



# AGENDA

## Blackduck City Council Meeting

6:00 PM - Monday, January 5, 2026  
City Hall, 8 Summit Drive, Blackduck MN

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	Page
1. CALL TO ORDER	
a. Roll Call	
b. Pledge of Allegiance	
2. APPROVAL OF AGENDA	
3. CONSENT AGENDA	
<i>All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.</i>	
a. December 18, 2025 Public Safety Committee Meeting Minutes <a href="#">Public Safety 12182025</a>	5
b. December 18, 2025 KRLS Special Board Meeting Agenda Packet <a href="#">PACKET 2025-12-18 KRLS Board Special Meeting</a>	6 - 18
c. December 29, 2025 Blackduck Personnel Committee Meeting Minutes <a href="#">Minutes 12292025</a>	19
d. December 8, 2025 City Council Meeting Minutes <a href="#">Council - Dec 08 2025 - Minutes - Pdf</a>	20 - 26
e. December 2025 Fund Balance Report and Budgeted & Recommended Transfers - <i>includes 2026 Bond Payments</i> <a href="#">December 2025 Fund Balance Report</a>	27
f. December 2025 Bill Report <a href="#">December 2025 Bill Report</a>	28 - 29
g. December 2025 Sewer Income Statement <a href="#">December 2025 Sewer Income Statement</a>	30
h. December 2025 Water Income Statement <a href="#">December 2025 Water Income Statement</a>	31
i. December 2025 Pine Tree Park Income Statement <a href="#">December 2025 Pine Tree Park Income Statement</a>	32
j. December 2025 Lakeview Cemetery Income Statement <a href="#">December 2025 Lakeview Cemetery Income Statement</a>	33
k. December 2025 Golf Course Income Statement <a href="#">December 2025 Golf Course income Statement</a>	34
l. December 2025 Liquor Store Income Statement <a href="#">December 2025 Liquor Store income statements</a>	35
m. December 2025 Blackduck DMV Income Statement	36

	<a href="#">December 2025 DMV Office Income Statement</a>	
n.	Q4 2025 General Fund Income Statement - pre-audit <a href="#">Q4 General Fund 2025</a>	37
o.	November 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association <a href="#">LG216 Blackduck Fire Relief Gambling Rent 122025</a>	38
p.	Final Approval - December 2025 Business Credit Card Payment <a href="#">December Credit Card Payment</a>	39
q.	Final Approval - December 2025 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a) <a href="#">Dec EFT</a>	40 - 42
r.	Final Approval - November 2025 Supplemental Bills <a href="#">Supplemental bill</a> <a href="#">BMI proposal</a>	43 - 51
s.	Final Approval - Local Option Sales Tax Report - November 2025 <a href="#">October 2025</a>	52
t.	Final Approval - Board of Education Grant Reimbursement #1 <a href="#">Payment Advice</a>	53
u.	Final Approval - Second Half 2025 LGA, Small Cities Assistance, Class 4D1 Transition, & MV Credit - AG Payment - MN Dept. of Revenue <a href="#">LGA 2nd half 2025</a>	54
v.	Final Approval - 2026-01 Sewer Load Discharge Permit - Karl Dobmeier <a href="#">Sewer Load Discharge Permit 2026-01</a>	55 - 56
w.	Final Approval - Municipal Advisor Client Disclosure with the City of Blackduck Pursuant to MSRB Rules G-10 & G-42 <a href="#">Blackduck City of MN AnnualDisclosure 12 30 2025 03 40 48</a>	57 - 61
x.	Final Approval - January 2026 New Hires Report <a href="#">January 2026 new hires report</a>	62
y.	Final approval - City of Blackduck Analytics Report - www.blackduckmn.com <a href="#">City of Blackduck GA4 Report</a>	63 - 64
z.	Final Approval - Widseth Recap of Engineering Services for 2025 for the City of Blackduck <a href="#">Blackduck-Year End-2025</a>	65 - 66
aa.	Final Approval - GHI Final Contract Payment for Library Renovation Services Agreement for City of Blackduck <a href="#">Final GHI payment of contract</a>	67 - 70
ab.	Final Approval - Revolving Loan Satisfaction - Nodak Group LLC <a href="#">Nodak Group Satisfaction</a>	71 - 75
ac.	Final Approval - Deerwood Bank Certification of Adoption of Directors' Resolution for 2026 <a href="#">DW Resolution</a>	76
ad.	Final Approval - 2026 Revised Liquor Store Revenue and Expense Budget	77 - 78

[2026 Updated Liquor Store Revenue and Expense Budget](#)

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.*

5. REPORTS OF COMMITTEES AND CITY STAFF

5.1. Public Works Report - Mike Schwanke, Public Works Director

5.2. Liquor Store Report - Shawnda Lahr, Director of Liquor Operations

5.3. Library Report - Kelly Hanks, Head Librarian

- a. Council Consideration - The Library Store Quote #944032 - Book Shelving Quote with Shipping 79 - 93  
[944032 rev 12 16](#)  
[Blackduck Community Library Design Document \(4\)](#)  
[Blackduck Library Project Budget worksheet](#)

6. ADMINISTRATOR'S REPORT

- a. Approval Needed - Resolution 2026-01 - A Resolution of Annual Appointments and Designations for 2026 94 - 98  
[2026-01 - Resolution of annual appointments and designations for 2026](#)
- b. Approval Needed - Resolution 2026-02 - Resolution Acknowledging Donation from Blackduck Fire Relief Association 99  
[2026-02 Resolution acknowledging a donation from the Blackduck Fire Relief Association](#)
- c. Approval Needed - Resolution 2026-03 - Resolution authorizing PERA contributions for qualifying part-time Police Officers for the City of Blackduck 100  
[2026-03 Resolution authorizing PERA contributions for qualifying part-time police officers](#)
- d. Approval Needed - Resolution 2026-04 - Resolution to appoint election judges for the 2026 state primary, state general elections, and municipal elections 101  
[2026-04 Resolution to appoint election judges for the 2026 municipal elections](#)
- e. Approval Needed - Resolution 2026-05 - Resolution Acknowledging Donation from Blackduck Fire Relief Association 102  
[2026-05 Resolution acknowledging a donation from the Blackduck Fire Relief Association](#)
- f. Approval Needed - Resolution 2026-06 - Resolution approving an excluded bingo license for the Blackduck Area Chamber of Commerce 103 - 105  
[2026-06 Resolution approving an excluded bingo application for the Blackduck Area Chamber of Commerce](#)  
[2026 Application not bash -2](#)
- g. Approval Needed - City of Blackduck Conflict of Interest & Code of Ethics Policy for Elected Officials, Members of Boards, Commissions and Committees for 2026 106 - 112  
[Conflict of Interest - Code of Ethics](#)
- h. January 8, 2026 @ 1pm - Public Safety Committee Meeting - City Hall

- i. January 19th, 2026 Blackduck City Hall and DMV Closed in Observance of MLK Holiday
  - j. January 26, 2026 City Council Work Session
  - k. February 9, 2026 @ 6pm Blackduck City Council Regular Meeting
- 7. MAYOR AND/OR COUNCIL MEMBER REPORTS
  - 8. COMMUNITY EVENTS/GOOD THINGS HAPPENING
  - 9. ADJOURNMENT



# BLACKDUCK PUBLIC SAFETY COMMITTEE

THURSDAY, DECEMBER 18, 2025 @ 1PM

## MEETING MINUTES

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**CALL TO ORDER:** The Public Safety Committee of the City of Blackduck met in a scheduled meeting at the City Hall at 1:00pm, December 18, 2025.

**Roll Call**

**Councilors present:** Mayor Gullette

**Staff Present:** City Administrator Christina Regas, Public Works Director Mike Schwanke, Police Chief Arhart

**Others Present:** none

The meeting was called to order at 1:00pm the Pledge of Allegiance was not recited.

Topic(s) covered in the committee meeting were as follows:

**BLACKDUCK POLICE DEPARTMENT CONTRACT FOR SERVICES WITH SHERIFF DEPARTMENT**

Committee members held a discussion regarding the potential of contracting with the Sheriff department for law enforcement services to include cost of services and what type and amount of services.

Committee members agreed the potential contract with Beltrami Sheriff Department would require the following:

1. Coverage of a minimum of 40 per week of one law enforcement officer in Blackduck.
2. Coverage of City of Blackduck Ordinances including but not limited to Sections 700 Traffic Codes and 920 Animals.
3. Presence of law enforcement in the Blackduck School of a minimum of 8 hours per week (presence could include attending athletic games; Boys & Girls Club; etc.)
4. Presence of law enforcement in the Blackduck Community (visible presence of squad to deter speeding etc. to connect with residents and improve visibility)
5. Provide periodical reports of statistics/response calls to the Blackduck City Council.

Committee members meet with Beltrami County Sheriff representatives on January 8<sup>th</sup>, 2026 @ 1pm and will discuss needs/wants. Next steps include presenting recommendations and discussions with full city council January 26<sup>th</sup>, 2026 work session with Sheriff Riggs and staff.

**ADJOURN** – The Committee adjourned their meeting at 2:15pm.

Closed Session: The Kitchigami Regional Library Board will go into closed session during the meeting on December 18, 2025, scheduled to begin at 6:00 p.m. at KRLS Headquarters located at 310 - 2<sup>nd</sup> St. N., Pine River, MN, and via Zoom as permitted by Minnesota Statute § 13D.03 to discuss and consider labor negotiations strategy pursuant to Minnesota Statute §§ 179A.01 to 179A.25.

Kitchigami Regional Library  
**Special Board Meeting December 18, 2025, 6:00pm**  
Kitchigami Regional Headquarters Building, Pine River, MN

### **A G E N D A**

Chair Tom Krueger called a meeting of the whole scheduled for Thursday, December 18, 2025, at 6:00 p.m., to be located at KRLS Headquarters and via Zoom to discuss the following topics:

- CD Renewal
- Blackduck Donation Funds Release Request
- Temporary Treasurer Appointment
- 2026-2028 KRLS/AFSCME Contract
- 2026 Updated Wage Scale
- Policy Updates

Please contact Svetlana Lang at 218-587-2171 x 224 or [langs@krls.org](mailto:langs@krls.org) if you are unable to attend.

## **1. CD Renewal Request**

### **Action Request:**

1. That the board designate the financial institution with the highest interest rate the day of Maturity or reinvest/auto renew at First National Bank North (Walker, MN) for another year at their interest rate the day of Maturity.
  
2. That the Board make a motion other than investment.

<b>First National Bank North (Walker, MN)</b>	<b>Account Nickname/Purpose</b>	<b>Value Invested:</b>	<b>Maturity Date</b>
x247 7-month special term was at fixed rate 4.25% on 5/21/25	Automation & Software	\$289,751.16	12/21/2025
x244 7-month special term was at fixed rate 4.25% on 5/21/25	Automation R&M	\$93,594.91	12/21/2025

### **Rates & Terms**

A handout with the most current rates and terms from the banks in our region will be available at the Board Meeting.

### **3. Temporary Treasurer Appointment**

**Action Request:**

KRLS Board Treasurer George Deiss is terming off of the board at the end of December, and January’s meeting is on the 22<sup>nd</sup>. Please appoint a temporary treasurer to serve from 1/1/2026 until the appointment of a new treasurer at the 1/22/2026 KRLS board meeting to ensure a smooth transition at year end for banking and payroll processing. The KRLS Board Chair and Treasurer are the authorized signers on the KRLS checking account and approve bank transactions on the 10<sup>th</sup> and 25<sup>th</sup>. Current members and terms are included for Board convenience:

<b>City/County</b>	<b>Current Members</b>	<b>Term Start Date</b>	<b>Term Exp Date</b>
Beltrami Co.	Joe Gould	January 2023	December 2025
Cass Co.	Scott Bruns	March 2022	February 2025
Crow Wing Co.	Jamie Lee	January 2025	December 2027
Hubbard Co.	Tom Krueger	January 2019	December 2027
Wadena Co.	Murlyn Kreklau	January 2021	December 2026
Bemidji	Lynn Eaton	May 2022	April 2025
Blackduck	Laurie Hamilton	November 2021	October 2027
	Donald Johnson (alt)	February 2025	
Brainerd	Mary Koep	March 2024	February 2027
Cass Lake	Cecil Reams	July 2025	June 2028
Longville	Neil Tobiason	January 2023	December 2025
Park Rapids	Jeremy Engholm	January 2025	December 2027
Pine River	Brent Norman	July 2021	June 2027
<b>Wadena</b>	<b>George Deiss</b>	<b>January 2017</b>	<b>December 2025</b>
Walker	Jerecho Worth (alt)	Oct 2025	Sept 2028

## **6. Policy Updates – 1<sup>st</sup> and 2<sup>nd</sup> Reading Request**

**Action Request:** That the board approve the following policies.

KRLS Board reviewed some policies in November. A few require further development, but these are ready for the Board's review and possible approval. KRLS Administration, the Manager Policy Committee, and Board Policy Committee have developed, reviewed, and approved these policies for approval by the KRLS Board. Our legal team has also reviewed these policies. Policy changes normally require a 1<sup>st</sup> and 2<sup>nd</sup> reading at separate board meetings. Please motion to waive this requirement and hold a 1<sup>st</sup> & 2<sup>nd</sup> reading on the MN Paid Family Medical Leave policy, to go into effect 1/1/2026, and hold a 2<sup>nd</sup> reading of the Materials Use & Fees Policy. Please review and approve these updated policies.

**Policy: MN Paid Leave Program**  
**Approved by the Board:**  
**Effective Date: 1/1/2026**

**Policy Number: 4.18**  
**Revision Date:**  
**Number of pages: 5**

### **POLICY STATEMENT**

Effective January 1, 2026, the State of Minnesota will be requiring KRLS to participate in the Minnesota Paid Leave program, which is a mandatory paid leave insurance program that is either managed by the State of Minnesota or, alternatively, employers may participate in an equivalent private plan that has been approved by the State. The Minnesota Paid Leave program is governed by Chapter 268B of the Minnesota Statutes.

The purpose of the Minnesota Paid Leave program is to provide employees with long-term extended leave and requires the State's approval based on necessity and eligibility. It is intended to cover more extreme accidents or illnesses, maternity/paternity leave, qualified exigency leave, safety leave, or for providing care to a family member.

### **ELIGIBILITY FOR MINNESOTA PAID LEAVE**

To be eligible for the paid leave insurance program benefits, an employee must have wage credits of at least 5.3% of the State's Average Annual Wage (SAW) (rounded down to the next lower \$100) that is computed on an annual basis by the State of Minnesota. This program will be administered by the Minnesota Department of Employment and Economic Development (DEED).

The maximum length of benefits will depend on whether an employee uses Minnesota Paid Leave for multiple reasons in one year and the qualifying reasons for which the employee seeks to use the leave. The maximum amount of leave available to an employee for any combination of qualifying reasons within a year is 20 weeks. The total number of weeks that an employee may take benefits in a single benefit year for the employee's serious health condition is the lesser of 12 weeks, or 12 weeks minus the number of weeks within the same benefit year that the applicant received benefits for bonding, safety leave, family care, and qualifying exigency plus eight weeks. The total number of weeks that an applicant may take benefits in a single benefit year for bonding, safety leave, family care, and qualifying exigency is the lesser of 12 weeks, or 12 weeks minus the number of weeks within the same benefit year that the applicant received benefits for the employee's serious health condition plus eight weeks. For example, an employee may use up to a total of 12 weeks of Minnesota Paid Leave in a year for the employee's own serious health condition plus an additional eight weeks of Minnesota Paid Leave in the same year for leave to care for a family member with a serious health condition.

### **MINNESOTA PAID LEAVE COST**

Effective January 1, 2026, KRLS and its employees will split the premiums for Minnesota Paid Leave on a 50/50 basis with the employee share payable through payroll deductions pursuant to Minn. Stat. § 268B.14.

## **QUALIFICATIONS FOR MINNESOTA PAID LEAVE**

All permanent full-time, part-time, and temporary/seasonal employees are eligible to participate in the paid leave program. The types of leaves that qualify for the State of Minnesota Paid Leave program include the following:

- A serious health condition of self or family member.
- Bonding after birth, adoption, or foster parenting.
- A “qualifying exigency,” such as a need associated with a military member’s active-duty service.
- Safety leave, which is leave from work because of domestic abuse, sexual assault, or stalking when the leave is associated with seeking medical, victim services, psychological, or legal assistance, as well as relocation due to the event.

The following is the definition of an eligible family member that paid leave may be utilized for under the State of Minnesota Paid Leave law:

- A spouse or domestic partner.
- A child, including a biological, adopted, or foster child, a stepchild, a child of a domestic partner, is a legal guardian, a child to whom the applicant stands in loco parentis, or is a de facto custodian.
- A parent or legal guardian of the applicant.
- A sibling.
- A grandchild.
- A grandparent or spouse’s grandparent.
- A son-in-law or daughter-in-law.
- An individual who has a personal relationship with the applicant that creates an expectation and reliance that the applicant cares for the individual without compensation, whether or not the applicant and the individual reside together.

Except for benefits associated with bonding leave, the law will limit the paid leave benefits to those with a single qualifying event of at least seven days duration, which must be consecutive unless the leave is intermittent. This seven-day waiting period will not be deemed an unpaid period for eligible employees that are requesting participation in this program due to family care, medical care related to pregnancy, serious health condition, qualifying exigency, or safety leave.

For intermittent leave, the initial paid week means seven consecutive, non-consecutive, or a combination of consecutive and non-consecutive calendar days from the effective date of leave to be paid retroactively after the applicant has met the seven-day qualifying event in the first benefits payment to the applicant. The maximum amount of intermittent leave that an employee is eligible for is 480 hours in any 12-month period. Employees will track their intermittent leave time on their time sheet in fifteen (15) minute increments.

Bonding leave must end within 12 months of the birth, adoption, or placement of a foster child. The new law sets out circumstances that allow for exceptions to this rule.

Employees that apply to receive compensation through the Minnesota Paid Leave program are required to provide the Human Resources Department (or designee) with a copy of all certifications and supplemental information that is being provided to the State. The information provided by the employee must substantiate the need for the leave and duration and timing of the leave.

For employees that have a foreseeable need for leave, KRLS requires the employee to provide at least 30 days' notice to the statutorily required paid leave administrator for KRLS.

For employees that have an unforeseeable leave, KRLS requires the employee to provide notice as soon as practicable to the statutorily required paid leave administrator for KRLS.

Employees can notify the statutorily required paid leave administrator for KRLS in person, email, text message, or by telephone as long as the notice is sufficient for KRLS to understand the employee's need for the leave, leave time, and leave duration. Employees using Minnesota Paid Leave are still subject to all of KRLS' customary requirements for requesting and using leave, absent unusual circumstances or other circumstances caused by the reason for the employee's need for leave.

Employees that are currently receiving social security disability benefits are generally ineligible to participate in the Minnesota Paid Leave program. An employee who receives disability insurance benefits is currently eligible for both benefits, but disability insurance benefits may be offset by family and medical leave benefits paid to the employee pursuant to the terms of a disability insurance policy.

Employees that are currently receiving workers' compensation benefits will be eligible to receive a reduced benefit amount when claiming paid under this program.

#### **EMPLOYEE UTILIZATION OF ACCRUED PAID LEAVE**

KRLS will allow employees to supplement their Minnesota Paid Leave benefits with employer-provided leave, such as PTO, ESSL, or Floating Holiday, provided that the combination of benefits does not exceed the employee's weekly wage or salary. Employees will not be eligible to accrue additional PTO or other paid leave through KRLS while using Minnesota Paid Leave benefits. Employees who receive an overpayment of benefits will be required to repay overpaid benefit amounts.

KRLS employees using Minnesota Paid Leave benefits will be required to use their leave concurrently with leave taken for the same purposes under Minnesota's Pregnancy and Parental Leave statute (Minn. Stat. § 181.941) and the Federal Family and Medical Leave Act (FMLA).

## **PAID LEAVE BENEFIT AMOUNTS**

The benefit amount of Minnesota Paid Leave is progressive and will vary based on an employee's weekly wages, such that lower-income employees will receive a higher percentage of income with a sliding scale of lower percentages as employees earn more. Generally, employees will receive:

- 90% of the portion of their weekly wages that is less than or equal to 50% of the state's average weekly wage.
- 66% of the portion of their weekly wages that is more than 50% of the state average weekly wage but not 100% weekly wage.
- 55% of the portion of their weekly wages that exceed 100% of the state average weekly wage.

Benefits will be capped at 100% of the state average weekly wage. (Please note - DEED reports will include a benefits calculator on its Minnesota Paid Leave webpage so applicants can better estimate their benefits. See <https://info.paidleave.mn.gov/employers/premiums/index.jsp>.)

If the Internal Revenue Service (IRS) finds benefits under this program to be taxable under federal law an employee may elect to have federal income tax deducted and withheld from the employee's benefits. Minnesota Paid Leave benefits are subject to state income tax.

Benefits will begin on the Sunday of the calendar week in which a benefit application is filed.

Payments made through the State of Minnesota Paid Leave program are not considered eligible salary for PERA contributions or service credit. Employer paid PTO, floating holiday time, ESSL, or other paid time provided by KRLS that is used to supplement Paid Leave is not eligible salary for PERA contributions unless the employee is on a medical leave and the employer-paid leave represents at least 50% of the average earnings that would have been received if the employee was not on a leave. If desired, employees may purchase back salary and service credit lost during a period of authorized leave through PERA.

## **EMPLOYMENT BENEFITS AND JOB PROTECTIONS**

Pursuant to Minn. Stat. § 268B.09, employees that are participating in the State of Minnesota Paid Leave program will continue to receive the usual KRLS contribution towards their health insurance premium. Employees will remain responsible for paying their share of any required insurance premium contributions.

An employee that is approved for the Minnesota Paid Leave program must be returned to the same position they held prior to when their leave started or equivalent position with equivalent benefits, pay, and other terms and conditions of employment if he/she has been employed by KRLS for 90 days. However, an employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the period of Minnesota Paid Leave. KRLS will not retaliate or discriminate against an

employee for requesting or obtaining Minnesota Paid Leave, nor can it obstruct or interfere with an employee applying for the paid leave.

**KRLS ADMINISTRATIVE RESPONSIBILITIES**

KRLS' responsibilities under the Minnesota Paid Leave program include the following: (1) notification requirements, including educating and informing employees of this program, (2) reporting wages and paying premiums to fund the program, and (3) coordinating benefits and leaves during an employee absence.

**CONFORMANCE WITH THE LAW**

This policy is intended to conform to applicable state and federal law. In the event of any changes to the law or conflicts between this policy and the law, the law will govern.

DRAFT

## 8.11 Materials Use and Fees

<b>Policy:</b> Materials Use and Fees	<b>Policy Number:</b> 8.11
<b>Approved by the Board:</b>	<b>Revision Date:</b>
<b>Effective Date:</b>	<b>Number of Pages:</b> 4

### **Purpose:**

To establish the borrowing limits and loan periods of library materials and the schedule of fees to library borrowers for materials that are not returned or are returned damaged.

### **Policy:**

Library patrons are responsible for the use and timely return of all materials borrowed on their KRLS borrower card. Loan periods are established to facilitate the timely return of materials. KRLS does not charge daily overdue fines for materials that are not returned by their due date. (Library materials overdue by over 30 days are considered lost.) Fees are incurred for printed notices, replacement of lost or damaged items, and for the replacement of library borrower cards and miscellaneous replacement costs.

Borrower limits are as follows:

- Probationary cardholders may borrow a total of seven physical items at a time.
- Permanent cardholders may borrow up to seven (7) audio items, seven (7) DVD items, one (1) Bingebox item, and one (1) hotspot at a time.
- Mobile library borrowers may borrow up to fourteen (14) audio items, fourteen (14) DVD items, one (1) Bingebox item, and one (1) hotspot at a time.
- Borrowing of books and other materials is unlimited.
- All KRLS materials may be renewed once, provided there are no holds (requests) on the item. Items with holds on them must be returned promptly.
- Interlibrary loan items may not be renewed except by special permission of the lending library.
- All lost and damaged materials must be paid for. In addition to the item fees listed, a nonrefundable \$3.00 administration fee and a non-refundable \$2.00 printed notice fee will be charged for each item.
- There will be no refunds for lost materials located later.
- Loan periods and replacement costs will be reviewed and amended by the KRLS Board as required.
- The loan periods for Mobile Library borrowers will be extended as necessary for the schedule of stops and for occasions when weather or other conditions prevent a regularly scheduled stop. Notice fees will be waived under these conditions.

- We do not accept physical replacements of items for lost or damaged materials.

Loan periods for library materials are listed as Appendix A.

Replacement costs for lost and/or damaged items are listed in Appendix B.

**Applicability:**

All materials borrowed through any KRLS branch library or mobile library location.

**Reference:**

*Borrower Card Eligibility and Use*

## Appendix A

### Loan Periods

#### Printed Materials:

- High demand/bestseller books 7 days
- Book Club bags 42 days
- All other books 28 days
- Magazines 14 days

#### Audio/Video Materials

- Books on CD 14 days
- Music on CD 14 days
- Book/Audio Combo 14 days
- Digital Book 14 days
- DVDs 7 days

#### Special Collections Items:

- Games/Toys/Equipment 14 days
- Kits 28 days
- Hotspots 14 days, permanent patrons over age 18 only, one per household, 24-hour wait between return and checkout

Interlibrary loan periods are determined by the lending library.

## Appendix B

### Replacement Costs of Lost and Damaged Items:

- Hardcover book, Adult \$25
- Paperback book, Adult, Nonfiction \$20
- Paperback book, Adult, Fiction \$15
- Hardcover book, YA/Juv/E \$20
- Paperback book, YA/Juv/E \$10
- Board Book \$10
- Magazine \$10
- Book on CD (per CD) \$10\*
- Digital Book (Playaway) \$25
- Book with Audio Player (Wonderbook) \$60
- Music CD \$20
- DVD \$25
- Hotspot
  - reactivation fee \$10
  - Mobile Hotspot: \$200
  - USB Cord: \$5
  - AC Adapter: \$10
  - Case: \$30
- Special Collection Items Varies

\*Audiobooks are charged \$10 per disc for a maximum of \$30 for discs.

\*\*Items that cost more than the standard cost in this list will be charged according to their actual replacement cost.

Printed Notice Fee: There is a \$2.00 non-refundable fee for each printed overdue notice.

### Additional Replacement Costs:

- Replacement fee for CD and DVD items returned with no case is \$5.00.
- Replacement fee for Book on CD items with no case is \$15.00.
- Replacement fee for cover art with CD, DVD or Book on CD items is \$1.00.
- Lost library card replacement cost \$2.00
- Missing item barcode replacement cost \$1.00



# BLACKDUCK PERSONNEL COMMITTEE

MONDAY, DECEMBER 29, 2025 @ 3PM

MEETING MINUTES

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

**Committee Members Absent:** Councilor Donald Johnson

Topics covered in the personnel meeting were as follows:

## **OLD BUSINESS:**

There was no old business discussed.

## **NEW BUSINESS:**

1. Approval 2026 Proposed Wages – Committee members met to discuss proposed wages for full-time and part-time staff for 2026. All wages for public works, police, administration, and golf remained as budgeted and approved in November and December 2025.

Liquor department wages were discussed and amended employee wages were recommended based on performance in 2025; tenure; and current higher starting wages for employees recently hired. Members discussed the payroll budget for liquor noting major changes with one full-time employee reducing to part-time hours and dropping benefits which will be absorbed by a second full-time benefited cook that were not accounted for in the original budget. Members discussed the amended wages and reflection on existing approved budget. All changes were discussed with Director of Liquor Operations and City Administrator; the 2026 expense budget changes were amended into the payroll budget with little impact to the overall budget. Regas states the amendment will fit into the existing total budget – total increase to payroll is \$4,217 which is less than 1% of the liquor budget.

All committee members present approved the proposed wages for employees for the 2026 calendar year.

*Note: Council member Johnson was not present to the meeting, however, Johnson was included in all the preliminary agenda items for this committee meeting and provided verbal feedback to Administrator Regas prior. Council member Johnson's feedback was provided to the remaining committee members and considered.*

**ADJOURN** – Committee members adjourned the personnel meeting at 3:47pm.

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Christina Regas, City Administrator

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Maxwell Gullette, Mayor



# MINUTES

## Council Meeting

6:00 PM - Monday, December 8, 2025  
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, December 8, 2025, 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, Assistant Liquor Store Manager Melissa Gullette, and Public Works Director Mike Schwanke

**OTHERS PRESENT:** Tim Ramerth, Wideseth, and Bruce Skipton Blackduck Lions Club

### 1. CALL TO ORDER

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

### 2. APPROVAL OF AGENDA

- a.

Nicholas Seitz moved to approve the agenda as presented Laurie Hamilton 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. November 10, 2025 Blackduck City Council Regular Council Meeting Minutes
- b. November 20, 2025 KRLS Board Meeting Packet including September 18, 2025

Minutes

- c. November 19, 2025 Blackduck Planning Commission Meeting Minutes
- d. November 24, 2025 Blackduck City Council Meeting Work Session Minutes
- e. December 4, 2025 Public Safety Committee Meeting Minutes
- f. November 2025 Fund Balance Report and Budgeted & Recommended Transfers
- g. November 2025 Bill Report
- h. November 2025 Sewer Income Statement
- i. November 2025 Water Income Statement
- j. November 2025 Pine Tree Park Income Statement
- k. November 2025 Lakeview Cemetery Income Statement
- l. November 2025 Golf Course Income Statement
- m. November 2025 Liquor Store Income Statement
- n. November 2025 Blackduck DMV Income Statement
- o. October 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- p. Final Approval - November 2025 Business Credit Card Payment
- q. Final Approval - November 2025 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a)
- r. Final Approval - October 2025 Supplemental Bills
- s. Final Approval - 2025 Fire Aid & Supplemental Aid
- t. Final Approval - December 2025 Property Tax Statement
- u. Final Approval - DVS No Fee Payment - City of Blackduck DMV - Aug.-September 2025
- v. Final Approval - Clarity Glass Quote for Services - Blackduck Public Library
- w. Final Approval - General Corporate License(s) - Northern Amusement 2026-01; 2026-02; 2026-03
- x. Final Approval - 2026-01 3.2 Liquor & Strong Wine License - Blackduck Bowling Lanes
- y. Final Approval - 2026 Waste Removal Contract - Jon's Refuse Solutions, Inc.
- z. Final Approval - 2026 Contract for Services - City of Blackduck and Township and Range, LLC for Municipal Rental Code Inspection Services
- aa. Final Approval - City of Blackduck MN Paid Leave Personnel Policy - Effective January 1, 2026
- ab. Final Approval - MOU between City of Blackduck and International Union of Operating Engineers Local #49 - MN Paid Leave premium contribution rate for 2026
- ac. Final Approval - Blackduck Fire Relief Investment Report Card for year ending 2024
- ad. Final Approval - November 2025 City of Blackduck Analytics Report  
blackduckmn.com
- ae. Final Approval - November 2025 New Hires Report
- af. Final Approval - 2026 LPHE Retailer & LPHE Retailer License - Blackduck Municipal Liquor Store

Laurie Hamilton moved to approve the consent 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

**4. 2025 TRUTH IN TAXATION PUBLIC HEARING - CHRISTINA REAS, CITY ADMINISTRATOR**

*(Mayor Gullette to close the regular council meeting and open the Truth in Taxation public meeting.)*

- a. 2025 Truth in Taxation Public Hearing Presentation Report - Regas read through the TNT Report and took comments from the public.

Councilor Johnson asked for further clarification of how the Age Index affects levy. Regas states the calculations are summarized from the MN DOR which is based on 2024 numbers and census reports. Johnson asked if the percentage represents the number of property owners over 65. Regas suspects the age of property owners may be difficult to gain that data. Regas could look into further details to explain more. Regas believes it represents the percentage of the population over 65 that owns homes vs. lives in the city. Johnson states he is curious of the number of seniors in town, but most property tax payers are equal out and is based on value of properties.

There were no further questions on the budget and levy.

Ronald Fredrickson moved to close the regular council meeting and open the truth in taxation public hearing at 6:04pm Laurie Hamilton seconded the motion.

Carried 5 to 0

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

Ronald Fredrickson moved to close the truth in taxation public hearing at 6:23pm and reopen the regular council meeting Nicholas Seitz seconded the motion.

Carried 5 to 0

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

b.

**5. 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 to speak for the Blackduck Forum.

**6. REPORTS OF COMMITTEES AND CITY STAFF**

**6.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS DIRECTOR**

6.1.1. Report -

Schwanke reports November was a quiet month for his staff. Nothing further.

**6.2. LIQUOR STORE REPORT - SHAWNDA LAHR, DIRECTOR OF LIQUOR OPERATIONS**

6.2.1. Report -

Melissa Gulette reports November sales were ok and with early ice on lakes traffic will pick up. Customer appreciation will be December 20 @ 3pm with prizes and refreshments for the public. Gulette reports there is more staff for the kitchen which is helping. Nothing further.

**6.3. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN**

6.3.1. Approval Needed - The Library Store Quote #945042 - FF&E (does not include shelving)

Nicholas Seitz moved to approve quote #945042 from the Library Store for FF&E Laurie Hamilton seconded the motion.

Carried 5 to 0

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

6.3.2. Council Input Requested - Blackduck Library Logo/Design Concepts - Pinnacle Marketing

Regas provided developed concepts for a new Library logo for future signage. Board members discussed their favorites and selected Concept #4 from Pinnacle to move forward with. Regas will provide the final decision to Pinnacle to move forward with.

6.3.3. Council Consideration - Blackduck Community Library Shelving Design & Quote - The Library Store

Regas provided the board updated concepts on library shelving designs and quote from The Library Store. Recent updates provides additional shelving rows and the heights of that shelving. Regas further states narrowing down the number on Joni-Craft book shelving for the youth book storage. Regas

states once final construction amounts are attained from the contractor for flooring and painting quotes will be requested to have approval on for the shelving. Regas is working on the financial budget to ensure there is enough funding for those items. Regas states current quotes on the shelving without shipping is \$61,000. Regas reports working with Schwanke on exterior improvements to the eastside greenspace, and area surrounding the entrance. Regas would like to purchase a new exterior book return stating the current unit has been difficult to unlock. Hamilton asked for confirmation of the location of the new patron tech area from the layout. Regas provided insight. Fredrickson asked when the City would receive the cost of shipping on the shelving. Regas states once we final the design then the rep can provide that cost. Nothing further at this time.

Other - Regas provided update on the number of operating hours will reduce to 20 due to the final levy approved from Beltrami County. Regas states the Bemidji Branch is donating funding to Blackduck to stay within the 20 hours which is the state minimum. Regas states there has been no further updates from KRLS on the budget.

## 7. ADMINISTRATOR'S REPORT

- a. Council Consideration - Blackduck Lions Club - Discussion regarding Lions Duck Restoration Project  
Bruce Skipton, President of the Blackduck Lion's Club introduced himself and provided insight to the local organization. Skipton states the local club almost folded due to reduced membership and it is his goal to grow and regain involvement in the community. Mayor Gulette states the City has an opportunity to partner with the Lion's Club to work on the Lion's Duck Statue restoration. Skipton and the board agreed to work together in 2026 to complete restoration on the statue.
- b. Approval Needed - Resolution 2025-20 - Resolution adopting a schedule of fees and charges for various services, licenses, and permits for the City of Blackduck Minnesota for 2026

Nicholas Seitz moved to approve Resolution 2025-20 - a resolution adopting a schedule of fees and charges for various services, licenses, and permits for the City of Blackduck Laurie Hamilton seconded the motion.

Carried 5 to 0

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

- c. Approval Needed - Resolution 2025-21 - Resolution approving Final 2025 Tax Levy, Collectable in 2026

Ronald Fredrickson moved to approve resolution 2025-21 - a resolution approving final 2025 tax levy, collectable in 2026 Donald Johnson seconded the motion.

Carried 5 to 0

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

- d. Council Consideration - Resolution 2026-01 DRAFT - Resolution of annual appointments and designations for 2026  
Board members considered revisions for appointments and designations for 2026.
- e. December 18, 2025 1pm Public Safety Committee Meeting - City Hall
- f. December 24, 2025 Blackduck City Hall and DMV Closed @ Noon for Christmas Eve
- g. December 25, 2025 Blackduck City Hall and DMV closed for Christmas Day
- h. January 1, 2026 - Blackduck City Hall and DMV Closed for New Year's Day
- i. January 3, 5, 2026 @ 6pm - Blackduck City Council Regular Meeting  
Regas updated the date of the January Council meeting
- j. January 8, 2026 @ 1pm - Public Safety Committee Meeting - City Hall

**8. MAYOR AND/OR COUNCIL MEMBER REPORTS**

**9. COMMUNITY EVENTS/GOOD THINGS HAPPENING**

- a. Mayor Gullette reports the Boys & Girls Club did a great job decorating the Wayside Rest Park and used all the existing lights from past years.

Councilor Johnson reports the Friends of the Library need a location for their tables and books and requests the City consider a location to assist. Johnson states the Friends of the Library are considering a 'conex' box and would like city property to house the unit. Councilor Seitz states it is not recommended to use those boxes as the Bemidji School District has done it in the past and has had issues with water and mold on items inside. Regas recommends renting a storage unit that is heat/cold controlled.

**10. ADJOURNMENT**

- a.

Donald Johnson moved to adjourn the regular council meeting at 7:30pm Laurie Hamilton seconded the motion.

Carried 5 to 0

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

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City Administrator, Christina Regas

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Maxwell Gullette, Mayor

January 5, 2026

FUND	Deerwood Checking BEGINNING BALANCE	Bill Report through 1/5/2026	Deerwood Checking ENDING BALANCE	Deerwood First Preferred Savings BEGINNING BALANCE	Deerwood First Preferred Savings Bill Report through 1/5/2026	Deerwood First Preferred Savings ENDING BALANCE	Total Balance of all Accounts
GENERAL (101)	\$638,953.12	\$20,725.77	\$618,227.35	\$113,622.96	\$0.00	\$113,622.96	
POLICE RESTRICTED CASH (101)	\$23,308.21	\$0.00	\$23,308.21	\$0.00	\$0.00	\$0.00	
CEMETERY (201)	(\$12,478.45)	\$0.00	(\$12,478.45)	\$9,116.74	\$0.00	\$9,116.74	
PERPETUAL CARE (202)	\$2,185.01	\$0.00	\$2,185.01	\$53,418.01	\$0.00	\$53,418.01	
SEWER MAINTENANCE (204)	\$0.00	\$0.00	\$0.00	\$66,990.90	\$0.00	\$66,990.90	
SEWER REPLACEMENT (205)	\$0.00	\$0.00	\$0.00	\$281,340.64	\$0.00	\$281,340.64	
SCDP REVOLVING LOAN FUND (207)	\$0.00	\$0.00	\$0.00	\$37,417.02	\$0.00	\$37,417.02	
FIRE DEPT RESERVE (TruckFund) (208)	\$0.00	\$0.00	\$0.00	\$62,292.71	\$0.00	\$62,292.71	
PINE TREE PARK (209)	\$15,217.72	\$136.86	\$15,080.86	\$15,316.27	\$0.00	\$15,316.27	
WATER SINKING FUND (212)	\$0.00	\$0.00	\$0.00	\$225,247.93	\$0.00	\$225,247.93	
PUBLIC WORKS RESERVE FUND (215)	\$0.00	\$0.00	\$0.00	\$40,888.06	\$0.00	\$40,888.06	
Fire Dept Special Equip Fund (216)	\$150,621.13	\$0.00	\$150,621.13	\$5,213.65	\$0.00	\$5,213.65	
2018 Revolving Loan Fund (250)	(\$195.00)	\$0.00	(\$195.00)	\$340,101.01	\$0.00	\$340,101.01	
1989 Go Bond (301)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2006 GO BOND (307)	(\$277.60)	\$0.00	(\$277.60)	\$0.00	\$0.00	\$0.00	
2009A Refunding Bond (309)	\$379.42	\$0.00	\$379.42	\$0.00	\$0.00	\$0.00	
2014A Disposal System Debt Service Fund (314)	\$25,999.36	\$0.00	\$25,999.36	\$0.00	\$0.00	\$0.00	
2017A Disposal System Debt Service Fund (317)	\$6,431.44	\$0.00	\$6,431.44	\$0.00	\$0.00	\$0.00	
USDA Skid Steer Debt Service Fund (318)	(\$3,406.00)	\$0.00	(\$3,406.00)	\$0.00	\$0.00	\$0.00	
2017 PFA Debt System Debt Service Fund (320)	\$86,027.59	\$0.00	\$86,027.59	\$0.00	\$0.00	\$0.00	
2018 Frontage/Pine Ave Internal Loan (325)	\$11,213.13	\$0.00	\$11,213.13	\$0.00	\$0.00	\$0.00	
2024A Gen. Obligation Equipment Project fund (330)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2024A Gen. Obligation Equipment Debt Fund (331)	(\$126.70)	\$22,347.00	(\$22,473.70)	\$0.00	\$0.00	\$0.00	
2025A Gen. Obligation Equipment Project Fund (340) Fire	\$14,756.13	\$0.00	\$14,756.13	\$0.00	\$0.00	\$0.00	
2025A Gen. Obligation Equipment Debt Fund (341) Fire	\$24,943.90	\$0.00	\$24,943.90	\$0.00	\$0.00	\$0.00	
TAX INCREMENT FINANCING (376)	\$44,668.69	\$0.00	\$44,668.69	\$133,267.20	\$0.00	\$133,267.20	
Blackduck HRA Fund (210)	\$34,145.56	\$0.00	\$34,145.56	\$0.00	\$0.00	\$0.00	
2023A Gen. Obligation Debt fund PW/PS Facility (381)	\$2,144.01	\$0.00	\$2,144.01	\$0.00	\$0.00	\$0.00	
2023B Gen. Obligation Debt Fund PW/PS Facility (382)	\$405.10	\$0.00	\$405.10	\$0.00	\$0.00	\$0.00	
Capital Project Fund (401)	\$14,358.19	\$0.00	\$14,358.19	(\$18,201.84)	\$0.00	(\$18,201.84)	
KRLS Library Renovation Project (550) - new	\$50,752.57	\$1,334.66	\$49,417.91	\$0.00	\$0.00	\$0.00	
WATER FUND (601)	(\$12,791.89)	\$57,666.57	(\$70,458.46)	\$0.00	\$0.00	\$0.00	
SEWER FUND (602)	\$31,574.77	\$5,886.93	\$25,687.84	\$0.00	\$0.00	\$0.00	
LIQUOR FUND (609)	\$195,682.08	\$102,832.54	\$92,849.54	\$0.00	\$0.00	\$0.00	
LIQUOR RENT RESTRICTED FUND (609)	\$35,027.93	\$0.00	\$35,027.93	\$0.00	\$0.00	\$0.00	
GOLF COURSE FUND (613)	(\$204,480.34)	\$2,528.86	(\$207,009.20)	\$0.00	\$0.00	\$0.00	
<b>Total:</b>	<b>\$1,175,039.08</b>	<b>\$213,459.19</b>	<b>\$961,579.89</b>	<b>\$1,366,031.26</b>	<b>\$0.00</b>	<b>\$1,366,031.26</b>	<b>\$2,327,611.15</b>

Fund Transfer from: Fund transfer to: Reason: Amount of Transfer: YTD Total

	Principal:	Interest:	Fees:	Total:
2021 General Obligation Debt Payment (609)	\$30,000.00	\$4,925.00	\$575.00	\$35,500.00
2012A General Obligation Debt Payment (601)	\$50,000.00	\$6,543.75	\$0.00	\$56,543.75
2024 General Obligation Debt Payment (331)	\$18,000.00	\$4,347.00	\$0.00	\$22,347.00

CITY OF BLACKDUCK

Monthly Bills

December 2025

Check Name	Amount		Amount
<b>101 GENERAL FUND</b>		ARVIG ENTERPRISES INC.	\$420.00
Marco Technologies LLC	\$1,152.95	BELTRAMI ELECTRIC COOP	\$1,513.50
BELTRAMI ELECTRIC COOP	\$4,042.74	BEMIDJI COCA-COLA	\$520.40
BLACKDUCK AUTO PARTS	\$1,271.07	BERNATELLOS	\$252.00
BLACKDUCK CO-OP	\$250.53	Bernick Companies	\$7,563.55
Certified Laboratories	\$817.95	BOBS ECONO PUMP INC	\$240.00
DILIGENT CORPORATION	\$2,652.25	BOND TRUST SERVICES CORP.	\$35,500.00
FRONTIER REPAIR	\$220.63	Breakthru Beverage	\$1,610.78
NORTHWOODS LUMBER CO	\$23.97	D-S BEVERAGES, INC.	\$10,335.90
PAUL BUNYAN COMMUNICATIONS	\$944.70	HEGGIES PIZZA LLC	\$288.40
PINNACLE MARKETING GROUP	\$79.00	JOHNSON BROTHERS LIQUOR CO.	\$3,741.04
QUILL CORPERATION	\$63.47	JONS REFUSE SOLUTIONS INC	\$380.00
ROGER'S TWO WAY RADIO	\$8,088.98	MELISSAS CLEANING	\$1,280.00
TIMBERLINE SPORTS, INC	\$324.92	MIKINNON CO., INC	\$12,984.10
VERIZON WIRELESS	\$518.90	MMBA (MN MUNICIPAL BEVERAGE)	\$1,700.00
VESTIS	\$273.71	NEI BOTTLING INC	\$985.79
<b>101 GENERAL FUND</b>	<u>\$20,725.77</u>	NORTHWOODS LUMBER CO	\$8.63
<b>209 PINE TREE PARK FUND</b>		OLD DUTCH	\$481.44
BELTRAMI ELECTRIC COOP	\$136.86	PAUL BUNYAN COMMUNICATIONS	\$389.90
<b>209 PINE TREE PARK FUND</b>	<u>\$136.86</u>	PERFORMANCE FOOD SERVICE	\$10,134.03
<b>331 2024A GENERAL OBLIG EQUIP DEBT</b>		Phillips Wine and Spirits	\$2,495.94
HUNTINGTON PUBLIC CAP CORP	\$22,347.00	PINNACLE MARKETING GROUP	\$79.00
<b>331 2024A GENERAL OBLIG EQUIP</b>	<u>\$22,347.00</u>	QUILL CORPERATION	\$182.36
<b>550 KRLS LIBRARY RENOV PROJECT</b>		Southern Glazer's of MN	\$2,126.39
NORTHWOODS LUMBER CO	\$234.66	TOTAL REGISTER SYSTEMS, INC	\$1,833.65
PINNACLE MARKETING GROUP	\$1,100.00	TOTAL TAP SERVICES	\$85.00
<b>550 KRLS LIBRARY RENOV PROJEC</b>	<u>\$1,334.66</u>	US FOODS	\$4,512.12
<b>601 WATER FUND</b>		VESTIS	\$672.84
BELTRAMI ELECTRIC COOP	\$902.81	VINOPIA INC	\$106.50
BOND TRUST SERVICES CORP.	\$56,543.75	<b>609 MUNICIPAL LIQUOR FUND</b>	<u>\$102,832.54</u>
NORTHWOODS LUMBER CO	\$63.93	<b>613 GOLF COURSE</b>	
PAUL BUNYAN COMMUNICATIONS	\$77.66	BELTRAMI ELECTRIC COOP	\$502.56
VERIZON WIRELESS	\$78.42	BLACKDUCK CO-OP	\$203.92
<b>601 WATER FUND</b>	<u>\$57,666.57</u>	FRONTIER REPAIR	\$1,590.37
<b>602 SEWER FUND</b>		NORTHWOODS LUMBER CO	\$20.51
BELTRAMI ELECTRIC COOP	\$1,688.31	PAUL BUNYAN COMMUNICATIONS	\$132.50
HIGH TIDE TECHNOLOGIES	\$1,030.80	PINNACLE MARKETING GROUP	\$79.00
MN PUMP WORKS	\$3,167.82	<b>613 GOLF COURSE</b>	<u>\$2,528.86</u>
<b>602 SEWER FUND</b>	<u>\$5,886.93</u>		
<b>609 MUNICIPAL LIQUOR FUND</b>			
Marco Technologies LLC	\$265.28		
ABSOLUTE ICE	\$144.00		

Check Name	Amount
	\$213,459.19

**Sewer Fund**  
**Year to Date Income Statement thru 12/31/2025**

<b>Sewer Operating Revenue:</b>		<b>Budget</b>
Reimbursements	\$1,086.67	\$0.00
Interest Earnings	\$1,754.26	\$750.00
Sewer Sales	\$212,267.52	\$250,297.86
Farm Lease Agreement Revenue	\$6,098.00	\$6,098.00
Swr Penalty	\$1,179.71	\$1,500.00
Transfer from Money Market - ARPA Funds	\$0.00	\$0.00
Sewer Connet/Reconnect	\$0.00	\$0.00
Other State Aid Grant	\$325.00	\$0.00
Charges for Service	\$15,325.00	\$5,000.00
<b>Total Sewer Revenues</b>	<b>\$238,036.16</b>	<b>\$263,645.86</b>

<b>Sewer Operating Expenditures:</b>		<b>Budget</b>	<b>Remaining</b>
Full-Time Employees Regular	\$98,175.14	\$85,646.98	(\$12,528.16)
Full-time Employee overtime	\$7,795.24	\$4,000.00	(\$3,795.24)
Part-Time Employees	\$1,699.80	\$1,349.46	(\$350.34)
Employer CPF Contribution - Union Contract	\$2,633.58	\$3,102.84	\$469.26
PERA	\$7,386.43	\$6,524.73	(\$861.70)
FICA	\$8,031.36	\$6,655.23	(\$1,376.13)
Employer Paid Health	\$14,779.72	\$17,044.92	\$2,265.20
Office Supplies (GENERAL)	\$113.59	\$400.00	\$286.41
Heating Fuel	\$407.88	\$1,000.00	\$592.12
Electricity	\$33,721.10	\$21,000.00	(\$12,721.10)
Training and Instruction	\$753.46	\$1,000.00	\$246.54
Operating Supplies (GENERAL)	\$1,367.27	\$1,000.00	(\$367.27)
Motor Fuels	\$1,166.36	\$2,000.00	\$833.64
Lubricants and Additives	\$0.00	\$500.00	\$500.00
Repairs/Maint Supply	\$149.33	\$1,500.00	\$1,350.67
Equipment Parts	\$0.00	\$0.00	\$0.00
Computer Supplies	\$0.00	\$0.00	\$0.00
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	\$3,500.00	\$3,500.00	\$0.00
Architect Fees	\$0.00	\$0.00	\$0.00
Legal Fees - for project	\$0.00	\$100.00	\$100.00
Testing/Analysis	\$1,528.78	\$1,700.00	\$171.22
Other Professional Services	\$10,319.09	\$4,000.00	(\$6,319.09)
Engineering Services - <i>PER/ER</i>	\$5,435.63	\$0.00	(\$5,435.63)
Telephone	\$0.00	\$0.00	\$0.00
Postage	\$805.02	\$700.00	(\$105.02)
Travel Expense	\$486.19	\$1,000.00	\$513.81
Other Printing/Binding	\$0.00	\$0.00	\$0.00
Freight and Express	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$2,292.28	\$2,877.64	\$585.36
Property Insurance	\$5,556.40	\$5,941.09	\$384.69
Other Insurance	\$0.00	\$0.00	\$0.00
Automotive Insurance	\$0.00	\$0.00	\$0.00
Workers Compensation	\$2,323.00	\$3,872.62	\$1,549.62
Unemployment Paid	\$0.00	\$0.00	\$0.00
State Connection Fee	\$0.00	\$0.00	\$0.00
Repairs/Maint Building	\$0.00	\$125.00	\$125.00
Repairs/Maintenance Structure	\$12,452.09	\$10,000.00	(\$2,452.09)
Repairs/Main Machinery/Equip	\$492.89	\$4,500.00	\$4,007.11
Dues and Subscriptions	\$6,832.53	\$4,500.00	(\$2,332.53)
Buildings & Structures - <i>Liftstations</i>	\$7,077.98	\$0.00	(\$7,077.98)
Improvements other	\$0.00	\$0.00	\$0.00
Refuse/Garbage Dispsal -	\$167.20	\$0.00	(\$167.20)
Medical Fees	\$0.00	\$0.00	\$0.00
Miscellaneous -	\$0.00	\$0.00	\$0.00
Other Equipment <i>marco printer</i>	\$513.66	\$993.72	\$480.06
<b>Total Sewer Expenditures</b>	<b>\$237,963.00</b>	<b>\$198,634.23</b>	<b>(\$39,328.77)</b>

		<b>Budget</b>	<b>Remaining</b>
Debt Srv Principal 2014 Go Bond	\$0.00	\$3,000.00	\$3,000.00
2023A Go Bond Principal	\$12,562.88	\$12,562.88	\$0.00
2023A Go Bond Interest	\$8,061.72	\$8,061.72	\$0.00
2023B Go Bond Principal	\$2,488.18	\$2,488.18	\$0.00
2023B Go Bond Interest	\$1,423.29	\$1,423.30	\$0.01
Depreciation/Capital Outlay	\$35,000.00 <i>24 &amp; 25</i>	\$20,000.00	-\$15,000.00
<b>Total</b>	<b>\$59,536.07</b>	<b>\$47,536.08</b>	<b>-\$11,999.99</b>

**Net Total (\$59,462.91) \$246,170.31 (\$51,328.76)**

# Water Fund

## Year to Date Income Statement thru 12/31/2025

Water Operating Revenue:		Budget:
Water Meter Sales	\$1,985.00	\$0.00
Health Dept Charges	\$2,662.78	\$2,994.00
Penalties and Interest	\$0.00	\$0.00
Water Sales	\$228,465.60	\$292,111.78
Water Connect/Reconnect Fee	\$525.00	\$800.00
Water Penalty	\$1,223.09	\$1,300.00
Interest Earnings	\$26.16	\$900.00
Reimbursements	\$636.91	\$0.00
<b>Total Water Revenues</b>	<b>\$235,524.54</b>	<b>\$298,105.78</b>

Water Operating Expenditures:	Year to Date	Budget	Remaining
Full-Time Employees Regular	\$93,065.73	\$81,038.72	(\$12,027.01)
Full-Time Employees OT	\$7,221.60	\$2,000.00	(\$5,221.60)
Part-Time Employees	\$1,699.88	\$1,349.46	(\$350.42)
Employer CPF Contribution - Union Contract	\$2,511.58	\$2,895.62	\$384.04
PERA	\$7,004.87	\$6,179.12	(\$825.75)
FICA	\$7,604.25	\$6,302.71	(\$1,301.54)
Employer Paid Health	\$14,130.96	\$16,297.77	\$2,166.81
Office Supplies (GENERAL)	\$400.00	\$400.00	\$0.00
Printed Forms	\$0.00	\$0.00	\$0.00
Heating	\$407.87	\$1,000.00	\$592.13
Electricity	\$10,103.60	\$10,000.00	(\$103.60)
Computer Supplies	\$0.00	\$0.00	\$0.00
Training and Instruction	\$32.00	\$1,000.00	\$968.00
Operating Supplies (GENERAL)	\$437.92	\$2,600.00	\$2,162.08
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$975.80	\$1,500.00	\$524.20
Lubricants and Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$0.00	\$0.00
Chlorine	\$7,983.72	\$7,000.00	(\$983.72)
Fluoride	\$0.00	\$1,300.00	\$1,300.00
Repairs/Maint Supply	\$86.51	\$1,100.00	\$1,013.49
Equipment Parts	\$14.99	\$0.00	(\$14.99)
Building Repair Supply	\$0.00	\$0.00	\$0.00
Utility Maint Supply	\$0.00	\$0.00	\$0.00
Small Tools	\$150.66	\$500.00	\$349.34
Merchandise for Resale	\$0.00	\$750.00	\$750.00
Auditing and Acc't	\$3,500.00	\$3,500.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
Legal fees -	\$0.00	\$200.00	\$200.00
Testing/Analysis	\$565.78	\$0.00	(\$565.78)
Professional Services	\$0.00	\$0.00	\$0.00
Other Professional Services	\$1,917.42	\$1,000.00	(\$917.42)
Engineering Services - <i>PER/ER</i>	\$11,150.62	\$0.00	(\$11,150.62)
Telephone	\$427.03	\$917.40	\$490.37
Radio/communications Expense	\$1,001.48	\$480.12	(\$521.36)
Internet	\$614.38	\$504.00	(\$110.38)
Postage	\$1,095.24	\$900.00	(\$195.24)
Travel Expense	\$316.10	\$1,000.00	\$683.90
Other Equipment Rentals	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$548.64	\$740.68	\$192.04
Property Insurance	\$6,176.40	\$6,679.91	\$503.51
Workers Compensation	\$2,428.24	\$3,139.93	\$711.69
Unemployment Paid	\$0.00	\$0.00	\$0.00
Refuse/Garbage Disposal	\$354.40	\$350.00	(\$4.40)
State Connection Fee	\$2,816.73	\$2,994.00	\$177.27
Repairs/Maint Building -	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$3,903.84	\$12,000.00	\$8,096.16
Repairs/Maintenance Machinery	\$0.00	\$2,500.00	\$2,500.00
Dues and Subscriptions	\$4,850.55	\$4,000.00	(\$850.55)
Uncolletable Checks/Bad Debt	\$1,874.83	\$150.00	(\$1,724.83)
Medical Fees	\$0.00	\$0.00	\$0.00
Office Equipment and furniture	\$0.00	\$0.00	\$0.00
Other Equipment <span style="color: red;">Marco Printer</span>	\$513.66	\$993.72	\$480.06
Miscellaneous -	\$0.00	\$0.00	\$0.00
Cash Short	\$0.00	\$0.00	\$0.00
Bank Service Charges	\$0.00	\$150.00	\$150.00
<b>Total Water Expenditures</b>	<b>\$197,887.28</b>	<b>\$185,413.16</b>	<b>(\$12,474.12)</b>

Other Water Expenditures:		Budget	Remaining
Transfer Fr Other Fund	\$0.00	\$0.00	\$0.00
2023A Go bond principal	\$12,562.87	\$12,562.88	\$0.00
2023A Go Bond Interest	\$8,061.72	\$8,061.72	\$0.00
2023B Go Bond Principal	\$2,488.18	\$2,488.18	\$0.00
2023B Go Bond Interest	\$1,423.29	\$1,423.30	\$0.01
Debt Service Bond Principal	\$50,000.00	\$50,000.00	\$0.00
Debt Service Bond Interest	\$13,612.50	\$13,612.50	\$0.00
Depreciation/Capital Outlay	\$13,000.00	\$13,000.00	\$0.00
<b>Total</b>	<b>\$101,148.56</b>	<b>\$101,148.58</b>	<b>\$0.01</b>

<b>Net Total</b>	<b>(\$63,511.30)</b>	<b>\$286,561.74</b>	<b>(\$12,474.11)</b>
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**Pine Tree Park**  
**Year to Date Income Statement thru 12/31/2025**

<b>PTP Revenues -</b>	<b>2025</b>	<b>2024</b>	<b>2025 budget</b>
Reservation Fees	\$706.00	\$561.00	\$600.00
Grants	\$11,000.00	\$11,000.00	\$11,000.00
Camping Fees	\$20,653.93	\$20,904.60	\$20,000.00
Other Revenue	\$98.58	\$177.82	\$0.00
Transfer	\$5,000.00	\$10,500.00	\$0.00
Interest Earnings	\$941.59	\$910.55	\$300.00
<b>Total PTP Revenues</b>	<b>\$38,400.10</b>	<b>\$44,053.97</b>	<b>\$31,900.00</b>

<b>PTP Expenditures</b>	<b>2025 YTD</b>	<b>2024 YTD</b>	<b>2025 Budget</b>	<b>Remaining</b>
Full-Time Employees Regular	\$4,727.99	\$7,911.10	\$5,332.32	\$604.33
Full-time Employee Overtime	\$451.35	\$254.43	\$250.00	(\$201.35)
Part-Time Employees Regular	\$4,249.64	\$4,333.12	\$3,373.65	(\$875.99)
Employer CPF Contribution	\$158.97	\$0.00	\$204.62	\$45.65
PERA	\$377.14	\$483.09	\$652.95	\$275.81
FICA	\$712.03	\$811.02	\$666.01	(\$46.02)
Employer Paid Health	\$904.32	\$909.68	\$1,030.33	\$126.01
Office Supplies	\$0.00	\$0.00	\$0.00	\$0.00
Electricity	\$3,339.48	\$2,721.62	\$3,000.00	(\$339.48)
Operating Supplies (GENERAL)	\$400.08	\$289.49	\$700.00	\$299.92
Cleaning Supplies	\$11.99	\$11.97	\$200.00	\$188.01
Motor Fuels	\$925.23	\$1,400.00	\$1,400.00	\$474.77
Repairs/Maint Supply	\$0.00	\$75.51	\$850.00	\$850.00
Equipment Parts	\$216.36	\$302.01	\$300.00	\$83.64
Other Professional Services	\$793.50	\$2,021.13	\$1,750.00	\$956.50
Postage	\$0.00	\$0.00	\$0.00	\$0.00
Advertising	\$0.00	\$0.00	\$0.00	\$0.00
Other Printing/Binding	\$0.00	\$0.00	\$250.00	\$250.00
General Liability Insurance	\$1,097.28	\$1,359.04	\$1,481.35	\$384.07
Property Insurance	\$2,283.00	\$2,332.50	\$2,472.45	\$189.45
Workers Compensation Insurance	\$0.00	\$0.00	\$0.00	\$0.00
Garbage	\$2,510.72	\$2,402.94	\$2,500.00	(\$10.72)
Repairs/Maint Building	\$1,420.28	\$0.00	\$2,500.00	\$1,079.72
Repairs/Maintenance Structure	\$0.00	\$0.00	\$0.00	\$0.00
Improvements Other	\$0.00	\$970.00	\$0.00	\$0.00
Repairs/Maintenance Machinery	\$1,843.77	\$285.17	\$1,500.00	(\$343.77)
Other Equipment - <i>new mower</i>	\$0.00	\$16,529.44	\$0.00	\$0.00
Depreciation	\$5,000.00	\$0.00	\$5,000.00	\$0.00
Miscellaneous -	\$0.00	\$0.00	\$0.00	\$0.00
Portable Restrooms	\$0.00	\$0.00	\$0.00	\$0.00
Dues and Subscriptions - includes refunds	\$962.40	\$690.00	\$375.00	(\$587.40)
<b>Total PTP Expenditures</b>	<b>\$32,385.53</b>	<b>\$46,093.26</b>	<b>\$35,788.68</b>	<b>\$3,403.15</b>
<b>Net Profit</b>	<b>\$6,014.57</b>	<b>(\$2,039.29)</b>		

**Lakeview Cemetery**  
**Year to Date Income Statement thru 12/31/25**

<b>Cemetery Revenue</b>	<b>2025</b>	<b>2024</b>	<b>2025 Budget</b>
Cemetery Lot Revenues	\$0.00	\$2,462.00	\$1,700.00
Other Revenue	\$28.24	\$63.40	\$0.00
Interest Earnings	\$2,249.22	\$2,351.70	\$400.00
Transfer from General Fund	\$2,000.00	\$2,000.00	\$2,000.00
Transfer from Perpetual Fund	\$2,300.00	\$0.00	\$2,300.00
Transfer from Liquor Fund	\$3,500.00	\$3,500.00	\$3,500.00
Insurance Proceeds	\$2,180.00	\$0.00	\$0.00
<b>Total PTP Revenues</b>	<b>\$12,257.46</b>	<b>\$10,377.10</b>	<b>\$9,900.00</b>

<b>Cemetery Expenditures</b>	<b>2025 YTD</b>	<b>2024 YTD</b>	<b>2025 Budget</b>	<b>Remaining</b>
Full-Time Employees Regular	\$5,074.97	\$4,477.54	\$4,608.13	(\$466.84)
Full-time Employee overtime	\$608.29	\$493.62	\$300.00	(\$308.29)
Part-Time Employees Regular	\$849.92	\$861.47	\$674.73	(\$175.19)
Employer CPF Contribution	\$122.04	\$0.00	\$155.48	\$33.44
PERA	\$381.31	\$362.79	\$396.21	\$14.90
FICA	\$492.52	\$432.79	\$404.14	(\$88.38)
Employer Paid Health	\$648.92	\$630.77	\$747.15	\$98.23
Operating Supplies (GENERAL)	\$0.00	\$186.00	\$400.00	\$400.00
Motor Fuels	\$664.40	\$998.29	\$1,000.00	\$335.60
Other Professional Services	\$2,805.00	\$1,064.00	\$500.00	(\$2,305.00)
Postage	\$0.00	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$137.16	\$169.88	\$185.17	\$48.01
Property Insurance	\$165.00	\$168.00	\$178.08	\$13.08
Workers Compensation Insurance	\$368.31	\$476.42	\$500.24	\$131.93
<b>Total Cemetery Expenditures</b>	<b>\$12,317.84</b>	<b>\$10,321.57</b>	<b>\$10,049.33</b>	<b>(\$2,268.51)</b>

**Net Profit**      **(\$60.38)**                      **\$55.53**

**Blackduck Municipal Golf Course**  
**Year-To-Date Income Statement - 12/31/2025**

	Actual 2025 Sales	2025 Revenue Budget	2025 Cost of Goods	2025 Gross Profit	2025 Gross Margin	2025 Expense Budget	Remaining Expense Budget
Beer	\$21,715.64	\$20,000.00	\$8,065.35	\$13,650.29	62.86%	\$10,000.00	\$1,934.65
Liquor	\$8,089.43	\$4,000.00	\$809.00	\$7,280.43	90.00%	\$1,000.00	\$191.00
Soft Drinks	\$9,470.73	\$10,000.00	\$8,344.57	\$1,126.16	11.89%	\$6,000.00	(\$2,344.57)
Food	\$10,857.41	\$10,000.00	\$7,849.74	\$3,007.67	27.70%	\$8,000.00	\$150.26
Golf Merchandise & Clubs for Sale	\$6,104.25	\$4,000.00	\$4,495.04	\$1,609.21	26.36%	\$3,000.00	(\$1,495.04)
Clothing	\$5,295.25	\$4,000.00	\$4,757.85	\$537.40	10.15%	\$3,500.00	(\$1,257.85)
<b>Total</b>	<b>\$61,532.71</b>	<b>\$52,000.00</b>	<b>\$34,321.55</b>	<b>\$27,211.16</b>	<b>44.22%</b>	<b>\$31,500.00</b>	<b>(\$2,821.55)</b>

Charges for Services	Actual 2025 Revenue	Revenue Budget
Green Fees	\$105,507.28	\$90,000.00
Membership Fees	\$48,223.84	\$38,000.00
Trail Fees	\$777.00	\$1,000.00
Cart Storage	\$1,251.00	\$1,584.00
Rentals (Clubs, Carts)	\$2,187.33	\$1,500.00
Power Carts	\$66,386.97	\$55,000.00
Clubhouse Rental	\$1,850.00	\$1,000.00
Kayak Rental	\$0.00	\$500.00
Golf Tournament Revenue	\$11,590.19	\$10,000.00
<b>Total Charges for Services</b>	<b>\$237,773.61</b>	<b>\$198,584.00</b>

**Total Income \$299,306.32**

Less Operating Expense	2025 Budget	Remaining
FT Wages	\$30,701.70	\$74.88
PT Wages	\$76,713.95	\$11,561.10
PERA	\$4,220.92	\$3,119.21
FICA	\$8,250.03	\$857.42
Employer Paid Health	\$12,512.16	(\$12.60)
Office Supplies	\$0.00	\$400.00
Heating Fuel	\$203.92	(\$203.92)
Electricity	\$6,912.99	(\$912.99)
Computer Supplies	\$0.00	\$0.00
Training & Instructions	\$0.00	\$0.00
Operating Supplies	\$5,883.32	(\$883.32)
Cleaning Supplies	\$0.00	\$0.00
Motor Fuels	\$4,901.93	(\$901.93)
Lubricants/Additives	\$996.35	(\$996.35)
Chemicals	\$6,076.55	\$1,923.45
Repair/Maint/Supplies	\$63.79	(\$63.79)
Equipment parts	\$0.00	\$0.00
Building Repair supply	\$0.00	\$0.00
Small Tools/Equipment	\$861.38	\$138.62
Tires	\$0.00	\$0.00
Auditing/Accounting	\$0.00	\$0.00
Mix Expense	\$0.00	\$0.00
Other for Resale - ice	\$0.00	\$0.00
Medical Fees	\$0.00	\$0.00
Legal Fees	\$0.00	\$0.00
Telephone	\$1,214.23	(\$17.71)
Internet	\$698.30	(\$98.30)
Travel Expense	\$161.00	(\$161.00)
Other Equipment	\$0.00	\$0.00
Other Professional services	\$447.94	(\$447.94)
Website Development & Maintenance	\$948.00	\$0.00
Sponsorship Expense	\$1,159.17	(\$159.17)
Postage	\$0.00	\$0.00
Advertising	\$653.91	\$346.09
Promotional Expenses	\$3,143.20	(\$3,143.20)
Liability Insurance	\$3,977.64	\$1,392.27
Property Insurance	\$2,338.00	\$202.82
Work Comp	\$2,545.79	(\$1,091.49)
Unemployment	\$6,621.89	(\$3,621.89)
Dram Insurance	\$1,000.00	\$250.00
Garbage Disposal	\$1,092.30	\$207.70
Repair/Maint Building	\$1,277.57	\$722.43
Improvements other than Bldgs -	\$11,361.77	(\$6,361.77)
Repairs/Maint Machinery	\$11,517.39	(\$517.39)
Maintenance Course	\$5,827.74	\$2,172.26
Golf Cart Maintenance - ONLY	\$4,961.51	(\$2,961.51)
Furniture & Fixtures	\$0.00	\$0.00
Motor Vehicles - <i>golf cart purchase</i>	\$16,076.58	(\$3,176.58)
Club House renovations	\$0.00	\$0.00
Other Equipment <i>new rental clubs</i>	\$0.00	\$0.00
Uncollectable Checks	\$0.00	\$0.00
Dues and Subscriptions	\$2,996.15	(\$496.15)
Bank Service Charges	\$7,840.07	(\$1,340.07)
Cart Shed Internal Loan 2020	\$6,118.00	\$0.00
Golf Rough Mower Internal Loan - 2022	\$3,650.74	\$0.00
Cart Lease - Huntington Bank - 2021	\$14,670.00	\$0.00
Equipment Bond Interest 2016	\$175.00	\$0.00
Equipment Bond Principal 2016	\$14,000.00	\$0.00
<b>Total Expense</b>	<b>\$284,772.88</b>	<b>(\$4,200.82)</b>

**OPERATING INCOME OR LOSS (\$19,788.11)**

Other Expenses	
Misc. Expenses	\$0.00
Donations to Other	\$600.00 <i>B&amp;G Club</i>
Gift Certificates / Discounts <i>discounts for punch cards &amp; savings cards</i>	\$12,481.71
Cash Short -	\$697.69
<b>Total Other Expenses</b>	<b>\$13,779.40</b>

Other Income	
General Property taxes	\$361.21
Transfer Fr Liq Str	\$10,000.00
Reimbursements	\$991.86
Donations and Contributions	\$3,573.37 <i>Chamber Scramble</i>
Promotional Event Revenue	\$0.00
Charges for Service - Bank Card Fees	\$3,020.58
Cash Over	\$816.22
Other Revenue	\$50.00
Sponsorship Revenue <i>(cart / tee box)</i>	\$3,500.00
<b>Total Other Income</b>	<b>\$22,313.24</b>

**NET INCOME OR LOSS YEAR TO DATE (\$11,254.27)**

Inventory On-Hand at 1/1/2025 after inventory total	\$3,802.17
Inventory On-Hand at 12/31/2025	\$3,802.17
Difference	\$0.00

Sales Comparison YTD	2022	2023	2024	2025	+/- over prior year
Green Fees	\$61,616.33	\$95,708.14	\$97,190.37	\$105,507.28	7.88%
Cart Rental	\$35,219.38	\$44,132.79	\$61,183.00	\$66,386.97	7.84%
<b>YTD Comparisons:</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>+/- over prior year</b>
Operating Revenue	\$244,710.46	\$283,928.21	\$296,152.13	\$321,619.56	7.92%
Operating Expense	\$297,644.83	\$278,879.51	\$336,580.55	\$332,873.83	-1.11%
	(\$52,934.37)	\$5,048.70	(\$40,428.42)	(\$11,254.27)	

**Blackduck Municipal Liquor Store Income Statement**  
**Year to Date Ending 12/31/2025**

\$987,967.40 *How much we paid for our inventory (expenses)*

	YTD Sales	Cost of Goods	Gross Profit	Gross Profit Margin	2025 Liquor Expense Budget	2025 Liquor Revenue Budget	Percent of sales +/- to budget
THC Edibles - Off-Sale	\$24,949.06	\$13,795.16	\$11,153.90	44.71%	\$10,000.00	\$13,000.00	47.89%
THC Beverages - Off-Sale	\$21,521.56	\$12,115.78	\$9,405.78	43.70%	\$15,000.00	\$20,000.00	7.07%
Liquor Sales Off-Sale	\$349,458.47	\$242,419.48	\$107,038.99	30.63%	\$220,000.00	\$330,000.00	5.57%
Beer Sales Off-Sale	\$522,682.70	\$395,358.31	\$127,324.39	24.36%	\$400,000.00	\$560,000.00	-7.14%
Wine Sales Off-Sale	\$51,382.37	\$28,818.43	\$22,563.94	43.91%	\$35,000.00	\$50,000.00	2.69%
Other Sales On/Off-Sale	\$20,830.30	\$17,238.48	\$3,591.82	17.24%	\$7,800.00	\$25,750.00	-23.62%
Liquor Sales On-Sale	\$125,135.46	\$24,081.56	\$101,053.90	80.76%	\$0.00	\$135,000.00	-7.88%
Beer Sales On-Sale	\$175,818.95	\$33,261.64	\$142,557.31	81.08%	\$0.00	\$170,000.00	3.31%
Wine Sales On-Sale	\$2,497.57	\$842.95	\$1,654.62	66.25%	\$0.00	\$2,000.00	19.92%
Clothing	\$4,335.83	\$1,764.29	\$2,571.54	59.31%	\$5,000.00	\$5,100.00	-17.62%
Soft Drinks On Sale	\$33,561.99	\$11,420.17	\$22,141.82	65.97%	\$17,000.00	\$30,000.00	10.61%
Food Sales	\$448,287.12	\$243,149.97	\$205,137.15	45.76%	\$220,000.00	\$400,000.00	10.77%
<b>Total</b>	<b>\$1,780,461.38</b>	<b>\$1,024,266.22</b>	<b>\$756,195.16</b>	<b>42.47%</b>	<b>\$929,800.00</b>	<b>\$1,740,850.00</b>	<b>2.28%</b>

*cost of our inventory*

Less Operating Expense	2025 YTD	Budget	Remaining
Wages FT	\$249,031.60	\$243,327.49	(\$5,704.11)
FT Overtime	\$4,001.36	\$1,500.00	(\$2,501.36)
Wages PT	\$105,545.09	\$108,405.55	\$2,860.46
PERA	\$30,642.89	\$26,096.34	(\$4,546.55)
FICA	\$32,941.11	\$26,907.57	(\$6,033.54)
Health Insurance	\$63,716.14	\$64,944.73	\$1,228.59
Office Supplies	\$639.87	\$900.00	\$260.13
Electricity	\$19,999.61	\$20,000.00	\$0.39
Heating Fuel	\$11,065.41	\$10,000.00	(\$1,065.41)
Computer Supplies	\$185.07	\$750.00	\$564.93
Training and Instruction	\$123.20	\$700.00	\$576.80
Operating & Bar Supplies	\$13,341.70	\$10,000.00	(\$3,341.70)
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Bar Supply	\$0.00	\$0.00	\$0.00
Building Repair Supplies	\$0.00	\$0.00	\$0.00
Mix Expense	\$14,449.00	\$16,000.00	\$1,551.00
Auditing /Acct'g Services	\$6,500.00	\$6,500.00	\$0.00
Other Professional Services- <i>Cleaning &amp; Vestis Services</i>	\$23,912.02	\$25,000.00	\$1,087.98
Website Development	\$948.00	\$948.00	\$0.00
Telephone	\$2,240.96	\$2,266.80	\$25.84
Postage	\$1,071.35	\$1,000.00	(\$71.35)
Cable Television	\$2,232.05	\$2,141.88	(\$90.17)
Internet Access	\$979.66	\$1,019.40	\$39.74
Advertising	\$90.00	\$500.00	\$410.00
Travel Expense	\$430.72	\$300.00	(\$130.72)
Freight	\$6,753.45	\$6,000.00	(\$753.45)
Legal Fees	\$100.00	\$0.00	(\$100.00)
Promotions/Entertainment	\$8,880.77	\$7,500.00	(\$1,380.77)
Legal Notices	\$0.00	\$0.00	\$0.00
Liability Insurance	\$3,977.64	\$5,369.91	\$1,392.27
Property Insurance	\$7,559.00	\$8,169.42	\$610.42
Dram Shop/Liquor Liability	\$3,292.00	\$3,500.00	\$208.00
Other Insurance	\$0.00	\$0.00	\$0.00
Work Comp	\$8,581.12	\$13,902.24	\$5,321.12
Unemployment	\$0.00	\$500.00	\$500.00
Water Utility	\$2,961.17	\$3,100.00	\$138.83
Garbage Disposal	\$8,002.74	\$8,000.00	(\$2.74)
Catering Expense	\$0.00	\$0.00	\$0.00
Repairs & Maintenance	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Building	\$11,631.52	\$12,000.00	\$368.48
Uncollectable Checks	\$49.39	\$200.00	\$150.61
Dues and Subscriptions	\$9,661.21	\$4,500.00	(\$5,161.21)
Bank Service Charges	\$50,161.71	\$40,000.00	(\$10,161.71)
Furniture & Fixtures	\$388.43	\$0.00	(\$388.43)
Office Equip & Furnishings -	\$598.00	\$3,123.36	\$2,525.36
Improvements Other than Buildings -	\$10,805.45	\$30,000.00	\$19,194.55
Building & Structures	\$0.00	\$0.00	\$0.00
Medical Fees	\$0.00	\$0.00	\$0.00
Assessment	\$1,001.59	\$974.75	(\$26.84)
Obligation Debt - Remodel/Addition - Principal	\$30,000.00	\$30,000.00	\$0.00
Obligation Debt - Remodel/Addition - Interest	\$10,015.00	\$10,015.00	\$0.00
Other Equipment - <i>Message board debt &amp; copier lease &amp; dishwasher lease</i>	\$16,638.34	\$7,153.75	(\$9,484.59)
<b>Total Operating Expense</b>	<b>\$775,145.34</b>	<b>\$763,216.19</b>	<b>(\$11,929.15)</b>

**Inventory Expense** (\$36,298.82)

**NET INCOME OR LOSS** \$17,348.64 *(gross profit - expenses)*

**Other Expenses**

<i>Donations</i>	\$4,850.00	<i>2025 Budget - \$6,000.00</i>
Capital Outlay	\$0.00	
Unemployment Paid	\$0.00	
Cash Short	\$315.54	
Employer CPF contribution - Union Contract - Liquor Portion	\$227.78	
Misc. Expense	\$0.00	
<b>Total Other Expenses</b>	<b>\$5,393.32</b>	

**Other Income**

Reimbursements (NSF)	\$5,305.15
<i>Rent Income</i>	<i>\$24,633.35</i>
Vending Income	\$3,114.00
Interest	\$3,701.40
Catering Revenue	\$0.00
Bank Service Fees Charged to customers	\$22,848.07
<i>Transfer from Liquor Rent Fund</i>	<i>\$15,000.00</i>
Cash Over	\$26.51
<b>Total Other Income</b>	<b>\$74,628.48</b>

**Gross Profit Before Transfers** \$86,583.80

**Transfer to General Fund & Other Funds** \$78,500.00 *2025 Transfer total budget City wide = \$78,500*

**Net Profit After Inventory Exp & Transfers** \$8,083.80

Inventory On-Hand at 1/1/2025 after inventory total	\$101,588.00
Inventory On-Hand at 12/31/2025 <i>pre-inventory</i>	\$89,955.33
Difference	(\$11,632.67)

**YTD 4-year Sales Comparison Ending 10/31/2025**

	2022	2023	2024	2025	% of Increase from 2024-2025
Off-Sale THC Edibles	\$0.00	\$0.00	\$14,074.65	\$24,949.06	77.26%
Off-Sale THC Beverages	\$0.00	\$0.00	\$19,259.19	\$21,521.56	11.75%
Off-Sale Liquor	\$317,143.99	\$337,372.52	\$327,017.93	\$349,458.47	6.86%
Off-Sale Beer	\$540,399.73	\$545,508.02	\$534,109.72	\$522,682.70	-2.14%
Off-Sale Wine	\$55,812.39	\$49,133.98	\$51,950.20	\$51,382.37	-1.09%
<b>Total Off-Sale</b>	<b>\$913,356.11</b>	<b>\$932,014.52</b>	<b>\$946,411.69</b>	<b>\$969,994.16</b>	<b>2.49%</b>
On-Sale Liquor	\$145,673.28	\$148,177.24	\$136,283.76	\$125,135.46	-8.18%
On-Sale Beer	\$178,122.41	\$166,552.08	\$178,626.67	\$175,818.95	-1.57%
On-Sale Wine	\$3,236.13	\$2,126.17	\$2,244.18	\$2,497.57	11.29%
<b>Total On-Sale</b>	<b>\$327,031.82</b>	<b>\$316,855.49</b>	<b>\$317,154.61</b>	<b>\$303,451.98</b>	<b>-4.32%</b>
<b>Total On and Off Sale</b>	<b>\$1,240,387.93</b>	<b>\$1,248,870.01</b>	<b>\$1,263,566.30</b>	<b>\$1,273,446.14</b>	<b>0.78%</b>
Total Food Sales	\$305,220.29	\$351,357.28	\$420,126.71	\$448,287.12	6.70%
<b>Gross Liquor Store Sales Comparison</b>	<b>\$1,665,904.07</b>	<b>\$1,710,480.34</b>	<b>\$1,827,014.89</b>	<b>\$1,855,089.86</b>	<b>1.54%</b>

## 2025 Blackduck DMV Office Income Statement

*Year to date Revenue thru 12/31/2025*

	2025 DMV Sales	2025 DNR Sales	2025 Total Office Sales	Previous Year Total Office Sales	Percentage to Previous Year	DMV Office Retain	DNR Office Retain	Remit to DMV State	Remit to DNR State	2025 Net Office Revenue	2025 YTD DMV Expenses	2025 YTD Net Profit	Previous Year Net Profit	Comparative +/-%
January	\$60,771.52	\$9,184.40	\$69,955.92	\$61,440.47	12.17%	\$3,603.53	\$582.50	\$57,167.99	\$8,601.90	\$4,186.03	\$2,128.23	\$2,057.80	\$2,683.82	-30.42%
February	\$91,085.30	\$6,622.90	\$97,708.20	\$86,249.08	11.73%	\$4,809.00	\$623.00	\$86,276.30	\$5,999.90	\$5,432.00	\$2,155.28	\$3,276.72	\$3,488.66	-6.47%
March	\$100,386.73	\$3,358.70	\$103,745.43	\$52,909.67	49.00%	\$5,406.21	\$353.50	\$94,980.52	\$3,005.20	\$5,759.71	\$2,168.26	\$3,591.45	\$3,180.52	11.44%
April	\$74,815.84	\$4,857.10	\$79,672.94	\$62,558.89	21.48%	\$4,359.00	\$388.50	\$70,456.84	\$4,468.60	\$4,747.50	\$1,805.07	\$2,942.43	\$2,774.69	5.70%
May	\$86,441.50	\$11,329.20	\$97,770.70	\$67,346.18	31.12%	\$5,059.00	\$947.50	\$81,382.50	\$10,381.70	\$6,006.50	\$1,742.18	\$4,264.32	\$4,120.70	3.37%
June	\$50,039.91	\$4,431.60	\$54,471.51	\$57,223.87	-5.05%	\$3,808.00	\$468.00	\$46,231.91	\$3,963.60	\$4,276.00	\$2,404.33	\$1,871.67	\$2,771.17	-48.06%
July	\$55,447.68	\$3,145.50	\$58,593.18	\$38,738.93	33.88%	\$3,376.21	\$297.00	\$52,071.47	\$2,848.50	\$3,673.21	\$2,444.78	\$1,228.43	\$2,391.55	-94.68%
August	\$51,174.46	\$1,797.30	\$52,971.76	\$51,362.61	3.04%	\$3,684.00	\$242.00	\$47,490.46	\$1,555.30	\$3,926.00	\$2,911.98	\$1,014.02	\$2,909.68	-186.95%
September	\$37,117.57	\$1,863.80	\$38,981.37	\$42,864.64	-9.96%	\$3,424.07	\$339.70	\$33,693.50	\$1,524.10	\$3,763.77	\$1,652.05	\$2,111.72	\$1,767.27	16.31%
October	\$50,109.84	\$2,655.60	\$52,765.44	\$46,170.77	12.50%	\$3,076.00	\$189.50	\$47,033.84	\$2,466.10	\$3,265.50	\$1,687.42	\$1,578.08	\$1,927.43	-22.14%
November	\$41,990.31	\$917.00	\$42,907.31	\$33,512.13	21.90%	\$2,334.00	\$71.50	\$39,656.31	\$845.50	\$2,405.50	\$1,758.72	\$646.78	\$1,458.30	-125.47%
December	\$66,642.60	\$8,250.50	\$74,893.10	\$61,366.15	18.06%	\$5,199.82	\$439.50	\$61,442.78	\$7,811.00	\$5,639.32	\$3,504.05	\$2,135.27	\$1,949.28	8.71%
Year To Date:	\$766,023.26	\$58,413.60	\$824,436.86	\$661,743.39	19.73%	\$48,138.84	\$4,942.20	\$717,884.42	\$53,471.40	\$53,081.04	\$26,362.35	\$26,718.69	\$31,423.07	-17.61%

**General Fund**  
**Year to Date Income Statement thru 12/31/2025 - *pre-audit***

<b>General Fund Revenues - <i>thru 12/31/25</i></b>	<b>2025 YTD</b>	<b>2025 Budget</b>	<b>Remaining</b>
Property Taxes	\$381,508.37	\$377,146.00	(\$4,362.37)
LGA	\$323,855.00	\$323,855.00	\$0.00
State, County, Federal Aid -	\$76,709.48	\$55,371.00	(\$21,338.48)
Fire Protection	\$102,357.45	\$102,357.46	\$0.01
Other - fines, interest, licenses, insurance proceeds,interfund transfers, etc.	\$46,480.44	\$15,854.00	(\$30,626.44)
Charges for Service - <i>includes DMV &amp; DNR</i>	\$68,627.89	\$58,000.00	(\$10,627.89)
Transfers in	\$65,000.00	\$65,000.00	\$0.00
<b>Total General Fund Revenues</b>	<b>\$1,064,538.63</b>	<b>\$997,583.46</b>	<b>-\$66,955.17</b>
<b>General Fund Expenditures - By Department - <i>through 12/31/25</i></b>	<b>2025 YTD</b>	<b>2025 Budget</b>	<b>Remaining</b>
City Council	\$13,139.02	\$16,450.00	\$3,310.98
Admininstration-	\$241,648.61	\$193,867.35	(\$47,781.26) <i>includes transfer to 201</i>
Planning & Zoning	\$0.00	\$2,000.00	\$2,000.00
Government Bldgs	\$14,056.50	\$16,737.91	\$2,681.41
Police Department	\$189,197.74	\$285,525.27	\$96,327.53
Fire Department	\$111,895.29	\$121,175.00	\$9,279.71
Street Department	\$228,568.68	\$242,144.92	\$13,576.24 <i>includes transfer to 215</i>
Street Lighting	\$12,621.92	\$24,000.00	\$11,378.08
License Center - DMV	\$26,362.35	\$25,863.03	(\$499.32)
Parks - Wayside Rest	\$25,939.79	\$34,696.38	\$8,756.59
Library	\$35,912.55	\$35,124.01	(\$788.54) <i>includes transfer to 550</i>
<b>Total General Fund Expenditures</b>	<b>\$899,342.45</b>	<b>\$997,583.87</b>	<b>\$98,241.42</b>
<b>Net Difference</b>	<b>\$165,196.18</b>		

# MINNESOTA Lawful Gambling

## LG216 Worksheet for Calculating Lawful Gambling Monthly Rent

CITY OF BLACKDUCK

DEC 22 2025

1st 9402  
\$ 1720.62

Organization Name: **Blackduck Fire Relief** License 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: 1

**Bar Operation Rent**

2 List the % to be paid for paper pull-tabs, tipboards and paddletickets conducted by the lessor or lessor's employees: 20.00%

3 List the % to be paid for electronic pull-tabs and electronic linked bingo conducted by the lessor or lessor's employees: 15.00%

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 11/2025	Multiply the total of this month's net receipts from paper pull-tabs, electronic pull-tabs, 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 Col's 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.
			4745.00	949.00	949.00	5144.15	771.62	1720.62	0.00	1720.62

1 This amount may not exceed 10%  
 2 Enter no more than 10% if paper or electronic pull-tabs, tipboards, paddletickets (other than paddletickets 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.



**CITY OF BLACKDUCK**

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**Payments**

Current Period: December 2025

Payment Batch DWDCPMT122225 \$1,202.10

Refer	295	CARDMEMBER SERVICE -DEERW	Ck# 015425	12/22/2025		
Cash Payment	E 101-41400-433	Dues and Subscriptions	Business Card Holder - Christina Regas			\$9.39
Invoice						
Cash Payment	E 550-45500-570	Office Equip and Furnishi	Business Card Holder - Christina Regas			\$546.82
Invoice						
Cash Payment	E 609-49750-433	Dues and Subscriptions	Business Card Holder - Christina Regas			\$250.00
Invoice						
Cash Payment	E 609-49750-433	Dues and Subscriptions	Business Card Holder - Christina Regas			\$5.38
Invoice						
Cash Payment	E 550-45500-570	Office Equip and Furnishi	Business Card Holder - Christina Regas			\$239.19
Invoice						
Transaction Date	12/22/2025	DW Checking	10100	<b>Total</b>		\$1,050.78

Refer	296	CARDMEMBER SERVICE -DEERW	Ck# 015425	12/22/2025		
Cash Payment	E 101-43100-321	Telephone	Business Credit Card Holder - Mike Schwanke			\$1.99
Invoice						
Cash Payment	E 602-43200-220	Repair/Maint Supply (GE	Business Credit Card Holder - Mike Schwanke			\$149.33
Invoice						
Transaction Date	12/22/2025	DW Checking	10100	<b>Total</b>		\$151.32

Fund Summary

	10100 DW Checking	
101 GENERAL FUND		\$11.38
550 KRLS LIBRARY RENOV PROJECT		\$786.01
602 SEWER FUND		\$149.33
609 MUNICIPAL LIQUOR FUND		\$255.38
		\$1,202.10

Pre-Written Checks	\$1,202.10
Checks to be Generated by the Computer	\$0.00
Total	\$1,202.10

CITY OF BLACKDUCK

Transaction Activity COB Payrolls - December 2025

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
CENTRAL PENSION FUND	\$652.75	015343	No	Cash Payment	12/02/25	December	PR25LIABS120225
PERA	\$4,769.02	004909	Yes	Cash Payment	12/16/25	December	PR26LIABS121625
INTERNAL REVENUE SERVICE	\$5,044.96	004910	Yes	Cash Payment	12/16/25	December	PR26LIABS121625
INTERNAL REVENUE SERVICE	\$2,010.43	004910	Yes	Cash Payment	12/16/25	December	PR26LIABS121625
MN DEPT OF REVENUE	\$1,151.51	004911	Yes	Cash Payment	12/16/25	December	PR26LIABS121625
NATIONWIDE	\$346.15	004912	Yes	Cash Payment	12/16/25	December	PR26LIABS121625
PERA	\$5,661.90	004889	Yes	Cash Payment	12/02/25	December	PR25LIABS120225
INTERNAL REVENUE SERVICE	\$5,070.18	004890	Yes	Cash Payment	12/02/25	December	PR25LIABS120225
INTERNAL REVENUE SERVICE	\$2,369.91	004890	Yes	Cash Payment	12/02/25	December	PR25LIABS120225
MN DEPT OF REVENUE	\$1,353.14	004891	Yes	Cash Payment	12/02/25	December	PR25LIABS120225
NATIONWIDE	\$348.15	004892	Yes	Cash Payment	12/02/25	December	PR25LIABS120225
NORTHWEST SERVICE COOP	\$8,553.60	004905	Yes	Cash Payment	12/12/25	December	NWSCoop 122025
MN CHILD SUPPORT PAY CTR	\$25.00	015345	No	Cash Payment	12/02/25	December	PR25LIABS120225
MN DEPT OF REVENUE	\$82.70	004896	Yes	Cash Payment	12/02/25	December	PR2502LIABS1202
IUOE LOCAL #49	\$140.00	015344	No	Cash Payment	12/02/25	December	PR25LIABS120225
INTERNAL REVENUE SERVICE	\$2,007.66	004894	Yes	Cash Payment	12/02/25	December	PR25.1LIABS1202
INTERNAL REVENUE SERVICE	\$702.16	004894	Yes	Cash Payment	12/02/25	December	PR25.1LIABS1202
DEERWOOD BANK	\$3,016.70	015416	No	Cash Payment	12/16/25	December	PR26LIABS121625
MN CHILD SUPPORT PAY CTR	\$25.00	015417	No	Cash Payment	12/16/25	December	PR26LIABS121625
CENTRAL PENSION FUND	\$641.00	015415	No	Cash Payment	12/16/25	December	PR26LIABS121625
INTERNAL REVENUE SERVICE	\$1,661.60	004914	Yes	Cash Payment	12/16/25	December	pr2601COUNCILLI
INTERNAL REVENUE SERVICE	\$704.74	004914	Yes	Cash Payment	12/16/25	December	pr2601COUNCILLI
MN DEPT OF REVENUE	\$398.23	004913	Yes	Cash Payment	12/16/25	December	pr2601COUNCILLI
INTERNAL REVENUE SERVICE	\$528.80	004895	Yes	Cash Payment	12/02/25	December	PR2502LIABS1202
INTERNAL REVENUE SERVICE	\$95.44	004895	Yes	Cash Payment	12/02/25	December	PR2502LIABS1202
MN DEPT OF REVENUE	\$358.22	004893	Yes	Cash Payment	12/02/25	December	PR25.1LIABS1202
	\$47,718.95						

CITY OF BLACKDUCK

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Transaction Activity COB Payrolls - December 2025

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
LINCOLN NATIONAL LIFE	\$525.30	004920	Yes	Cash Payment	12/23/25	December	LinLife 12-2025
	<u>\$525.30</u>						

CITY OF BLACKDUCK

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Transaction Activity COB Payrolls - December 2025

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
DELTA DENTAL	\$447.72	004906	Yes	Cash Payment	12/12/25	December	DeltaD 12-2025
	<u>\$447.72</u>						



**CITY OF BLACKDUCK**

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**Payments**

Current Period: December 2025

Payment Batch BMI12112025 \$473.00

Refer	<u>227 BMI</u>	<u>Ck# 015407 12/11/2025</u>	
Cash Payment	E 609-49750-433 Dues and Subscriptions	JUKE BOX LIC. FOR POND	\$473.00
Invoice	PONDLIC2025	12/11/2025	
Transaction Date	12/11/2025	DW Checking	10100
		<b>Total</b>	<b>\$473.00</b>

Fund Summary

	10100 DW Checking
609 MUNICIPAL LIQUOR FUND	\$473.00
	\$473.00

Pre-Written Checks	\$473.00
Checks to be Generated by the Computer	\$0.00
Total	\$473.00



**Broadcast Music, Inc.**  
Licensing Department  
10 Music Square East  
Nashville, TN 37203-4399

Christina Regas  
The Pond  
224 Frontage Rd  
Blackduck, MN 56630

November 24, 2025

Account Number: 61024568

Christina Regas:

This letter provides you with a final opportunity to obtain a BMI Music License before we transfer this file to our legal department. We strongly encourage you to immediately speak with your attorney.

Based on publicly available information, BMI is aware that The Pond continues to unlawfully perform copyrighted compositions without authorization. As outlined in United States Copyright Law (17 U.S.C. § 101 et seq.), the unauthorized public performance of copyrighted music exposes businesses, and the business owners *as individuals*, to significant financial liability for copyright infringement.

BMI's preferred outcome is to work with The Pond and issue an appropriate license so you can continue to perform the music that you and your customers enjoy. I have attached a copy of the BMI music license for your review.

**If you do not contact BMI at (888) 689-5264 or [business@bmi.com](mailto:business@bmi.com) within 10 days of receipt of this letter, BMI will refer this file to our legal department.**

Sincerely,

Katie Poulos Moore  
Attorney and Senior Director Business Affairs, Licensing

Shipped Via: First Class

[bmi.com/licensing](http://bmi.com/licensing)

Broadcast Music, Inc. on behalf of Broadcast Music, LLC

TER2



The State of Minnesota recognizes Broadcast Music, LLC (BMI) as a performing rights organization that licenses the nondramatic public performance of musical works on behalf of copyright owners pursuant to the United States Copyright Law, and requires that we notify you of the following:

**The BMI Music License**

- The BMI Music License is the contract that describes the rates and terms of royalties required to be paid by you to BMI for permission to perform the music which we license.
- The schedule of rates can be found within the BMI Music License under the heading: License Fee Schedule.

**Access To Affiliate and Repertoire List**

You can access the most current list of the songwriters, composers and music publishers we represent and the works in our repertoire which are licensed under a BMI Music License at [www.bmi.com/songview](http://www.bmi.com/songview). If you have further questions about songs or affiliates we represent, please call (800) 800-9313.

**BROADCAST MUSIC, LLC**  
10 Music Square East  
Nashville, TN 37203

Minnesota LI-2025/FEB



# Music License for Eating & Drinking Establishments

Terms and Conditions of Agreement  
(For Definitions, see Paragraph 10)

## 1. BMI GRANT

BMI grants you a non-exclusive license to publicly perform at the Licensed Premises all of the musical works of which BMI controls the rights to grant public performance licenses during the Term. This license does not include dramatic rights, the right to perform dramatico-musical works in whole or in substantial part or the right to use the musical works in any context which constitutes the exercise of "grand rights." This license also does not convey the right to publicly perform BMI musical works (a) by broadcast, telecast, cablecast or other electronic transmission (including by satellite, the Internet or on-line service) of the performances to persons outside the Licensed Premises; (b) by public performances requiring advance or hard ticket purchases pursuant to Paragraph 10(g); (c) by means of any coin-operated phonorecord player as defined in the Copyright Act ("Jukebox") where a Jukebox License Office agreement has been obtained for such Jukebox; (d) by any BMI-licensed background music service; and (e) by any coin-operated digital music service that does not qualify as a Jukebox. BMI may withdraw from the works licensed hereunder any musical work as to which any legal action has been instituted or claim made that BMI does not have the right to license public performances of that work.

## 2. CHANGES TO YOUR MUSIC POLICY

(a) Except as provided for herein, you may change your Music Policy upon which fees are assessed under this Agreement prospectively at any time during the Term on 30 days' prior notice to BMI, provided that your current policy has been in effect for at least 30 consecutive calendar days. You may change your fee no more than three times in any Contract Year. You may call your Customer Relations Executive at 1-800-925-8451 to notify BMI of a change in your Music Policy, and the change will be reflected in your next billing by BMI; however, doing so will not preserve your right to dispute BMI billings unless you send BMI timely notice of your policy change in writing. Billings adjusted by BMI hereunder will include a pro rata credit for any unearned license fees paid in advance under the changed policy. You also agree that you will notify BMI of any changes in the music use at the Licensed Premises that would make your representation of Music Policy under Paragraph 11(e) no longer accurate, and that any changes you make to your Music Policy hereunder shall constitute a true and accurate representation of your music usage from the date of the change onward. Any changes in Music Policy or Occupancy are subject to verification by any and all reasonable means which may include, but shall not be limited to, independent contacts by BMI representatives with your business establishment, use of public records, advertisements and third party observations.

(b) BMI may from time to time review your Music Policy (including any changes made to your policy) and make inquiries in person or by phone as to its accuracy. If BMI thereafter believes that you are not paying proper license fees because the use of music at the Licensed Premises should result in higher license fees under the criteria of this Agreement than is reflected in your current Music Policy, BMI will notify you by mail. If you agree to BMI's assessment of your Music Policy, the change will be reflected on your next billing. If you dispute BMI's assessment of your policy, you must notify BMI within 30 days of the notification by BMI. If within 90 days of such notification by BMI you do not respond or you and BMI cannot agree upon an appropriate fee, either party may commence an arbitration proceeding pursuant to Paragraph 7 to resolve the dispute over the amount of your license fees. Such right shall be in addition to any and all other remedies BMI may have under the Agreement, including the right to cancel this Agreement. You may not change your Music Policy under subparagraph (a) above if your fee is subject to dispute hereunder.

(c) In the event that you temporarily discontinue the use of all music (see Definitions) and you send written notice of this to BMI by certified mail within 30 days of the discontinuance, BMI will adjust your fees pro rata from the date of discontinuance. If such notice is received more than 30 days after the discontinuance, such discontinuance will be effective commencing on the first of the month following the date of BMI's receipt of the notice and BMI will adjust your fees prospectively for the remainder of the Contract Year in which BMI received the notice. In either event, your credit adjustment hereunder shall not reduce your Annual Fee due BMI below the Annual Minimum Fee applicable under the Agreement. In the event of such discontinuance, this license Agreement shall continue in effect, except that no minimum or other fee shall be payable during the period of discontinuance. You agree to notify BMI promptly when you resume the use of music at the Licensed Premises and your Music Policy in effect at the time of discontinuance will continue to be applicable until you notify BMI of a change. BMI reserves its right under subparagraph (b) hereof to review your Music Policy and take appropriate steps in the event that BMI believes that you have resumed the use of music under this Agreement.

## 3. LATE PAYMENT AND SERVICE CHARGES

BMI shall impose a late payment charge of one and one-half percent (1½%) per month or the maximum rate permitted by law, whichever is less, from the date any payment is due on any payment that is received by BMI more than thirty (30) days after the due date. BMI shall impose a \$25.00 service charge for each unpaid check, draft or other means of payment you submit to BMI.

#### **4. BMI COMMITMENT TO CUSTOMER/INDEMNITY**

So long as you are not in default or arrears in payment under this Agreement, BMI agrees to indemnify, save harmless and defend you, your officers and employees, from and against any and all claims, demands or suits alleging copyright infringement that may be made or brought against them or any of them with respect to the public performance of any musical works which are licensed by BMI under this Agreement at the time of public performance. You agree to give BMI immediate notice of any such claim, demand or suit, to deliver to BMI any papers pertaining hereto, and to cooperate with BMI with respect thereto, and BMI shall have full charge of the defense of any such claim, demand or suit.

#### **5. SALE OF LICENSED PREMISES OR CLOSING OF BUSINESS**

In the event that you sell the Licensed Premises or close the business during the Term of this Agreement and you send BMI written notice by certified mail or via the BMI.com licensing website within 30 days of the sale or closing, BMI will adjust your fees *pro rata* from the date of sale or closing, and will refund to you any unearned licensed fees paid hereunder. Your credit adjustment hereunder shall not reduce your Annual Fee due BMI below the Annual Minimum Fee applicable under the Agreement.

#### **6. BREACH OR DEFAULT/WAIVER**

Upon any breach or default of the terms and conditions of this Agreement, BMI has the right to cancel this Agreement. The right to cancel is in addition to any and all other remedies which BMI may have.

#### **7. ARBITRATION**

All disputes of any kind, nature or description arising in connection with the terms and conditions of this Agreement, except for matters within the jurisdiction of the BMI Rate Court, shall be submitted to the American Arbitration Association in the City, County and State of New York, for arbitration under its then prevailing arbitration rules. The arbitrator(s) shall be selected as follows: Each of the parties shall, by written notice to the other, have the right to appoint one arbitrator. If, within ten (10) days following the giving of such notice by one party the other shall not, by written notice, appoint another arbitrator, the first arbitrator shall be the sole arbitrator. If two arbitrators are so appointed, they shall appoint a third arbitrator. If ten (10) days elapse after the appointment of the second arbitrator and the two arbitrators are unable to agree upon a third arbitrator, then either party may, in writing, request the American Arbitration Association to appoint the third arbitrator. The award made in the arbitration shall be binding and conclusive on the parties and judgment may be, but need not be, entered in any court having jurisdiction. Such award shall include the fixing of the costs, expenses and attorneys' fees of arbitration, which shall be borne by the unsuccessful party.

#### **8. NOTICES**

Unless otherwise stated herein, any notice under this Agreement will be in writing and deemed given upon mailing when sent by ordinary first-class U.S. mail to the party intended, at its mailing address as stated, or any other address which either party may designate. Any such notice sent to BMI shall be to the attention of the Vice President, Licensing, BMI, 10 Music Square East, Nashville, Tennessee, 37203. Any such notice sent to you shall be to the attention of the person signing this Agreement on your behalf or such other person as you may advise BMI in writing.

#### **9. MISCELLANEOUS**

This Agreement is the entire understanding between the parties, will not be binding until signed by both parties, and cannot be waived or added to or modified orally, and no waiver, addition or modification will be valid unless in writing and signed by the parties. This Agreement is executed by the duly authorized representative of BMI and you. Your rights are not assignable. This Agreement, its validity, construction and effect, will be governed by the laws of the State of New York other than its choice of law provisions. The fact that any provisions are found by a court of competent jurisdiction to be void or unenforceable will not affect the validity or enforceability of any other provisions. All headings in this Agreement are for the purpose of convenience and shall not be considered to be part of this Agreement.

#### **10. DEFINITIONS**

(a) **Licensed Premises:** The eating or drinking establishment listed on Page 4 or on an attached exhibit.

(b) **Music Policy:** Any single or combined use of the items defined in 10(c) - (j) and including Jukebox Fee (Box 9) by you at the Licensed Premises during a Contract Year.

**Refer to Boxes 1-7 in the Fee Calculation on Page 3.**

(c) **Live Music-Multiple Singers/Instrumentalists:** Music performed by more than one musician, singer or other entertainer actually present and performing at the Licensed Premises. **(Box 1)**

(d) **Live Music-Single Singer/Instrumentalist:** Music performed by one musician, singer or other entertainer actually present and performing at the Licensed Premises. **(Box 1)**

(e) **Recorded Music:** The performance of background music, foreground music, or as part of audio-visual presentations, by mechanical or electronic means, including, but not limited to, digital music players (e.g. iPods, MP3 players, etc.), CDs, DVDs, records, and tapes. **(Box 2)**

(f) **Enhanced Recorded Music:** Use of video tapes, DVDs and other projected visual images as an accompaniment/enhancement to recorded music performances (Karaoke). Enhanced Recorded Music does not include performances delivered by commercial broadcast, cablecast or satellite delivered television programming. **(Box 2)**

(g) **Admission Charge/Cover Charge:** Payment including, but not limited to, minimum required purchases to enter or remain in certain parts of the Licensed Premises, excluding advance or hard ticket purchases sold through an outside independent ticket service and which are paid for pursuant to a valid separate BMI Music Performance Agreement. **(Box 3)**



(h) **Dancing:** Allowing patrons, performers or employees to dance, at any time, to live or recorded music anywhere on the Licensed Premises, whether or not a dance floor, dance stage or an area purposely used for dancing is provided. **(Box 4)**

(i) **Television and/or Radio Only (unless exempt from the U.S. Copyright Law):** Televisions and/or radios that are utilized solely for the reception of commercial broadcast, cablecast or satellite programming and only when no Recorded Music or Enhanced Recorded Music as defined in 10(e) and 10(f) is performed and paid for under this Agreement. **(Box 5)**

(j) **Occupancy:** The total of maximum allowable occupancy loads/capacities for the entire premises of the Licensed Premises calculated under adopted building/fire codes, which shall not be limited to the number of available seats. If no such regulations are in effect in the applicable jurisdiction, then maximum occupancy shall mean one (1) person for every twenty (20) square feet of such total premises. Further, Occupancy is a component of the LICENSEE's Music Policy, which is subject to adjustment per the Agreement. **(Box 7)**

(k) **Seasonal/Occasional Use:** The total aggregate use of music described herein at 10(c) - (j) in an establishment open less than twelve (12) months in any one year, or total aggregate music use as described herein, which occurs four (4) times or less in any one year will require that you contact BMI for their Seasonal/Occasional Use Fee Calculation license.

(l) **Chain Operation:** Seven (7) or more licensable locations, that are commonly owned and operated by you, and that books, records and accounts for each are centrally maintained by you, will require that you contact BMI for its Chain Restaurant License.

(m) **Jukebox:** A coin-operated phonorecord playing device which is licensable by the JLO (Jukebox License Office) pursuant to a Jukebox Licensing Agreement.

## 11. FEES

(a) You agree to pay to BMI an Annual Fee as determined by your Music Policy.

(i) The Annual Fee payment for the initial Contract Year is due in full upon signing of this Agreement. The Annual Fee payment for subsequent Contract Years shall be due no later than 30 days after the anniversary date of this Agreement.

(ii) BMI shall discount the Annual Fee by 10% in any Contract Year if (A) you pay the Annual Fee in full and in a timely manner for such Contract Year in accordance with subparagraph (i) above; and (B) you do not otherwise owe BMI any fees under this or any prior BMI agreement.

(iii) Upon request, BMI will allow you to pay the Annual Fee on a semi-annual or quarterly basis, provided that your account is current. Semi-annual and quarterly payments are due no later than 30 days following each semi-annual or quarterly period. The discount provided for in subparagraph (ii) shall not be available if the Annual Fee is paid on a semi-annual or quarterly basis.

(iv) Notwithstanding subparagraph (iii), if any semi-annual or quarterly payment is not received by the 90<sup>th</sup> day after such payment is due, your ability to make semi-annual or quarterly payments shall immediately terminate for the remainder of this Agreement. In addition, the unpaid portion of the Annual Fee will be immediately due and payable.

(b) Your fee is adjusted each year by an adjustment to the Rate Per Year Per Occupant as defined in the Fee Calculation chart. The Rate Per Year Per Occupant adjustment for each Contract Year after 2025 shall be an adjustment of the 2025 rate based upon the percentage increase or decrease in the United States Consumer Price Index (Urban, All Items) between October 2024 and October of the year prior to that Contract Year, rounded to the nearest five cents. BMI will advise you in writing of this adjustment as part of its annual billing process.

(c) In no event shall the Annual Fee (per Box 8 of the Fee Calculation chart) due for any Contract Year be less than the Annual Minimum Fee (not including a Jukebox Fee, if any). The Annual Minimum Fee shall be \$473.00 for 2024 (not including a Jukebox Fee, if any). Thereafter, the Annual Minimum Fee shall be adjusted at the same rate as the Rate Per Year Per Occupant pursuant to subsection (b) of this Paragraph, with the exception that all increases shall be rounded to the nearest dollar.

(d) The Jukebox Fee shall also be adjusted at the same rate as the Rate Per Year Per Occupant pursuant to subsection (b) of this Paragraph, with the exception that all increases shall be rounded to the nearest dollar.

(e) **You agree that the Music Policy set forth herein is, and will continue to be, a true and accurate representation of your music use at the Licensed Premises, unless changed as provided in Changes to Your Music Policy section of this Agreement (Paragraph 2).**

## 12. OKLAHOMA RATE CHANGE NOTICE

BMI shall notify LICENSEE of any rate change thirty (30) days prior to the expiration date of the Agreement.

## 13. COLORADO 3 BUSINESS DAY REVIEW

LICENSEE shall have the right to rescind the Agreement for a period of three (3) business days after the execution of the Agreement.

## 14. CUSTOMER OUTREACH

LICENSEE agrees to accept from time to time pre-recorded telephone messages from BMI that may contain important information regarding your account.

**MUSIC POLICY / FEE CALCULATION**

*For all the ways music is used in your establishment, enter the corresponding amount under Rate Per Year Per Occupant on the appropriate line(s) to the right.*

Music Type	Frequency Per Week	Rate Per Year Per Occupant	Enter Fee Calculation
<b>1. Live Music*</b>			
• Multiple Singers/Instrumentalist	5-7 nights	\$7.70	
<b>How many nights per week?</b> _____	2-4 nights	\$6.45	
(1 night = no more than 5 times in any one month)	1 night or less	\$5.80	
• Single Singer/Instrumentalist	5-7 nights	\$5.65	
<b>How many nights per week?</b> _____	2-4 nights	\$4.60	
(1 night = no more than 5 times in any one month)	1 night or less	\$4.25	
<b>Enter ONLY the highest amount that applies here.....→</b>			<b>\$0.00</b>
<b>2. Enhanced Recorded Music*</b>			
<b>Type of Enhanced Music?</b> _____	Karaoke		
(Karaoke, DVDs, Video Tapes, VJs)	5-7 nights	\$4.40	
(1 night = no more than 5 times in any one month)	2-4 nights	\$4.20	
<b>How many nights per week?</b> _____	1 night or less	\$4.05	
<b>Recorded Music*</b>			
<b>Type of Recorded Music?</b> _____			
(CDs/Tapes/Records, Free-Play Jukebox, DJ, IPOD/MP3/Other Digital Music)		\$3.80	
<b>Enter ONLY the highest amount that applies here.....→</b>			<b>\$4.05</b>
<b>3. Admission or Cover Charge</b> (at any time)		\$2.45	<b>\$0.00</b>
<b>4. Dancing to Live or Recorded Music</b> (at any time)		\$2.45	<b>\$2.45</b>
<b>5. Television and/or Radio</b> (skip this Section if you have entered a fee in Section 2)		\$1.65	<b>\$0.00</b>
<b>6. TOTAL RATE PER YEAR PER OCCUPANT (Sum of Boxes 1-5).....→</b>			<b>\$6.50</b>
<b>7. Occupancy</b>			
Total Premise Occupancy _____	70	(If greater than 1,000 occupants, enter 1,000)	
<b>OR</b>			
<b>If Occupancy cannot be established by local building/fire codes, use formula below:</b>			
Total Square Footage of Entire Premises _____	0	+ 20 = _____	0
		Occupancy	70
			<i>(Enter Occupancy)</i>
<b>8. Subtotal - (Multiply Line 6 by Line 7)</b>			
If \$473.00 or Less, Enter Annual Minimum Fee of \$473.00			<b>\$473.00</b>
<b>9. Jukebox Fee - Refer to Paragraph 10 (c-m) on Page 2</b>			
<i>If your jukebox is licensable by the JLO (Jukebox License Office) but is not already licensed under a JLO license, enter the fee here. If the jukebox is already licensed under the JLO license, please enter Vendor name, address, and phone no. below.</i>			
		Jukebox Fee = \$473.00	<b>\$0.00</b>
Name/Company: _____	JLO Certification #: _____		<i>(Enter Jukebox Fee)</i>
Address: _____	Phone Number: _____		
City: _____	State: _____	Zip: _____	
<b>GROSS ANNUAL FEE ALL USES (Add Lines 8 and 9)</b>			
If More Than \$14,076.00 , Enter Maximum Fee of \$14,076.00 ..... →			<b>\$473.00</b>
<b>APPLICABLE DISCOUNT(S)..... →</b>			<b>\$0.00</b>
<b>*ANNUAL FEE..... →</b>			<b>\$473.00</b>

\*Eligible for 10% Timely Pay Discount if paying in FULL. If you wish to pay by Credit Card, Call Your BMI Representative at 1-888-689-5264.



**15. TERM OF AGREEMENT**

The initial Term of this annual Agreement shall begin on the first day of (month/year) January, 2025 and end on the last day of (month/year) December, 2025, and this Agreement shall continue for additional periods of one (1) year each, unless canceled by either party at the end of any period, upon 30 days advance written notice sent by certified mail, return receipt requested. Each one (1) year period, including the initial Term, is a "Contract Year."

**AGREEMENT**

This Agreement, made at New York, N.Y. on (Date will be entered by BMI upon execution) \_\_\_\_\_ between Broadcast Music, LLC ("BMI"), a Delaware Limited Liability Company with principal offices at 7 World Trade Center, 250 Greenwich Street, New York, N.Y. 10007-0030, and the entity described below and referred to herein as "LICENSEE" or "you".

<b>LEGAL NAME</b>	<b>LICENSED PREMISES</b>
City of Blackduck <small>(Name of Individual, Corporation, LLC, LLP, Partnership, or Government Entity, etc.)</small>	224 Frontage Rd <small>(Street Address)</small>
<b>TRADE NAME</b>	Blackduck MN 56630 <small>(City) (State) (Zip)</small>
The Pond <small>(Doing business under the name of)</small>	(218) 835-4820 <small>(Phone) (Phone 2)</small>
<b>PLEASE COMPLETE LEGAL INFORMATION BELOW</b>	Christina Regas <small>(Contact Name) (Title)</small>
Legal Structure _____ <small>(Individual, Corporation, LLC, LLP, Partnership, Government Entity or Other)</small>	christina.regas@blackduckmn http://www.blackduckmn.com/ci <small>(Email Address) (Web Address)</small>
State of Incorporation _____ Federal Tax ID No. _____	<b>MAILING ADDRESS</b> <small>(If different from Licensed Premises)</small>
Partners' Names <small>(If Partnership)</small>	224 Frontage Rd <small>(Street Address)</small>
1. _____	Blackduck MN 56630 <small>(City) (State) (Zip)</small>
2. _____	Christina Regas <small>(Contact Name) (Title)</small>
3. _____	(218) 835-4803 <small>(Contact Phone) (Contact Phone 2)</small>
<b>IF LEGAL STRUCTURE IS A GOVERNMENT ENTITY, PLEASE INDICATE BELOW</b>	christina.regas@blackduckmn.net <small>(Email Address - If different from above)</small>
Local, State, or Federal _____	
Municipality Name _____ <small>(City/State)</small>	

**Some state or national trade associations have discount agreements with BMI. Contact your association to see if you qualify for one association discount only.**

<b>TO BE COMPLETED BY LICENSEE</b>	<b>FOR ADMINISTRATIVE USE ONLY</b>	
By signing this Agreement, you represent that you have the authority to bind LICENSEE and that you have read, understood and agree to all of the terms and conditions herein.	<b>TO BE COMPLETED BY BMI</b>	
Signature _____	<b>Broadcast Music, LLC</b>	
Print Name _____ Title _____	<b>FOR BMI USE ONLY</b>	<b>EDE1</b>
Signatory Email Address _____ <small>(If different from above)</small>	<b>LI-2025/FEB</b>	
<b>Please Sign &amp; Return this Entire License Agreement &amp; Payment to:</b> BMI, Licensing Dept 10 Music Square E., Nashville, TN 37203 Or online at <a href="http://www.bmi.com/licensing">www.bmi.com/licensing</a>	61024568	
	Customer Number	



**SALES TAX RECEIPTS**

<b>City of Blackduck</b>								
<b>Payment Date</b>	<b>Revenue Month</b>	<b>Gross Revenue Amount</b>	<b>Start-up Costs (One-time only)</b>	<b>Miscellaneous Deduction or Addition (See notes below)</b>	<b>Administrative Cost</b>	<b>Net Amount Paid</b>		
9/10/2025	July	9,644.67			(86.80)	9,557.87		
10/10/2025	August	10,952.38			(98.57)	10,853.81		
11/10/2025	September	9,940.22			(89.46)	9,850.76		
12/10/2025	October	8,487.34			(76.39)	8,410.95		
1/9/2026	November					-		
2/10/2026	December					-		
3/10/2026	January					-		
4/10/2026	February					-		
5/8/2026	March					-		
6/10/2026	April					-		
7/10/2026	May					-		
8/10/2026	June					-		
<b>TOTAL</b>		<b>39,024.61</b>	<b>-</b>	<b>-</b>	<b>(351.22)</b>	<b>38,673.39</b>		
<b>Please note: This report contains current fiscal year information only.</b>								

**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: 3636

**Payment Information**

Payment Reference: 0010064147  
 Payment Date: 12/11/2025  
 Payment Method: Automated Clearing House

Agency Code / Description	Contact Phone	Voucher ID / Payment Message	Invoice Date	Invoice Number	Customer Account	Paid Amt
E37 / EDUC-VENDOR PAYMENTS	651/582-8634	00 01322346 GID 11230 20251031 CPF	10/31/2025	GID 11230 20251031		21,475.00
<b>Total:</b>						<b>21,475.00 USD</b>

**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:** 3645

**Payment Information**

**Payment Reference:** 0010092717  
**Payment Date:** 12/24/2025  
**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 11817664 SMALL CITY ASSIST	12/26/2025	24101A20402002F00 1	CITY-040200 SML_CT_ASSIST	5,276.50
G90 / REVENUE/INTERGOVT	651/556-6092	00 11817665 LOCAL GOVERNMENT AID	12/26/2025	24101A20402002L00 1	CITY-040200 LOCAL_GOVT_AID	161,927.50
G90 / REVENUE/INTERGOVT	651/556-6092	00 11817666 CLASS 4D1 TRANSITION	12/26/2025	24101A20402002O0 01	CITY-040200 CLASS4D1_AID	9,878.50
G90 / REVENUE/INTERGOVT	651/556-6092	00 11817667 MV CREDIT-AGRICULTURAL	12/26/2025	24101A20402002W0 01	CITY-040200 MVCREDIT_AGRIC	44.83

**Total: 177,127.33 USD**

\$100.00

**SANITARY SEWER  
DISCHARGE PERMIT**

No. 2026-01

License is hereby Granted to:

**Karl Dobeier**

MPCA License Number: 3006

**TO DISCHARGE: WASTEWATER  
PREMISES LOCATED AT**

**City of Blackduck Wastewater Facility Stabilization Ponds**

In the City of Blackduck, County of Beltrami, State of Minnesota for the period commencing January 1, 2026 and terminating December 31, 2026 at midnight.

This license is granted pursuant to application and payment of fee therefore and is subject to all the provisions and conditions of the laws of the state and of the federal government pertaining to such sale, and is revocable for violation thereof. Not transferable.

WITNESS THE GOVERNING BODY of the CITY OF BLACKDUCK and the seal thereof this 5th day of January 2026  
The Council of the City of Blackduck

Attest:  
Administrator

by \_\_\_\_\_  
Mayor

**APPLICATION FOR SANITARY SEWER DISCHARGE PERMIT  
CITY OF BLACKDUCK, MINNESOTA**

Date Received:

PERMIT NUMBER: 2026-01

PRINT all information on this application.

- 1. Business Name: Karl Dobner / Septic Service Plus
- 2. Phone Day: (218) 368-2818 Night: ( ) -
- 3. Address: 21440 Hines Rd NE City: Hines State: Mn Zip: 56647
- 4. E-mail address Septicserviceplus@gmail.com
- 5. Minnesota Pollution Control A (MPCA) Permit Number: L# 3006 Permit Expires: 8/3/26
- 6. Business FEIN: 85-1046151

I hereby declare that I am the owner, or authorized agent of the owner, of the above described business and I agree to keep adequate records of each tank load disposed of at the City of Blackduck Wastewater Facility Stabilization Ponds indicating origin, type and volume of waste. I further agree to only dispose of acceptable waste according to the Sanitary Sewer Discharge Policy for Holding Tank Waste. I further understand that the foregoing information contained on this application is a true and correct statement of my intentions. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction. I have also read and understand the instructions and information listed on the policy on the backside of this form.

7. Signed by Applicant: [Signature] Date: 12/18/25

\*\*\*\*\* (The following to be completed by the City) \*\*\*\*\*

Sanitary Sewer Permit Approved By: \_\_\_\_\_ Date: 1/1 Permit Fee: \$100.00  
Sanitary Sewer Permit Denied for \_\_\_\_\_ Date: 1/1  
Public Works Supervisor: [Signature] Date: 12/24/2025

CITY OF BLACKDUCK

DEC 23 2025

Pd ck # 8846

December 30, 2025

Christina Regas, City Administrator  
City of Blackduck, Minnesota  
8 Summit Ave NE  
PO Box 380  
Blackduck, MN 56630-0380

Re: Written Municipal Advisor Client Disclosure with the City of Blackduck (“Client”) Pursuant to MSRB Rules G-10 and G-42

Dear Christina:

For Ehlers & Associates, Inc., to engage in municipal advisory activities - as defined in the Securities Exchange Act and Municipal Securities Rulemaking Board (MSRB) Rules - we are required to provide certain information and disclosures in an annual written Municipal Advisor Disclosure. This letter serves as our disclosure for the period from December 30, 2025 through December 31, 2026 for municipal advisory activities provided to Client. Under MSRB Rule G-42, Ehlers & Associates is required to:

1. Act in a fiduciary capacity, which includes a duty of loyalty and a duty of care.
2. Provide written disclosure of all material conflicts of interest, including any actual or potential conflicts that might impair our ability to render advice to you in accordance with our fiduciary duty, along with our efforts to mitigate such conflicts. This information and other required disclosures are attached as [Appendix A](#).

Ehlers & Associates will provide municipal advisor advice and services at the rates described in [Appendix B](#) unless a project-specific disclosure is provided that sets forth the amount and nature of fees and charges relative to that project’s scope of engagement.

This documentation and all attached appendices will be effective during the period indicated above unless otherwise terminated by either party upon 30 days written notice to the other.

This Municipal Advisor Disclosure will be amended or supplemented to reflect any material changes during the term of our municipal advisory relationship.

Sincerely,

Ehlers & Associates

A handwritten signature in black ink, appearing to read 'Todd Hagen', written over a light blue horizontal line.

Todd Hagen  
Senior Municipal Advisor/Vice President

## Appendix A

### DISCLOSURE OF CONFLICTS OF INTEREST/OTHER REQUIRED INFORMATION

MSRB Rule G-42 requires that a municipal advisor disclose all material conflicts of interest, whether the firm engages in certain business practices that could present a material conflict of interest, and any legal or disciplinary events that are material to the client's evaluation of the municipal advisor or the integrity of its management or advisory personnel.

#### **Municipal Advisor Registration and Investor Brochure**

Ehlers & Associates is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board (MSRB).

#### **MSRB Contact Information**

The website address of the MSRB is [www.msrb.org](http://www.msrb.org). A municipal advisory client brochure is available and posted on the MSRB's website. The brochure describes the protections that may be provided by MSRB rules and how to file a complaint with an appropriate regulatory authority.

Client may access Ehlers & Associates' most recent Form MA and each most recent Form MA-I by searching the Securities and Exchange Commission's EDGAR system (currently available at <http://www.sec.gov/edgar/searchedgar/companysearch.html>) under either our company name (Ehlers & Associates, Inc.) or by using the currently available "Fast Search" function and entering our CIK number (0001604197).

Ehlers & Associates has not made any material changes to Form MA or Form MA-I since the previous Municipal Advisor Disclosure, except for a change of the firm address.

#### **Material Legal or Disciplinary Events**

Neither Ehlers & Associates nor any of its associated persons have been involved in any legal or disciplinary events reported on Form MA or Form MA-I, nor are there any other material legal or disciplinary events to be reported. Ehlers & Associates' application for permanent registration as a municipal advisor with the SEC was granted on July 28, 2014 and contained the information prescribed under Section 15B(a)(2) of the Securities and Exchange Act of 1934 and rules thereunder. Ehlers & Associates did not list any information on legal or disciplinary disclosures on its application.

## CONFLICTS

### General Mitigations

As general mitigations of the Municipal Advisor conflicts, with respect to all of the conflicts disclosed, Ehlers & Associates mitigates such conflicts through its adherence to its fiduciary duty to Clients, which includes a duty of loyalty to Clients in performing all municipal advisory activities for Clients. This duty of loyalty obligates the Municipal Advisor to deal honestly and with the utmost good faith with Clients and to act in Client's best interests without regard to the Municipal Advisor's financial or other interests. The disclosures describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

### Affiliated Entities

Ehlers Companies is the holding company for four wholly owned subsidiaries. Ehlers & Associates is a registered municipal advisor that provides municipal advisory, as well as other financial and consulting services. Bond Trust Services Corporation (BTSC), commonly referred to as "Ehlers Paying Agent Services," provides fiscal agency services. Ehlers Investment Partners, LLC (EIP), commonly referred to as "Ehlers Investments," is an SEC-registered investment adviser that provides services with respect to the investment of bond proceeds and other investable assets. Ehlers Distribution Services, Inc. (EDS) is a newly formed subsidiary yet to establish any operations. While engaged as municipal advisor by Client, Ehlers & Associates may solicit services on behalf of BTSC, EDS and EIP. If Client wishes to retain BTSC, EDS and/or EIP, a separate agreement will be provided for Client's consideration. Ehlers & Associates, BTSC, EDS and EIP do not share fees and no personnel of Ehlers & Associates are compensated for specific engagement of BTSC, EDS and EIP. However, compensation paid to personnel of Ehlers & Associates and its affiliates is based on the overall profitability of Ehlers Companies and, therefore, fees earned by the affiliates of Ehlers & Associates may affect the compensation of Ehlers & Associates personnel.

Ehlers Companies does not participate in the day-to-day operations of Ehlers & Associates.

### Solicitors/Payments Made to Obtain/Retain Client Business

Ehlers & Associates does not use solicitors to secure municipal advisor engagements, nor make direct or indirect payments to obtain or retain municipal advisory engagements with Client. Additionally, Ehlers & Associates does not solicit business on behalf of other registered municipal advisor firms.

### Payments from Third Parties

Ehlers & Associates does not receive any direct or indirect payments from third parties as an inducement for Ehlers & Associates to recommend third-party services to Client in relation to any municipal securities transaction(s) or municipal financial product(s).

### Payments/Fee-splitting Arrangements

Ehlers & Associates does not share fees with any unaffiliated parties that provide services to the Client. However, within a joint proposal with other professional service providers, Ehlers & Associates could be the contracting party, or a subcontractor to the contracting party, resulting in a fee splitting arrangement. In such cases, the fee due Ehlers & Associates will be identified in a Municipal Advisor Disclosure or project specific disclosure, and no other fees will be paid to Ehlers & Associates from any of the other participating professionals in the joint proposal.

### Other Municipal Advisor Relationships

Ehlers & Associates serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, Municipal Advisor serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting for the benefit of its various clients, Municipal Advisor could potentially face a conflict arising from competing client interests. None of these other engagements or relationships would impair Municipal Advisor's ability to fulfill its regulatory duties to Client.

### Conflicts Arising from Compensation, Including Compensation Contingent on the Size or Closing of Any Transaction

Ehlers & Associates' fees may be contingent on the size and successful closing of a transaction. Compensation contingent on the size of a transaction presents a conflict of interest, as there is an incentive to advise the Client to increase the size of the securities issue for the purpose of increasing compensation. Compensation contingent on the closing of the transaction presents a conflict, as there may be an incentive to recommend unnecessary or unsuitable financings to the Client. In addition, if the transaction is delayed or fails to close, there may be an incentive to discourage a full consideration by the Client of such facts and circumstances or alternatives that may result in the cancellation of the transaction. Ehlers & Associates shall disclose the contingent nature of any fee and Client may select an alternative form of compensation that best meets the Client's needs related to a specific engagement and agreed-upon scope of services.

If Client is concerned about conflicts arising from any compensation contingent on size and/or closing of a transaction, Ehlers & Associates is willing to provide another form of municipal advisor compensation. The Client must notify Ehlers & Associates in writing of such request within 10 days of receipt of this Municipal Advisor Disclosure. Ehlers & Associates is required to uphold its fiduciary obligation regardless of the method of compensation.

## Appendix B

### GENERAL CONSULTING SERVICES

As part of our Municipal Advisory relationship, Ehlers & Associates ordinarily provides Client with certain ongoing services, in some cases without compensation. Examples of such services include:

- Respond to Client questions and provide general information on finance approaches
- Provide educational and informational materials
- Provide current debt schedules for existing Client obligations
- Answer questions pertaining to existing Client debt obligations
- Provide periodic analysis of and recommendations for refunding of existing Client debt obligations
- Participation in surveillance calls conducted by bond rating services
- Verify the accuracy of the debt payment and tax levy record maintained by various governmental authorities and notify client and governmental authorities of any discrepancies
- Preliminary debt issuance planning, which may include, but not be limited to:
  - Discuss potential projects with Client and Client's objectives relating thereto
  - Identify feasible financing option(s) suitable for Client
  - Structure possible financing option(s) and estimate the financial impact(s)
  - Solicit input from Client on financing options
  - Develop a preliminary financing plan for Client's preferred option(s)

Ehlers & Associates may charge Client for these or other general consulting services depending on the time required to provide the service, the level of analysis needed, or degree of complexity involved. Prior to charging Client, Ehlers & Associates will first advise Client of the anticipated charges and receive authorization to proceed. Unless another basis for compensation is agreed to by Client and Ehlers & Associates, Ehlers & Associates will bill Client at an hourly rate that is dependent upon the task(s) and personnel required to meet Client request(s) at no less than \$125/hour and not to exceed \$495/hour. Ehlers & Associates will provide a Municipal Advisor Disclosure with scope of work and associated fee(s) for any specific engagement involving municipal advisor advice.

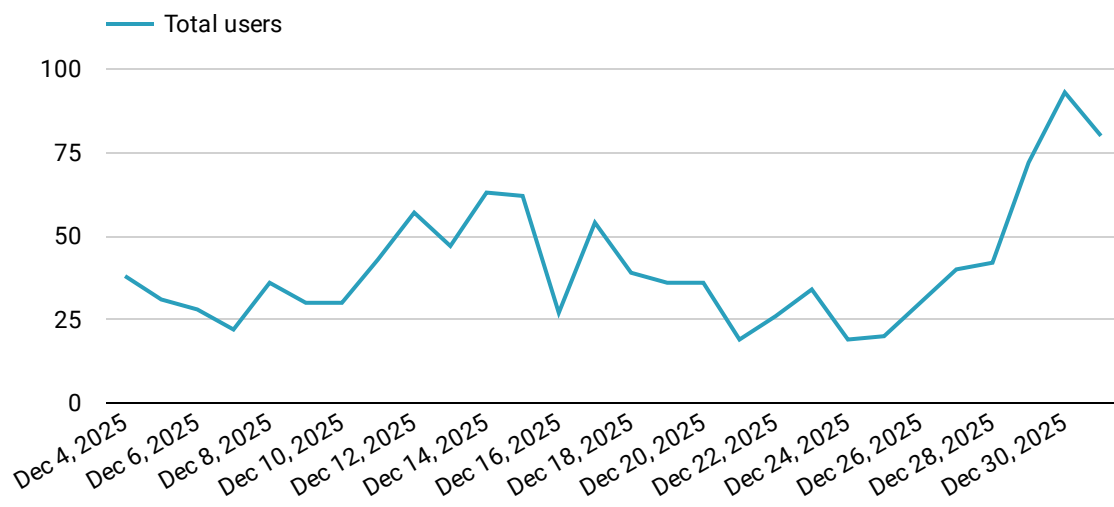
# Final Council Approval for the Following

## Full-time/Re-hired Part-time Employees:

<b>Name:</b>	<b>Position:</b>	<b>Date of Hire:</b>	<b>Wage:</b>
<b>Maria Grandell</b>	Cook - Full-time Non-benefited	01/01/2026	\$19.82
<b>Ronald Shaw</b>	Off-Sale Clerk PT	12/26/2025	\$13.81

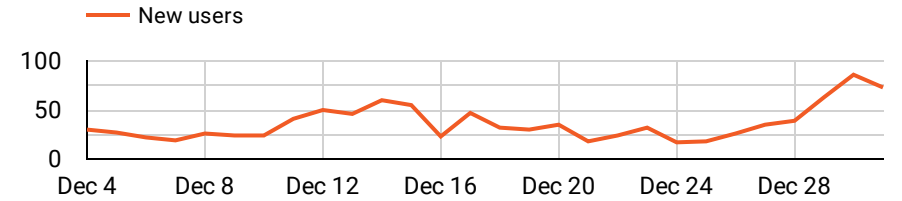
# City of Blackduck Analytics Report

Country ▾ Region ▾ Device category ▾ Session campaign ▾ Dec 2, 2025 - Dec 31, 2025 ▾

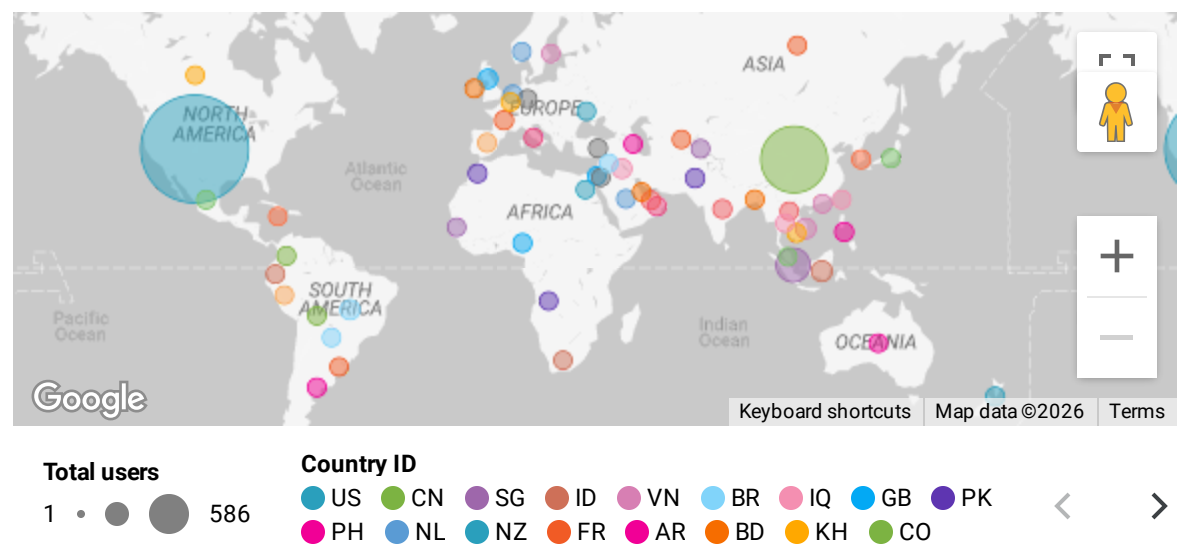
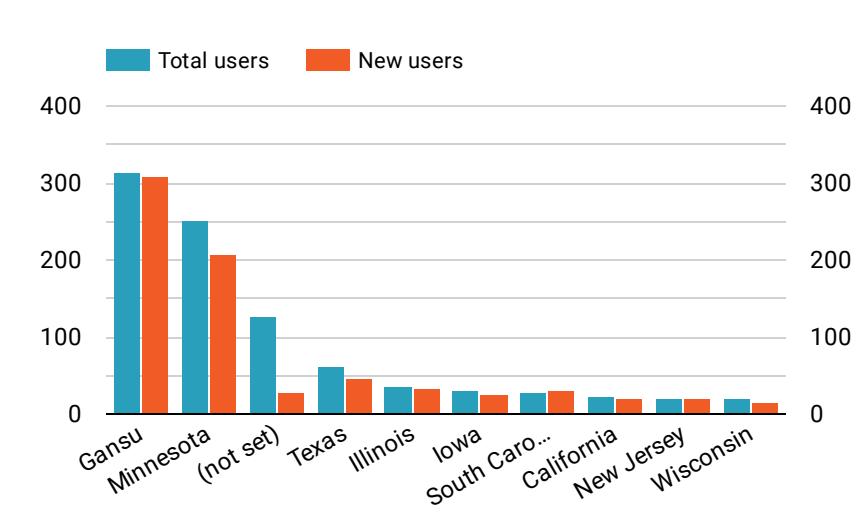
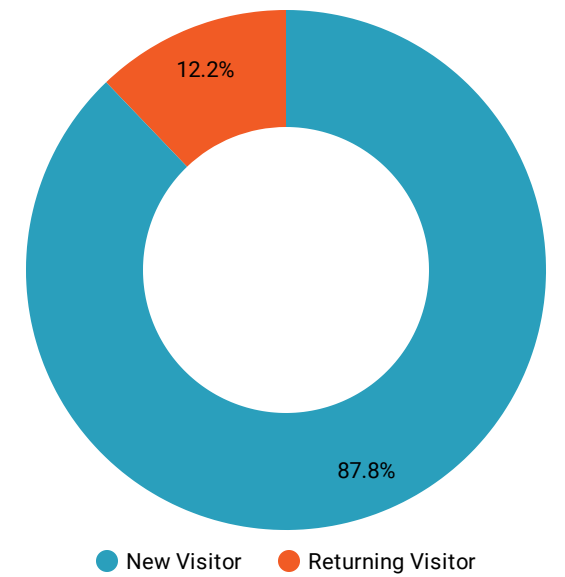


First user source	Total users ▾	New users
1. (direct)	696	685
2. google	306	268
3. bing	35	30
4. yahoo	13	11

1 - 16 / 16 < >



<p>Total users</p> <p><b>1,080</b></p>	<p>New users</p> <p><b>1,022</b></p>	<p>Sessions per user</p> <p><b>1.1</b></p>	<p>Sessions</p> <p><b>1,208</b></p>
<p>Views</p> <p><b>1,486</b></p>	<p>Events per session</p> <p><b>4.2</b></p>	<p>Engaged sessions</p> <p><b>360.0</b></p>	<p>Engagement rate</p> <p><b>29.8%</b></p>

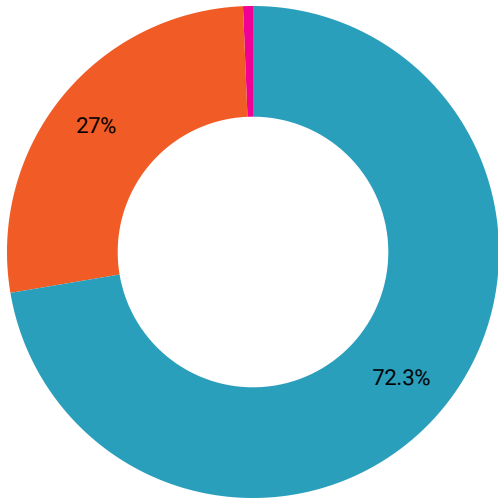


Region	Total users ▾	New use...
1. Gansu	314	310
2. Minnesota	251	208
3. (not set)	128	28
4. Texas	63	46
5. Illinois	36	34
6. Iowa	30	26
7. South Carolina	29	30
8. California	24	22

1 - 100 / 141 < >

Country	Total users ▾	New users
1. United States	586	535
2. China	317	312
3. Singapore	105	5
4. Indonesia	18	18
5. Vietnam	16	13

1 - 61 / 61 < >



● desktop ● mobile ● tablet

	Device category	Total users
1.	desktop	782
2.	mobile	292
3.	tablet	7

	Page path	Views	Average Engagment Time
1.	/	496	00:00:10
2.	/contact-us/	65	00:00:10
3.	/lodging/	57	00:00:48
4.	/rentals/	57	00:00:25
5.	/city-hall/	52	00:00:24
6.	/public-safety/	52	00:00:17
7.	/campground/	46	00:00:31

1 - 100 / 122 < >

December 31, 2025

**Bemidji**

315 5th Street NW  
Suite 1  
Bemidji MN 56601

Honorable Mayor and City Council  
City of Blackduck  
8 Summit Ave. East  
Blackduck, MN 56630

218.444.1859  
Bemidji@Widseth.com  
Widseth.com

RE: Recap of Engineering Services for 2025

Dear Mayor and City Council of Blackduck,

As 2025 is nearing the end and we approach the beginning of 2026, Widseth Smith Nolting & Associates, Inc. (Widseth) would like to express our gratitude to the City of Blackduck for selecting us as your engineer. 2025 was a very active and productive year with several accomplishments being achieved. We strive to be responsive to the City's needs and value the working relationships we have built with the Council and City staff. With this letter, we are thanking you with sincere gratitude for an opportunity to continue our relationship with the City of Blackduck as your City Engineer for 2026.

Throughout 2025 many of our departments worked with the city on a variety of projects. Our civil department was involved with completing work on phase 2 of the lead service line inventory. The preliminary engineering report continues to advance and we intend to complete and submit the report to rural development in early 2026. A phase 1 environmental assessment was completed for City Hall. Our GIS department worked with city staff to organize and bring the cemetery inventory into GIS. This work will extend into 2026. Widseth's environmental staff is updated the City's wellhead protection plan. Efforts on this will continue into 2026.

In addition to the specific items listed above, we propose to continue providing the level of service you should expect from us as your City Engineer. Below is a list services we will continue to provide in 2026:

- Attendance at City Council meetings at no charge
- Answering miscellaneous questions at no charge
- Provide proposals for required services
- Provide regulatory reviews for proposed site development projects
- Offering the City a large variety of resources that are cost effective, including but not limited to:
  - Architecture
  - Civil, Electrical, Mechanical, Structural, & Environmental Engineers
  - Water Resources specialists
  - Surveyors & GIS specialists
  - Marketing & IT personnel
  - Funding assistance specialists

The services listed above that we provided at no charge in 2025 amounted to over \$15,000.00 in value. We believe this investment on our part is necessary to provide you with the quality of service needed to continue functioning as your City Engineer, and we are happy to make it.

The 2025 calendar year was productive and enjoyable for us at Widseth in our role as City Engineer for the City of Blackduck. We look forward to continuing our relationship in 2026.

Sincerely,

Widseth

A handwritten signature in black ink that reads "Timothy T. Ramerth". The signature is written in a cursive style with a large, sweeping flourish at the end.

Timothy T. Ramerth, PE  
President|Civil Engineer



**CITY OF BLACKDUCK**

01/02/26 2:02 PM

Page 1

**Payments**

Current Period: January 2026

Payment Batch LibraryRenvfinal25pa \$14,500.00

Refer 362 GUSTAFSON HOME IMPROVEMEN Ck# 015441 1/2/2026  
 Cash Payment E 550-45500-309 Construction Services 25% of labor, materials @ final \$14,500.00  
 Invoice 2026010 1/2/2026 Project 2025-1  
 Transaction Date 1/2/2026 DW Checking 10100 **Total** \$14,500.00

**Fund Summary**

	10100 DW Checking	
550 KRLS LIBRARY RENOV PROJECT	\$14,500.00	
	<u>\$14,500.00</u>	

Pre-Written Checks	\$14,500.00
Checks to be Generated by the Computer	\$0.00
<b>Total</b>	<u>\$14,500.00</u>

## Proposed Contract Agreement

**Blackduck Public Library 72 1<sup>st</sup> St. E  
Blackduck, Mn 56630 Christina  
(218-368-9394)**

**Gustafson Home Improvements (GHI)  
12927 Portage, Ln NE  
Bemidji, MN 56601  
218-689-3279**

### **Project description: 2025**

Library Remodel

### Description of work:

- Prepare area to be worked in each day to keep as clean as possible.
- Demo front office wall coverings and wall framing.
- Prepare area for electrical to be relocated and work with electricians in laying out new work.
- Tearout and some farming are required for new reception area layout and electrical needed in this area.
- Remodel the front bathroom to become a small conference/office use space.
- Plumbing to be capped off for sink and 2 toilets in this space.
- Floor leveler install over concrete there toilets will be capped off.
- Removal of existing hallway wall into bathrooms and reframe to increase the size if the conference space. Along with some framing to add bumped in space for reception area to make that space function better.
- Move the bathroom door to the back bathroom and reframe a new opening in the NE corner of that bathroom. Reusing the existing door.
- Removal of exiting flooring in all appropriate areas and prep floors for new flooring where needed.
- Sheetrock all new wall framing and all the ceiling areas where walls were removed.
- Tape. Mud, sand, and finish all new drywall areas and ceiling patches.
- Blend new work to best match existing wall textures.
- Prime and paint remodeled areas.
- New flooring purchase and installed( Price may Vary on final product chosen)
- Using the existing reception counters, where we can, with appropriate modification reinstall into new space north of the main entrance.



*Thank you for your business.*

**GHI**

- Install base mouldings and trim where needed.
- Reconfigure counter space in bathroom to bring to ADA compliance. Install Grab bars as required.
- It was share recently that the library will need to stay open. With that said, we will need to take time to prep areas we will be working in to keep things as clean as we can. We will need to also take time each day to cleanup well at the end of each day.

**Projected Estimated cost of the work to be done with labor and materials and sub contractors**

Total Cost Estimate at \$58,000.00

I do my projects by tracking all the material and labor costs and bill according to the work done. The project will be done on a cost plus basis.

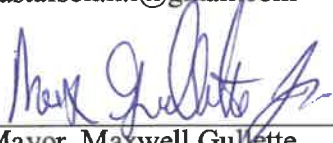
50% of estimated labor, materials, and markup cost to be collected upon the start of work,

25% of estimated labor, materials, and markup cost to be collected after project has reached midpoint

Final Payment will be collected upon completion of the project based upon total real cost of Labor, Materials, and markup.

If you have any questions please call.

Tony Gustafson  
 Gustafson Home Improvements (GHI)  
 218-689-3279  
 gustafson.h.i@gmail.com

  
 Mayor, Maxwell Gullette

  
 Tony Gustafson

  
 City Administrator, Christina Regas



*Thank you for your business.*  
**GHI**



DEC 31 2025

**Contractor Affidavit**

This Contractor Affidavit must be certified by the Minnesota Department of Revenue before the state of Minnesota or any of its subdivisions can make final payment to contractors. For more detailed information, see the instructions on the back of this form.

Please type or print clearly. This information will be used for returning the completed form.

Company name <b>Gustafson Home Improvements</b>			Daytime phone <b>218-689-3279</b>	Minnesota tax ID number <b>470-15-4551</b>
Address <b>12927 Portage Ln NE</b>			Total contract amount <b>\$ 58,000.00</b>	Month/year work began <b>6/2025</b>
City <b>Bemidji</b>	State <b>MN</b>	ZIP code <b>56601</b>	Amount still due <b>\$ 14,500.00</b>	Month/year work ended <b>12/25</b>

Project number	Project location <b>Blackduck Library</b>			
Project owner <b>City of Blackduck</b>	Address <b>72 First St. SE</b>	City <b>Blackduck</b>	State <b>MN</b>	ZIP code

Did you have employees work on this project?  Yes  No. If no, who did the work? **Gustafson Home Improvements**

Check the box that describes your involvement in the project and fill in all information requested.

**Sole contractor**

**Subcontractor**  
Name of contractor who hired you

Address

**Prime contractor**—If you subcontracted out any work on this project, all of your subcontractors must submit their own Contractor Affidavits and have them certified by the Department of Revenue *before* you can submit your Contractor Affidavit. For each subcontractor you had, fill in the information below and attach a copy of each subcontractor's certified Contractor Affidavit. If you need more space, attach a separate sheet.

Business name	Address	Owner/Officer
<b>Bessler Electric</b>	<b>331 Oak Hills Rd NE Bemidji, MN 56601</b>	<b>Chad Bessler</b>
<b>Steve Mattress Flooring</b>	<b>24853 Banks Rd NE Blackduck MN 57630</b>	<b>Steve Mattress</b>
<b>Jackson Payroll</b>	<b>PO Box 1175 Bemidji MN 56601</b>	
<b>Lundeen Plumbing</b>		

I declare that all information I have filled in on this form is true and complete to the best of my knowledge and belief. I authorize the Department of Revenue to disclose pertinent information relating to this project, including sending copies of this form, to the prime contractor if I am a subcontractor, and to any subcontractors if I am a prime contractor, and to the contracting agency.

Contractor's signature 	Title <b>Owner</b>	Date <b>12-31-25</b>
----------------------------	-----------------------	-------------------------

Mail to: Minnesota Revenue, Mail Station 6610, St. Paul, MN 55146-6610  
Phone: 651-282-9999 or 1-800-657-3594

**Certificate of Compliance**

Based on records of the Minnesota Department of Revenue, I certify that the contractor who has signed this Contractor Affidavit has fulfilled all the requirements of Minnesota Statutes 290.92 and 270C.66 concerning the withholding of Minnesota income tax from wages paid to employees relating to contract services with the state of Minnesota and/or its subdivisions.

Department of Revenue approval \_\_\_\_\_ Date \_\_\_\_\_



8 Summit Ave. NE, PO Box 380, Blackduck, MN 56630-0380

January 5, 2026

Nodak Group, LLC  
50 Margaret Ave.  
Blackduck, MN 56630

Dear Mr. Brodina and Partners,

As of January 5, 2026, Nodak Group LLC note with the City of Blackduck is paid in full. I have enclosed the original promissory note marked 'PAID' for your records. Also, your insurance agent will be notified to remove the City as a lienholder on the property policy. We are glad to be able to assist in your business financing needs.

Sincerely,

Christina Regas

CC: Revolving Loan Committee, Blackduck City Council

[www.blackduckmn.com](http://www.blackduckmn.com)

Phone: (218) 835-4803 Fax: (218) 835-4801 Email: [city@paulbunyan.net](mailto:city@paulbunyan.net)

*"The City Of Blackduck Is An Equal Opportunity Provider"*



**BELTRAMI COUNTY RECEIPT #** 213582  
20-21-16 **AMOUNT \$** 92.00  
**AUDITOR-TREASURER** JODEE TREAT

COUNTY OF BELTRAMI, MINNESOTA

THIS IS TO CERTIFY  
THAT THIS INSTRUMENT  
WAS FILED IN THIS

OFFICE ON 06/24/2016 AT  
03:14:56PM BY DOCUMENT NUMBER  
A000556739

*[Signature]*  
DEPUTY  
CHARLENE D. STURK  
COUNTY RECORDER

City of Blackduck

JAN 05 PAID  
2026

PAGES: 3

MORTGAGE  
By Business Entity

MORTGAGE REGISTRY TAX DUE  
HEREON: \$92.00

THIS INDENTURE, Made this 24 day of May, 2016, between Nodak Group, LLC, a limited liability company under the laws of Minnesota, Mortgagor, and City of Blackduck, a municipal corporation, Mortgagee,

WITNESSETH, That the Mortgagor, in consideration of the sum of FORTY THOUSAND AND NO/100 DOLLARS (\$40,000.00), to the Mortgagor in hand paid by the Mortgagee, the receipt whereof is hereby acknowledged, does hereby convey unto the Mortgagee, Forever, all of the land located in the County of Beltrami, and State of Minnesota, described as follows:

- Lotis Thirteen (13), Fourteen (14), Fifteen (15) and Sixteen (16),
- Block Six (6),
- Blackduck;

together with all hereditaments and appurtenances belonging thereto (the Property).

TO HAVE AND TO HOLD THE SAME, to the Mortgagee forever. The Mortgagor covenants with Mortgagee as follows: That Mortgagor is lawfully seized of the Property and has good right to convey the same; that the Property is free from all encumbrances except as follows: Mortgage in favor of Deerwood Bank of approximate even date herewith; that the Mortgagee shall quietly enjoy and possess the same; and that the Mortgagor will Warrant and Defend the title to the same against all lawful claims not hereinbefore specifically excepted.

PROVIDED, NEVERTHELESS, That if the Mortgagor shall pay to the Mortgagee the sum of FORTY THOUSAND AND NO/100 DOLLARS, according to the terms of a promissory note of even date herewith (the Note), the final payment being due and payable on June 1, 2026, with interest at the rate provided in the Note, and shall repay to the Mortgagee, at the times and with interest as specified, all sums advanced in protecting the lien of this Mortgage, in payment of taxes of the Property and assessments payable therewith, insurance premiums covering buildings thereon, principal or interest on any prior liens, expenses and attorney's fees herein provided for and sums advanced for any other purpose authorized herein, and shall keep and perform all the covenants and agreements herein contained, then this Mortgage shall be null and void, and shall be released at the Mortgagor's expense.

AND THE MORTGAGOR covenants with the Mortgagee as follows:

1. to pay the principal sum of money and interest as specified in the Note;  
2. to pay all taxes and assessments now due or that may hereafter become liens against the ~~AN No 05~~ <sup>2026</sup> PAID before penalty attaches thereto;

3. to keep all buildings, improvements and fixtures now or later located on or a part of the Property insured against loss by fire, extended coverage perils, vandalism, malicious mischief and, if applicable, steam boiler explosion, for at least the amount of FULL INSURABLE VALUE at all times while any amount remains unpaid under this Mortgage. If any of the buildings, improvements or fixtures are located in a federally designated flood prone area, and if flood insurance is available for that area, Mortgagor shall procure and maintain flood insurance in amounts reasonably satisfactory to the Mortgagee. Each insurance policy shall contain a loss payable clause in favor of the Mortgagee affording all rights and privileges customarily provided under the so-called standard mortgage clause. In the event of damage to the Property by fire or other casualty, the Mortgagor shall promptly give notice of such damage to the Mortgagee and the insurance company. The insurance shall be issued by an insurance company or companies licensed to do business in the State of Minnesota and acceptable to the Mortgagee. The insurance policies shall provide for not less than ten days written notice to the Mortgagee before cancellation, non-renewal, termination, or change in coverage, and the Mortgagor shall deliver to the Mortgagee a duplicate original or certificate of such insurance policies;

4. to pay, when due, both principal and interest of all prior liens or encumbrances, if any, and to keep the Property free and clear of all other prior liens or encumbrances;

5. to commit or permit no waste on the Property and to keep it in good repair;

6. to complete forthwith any improvements which may hereafter be under course of construction on the Property; and

7. to pay any other expenses and attorney's fees incurred by the Mortgagee by reason of litigation with any third party for the protection of the lien of this Mortgage.

In case of failure to pay said taxes and assessments, prior liens or encumbrances, expenses and attorney's fees as above specified, or to insure said buildings, improvements, and fixtures and deliver the policies as aforesaid, the Mortgagee may pay such taxes, assessments, prior liens, expenses and attorney's fees and interest thereon, or obtain such insurance, and the sums so paid shall bear interest from the date of such payment at the same rate set forth in the Note, and shall be impressed as an additional lien upon the Property and be immediately due and payable from the Mortgagor to the Mortgagee and this Mortgagee shall from date thereof secure the repayment of such advances with interest.

In case of default in any of the foregoing covenants, the Mortgagor confers upon the Mortgagee the option of declaring the unpaid balance of the Note and the interest accrued thereon, together with all sums advanced hereunder, immediately due and payable without notice, and hereby authorizes and empowers the Mortgagee to foreclose this Mortgage by judicial proceedings or to sell the Property at public auction and convey the same to the purchaser in fee simple in accordance with the statute, and out of the moneys arising from such sale to retain all sums secured hereby, with interest and all legal costs and charges of such foreclosure and the maximum attorney's fee permitted by law, which costs, charges and fees the Mortgagor herein agrees to pay.

The terms of this Mortgage shall run with the Property and bind the parties hereto and their successors in interest.

This mortgage is being executed contemporaneously with the execution of a Loan Agreement. Any default by Mortgagor under the terms of the Loan Agreement shall constitute a default under the terms of this Mortgage.

Notwithstanding anything herein to the contrary, no assignment of this mortgage or sale or transfer of the Property shall be made by Mortgagor, and this provision shall be binding upon the successors of Mortgagor.

IN TESTIMONY WHEREOF, the Mortgagor has hereunto set its hand the day and year first above written.

City of Blackduck  
JAN 05 PAID  
2016

MORTGAGOR

NODAK GROUP, LLC

By Jason W. Brodina  
Jason W. Brodina, President

By Donald J. Kapaun  
Donald J. Kapaun, Vice President

By Cheri L. Ware  
Cheri L. Ware, Secretary/Treasurer

STATE OF MINNESOTA

ss.

COUNTY OF BELTRAMI

The foregoing instrument was acknowledged before me this 24 day of May, 2016, by Jason W. Brodina, Donald J. Kapaun and Cheri L. Ware, the President, Vice President, and Secretary/Treasurer, respectively, of Nodak Group, LLC, a limited liability company under the laws of Minnesota, on behalf of the company.



[Signature]  
Notary Public

NOTARIAL ~~STAMP OR SEAL~~  
(OR OTHER TITLE OR RANK)

THIS INSTRUMENT WAS DRAFTED BY: (NAME AND ADDRESS)

DRAHOS KIESON & CHRISTOPHER, P.A.

Attorneys at Law  
502 - 24th Street NW  
Bemidji, MN 56601  
(218) 444-1750

FAILURE TO RECORD OR FILE THIS MORTGAGE  
MAY GIVE OTHER PARTIES PRIORITY OVER THIS MORTGAGE

# SATISFACTION OF MORTGAGE

Date: January 5, 2026

THAT CERTAIN MORTGAGE owned by the undersigned, dated May 24, 2016, executed by Nodak Group, LLC as Mortgagor, to the City of Blackduck, as Mortgagee, and filed for record June 24, 2016, by document no A0005567393, in the office of the County Recorder of Beltrami County, Minnesota, is, with the indebtedness thereby secured, fully paid and satisfied.

CITY OF BLACKDUCK

By \_\_\_\_\_  
Christina Regas  
Its City Administrator

By \_\_\_\_\_  
Maxwell Gullette  
Its Mayor

STATE OF MINNESOTA  
ss.  
COUNTY OF BELTRAMI

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2026, by Christina Regas, City Administrator, and Maxwell Gullette, Mayor of the City of Blackduck, a municipal corporation, on behalf of that body.

\_\_\_\_\_  
Notary Public

THIS INSTRUMENT DRAFTED BY:

City of Blackduck, Minnesota  
PO Box 380  
8 Summit Avenue East  
Blackduck, Minnesota 56630  
218-835-4803



Certification of Adoption of Directors' Resolution

At a duly constituted meeting of the Board of Directors of the Deerwood Bank held on December 23, 2025, the following resolution was adopted:

“WHEREAS, Minnesota Statutes, Chapter 118A requires City of Blackduck designate one or more financial institutions as a depository of its funds; and

“WHEREAS, has designated Deerwood Bank, an FDIC-insured depository institution, as depository of its public funds pursuant to Minnesota Statutes, Chapter 118A; and

“WHEREAS, Minnesota Statutes, Section 118A.03 requires the depository to furnish collateral security or a corporate surety bond to the extent that the government entity’s funds on deposit exceed available federal deposit insurance.

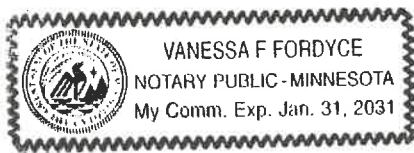
NOW, THEREFORE, it is hereby:

“RESOLVED, that the Board of Directors hereby approves a pledge from the Bank’s investment portfolio of allowable securities in an amount and of a form required by Minnesota Statutes, Chapter 118A.03 to collateralize the deposits in excess of FDIC insurance coverage.

“RESOLVED FURTHER, that this resolution represents an assignment of the aforementioned securities to by Deerwood Bank and that upon default (as defined in Minnesota Statutes, Chapter 118A.03), Deerwood Bank shall release to on demand, free of exchange or any other charges, any collateral pledged. Interest earned on assigned collateral will be remitted to Deerwood Bank so long as it is not in default. 11624 may sell the collateral to recover the amount due. Any surplus from the sale of the collateral shall be payable to Deerwood Bank, its assigns, or both.

I, the undersigned, Secretary to the Board of Directors of Deerwood Bank, certify that the foregoing is a true, complete and accurate copy of the resolution duly adopted by the Board of Directors at a meeting held on the aforementioned date, at which a quorum of the Directors were present, and do further hereby certify that the resolution has not been altered, amended, repealed, or rescinded and is now in full force and effect and shall remain in effect through 2026.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation this 23<sup>rd</sup> day of December 2025.



Deerwood Bank

Jennifer Harting, CFO/CRO, Secretary

State of Minnesota  
County of Crow Wing

This instrument was acknowledged before me on the 23<sup>rd</sup> day of December 2025 by Vanessa Fordyce, Executive Secretary, of Deerwood Bank.

## 609 Liquor Operations Revenue Budget Worksheet 2026

updated 12/15/25

	2024 Budget	2024 Actual	2025 Budget	2025 Actual	2026 Worksheet
R 609-31300 General Sales and Use Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R 609-33400 State Grants and Aids	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R 609-34000 Charges for Service - <i>Merchant Fees collected</i>	\$29,000.00	\$21,231.66	\$22,000.00	\$21,010.21	\$22,872.00
R 609-34700 Culture-Recreation Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R 609-34717 Clothing/Non Sales Tax	\$8,000.00	\$4,228.99	\$5,100.00	\$4,145.83	\$5,600.00
R 609-34950 Other Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R 609-36210 Interest Earnings	\$1,000.00	\$3,628.81	\$2,000.00	\$3,374.80	\$3,500.00
R 609-36220 Other Rents and Royalties	\$11,000.00	\$33,660.83	\$11,000.00	\$22,912.73	\$25,000.00
R 609-36240 Reimbursements	\$1,000.00	\$5,016.63	\$1,000.00	\$4,392.64	\$3,500.00
R 609-36241 NSF Payment/Reimbursement	\$200.00	\$644.98	\$200.00	\$0.00	\$200.00
R 609-37809 THC Edibles Sales - Off Sale	\$0.00	\$14,074.65	\$13,000.00	\$23,660.03	\$28,572.00
R 609-37810 THC Beverages Sales - Off Sale	\$9,000.00	\$19,259.19	\$20,000.00	\$20,103.51	\$23,000.00
R 609-37811 Liquor Sales -Off Sale	\$350,000.00	\$327,017.93	\$330,000.00	\$321,296.99	\$339,306.00
R 609-37812 Beer Sales -Off Sale	\$625,000.00	\$534,109.72	\$560,000.00	\$483,764.77	\$537,700.00
R 609-37813 Wine Sales -Off Sale	\$50,000.00	\$51,950.20	\$50,000.00	\$45,453.38	\$49,585.00
R 609-37815 Other Mchds.Off Sale 6.875%	\$11,596.00	\$13,262.32	\$11,750.00	\$8,038.79	\$10,300.00
R 609-37816 Ice Sales-NT	\$14,000.00	\$12,450.44	\$14,000.00	\$11,724.57	\$13,362.00
R 609-37820 Vending Machine Sales	\$3,600.00	\$4,446.65	\$3,600.00	\$2,796.40	\$3,600.00
R 609-37911 Liquor Sales -On Sale	\$135,000.00	\$136,283.76	\$135,000.00	\$117,417.44	\$125,172.00
R 609-37912 Beer Sales -On Sale	\$170,000.00	\$178,626.67	\$170,000.00	\$165,043.80	\$173,851.00
R 609-37913 Wine Sales -On Sale	\$2,161.00	\$2,244.18	\$2,000.00	\$2,380.69	\$2,350.00
R 609-37914 Soft Drinks -On Sale	\$26,503.00	\$32,257.82	\$30,000.00	\$31,518.75	\$33,876.00
R 609-37917 Food Sales	\$382,950.00	\$420,126.71	\$400,000.00	\$420,009.63	\$448,950.00
R 609-37940 Cash Over	\$0.00	\$3.35	\$0.00	\$26.51	\$0.00
R 609-38090 Catering Revenue	\$4,000.00	\$489.40	\$0.00	\$0.00	\$0.00
R 609-39204 Intrafund Transfer - <i>Liquor Rent Fund</i>	\$0.00	\$12,000.00	\$0.00	\$15,000.00	\$15,000.00
	\$1,834,010.00	\$1,827,014.89	\$1,780,650.00	\$1,724,071.47	\$1,865,296.00

Liquor Operations Expenditure Budget Worksheet 2026

updated 12/29/25

	2024 Budget	2024 Actual	2025 Budget	2025 Actual	2026 Worksheet	
E 609-49750-101	Full-Time Employees Regular	\$226,628.00	\$249,740.52	\$243,327.49	\$240,264.23	\$249,820.90
E 609-49750-102	Full-Time Employees Overtime	\$1,500.00	\$3,158.32	\$1,500.00	\$3,873.45	\$1,500.00
E 609-49750-103	Part-Time Employees	\$106,837.00	\$108,029.25	\$108,405.55	\$101,427.22	\$117,733.24
E 609-49750-120	Employer Contribution to Union Pension	\$0.00	\$0.00	\$0.00	\$218.54	\$0.00
E 609-49750-121	PERA	\$23,954.00	\$35,445.38	\$26,096.34	\$29,558.96	\$27,200.96
E 609-49750-122	FICA	\$25,510.00	\$31,344.95	\$26,907.57	\$31,722.98	\$28,117.89
E 609-49750-135	MN Paid Leave	\$0.00	\$0.00	\$0.00	\$0.00	\$3,234.48
E 609-49750-131	Employer Paid Health	\$62,201.00	\$251,577.15	\$64,944.73	\$63,716.14	\$56,916.96
E 609-49750-200	Office Supplies (GENERAL)	\$1,200.00	\$636.00	\$900.00	\$457.51	\$0.00
E 609-49750-205	Heating Fuel	\$10,000.00	\$9,497.43	\$10,000.00	\$11,065.41	\$10,000.00
E 609-49750-206	Electricity	\$20,000.00	\$16,966.27	\$20,000.00	\$18,486.11	\$22,000.00
E 609-49750-207	Computer Supplies	\$3,500.00	\$3,670.52	\$750.00	\$185.07	\$750.00
E 609-49750-208	Training and Instruction	\$500.00	\$125.00	\$700.00	\$123.20	\$200.00
E 609-49750-210	Operating Supplies (GENERAL)	\$15,000.00	\$12,657.73	\$10,000.00	\$12,823.41	\$12,000.00
E 609-49750-251	Liquor Expense	\$292,260.00	\$221,838.70	\$220,000.00	\$230,943.24	\$246,275.00
E 609-49750-252	Beer Expense	\$483,540.00	\$450,048.31	\$400,000.00	\$394,362.08	\$437,350.00
E 609-49750-253	Wine Expense	\$24,876.00	\$29,847.99	\$35,000.00	\$27,447.24	\$28,300.00
E 609-49750-254	Pop Expense	\$10,548.00	\$15,618.90	\$17,000.00	\$13,592.41	\$15,831.00
E 609-49750-255	Mix Expense	\$12,000.00	\$13,885.72	\$16,000.00	\$13,719.17	\$14,577.00
E 609-49750-257	Ice For Resale	\$6,000.00	\$6,333.30	\$7,500.00	\$6,773.00	\$7,000.00
E 609-49750-259	Other For Resale-Tax	\$0.00	\$134.39	\$300.00	\$196.00	\$300.00
E 609-49750-260	Food for Resale	\$224,000.00	\$227,063.62	\$220,000.00	\$228,279.17	\$243,584.00
E 609-49750-261	THC Beverages Expense	\$5,000.00	\$13,460.53	\$15,000.00	\$12,937.52	\$16,110.00
E 609-49750-262	THC Edible Expense	\$0.00	\$9,240.02	\$10,000.00	\$14,620.04	\$18,696.00
E 609-49750-272	Clothing for Resale	\$7,000.00	\$1,146.00	\$5,000.00	\$2,236.00	\$5,000.00
E 609-49750-301	Auditing and Acct g Services	\$6,500.00	\$6,500.00	\$6,500.00	\$6,500.00	\$6,500.00
E 609-49750-305	Medical Fees	\$150.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-310	Other Professional Services- Cleaning	\$20,000.00	\$38,994.45	\$25,000.00	\$21,959.18	\$22,800.00
E 609-49750-311	Website Development & Maintenance	\$1,000.00	\$1,027.00	\$948.00	\$869.00	\$948.00
E 609-49750-321	Telephone	\$2,000.00	\$2,118.69	\$2,266.80	\$2,124.95	\$2,400.00
E 609-49750-322	Postage	\$850.00	\$138.70	\$1,000.00	\$1,071.35	\$1,000.00
E 609-49750-324	Cable Television	\$1,600.00	\$2,021.04	\$2,141.88	\$2,043.16	\$2,400.00
E 609-49750-327	Internet Access	\$1,200.00	\$979.40	\$1,019.40	\$894.66	\$1,020.00
E 609-49750-331	Travel Expenses	\$300.00	\$0.00	\$300.00	\$430.72	\$300.00
E 609-49750-333	Freight and Express	\$6,000.00	\$6,782.72	\$6,000.00	\$6,451.21	\$7,100.00
E 609-49750-335	Catering expense	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-340	Advertising	\$300.00	\$450.00	\$500.00	\$90.00	\$0.00
E 609-49750-343	Promotions/Entertainment	\$6,000.00	\$7,953.76	\$7,500.00	\$7,352.36	\$8,000.00
E 609-49750-351	Legal Notices	\$0.00	\$0.00	\$0.00	\$100.00	\$0.00
E 609-49750-361	General Liability Ins	\$4,678.61	\$1,602.52	\$5,369.91	\$3,977.64	\$4,256.07
E 609-49750-362	Property Ins	\$7,676.55	\$7,707.00	\$8,169.42	\$7,559.00	\$7,936.95
E 609-49750-364	Dram Shop	\$3,589.00	\$3,388.00	\$3,500.00	\$3,292.00	\$3,500.00
E 609-49750-366	Workers Compensation Insurance	\$16,416.08	\$13,240.23	\$13,902.24	\$8,581.12	\$9,439.23
E 609-49750-367	Unemployment Paid	\$500.00	\$0.00	\$500.00	\$0.00	\$500.00
E 609-49750-382	Water Utilities	\$3,100.00	\$3,064.82	\$3,100.00	\$2,961.17	\$2,800.00
E 609-49750-384	Refuse/Garbage Disposal	\$7,000.00	\$7,950.92	\$8,000.00	\$7,622.74	\$9,000.00
E 609-49750-401	Repairs/Maint Buildings	\$10,000.00	\$10,505.27	\$12,000.00	\$11,297.89	\$12,000.00
E 609-49750-530	Improvements other than buildings	\$0.00	\$0.00	\$30,000.00	\$10,805.45	\$10,000.00
E 609-49750-425	Depreciation	\$0.00	\$34,037.00	\$0.00	\$0.00	\$0.00
E 609-49750-426	Automation and Repair	\$0.00	\$12,877.00	\$0.00	\$0.00	\$0.00
E 609-49750-430	Miscellaneous (GENERAL)	\$0.00	-\$1,725.00	\$0.00	\$0.00	\$0.00
E 609-49750-431	Cash Short	\$500.00	\$37.61	\$0.00	\$329.53	\$0.00
E 609-49750-432	Uncollectable Checks	\$200.00	\$665.12	\$200.00	\$49.39	\$200.00
E 609-49750-433	Dues and Subscriptions	\$4,500.00	\$7,969.81	\$4,500.00	\$4,979.18	\$4,500.00
E 609-49750-438	Bank Service Charges	\$20,000.00	\$39,830.75	\$40,000.00	\$47,239.44	\$48,000.00
E 609-49750-490	Donations to Civic Org s	\$6,000.00	\$7,477.98	\$6,000.00	\$4,850.00	\$6,000.00
E 609-49750-500	Capital Outlay	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00
E 609-49750-501	Assessment	\$1,065.00	\$1,028.42	\$974.75	\$1,001.59	\$1,050.00
E 609-49750-560	Furniture and Fixtures	\$2,000.00	\$2,604.07	\$0.00	\$388.43	\$0.00
E 609-49750-570	Office Equip and Furnishings -	\$0.00	\$0.00	\$3,123.36	\$598.00	\$0.00
E 609-49750-580	Other Equipment - Message Board, copier, dishwasher	\$14,307.50	\$3,922.39	\$7,153.75	\$16,221.74	\$3,600.00
E 609-49750-600	Obligation Principal Debt - remodel/addition	\$30,000.00	\$0.00	\$30,000.00	\$30,000.00	\$30,000.00
E 609-49750-610	Obligation Interest Debt - remodel/addition	\$10,345.00	\$10,345.00	\$10,015.00	\$10,015.00	\$9,685.00
E 609-49750-701	Transfer to General Fund	\$65,000.00	\$65,000.00	\$65,000.00	\$65,000.00	\$60,000.00
E 609-49750-711	Transfer to Golf Fund	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
E 609-49750-720	Operating Transfers liquor rent	\$0.00	\$12,000.00	\$0.00	\$15,000.00	\$0.00
E 609-49750-721	Transfer to Cemetary Fund	\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00	\$500.00

\$1,828,831.74    \$2,035,460.67    \$1,777,516.19    \$1,774,184.00    \$1,857,932.69 Updated Budget

Budget meeting notes:

- Factor additional wages for full time cook #2
- Capital Outlay for future repaid added to 2026 budget

\$1,865,361.77 Original Budget

-\$7,429.08 Difference



112 E. South Street, PO Box 0964  
 Tremont, IL 61568-0964  
 TEL [800] 548-7204  
 FAX [800] 320-7706  
 www.thelibrarystore.com

# QUOTE: 944032

Customer Number: 594001  
 Issue Date: 12/16/2025  
 Expiration Date: 12/31/2025  
 Bid Code: DESIGN

### Ship To:

Christina Regas  
 Blackduck Community Library  
 72 First St SE  
 Blackduck, MN 56630  
 (218) 835-6600 x  
 blackduck@krls.org

### Bill To:

Christina Regas  
 Blackduck Library - City of Blackduck  
 PO Box 380  
 Blackduck, MN 56630-0380  
 christina.regas@blackduckmn.com

Qty	Item	Item Description	Retail Price	Your Price	Ext Price
24	92-33410-LTGREY	estey Steel Cantilever Integral Back Library Shelving - 78 in.H x 12 in.D Single-Face - Light Grey	<del>\$1,319.44</del>	\$605.79	\$14,538.96
16	92-3065	estey Steel Cantilever End Panel - 78 in.H Single-Face	<del>\$412.94</del>	\$188.78	\$3,020.48
		<b>Color: (PLEASE SPECIFY WHEN ORDERING)</b>			
24	92-3094	estey Steel Cantilever Canopy Top - 12 in.D Single-Face	<del>\$108.44</del>	\$48.73	\$1,169.52
2	92-33350-LTGREY	estey Steel Cantilever Integral Back Library Shelving - 42 in.H x 12 in.D Single-Face - Light Grey	<del>\$896.66</del>	\$370.76	\$741.52
4	92-3061	estey Steel Cantilever End Panel - 42 in.H Single-Face	<del>\$295.66</del>	\$135.10	\$540.40
2	92-3094	estey Steel Cantilever Canopy Top - 12 in.D Single-Face	<del>\$108.44</del>	\$48.73	\$97.46
4	88-18929	Jonti-Craft Mobile Book Organizer - 8 Sections	<del>\$1,194.95</del>	\$570.65	\$2,282.60
30	277-WFIB4824	estey Steel Cantilever Integral Back Library Shelving - 48 in.H x 24 in.D Double-Face	<del>\$1,072.33</del>	\$824.87	\$24,746.10
12	277-WDP4824A	Estey Cantilever Steel End Panel 48"H x 24"W	<del>\$430.07</del>	\$330.82	\$3,969.84
30	92-3096	estey Steel Cantilever Canopy Top - 24 in.D Double-Face	<del>\$188.94</del>	\$85.75	\$2,572.50
7	92-33500-LTGREY	estey Steel Cantilever Integral Back Library Shelving - 42 in.H x 24 in.D Double-Face - Light Grey	<del>\$1,259.94</del>	\$579.28	\$4,054.96



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# QUOTE: 944032

Customer Number: 594001  
 Issue Date: 12/16/2025  
 Expiration Date: 12/31/2025  
 Bid Code: DESIGN

Qty	Item	Item Description	Retail Price	Your Price	Ext Price
4	92-3071	estey Steel Cantilever End Panel - 42 in.H Double-Face	<del>\$575.66</del>	\$264.65	\$1,058.60
7	92-3096	estey Steel Cantilever Canopy Top - 24 in.D Double-Face	<del>\$188.94</del>	\$85.75	\$600.25



Sub-Total:	\$59,393.19
Tax:	\$0.00
Shipping:	\$3,494.25
<b>Quote Total (USD):</b>	<b>\$62,887.44</b>

### Shipping Information:

Your quote will ship via semi-truck with a power lift gate to lower the items to ground level. You will be responsible for unloading the items from the lift gate.  
 \*Please contact us if other services are needed so we can provide a more accurate shipping quote.

### Comments:

- Pricing valid for listed items and quantities only
- Shipping charges are subject to change after 30 days
- To ensure you receive your quoted prices, quote number 944032 must be referenced at the time of purchase
- \*Please note: While we will strive to hold pricing where possible, due to current economic conditions, product and shipping costs are changing rapidly and we may be forced to revise your quote prior to expiration.**

**Prepared By:** Tosha Landesz  
**E-Mail:** toshal@thelibrarystore.com  
**Phone:** 800-548-7204 x7583



Blackduck Community Library



December 5, 2025



Creative Spaces has made every effort to ensure the accuracy of the information in this design. All space details, dimensions, and reference photos are provided by the client and therefore, the accuracy of this information is the responsibility of the client. We make no claims regarding this design and expressly disclaim liability for errors and omissions.

Guidelines and protocol are followed to ensure that suggested items fit with the space, intention, and budget. It is the client's responsibility to make the final decision if the product meets their quality and price expectations. The drawings and specifications are conceptual in nature and intended for design and visual purposes only. They are not intended for architectural or engineering purposes.

All concepts, drawings, and specifications prepared by Creative Spaces and all copyrights and other proprietary rights applicable thereto remain at all times property of The Library Store.

**PROJECT**  
**Blackduck Library**  
72 First St. SE  
Blackduck, MN 56630

**DATE**  
12/05/2025



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**Blackduck Library**

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**DATE**

12/05/2025



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**PROJECT**

**Blackduck Library**

72 First St. SE  
Blackduck, MN 56630

**DATE**

12/05/2025



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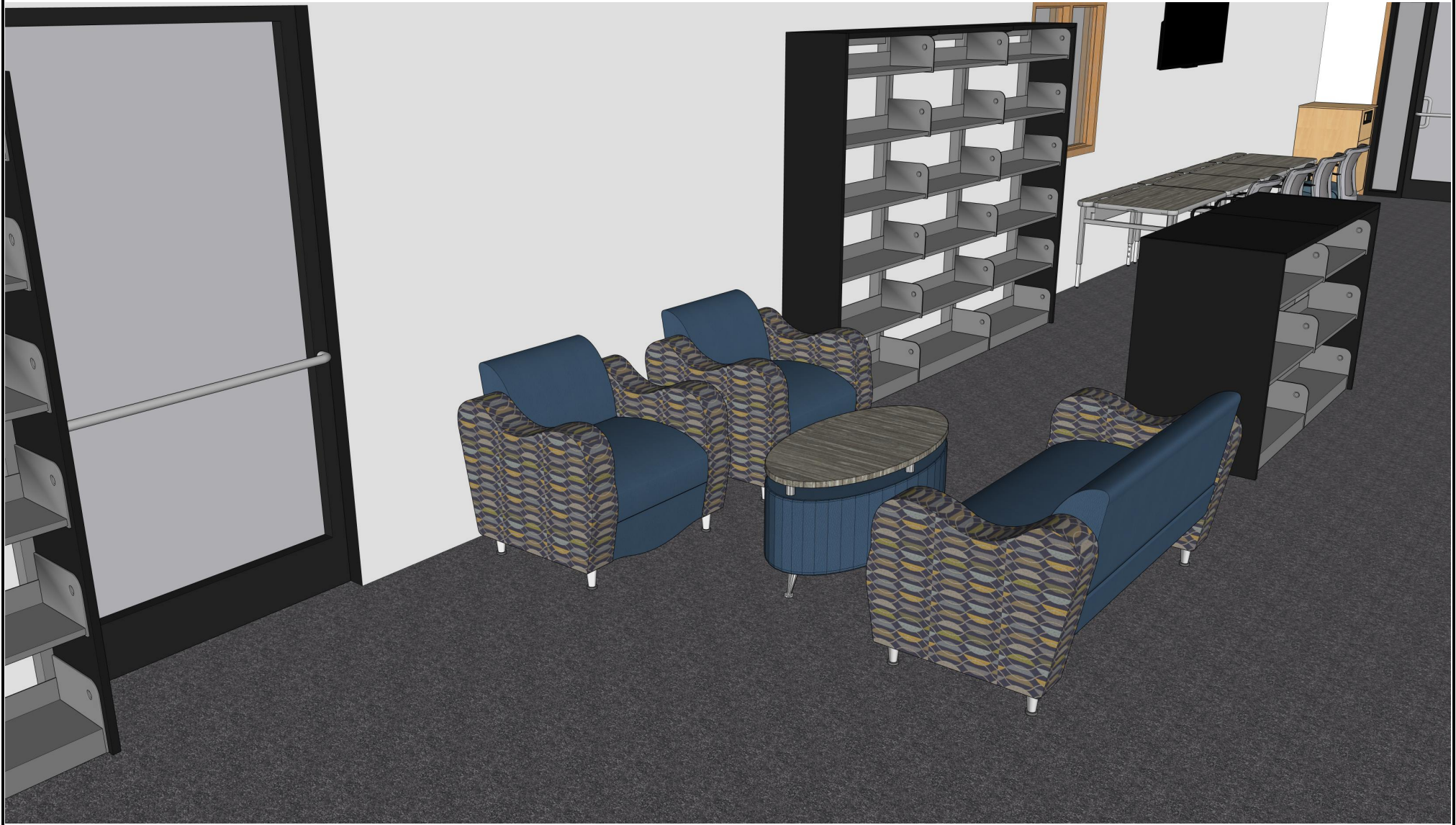
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**PROJECT**

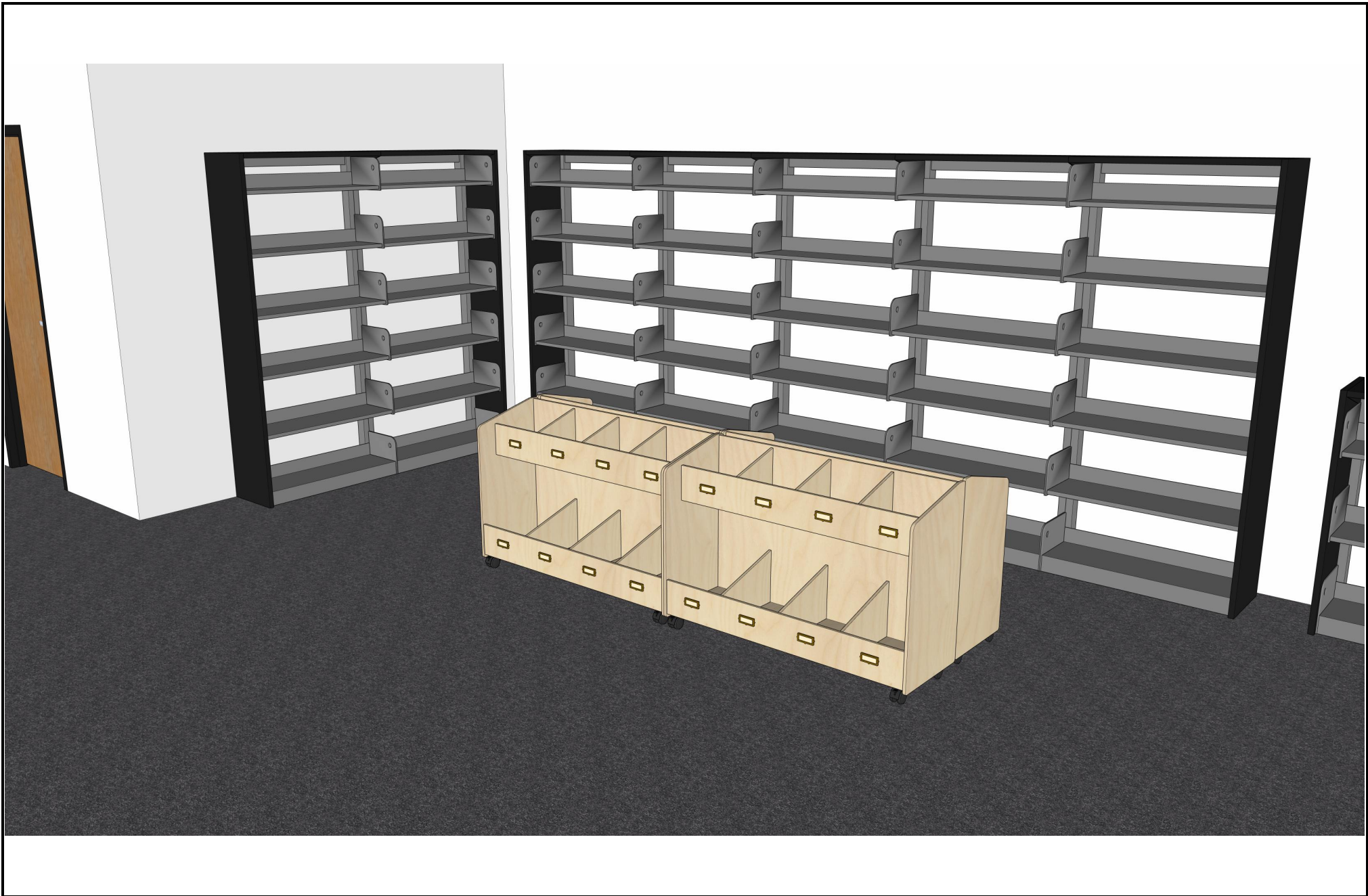
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72 First St. SE  
Blackduck, MN 56630

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**PROJECT**

**Blackduck Library**

72 First St. SE  
 Blackduck, MN 56630

**DATE**

12/05/2025

## 2025-2026 Blackduck Public Library Revenue and Expenses

updated 1/5/2026

Date	Description of Expense/Revenue	Revenue	Expense	Balance
Apr-25	KRLS Project Funding	\$57,583.00		\$57,583.00
Jul-25	GHI - first half		\$29,000.00	\$28,583.00
Sep-25	GHI - 25% of last half		\$14,500.00	\$14,083.00
Oct-25	Bessler Electric - update lighting		\$6,975.00	\$7,108.00
Aug-25	LOST	\$385.87		\$7,493.87
Sep-25	LOST	\$9,557.87		\$17,051.74
Oct-25	LOST	\$10,952.38		\$28,004.12
Nov-25	LOST	\$9,850.76		\$37,854.88
Nov-25	VARI- circulation desk order		\$546.82	\$37,308.06
Nov-25	Pinnacle - commitment new logo - Invoice #89906		\$1,100.00	\$36,208.06
Nov-25	Clarity Glass - door quote w/ADA - <i>approved by council</i>		\$11,412.00	\$24,796.06
Nov-25	2025 Front Door Levy Funds	\$7,000.00		\$31,796.06
Sep-25	DOE Grant reimbursement #1	\$21,475.00		\$53,271.06
	estimated Balance of LOST to receive	\$45,842.17		\$99,113.23
	Estimated cost of GHI flooring/painting ( <i>not under contract</i> )		\$20,000.00	\$79,113.23
	Budget for New Signage		\$2,000.00	\$77,113.23
	Budget for New Exterior Book Return		\$5,000.00	\$72,113.23
	Budget for New Shelving - Quote #944032		\$62,887.44	\$9,225.79
	Budget for New patio & landscaping		\$10,000.00	-\$774.21
	DOE Grant amount for Remaining construction	\$34,500.00		\$33,725.79
12/2/2025	Amazon - TV Cart for MP Room		\$239.19	\$33,486.60
12/3/2025	The Library Store - Quote #945042 - Invoice 945042 pd		\$8,864.54	\$24,622.06
12/10/2025	Amazon - DVD shelving, bathroom cabinet, chairmats		\$416.44	\$24,205.62
12/10/2025	LOST - October	\$8,410.95		\$32,616.57
	Friends of the Library Donation (Shelving offset)	\$12,000.00		\$44,616.57
12/29/2025	DOE Grant Reimbursement #2 - TV cart, #945042, vari	\$7,829.56		\$52,446.13
1/2/2026	Balance of GHI contract Check#15441		\$14,500.00	\$37,946.13
1/5/2026	Northwoods Lumber - building supplies misc.		\$234.66	\$37,711.47



# CITY OF BLACKDUCK RESOLUTION NO: 2026-01

## A RESOLUTION OF ANNUAL APPOINTMENTS AND DESIGNATIONS FOR 2026

**WHEREAS**, annually, at their first meeting in January, the Blackduck City Council handles annual designations and appointments; and

**WHEREAS**, included is the designation of the Official Newspaper, Official Depositories and Official Posting, and

**WHEREAS**, included is the designation of a Vice Mayor; and

**WHEREAS**, included are the appointments of City Councilors and staff to various boards and commissions.

**NOW, THEREFORE, BE IT RESOLVED**, that the Blackduck City Council does hereby make the annual designations (*Exhibit A attached hereto*) and appointments (*Exhibit B attached hereto*), effective immediately upon adoption.

Revised by the Blackduck City Council this 5<sup>th</sup>, day of January. 2026.

APPROVED:

---

Maxwell Gullette, Mayor

---

Christina Regas, City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2026-01

## **EXHIBIT A**

### **DESIGNATIONS**

OFFICIAL NEWSPAPER:	Bemidji Pioneer
OFFICIAL POSTING LOCATION:	Blackduck City Hall 8 Summit Avenue NE, Blackduck
OFFICIAL DEPOSITORY:	Deerwood Bank - Blackduck
CITY ATTORNEY:	Joseph J. Langel of RRM Ratwik, Roszak & Maloney, P.A.



# CITY OF BLACKDUCK RESOLUTION NO: 2026-01

## **EXHIBIT B**

### **APPOINTMENTS AND REPRESENTATION ON VARIOUS COMMITTEES**

Vice Mayor: Ronald Fredrickson (2026)

City Assessor: Beltrami County Assessor, Kaleb Bessler

City Engineer: Tim Ramerth, Widseth

Park & Trail Board (4): Public Works Director, Mike Schwanke  
City Administrator, Christina Regas

*Council Member* Ron Fredrickson

*Other* Meghan Klein

*Other* Sandra Miller

Personnel Committee (3): City Administrator, Christina Regas

*Council member* Donald Johnson

*Other* Shawnda Lahr

*Other* Mike Schwanke

Public Works Committee (4): Public Works Director, Mike Schwanke  
City Administrator, Christina Regas

*Council Member* Nicholas Seitz

*Other* Maxwell Gullette

Liquor Committee (4): Director of Liquor Operations, Shawnda Lahr  
City Administrator, Christina Regas

*Council Member* Donald Johnson

*Other* Ron Fredrickson

Finance Committee (3): City Administrator, Christina Regas

*Council Member* Nicholas Seitz

*Council Member* Maxwell Gullette

*Other* Mike Schwanke

Public Safety Committee (up to 5): Fire Chief Brian Larson  
City Administrator, Christina Regas  
Public Works Director, Mike Schwanke

*Council Member* Maxwell Gullette



# CITY OF BLACKDUCK

## RESOLUTION NO: 2026-01

Golf Board (up to 6): City Administrator, Christina Regas  
*Golf Director* Misty Frenzel  
*Golf Member* Kevin Erpelding  
*Council Member* Maxwell Gullette  
*Council Member* Donald Johnson

Safety Committee (4): Public Works Director, Mike Schwanke  
Director of Liquor Operations, Shawnda Lahr  
Deputy Clerk, Paige Watson  
*Other/ Council Member*

Planning Commissioners (5):  
*Appointed Position* Kurt Cease  
*Appointed Position* John Wilson Winnett  
*Appointed Position* Kayla Smischney  
*Appointed Position* Ernie Tindell  
*Appointed Position* Ron Rockis

Zoning Administrator: City Administrator, Christina Regas

Library Board: OPEN  
Miriam Osborn  
OPEN  
Mary Salmonson  
Amy Granlund  
Cameron Koenen  
*Blackduck Librarian* Kelly Hanks  
*Council Member Liaison* Laurie Hamilton  
*Council Member Alternate* Donald Johnson

Kitchigami Regional Library Representative: Laurie Hamilton  
Alternate Donald Johnson

HRA (up to 5): Mayor Maxwell Gullette  
Councilor Laurie Hamilton  
Councilor Ron Fredrickson  
Councilor Nicholas Seitz  
Councilor Donald Johnson

City Administrator, Christina Regas



# CITY OF BLACKDUCK

## RESOLUTION NO: 2026-01

Revolving Loan Fund Committee (up to 5): City Administrator, Christina Regas  
 Dwight Kalvig (Kalvig & Associates)  
 Grant Frenzel (Deerwood Bank)  
*Council Member* Maxwell Gullette  
*Headwaters Regional Development Center Rep* Tony Klaers

Historical Preservation Committee (up to 8): Laurie Turner  
 Rob Ingersoll  
 Avonel Kjellberg  
 Sherry Gilstad  
 LaVonne Peterson  
 Mary Joy  
 Joan Gunderson  
 Shirley Gilmore  
 Carol Hannigan

Ambulance Board Representative (BAI): City Council member, Ronald Fredrickson

Ambulance Joint Powers Emergency Services: Mayor Maxwell Gullette

HRDC Board Member: Mayor Maxwell Gullette

### ***Blackduck City Ordinance Chapter 3 Administration Section 300.07 Committees.***

#### ***Subdivision 1. Standing Committees***

*Committees designated - there shall be the following standing committees.*

1. *Liquor Committee*
2. *Park and Trail Board*
3. *Golf Board*
4. *Revolving Loan Committee*
5. *Library Board*
6. *Personnel*
7. *Public Works*
8. *Finance*
9. *Public Safety*

#### ***Subdivision 2. Membership***

*Each committee shall be appointed by the mayor with the approval of the majority of the council. Each committee member shall serve as appointed unless excused by a majority of the members of the council.*

#### ***Subdivision 3. Referral Reports.***

*Any matter brought before the council for consideration may be referred by the presiding officer to the appropriate committee or to the special committee appointed by him or her for a written report and committee report shall be signed by a majority of the members and shall be filed with the administrator prior to the council meeting at which it is to be submitted. Minority reports may be submitted. Each committee shall act promptly and faithfully on the matter referred to it.*



# CITY OF BLACKDUCK RESOLUTION NO: 2026-02

## RESOLUTION ACKNOWLEDGING DONATION FROM BLACKDUCK FIRE RELIEF ASSOCIATION

**WHEREAS,** The City of Blackduck is generally authorized to accept contributions of real and personal property pursuant to Minnesota Statutes §412.21 and §465.03 for the benefit of its citizens and;

**WHEREAS,** the City of Blackduck has received a donation of \$125,134.50 from the Blackduck Fire Relief Association; and

**WHEREAS,** the City of Blackduck host a Fire Department Special Equipment Fund;

**NOW THEREFORE BE IT RESOLVED,** by the City Council of Blackduck, Minnesota, that the City Council of the City of Blackduck acknowledges and accepts the donation from Blackduck Fire Relief Association for the purpose of depositing in the Fire Department Special Equipment Fund for future capital expenditures; and

**BE IT FURTHER RESOLVED THAT,** the City Council of the City of Blackduck expresses its thanks and appreciation to Blackduck Fire Relief Association for their continued financial support.

Adopted this 5<sup>th</sup> day of January, 2026 by the City Council of the City of Blackduck

ATTEST:

---

Maxwell Gullette, Mayor

---

Christina Regas, City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2026-03

## RESOLUTION AUTHORIZING PERA CONTRIBUTIONS FOR QUALIFYING PART-TIME POLICE OFFICERS HARDIE, POWELL, AND RICHARDS FOR THE CITY OF BLACKDUCK

**WHEREAS**, Minnesota Statutes 353.64, Subdivision 2, permits the governing body of a governmental subdivision to declare that a position is that of a police officer and that the person who holds said position on a part-time basis is to be covered by the Police and Fire retirement plan if the following employment duties and qualification requirements are met.

1. The position requires a license by the Minnesota peace officer standards and training board and the employee is so licensed;
2. The primary (over 50%) duty of the position is to enforce the general criminal laws of the state;
3. The position charges the employee with the prevention and detection of crime;
4. The position gives this employee the full power of arrest, and
5. The position is assigned to a designated police or sheriff's department.

**THEREFORE, BE IT RESOLVED** that the City Council of the City of Blackduck hereby declares that the position of part-time police officer in the Blackduck Police Department held by Officer Lavonte Hardie, Officer Benjamin Powell Officer Andrew Richards satisfy all of the requirements listed above and declares its desire to provide all future employees holding said part-time law enforcement position with coverage under the Police and Fire plan; AND

**BE IT FURTHER RESOLVED** that this governmental unit will provide a copy of this resolution to PERA each time it provides Police and Fire membership to a person who is hired to said part-time position and will indicate the name of the employee eligible for such coverage.

### STATE OF MINNESOTA COUNTY OF BELTRAMI

I, Christina Regas, clerk of the City of Blackduck, do hereby certify that this is a true and correct transcript of the resolution that was adopted at a meeting held on the 5<sup>th</sup> day of January 2026; the original of which is on file in this office. I further certify that \_\_\_ members voted in favor of this resolution and that \_\_\_ members were present and voting.

Adopted by the City Council this 5<sup>h</sup> day of January 2026.

---

Maxwell Gullette, Mayor

---

Christina Regas, City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2026-04

## **A RESOLUTION TO APPOINT ELECTION JUDGES FOR THE 2026 STATE PRIMARY, STATE GENERAL ELECTIONS, AND MUNICIPAL ELECTION(S)**

**WHEREAS,** The City Council of the City of Blackduck is required by MS 204B.21, Sec. 2, to officially approve the appointment of election judges; and

**WHEREAS,** The Blackduck City Council hereby adopts the judges listed on Exhibit A, hereto attached, as the official judges for the 2026 State Primary, State General and Municipal Elections with the understanding that amendments may be necessary to the appointments in order to fill vacancies and meet party splits.

### **EXHIBIT A**

**CHRISTINA REGAS  
MISTY FRENZEL  
PAIGE MOORE  
KELLY WEST**

**NOW, THEREFORE, BE IT RESOLVED,** that the City of Blackduck, in accordance with State Law, hereby appoints the persons listed on Exhibit A to serve as election judges for the State Primary, State General, and Municipal Elections in 2026 and approves payment of an hourly wage of \$20.00 per hour during election time served on election-day or current wage as city employee.

Adopted by the Blackduck City Council this the 5th day of January, 2026.

ATTEST:

---

Maxwell Gullette, Mayor

---

Christina Regas – City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2026-05

## **RESOLUTION ACKNOWLEDGING DONATION FROM BLACKDUCK FIRE RELIEF ASSOCIATION**

**WHEREAS,** The City of Blackduck is generally authorized to accept contributions of real and personal property pursuant to Minnesota Statutes §412.21 and §465.03 for the benefit of its citizens and;

**WHEREAS,** the City of Blackduck has received a donation of \$24,865.50 from the Blackduck Fire Relief Association; and

**WHEREAS,** the City of Blackduck has obligated funds to the 2025A General Equipment Certificate for a new Fire Truck;

**AND WHEREAS,** the Blackduck Fire Department and the City of Blackduck has committed funding towards improving the equipment to support the Blackduck Area Fire Protection area

**NOW THEREFORE BE IT RESOLVED,** by the City Council of Blackduck, Minnesota, that the City Council of the City of Blackduck acknowledges and accepts the donation from Blackduck Fire Relief Association for the purpose of depositing in the 2025A General Equipment Certificate Debt Service Account for bond payments; and

**BE IT FURTHER RESOLVED THAT,** the City Council of the City of Blackduck expresses its thanks and appreciation to Blackduck Fire Relief Association for their continued financial support.

Adopted this 5<sup>th</sup> day of January, 2026 by the City Council of the City of Blackduck

ATTEST:

---

Maxwell Gullette, Mayor

---

Christina Regas, City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2026-06

## **RESOLUTION APPROVING AN EXCLUDED BINGO LICENSE FOR THE BLACKDUCK AREA CHAMBER OF COMMERCE**

**WHEREAS**, the Blackduck Area Chamber of Commerce has made application with the Minnesota Gambling Control Board to conduct excluded bingo games to be held on February 15, March 15, and April 1, 2026 at the Blackduck Municipal Liquor Store - The Pond, and

**WHEREAS**, Blackduck Area Chamber of Commerce has submitted said application to the City Council of the City of Blackduck, and the application was reviewed by the City Council at a public meeting conducted January 5, 2026,

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Blackduck hereby approves the application for an Excluded Bingo License, for the Blackduck Area Chamber of Commerce, to be held on February 15, March 15, and April 1, 2026, at the Blackduck Municipal Liquor Store – The Pond 224 Frontage Road Blackduck, MN.

Adopted by the City Council on January 5, 2026.

---

Maxwell Gullette, Mayor

---

Christina Regas – City Administrator

**LG240B Application to Conduct Excluded Bingo**

**No Fee**

**ORGANIZATION INFORMATION**

Organization Name: \_\_\_\_\_ Previous Gambling Permit Number: \_\_\_\_\_  
 Minnesota Tax ID Number, if any: \_\_\_\_\_ Federal Employer ID Number (FEIN), if any: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_  
 Name of Chief Executive Officer (CEO): \_\_\_\_\_  
 CEO Daytime Phone: \_\_\_\_\_ CEO Email: \_\_\_\_\_  
(permit will be emailed to this email address unless otherwise indicated below)  
 Email permit to (if other than the CEO): \_\_\_\_\_

**NONPROFIT STATUS**

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

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

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

**Current calendar year Certificate of Good Standing**  
 Don't have a copy? This certificate must be obtained each year from:  
 MN Secretary of State, Business Services Division      Secretary of State website, phone numbers:  
 60 Empire Drive, Suite 100      [www.sos.state.mn.us](http://www.sos.state.mn.us)  
 St. Paul, MN 55103      651-296-2803, or toll free 1-877-551-6767

**Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**  
 Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.

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

**EXCLUDED BINGO ACTIVITY**

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

If yes, list the dates when bingo was conducted: \_\_\_\_\_

The proposed bingo event will be:  
 one of four or fewer bingo events held this year. Dates: \_\_\_\_\_  
**-OR-**  
 conducted on up to 12 consecutive days in connection with a:  
 county fair      Dates: \_\_\_\_\_  
 civic celebration      Dates: \_\_\_\_\_  
 Minnesota State Fair      Dates: \_\_\_\_\_

Person in charge of bingo event: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Name of premises where bingo will be conducted: \_\_\_\_\_

Premises street address: \_\_\_\_\_

City: \_\_\_\_\_ If township, township name: \_\_\_\_\_ County: \_\_\_\_\_

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

<p style="text-align: center;"><b>CITY APPROVAL for a gambling premises located within city limits</b></p> <p>On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.</p> <p>Print City Name: _____</p> <p>Signature of City Personnel: _____</p> <p>Title: _____ Date: _____</p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 20px;"> <p><b>The city or county must sign before submitting application to the Gambling Control Board.</b></p> </div>	<p style="text-align: center;"><b>COUNTY APPROVAL for a gambling premises located in a township</b></p> <p>On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>Title: _____ Date: _____</p> <p><b>TOWNSHIP (if required by the county)</b> On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>Title: _____ Date: _____</p>
---	--

**CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)**

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

Chief Executive Officer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature must be CEO's signature; designee may not sign)

Print Name: \_\_\_\_\_

**MAIL OR FAX APPLICATION & ATTACHMENTS**

<p>Mail or fax application and a copy of your proof of nonprofit status to:</p> <p style="padding-left: 40px;">Minnesota Gambling Control Board 1711 West County Road B, Suite 300 South Roseville, MN 55113 Fax: 651-639-4032</p> <p>An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.</p> <p><b>Questions?</b> Call a Licensing Specialist at 651-539-1900.</p>	<p>Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. A list of licensed distributors is available on the Gambling Control Board's website at <a href="http://www.mn.gov/gcb">www.mn.gov/gcb</a>.</p> <p style="text-align: center;">This form will be made available in alternative format (i.e. large print, braille) upon request.</p>
--	--

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



CITY OF BLACKDUCK  
CONFLICT OF INTEREST / CODE OF ETHICS POLICY  
FOR ELECTED OFFICIALS, MEMBERS OF CITY BOARDS,  
COMMISSIONS, AND COMMITTEES  
ADOPTED: APRIL 6, 2020 UPDATED: JANUARY 5, 2026

**A. POLICY:**

The residents and businesses of Blackduck are entitled to have fair, ethical, and accountable local government. Such a government requires that public officials of Blackduck:

- Comply with both the letter and the spirit of the laws and policies affecting operations of the city government.
- Be independent, impartial, and fair in their judgment and actions.
- Use their public office for the public good, not for personal or familial gain.
- Conduct public deliberations and processes openly, unless legally confidential, in an atmosphere of respect and civil service.

City Council-members shall review and sign this Conflict of Interest/Code of Ethics policy in January of each year.

**B. CODE OF ETHICS:**

To this end, the Blackduck City Council has adopted this Conflict of Interest / Code of Ethics policy to encourage public confidence in the integrity of local government and in its fair and effective operation.

**1. Act in the Public Interest**

Recognizing the stewardship of the public interest must be the councilmember's primary concern. Councilmember's shall work for the common good of the people of Blackduck and not for any private or personal interest, and they will endeavor to treat all persons, claims, and transactions in a fair and equitable manner.

**2. Comply with both the spirit and the letter of the Law and City Policy**

Councilmember's shall comply with the laws of the nation, the State of Minnesota, and the City of Blackduck in the performance of their public duties. These laws include, but are not limited to: the United States and Minnesota constitutions; City of Blackduck ordinances and policies; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities and open processes of government. Councilmember's shall inform themselves of the laws and policies to which they are held accountable.

**3. Conduct of Members**

The professional and personal conduct of a member must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of any other members of Council, boards, commissions, or the public. Treat each other, staff or member of the public in a manner that is respectful and does not foster a hostile and unprofessional environment, whether in the workplace or at a city approved social event.



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**4. Respect for Process**

A Member shall perform his or her duties in accordance with the processes and rules of order established by the City Council and board and commissions governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

**5. Conduct of Public Meetings**

A Member shall prepare themselves for public issues; listen courteously and attentively to all public discussion before the body; and focus on the business at hand. Each member shall refrain from interrupting a speaker; making personal comments not germane to the business of the body; or otherwise interfering with the orderly conduct of meetings.

**6. Decisions Based on Merit**

Council decision shall be based upon the merits and substance of the matter at hand.

**7. Communication**

It is the responsibility of Councilmember's to publicly share substantive information that is relevant to a matter under consideration that they have received from sources outside of the public decision-making process with all other Councilmember's.

**8. Disclosure of Corruption**

All City officials shall take an oath upon assuming office, pledging to uphold the constitution and laws of the City, the State and the Federal government. As part of this oath, officials commit to disclosing to the appropriate authorities and/or to the City Council any behavior or activity that may qualify as corruption, abuse, fraud, bribery, or other violation of the law.

**9. Confidential Information**

Councilmember's shall respect and preserve the confidentiality of information provided to them concerning the confidential matters of the City. They shall neither disclose confidential information without proper legal authorization nor use such information to advance their personal, financial, or private interests.

**10. Use of Public Resources**

Public resources not available to the general public (e.g. City staff time, equipment, supplies, or facilities) shall not be used by Councilmember's for private gain or personal purposes.

**11. Representation of Private Interests**

In keeping with their role as stewards of the public trust, Councilmember's shall not appear on behalf of the private interests of a third-party before the City Council or any board or committee of the City.



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**12. Advocacy**

Each member shall represent the official policies or positions of the City Council, board or commission to the best of his or her ability when designated for this purpose. When presenting individual opinions or positions, a member shall explicitly state the opinion or positions do not represent the opinion or position his/her body, or the City of Blackduck, nor will he or she allow the inference that he or she does councilmembers or board and or commission member and each city employees has the right to endorse candidates for all Council seats or other elected offices. It is inappropriate to mention or display endorsements during any Council meeting, board or commission meetings, or any official City meeting.

**13. Policy Role of Members** - Each member shall respect and adhere to the council-manager structure of Blackduck City government as outlined by the Blackduck City Ordinance. In this structure, the City Council determines the policies of the City with the advice, information and analysis provided by the public, boards, commissions, and City staff. Except as provided by the City Ordinance, no members shall interfere with the administrative functions of the City or the professional duties of City staff; nor shall any member impair the ability of staff to implement Council policy decisions.

**14. Improper Influence**

Councilmember's shall refrain from using their position to improperly influence the deliberations or decisions of City staff, Council, or committees.

**15. Positive Work Environment**

Each member shall support the maintenance of a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. Each member shall recognize his or her special role in dealings with City employees so as not to create the perception of inappropriate direction to staff.

**16. Compliance and Enforcement**

Councilmember's themselves have the primary responsibility to assure that ethical standards are understood and met and that the public can continue to have full confidence in the integrity of City government.

**C. CONFLICT OF INTEREST:**

1. In order to assure their independence and impartiality on behalf of the public good, Councilmember's shall not use their official positions to influence government decisions in which they have a financial interest or where they have an organizational responsibility or a personal relationship that would present a conflict of interest under applicable State law.
2. In accordance with the law, members shall file written disclosures of their economic interest and if they have a conflict of interest regarding a particular decision. They shall refrain from participating in that decision unless otherwise permitted by law.



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3. A councilmember may leave the meeting room during a discussion where a conflict of interest arises because of family relationships. The Councilmember will abstain from voting on an issue where a conflict of interest arises because of family relationships. These actions will be duly noted in the minutes of the meeting.
4. Councilmember's shall not take advantage of services or opportunities for personal gain, by virtue of their public office that is not available to the public in general. They shall refrain from accepting gifts, favors or promises of future benefits that might compromise their independence of judgment or action or give the appearance of being compromised

#### **D. SANCTIONS:**

##### **Model of Excellence**

Any City Councilmember, Board and Commission Member or Council appointee who does not review the City Conflict of Interest / Code of Ethics Policy and sign the Model of Excellence (*Appendix A*) shall be ineligible for intergovernmental assignments or Council subcommittees.

##### **Ethics and Conduct Training for Local Officials**

Any City Councilmember, Board and Commission Member, Council appointee who is out of compliance with State- or City-mandated requirements for ethics training shall not represent the City regarding intergovernmental assignments or Council sub-committees, and may be subject to sanction.

##### **Public Disruption**

Members of the public who do not follow proper conduct after a warning in a public meeting may be barred from attending or speaking at that meeting and removed from the meeting.

##### **Inappropriate Staff Behavior**

Councilmembers should refer, to the City Administrator, or Mayor, or to the city attorney, any staff who does not follow proper conduct in their dealings with Councilmembers, other City staff, or the public. These employees may be disciplined in accordance with standard City procedures for such actions.

##### **Councilmembers Behavior and Conduct**

Compliance and Enforcement. The Blackduck Conflict of Interest / Code of Ethics Policy expresses standards of ethical conduct expected from each member of the Blackduck City Council, or any board, commissions, or city appointee. Each member has the primary responsibility to assure the standards are understood and met, and that the public can continue to have full confidence in the integrity and conduct of Blackduck's government.

The chair of each board and commission as well as the Mayor and Council have the additional responsibility to intervene when any actions of a member which appears to be in violation of the Conflict of Interest / Code of Ethics Policy is brought to his or her attention.



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Any City Councilmembers who intentionally and repeatedly do not follow the provisions of the Conflict of Interest / Code of Ethics Policy may be sanctioned and reprimanded or formally censured by the Council, lose seniority or committee assignments (*both within the City of Blackduck or with inter-government agencies*) or have official travel restricted. Serious infractions of the Conflict of Interest / Code of Ethics Policy could lead to other sanctions as deemed appropriate by the Council.

Councilmembers should point out to the offending Councilmember any infractions of the Conflict of Interest / Code of Ethics Policy. If the infraction(s) continue, then the matter should be referred to the Mayor for action. If the Mayor is the individual whose action(s) are being challenged, the matter shall be referred to the Vice Mayor. It is the responsibility of the Mayor to initiate action if a Councilmember's behavior may warrant sanction. If no action is taken by the Mayor, the alleged violation(s) can be brought to the full Council in a public meeting.

#### **Board & Commission Members Behavior and Conduct**

Counseling, verbal reprimand and written warning may be administered by the Mayor to any board, commission member failing to comply with City policy. Such sanctions shall be private consistent with Minnesota law. If followed by Minnesota law copies of written reprimand administered by the Mayor shall be distributed in memo format to any chair of the appropriate board or commission, the city clerk, the city attorney, the City Administrator, and the City Council.

C(1) Any written reprimand administered by the Mayor shall not be distributed to any member of the public and shall not be publicized except as required pursuant to the Public Records Act.

C(2) The City Council may impose sanctions on a board or commission member, and city appointee whose conduct does not comply with the city policy, including but not limited to removal from office, position or job.

C(3) Any form of discipline imposed by Council shall be determined by a majority vote of at least a quorum of the Council at a noticed public meeting and such action shall be preceded by a Report to the Council with supporting documentation. The Report to Council shall be distributed in accordance with Minnesota Public Records Act normal procedures, including hard copies and posting online. Any Report to Council addressing alleged misconduct by a board or commission member shall be routed through the Office of the city attorney for review as to whether any information within the report is exempt from disclosure pursuant to the Minnesota Public Records Act.

C (4) If in the opinion the City Administrator or city attorney an investigation is warranted, the city administrator or city attorney shall confer with the Mayor or Council. If in the opinion of the Mayor or Council shall direct the City Administrator and/or the city attorney to investigate the allegation and report the findings.

C(5) The results of any such investigation shall be provided to the full Council in the form of a Report to Council, and shall be placed on the agenda of a noticed public meeting as "Information Only". Any such



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report shall be made public and distributed in accordance with the Minnesota Public Records Act. Including hard copies to numerous public locations and posted online. Any report to the Council addressing an investigation of any board or commission member shall be directed to the Office of the City Attorney for review whether any information is exempt from disclosure pursuant to the Minnesota Public Records Act.

C(6) It shall be the Mayor’s and/or the Council’s responsibility to determine the appropriate action. Any action taken by Council (*with the exception of “take no further action”*) shall be conducted at a noticed public hearing. Actions which the council may undertake include, but are not limited to: discussing and counseling the individual with respect to the violation(s); placing the matter on a future public hearing agenda to consider sanctions; forming an ad hoc subcommittee of council members to review the allegation, the investigation and its findings, as well as to recommend options for Council consideration.

C(7) Under the City Ordinance, the City Council also may remove any member of boards and commissions from office. A violation of this Code of Ethics and Conduct shall not be considered a basis for challenging the validity of the Council, boards or commission’s decision.

This policy updated January 5, 2026.

\_\_\_\_\_  
Mayor Maxwell Gullette

\_\_\_\_\_  
Council Member Laurie Hamilton

\_\_\_\_\_  
Council Member Nicholas Seitz

\_\_\_\_\_  
Councilor Member Ronald Fredrickson

\_\_\_\_\_  
Council Member Donald Johnson

\_\_\_\_\_  
Attest: Christina Regas – City Administrator

\_\_\_\_\_  
Date signed



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**APPENDIX A**  
**MODEL OF EXCELLENCE**  
Blackduck City Council Elected Officials,  
Members of Boards, Commissions, and Committees

I certify that the individual named below was provided a copy of the City of Blackduck Conflict of Interest / Code of Ethics and copy of this form on the date indicated below.

Name \_\_\_\_\_

Signed this day of \_\_\_\_\_ 20\_\_\_\_

Department \_\_\_\_\_

Position \_\_\_\_\_

\_\_\_\_\_  
City Administrator

\_\_\_\_\_  
Date