures	2022 YTD	Beach	2021 YTD	2022 Budget	Remaining
Full-Time Employees Regular	\$3,611.19		\$3,047.80	\$5,823.00	\$2,211.81
Part-Time Employees Regular	\$813.66		\$664.13	\$3,024.00	\$2,210.34
PERA	\$331.85		\$278.48	\$543.98	\$212.13
FICA	\$333.03		\$275.21	\$554.86	\$221.83
Employer Paid Health	\$607.64		\$606.54	\$810.47	\$202.83
Office Supplies	\$0.00		\$0.00	\$0.00	\$0.00
Electricity	\$2,695.87		\$2,506.92	\$3,500.00	\$804.13
Operating Supplies (GENERAL)	\$1,537.36		\$668.12	\$900.00	(\$637.36)
Cleaning Supplies	\$0.00		\$37.79	\$0.00	\$0.00
Motor Fuels	\$1,300.00		\$1,018.93	\$1,300.00	\$0.00
Repairs/Maint Supply	\$214.05		\$379.55	\$750.00	\$535.95
Equipment Parts	\$68.98		\$0.00	\$200.00	\$131.02
Other Professional Services	\$650.00		\$1,282.60	\$1,750.00	\$1,100.00
Postage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Advertising	\$637.50		\$0.00	\$1,000.00	\$362.50
Other Printing/Binding	\$0.00		\$0.00	\$0.00	\$0.00
General Liability Insurance	\$941.84		\$389.04	\$700.00	(\$241.84)
Property Insurance	\$1,787.00		\$1,648.50	\$3,200.00	\$1,413.00
Workers Compensation Insurance	\$0.00		\$0.00	\$0.00	\$0.00
Garbage	\$1,684.03		\$1,256.54	\$1,750.00	\$65.97
Repairs/Maint Building	\$1,095.50		\$0.00	\$4,000.00	\$2,904.50
Repairs/Maintenance Structure	\$1,512.00		\$6,031.11	\$0.00	(\$1,512.00)
Improvements Other	\$36,943.66	\$36,943.66	\$1,721.91	\$500.00	(\$36,443.66)
Repairs/Maintenance Machinery	\$836.13		\$149.61	\$1,500.00	\$663.87
Other Equipment	\$0.00		\$7,770.88	\$0.00	\$0.00
Depreciation	\$5,000.00		\$0.00	\$5,000.00	\$0.00
Miscellaneous - Refunds	\$273.00		\$110.00	\$0.00	(\$273.00)
Dues and Subscriptions	\$435.00		\$60.00	\$375.00	(\$60.00)
Total PTP Expenditures	\$63,309.29	\$36,943.66	\$29,903.66	\$37,181.31	(\$26,127.98)
Net Profit	(\$1,081.87)	-\$10,935.66	\$7,442.47		
Total	(\$1,081.87)	-\$10,935.66	\$7,442.47		

Blackduck Municipal Golf Course
Year-To-Date Income Statement 09/30/2022

	Actual 2022 Sales	Revenue Budget	Cost of Goods	Gross Profit	Gross Margin	Budget	Remaining
Beer	\$12,579.94	\$8,000.00	\$4,918.44	\$7,661.50	60.90%	\$3,400.00	(\$1,518.44)
Liquor	\$3,932.84	\$0.00	\$3,991.65	(\$58.81)	-1.50%	\$0.00	(\$3,991.65)
Soft Drinks	\$5,146.29	\$7,000.00	\$5,005.44	\$140.85	2.74%	\$3,400.00	(\$1,605.44)
Food	\$7,025.24	\$3,500.00	\$5,041.59	\$1,983.65	28.24%	\$1,000.00	(\$4,041.59)
Golf Merchandise & Clubs for Sale	\$3,299.57	\$3,000.00	\$1,483.88	\$1,815.69	55.03%	\$1,500.00	\$16.12
Clothing	\$2,741.26	\$3,000.00	\$3,709.09	(\$967.83)	-35.31%	\$1,000.00	(\$2,709.09)
Total	\$34,725.14	\$24,500.00	\$24,150.09	\$10,575.05	30.45%	\$10,300.00	(\$13,850.09)

	Actual 2022 Revenue through 9/30/22	Revenue Budget
Charges for Services		
Green Fees	\$58,841.41	\$65,000.00
Membership Fees	\$25,512.47	\$25,000.00
Trail Fees	\$523.24	\$1,000.00
Cart Storage	\$1,199.80	\$3,000.00
Rentals (Clubs, Carts)	\$1,187.17	\$1,850.00
Power Carts	\$33,433.20	\$45,000.00
Clubhouse Rental	\$1,368.32	\$500.00
Kayak Rental	\$314.56	\$0.00
Golf Tournament Revenue	\$5,252.20	\$0.00
Total Charges for Services	\$127,632.37	\$141,350.00

Total Income \$162,357.51

Less Operating Expense		Budget	Remaining
FT Wages	\$14,427.27	\$39,020.80	\$24,593.53
PT Wages	\$53,065.24	\$62,556.68	\$9,491.44
PERA	\$3,108.95	\$7,618.31	\$4,509.36
FICA	\$5,170.36	\$7,770.68	\$2,600.32
Employer Paid Health	\$5,600.65	\$11,504.40	\$5,903.75
Office Supplies	\$440.32	\$0.00	(\$440.32)
Heating Fuel	\$32.21	\$0.00	(\$32.21)
Electricity	\$4,594.90	\$5,000.00	\$405.10
Computer Supplies	\$0.00	\$350.00	\$350.00
Training & Instructions	\$0.00	\$0.00	\$0.00
Operating Supplies	\$3,432.09	\$2,200.00	(\$1,232.09)
Cleaning Supplies	\$145.87	\$0.00	(\$145.87)
Motor Fuels	\$4,983.63	\$3,500.00	(\$1,483.63)
Lubricants/Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$7,006.39	\$6,500.00	(\$506.39)
Repair/Maint/Supplies	\$2,631.40	\$0.00	(\$2,631.40)
Equipment parts	\$0.00	\$0.00	\$0.00
Building Repair supply	\$874.57	\$0.00	(\$874.57)
Small Tools/Equipment	\$1,303.31	\$0.00	(\$1,303.31)
Tires	\$624.71	\$0.00	(\$624.71)
Auditing/Accounting	\$0.00	\$0.00	\$0.00
Medical Fees	\$637.00	\$250.00	(\$387.00)
Legal Fees	\$0.00	\$0.00	\$0.00
Dram	\$0.00	\$750.00	\$750.00
Telephone	\$828.45	\$700.00	(\$128.45)
Cable Television	\$0.00	\$200.00	\$200.00
Internet	\$489.35	\$300.00	(\$189.35)
Travel Expense	\$55.90	\$0.00	(\$55.90)
Other Equipment	club house POS equipment \$1,900.04	\$0.00	(\$1,900.04)
Other Professional services	\$124.00	\$800.00	\$676.00
Website Development & Maintenance	\$1,761.00	\$1,000.00	(\$761.00)
Sponsorship Expense	\$1,909.32	\$0.00	(\$1,909.32)
Postage	\$0.00	\$50.00	\$50.00
Advertising	\$0.00	\$1,000.00	\$1,000.00
Promotional Expenses	\$3,016.09	\$0.00	(\$3,016.09)
Liability Insurance	\$3,414.17	\$2,800.00	(\$614.17)
Property Insurance	\$1,946.00	\$2,600.00	\$654.00
Work Comp	\$1,302.45	\$590.00	(\$712.45)
Unemployment -charged for 2020 & 2021	\$8,609.66	\$4,500.00	(\$4,109.66)
Insurance	\$0.00	\$0.00	\$0.00
Garbage Disposal	\$979.06	\$900.00	(\$79.06)
Repair/Maint Building	\$698.19	\$1,500.00	\$801.81
Improvements other than Bldgs - Irrigation	\$8,874.51	\$8,000.00	(\$874.51)
Repairs/Maint Machinery	\$8,572.45	\$7,000.00	(\$1,572.45)
Maintenance Course	\$3,178.06	\$4,500.00	\$1,321.94
Furniture & Fixtures	\$148.24	\$0.00	(\$148.24)
Motor Vehicles	\$0.00	\$0.00	\$0.00
Club House renovations from BDC Donation (see below)	\$15,875.43	\$15,000.00	(\$875.43)
Other Equipment Rentals - Kayak purchase	\$1,469.83	\$0.00	(\$1,469.83)
Cart Shed Bond 2020	\$6,118.00	\$6,118.00	\$0.00
Uncollectable Checks	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$3,901.06	\$2,500.00	(\$1,401.06)

Bank Service Charges	\$2,959.09	\$1,750.00	(\$1,209.09)
Cart Lease NEW 2021	\$15,648.00	\$14,670.00	(\$978.00)
Club House Debt Principal 2012	\$10,000.00	\$10,000.00	\$0.00
Club House Debt Interest 2012	\$480.00	\$480.00	\$0.00
Equipment Bond Interest 2016	\$1,213.00	\$1,212.50	(\$0.50)
Equipment Bond Principal 2016	\$13,000.00	\$13,000.00	\$0.00
Total Expense	\$212,122.95	\$248,191.37	\$21,641.15

OPERATING INCOME OR LOSS (\$73,915.53)

Other Expenses

Misc. Expenses	\$90.00
Equipment - Gator	\$0.00
Gift Certificates / Discounts	\$3,395.32
Capital Improvements	\$0.00
Transfer to General	\$0.00
Cash Short - discounts for punch cards & savings cards	\$1,327.10
Total Other Expenses	\$4,812.42

Other Income

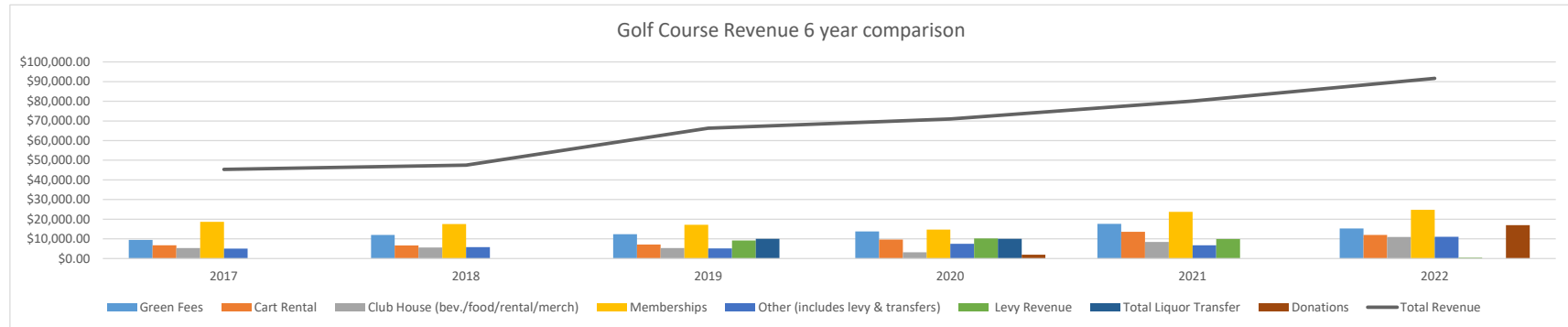
General Property taxes	\$9,317.67
Transfer Fr Liq Str	\$0.00
Reimbursements	\$1,130.99
Donations and Contributions	\$17,016.71 BDC Renovation Donation & others
Promotional Event Revenue	\$8,556.91
Cash Over	\$71.79
Sponsorship Revenue (cart / tee box)	\$3,250.00
Total Other Income	\$39,344.07

NET INCOME OR LOSS YEAR TO DATE (\$39,383.88)

Sales Comparison YTD	2021 thru September	2022	+/- over prior year
Green Fees	\$54,082.66	\$58,841.41	8.09%
Cart Rental	\$38,206.09	\$33,433.20	-14.28%
YTD Comparisons:	2021 thru September	2022	+/- over prior year
Operating Revenue	\$177,161.20	\$201,701.58	12.17%
Operating Expense	\$163,094.37	\$241,085.46	32.35%
	\$14,066.83	(\$39,383.88)	135.72%

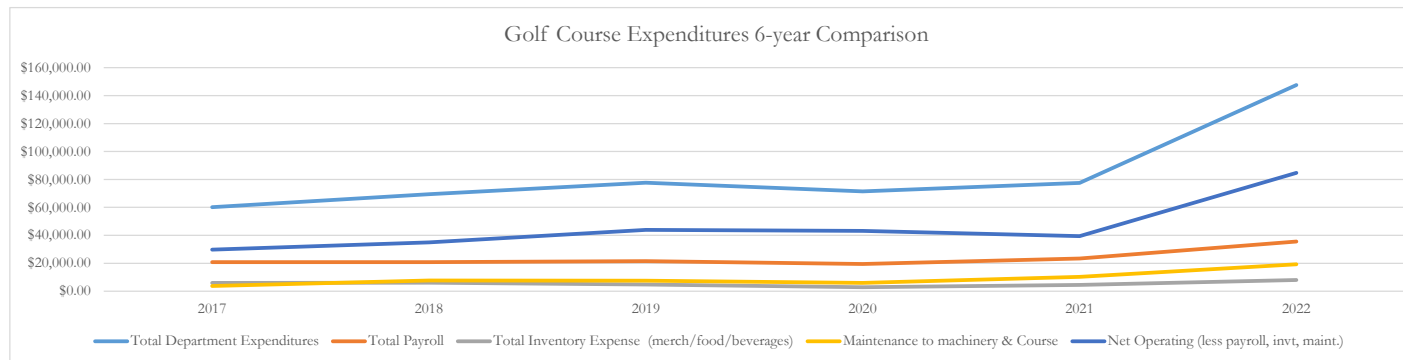
Golf Course Revenue (includes operating departments) 6 year comparison YTD through September

Year	Green Fees	Cart Rental	Club House (bev./food/rental/ merch)	Memberships	Other (includes levy & transfers)	Levy Revenue	Total Liquor Transfer	Donations	Total Revenue
2017	\$29,463.17	\$15,417.56	\$14,782.12	\$18,714.40	\$7,309.05	\$0.00	\$0.00	\$0.00	\$85,686.30
2018	\$35,789.41	\$17,608.74	\$19,830.35	\$17,812.50	\$6,932.34	\$0.00	\$0.00	\$0.00	\$97,973.34
2019	\$32,282.87	\$16,940.97	\$16,849.34	\$17,176.00	\$2,909.83	\$9,149.46	\$10,000.00	\$0.00	\$105,308.47
2020	\$43,447.96	\$26,406.07	\$16,884.06	\$15,432.50	\$8,115.24	\$10,180.84	\$10,000.00	\$2,000.00	\$132,466.67
2021	\$55,445.66	\$39,640.31	\$24,483.03	\$24,016.18	\$7,246.50	\$9,988.22	\$10,000.00	\$10,200.00	\$181,019.90
2022	\$58,841.41	\$33,433.20	\$44,570.43	\$25,512.47	\$39,344.07	\$9,317.67	\$0.00	\$17,016.71	\$228,035.96



Golf Course Expenditures 6 year comparison YTD through September

Year	Total Department Expenditures	Total Payroll	Total Inventory Expense (merch/food/beverages)	Maintenance to machinery & Course	Net Operating (less payroll, invt, maint.)
2017	\$106,293.00	\$50,212.45	\$9,549.97	\$8,037.82	\$38,492.76
2018	\$121,027.20	\$50,842.42	\$9,639.53	\$15,269.84	\$45,275.41
2019	\$131,018.16	\$54,546.98	\$8,379.48	\$14,435.76	\$53,655.94
2020	\$126,545.04	\$56,804.63	\$6,619.03	\$9,928.54	\$53,192.84
2021	\$167,741.43	\$61,600.69	\$10,890.17	\$20,044.45	\$75,206.12
2022	\$241,085.46	\$81,372.47	\$24,150.09	\$21,323.21	\$114,239.69



Blackduck Municipal Liquor Store Income Statement
Year to Date Ending 09/30/2022

\$688,909.40 *How much we paid for our inventory (expenses)*

	YTD Sales	Cost of Goods	Gross Profit		2022 Liquor Revenue Budget
Liquor Sales Off-Sale	\$224,455.77	\$171,831.12	\$52,624.65	23.45%	\$300,000.00
Beer Sales Off-Sale	\$401,108.52	\$314,573.55	\$86,532.97	21.57%	\$500,000.00
Wine Sales Off-Sale	\$38,161.00	\$23,442.62	\$14,718.38	38.57%	\$50,000.00
Other Sales On/Off-Sale	\$17,622.84	\$13,392.24	\$4,230.60	24.01%	\$14,500.00
Liquor Sales On-Sale	\$104,869.45	\$21,063.79	\$83,805.66	79.91%	\$95,000.00
Beer Sales On-Sale	\$130,412.12	\$27,192.83	\$103,219.29	79.15%	\$127,000.00
Wine Sales On-Sale	\$2,255.47	\$757.41	\$1,498.06	66.42%	\$1,000.00
Cigarette Sales	\$47.99	\$0.00	\$47.99	100.00%	\$0.00
Clothing	\$7,684.56	\$5,904.76	\$1,779.80	23.16%	\$6,000.00
Soft Drinks On Sale	\$16,148.56	\$9,702.87	\$6,445.69	39.91%	\$15,000.00
Food Sales	\$226,805.42	\$132,795.72	\$94,009.70	41.45%	\$185,000.00
		<i>Our cost of inventory</i>		GPM	\$1,293,500.00
Total	\$1,169,571.70	\$720,658.91	\$448,912.79	38.38%	
Less Operating Expense		2022 YTD	Budget		Remaining
Wages FT		\$164,555.90	\$202,220.57		\$37,664.67
Wages PT		\$88,644.75	\$64,493.68		(\$24,151.07)
PERA		\$19,751.92	\$19,891.07		\$139.15
FICA		\$22,836.24	\$20,288.89		(\$2,547.35)
Health Insurance		\$43,876.45	\$58,948.75		\$15,072.30
Office Supplies		\$762.50	\$1,200.00		\$437.50
Electricity		\$15,088.64	\$20,000.00		\$4,911.36
Heating Fuel		\$20,707.04	\$3,500.00		(\$17,207.04)
Computer Supplies		\$0.00	\$0.00		\$0.00
Training and Instruction		\$1,698.00	\$500.00		(\$1,198.00)
Operating & Bar Supplies		\$33,781.29	\$20,000.00		(\$13,781.29)
Cleaning Supplies		\$133.10	\$0.00		(\$133.10)
Bar Supply		\$0.00	\$0.00		\$0.00
Building Repair Supplies		\$98.57	\$0.00		(\$98.57)
Mix Expense		\$10,246.98	\$7,000.00		(\$3,246.98)
Auditing /Acct'g Services		\$6,500.00	\$6,500.00		\$0.00
Other Professional Services/Cleaning		\$8,556.22	\$4,400.00		(\$4,156.22)
Website Development		\$1,166.00	\$0.00		(\$1,166.00)
Telephone		\$1,852.31	\$2,000.00		\$147.69
Postage		\$500.00	\$500.00		\$0.00
Cable Television		\$1,220.25	\$1,500.00		\$279.75
Internet Access		\$814.55	\$1,200.00		\$385.45
Advertising		\$300.00	\$500.00		\$200.00
Travel Expense		\$235.80	\$500.00		\$264.20
Freight		\$5,511.79	\$5,000.00		(\$511.79)
Legal Fees		\$0.00	\$0.00		\$0.00
Promotions/Entertainment		\$5,047.50	\$3,000.00		(\$2,047.50)
Legal Notices		\$0.00	\$0.00		\$0.00
Liability Insurance		\$3,414.17	\$2,800.00		(\$614.17)
Property Insurance		\$6,647.00	\$7,400.00		\$753.00
Dram Shop/Liquor Liability		\$4,157.00	\$4,750.00		\$593.00
Other Insurance		\$0.00	\$0.00		\$0.00
Work Comp		\$8,413.94	\$5,200.00		(\$3,213.94)
Water Utility		\$1,948.37	\$2,700.00		\$751.63
Garbage Disposal		\$5,491.16	\$6,000.00		\$508.84
Catering Expense		\$0.00	\$500.00		\$500.00
Repairs & Maintenance		\$0.00	\$0.00		\$0.00
Repairs/Maintenance Building		\$8,678.02	\$10,000.00		\$1,321.98
Uncollectable Checks		\$209.24	\$200.00		(\$9.24)
Dues and Subscriptions		\$4,124.79	\$4,500.00		\$375.21
Bank Service Charges		\$15,161.96	\$750.00		(\$14,411.96)
Furniture & Fixtures		\$1,023.95	\$6,000.00		\$4,976.05
Office Equip & Furnishings (kitchen equipment)		\$0.00	\$0.00		\$0.00
<i>Construction Services - Close out for 2021 Project</i>		\$11,524.08	\$0.00		(\$11,524.08)
Improvements Other than Buildings - remodel		\$0.00	\$0.00		\$0.00
Building & Structures		\$279.38	\$6,000.00		\$5,720.62
Medical Fees		\$343.00	\$350.00		\$7.00
Assessment		\$1,082.08	\$1,300.00		\$217.92
Obligation Debt - Remodel/Addition - Interest		\$12,767.00	\$13,405.47		\$638.47
Other Equipment - Message board debt		\$8,320.63	\$15,022.88		\$6,702.25
Total Operating Expense		\$547,471.57	\$530,021.31		(\$17,450.26)
Inventory Expense			(\$31,749.51)		
NET INCOME OR LOSS			(\$66,809.27)	<i>(gross profit - expenses)</i>	
Other Expenses					
<i>Donations</i>		<i>\$6,600.00</i>	<i>2022 Budget - \$4,000.00</i>		
Capital Outlay		\$0.00			
Unemployment Paid		\$631.50			
Cash Short		(\$149.11)			
Misc. Expense		\$0.00			
Total Other Expenses		\$7,082.39			
Other Income					
Reimbursements (NSF)		\$1,671.41			
<i>Rent Income</i>		<i>\$11,569.00</i>			
Vending Income		\$2,710.55			
Interest		\$621.68			
Catering Revenue		\$2,009.07			
Bank Service Fees Charged to customers		\$14,685.20			

<i>Transfer from Liquor Rent Fund</i>	<i>\$10,000.00</i>
Cash Over	\$5.12
Total Other Income	\$43,272.03
Gross Profit Before Transfers	(\$30,619.63)
Transfer to General Fund & Other Funds	\$0.00
Net Profit After Inventory Exp & Transfers	(\$30,619.63)

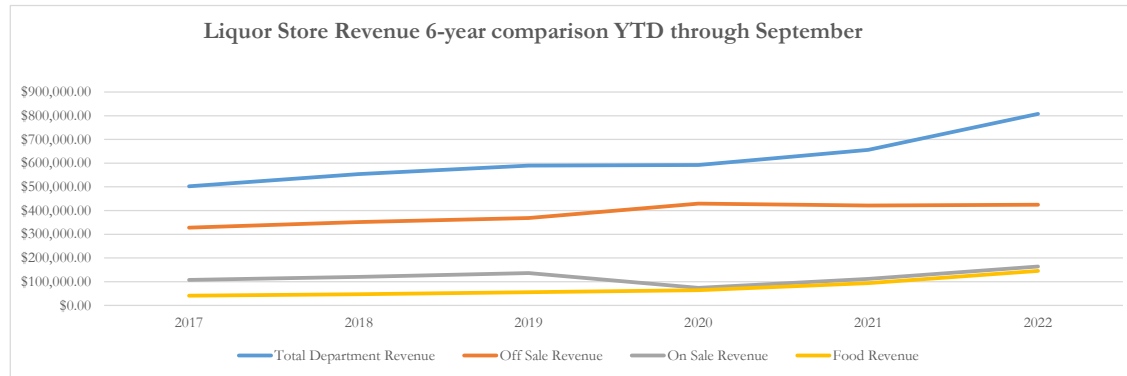
Inventory On-Hand at 1/1/2022 after inventory total	\$87,723.20
Inventory On-Hand at 09/30/2022	\$108,163.56
Difference	\$20,440.36

Sales Comparison Year to Date Ending 09/30/2022

	2020	2021	2022	% of Increase from 2021-2022
Off-Sale Liquor	\$226,076.35	\$212,859.44	\$224,455.77	5.45%
Off-Sale Beer	\$424,215.48	\$417,552.19	\$401,108.52	-3.94%
Off-Sale Wine	\$35,744.71	\$32,536.68	\$38,161.00	17.29%
Total Off-Sale	\$686,036.54	\$662,948.31	\$663,725.29	0.12%
On-Sale Liquor	\$56,756.30	\$83,492.93	\$104,869.45	25.60%
On-Sale Beer	\$72,694.06	\$106,611.58	\$130,412.12	22.32%
On-Sale Wine	\$668.03	\$1,289.09	\$2,255.47	74.97%
Total On-Sale	\$130,118.39	\$191,393.60	\$237,537.04	24.11%
Total On and Off Sale	\$816,154.93	\$854,341.91	\$901,262.33	5.49%
Total Food Sales	\$114,335.90	\$148,304.78	\$226,805.42	52.93%
Gross Liquor Store Sales Comparison	\$983,836.57	\$1,051,106.68	\$1,212,843.73	15.39%

Liquor Store Revenue 6 year comparison YTD through September

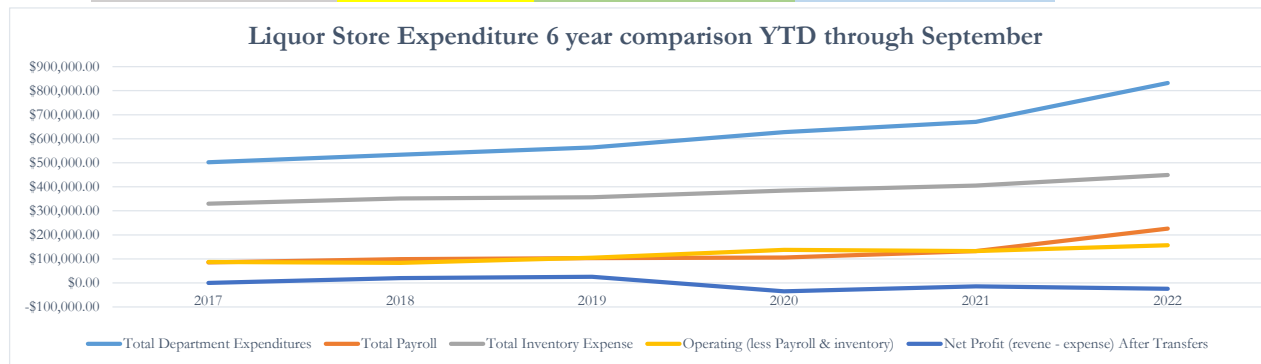
Year	Total Department Revenue	Off Sale Revenue	On Sale Revenue	Food Revenue
2017	\$804,070.64	\$525,347.66	\$168,657.55	\$64,730.51
2018	\$873,776.91	\$561,585.97	\$189,522.43	\$73,368.57
2019	\$938,073.07	\$589,294.98	\$214,197.96	\$87,324.41
2020	\$984,144.55	\$686,036.54	\$130,118.39	\$114,335.90
2021	\$1,051,106.68	\$662,948.31	\$191,393.60	\$148,304.78
2022	\$1,212,843.73	\$663,725.29	\$237,537.04	\$226,805.42



Liquor Store Expenditure 6 year comparison YTD through September

Year	Total Department Expenditures	Total Payroll	Total Inventory Expense	Operating (less Payroll & inventory)	Net Profit (<i>revenue - expense</i>) Before Transfers	<i>Amount Transferred to Date</i>
2017	\$751,462.34	\$128,323.68	\$524,070.62	\$99,068.04	\$52,608.30	\$20,000.00
2018	\$864,589.79	\$152,329.56	\$550,626.96	\$161,633.27	\$9,187.12	\$20,000.00
2019	\$857,065.03	\$154,718.63	\$580,552.31	\$121,794.09	\$81,008.04	\$40,000.00
2020	\$952,830.53	\$171,313.35	\$622,430.23	\$159,086.95	\$31,314.02	\$32,500.00
2021	\$1,026,695.36	\$209,991.09	\$646,487.58	\$170,216.69	\$24,411.32	\$50,000.00
2022	\$1,243,463.36	\$339,665.26	\$720,658.91	\$183,139.19	-\$30,619.63	\$0.00

Payroll Expense Guide: 1 FT benefited Employee 2 FT benefited employees 5 FT benefited employees



General Fund

Year to Date Income Statement thru 09/30/2022

General Fund Revenues	2022 YTD	2022 Budget	Remaining
Property Taxes	\$154,685.51	\$258,309.00	\$103,623.49
LGA	\$141,868.50	\$283,737.00	\$141,868.50
State, County, Federal Aid - includes ARP funding	\$83,392.79	\$54,500.00	-\$28,892.79
Fire Protection	\$85,262.51	\$83,655.00	-\$1,607.51
Other	\$29,424.01	\$28,100.00	-\$1,324.01
Transfers in	\$15,000.00	\$65,000.00	\$50,000.00
Total General Fund Revenues	\$509,633.32	\$773,301.00	\$263,667.68

General Fund Expenditures - By Department	2022 YTD	2022 Budget	Remaining
City Council	\$2,558.52	\$15,084.00	\$12,525.48
Admininstration	\$149,110.37	\$160,722.02	\$11,611.65
Planning & Zoning	\$7,959.52	\$11,000.00	\$3,040.48
Government Bldgs	\$9,222.48	\$15,035.00	\$5,812.52
Police Department - <i>includes expenses for project</i>	\$125,149.80	\$231,093.82	\$105,944.02
Fire Department	\$87,372.73	\$101,400.00	\$14,027.27
Street Department - <i>includes expenses for project</i>	\$184,157.30	\$169,761.61	(\$14,395.69)
Street Lighting	\$7,686.13	\$14,000.00	\$6,313.87
Parks - Wayside Rest	\$18,889.25	\$27,109.74	\$8,220.49
Library	\$22,424.50	\$26,095.00	\$3,670.50
Total General Fund Expenditures	\$614,530.60	\$771,301.19	\$156,770.59

Net Difference **(\$104,897.28)**

CITY OF BLACKDUCK

Payments

09/27/22 11:34 AM

Page 1

Current Period: September 2022

Payment Batch DWDCCPMT092022		\$653.60	
Refer	54 CARDMEMBER SERVICE -DEERW Ck# 011267 9/20/2022		
Cash Payment	E 101-41400-355 Election Expense	ELECTION MEALS FOR STAFF	\$45.78
Invoice			
Cash Payment	E 101-41400-355 Election Expense	ELECTION MEALS FOR STAFF	\$13.00
Invoice			
Cash Payment	E 101-42200-322 Postage		\$33.86
Invoice			
Cash Payment	E 101-41400-570 Office Equip and Furnishi		\$26.83
Invoice			
Cash Payment	E 101-41940-210 Operating Supplies (GEN		\$77.30
Invoice			
Cash Payment	E 601-43200-322 Postage		\$9.29
Invoice			
Cash Payment	E 101-41400-207 Computer Supplies		\$16.61
Invoice			
Cash Payment	E 101-42110-433 Dues and Subscriptions		\$211.69
Invoice			
Cash Payment	E 601-43200-322 Postage		\$4.03
Invoice			
Cash Payment	E 613-49830-322 Postage	CREDIT MISTY F. CCARD	-\$69.01
Invoice			
Cash Payment	E 613-49830-271 Golf Accessories for Res	DUNHAM	\$69.01
Invoice			
Cash Payment	E 613-49830-271 Golf Accessories for Res	DUMHAM	\$63.97
Invoice			
Cash Payment	E 613-49830-404 Repairs/Maint Machinery	CLEANER	\$79.00
Invoice			
Cash Payment	E 609-49750-210 Operating Supplies (GEN		\$72.24
Invoice			
Transaction Date	9/20/2022	DW Checking 10100	Total \$653.60

Fund Summary

	10100 DW Checking	
101 GENERAL FUND		\$425.07
601 WATER FUND		\$13.32
609 MUNICIPAL LIQUOR FUND		\$72.24
613 GOLF COURSE		\$142.97
		\$653.60

Pre-Written Checks	\$653.60
Checks to be Generated by the Computer	\$0.00
Total	
	\$653.60

LG216 Worksheet for Calculating Lawful Gambling Monthly Rent

Organization Name
Blackduck Fire Relief

Licence Number
01944

Site Name
POND

Site Number
001

(Use one worksheet for each site. If lease changes, use new worksheet)

Booth Operation Rent

1 List the % to be paid for paper pull-tabs, tipboards, paddletickets, electronic pull-tabs and electronic linked bingo conducted by the organization's employees

Bar Operation Rent

2 List the % to be paid for paper pull-tabs, tipboards and paddletickets conducted by the lessor or lessor's employees

3 List the % to be paid for electronic pull-tabs and electronic linked bingo conducted the lessor or lessor's employees

1

2 **20.00%**

3

A	B1	B2	C1	C2	D	E1	E2	F	G	H
	Booth Operation		Bar Operation		Rent Limit	Bar Operation Electronic Games		Total Rent	Bar Operation	
Month and Year	Multiply the total of this month's net receipts from paper pull-tabs, electronic pull-tabs, electronic linked bingo, tipboards, and paddletickets by the amount in Box 1.		Multiply the total of this month's net receipts from paper pull-tabs, tipboards, and paddletickets by the amount in Box 2.		If an amount was entered, in Col B, enter the sum of Cols B and C up to a max of \$1750. If Col B is blank, enter Col C.	Multiply the total of this month's net receipts from, electronic pull-tabs and electronic linked bingo by the amount in Box 3.		Add Columns D and E Report amount on Schedule A, line 22h	Enter cash short for games sold from bar-op. Report amount on Sched A, line 22m. in month the Col H is paid.	Subtract Col G from Col F. This is the amount of rent to be paid. The amount is not reported on Sched A.
8/2022			4475.00	895.00	895.00			895.00	(4.00)	891.00

1 This amount may not exceed 10%
2 Enter no more than 10% if paper or electronic pull-tabs, tipboards, paddletickets (other than paddlewheel without a table once weekly), or electronic linked bingo games are conducted by the organization's employees. Otherwise, enter no more than 20%.
3 This amount may not exceed 15%.
4 Electronic pull-tab rent is based on the receipts incurred during the month, and not on when each pull-tab deal is closed.
5 If the amount in Column H is negative, contact your compliance specialist.

To

Vendor ID: 0000201376
Vendor Location: 001
Vendor Name: BLACKDUCK CITY OF T
Vendor Address: PO BOX 380
 BLACKDUCK, MN 56630-0380

Reference Information

Pay Cycle: DLYEFT
Pay Cycle Seq Number: 2838

Payment Information

Payment Reference: 0007651898
Payment Date: 09/29/2022
Payment Method: Automated Clearing House

Agency Code / Description	Contact Phone	Voucher ID / Payment Message	Invoice Date	Invoice Number	Customer Account	Paid Amt
G90 / REVENUE/INTERGOVT	651/556-6092	00 09857141	09/30/2022	22918A20402002P001	CITY-040200 POLICE_AID	14,189.95
		POLICE STATE AID				
Total:						14,189.95 USD

Final Council Approval for the Following

New Employees:

Name:	Position:	Date of Hire:	Wage:
Carla Anderson	Off-Sale Clerk	9/16/2022	\$12.00

PROGRESS MEETING #8

September 22, 2022

Re: Combined Maintenance and Police Facility

Subject: Meeting Minutes

Attendees: Angela Bokovoy, Rural Development Area Specialist
Christina Regas, City Administrator
Mike Schwanke, Public Works Director
Ron Fredrickson, City Councilor
Max Gulette, City Mayor
Clay Witkofsky, TNT Construction Group LLC
Brent Dammann, WiDSETH

Location: Blackduck City Hall

Please note meeting minutes distributed by email only.

1. Outstanding Items from Previous Meetings:

- 1.1. The Owner had made earlier arrangements with Paul Bunyan Telephone Company to provide telephone and data connection for this project. A portion of this work is in the project's construction contract.
 - 1.1.1. The Contractor shall coordinate with the Owner and Paul Bunyan Telephone.
 - 1.1.1.1. Clay informed the group that the city will be receiving a revised quote from Paul Bunyan. Once Christina receives the quote, she will share with the group for review.
- 1.2. The door hardware needs were reviewed following the meeting. Based on the feedback from the City, Widseth will outline the needs and review with TNT and the hardware supplier what changes of hardware scope there may potentially be. Once the hardware needs are addressed and finalized, we will then review the keying arrangements for the Public Works staff and Police staff.
- 1.3. The stair handrails were reviewed onsite following the meeting. Widseth will provide a sketch to TNT to accommodate the adjustments made in the field.
- 1.4. On the north side of the building, there is going to be a couple of exhaust hoods that will extend beyond the roof edge. As such, there is the potential for damage in the winter with snow coming from the roof. Widseth will prepare a proposal request to provide snow guards in this area.

2. Review of Work Progress:

2.1. Progress since last meeting:

- 2.1.1. Electrical rough-in is nearly complete.
- 2.1.2. Plumbing rough-in is nearly complete.
- 2.1.3. HVAC rough-in continues
- 2.1.4. Framing is complete.

2.2. Sequence of work progress:

- 2.2.1. Currently about 1-week behind schedule.
- 2.2.2. Spray foam insulating is scheduled to start on September 27th.
- 2.2.3. Overhead sectional doors should be delivered on September 26th. Install could start the following day, but that date is dependent on the door trim arriving and being installed.
- 2.2.4. Sheetrocking should begin first week in October.
- 2.2.5. No firm date yet on start of site concrete work but should only be 3 days' worth of work.

2.3. Required coordination's to maintain schedule:

2.3.1. None currently.

3. Status of Submittals:

3.1. Reviewed and approved since last progress meeting:

3.1.1. 05 5213 Pipe & Tube Railings

3.1.1.1. The Contractor is holding the submittal until the stairs are framed in.

3.2. Submittals under review:

3.2.1. None currently.

3.3. Rejected submittals:

3.3.1. None currently.

3.4. Submittals scheduled for submission:

3.4.1. 06 2000 Finish Carpentry

3.4.2. 07 2500 Weather Barriers – vapor retarder

3.4.3. 07 9200 Joint Sealant

3.4.4. 09 9600 High-Performance Coatings – trench drain epoxy painting

3.4.5. 12 3200 Manufactured Wood Casework

3.4.6. 22 1005 Plumbing Piping

3.4.7. 23 5100 Breechings, Chimneys and Stacks

4. Quality & Work Standards and Correction of Deficient Items:

4.1. None currently.

5. Request for Information (RFI's):

5.1. None currently.

6. Architect's Supplemental Instructions (ASI's):

6.1. ASI #1 - adjusted the number of nails used at the LVL beam connections; provided additional two-by-six blocking at the typical wall column

6.2. ASI #2 – Rejected by the Owner.

6.3. ASI #3 was issued August 31, 2022. HVAC modifications at the floor joist area, duct insulation and location of louver "L-1".

6.4. ASI #4 was issued September 6, 2022. Add additional silt-fence per MPCA.

7. Status of Proposal Requests:

7.1. Change Order #4 addresses ASI #4 additional cost.

8. Status of Change Orders:

8.1. Change Order #01 – Value Engineering: Approved

8.2. Change Order #02 – bad soils at building area: Approved

8.3. Change Order #03 – provide two electrical disconnects: Approved

8.4. The City of Blackduck approved Change Order #04.

9. Applications for Progress Payments

9.1. The Contractor to submit Pay Application #5 by next meeting for review and approval.

10. Schedule next Progress Meeting:

10.1. The next progress meeting to be October 6th.

10.1.1. Meet at City Hall; Time: 10:30 AM.

11. Other Discussion Items:

11.1. None currently.

If in error, omission, or in need of clarification, contact WiDSETH or mention the issue at the next meeting.

Sincerely,

WiDSETH

Brent Dammann
Architect

Field Report

Project Title: Combined Maintenance and Police Facility

Project Number: 2020-11912

Field Report #: 08

Date: September 22, 2022

Time: 9:30 am – 10:15 am

Weather: Partly Cloudy

Temp. Range: 45 - 50

Contractors on site: Framing, HVAC and Electrician crews

Observation:

1. The Contractor has the framing complete.
2. The Contractor has all hollow metal door frames installed.
3. The installation of the HVAC duct work continues. Currently, penetrations at exterior walls are in progress.
4. Stairs are framed, currently waiting on handrails.
5. Additional erosion control measures are in place.
6. Photos taken of the entire site and building area.

Information or Action Required:

1. Issue sketch for necessary handrail adjustments.

Reported By: Brent Dammann
Architect

Attachment: (2) construction photos



2023 wage scales - Proposed - *includes DOL min. wage increase across all positions* (\$1.09 cents - 2018-2023)

Points	Department	Position	FT/PT/Seasonal Benefited	FLSA Status	Hiring Range Step 1	Hiring Range Step 2	Hiring Range Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Top of Range
483	Administration	City Administrator	FT / Benefited	Exempt	\$19.90	\$21.09	\$22.36	\$23.70	\$25.12	\$26.63	\$28.23	\$29.92	\$31.72	\$33.62	\$35.64
353	Public Works	Public Works Director -	FT / Benefited	Non-Exempt	\$24.03	\$24.75	\$25.49	\$26.26	\$27.05	\$27.86	\$28.69	\$29.55	\$30.44	\$31.35	\$32.29
353	Police	Chief of Police	FT / Benefited	Non-Exempt	\$25.26	\$26.02	\$26.80	\$27.60	\$28.43	\$29.28	\$30.16	\$31.07	\$32.00	\$32.96	\$33.95
342	Liquor	Director of Liquor Operations	FT / Benefited	Non-Exempt	\$20.04	\$20.64	\$21.26	\$21.90	\$22.56	\$23.23	\$23.93	\$24.65	\$25.39	\$26.15	\$26.93
252	Public Works	Water & Wastewater & Maintenance Worker -	FT / Benefited	Non-Exempt	\$20.77	\$21.39	\$22.03	\$22.70	\$23.38	\$24.08	\$24.80	\$25.54	\$26.31	\$27.10	\$27.91
244	Police	Patrol Officer	FT / Benefited	Non-Exempt	\$21.08	\$21.71	\$22.36	\$23.03	\$23.73	\$24.44	\$25.17	\$25.93	\$26.70	\$27.50	\$28.33
244	Police	Patrol Officer - <i>Experience level</i>	PT	Non-Exempt	\$21.08	\$21.71	\$22.36	\$23.03	\$23.73	\$24.44	\$25.17	\$25.93	\$26.70	\$27.50	\$28.33
291	Liquor	Assistant Liquor Store Manager	FT / Benefited	Non-Exempt	\$17.18	\$17.52	\$18.05	\$18.59	\$19.15	\$19.72	\$20.31	\$20.92	\$21.55	\$22.20	\$22.86
218	Liquor	Lead Bartender	FT / Benefited	Non-Exempt	\$12.99	\$13.64	\$14.32	\$15.04	\$15.49	\$15.95	\$16.43	\$16.92	\$17.43	\$17.96	\$18.49
208	Administration	Deputy Clerk / Administrative Assistant	FT / Benefited	Non-Exempt	\$16.20	\$17.17	\$18.20	\$18.93	\$19.69	\$20.48	\$21.29	\$22.15	\$23.03	\$23.95	\$24.91
291	Golf	Golf Course Director - <i>NEW</i>	FT / Benefited	Non-Exempt	\$17.18	\$17.52	\$18.05	\$18.59	\$19.15	\$19.72	\$20.31	\$20.92	\$21.55	\$22.20	\$22.86
173	Liquor	Bartender	PT	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
153	Liquor	Liquor Store Clerk	FT / Benefited	Non-Exempt	\$12.99	\$13.64	\$14.32	\$15.04	\$15.49	\$15.95	\$16.43	\$16.92	\$17.43	\$17.96	\$18.49
153	Liquor	Liquor Store Clerk	PT	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
134	Liquor	Cook	FT / Benefited	Non-Exempt	\$12.99	\$13.64	\$14.32	\$15.04	\$15.49	\$15.95	\$16.43	\$16.92	\$17.43	\$17.96	\$18.49
134	Liquor	Cook	PT	Non-Exempt	\$12.26	\$12.87	\$13.52	\$14.19	\$14.62	\$15.06	\$15.51	\$15.97	\$16.45	\$16.95	\$17.45
210	Golf	Golf Course Head Grounds Keeper	FT / Seasonal	Non-Exempt	\$12.26	\$12.87	\$13.52	\$14.19	\$14.62	\$15.06	\$15.51	\$15.97	\$16.45	\$16.95	\$17.45
210	Public Works	Public Works Summer Maintenance	PT / Seasonal	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
173	Golf	Golf Course Club House Clerk	PT / Seasonal	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
173	Golf	Golf Course Grounds Maintenance	PT / Seasonal	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
173	Golf	Golf Course Grounds Maintenance	PT / Seasonal	Non-Exempt	\$10.59	\$11.12	\$11.68	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.21	\$14.64	\$15.08
			2023 Department of Labor Increase	0.26											
			2022 Department of Labor Increase	0.25											
			2021 Department of Labor Increase	0.08											
			2020 Department of Labor Increase	0.14											
			2019 Department of Labor Increase	0.21											
			2018 Department of Labor Increase	0.15											
			Total:	1.09											



8 Summit Ave. NE, PO Box 380, Blackduck, MN 56630-0380

1. **Article 8. Overtime / Comp-time.**

Members of the Local 49ers are requesting consideration for the following:

All hours worked by an employee in excess of eight (8) hours per day or forty (40) hours per week shall be paid for at one and one-half (1½) times the employee's regular straight time rate of pay.

Vacation and sick leave will count towards hours worked.

2. **ARTICLE 9. Holidays.**

Members of the Local 49ers are requesting consideration for the following:

Holidays will count towards hours worked.

3. **ARTICLE 11. Sick Leave.**

Members of the Local 49ers are requesting consideration for the following:

(Severance)

10-19 years of service

~~30~~ 40% of unused sick leave

20 years or more

~~50~~ 60% of unused sick leave

4. **ARTICLE 12. Parenting Leave.**

Members of the Local 49ers are requesting consideration for the following language:

The Employer will provide eighty (80) hours of Parenting Leave after the Employee has completed two (2) years of employment with the City of Blackduck. The Employee will use the eighty (80) hours of Parenting Leave consecutively for a birth or adoption of a child (Per Event) while employed.

5. **ARTICLE 17. Wages.**

Members of the Local 49ers are requesting consideration for the following:

All employees covered by this Agreement will receive on January 1, 2023 a 6.00% COLA.

Remove Existing Language, 17.3 Chris Brown, Maintenance Worker #2

6. **ARTICLE 20. Duration.**

Members of the Local 49ers are requesting consideration for the following:

January 1, 2023 to December 31, 2023

www.blackduckmn.com

Phone: (218) 835-4803 Fax: (218) 835-4801 Email: city@paulbunyan.net

"The City Of Blackduck Is An Equal Opportunity Provider"

(FOR USE BY LOCAL JURISDICTIONS)

APPLICATION / PERMIT OUTDOOR
PUBLIC FIREWORKS DISPLAY

Applicant instructions:

1. This application is for an **outdoor** public fireworks display only and is **not** valid for an indoor fireworks display.
2. This application must be completed and returned at least 15 days prior to date of display.
3. Fee upon application is \$ _____ and must be made payable to _____

Name of Applicant (Sponsoring Organization): Blackduck High School
Address of Applicant: 156 1st St NE, Door 1, Blackduck, MN 56630

Name of Applicant's Authorized Agent: Tracy Wright North Star Fireworks

Address of Agent: 701 Charles St, Brainerd MN 56401

Telephone Number of Agent: 612-743-3512 Date of Display: 9/16/22 Time of Display: 6-10pm

Location of Display: Baseball field

Manner and place of storage of fireworks prior to display: ATF approved bunker

Type and number of fireworks to be discharged: a variety of cakes

**MINNESOTA STATE LAW REQUIRES THAT THIS DISPLAY BE CONDUCTED UNDER THE DIRECT
SUPERVISION OF A PYROTECHNIC OPERATOR CERTIFIED BY THE STATE FIRE MARSHAL.**

Name of Supervising Operator: Tracy Wright Certificate No.: 1102

Required attachments. The following attachments must be included with this application:

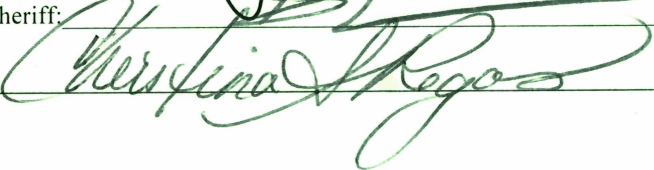
1. Proof of a bond or certificate of insurance in amount of at least \$ see attached
(Suggested Amount: \$1.5 million minimum)
2. A diagram of the ground at which the display will be held. This diagram (drawn to scale or with dimensions included) must show the point at which the fireworks are to be discharged; the location of ground pieces; the location of all buildings, highways, streets, communication lines and other possible overhead obstructions; and the lines behind which the audience will be restrained.
3. Names and ages of all assistants that will be participating in the display.

The discharge of the listed fireworks on the date and at the location shown on this application is hereby approved, subject to the following conditions, if any:

I understand and agree to comply with all provisions of this application, MN Statute 624.20 through 624.25, MN State Fire Code, National Fire Protection Association Standard 1123 (2006 edition), applicable federal law(s) and the requirements of the issuing authority and will ensure that the fireworks are discharged in a manner that will not endanger persons or property or constitute a nuisance.

Signature of Applicant (or Agent)  Date: 9/2/22

Signature of Fire Chief/County Sheriff:  Date: 9-13-22

Signature of Issuing Authority:  Date: 9-13-22





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/9/2022

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

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

PRODUCER Ryder Rosacker McCue & Huston (MGD by Hull & Company) 509 W Koenig St Grand Island NE 68801	CONTACT NAME: Kristy Wolfe PHONE (A/C, No, Ext): 308-382-2330 E-MAIL ADDRESS: kwolfe@ryderinsurance.com FAX (A/C, No): 308-382-7109														
INSURED North Star Fireworks LLC 701 Charles St Brainerd MN 56401	<table><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A : SCOTTSDALE INS CO</td><td>41297</td></tr><tr><td>INSURER B : NATIONAL CAS CO</td><td>11991</td></tr><tr><td>INSURER C :</td><td></td></tr><tr><td>INSURER D :</td><td></td></tr><tr><td>INSURER E :</td><td></td></tr><tr><td>INSURER F :</td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : SCOTTSDALE INS CO	41297	INSURER B : NATIONAL CAS CO	11991	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER B : NATIONAL CAS CO	11991														
INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES**CERTIFICATE NUMBER:** 1173273155**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC			CPS3994187	9/24/2021	9/24/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☒ SCHEDULED AUTOS ☒ HIRED AUTOS ☒ NON-OWNED AUTOS			ZBO0004081	11/11/2021	11/11/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$			CXS0019363	9/24/2021	9/24/2022	EACH OCCURRENCE \$ 500,000 AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Regarding the General Liability coverage, Blanket Additional Insured applies to the entities listed below per attached form GLS-150s when required by written agreement.

Regarding the General Liability coverage, Waiver of Subrogation applies to the entities listed below per attached form CG 24 04 when required by written agreement.

Display date: 9/16/22

City of Blackduck

8 Summit Ave NE

Blackduck MN

CERTIFICATE HOLDER**CANCELLATION**

Blackduck High School
156 1st ST NE
Door 1
Blackduck MN 56630

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.

This is an Agreement between you, the undersigned Client (**City of Blackduck, represented by Christina Regas**), and us, the Inspector (**Township and Range, LLC represented by Andrew Sharpe**), pertaining to our condition inspection of the building at: **17 Summit Ave. Blackduck, MN 56630**.

The terms below govern this Agreement.

1. The fee for our inspection is \$2,655, payable in full within 10 days after delivery of the final written report.
2. We will perform a visual inspection of the building and provide you with written comments summarizing our observations. This inspection is not governed by any organizational standards or state laws for inspecting commercial properties.
Our comments will be a subjective summary of our observations during the inspection. You may hire us to perform additional requests by signing a separate agreement with us.
3. We will not test for the presence of radon, a harmful gas. We will not test for mold. We will not test for compliance with applicable building codes or for the presence of (or for any potential dangers arising from the presence of) asbestos, lead paint, soil contamination, or other environmental hazards or violations.
4. Our inspection and any comments are for your use only. We are not responsible for the use or misinterpretation by third parties, and third parties who rely on our comments in any way do so at their own risk and release us (including employees and business entities) from any liability whatsoever. If you or any person acting on your behalf provide our comments to a third party who then sues you and/or us, you release us from any liability and agree to pay our costs and legal fees in defending any action naming us. Our inspection and comments are in no way a guarantee or warranty, express or implied, regarding the future use, operability, habitability, or suitability of the home/building or its components. We disclaim all warranties, express or implied, to the fullest extent allowed by law.
5. Limitation on Damages. We assume no liability for the cost of repair or replacement of unreported defects, either current or arising in the future. In all cases, our liability is limited to liquidated damages in an amount not greater than the fee you paid us. You waive any claim for consequential, exemplary, special, or incidental damages, or for the loss of the use of the building. You acknowledge that these liquidated damages are not a penalty, but that we intend them to: (i) reflect the fact that actual damages may be difficult or impractical to ascertain; (ii) allocate risk between us, and (iii) enable us to perform the Walk-Through for the agreed-upon fee.
6. We do not perform engineering, architectural, plumbing, or any other job function requiring an occupational license in the jurisdiction where the building is located. If we hold a valid occupational license, we may inform you of this and you may hire us to perform additional functions. Any agreement for such additional services shall be in a separate writing.
7. Waiver of Right to Sue. Because of the limited nature of our inspection, you waive any right to sue us under any negligence theory. As long as we perform the inspection, you also waive any right to sue us for breach of contract. If you nevertheless believe you have a claim against us, you agree to provide us with the following: (i) written notification of your claim within seven days of discovery, in sufficient detail and with sufficient supporting documents that we can evaluate it; and (ii) immediate access to the premises. Failure to comply with these conditions releases us from liability.

8. Venue / Attorney's Fees / Waiver of Trial by Jury. You agree that the exclusive venue for any litigation arising out of this Agreement shall be in the county where we have our principal place of business. If you fail to prove any claim against us, you agree to pay all our legal costs, expenses and attorney's fees incurred in defending that claim. In any action against us, you waive trial by jury.

9. If a court declares any provision of this Agreement invalid, the remaining provisions remain in effect. This Agreement represents our entire agreement; there are no terms other than those set forth herein. All prior discussions are merged into this Agreement. No statement or promise by us shall be binding unless reduced to writing and signed by one of our authorized officers. Any modification of this Agreement must be in writing and signed by you and by one of our authorized officers. This Agreement shall be binding upon and enforceable by the parties and their heirs, executors, administrators, successors, and assignees. You will have no cause of action against us after one year from the date of the Walk-Through.

10. Past-due fees for our Walk-Through shall accrue interest at 8% per year. You agree to pay all costs and attorney's fees we incur in collecting the fees owed to us. If the Client is a corporation, LLC, or similar entity, you personally guarantee payment of the fee.

11. You may not assign this Agreement.

12. If a court finds any term of this Agreement ambiguous or requiring judicial interpretation, the court shall not construe that term against us by reason of the rule that any ambiguity in a document is construed against the party drafting it. You had the opportunity to consult qualified counsel before signing this.

13. If there is more than one Client, you are signing on behalf of all of them, and you represent that you are authorized to do so.

I HAVE CAREFULLY READ THIS AGREEMENT. I AGREE TO IT, AND I ACKNOWLEDGE RECEIVING A COPY OF IT.


CLIENT: Christina Regas, representative of City of Blackduck, MN

9-27-22
(Date)



INSPECTOR: Andrew Sharpe, representative of Township and Range, LLC.

9/23/2022
(Date)



Rural Development

September 30, 2022

3217 Bemidji Ave N.
Bemidji, MN 56601
Voice 218.751.1942
Fax 855.831.9441

City of Blackduck
PO Box 380
Blackduck, MN 56630

RE: Pay request #6

Dear Mayor:

The Following invoices will be approved for payment and should be paid directly to the following companies:

PPE #5:

TNT Construction Group, LLC	\$268,375.00
Total	<u>\$268,375.00</u>

The above approved invoices are RD eligible expenses. They will be paid from:

- 1. Applicant contribution: (\$316,627.00)**
=\$ 0.00
 - 2. Interim Financing: (Elhers \$1,655,000-RD Loan #1 and \$310,000-RD Loan #2)**
=\$268,375.00
- Total:**
\$268,375.00

Remaining Fund Balances:

Applicant Contribution –	\$ 0.00
Interim Financing/RD Loan #1 -	\$ 702,069.97
Interim Financing/RD Loan #2-	\$ 310,000.00
Total Funds still available:	\$1,012,069.97

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If you have any questions, please feel free to contact me.

Sincerely,



Angela Bokovoy
Area Specialist

Cc: City Administrator-Christina Regas
WSN -Brent Dammann
WSN-Todd Skyberg

Form RD 1924-18
(Rev. 6-97)UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
FARM SERVICE AGENCY

PARTIAL PAYMENT ESTIMATE

CONTRACT NO.
2020-11912

PARTIAL PAYMENT ESTIMATE NO.

5

PAGE 1

OWNER:

CONTRACTOR:

PERIOD OF ESTIMATE

City of Blackduck, MN

TNT Construction Group, LLC

FROM 9/1/2022 TO 9/30/2022

CONTRACT CHANGE ORDER SUMMARY

ESTIMATE

No.	Agency Approval Date	Amount			
		Additions	Deductions		
1	5/3/2022		138,391.00	1. Original Contract	\$2,064,000.00
2	6/15/2022	10,850.00		2. Change Orders	\$-125,506.00 \$0.00
3	8/17/2022	2,035.00		3. Revised Contract (1 + 2)	\$1,938,494.00 \$0.00
				4. Work Completed*	\$1,094,006.45
				5. Stored Materials*	0.00
				6. Subtotal (4 + 5)	\$1,094,006.45 \$0.00
				7. Retainage*	\$54,700.32
				8. Previous Payments	\$770,931.13
				9. Amount Due (6-7-8)	\$268,375.00 \$0.00
TOTALS		12,885.00	\$0.00	* Detailed breakdown attached	
NET CHANGE			\$0.00		

CONTRACT TIME

Original (days) 280

Revised

Remaining 143

On Schedule

☒ Yes☐ No

Starting Date 5/1/2022

Projected Completion 1/19/2023

CONTRACTOR'S CERTIFICATION:

The undersigned Contractor certifies that to the best of their knowledge, information and belief the work covered by this payment estimate has been completed in accordance with the contract documents, that all amounts have been paid by the contractor for work for which previous payment estimates was issued and payments received from the owner, and that current payment shown herein is now due.

Contractor TNT Construction Group, LLC

By

Date

9-30-2022

APPROVED BY OWNER:

Owner City of Blackduck, Christina Regas

By

Date

Christina A. Regas

9/30/2022

ARCHITECT OR ENGINEER'S CERTIFICATION:

The undersigned certifies that the work has been carefully inspected and to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract documents.

Architect or Engineer Widseth

By

Date

2022-09-30

ACCEPTED BY AGENCY:

The review and acceptance of this estimate does not attest to the correctness of the quantities shown or that the work has been performed in accordance with the contract documents.

By Angela Bokovoy

Title Area Specialist

Date

09-30-2022

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0042. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed and completing and reviewing the collection of information.



AIA® Document G703® – 1992

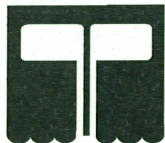
Continuation Sheet

AIA Document G702®, Application and Certification for Payment, or G732™, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO:	005
APPLICATION DATE:	September 23, 2022
PERIOD TO:	September 30, 2022
ARCHITECT'S PROJECT NO:	2020-11912

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G÷C)	H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
	BOND	30,000.00	30,000.00	0.00	0.00	30,000.00	100.00%	0.00	0.00
	BUILDING MATERIALS	277,000.00	183,000.00	33,000.00	0.00	216,000.00	77.98%	61,000.00	0.00
	CARPENTRY	291,409.00	129,780.00	20,000.00	0.00	149,780.00	51.40%	141,629.00	0.00
	DRYWALL	30,200.00	0.00	0.00	0.00	0.00	0.00%	30,200.00	0.00
	CONCRETE / TESTING	183,000.00	141,000.00	1,500.00	0.00	142,500.00	77.87%	40,500.00	0.00
	MISCELLANEOUS METALS	43,000.00	16,000.00	0.00	0.00	16,000.00	37.21%	27,000.00	0.00
	INSULATION / FIREPROOF	55,000.00	0.00	0.00	0.00	0.00	0.00%	55,000.00	0.00
	DOORS	74,000.00	0.00	15,000.00	0.00	15,000.00	20.27%	59,000.00	0.00
	GARAGE DOORS	65,500.00	0.00	57,000.00	0.00	57,000.00	87.02%	8,500.00	0.00
	ACCESSORIES	6,000.00	2,000.00	0.00	0.00	2,000.00	33.33%	4,000.00	0.00
	MECHANICAL	432,000.00	0.00	140,000.00	0.00	140,000.00	32.41%	292,000.00	0.00
	ELECTRICAL	150,000.00	45,000.00	16,000.00	0.00	61,000.00	40.67%	89,000.00	0.00
	DIRT / UTILITY / STAKING	288,500.00	253,876.45	0.00	0.00	253,876.45	88.00%	34,623.55	0.00
	VALUED ENGINEERING	138,391.00	0.00	0.00	0.00	0.00	0.00%	138,391.00	0.00
	CO 1 DEDUCT VALUED ENGINEERING	-138,391.00	0.00	0.00	0.00	0.00	0.00%	-138,391.00	0.00
	CO 2 BAD SOILS	10,850.00	10,850.00	0.00	0.00	10,850.00	100.00%	0.00	0.00
	CO 3 ELECTRICAL DISCONNECTS	2,035.00	0.00	0.00	0.00	0.00	0.00%	2,035.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00

A	B	C	D		E	F		G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G+C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE RATE)		
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD							
		0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00		
GRAND TOTAL		\$1,938,494.00	\$811,506.45	\$282,500.00	\$0.00	\$1,094,006.45	56.44%	\$844,487.55	\$0.00		



INVOICE

THEIN WELL

PO BOX 778 • SPICER, MN 56288 • 320-796-2111
www.theinwell.com

WELLS ~ PUMPS
SALES ~ SERVICE

Since 1893

DATE: 9/30/22
INVOICE NO.: 8164
TERMS: Net 30 Days

DUE DATE: 10/30/22
ATTENTION CREDIT CARD CUSTOMERS:
A 5% SURCHARGE WILL BE CHARGED
TO CUSTOMERS PAYING BY CREDIT CARD.

CREDIT CARD PAYMENT AUTHORIZATION



CREDIT ACCOUNT NUMBER



EXPIRATION DATE

CARD HOLDER SIGNATURE

\$

AMOUNT ENCLOSED

PLEASE DETACH & RETURN THIS PORTION WITH PAYMENT

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
	* WELL 8		
1.00	WORK DONE 8/24/22 - SET-UP, PULLED PUMPING SYSTEM, INSPECTED, DISINFECTED, REPLACED PUMP (HOLES IN IT) AND MOTOR, REINSTALLED, PUMPED TO WASTE, OBTAINED SPECIFIC CAPACITY, HOOKED INTO SYSTEM	4,260.00	4,260.00
1.00	20 HP 460V SUBMERSIBLE MOTOR	3,296.56	3,296.56
1.00	SUBMERSIBLE PUMP - GRUNDFOS 150S200-10	4,891.52	4,891.52
1.00	4 X 3 SWAGE NIPPLE	187.81	187.81
1.00	4" R&D COUPLING	85.50	85.50
160.00	FT - 8/4 SUBMERSIBLE CABLE	5.00	800.00
1.00	SPLICE KIT	50.00	50.00
1.00	ROLL - PIPE WRAP	25.00	25.00
1.00	ROLL - TAPE	3.55	3.55
1.00	LESS 2% CONTRACT DISCOUNT	272.00	-272.00
CITY OF BLACKDUCK			
OCT 05 2022			
Thank You			
Maximum finance charge allowed by law will be applied on all invoices past due.			

MEMBER
AWWA

THEIN WELL • PO BOX 778 • SPICER, MN 56288 • 320-796-2111
CERTIFIED MASTER WATER WELL CONTRACTOR

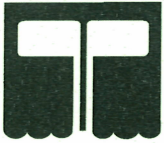
OTHER LOCATIONS: MONTICELLO, MN 763-271-4200 • CLARA CITY, MN

MEMBER
NGWA

TOTAL

\$13,327.94

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INVOICE

THEIN WELL

PO BOX 778 • SPICER, MN 56288 • 320-796-2111
www.theinwell.com

WELLS ~ PUMPS
SALES ~ SERVICE

Since 1893

SOLD TO:

CITY OF BLACKDUCK
P O BOX 380
BLACKDUCK, MN 56630-0380

DATE: 9/30/22
INVOICE NO.: 8165
TERMS: Net 30 Days

DUE DATE: 10/30/22
ATTENTION CREDIT CARD CUSTOMERS:
A 5% SURCHARGE WILL BE CHARGED
TO CUSTOMERS PAYING BY CREDIT CARD.

CREDIT CARD PAYMENT AUTHORIZATION



CREDIT ACCOUNT NUMBER



EXPIRATION DATE

CARD HOLDER SIGNATURE

\$ AMOUNT ENCLOSED

PLEASE DETACH & RETURN THIS PORTION WITH PAYMENT

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
	* WELL 5		
1.00	WORK DONE 8/23/22 - REPAIRED PLUMBING IN PUMPHOUSE	976.25	976.25
1.00	LESS 2% CONTRACT DISCOUNT	19.53	-19.53
CITY OF BLACKDUCK			
OCT 05 2022			
Thank You			
Maximum finance charge allowed by law will be applied on all invoices past due.			

MEMBER
AWWA

THEIN WELL • PO BOX 778 • SPICER, MN 56288 • 320-796-2111
CERTIFIED MASTER WATER WELL CONTRACTOR

OTHER LOCATIONS: MONTICELLO, MN 763-271-4200 • CLARA CITY, MN

MEMBER
NGWA

TOTAL

\$956.72

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CONNECTING AND INNOVATING

SINCE 1913

ACKNOWLEDGEMENT OF CLAIM

September 2, 2022

Security Insurance USA
Po Box 217
Blackduck Minnesota 56630-0217

Blackduck, City Of
PO Box 380
Blackduck MN 56630-0380

Re: Our Claim Number: LMC CP 000000233775
LMCIT Member: Blackduck, City Of
Claimant Name(s): Blackduck, City Of
Occurrence/Date of Loss: August 26, 2022
Claim Description: Irrigator passed over Farmers equipment in the irrigation fields.

The League of Minnesota Cities Insurance Trust claims office has received the above captioned claim. The assigned claim supervisor and adjuster are listed below. The adjuster is your key contact on this claim.

If you have any questions, please contact the adjuster or supervisor assigned to this claim.

Sincerely, LMCIT Claims Department

Adjuster: Dave Koepp
Phone No.: (612) 463-2715
Fax No.: (651) 281-1297
Email: dkoepp@lmc.org

Supervisor: Jim Boonstra
Phone No.: (651) 215-4088
Fax No.: (651) 281-1297
Email: jboonstra@lmc.org

LEAGUE OF MINNESOTA CITIES
INSURANCE TRUST
CLAIMS DEPARTMENT

145 UNIVERSITY AVE. WEST
ST. PAUL, MN 55103-2044

PHONE: (651) 281-1200
TOLL FREE: (800) 925-1122

FAX: (651) 281-1297
WEB: WWW.LMC.ORG

CC: Security Insurance USA
Po Box 217
Blackduck Minnesota 56630-0217

Northern Irrigation Contractors *****

45214 County Road 80 East
P.O. Box 264
Perham, MN 56573
USA

Voice: 218-346-7246
Fax: 218-346-6992

INVOICE

Invoice Number: 24726
Invoice Date: Sep 22, 2022
Page: 1

CITY OF BLACKDUCK

SEP 26 2022

Bill To:
City of Blackduck PO Box 380 Blackduck, MN 56630

Ship to:
City of Blackduck PO Box 380 Blackduck, MN 56630

Customer ID	Customer PO	Payment Terms	
BLACKDUCK		Net 10 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	UPS Ground		10/2/22

Quantity	Item	Description	Unit Price	Amount
1.00		157' Span	9,720.00	9,720.00
1.00		44' End Boom	3,232.39	3,232.39
1.00		44' Overlong Kit	1,634.84	1,634.84
1.00		2in to LW Starter Joint	751.00	751.00
1.00		Non-Tow Tower Structure	3,003.75	3,003.75
1.00		Last Tower Joint	949.40	949.40
1.00		Labor	11,550.00	11,550.00
Subtotal				30,841.38
Sales Tax				
Total Invoice Amount				30,841.38
Payment/Credit Applied				
TOTAL				30,841.38

Check/Credit Memo No:

Overdue invoices are subject to late charges.

Northern Irrigation
45214 County Road 80 East P.O. Box 264
Perham, MN 56573
(218) 346-7246

JOB WORK ORDER

10932

CUSTOMER'S ORDER NO.		PHONE	MECHANIC	HELPER	DATE OF ORDER 8-30-22
BILL TO City of Blackduck					STARTING DATE / /
ADDRESS					ORDER TAKEN BY
CITY					☐ DAY WORK ☐ CONTRACT ☐ EXTRA
JOB NAME AND LOCATION End Span / End boom Crash on 4 tower LW					
JOB PHONE					

DESCRIPTION OF WORK:

151' Span	- \$9720 00
44' End boom	- \$3,232 39
44' Overhang kit	- \$1,634 84
1- Zinc to LW starter joint	- \$751 00
1- Non-Tow Tower Structure	- \$3,003 75
1- Last Tower Joint	- \$949 40

TOTAL MATERIALS		19291	39
TOTAL LABOR		11550	00
TAX			
DATE COMPLETED / /	WORK ORDERED BY	TOTAL AMOUNT	\$30841 38

Signature _____

☐ No one home

☐ Total amount due
for above work: or

☐ Total billing to
be mailed after
completion
of work

I hereby acknowledge the satisfactory completion
of the above described work.

City of Blackduck Personnel Committee

October 10, 2022 | Communications Policy Proposed Amendment

COMMUNICATIONS POLICY

Commented [CR1]: Updated Date – October 11, 2022
per Personnel Committee

To better serve our citizens and give our workforce the best tools to do their jobs, the City of Blackduck continues to adopt and make use of new means of communication and information exchange. Many of our employees have access to one or more forms of electronic media and services, including, but not limited to, computers, e-mail, telephones, cellular telephones, pagers, voice mail, fax machines, external electronic bulletin boards, wire services, on-line services, the Internet and the World Wide Web.

The City encourages the use of these media and associated services because they can make communication more efficient and effective and because they are valuable sources of information. This policy cannot provide rules to cover every possible situation, but will express the City's philosophy and set forth general guidelines governing the use of electronic media and services. The City's intent is to ensure that the electronic communication systems are used to their maximum potential for business purposes and not used in a way that is disruptive, offensive to others or contrary to the best interest of the City of Blackduck.

GENERAL

This policy applies to all full-time, part-time and temporary employees, contractors, volunteers, customers and all other individuals who are provided access to the City of Blackduck communication systems. This policy does not constitute a contract and revisions may be made from time to time at the discretion of the City Council. Incidental and occasional personal use of electronic communications resources is permitted if it does not interfere with the use of equipment for City purpose and is not excessive, or does not unduly interfere with an employee's work time, job activities or the job activities of other employees. All employees will be provided with a written copy of this policy.

MAIL

Personal mail items may be included with the City's delivery of mail to the US Post Office.

FAX

City of Blackduck employees may use the City's fax machine on lunch breaks, rest breaks, before work hours, or after work hours to fax personal communications. No charge will apply to local faxes. Employees will reimburse the City for the cost of any long distance faxes on a monthly basis.

TELEPHONE

Personal telephone calls shall be kept as brief as possible and shall be made during lunch breaks or rest breaks whenever possible. No charge will apply to local calls. Employees may use their own personal phones to make long distance calls or will reimburse the City for the cost of long distance calls on a monthly basis. Incoming personal calls or messages may be answered by the employee, but shall be kept as brief as possible. If an incoming message or call represents an emergency, City staff will make every effort to contact the employee immediately.

CELLULAR PHONE

General Policy

Cellular telephones are intended for the use of City employees in the conduct of their work for the City. Department heads are responsible for the cellular telephones assigned to their employees and will exercise discretion in their use. Nothing in this policy will limit department head discretion to allow reasonable and prudent personal use of such telephones or equipment provided that:

- Its use in no way limits the conduct of work of the employee or other employees.
- No personal profit is gained or outside employment is served.

A department head may authorize an employee to use his/her own personal phone for City business and be reimbursed by the City for those calls. An employee will not be reimbursed for business related calls without prior authorization from his/her department head. Department heads may also prohibit employees from carrying their own personal cell phones during working hours if it interferes with the performance of their job duties.

Use of public resources by City employees for personal gain and/or private use including, but not limited to, outside employment or political campaign purposes, is prohibited and subject to disciplinary action which may include termination and/or criminal prosecution, depending on the circumstances. Incidental and occasional personal use may be permitted with the consent of the department head.

All personal calls made by employees on a City-provided cellular phone must be paid for by the employee through reimbursement to the City based on actual cost listed on the City's phone bill. Personal calls will be made or received only when absolutely necessary. Such calls must not interfere with working operations and are to be completed as quickly as possible. Certain employees, due to the nature of their job, shall be excluded from this requirement, in that personal calls are permitted. It is the responsibility of the employee to make every effort to keep the personal use of a City-provided cell phone limited.

Use of personal phones instead of using a City-provided cell phone is another option for City employees. The following positions shall be reimbursed the following amounts for reimbursement of their personal cellphones for business use:

City Administrator	\$40.00 (data and voice)
Deputy Clerk	\$40.00 (data and voice)
Public Works Director	City Provided Phone
Chief of Police	City Provided Phone
Full-time Patrol Officer	City Provided Phone
Director of Liquor Operations	\$40.00 (data and voice)
Assistant Liquor Store Mgr	\$40.00 (data and voice)
Golf Course Mgr	\$20.00 (voice)
Maintenance Worker 1(non-seasonal)	City Provided Phone
Maintenance Worker 2(non-seasonal)	City Provided Phone
Fire Chief	City Provided Phone

Commented [CR2]: Golf Course Director

Commented [CR3]: Update amount to \$40

Commented [CR4]: (data and voice)

Commented [CR5]: Maintenance Worker (delete 1 & 2)

Commented [CR6]: Or \$40 (data and voice) if not accepted

Commented [CR7]: Delete position

Commented [CR8]: Delete language

Commented [CR9]: Addition of Fire Chief

Procedures

It is the objective of the City of Blackduck to prevent and correct any abuse or misuse of cellular telephones through the application of this policy. Employees who abuse or misuse such telephones may be subject to disciplinary action and or reimburse the City.

Responsibility

The City Administrator, or designee, will have primary responsibility for implementation and coordination of this policy. All department heads will be responsible for enforcement within their departments.

PROGRESS MEETING #9

October 6, 2022

Re: Combined Maintenance and Police Facility

Subject: Meeting Minutes

Attendees: Christina Regas, City Administrator
Clay Witkofsky, TNT Construction Group LLC
Todd Skyberg, WIDSETH

Location: Blackduck City Hall

Please note meeting minutes distributed by email only.

1. Outstanding Items from Previous Meetings:

- 1.1. The Owner had made earlier arrangements with Paul Bunyan Telephone Company to provide telephone and data connection for this project. A portion of this work is in the project's construction contract.
 - 1.1.1. The Contractor shall coordinate with the Owner and Paul Bunyan Telephone.
 - 1.1.1.1. Clay informed the group that the city will be receiving a revised quote from Paul Bunyan. Once Christina receives the quote, she will share with the group for review.
 - 1.1.1.2. Christina has not received a revised quote, so she will be contacting Paul Bunyan Telephone Company.
- 1.2. The door hardware needs were reviewed following the meeting. Based on the feedback from the City, Widseth will outline the needs and review with TNT and the hardware supplier what changes of hardware scope there may potentially be. Once the hardware needs are addressed and finalized, we will then review the keying arrangements for the Public Works staff and Police staff.
 - 1.2.1. WIDSETH is currently reviewing.

2. Review of Work Progress:

- 2.1. Progress since last meeting:
 - 2.1.1. Electrical rough-in is complete.
 - 2.1.2. Plumbing rough-in is complete.
 - 2.1.3. HVAC rough-in is continuing.
 - 2.1.4. The overhead sectional door panels are being stacked in place.
 - 2.1.4.1. There will be (2) doors that will be operable.
 - 2.1.5. Spray foam insulation is currently being installed.
 - 2.1.6. The exterior concrete apron, sidewalks and transformer pad have been installed.
 - 2.1.7. The (2) storm water structures have been installed.
- 2.2. Sequence of work progress:
 - 2.2.1. Currently on schedule, except for the drywall installation.
 - 2.2.1.1. The Contractor to email an updated construction schedule.
 - 2.2.2. Spray foam insulating at the exterior walls to be complete by the first part of next week.
 - 2.2.3. Drywall work has been pushed out until the middle of October.
 - 2.2.4. HVAC rough-in to be complete by the middle of next week.

2.3. Required coordination's to maintain schedule:

- 2.3.1. Christina to verify the propane tank is filled, so it is ready for the Contractor to use the in-floor heating system for temporary heat.
- 2.3.2. The Contractor to follow up with the truss supplier to verify if the trusses can manage the additional loads for the make-up air units that hang from the ceiling.

3. Status of Submittals:

3.1. Reviewed and approved since last progress meeting:

- 3.1.1. REVISED 05 5213 Pipe & Tube Railings

3.2. Submittals under review:

- 3.2.1. 22 1005 Plumbing Piping

3.3. Rejected submittals:

- 3.3.1. None currently.

3.4. Submittals scheduled for submission:

- 3.4.1. 06 2000 Finish Carpentry – plastic laminate windowsills
- 3.4.2. 07 2500 Weather Barriers – vapor retarder
- 3.4.3. 07 9200 Joint Sealant
- 3.4.4. 09 9600 High-Performance Coatings – trench drain epoxy painting
- 3.4.5. 12 3200 Manufactured Wood Casework
 - 3.4.5.1. Verify with Mike Schwanke if required.
- 3.4.6. 23 5100 Breechings, Chimneys and Stacks

4. Quality & Work Standards and Correction of Deficient Items:

- 4.1. None currently.

5. Request for Information (RFI's):

- 5.1. None currently.

6. Architect's Supplemental Instructions (ASI's):

- 6.1. ASI #1 - adjusted the number of nails used at the LVL beam connections; provided additional two-by-six blocking at the typical wall column
- 6.2. ASI #2 – Rejected by the Owner.
- 6.3. ASI #3 was issued August 31, 2022. HVAC modifications at the floor joist area, duct insulation and location of louver "L-1".
- 6.4. ASI #4 was issued September 6, 2022. Add additional silt-fence per MPCA.

7. Status of Proposal Requests:

- 7.1. Request for Proposal #01 – provide (2) rows of snow guards at the roof above the exhaust hoods; was issued September 23, 2022.
 - 7.1.1. Christina will present the proposal to the City Council October 10, 2022.

8. Status of Change Orders:

- 8.1. Change Order #01 – Value Engineering: Approved
- 8.2. Change Order #02 – bad soils at building area: Approved
- 8.3. Change Order #03 – provide two electrical disconnects: Approved
- 8.4. Change Order #04.- add additional silt-fence: Approved

9. Applications for Progress Payments

- 9.1. Pay Application #5 was approval.
- 9.2. The Contractor to submit Pay Application #6 by next meeting for review.

10. Schedule next Progress Meeting:

10.1. The next progress meeting to be October 20th.

10.1.1. Meet at City Hall; Time: 10:30 AM.

11. Other Discussion Items:

11.1. None currently.

If in error, omission, or in need of clarification, contact WiDSETH or mention the issue at the next meeting.

Sincerely,

WiDSETH

A handwritten signature in blue ink, appearing to read 'Todd Skyberg', with a long horizontal flourish extending to the right.

Todd Skyberg
Architectural Technician

Field Report

Project Title: Combined Maintenance and Police Facility

Project Number: 2020-11912

Field Report #: 09

Date: October 6, 2022

Time: 11:20 am – 12:10 pm

Weather: Cloudy and windy

Temp. Range: 38 - 44

Contractors on site: TNT Construction, Naylor Heating & Refrigeration, North Country Overhead Door, and Polar Insulating

Observation:

1. The second layer of silt fence has been installed.
2. The two stormwater pond structures have been installed along with the piping and outlets / inlets. The rough grading was done around the structures.
3. The rough grading for the south ditch way was cut in.
4. The exterior concrete site paving has been placed and was sawcut and sealer installed.
5. The installation of the HVAC duct work continues. The east side of the building is roughed in and are finishing the west side rough ins.
6. The plumbing rough in is complete.
7. The electrical rough in is around 90% complete.
8. Four of the seven overhead door openings had the door panels stacked in place with the jamb rails only.
9. The spray foam installation is around 70% complete at the ground level exterior walls and they are currently working at the mezzanine level on the east side of the building.
10. The air baffles have been installed at the truss spaces.
11. The wood framing is complete, and the Contractor is installing hat channel furring at the interior walls that will be finished with metal wall panels.
 - a. The wall framing at the fire wall locations extend to the roof deck.
 - b. The (3) attic access openings are framed in along with the attic walkway
12. Photos taken of the entire site and building area.

Information or Action Required:

1. Review exterior concrete paving with project architect.

Reported By: Todd Skyberg
Architectural Technician

Attachment: (2) construction photos





Waste Management of Minnesota, Inc.
W132 N10487 Grant Drive
Germantown, WI, 53022
(888) 960-0008

WM Agreement #
Customer ID
Acct. Name
Salesperson
Effective Date
Last PI Date

S0016295880
28-5720623008
Christina A. Regas
BLACKDUCK BEACH
Valerie Boger
11/1/2022

Service Agreement

Non-Hazardous Waste Service Summary

Service Information

Name	BLACKDUCK BEACH	Contact	CHRISTINA REGAS
Address	20181 TEPEE HILL LN NE	Telephone #	2188354810
City State Zip	HINES, MN 56647	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com

Customer Comments:

Billing Information

Name	CITY OF BLACKDUCK	Contact	CHRISTINA REGAS
Address	PO BOX 380	Telephone #	2188354810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish		Email	christina.regas@blackduckmn.com

PO#

Service Description & Recurring Rates

Quantity	Equipment	Material Stream	Frequency	
1	2 Yard REL	MSW Commercial	1xEvery Other Week (Even)	
			Base Rate	\$ 30.00
			Fuel & Environmental/RCR	\$ 13.20 *

Current rate for Extra Pickup: \$ 152.00

Current FSC 20.00%, EVC 20.00%, RCR 0%

MONTHLY TOTAL : \$ 43.20 *

Customer's Waste Materials not to exceed an average weight of lbs/yd.

MONTHLY GRAND TOTAL \$ 43.20 *

Initial One Time Service Charges*

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

*Fuel Surcharge ("FSC"), Environmental Charge ("EVC"), and Regulatory Cost Recovery Charge ("RCR") apply to all other Charges whether or not listed on this summary. Any FSC, EVC and RCR amounts shown in this Service Summary are estimated based on current percentages (as set forth herein), and actual amounts will be calculated at the time of invoicing based on current applicable percentages. Information about these charges and their calculation can be found at www.wm.com/billhelp. State & Local taxes, and/or fees and a Recycle Material Offset, if applicable, will also be added to the Charges. An Administrative Charge per invoice will be assessed and can be removed by enrolling in paperless statements and automated payments.

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The individual signing this agreement on behalf of customer acknowledges that he/she has read and accepts the terms and conditions of this agreement which accompany this service summary sheet and that he/she has the authority to sign on behalf of the customer.

Christina A. Regas
Customer Signature

Christina Regas
Printed Name

City Administrator
Title

10/10/2022
Date

City of Blackduck
Company

Printed Name

Waste Management Sales Rep.
Title

Date

Terms and Conditions on following page(s)



S0016295383
13-67363-53002
BLACKDUCK, CITY OF/PARK
Valerie Boger
11/1/2022
06/28/2022



Waste Management of Minnesota, Inc.
W132 N10487 Grant Drive
Germantown, WI, 53022
(888) 960-0008

WM Agreement #
Customer ID
Acct. Name
Salesperson
Effective Date
Last PI Date

S0016295564
11-81102-93005
BLACKDUCK, CITY OF/POND
LIQUOR
Valerie Boger
11/1/2022
03/01/2017

Service Agreement

Non-Hazardous Waste Service Summary

Service Information

Name	BLACKDUCK, CITY OF/POND LIQUOR	Contact	Christina Regas
Address	224 FRONTAGE RD	Telephone #	(218) 835-4803
City State Zip	BLACKDUCK, MN 56630-2120	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com

Customer Comments:

Billing Information

Name	BLACKDUCK, CITY OF	Contact	Christina Regas
Address	PO BOX 380	Telephone #	(218) 835-4803
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com

Service Description & Recurring Rates

Quantity	Equipment	Material Stream	Frequency	Base Rate	
1	8 Yard REL Recycling	Single Stream Recycling	1xEvery Other Week (Even)	Fuel & Environmental/RCR	\$ 80.00 \$ 35.20 *

Current rate for Extra Pickup: \$ 248.00

Current FSC 20.00%, EVC 20.00%, RCR 0%

MONTHLY TOTAL : \$ 115.20 *

Quantity	Equipment	Material Stream	Frequency	Base Rate	
1	6 Yard REL	MSW Commercial	2xPer Week	Fuel & Environmental/RCR	\$ 175.00 \$ 77.00 *

Current rate for Extra Pickup: \$ 216.00

Current FSC 20.00%, EVC 20.00%, RCR 0%

MONTHLY TOTAL : \$ 252.00 *

Customer's Waste Materials not to exceed an average weight of lbs/yd.

Administrative Charge	\$ 8.50 *
MONTHLY GRAND TOTAL	\$ 375.70 *

Initial One Time Service Charges*

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

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Christina A. Regas
Customer Signature

Christina Regas
Printed Name

City Administrator
Title

10/10/2022
Date

Company

Printed Name

Waste Management Sales Rep.
Title

Date

Terms and Conditions on following page(s)



Waste Management of Minnesota, Inc.
W132 N10487 Grant Drive
Germantown, WI, 53022
(888) 960-0008

WM Agreement #
Customer ID
Acct. Name
Salesperson
Effective Date
Last PI Date

S0016295722
13-67371-23009
BLACKDUCK GOLF COURSE
Valerie Boger
10/7/2022
09/27/2022

Service Agreement

Non-Hazardous Waste Service Summary

Service Information

Name	BLACKDUCK GOLF COURSE	Contact	Christina regas
Address	20857 BLACKDUCK LAKE RD NE	Telephone #	(218) 835-4810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com

Customer Comments:

Billing Information

Name	BLACKDUCK GOLF COURSE	Contact	Christina regas
Address	PO BOX 380	Telephone #	(218) 835-4810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com
PO#			

Service Description & Recurring Rates

Quantity	Equipment	Material Stream	Frequency	Base Rate	
1	4 Yard REL	MSW Commercial	1xPer Week	Fuel & Environmental/RCR	\$ 35.20 *

Current rate for Extra Pickup: \$ 184.00

Current FSC 20.00%, EVC 20.00%, RCR 0%

MONTHLY TOTAL : \$ 115.20 *

Customer's Waste Materials not to exceed an average weight of lbs/yd.

MONTHLY GRAND TOTAL \$ 115.20 *

Initial One Time Service Charges*

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

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Christina A. Regas
Customer Signature

Christina Regas
Printed Name

City Administrator
Title

10/10/2022
Date

Company

Printed Name

Waste Management Sales Rep.
Title

Date

Terms and Conditions on following page(s)



Waste Management of Minnesota, Inc.
W132 N10487 Grant Drive
Germantown, WI, 53022
(888) 960-0008

WM Agreement #
Customer ID
Acct. Name
Salesperson
Effective Date
Last PI Date

S0016295983

BLACKDUCK
Valerie Boger
11/1/2022
06/28/2022

Service Agreement

Non-Hazardous Waste Service Summary

Service Information

Name	BLACKDUCK, CITY OF/PARK	Contact	Christina Regas
Address	8 SUMMIT AVE E	Telephone #	(218) 835-4810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish		Email	christina.regas@blackduckmn.com

Customer Comments:

Billing Information

Name	BLACKDUCK, CITY OF/PARK	Contact	Christina Regas
Address	PO BOX 380	Telephone #	(218) 835-4810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduckmn.com
PO#			

Service Description & Recurring Rates

Quantity	Equipment	Material Stream	Frequency	Base Rate	
1	2 Yard REL	MSW Commercial	1xPer Week	Fuel & Environmental/RCR	\$ 22.00 *

Current rate for Extra Pickup: \$ 152.00

Current FSC 20.00%, EVC 20.00%, RCR 0%

MONTHLY TOTAL : \$ 72.00 *

Customer's Waste Materials not to exceed an average weight of lbs/yd.

MONTHLY GRAND TOTAL \$ 72.00 *

Initial One Time Service Charges*

Initial Delivery \$ 75.00

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

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Christina A. Regas
Customer Signature

Christina Regas
Printed Name

City Administrator
Title

10/10/2022
Date

Company

Printed Name

Waste Management Sales Rep.
Title

Date

Terms and Conditions on following page(s)



Salesperson
Effective Date
Last PI Date

S0016295918
26-92354-93005
BLACKDUCK
WOODCARVER/BACKWOODS
BASH
Valerie Boger
11/1/2022

Non-Hazardous Waste Service Summary

Name	BLACKDUCK WOODCARVER 2022	Contact	CHRISTINA REGAS
Address	21024 PINE TREE PARK RD	Telephone #	2188354810
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish	BELTRAMI	Email	christina.regas@blackduck mn.com

Name	BLACKDUCK, CITY OF/PARK	Contact	ANGEL BUBLITZ
Address	21024 PINE TREE PARK RD	Telephone #	2188354803
City State Zip	BLACKDUCK, MN 56630	Fax #	
County/Parish		Email	city@paulbunyan.net

PO#

Quantity	Equipment	Material Stream	Frequency	\$75.00 Per Service (Non-Recurring) -Estimated1x svc/month Fuel & Environmental/RCR	\$ 75.00 \$ 33.00 *
1	6 Yard REL	MSW Commercial	1xOn Call		

MONTHLY TOTAL : \$ 108.00 *

MONTHLY GRAND TOTAL	\$	108.00*
---------------------	----	---------

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

*Fuel Surcharge ("FSC"), Environmental Charge ("EVC"), and Regulatory Cost Recovery Charge ("RCR") apply to all other Charges whether or not listed on this summary. Any FSC, EVC and RCR amounts shown in this Service Summary are estimated based on current percentages (as set forth herein), and actual amounts will be calculated at the time of invoicing based on current applicable percentages. Information about these charges and their calculation can be found at www.wm.com/billhelp. State & Local taxes, and/or fees and a Recycle Material Offset, if applicable, will also be added to the Charges. An Administrative Charge per invoice will be assessed and can be removed by enrolling in paperless statements and automated payments

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10/10/2022
Date

Date _____

Terms and Conditions on following page(s)

BLACKDUCK COMMUNITY **TRUNK** **or** **TREAT**

SPONSORED BY NEI BOTTLEING, THE BLACKDUCK LIBRARY AND ST. ANN CATHOLIC CHURCH



31

Trunkers set up @ 4pm

OCT

Treaters start @ 5pm

BLACKDUCK WAYSIDE REST AREA AND ST. ANN CATHOLIC CHURCH



CITY OF BLACKDUCK

PUBLIC FUNDS REQUEST FORM

PO BOX 380 BLACKDUCK, MN 56630

Organization or Group Requesting Public Funding:

Blackduck Chamber of Commerce

What type of project will the Public Funds used for:

Insurance Package Policy for City of Blackduck thru the
Blackduck Chamber of Commerce

Describe IN DETAIL the overall benefits this will provide to the City of Blackduck as a body and what public purpose will the project provide to the residents of the City of Blackduck:

The Chamber sponsors the Wayside Rest for all visitors
who stop while traveling through Blackduck; Chamber also sponsors
events like the Backwoods Bash for all families in our community, including
a Parade, Crawfish Boil (where able to have); Bingo Events and
other Chamber events that Benefit the entire Community.

Outline specifically WHAT PORTION of the project these funds will be used for:

Package policy of the Insurance Plan.

What other Organization has your group contacted for funding? Please list names of other organizations and the dollar amounts requested and or grants requested:

Date Funds are being requested: 8/15/22 \$622⁰⁰

Date the project starts and completes: 7/25/22 → 7/25/23

See opposite side of form for Conditions for Requesting Public Funds



CITY OF BLACKDUCK
PUBLIC FUNDS REQUEST FORM
PO BOX 380 BLACKDUCK, MN 56630

Conditions for requesting Public Funds

The following procedures are recommended to request public funds from the City of Blackduck:

1. Any person or organization that wishes to request public funds must contact the City Administrator and fill out a Request Form.
2. No money will be appropriated without careful consideration by the City and the City Council.
3. Qualifying requests will be acted upon by the Blackduck City Council on the April, July, October, and December regular council meetings.
4. Requests received less than 7 days before the quarterly meeting date will be automatically held until the next meeting month.
5. Those persons may also make a formal request to the City Council of Blackduck at the April, July, October, and December regular City of Blackduck Council meeting once appropriately placed on the council agenda.

The full City Council meeting schedule is posted on the City website calendar at www.blackduckmn.com or can be requested by calling City Hall at 218-835-4803.

Blackduck Area Chamber of Commerce Donation History - Liability Insurance

Check #	Amount	Year	Account	Reason
10101	\$586.00	2021	10150 JulyDonat081021	
8253	\$531.00	2019	10150 DONAT919	
7222	\$523.00	2018	10150 Julydonat	
65718	\$522.00	2017	10150 SEPTDONATION	
64607	\$300.00	2016	10150 Post Checks	
64785	\$520.00	2016	10150 Post Checks	
63738	\$506.00	2015	10150 Post Checks	
62603	\$400.00	2014	10150 Post Checks	

October 1st, 2022

Blackduck City Hall

Thanks to many generous local businesses and organizations, last year we provided gifts for 267 children from birth through 15 years of age within the Blackduck School District, this is the most children ever benefitting from this program. It is expected that we will continue to see challenges in our area which will continue to create hardships for many families which will keep the need to of Blackduck Area Toys for Kids to provide similar services this year.

Due to this need, we are asking for your support in the form of donations to the Blackduck Area Toys for kids. The amount of money will go towards gifts and a set of hat and mittens for each child served. Any amount would be greatly appreciated, we are a 501 (c) (3) charitable organization. (Please ask if you need)

Check should be made out to Blackduck Area Toys for Kids and may be given or sent to a committee member or deposited directly in to the Blackduck Area Toys for Kids account at Deerwood Bank.

Thank you,

Toys for Blackduck Area Kids Committee

Kendra Murray,

Erica Naughton, 25490 Hines RD NE
Hines , MN 56647
(612) 619-4486

Please like and share us on Facebook - Blackduck Area Toys for kids

CITY OF BLACKDUCK

09/29/22 3:06 PM

Page 1

Vendor Check Recon

Current Period: September 2022

Check Nbr	Check Date	Check Amt	Act Year Per	Cash Act Source	Ck Status	Cancel Date
Vendor Name BLACKDUCK AREA TOYS FOR KIDS						
9298	11/10/2020	\$4,000.00	2020 11	10150 Nov2020Donatio	Reconciled	12/1/2020
10297	11/9/2021	\$4,000.00	2021 11	10150 NovDonation202	Reconciled	12/1/2021
65939	11/30/2017	\$1,000.00	2017 11	10100 BlkToys4Kids	Reconciled	12/1/2017
Vendor Name BLACKDUCK		\$9,000.00				
		\$9,000.00				



CITY OF BLACKDUCK RESOLUTION NO: 2022-22

RESOLUTION ACKNOWLEDGING SUPPORT FOR PHILLIP PATCH TO CONVEY STATE RAIL BANK PROPERTY FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION FOR PRIVATE OWNERSHIP

WHEREAS, the City of Blackduck recognizes Phillip Patch as a resident of the community,

AND WHEREAS, the City of Blackduck acknowledges Phillip Patch owns residential property adjacent to the MnDot rail bank and is prohibited to construct or erect any permanent structure within the 100-foot rail bank corridor,

EXHIBIT A EXHIBIT B

AND WHEREAS, the City of Blackduck acknowledges the need for Phillip Patch to request the commissioner of MnDot convey a portion of the rail bank to the City of Blackduck as approved by MN State Statute §222.63 subd.4b. to purchase at fair market value,

AND WHEREAS, if the City Council of the City of Blackduck comply with all applicable laws, environmental requirements and regulations as stated by statute to convey said property,

AND WHEREAS, the City Council of the City of Blackduck intends to enter into an agreement drafted by the City Attorney with the Phillip Patch for said conveyed property, and any administrative or legal fees,

BE IT RESOLVED that the City of Blackduck is in support of the partnership with MnDot and Phillip Patch

Adopted this 10th day of October, 2022 by the City Council of the City of Blackduck

ATTEST:

Maxwell Gullette, Mayor

Christina Regas, City Administrator



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

1:2,817

Date: 9/16/2022

This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.

Beltrami County Minnesota

N



CITY OF BLACKDUCK RESOLUTION NO: 2022-22

EXHIBIT B





CITY OF BLACKDUCK

RESOLUTION NO: 2022-23

RESOLUTION SUPPORTING THE ESTABLISHMENT OF A DEPUTY REGISTRAR OFFICE IN THE CITY OF BLACKDUCK

WHEREAS, A Motor Vehicle Deputy Registrar provides services to the public with motor vehicle registration renewals, issuing license plates, motor vehicle title transfers,

AND WHEREAS, the City Council of the City of Blackduck has requested to establish a deputy registrar office in the City of Blackduck City Hall,

AND WHEREAS, the Commissioner of Public Safety of the State of Minnesota has determined that the public interest for the citizens of Beltrami County and the City of Blackduck would be best served with a deputy registrar office located in the City of Blackduck,

AND WHEREAS, According to Minnesota State Statute §168.33 and Minnesota Rules 7406 the appointment must first be made available to the County Auditor where the location resides,

AND WHEREAS, if the appointment is declined by the County, it is then offered to the City for consideration,

AND WHEREAS, on October 3, 2022 the Beltrami County Board of Commissioners has declined to Minnesota Department of Public Safety's offer to act as Deputy Registrar over the DMV to be located in the City of Blackduck,

AND WHEREAS, the Beltrami County Board of Commissioners supports the City of Blackduck's bid to operating the Blackduck DMV and encourages the City of accepting the Deputy Registrar appointment,

BE IT RESOLVED that the City Council of the City of Blackduck is in support of the appointment of the Deputy Registrar in the City of Blackduck.

Adopted this 10th day of October, 2022 by the City Council of the City of Blackduck

ATTEST:

Maxwell Gullette, Mayor

Christina Regas, City Administrator

**BOARD OF COUNTY COMMISSIONERS
BELTRAMI COUNTY, MINNESOTA**

DATE: 10-04-2022

RESOLUTION # 22-10-48

MOTION OF COMMISSIONER: Lucachick

SECONDED BY COMMISSIONER: Olson

**THE BOARD, BY ADOPTION OF ITS CONSENT AGENDA, APPROVED THE BLACKDUCK DMV REGISTRAR
RESOLUTION**

Whereas, A Motor Vehicle Deputy Registrar provides services to the public with motor vehicle registration renewals, issuing license plates, motor vehicle title transfers, and

Whereas, The Blackduck City Council requested to establish a deputy registrar office in the City of Blackduck, and

Whereas, The Commissioner of Public Safety has determined that the public interest for the citizens of Beltrami County and the City of Blackduck would be best served with a deputy registrar office located in the City of Blackduck, and

Whereas, According to Minnesota Statute 168.33 and Minnesota Rules 7406 the appointment must first be made available to the County Auditor where the location resides, and

Whereas, If the appointment is declined by the County, it is then offered to the City for consideration, and

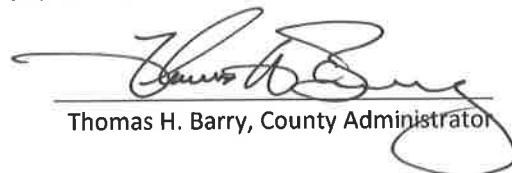
Now, Therefore, Be It Resolved, the Beltrami County Board of Commissioners declines to Minnesota Department of Public Safety's offer to act as Deputy Registrar over the DMV to be located in the City of Blackduck, and

Be It Further Resolved, the Beltrami County Board of Commissioners supports the City of Blackduck's bid to operating the Blackduck DMV and encourages the City of accepting the Deputy Registrar appointment.

	<u>YES</u>	<u>NO</u>
Gaasvig	X	
Olson	X	
Anderson	X	
Sumner	absent	
Lucachick	X	

STATE OF MINNESOTA)
) ss.
COUNTY OF BELTRAMI)

I, Thomas H. Barry, County Administrator, Beltrami County, State of Minnesota, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Board of County Commissioners, Beltrami County, Minnesota, at their regular session held on October 4, 2022 now on file in my office and have found the same to be a true and correct copy thereof.


Thomas H. Barry, County Administrator

NOTICE OF PUBLIC HEARING

CITY OF BLACKDUCK BELTRAMI COUNTY STATE OF MINNESOTA

NOTICE IS HEREBY GIVEN that the City Council of the City of Blackduck, Beltrami County, State of Minnesota, will hold a public hearing on November 7, 2022, at approximately 6:00 p.m. at the Blackduck City Council Chambers in City Hall, 8 Summit Avenue Northeast, Blackduck, Minnesota, relating to the City's proposed adoption of a Spending Plan for Tax Increment Financing Districts No. 1-4 and 1-6, pursuant to Minnesota Statutes, Sections 469.176 Subd. 4n, inclusive, as amended. Copies of the Spending Plan are on file and available for public inspection at the office of the City Administrator at City Hall.

All interested persons may appear at the hearing and present their views orally or prior to the meeting in writing.

BY ORDER OF THE
CITY COUNCIL OF
THE CITY OF BLACKDUCK, MINNESOTA

/s/Christina Regas
City Administrator

NOTICE OF ORDINANCE REVISION READING

NOTICE IS HEREBY GIVEN, The CITY OF BLACKDUCK will have a reading at a Special meeting on October 22, 2022 and final reading on November 7, 2022 @ 6:30pm of Ordinance #2022-01: an Ordinance of the City of Blackduck, Minnesota, amending Chapter 15 entitled “Land Use and Subdivision Ordinance”.

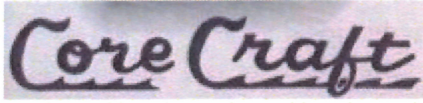
All public comment is encouraged at the next scheduled meeting prior to the reading. A copy of the full Ordinance revision is available for review at www.blackduckmn.com or by requesting a copy at City Hall in Blackduck 8 Summit Ave. Blackduck MN 56630.

Christina Regas
City Administrator



Bemidji

From Classic Boat Library



Please contact us to edit or contribute to this page.

Core Craft Boats

Bemidji Boat Co.

Bemidji, Minnesota

The brand name "Core Craft" refers to the construction of these boats- a cedar core sandwiched between fiberglass layers.

According to the 1958 news article included below, Bemidji Boat Company's president, Dick Vogel, formed Core Craft, Inc. to finance the opening of a new boat manufacturing plant in Jamestown, North Dakota. This company was slated to begin producing boats for the 1959 model year for the North Dakota market.

Bemidji Boat Company History by Dick Vogel's son, David:

The original Bemidji Boat Company operated approximately in the early to late thirties. They manufactured red cedar strip boats with native white oak ribs. The bow plates on these boats were inscribed with the words "Arrow Head Boats". Some time after they discontinued building boats at that site, the building was used as an auction house, probably during the early forties. A man by the name of Bert Larson bought the building and turned it into a millwork factory, which he named "Lakeshore Mill". He added a large dry kiln and was also manufacturing children's wooden toys.

In 1947, Dick Vogel, his good friend, John Rynders, and two other men pooled their resources and purchased the Lakeshore Mill, which was located on the shores of beautiful Lake Bemidji. This factory produced just about everything needed to build a home except for the dimensional lumber. This included doors, door frames, windows, window frames, screens, paneling, hardwood flooring, base boards, trim, kitchen cabinets, and other custom woodwork. After less than a year, Dick and John acquired the business from the other two men. Within the first year they also started building cedar strip boats with oak ribs, gunwales, and splash rails. A gentleman by the name of William (Bill) Kemink was their primary boat builder. He had built boats in the same facility many years earlier. In the late forties, fiberglass was becoming a popular process to repair and waterproof boats and other items. About this same time Dick Vogel bought out his partnet, John Rynders.

At about 1950 Dick also started to experiment with replacing the oak ribs in the boats with fiberglass, and he also covered the outside of the boat with fiberglass. The light cedar strips sandwiched between layers of fiberglass not only created tremendous strength, but it also acted as a floatation device. It was during these early stages of development that Dick's nephew, James, (of James) visited from California, and showed a lot of interest in Dick's new boat idea and suggested he name his new boat construction Core Craft because of the core of cedar between the layers of fiberglass. Dick liked his suggestion. Dick was successful in patenting his idea.

By 1955, the boat building business became so successful that Dick dropped all of the millwork business and built a larger factory on the north side of Bemidji, Minnesota, and concentrated on building boats which included 12', 14', 16', and 18' fishing boats, 14', 15', and 17' runabouts, and custom boats with twin inboards up to 25' long. Some Core Craft laminated boats were manufactured under Dick's patent in Jamestown, North Dakota, and Rainy River, Canada.

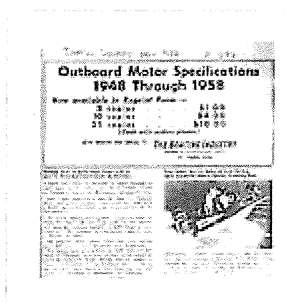
Dick's two sons also became involved full time in the business. Dave came in 1949, and Harold in 1956. Ken worked for a short time before he moved to Minneapolis, Minnesota, to attend the university there.

By the early 1960's, labor costs prices the hand-laminated core boats out of the market. At this same time, the company had started building all fiberglass canoes, a fiberglass snow scoop, (called the Snow-Wonder) and built fiberglass snowmobile hoods for Arctic Cat. The canoes were shipped throughout the USA and some foreign countries.

In 1965, Dick sold his business to his two sons, David and Harold, who continued to expand product sales. This included running a night shift to increase productivity. It was during one of these night shifts in 1969 that a fire broke out and completely destroyed the factory. A bigger and more efficient factory was soon built. Dave and Harold also built an adjoining retail store where they sold their products plus Kawasaki Motorcycles and Arctic Cat Snowmobiles. They sold the successful business in 1975 to move on to new challenges in the business world.

Dave's grandson, Jason Vogel, is still using the first Core Craft Boat ever built.

News Articles



May 1958 Core Craft
Boats Article

NOTICE OF GENERAL ELECTION

To the Blackduck Clerk and voters of the City of Blackduck

In the County of Beltrami, State of Minnesota.

Notice is Hereby Given, That a General Election will be held in the Election Precinct at: Blackduck City Hall 8 Summit Ave. East on Tuesday, the Eighth (8th) day of November, 2022, at which the polls will be open from the hours of seven (7) o'clock AM to the hour of eight (8) o'clock PM for the purpose of the election of candidates for the following seats:

FEDERAL OFFICES

US Representative District 8

STATE OFFICES

State Senator District 2
Governor and Lieutenant Governor
Secretary of State
Attorney General

BELTRAMI COUNTY

County Sheriff
County Commissioner District 1
County Auditor – Treasurer
County Attorney
Soil and Water Conservation District Supervisor District 1
Soil and Water Conservation District Supervisor District 2

CITY OF BLACKDUCK

Mayor
Council Member (2) seats

SCHOOL DISTRICT OFFICES

School Board Member at Large Independent School District No. 32 (Blackduck) (3) Seat(s)

JUDICIAL OFFICES

Supreme Court Associate Justice 3
Supreme Court Associate Justice 6
Court of Appeals Judge(s) 1, 5, 7, 8, 10, 11, 16, 17, 18, & 19
9th District Court Judge(s) 6, 16, 17, 20, & 23

City of Blackduck
Dated: September 30, 2022
Blackduck, Minnesota

Official Ballot

State General Election Ballot
Beltrami County, Minnesota
November 8, 2022

Judge _____
Judge _____

Instructions to Voters:
To vote, completely fill in the oval(s) next to your choice(s) like this: ●

Federal Offices	State Offices	City Offices
U.S. Representative District 8 Vote for One	Attorney General Vote for One	Council Member City of Blackduck Vote for Up to Two
☐ Pete Stauber Republican ☐ Jen Schultz Democratic-Farmer-Labor ☐ write-in, if any	☐ Jim Schultz Republican ☐ Keith Ellison Democratic-Farmer-Labor ☐ write-in, if any	☐ Ronald Fredrickson ☐ Laurie Hamilton ☐ write-in, if any
State Offices	County Offices	
State Senator District 2 Vote for One	County Commissioner District 1 Vote for One	
☐ Steve Green Republican ☐ Leonard Alan Roy Democratic-Farmer-Labor ☐ write-in, if any	☐ Mark Morrissey ☐ Craig Gaasvig ☐ write-in, if any	School District Offices
State Representative District 2B Vote for One	County Auditor - Treasurer Vote for One	School Board Member at Large Independent School District No. 32 (Blackduck) Vote for Up to Three
☐ Matt Bliss Republican ☐ Erika Bailey-Johnson Democratic-Farmer-Labor ☐ write-in, if any	☐ JoDee Treat ☐ write-in, if any	☐ Tog Anderson ☐ Cynthia Nord ☐ Jacob Lien ☐ write-in, if any
Governor and Lieutenant Governor Vote for One Team	County Sheriff Vote for One	
☐ Steve Patterson and Matt Huff Grassroots - Legalize Cannabis ☐ James McCaskel and David Sandbeck Legal Marijuana Now ☐ Scott Jensen and Matt Birk Republican ☐ Tim Walz and Peggy Flanagan Democratic-Farmer-Labor ☐ Hugh McTavish and Mike Winter Independence-Alliance ☐ Gabrielle M. Prosser and Kevin A. Dwire Socialist Workers ☐ write-in, if any	☐ Jarrett Walton ☐ Jason Riggs ☐ write-in, if any	☐ write-in, if any
Secretary of State Vote for One	County Attorney Vote for One	
☐ Kim Crockett Republican ☐ Steve Simon Democratic-Farmer-Labor ☐ write-in, if any	☐ David L. Hanson ☐ write-in, if any	
State Auditor Vote for One	Soil and Water Conservation District Supervisor District 1 Vote for One	
☐ Will Finn Grassroots - Legalize Cannabis ☐ Tim Davis Legal Marijuana Now ☐ Ryan Wilson Republican ☐ Julie Blaha Democratic-Farmer-Labor ☐ write-in, if any	☐ Ray Hendrickson ☐ write-in, if any	
	Soil and Water Conservation District Supervisor District 2 Vote for One	
	☐ Bruce Poppel ☐ Rachel Gray ☐ write-in, if any	
	City Offices	
	Mayor City of Blackduck Vote for One	
	☐ Maxwell Gullette Jr ☐ write-in, if any	
Vote front and back of ballot		
City of Blackduck	0055	Typ:01 Seq:0011 Spl:01

State General Election Ballot
Beltrami County, Minnesota
November 8, 2022

Instructions to Voters:
To vote, completely fill in the oval(s) next to your choice(s) like this: ●

Judicial Offices	Judicial Offices
Supreme Court	Court of Appeals
Associate Justice 3 Vote for One	Judge 18 Vote for One
☐ Gordon Moore Incumbent	☐ Jeff Bryan Incumbent
write-in, if any	write-in, if any
Associate Justice 6 Vote for One	Judge 19 Vote for One
☐ Natalie E. Hudson Incumbent	☐ Francis Connolly Incumbent
write-in, if any	write-in, if any
Court of Appeals	9th District Court
Judge 1 Vote for One	Judge 6 Vote for One
☐ Theodora Karin Gaitas Incumbent	☐ Jerrod A. Shermoen Incumbent
write-in, if any	write-in, if any
Judge 5 Vote for One	Judge 8 Vote for One
☐ Louise Dovre Bjorkman Incumbent	☐ Eric Schieferdecker Incumbent
write-in, if any	write-in, if any
Judge 7 Vote for One	Judge 16 Vote for One
☐ Susan Segal Incumbent	☐ Jeanine R. Brand Incumbent
write-in, if any	write-in, if any
Judge 8 Vote for One	Judge 17 Vote for One
☐ Denise D Reilly Incumbent	☐ Corey A. Harbott Incumbent
write-in, if any	write-in, if any
Judge 10 Vote for One	Judge 20 Vote for One
☐ Jennifer L. Frisch Incumbent	☐ Donna K. Dixon Incumbent
write-in, if any	write-in, if any
Judge 11 Vote for One	Judge 23 Vote for One
☐ Michelle A. Larkin Incumbent	☐ Kristine R. DeMay Incumbent
write-in, if any	write-in, if any
Judge 16 Vote for One	
☐ Peter M. Reyes, Jr. Incumbent	
write-in, if any	
Judge 17 Vote for One	
☐ Matthew E. Johnson Incumbent	
write-in, if any	
Vote front and back of ballot	



BEL-0055



Cian Verbridge

KEE-an

Email: info@blackduckmn.com

Phone: 307-299-9375

Blackduck Chamber of Commerce and the Blackduck Development Corporation would like to introduce Cian Verbridge as Blackduck's event coordinator.

Cian will be organizing the community calendar and keeping the chambers website up do date.

Our goal is to offer a central place for people to go for the latest information on news and events around town.

We would like to invite all organizations, businesses, school and churches to submit news and events for our calendar.

Visit our website @ blackduckchamber.com