



AGENDA

Blackduck City Council Meeting

6:00 PM - Monday, February 9, 2026
 City Hall, 8 Summit Drive, Blackduck MN

	Page
1. CALL TO ORDER	
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. January 5, 2026 Blackduck City Council Meeting Minutes Council - Jan 05 2026 - Minutes - Pdf	5 - 10
b. January 15, 2026 KRLS Board Meeting Packet and Minutes from November 20, and December 18, 2025 PACKET, COMPRESSED - 2026-01-15 KRLS Board Meeting	11 - 39
c. January 26, 2026 Blackduck City Council Work Session Minutes Council - Work Session - Jan 26 2026 - Minutes - Pdf	40 - 43
d. January 2026 Fund Balance Report & Bond Payment January 2026 Fund Balance Report	44
e. January 2026 Bill Report January 2026 Bill Report	45 - 46
f. January 2026 Sewer Income Statement January 2026 Sewer Income Statement	47
g. January 2026 Water Income Statement January 2026 Water Income Statement	48
h. January 2026 Pine Tree Park Income Statement January 2026 PTP Income Statement	49
i. January 2026 Lakeview Cemetery Income Statement January 2026 Cemetery Income Statement	50
j. January 2026 Golf Course Income Statement January 2026 Golf Income Statement	51
k. January 2026 Liquor Store Income Statement January 2026 Liquor Store income statements	52
l. January 2026 Blackduck DMV Income Statement January 2026 DMV Office Income Statement	53
m. December 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Relief Association LG216 Blackduck Fire Relief Gambling Rent 012026	54

n.	Final Approval - January 2026 Business Credit Card Payment Business card payment	55
o.	Final Approval - January 2026 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a) January 2026 EFT	56 - 60
p.	Final Approval - December 2025 Supplemental Bills 341 Bond Payment Supplemental bills december	61 - 62
q.	Final Approval - Local Option Sales Tax Report - December 2025 LOST November 2025	63
r.	Final Approval - DVS No Fee Payments - Oct - Dec. 2025 - City of Blackduck DMV No-fee Transactions by Fee Amount 202602020843	64 - 65
s.	Final Approval - Ehlers Annual Report - Potential Refunding of Existing Bonds for the City of Blackduck City of Blackduck 2026_01_05_04_55_49 Refunding Analysis	66 - 68
t.	Final Approval - Statement of Work - Audit Services - CliftonLarsonAllen LLP for the City of Blackduck Statement of Work - Audit Services - US GAAS or US GAAS & YB	69 - 79
u.	Final Approval - January 2026 Short Settlement Property Tax Statement January 2026 Short Settlement	80 - 82
v.	Final Approval - City of Blackduck Water Infrastructure Project Information Worksheet(s) for PFA WIF worksheet - COB for PFA	83 - 86
w.	Final Approval - Information for Municipal Advisory Clients - MSRB Information for Municipal Clients	87 - 89
x.	Final Approval - City of Blackduck Analytics Report for www.blackduckmn.com City of Blackduck GA4 Report	90 - 91
y.	Final Approval - JPHI Estimate for New Furnace @ 80 Main Street N. - Blackduck Fire Department - Estimate #2694 Fire Estimate for Furnace	92
z.	Final Approval - MNPCA - Petroleum Tank Release Site File Closure - 288 Main St. N. 2026 Site File Closure LS0012811	93 - 94
4.	BLACKDUCK FORUM <i>Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.</i>	
5.	REPORTS OF COMMITTEES AND CITY STAFF	
5.1.	Public Works Report - Mike Schwanke, Public Works Director	
a.	Approval Needed - Professional Services Proposal - Lift Station Rehabilitation Project - Widseth	95 - 102

[Wideth Proposal for services for Lift Station Rehabilitation Project](#)

- 5.2. Liquor Store Report - Shawnda Lahr, Director of Liquor Operations
- 5.3. Fire Department Report - Brian Larson, Fire Chief
 - a. Council Information - 2026 Blackduck Fire Protection Annual Meeting - February 26, 2026 103 - 109
[Fire Protection Packet for February 26](#)
- 5.4. Library Report - Kelly Hanks, Head Librarian
 - a. Approval Needed - The Library Store Quote #944032 - 110 - 112
[944032 rev 12 16](#)
[Approval of Shelving Order Letter to City Council](#)
- 6. ADMINISTRATOR'S REPORT
 - a. Approval Needed - Resolution 2026-07 - Resolution authorizing electronic fund transfers for the City of Blackduck Minnesota and Designating the City Administrator as the eligible authority 113
[2026-07 Resolution delegating authority to the City Administrator to make electronic fund transfers](#)
 - b. Approval Needed - Assessment Agreement between the City of Blackduck and Beltrami County for 2026 114
[2026 Assessor Agreement - COB and Beltrami County](#)
 - c. Approval Needed - MnDot Conditional Approval for Conveyance of real property - Phillip Patch 115 - 118
[CONVEYANCE 2024-0044 OFFER LETTER](#)
[Exhibit A](#)
[Exhibit B](#)
 - d. Approval Needed - Resolution 2026-08 - Resolution Authorizing Sale of State Rail Bank Property Acquired from the MnDot to Phillip Patch 119 - 121
[2026-08 Resolution acknowledging support for the Phillip Patch to coney state rail bank property from the MnDot for economic development](#)
 - e. Approval Needed - Purchase Agreement between The City of Blackduck and Phillip J. Patch and Tammy M. Patch 122 - 130
[596729](#)
[596735](#)
 - f. February 16, 2026 - Blackduck City Hall and DMV Closed in Observance of President's Day
 - g. February 18, 2026 - Blackduck Planning Commission Meeting 2pm
 - h. February 23-27, 2026 Blackduck Financial Audit - On-site Final Review
 - i. February 23, 2026 Blackduck City Council Work Session
 - j. March 9, 2026 6pm Blackduck City Council Regular Meeting
 - k. April 24, 2026 1pm - Beltrami County Local Board of Appeal and Equalization Meeting - City Hall 131
[Local Board of Appeal](#)

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING
 - a. Winter Festival - March 7, 2026 11-12pm @ Kellhier Public School 132
[11x17 inch Poster - Beltrami County Winter Festival \(2\)](#)
9. ADJOURNMENT



MINUTES

Council Meeting

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

The Council of the City of Blackduck was called to order on Monday, January 5, 2026, 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, and Council member Ronald Fredrickson
- COUNCILORS EXCUSED:** Councilor Donald Johnson and Councilor Laurie Hamilton
- STAFF PRESENT:** City Administrator Christina Regas, Assistant Liquor Store Manager Melissa Gullette, Public Works Director Mike Schwanke, and Director of Liquor Operations Shawnda Lahr
- OTHERS PRESENT:** Tim Ramerth, Widseth, Matthew Jedlika BDC ECC

1. CALL TO ORDER

- a. Roll Call
Administrator Regas took roll call of those present.
- 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 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	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. December 18, 2025 Public Safety Committee Meeting Minutes
- b. December 18, 2025 KRLS Special Board Meeting Agenda Packet
- c. December 29, 2025 Blackduck Personnel Committee Meeting Minutes
- d. December 8, 2025 City Council Meeting Minutes
- e. December 2025 Fund Balance Report and Budgeted & Recommended Transfers -

includes 2026 Bond Payments

- f. December 2025 Bill Report
- g. December 2025 Sewer Income Statement
- h. December 2025 Water Income Statement
- i. December 2025 Pine Tree Park Income Statement
- j. December 2025 Lakeview Cemetery Income Statement
- k. December 2025 Golf Course Income Statement
- l. December 2025 Liquor Store Income Statement
- m. December 2025 Blackduck DMV Income Statement
- n. Q4 2025 General Fund Income Statement - pre-audit
- o. November 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- p. Final Approval - December 2025 Business Credit Card Payment
- q. Final Approval - December 2025 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a)
- r. Final Approval - November 2025 Supplemental Bills
- s. Final Approval - Local Option Sales Tax Report - November 2025
- t. Final Approval - Board of Education Grant Reimbursement #1
- u. Final Approval - Second Half 2025 LGA, Small Cities Assistance, Class 4D1 Transition, & MV Credit - AG Payment - MN Dept. of Revenue
- v. Final Approval - 2026-01 Sewer Load Discharge Permit - Karl Dobmeier
- w. Final Approval - Municipal Advisor Client Disclosure with the City of Blackduck Pursuant to MSRB Rules G-10 & G-42
- x. Final Approval - January 2026 New Hires Report
- y. Final approval - City of Blackduck Analytics Report - www.blackduckmn.com
- z. Final Approval - Widseth Recap of Engineering Services for 2025 for the City of Blackduck
- aa. Final Approval - GHI Final Contract Payment for Library Renovation Services Agreement for City of Blackduck
- ab. Final Approval - Revolving Loan Satisfaction - Nodak Group LLC
- ac. Final Approval - Deerwood Bank Certification of Adoption of Directors' Resolution for 2026
- ad. Final Approval - 2026 Revised Liquor Store Revenue and Expense Budget

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

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Ronald Fredrickson	For

ae.

4. BLACKDUCK FORUM

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

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

5. REPORTS OF COMMITTEES AND CITY STAFF

5.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS DIRECTOR

5.1.1. Report -

Schwanke had no updates to present in his report but stated his staff has been cleaning out the westend Liftstation weekly.

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

5.2.1. Report -

Lahr reports the department liquor income statement at year end looks good, all budgeted transfers for 2025 have been completed and the cash balance for 609 is in the positive allowing for the 2026 bond payment to be made successfully for the department. Lahr states hirings are up and the department will implement changes to the menu and hours of operation to the kitchen soon. Lahr states Chamber Bingo is scheduled in February, March, and April and there has been good traffic in town for ice fishing. Lahr reports year end inventory went very well and had CLA zoom in on January 2 instead of an in-person auditor. Lahr states inventory variances were minimal.

5.3. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.3.1. Council Consideration - The Library Store Quote #944032 - Book Shelving Quote with Shipping

Regas provided a summary of the last quote for book shelving for the library and summarized recent updates to the project budget. Regas states final costs for flooring, painting, counters, etc. have not been billed out by the contractor and will wait on those before asking for final approval for the shelving. Regas states that the Friends of the Library have requested their funding set aside for the library from KRLS and the understanding from the branch manager is that funding will go towards the shelving. Regas will request final feedback from the Friends of the Library board members. Discussion from Council member Fredrickson regarding the logistics of the receiving of the shelving was discussed, Schwanke states city staff will assist when it ships.

6. ADMINISTRATOR'S REPORT

- a. Approval Needed - Resolution 2026-01 - A Resolution of Annual Appointments and Designations for 2026

Nicholas Seitz moved to approve Resolution 2026-01 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette

For

Nicholas Seitz For
Ronald Fredrickson For

b. Approval Needed - Resolution 2026-02 - Resolution Acknowledging Donation from Blackduck Fire Relief Association

Ronald Fredrickson moved to approve Resolution 2026-02 Nicholas Seitz seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Ronald Fredrickson For

c. Approval Needed - Resolution 2026-03 - Resolution authorizing PERA contributions for qualifying part-time Police Officers for the City of Blackduck

Nicholas Seitz moved to approve Resolution 2026-03 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Ronald Fredrickson For

d. Approval Needed - Resolution 2026-04 - Resolution to appoint election judges for the 2026 state primary, state general elections, and municipal elections

Ronald Fredrickson moved to approve Resolution 2026-04 Nicholas Seitz seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Ronald Fredrickson For

e. Approval Needed - Resolution 2026-05 - Resolution Acknowledging Donation from Blackduck Fire Relief Association

Nicholas Seitz moved to approve Resolution 2026-05 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Ronald Fredrickson For

f. Approval Needed - Resolution 2026-06 - Resolution approving an excluded bingo license for the Blackduck Area Chamber of Commerce

Ronald Fredrickson moved to approve Resolution 2026-06 Nicholas Seitz seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Ronald Fredrickson	For

- g. Approval Needed - City of Blackduck Conflict of Interest & Code of Ethics Policy for Elected Officials, Members of Boards, Commissions and Committees for 2026

Nicholas Seitz moved to approve the Conflict of Interest & Code of Ethics Policy for 2026 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Ronald Fredrickson	For

- h. Report -
Regas reports an update from USDA and Beltrami Electric regarding the RED-G loan approval. Regas states if the City of Blackduck chooses to move forward with the original project for City Hall, the City may receive that funding but must decide prior to October 2026.
- i. January 8, 2026 @ 1pm - Public Safety Committee Meeting - City Hall
- j. January 19th, 2026 Blackduck City Hall and DMV Closed in Observance of MLK Holiday
- k. January 26, 2026 City Council Work Session
- l. February 9, 2026 @ 6pm Blackduck City Council Regular Meeting

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Council member Fredrickson commends local businesses Anderson Agency, Northlander Gifts, and Anderson Quilt Store for keeping their sidewalks clear of snow and ice. Fredrickson further states how nice the newly updated exterior lighting on Anderson Quilt Store looks and is well received.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

9. ADJOURNMENT

- a.

Nicholas Seitz moved to adjourn the meeting at 6:39pm Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Ronald Fredrickson	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor

Kitchigami Regional Library
Board Meeting January 15, 2026, 6:00 p.m.
Kitchigami Regional Headquarters Building, Pine River, MN

AGENDA

1. Call to order and Pledge of Allegiance
2. Election of 2026 KRLS Officers, pg. 4
3. KRLS Oath of Office (as needed)
4. Approval of Agenda
5. Public Input
6. Consent Agenda
 - a. Minutes: Nov. 20, 2025, and Dec. 18, 2025, pg. 6
 - b. Bills: November – December 2025, pg. 13
 - c. Financial Statements: November – December 2025, pg. 19
 - d. Director’s Report
7. Old Business
 - a. Other
8. New Business
 - a. 2026 KRLS Board Committee Assignments, pg. 25
 - b. KRLS/AFSCME 2026-2028 contract, pg. 26
 - i. 2026 Updated Wage Scale Approval
 - c. 2026 City County Budgets – Union Contract Updates, pg. 27
 - d. 2026 RLTA Priority 2 Application, pg. 28
 - e. Other
9. Chair’s Report
10. Adjournment

Please contact Svetlana Lang at 218-587-2171 x224 or langs@krls.org with your attendance preference or if you are unable to attend.

FUTURE BOARD MEETINGS

March 19, 2026	May 21, 2026	June 18, 2026
July 16, 2026	September 17, 2026	November 19, 2026

2025 Kitchigami Regional Library Board Members (revised 09/03/25)
Kitchigami Director Melissa Whatley (whatleym@krls.org)

BELTRAMI COUNTY

Joe Gould (County Commissioner)
Ph: 218-259-4342; E: joe.gould@co.beltrami.mn.us
Alternate: Vacant

CASS COUNTY

Scott Bruns (County Commissioner)
Ph: 218-820-6545; E: scott.bruns@casscountymn.gov
Alternate: Neal Gaalswyk (County Commissioner)
Ph: 218-839-1841; E: neal.gaalswyk@casscountymn.gov

CROW WING COUNTY

Jamie Lee (County Commissioner)
Ph: 218-866-9040; E: jamie.lee@crowwing.gov
Alternate: Steve Barrows (County Commissioner)
Ph: 218-820-8199; E: Steve.Barrows@crowwing.us

HUBBARD COUNTY

Tom Krueger (County Commissioner)
Ph: 218-616-4069; E: tkrueger@co.hubbard.mn.us
Alternate: Charlene Christenson (Cty Commissioner)
Ph: 218-616-2181; E: christenson@co.hubbard.mn.us

WADENA COUNTY

Murlyn Kreklau (County Commissioner)
Ph: 218-837-5352; Cell: 218-639-2011
E: murlyn.kreklau@co.wadena.mn.us
Alternate: Ron Noon
Ph: 218-639-0797; E: ron.noon@wcmn.us

CITY OF BEMIDJI

Lynn Eaton
Ph: 218-766-4722; E: lynn.eaton@ci.bemidji.mn.us
Alternate: Mark Dickinson
Ph: 218-766-9887; E: mark.dickinson@ci.bemidji.mn.us

CITY OF BLACKDUCK

Laurie Hamilton
Ph: 218-760-3920
E: laurie.hamilton@blackduckmn.com
Alternate: Donald Johnson
Ph: 651-280-9694; E: donald.johnson@blackduckmn.com

CITY OF BRAINERD

Mary Koep
Ph: 218-829-9793; E: marywaltk@icloud.com
Alternate: Vacant

CITY OF CASS LAKE

Cecil Reams
Ph: 218-335-6654; E: cgriii@msn.com
Alternate: Vacant

CITY OF LONGVILLE

Neil Tobiason
C: 763-442-5066; E: neil.tobiason@gmail.com
Alternate: Phyllis Eck
Ph: 218-539-0354; E: 1849pe@gmail.com

CITY OF PARK RAPIDS

Jeremy Engholm
Ph: 218-616-2280
E: jeremy.engholm@ci.park-rapids.mn.us
Alternate: Vacant

CITY OF PINE RIVER

Brent Norman
Ph: 218-536-0668; E: nscleaners@gmail.com
Alternate: Tamara Hansen
Ph: 218-587-2440; E: mayor@cityofpineriver.org

CITY OF WADENA

George Deiss
Ph: 218-639-2097; E: gdeiss@wadena.org
Alternate: Mark Lunde
Ph: 218-639-5662; E: mlunde@wadena.org

CITY OF WALKER

Char Moore
Ph: 630-399-8978; E: cmoore@ci.walker.mn.us
Alternate: Jerecho Worth
Ph: _____; E: jworth@ci.walker.mn.us

2025 KITCHIGAMI REGIONAL LIBRARY BOARD COMMITTEES

(Revised 6/16/2025)

Board Officers

Chair	Tom Krueger
Vice-Chair	Murlyn Kreklau
Treasurer	George Deiss
Secretary	Brent Norman

BUDGET COMMITTEE

Tom Krueger, Chair
Joe Gould
Murlyn Kreklau
Jamie Lee
Scott Bruns

PERSONNEL / UNION NEGOTIATION COMMITTEE

Tom Krueger, Chair
Murlyn Kreklau
Jeremy Engholm

AUDIT COMMITTEE

Tom Krueger, Chair
George Deiss

OUTREACH COMMITTEE

Committee of the Whole

STRATEGIC PLANNING / POLICY COMMITTEE

Tom Krueger, Chair
Lynn Eaton
Brent Norman

INTERNET / ELECTRONIC RESOURCES COMMITTEE

Tom Krueger, Chair
Brent Norman
Joe Gould

EXTERNAL BOARDS

NORTHERN LIGHTS LIBRARY NETWORK

Governing Board Members:

Delegates: Joe Gould
George Deiss

NWLlinks

Delegate: Director Melissa Whatley

2 Election of Officers

Action Request: That the Board elect a chair, vice-chair, treasurer, and secretary to the 2026 KRLS Board; that the Board authorize the KRLS Board Chair and Treasurer to have signing authority on all KRLS bank accounts should those officers change for 2026.

All officer positions on the KRLS Board are for one year. The January regular meeting of the Board functions as an annual meeting, and the officers are established at that meeting.

The KRLS bylaws require that all officer positions be filled by Board members who are elected members of their appointing city or county, with the exception of secretary which may be filled by a citizen appointment.

KRLS Board Terms

Board Terms are defined in Minnesota Statute 134.09 Library Boards

The board shall consist of 14 Library Trustees.

Active service begins immediately upon board vote.

Former trustees may re-join the board after one or more years off the board.

City/County	Current Members	Term Start Date	Term Exp Date	Term #
Beltrami Co.	Joe Gould	January 2023	December 2025	1
Cass Co.	Scott Bruns	March 2022	February 2028	1
Crow Wing Co.	Jamie Lee	January 2025	December 2027	1
Hubbard Co.	Tom Krueger	January 2019	December 2027	2
Wadena Co.	Murlyn Kreklau	January 2021	December 2026	1
Bemidji	Lynn Eaton	May 2022	April 2027	1
Blackduck	Laurie Hamilton	November 2021	October 2027	2
	Donald Johnson (alt)	February 2025		
Brainerd	Mary Koep	March 2024	February 2027	1
Cass Lake	Cecil Reams	July 2025	June 2028	1
Longville	Neil Tobiason	January 2023	December 2025	1
Park Rapids	Jeremy Engholm	January 2025	December 2027	1
Pine River	Brent Norman	July 2021	June 2027	2
Wadena	George Deiss	January 2017	December 2026	3
Walker	(OPEN)			
	Jerecho Worth (alt)	Oct 2025		

Kitchigami Regional Library

Oath of Office Policy

Policy

This policy establishes the text of the oath of office that must be taken by all members of the Kitchigami Regional Library board of trustees and the administration of that oath.

Oath

"I do swear to support the constitutions of the United States and of this state; to discharge faithfully the duties of this office to the best of my judgment and ability; to represent the library both to the people and to the governing officials; to see that adequate funds are obtained for good library service; to promote the best possible use of all library resources in the area; to improve existing library service to those not previously served."

Administration

1. The Oath of Office will be administered by the KRLS Director to all members of the board of trustees at the first meeting of the board in each **new calendar year, following the election of the board's officers.**
2. The Oath of Office will be administered to each member of the board whose term of office begins during the calendar year at the first regular **board meeting following the member's appointment.**

(adopted by KRLS Board 5/20/04; first administered at that meeting)

**Kitchigami Regional Library System
Board Meeting, November 20, 2025, 6:00 p.m.
Kitchigami Headquarters Building, Pine River, MN**

Board members present: Jamie Lee (Crow Wing Co.), Jeremy Engholm (Park Rapids), Lynn Eaton (Bemidji), Tom Krueger (Hubbard Co.), Brent Norman (Pine River), Scott Bruns (Cass Co.), Mary Koep (Brainerd), Murlyn Kreklau (Wadena), Neil Tobiason (Longville), George Deiss (Wadena)

Board members present by interactive technology: Cecil Reams (Cass Lake), Joe Gould (Beltrami Cty.)

Board members absent: Donald Johnson (Blackduck, alt.), Jerecho Worth (Walker, alt.)

Others present, non-voting: In-Person: KRLS Director Melissa Whatley, Admin Asst. Svetlana Lang, Judy Schrupp, Allison Royce, Melissa Dingman, Sherilyn Warren, Barb Mann, Hallie Pond, Members of the Public (approx. 12).

Interactive Technology: Tami Beto (HQ Tech Manager), Dan Touchette, Alison Edgerton, Patricia Miller, Thyra, Dee, Amy, Sue O Br, Jim Mayne, TJ Rhodes (BJ Pioneer), Val

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

KRLS Oath of Office None.

Approval of Agenda Chair Krueger presented several changes to the agenda:

- Item 10.a – KRLS/AFSCME 2026-2028 Contract was struck from the agenda and will be addressed at a special meeting in December 2025, date to be decided.
- Item 10.c.iv – MN Paid Family Medical Leave will be addressed at a special meeting in December 2025, date to be decided.
- Item 10.d – 2026 Updated Wage Scale Approval was struck from the November 20, 2025, agenda.
- Item 10.j – City of Wadena Capital Appropriation Request was added to the November 20, 2025, agenda.

Motion by Lynn Eaton, seconded by Jeremy Engholm, to approve the agenda as amended. Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Murlyn Kreklau, Neil Tobiason, George Deiss, Mary Koep; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Public Input Five members of the public spoke to the board: Sherilyn Warren, Bemidji Public Library Branch Manager and KRLS NW Regional Manager, spoke; Allison Royce, KRLS Regional Programs Coordinator, spoke and

Public Input (cont.)

presented documents to be added to the record; Barb Mann, Pine River patron, spoke; Allison Daily, Pine River resident, read a statement.

Closed Sessions:

- Director Evaluation
- Review HR Information
- Union Negotiation Updates

Motion by George Deiss, seconded by Jamie Lee, to move the meeting into closed session at 6:18 p.m. Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Mary Koep, Scott Bruns, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Motion by Lynn Eaton, seconded by Brent Norman, to re-open the meeting at 7:28 p.m. Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Mary Koep, Scott Bruns, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Chair Krueger gave a summary of the closed session discussion – Evaluation for Director Melissa Whatley was 3.38 out of 5. A special meeting to take place in a closed session was discussed for setting the 2026 wage scale and discussing the KRLS/AFSCME union contract.

Consent Agenda

Motion by Lynn Eaton, seconded by Jeremy Engholm, to approve the consent agenda Items A-E.

- a. **Minutes: September 18, 2025**
- b. **Bills: September – October, 2025**
- c. **Financial Statements: 2025 YTD**
- d. **Legacy / ACHF FY24 & FY25 Financial Reporting Form**
- e. **Director’s Report and Circulation Statistics**

Roll call vote was taken. Yes: In person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Old Business --

2026 City County Budget Responses

Director Whatley gave an overview of the responses she had received to the 2026 KRLS budget requests, most of them positive. There will be discussions regarding what could be done to meet the MOE and levy amounts.

New Business --

AFSCME Notice of Intent to Negotiate

Chair Krueger called for a special meeting on 12/18/2025 at 6:00 p.m. to discuss the KRLS/AFSCME union contract negotiations and the 2026 wage scale. He noted that board members can attend virtually provided one member attends in-person.

Bank Authority Updates

Director Whatley explained the need for updating the staff members with signing authority on the KRLS bank accounts. George Deiss also noted that his term as treasurer would expire at the end of 2025 and

that a treasurer pro tem would be needed before the board could appoint a new treasurer at the 01/15/2026 meeting. This will be discussed at the 12/18/2025 meeting.

Motion by Lynn Eaton, seconded by George Deiss, to approve updating the signing authority on KRLS Bank Accounts.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Policy Updates & Drafts

Director Whatley presented policy updates and answered board members' questions regarding details. Policies discussed were:

- i. Visitors in the Workplace
- ii. Travel & Vehicle Use
- iii. Materials Use & Fees
- iv. MN Paid Family Medical Leave - This will be discussed at the 12/18/2025 meeting.

2026 Updated Wage Scale Approval

Struck from the agenda.

CD Renewal Confirmation

Motion by Jeremy Engholm, seconded by Scott Bruns, that the board accept the CD renewal decision of the Board Chair & Treasurer.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Network and Hardware Upgrade Projects

A member of the public, Hallie Pond, interrupted the meeting with a question. After several board members answered the question, the meeting proceeded.

Motion by George Deiss, seconded by Murlyn Kreklau, to approve the release of funds to complete network and hardware upgrade projects.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Herreid & Assoc. Workplace Assessment Proposal

Director Whatley described the workplace assessment Herreid & Associates would do, using interviews and feedback from the staff, making recommendations, and implementing a plan to improve the workplace for KRLS employees.

A member of the public, Hallie Pond, interrupted the meeting again and asked to be considered as a consultant, as well. She was told she could submit a proposal, but there was no certainty of being hired.

Motion by Lynn Eaton, seconded by Scott Bruns, to hire Herreid & Associates as a consultant to perform a Cultural Assessment, Option 2.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Scott Bruns, Mary Koep, Murlyn Kreklau, George Deiss; virtually – Cecil Reams. No: Brent Norman, Neil Tobiason; virtually – Joe Gould. **Motion carried.**

- 2026 HQ/Regional Budgeting Requests
 - i. EAP Benefit for Employees
 - ii. HQ Facility Security Updates

Director Whatley informed the board of two items that she will be requesting the budget committee add to the 2026 budget: an EAP (Employee Assistance Program) Benefit and security system updates for the HQ building. Chair Krueger suggested tabling this until the December meeting when more information is available.

- 2025 Audit CLA Statement of Work

Motion by George Deiss, seconded by Jeremy Engholm, that the Board approve the required signatures for the 2025 Statement of Work from CliftonLarsonAllen for the 2025 Audit.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason; virtually – Cecil Reams, Joe Gould. George Deiss abstained. **Motion carried.**

- Wadena Capital Appropriation Request

Motion by Jeremy Engholm, seconded by Lynn Eaton, that the Board approve the release of remaining funds from the Capital Appropriation Reserve to the City of Wadena for capital improvements to the Wadena City Library's HVAC system.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams. Joe Gould abstained. **Motion carried.**

Chair Krueger thanked Treasurer George Deiss for his service of nine years on the Board.

Motion by Lynn Eaton, seconded by Jeremy Engholm, to adjourn the meeting at 8:36 p.m.

Roll call vote was taken. Yes: In-person -- Jamie Lee, Jeremy Engholm, Lynn Eaton, Tom Krueger, Brent Norman, Scott Bruns, Mary Koep, Murlyn Kreklau, Neil Tobiason, George Deiss; virtually – Cecil Reams, Joe Gould. **Motion carried unanimously.**

Minutes respectfully submitted by Administrative Assistant Svetlana Maria Lang.

Minutes signed by Board Secretary Brent Norman _____

Date _____

Motion by Joe Gould to approve the agenda as presented, but to hold the planned closed session and swap discussion of union negotiations with discussion of matters of personnel.

Chair Krueger stated that items may be deleted from special meeting agendas but not added. He suggested the proposed item be added to the January 2026 meeting agenda.

Joe Gould stated he believes that the board has some discretion in adding this item to the current agenda for discussion.

Chair Krueger disagreed and then asked if there was a second to the motion. No second was made, and the motion was dropped for lack of a second. He then requested another motion be made regarding approval of the current agenda minus the contract negotiation and the wage scale.

Motion by Murlyn Kreklau, seconded by Scott Bruns, to approve the agenda with the topics of Union Contract Negotiation and Wage Scale struck from the agenda.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Tom Krueger, Scott Bruns, George Deiss. No: Joe Gould. Motion carried.

The CD Renewal roll call vote was repeated for official purposes.

Motion by Brent Norman, seconded by Neil Tobiason, to retain two CDs at First National Bank North, Walker, MN, at a seven-month special rate of 3.95 percent.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Tom Krueger, Joe Gould, Scott Bruns, George Deiss. Motion carried unanimously.

Temporary Treasurer Appointment

Motion by Tom Krueger, seconded by George Deiss, to nominate Jamie Lee as temporary treasurer until the appointment of a new treasurer at the January 15, 2026, board meeting.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Joe Gould, Tom Krueger, Scott Bruns, George Deiss. Motion carried unanimously.

Blackduck Donation Funds
Release Request

Motion by George Deiss, seconded by Jeremy Engholm, to approve the release of donated funds in the amount of \$18,782.34 to the City of Blackduck for use in the purchase of new shelving for the Blackduck Public Library.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Joe Gould, Tom Krueger, Scott Bruns, George Deiss. **Motion carried unanimously.**

2026-2028 KRLS/AFSCME Contract

Struck from the agenda.

2026 Updated Wage Scale

Struck from the agenda.

Policy Updates

Motion by Scott Bruns, seconded by Murlyn Kreklau, to waive normal board practice and allow the first and second readings of the MN Paid Family Medical Leave Act Policy.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Joe Gould, Tom Krueger, Scott Bruns, George Deiss. **Motion carried unanimously.**

Chair Krueger asked if anyone had questions or concerns regarding the Materials Use and Fees Policy. There were none.

Motion by Jeremy Engholm, seconded by Cecil Reams, to approve the MN Paid Family Medical Leave Act Policy, to go into effect 01/01/2026, and the Materials Use and Fees Policy.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Joe Gould, Tom Krueger, Scott Bruns, George Deiss. **Motion carried unanimously.**

Chair Krueger noted that once the union contract is approved by the union, it could be approved at the January 15, 2026, board meeting but could be retroactive to January 1, 2026. Jamie Lee noted that it would have to be retroactive because the current contract expires on December 31, 2025. Joe Gould also supported the plan for the new contract to be retroactive.

Motion by Scott Bruns, seconded by Murlyn Kreklau, to adjourn the meeting at 6:23 p.m.

Roll call vote was taken. Yes: In-person -- Jeremy Engholm, Brent Norman; via Zoom – Jamie Lee, Cecil Reams, Neil Tobiason, Murlyn Kreklau, Tom Krueger, Scott Bruns, George Deiss. No: Joe Gould.

Motion carried.

Minutes respectfully submitted by Administrative Assistant Svetlana Maria Lang.

Minutes signed by Board Secretary Brent Norman

Date



1-9-26

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
November 10, 2025**

Check Number	Name	GL Account Title	Amount
26455	AFSCME CO 65	AFSCME COUNCIL 65 UNION DUES: OCT	1,237.62
26456	AFSCME PEOPLE	VOULUNTARY PAYROLL DEDUCTION	8.50
26457	AMAZON	Remittance Stub	
26458	AMAZON	BOOKS	3,260.86
26459	AMAZON	LEGACY SUPPLIES, OFFICE SUPPLIES	1,603.77
26460	ARVIG	TELEPHONES: CL, LV, WD, WK	325.33
26461	BAKER & TAYLOR L4409322	BOOKS	40.21
26462	BAKER & TAYLOR L4409332	BOOKS	14.30
26463	BLUE CROSS BLUE SHIELD	VISION INSURANCE	134.61
26464	BRODART CO.	BOOK JACKET COVERS (3X100PK)	190.70
26465	CASANOVA, MARY BOOKS INC	LEGACY LIBRARY "AUTHOR TALK"	10,725.00
26466	CENTURY LINK	TELEPHONES: BJ & BR	350.71
26467	CITY OF PINE RIVER	HQ WATER	31.00
26468	CLIFTON LARSON ALLEN LLP	PREPARATION OF THE 2024 OSA FORM	210.00
26469	DEERWOOD TECHNOLOGIES	NETWORK SUPPORT, DATA STORAGE	18,895.00
26470	DEMCO	LIQUID ADHESIVE, MENDING TAPE FOR BOOKS	430.49
26471	ENGHOLM, JEREMY	MILEAGE: UNION NEGOTIONS	63.00
26472	FORUM COMMUNICATIONS	JOB OPENING ADVERTISEMENT	506.12
26473	FRETHEM, RENEE	MILEAGE: MANAGER MTG	74.20
26474	HANKS, KELLY	MILEAGE: MANAGER & CO MTGS	152.60
26475	HOOPLA/MIDWEST TAPE	E RESOURCES	14,999.90
26476	HUSTON, CARRIE	MILEAGE	42.00
26477	INFO-USA/DATA AXLE INC	POLK CITY DIRECTORY BEMIDJI	303.14
26478	KREKLAU, MURLYN	MILEAGE: UNION NEGOTIONS	51.80
26479	KRUEGER, THOMAS	MILEAGE: UNION NEGOTIONS	42.00
26480	LIBERTY BUSINESS SYSTEMS	COPIER LEASE/INSURANCE WADENA	413.00
26481	MARCO-BEMIDJI	COPIER LEASE	112.81
26482	MARCO-WALKER	COPIER LEASE	18.30
26483	MIDWEST TAPE	VIDEO/DVD/AUDIO	462.55
26484	MINNESOTA POWER	HQ ELECTRICITY	354.11
26485	MN PEIP	HEALTH INSURANCE	25,636.50
26486	NCPERS GROUP LIFE INSURANCE	LIFE INSURANCE	248.00
26487	NORTH WOOD LAND WORK	CONTRACTED SNOW REMOVAL	575.00
26488	OCLC	CLOUD LIBRARY	20,877.71
26489	PAUL BUNYAN COMMUNICATIONS	TELEPHONES: BJ & BK	103.73
26490	PINE RIVER SANITATION DIST	HQ SEWER	48.40
26491	RISTAU, APRIL (BR)	MILEAGE: MANAGER MTG	44.80
26492	SCHULTZ, JODI	MILEAGE: MANAGER MTG	63.00
26493	SFM "THE WORK COMP EXPERTS"	QUARTERLY WORK.COMP.	1,932.00
26494	VERIZON WIRELESS	MOBILE LIBRARY-REMOTE	80.02
26495	WASTE PARTNERS	HQ GARBAGE	75.32
26496	MELISSA WHATLEY	MEETINGS/TRAVEL DIRECTOR	119.00
26497	YOUR FINANCIAL SOLUTION	BOOKKEEPING SERVICES	1,575.00
TOTAL A/P CHECK RUN			<u><u>106,432.11</u></u>

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS
Payroll for November 10th (October 16th through 31st)**

Pay Day	Check Numbers	Account	Amount
11/10/2025	51494-51574 51498/51545/51560	Direct Deposits	64,041.10
		Paper Checks	3,354.61
		Minnesota Withholding Tax paid	2,829.51
		Federal Withholding Tax paid	17,978.44
		PERA-Public Employee Retirement Association paid	11,206.87
		Union Dues Withholding	623.74
		Total Payroll Expense	<u><u>\$ 100,034.27</u></u>

AMOUNT EXPENSED PAGE 1 206,466.38

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
November 25, 2025**

Check Number	Name	GL Account Title	Amount
26498	AMAZON BOOKS	BOOKS	1,215.36
26499	AMAZON OFFICE	CUSTODIAL SUPPLIES, LIBRARY SUPPLIES	447.99
26500	ARVIG PK	TELEPHONES	56.48
26501	BRANDT-LOER, AUDREY ELISSA	LET'S CREATE KITS 3 OF 12	480.00
26502	BRODART CO.	BOOK JACKET COVERS (3X100PK)	222.53
26503	CANON	COPIER LEASE/INSURANCE WK & PR	157.88
26504	DEERWOOD TECHNOLOGIES	NETWORK SUPPORT, DATA STORAGE	9,470.64
26505	DEISS, GEORGE	MILEAGE REIMB	75.60
26506	EATON, LYNN	MILEAGE REIMB	72.80
26507	ENGHOLM, JEREMY	MILEAGE REIMB	126
26508	FERGUSON, KATIE	MILEAGE REIMB	134.10
26509	GALE/CENGAGE LEARNING	BOOKS	905.60
26510	HOMeward BOUND THEATRE CO	LEGACY ARTIST	1,150.00
26511	JARDINE, LOGAN & O'BRIEN PLLP	EMPLOYMENT INVESTIGATION	2,678.00
26512	KIMBER CREEK FORD	HQ VEHICLE MAINT	690.46
26513	KOEP, MARY	MILEAGE REIMB	44.80
26514	KREKLAU, MURLYN	MILEAGE REIMB	103.60
26515	KRUEGER, THOMAS	MILEAGE REIMB	84.00
26516	LEE, JAMIE	MILEAGE REIMB	56.00
26517	MIDWEST TAPE LLC	BOOKS	997.09
26518	MOLINE, SUZANNE	LEGACY ARTIST	455.45
26519	THE OFFICE SHOP	Remittance stub	-
26520	THE OFFICE SHOP	OFFICE SUPPLIES	2,872.20
26521	PLAYAWAY PRODUCTS LLC	BOOKS	19,962.09
26522	PINE RIVER ELECTRIC	HQ MAINTENANCE	320.00
26523	QUINLIVAN & HUGHES, P.A.	PROFESSIONAL SERVICES	405.00
26524	ROO SOLUTIONS, LLC	JOB CLASSIFICATIONS REVIEWED	2,200.00
26525	SAGE SOFTWARE INC.	ANNUAL SOFTWARE RENEWAL	3,145.00
26526	TDS TELECOM	PHONES, ADMINISTRATION	94.29
26527	TDS TELECOM	PHONES, ADMINISTRATION	24.29
26528	TDS TELECOM	PHONES, PINE RIVER LIBRARY	27.50
26529	TOBIASON, NEAL	MILEAGE REIMB	35.00
26530	ULINE	Q4 OFFICE SUPPLIES	143.42
26531	VERIZON WIRELESS	ADMIN, HOTSPOTS	939.67
26532	VISA	SEE ATTACHMENT	1,416.35
26533	XCEL ENERGY	HQ NATURAL GAS SVC	126.71

TOTAL A/P CHECK RUN **51,335.90**

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS**

Payroll for November 25th (November 1st through the 15th)

Pay Day	Check Numbers	Account	Amount
11/25/2025	51576-51655 51580/51628	Direct Deposits	58,319.47
		Paper Checks	2,333.38
		Minnesota Withholding Tax paid	2,440.70
		Federal Withholding Tax paid	15,891.35
		PERA-Public Employee Retirement Association paid	10,049.72
		Union Dues Withholding	551.70
		Total Payroll Expense	<u>\$ 89,586.32</u>

AMOUNT EXPENSED PAGE 1 140,922.22

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
December 10, 2025**

Check Number	Name	GL Account Title	Amount
26534	ABM TECH/OFFICE SHOP	COPIER CONTRACTS	921.88
26535	AFSCME CO 65	AFSCME COUNIL 65 UNION DUES: NOV	945.23
26536	AFSCME PEOPLE	VOULUNTARY PAYROLL DEDUCTION	8.50
26537	AMAZON	Remittance Stub	
26538	AMAZON	Remittance Stub	
26539	AMAZON	BOOKS	6,052.85
26540	BLUE CROSS BLUE SHIELD	VISION INSURANCE	134.61
26541	BRODART CO.	BOOK JACKET COVERS	617.98
26542	CENTURY LINK	TELEPHONES: BJ & BR	350.71
26543	CITY OF PINE RIVER	HQ WATER	31.00
26544	DEERWOOD TECHNOLOGIES	NETWORK SUPPORT, DATA STORAGE	20,650.00
26545	DIAMOND BUILT	RICHARD LEVI SAWYER/LAWN CARE	725.00
26546	FORUM COMMUNICATIONS	JOB OPENING ADVERTISEMENT	490.94
26547	GALE/CENGAGE LEARNING	Remittance Stub	
26548	GALE/CENGAGE LEARNING	Remittance Stub	
26549	GALE/CENGAGE LEARNING	BOOKS	2,409.93
26550	HOOPLA/MIDWEST TAPE	E RESOURCES	14,999.81
26551	INFO-USA/DATA AXLE INC	POLK CITY DIRECTORY BRAINERD	385.00
26552	KIMBER CREEK FORD	VEHICLE MAINTENANCE	114.38
26553	LANG, SVETLANA	REIMBURSEMENT	15.97
26554	LIBERTY BUSINESS SYSTEMS	COPIER LEASE/INSURANCE WADENA	413.00
26555	MARCO-BEMIDJI	COPIER LEASE	114.81
26556	MARCO-WALKER	COPIER LEASE	18.30
26557	MIDWEST TAPE	VIDEO/DVD/AUDIO	1,033.39
26558	NCPERS GROUP LIFE INSURANCE	LIFE INSURANCE	216.00
26559	NORTH WOOD LAND WORK	CONTRACTED SNOW REMOVAL	575.00
26560	OCLC	CLOUD LIBRARY	3,507.53
26561	OFFICE SHOP	OFFICE SUPPLIES: HQ	210.36
26562	PAUL BUNYAN COMMUNICATIONS	TELEPHONES: BJ & BK	107.03
26563	PERA	DELINQUENCY FEE	10.00
26564	PINE RIVER SANITATION DIST	HQ SEWER	48.40
26565	WASTE PARTNERS	HQ GARBAGE	75.32
26566	MELISSA WHATLEY	MEETINGS/TRAVEL DIRECTOR	89.60
26567	YOUR FINANCIAL SOLUTION	BOOKKEEPING SERVICES	918.75
TOTAL A/P CHECK RUN			56,191.28

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS
Payroll for December 10th (November 16th through 31st)**

Pay Day	Check Numbers	Account	Amount
12/10/2025	51657-51734	Direct Deposits	60,137.80
		Minnesota Withholding Tax paid	2,382.06
		Federal Withholding Tax paid	15,626.28
		PERA-Public Employee Retirement Association paid	9,565.96
		Union Dues Withholding	530.12
		Total Payroll Expense	\$ 88,242.22

AMOUNT EXPENSED PAGE 1	144,433.50
-------------------------------	-------------------

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
CHECK REGISTER
December 24, 2025**

Check Number	Name	GL Account Title	Amount
26568	AMAZON BOOKS	Remittance Stub	-
26569	AMAZON BOOKS	Remittance Stub	-
26570	AMAZON BOOKS	Remittance Stub	-
26571	AMAZON BOOKS	BOOKS	5,800.52
26572	AMAZON OFFICE	CUSTODIAL SUPPLIES, LIBRARY SUPPLIES	258.62
26573	ARVIG PK	TELEPHONES	389.33
26574	BRANDT-LOER, AUDREY ELISSA	LET'S CREATE KITS 3 OF 12	480.00
26575	BROWN DESIGN LLC	WEBSITE UPDATES	768.75
26576	CANON	COPIER LEASE/INSURANCE WK & PR	72.78
26577	CROSSLING ARTS ALLIANCE	LEGACY ARTIST	8,400.00
26578	DEERWOOD TECHNOLOGIES	NETWORK SUPPORT, DATA STORAGE	24,346.56
26579	DURHAM, MARY	MILEAGE REIMB	188.36
26580	ENDICOTT, ESTHER	LEGACY ARTIST	360.00
26581	ENGHOLM, JEREMY	MILEAGE REIMB	53.90
26582	MINNESOTA POWER	HQ ELECTRICITY	370.77
26583	MN PEIP	HEALTH INSURANCE	26,806.77
26584	THE OFFICE SHOP	OFFICE SUPPLIES	38.78
26585	PITNEY BOWES	HQ QTRLY MACHINE LEASE	240.00
26586	PLAYAWAY PRODUCTS LLC	BOOKS	5,642.80
26587	PLUMBING ETC	HQ MAINTENANCE	75.00
26588	QUINLIVAN & HUGHES, P.A.	PROFESSIONAL SERVICES	7,520.60
26589	SEBCO BOOKS	WRP GIFTS	1,832.90
26590	TDS TELECOM	PHONES, ADMINISTRATION	94.29
26591	TDS TELECOM	PHONES, ADMINISTRATION	24.29
26592	TDS TELECOM	PHONES, PINE RIVER LIBRARY	27.50
26593	VERIZON WIRELESS	ADMIN, HOTSPOTS	1,327.97
26594	VERIZON WIRELESS	ADMIN, HOTSPOTS	65.02
26595	VISA	SEE ATTACHMENT	3,661.86
26596	XCEL ENERGY	HQ NATURAL GAS SVC	289.11
26597	YOUR FINANCIAL SOLUTION	BOOKKEEPING SERVICES	356.25
TOTAL A/P CHECK RUN			89,492.73

**KITCHIGAMI REGIONAL LIBRARY SYSTEM
PAYROLL CHECKS**

Payroll for December 24th (December 1st through the 15th)

Pay Day	Check Numbers	Account	Amount
12/24/2025	51735-51807	Direct Deposits	63,178.81
		Paper Checks	-
		Minnesota Withholding Tax paid	2,650.66
		Federal Withholding Tax paid	16,923.72
		PERA-Public Employee Retirement Association paid	10,232.70
		Union Dues Withholding	569.83
		Total Payroll Expense	\$ 93,555.72

AMOUNT EXPENSED PAGE 1	183,048.45
-------------------------------	-------------------

VISA

VISA PINE RIVER STATE BANK

Oct.15-Nov.14, 2025

3728		0773					
DATE	VAL M.	DATE	MELISSA	PO#	Vendor	Description	Acct
10/23/25	\$114.50	10/23/25	\$5.36		Gardiner's HDWR	HQ supplies	5250.000
10/28/25	\$91.54	11/1/25	\$182.43		Zoom Workplace Pro	Admin Software	5655.000
11/8/25	\$87.11	11/3/25	\$30.14		Walmart, Baxter	ML supplies	5236.040
		11/4/25	\$23.42		Holiday, Pine Rvr	Adm.travel 9.188 gal/staff vehicle	6310.000
VAL M.	\$293.15	MELISSA	\$241.35				

8002		4889					
DATE	RICHARD	DATE	TAMI	PO#	Vendor	Description	Acct
10/14/25	\$49.46	10/19/25	\$46.98		Square	Reimbursed/see next pages	6340.000
10/15/25	\$40.71	11/5/25	\$99.99		Dropbox Fax	FAX SOFTWARE Pine River Library	5238.170
10/17/25	\$32.89	TAMI	\$146.97				
10/20/25	\$72.24						
10/22/25	\$66.63						
		2568					
DATE	RICHARD	DATE	SVETLANA	PO#	Vendor	Description	Acct
10/24/25	\$49.18						
10/27/25	\$45.00						
10/29/25	\$51.36						
10/31/25	\$50.35	SVETLANA	\$0.00				
11/3/25	\$51.65						
11/4/25	\$14.50						
		8746					
DATE	RICHARD	DATE	ALLISON	PO#	Vendor	Description	Acct
11/5/25	\$50.52						
11/7/25	\$49.50	10/22/25	\$16.39		Cenex, Pine Rvr	Adm.travel 6.307 gal/staff vehicle	6310.000
11/10/25	\$44.75						
11/12/25	\$49.75						
RICHARD	\$718.49	ALLISON	\$16.39				

CARD	ACCT	DESCRIPTION	AMOUNT
VAL M.	5410.040	GAS FOR MOBILE LIBRARY	\$293.15
RICHARD	5310.020	GAS FOR DELIVERY VAN	\$703.99
RICHARD	6310.000	Per MW: Allison Menahga Kits	14.50
MELISSA	5250.000	HQ SUPPLIES	\$5.36
MELISSA	5655.000	Zoom for Brd Meetings	\$182.43
MELISSA	5236.040	MOBILE L. SUPPLIES	\$30.14
MELISSA	6310.000	ADMIN. TRAVEL	\$23.42
ALLISON	6310.000	ADMIN. TRAVEL	\$16.39
TAMI	6340.000	REIMBURSED/SEE ATTCHMTS	\$46.98
TAMI	5238.170	SOFTWARE PINE RIVER LIB	99.99
		TOTAL	\$1,416.35

"STMT THRU 11/14/25"
 STMT AMT DUE: 12/10/25
 1416.35
 VALIDATE DOLLARS:
 \$0.00

VISA

VISA PINE RIVER STATE BANK

NOV.15-DEC.12, 2025

3728

0773

DATE	VAL M.	DATE	MELISSA	PO#	Vendor	Description	Acct
11/18/25	\$111.00	11/18/25	\$14.73		HOLIDAY/CIRCLEK	5.78GAL STAFF VAN MENAHGA	6310.000
11/22/25	\$93.56	11/22/25	\$2,472.89		ADOBE	SOFTWARE	5655.000
12/4/25	\$78.00	12/1/25	\$7.71		HOLIDAY/CIRCLEK	3.212GAL C.W.CO. MTG	6310.000
12/11/25	\$79.88	12/1/25	\$182.43		Zoom Workplace Pro	Admin Software	5655.000
		12/10/25	\$16.16		HOLIDAY/CIRCLEK	6.598GAL [AT 7407.3MILES]	6310.000
VAL M.	\$362.44	MELISSA	\$2,693.92				

8002

4889

DATE	RICHARD	DATE	TAMI	PO#	Vendor	Description	Acct
11/14/25	\$48.54						
11/17/25	\$43.12						
11/21/25	\$53.09	TAMI	\$0.00				
11/24/25	\$48.26						

2568

DATE	SVETLANA	DATE	SVETLANA	PO#	Vendor	Description	Acct
12/1/25	\$53.53						
12/2/25	\$17.00						
12/3/25	\$51.95	12/5/25	\$125.00	12313	LIBRARY WORKS	T&D PR, WK, WD, BR & BJ	6222.010
12/5/25	\$42.82						
12/8/25	\$51.37	SVETLANA	\$125.00				
12/10/25	\$50.04						

8746

DATE	ALLISON	DATE	ALLISON	PO#	Vendor	Description	Acct
		11/22/25	\$20.78		CENEX STATION 371	8.314GAL ADM TO MENAHGA	6222.010
RICHARD	\$459.72	ALLISON	\$20.78				

CARD	ACCT	DESCRIPTION	AMOUNT
VAL M.	5410.040	GAS FOR MOBILE LIBRARY	\$362.44
RICHARD	5310.020	GAS FOR DELIVERY VAN	\$459.72
MELISSA	6310.000	GAS FOR DIRECTOR	\$38.60
MELISSA	5655.000	SOFTWARE SUBSCRIPTIONS	\$2,655.32
SVETLANA	6222.010	TRAINING & DEVELOPMENT	\$125.00
ALLISON	6222.010	ADMIN. TRAVEL	\$20.78
		TOTAL	3,661.86

"STMT THRU 12/12/25"

STMT AMT DUE: 12/10/25

3661.86

VALIDATE DOLLARS:

\$0.00

KITCHIGAMI REGIONAL LIBRARY
EXPENSE STATEMENT
2025

	<u>November</u>	<u>December</u>	<u>Year-to-Date</u>
PERSONNEL			
Wages and Benefits	191,104.32	181,034.26	2,268,106.46
Health Plan + Supplement	26,838.29	27,949.65	339,704.96
Training & Development	468.70	543.38	19,167.87
Hiring Ads & Interviews	506.12	490.94	7,241.98
TOTAL PERSONNEL	<u>218,917.43</u>	<u>210,018.23</u>	<u>2,634,221.27</u>
LIBRARY MATERIALS			
Books, Collections & Processing	12,184.83	14,262.86	200,728.10
Video/DVD/Sound			22,858.36
Periodicals	303.14	(449.17)	13,468.61
Hot Spots	622.80	1,011.10	8,194.59
E-Resources	20,770.16	18,507.34	289,461.18
Data Based Platforms			23,193.07
TOTAL LIBRARY MATERIALS	<u>33,880.93</u>	<u>33,332.13</u>	<u>557,903.91</u>
LIBRARY OPERATIONS			
Postage/Meter Rental		240.00	5,714.42
Telecommunications/ML Remote	1,379.22	1,375.04	19,587.89
Supplies	5,321.46	1,112.56	50,046.84
Copier Contracts/Leases	(6,055.45)	91.08	11,654.60
Data Lines NW Links		7,526.87	44,880.08
ARR Reserve Expenses			34.00
Capital Grant Expense			120,714.00
Contracted Network Support & Software	49,015.64	46,196.56	314,469.75
Network Infrastructure			2,873.47
Technical Equipment & Supplies			8,837.85
ILS Maintenance			49,870.06
Summer Reading Program			13,007.42
Winter Reading Program	1,019.25		4,882.94
Promotion			-
Inter Library Loans		15.00	276.00
TOTAL LIBRARY OPERATIONS	<u>50,680.12</u>	<u>56,557.11</u>	<u>646,849.32</u>
DELIVERY & STAFF VAN			
Mileage/Route Expense	703.99	459.72	8,587.03
Insurance			9,020.83
Repairs and Maintenance/Rentals	690.46	12.48	3,903.61
Capital Van Replacement Transfer			-
TOTAL DELIVERY & STAFF VAN	<u>1,394.45</u>	<u>472.20</u>	<u>21,511.47</u>
MOBILE VEHICLE, Reginal Outreach			
Mileage/Route Expense	293.15	362.44	6,969.62
Insurance			-
Repairs and Maintenance		114.38	5,296.74
TOTAL MOBIL LIBRARY VEHICLE	<u>293.15</u>	<u>476.82</u>	<u>12,266.36</u>
HEADQUARTERS FACILITY			
Utilities	604.54	889.92	9,336.24
Insurance-Contents & Liability	8,103.00		8,103.00
Building Repair & Maintenance	1,620.00	660.49	11,777.94
TOTAL HEADQUARTERS FACILITY	<u>10,327.54</u>	<u>1,550.41</u>	<u>29,217.18</u>
KRL BOARD & ADMINISTRATION			
Board Meetings	441.00		2,937.20
Special Projects	313.60	242.26	2,574.01
Legacy Fund Expenses	12,918.00	8,565.00	175,395.19
Membership Dues			65.00
Professional Fees	7,068.00	10,055.60	61,144.75
Board Insurance			3,421.00
Software/Fees	3,327.43	3,424.07	10,495.67
TOTAL KRL BOARD	<u>24,068.03</u>	<u>22,286.93</u>	<u>256,032.82</u>
OTHER			
Administration Travel	215.31	144.44	781.21
Associate Service Crosslake			-
Associate Service Pequot Lakes			-
Banking Fees	6.00	11.00	129.00
Miscellaneous, (Income) or Expense			172.62
Late Fees & (Discounts Saved)			-
TOTAL OTHER	<u>221.31</u>	<u>155.44</u>	<u>1,082.83</u>
TOTAL EXPENSES	<u>339,782.96</u>	<u>324,849.27</u>	<u>4,159,085.16</u>
TOTAL INCOME	<u>850,142.71</u>	<u>338,006.68</u>	<u>3,944,539.98</u>
EXCESS (DEFICIT) OVER EXP.	<u>510,359.75</u>	<u>13,157.41</u>	<u>(214,545.18)</u>

KITCHIGAMI REGIONAL LIBRARY
INCOME STATEMENT
2025

	<i>November</i>	<i>December</i>	<i>Year-to-Date</i>
STATE AND FEDERAL FUNDS			
State RLBSS			941,583.30
State RLTA Priority 1	10,727.23	10,727.22	32,819.95
State MN LINKS			-
State RLTA Priority 2			86,255.61
NW-LINKS Library System Funds			-
Misc. State Funds			-
Legacy Funds	11,625.78	10,950.78	116,997.66
TOTAL STATE AND FEDERAL FUNDS	22,353.01	21,678.00	1,177,656.52
COUNTY GOVERNMENTS			
Beltrami County	218,958.50		437,821.00
Cass County		230,082.50	473,157.50
Crow Wing County	254,563.50		509,127.00
Hubbard County	126,506.00		257,840.00
Wadena County	74,292.50		148,585.00
TOTAL COUNTY GOVERNEMENTS	674,320.50	230,082.50	1,826,530.50
CITY GOVERNMENTS			
Bemidji	74,875.00		149,750.00
Blackduck	10,190.00		20,380.00
Brainerd		40,545.00	81,090.00
Cass Lake			10,030.00
Longville	6,127.50		12,255.00
Park Rapids		27,000.00	54,000.00
Pine River			15,260.00
Wadena	46,132.50		92,265.00
Walker		9,362.50	27,475.00
TOTAL CITY GOVERNMENTS	137,325.00	76,907.50	462,505.00
AUTOMATION RR			
Bemidji			5,647.00
Blackduck			350.00
Brainerd			4,659.00
Cass Lake			300.00
Longville			289.00
Park Rapids			3,601.00
Pine River			255.00
Wadena			1,374.00
Walker			406.00
TOTAL AUTOMATION RR	-	-	16,881.00
OTHER INCOME			
Interest	10,848.75	7,454.59	85,052.25
Endowment Income			5,480.91
NLLN Grants			7,500.00
Donations Region Wide	3,113.21	13.00	329,417.13
Branch Sales & Fees	2,091.81	1,836.94	27,549.57
Branch Other Income			957.00
Inter Library Loan	68.99	30.00	440.98
Miscellaneous	5.00		4,539.74
Over/Short	16.44	4.15	29.38
TOTAL OTHER INCOME	16,144.20	9,338.68	460,966.96
TOTAL INCOME	850,142.71	338,006.68	3,944,539.98

KITCHIGAMI REGIONAL LIBRARY
BALANCE SHEET
December 31, 2025

ASSETS	
Current Assets	
Petty Cash Checking PRSB	\$ 3,189.75
Main Checking PRSB	338,239.18
Money Market PRSB	3,503,578.78
Special Money Market PRSB	717,225.46
Kitchigami Endowment Fund	141,516.90
Accounts Receivable	754.00
Interest Receivable	13,983.03
Prepaid Insurance	10,573.03
Prepaid Health Insurance	27,859.28
Prepaid Materials	44,392.35
Investment - Certificates of Deposit	584,491.08
TOTAL Current Assets	\$ 5,385,802.84
Fixed Assets	
Land	30,000.00
Buildings	587,168.00
A/D Buildings	(288,671.36)
Vehicles	217,279.21
A/D Vehicles	(104,287.32)
Furniture, Fixtures, and Equipment	329,889.16
A/D Furniture, Fixtures, and Equipment	(301,608.73)
Legacy Equipment	1,269.00
A/D Legacy Equipment	(1,269.00)
Shared Collections	166,050.56
Book/Contents-HQ	648.07
Book, Mobile Library	272,053.45
A/D Books	(266,352.82)
Intangible Assets	19,916.00
Accumulated Amortization	(3,319.33)
Sound, Mobile Library	26,214.55
Video, Mobile Library	85,561.79
TOTAL Fixed Assets	770,541.23
TOTAL ASSETS	\$ 6,156,344.07
Current Liabilities	
Accounts Payable	\$ 105,184.63
A/P-Special Revenue Fund	2,163.00
Accounts Payable Salaries	86,680.57
Health & Dental W/H Payable	(58.90)
PERA Payable	10,094.91
PERA Life Insurance Withholding Payable	(112.00)
Union Dues W/H Payable	365.19
AFSCME People Payable	4.25
Deferred Revenue	236,902.30
TOTAL Current Liabilities	\$ 441,223.95
TOTAL LIABILITIES	441,223.95
CAPITAL	
Investment In Fixed Assets	672,414.15
C/F Building Repair & Maintenance Reserve	79,767.53
C/F Automation, HQ Reserve	405,575.90
R/F ARR Branch Reserves	255,457.89
C/F Capital Appropriation Fund	701,683.13
C/F Building Reserve	(1,883.00)
C/F Accounting Software Reserve	26,625.60
C/F Summer Reading Program Reserve	7,130.45
C/F Sue Tricker Memorial Outreach Reserve	208,447.94
C/F Outreach Reserve	0.15
C/F Vehicle Reserve	80,311.38
C/F Gates Grants Reserve	19,819.47
C/F County Levy Buydown Reserve	257,384.00
C/F Crow Wing County Reserve	124,581.85
R/F Donations Reserve	129,213.82
C/F Endowment MN Community Fund	141,517.27
FUND BALANCE, General Funds	2,850,932.21
Year-to-Date Earnings	(243,859.62)
TOTAL CAPITAL	5,715,120.12
TOTAL LIABILITIES & CAPITAL	\$ 6,156,344.07

**KITCHIGAMI REGIONAL LIBRARY
EXPENSE STATEMENT
2025**

	<i>October</i>	<i>November</i>	<i>Decen</i>	<i>Year-to-Date</i>
PERSONNEL				
Wages and Benefits	191,219.39	191,104.32		2,087,072.20
Health Plan + Supplement	27,038.29	26,838.29		311,755.31
Training & Development	(257.85)	468.70		18,624.49
Hiring Ads & Interviews	-	506.12		6,751.04
TOTAL PERSONNEL	217,999.83	218,917.43	-	2,424,203.04
LIBRARY MATERIALS				
Books, Collections & Processing	4,645.89	12,184.83		186,465.24
Video/DVD/Sound				22,858.36
Periodicals		303.14		13,917.78
Hot Spots		622.80		7,183.49
E-Resources	14,999.90	20,770.16		270,953.84
Data Based Platforms				23,193.07
TOTAL LIBRARY MATERIALS	19,645.79	33,880.93	-	524,571.78
LIBRARY OPERATIONS				
Postage/Meter Rental	760.00			5,474.42
Telecommunications/ML Remote	732.03	1,379.22		18,212.85
Supplies	1,318.71	5,321.46		48,934.28
Copier Contracts/Leases	288.99	(6,055.45)		11,563.52
Data Lines NW Links				37,353.21
ARR Reserve Expenses				34.00
Capital Grant Expense				120,714.00
Contracted Network Support & Software	14,793.75	49,015.64		268,273.19
Network Infrastructure				2,873.47
Technical Equipment & Supplies				8,837.85
ILS Maintenance	3,575.00			49,870.06
Summer Reading Program				13,007.42
Winter Reading Program		1,019.25		4,882.94
Promotion				-
Inter Library Loans				261.00
TOTAL LIBRARY OPERATIONS	21,468.48	50,680.12	-	590,292.21
DELIVERY & STAFF VAN				
Mileage/Route Expense	598.35	703.99		8,127.31
Insurance				9,020.83
Repairs and Maintenance/Rentals		690.46		3,891.13
Capital Van Replacement Transfer				-
TOTAL DELIVERY & STAFF VAN	598.35	1,394.45	-	21,039.27
MOBILE VEHICLE, Reginal Outreach				
Mileage/Route Expense	408.74	293.15		6,607.18
Insurance				-
Repairs and Maintenance				5,182.36
TOTAL MOBIL LIBRARY VEHICLE	408.74	293.15	-	11,789.54
HEADQUARTERS FACILITY				
Utilities	105.21	604.54		8,446.32
Insurance-Contents & Liability		8,103.00		8,103.00
Building Repair & Maintenance	1,187.20	1,620.00		11,117.45
TOTAL HEADQUARTERS FACILITY	1,292.41	10,327.54	-	27,666.77
KRL BOARD & ADMINISTRATION				
Board Meetings		441.00		2,937.20
Special Projects	2,018.15	313.60		2,331.75
Legacy Fund Expenses	3,278.61	12,918.00		166,830.19
Membership Dues				65.00
Professional Fees	11,268.10	7,068.00		51,089.15
Board Insurance				3,421.00
Software/Fees	182.43	3,327.43		7,071.60
TOTAL KRL BOARD	16,747.29	24,068.03	-	233,745.89
OTHER				
Administration Travel		215.31		636.77
Associate Service Crosslake				-
Associate Service Pequot Lakes				-
Banking Fees	6.00	6.00		118.00
Miscellaneous, (Income) or Expense				172.62
Late Fees & (Discounts Saved)				-
TOTAL OTHER	6.00	221.31	-	927.39
TOTAL EXPENSES	278,166.89	339,782.96	-	3,834,235.89
TOTAL INCOME	305,896.78	850,142.71	##	3,872,978.30
EXCESS (DEFICIT) OVER EXP.	27,729.89	510,359.75	##	38,742.41

KITCHIGAMI REGIONAL LIBRARY
INCOME STATEMENT
2025

	<i>October</i>	<i>November</i>	<i>Decen</i>	<i>Year-to-Date</i>
STATE AND FEDERAL FUNDS				
State RLBSS	284,923.53			941,583.30
State RLTA Priority 1		10,727.23		22,092.73
State MN LINKS				-
State RLTA Priority 2				86,255.61
NW-LINKS Library System Funds				-
Misc. State Funds				-
Legacy Funds	11,625.78	11,625.78		106,046.88
TOTAL STATE AND FEDERAL FUNDS	296,549.31	22,353.01	-	1,155,978.52
COUNTY GOVERNMENTS				
Beltrami County		218,958.50		437,821.00
Cass County			##	473,157.50
Crow Wing County		254,563.50		509,127.00
Hubbard County		126,506.00		257,840.00
Wadena County		74,292.50		148,585.00
TOTAL COUNTY GOVERNEMENTS	-	674,320.50	##	1,826,530.50
CITY GOVERNMENTS				
Bemidji		74,875.00		149,750.00
Blackduck		10,190.00		20,380.00
Brainerd				40,545.00
Cass Lake				10,030.00
Longville		6,127.50		12,255.00
Park Rapids			##	54,000.00
Pine River				15,260.00
Wadena		46,132.50		92,265.00
Walker			##	27,475.00 <i>Includes 2024</i>
TOTAL CITY GOVERNMENTS	-	137,325.00	##	421,960.00
AUTOMATION RR				
Bemidji				5,647.00
Blackduck				350.00
Brainerd				4,659.00
Cass Lake				300.00
Longville				289.00
Park Rapids				3,601.00
Pine River				255.00
Wadena				1,374.00
Walker				406.00
TOTAL AUTOMATION RR	-	-	#	16,881.00
OTHER INCOME				
Interest	4,595.54	10,848.75		77,597.66
Endowment Income				5,480.91
NLLN Grants				7,500.00
Donations Region Wide	2,572.00	3,113.21		329,404.13
Branch Sales & Fees	2,135.93	2,091.81		25,712.63
Branch Other Income				957.00
Inter Library Loan	45.00	68.99		410.98
Miscellaneous		5.00		4,539.74
Over/Short	(1.00)	16.44		25.23
TOTAL OTHER INCOME	9,347.47	16,144.20	#	451,628.28
TOTAL INCOME	305,896.78	850,142.71	##	3,872,978.30

**KITCHIGAMI REGIONAL LIBRARY
BALANCE SHEET
November 30, 2025**

ASSETS		
Current Assets		
Petty Cash Checking PRSB	3,195.75	
Main Checking PRSB	278,815.01	
Money Market PRSB	3,589,134.81	
Special Money Market PRSB	716,312.90	
Kitchigami Endowment Fund	141,516.90	
Accounts Receivable	954.00	
Interest Receivable	12,231.26	
Prepaid Insurance	10,573.03	
Prepaid Health Insurance	27,859.28	
Prepaid Materials	44,392.35	
Investment - Certificates of Deposit	584,491.08	
TOTAL Current Assets		5,409,476.37
Fixed Assets		
Land	30,000.00	
Buildings	587,168.00	
A/D Buildings	(288,671.36)	
Vehicles	217,279.21	
A/D Vehicles	(104,287.32)	
Furniture, Fixtures, and Equipment	329,889.16	
A/D Furniture, Fixtures, and Equipment	(301,608.73)	
Legacy Equipment	1,269.00	
A/D Legacy Equipment	(1,269.00)	
Shared Collections	158,673.25	
Book/Contents-HQ	648.07	
Book, Mobile Library	270,961.59	
A/D Books	(266,352.82)	
Intangible Assets	19,916.00	
Accumulated Amortization	(3,319.33)	
Sound, Mobile Library	26,214.55	
Video, Mobile Library	85,561.79	
TOTAL Fixed Assets		762,072.06
	TOTAL ASSETS	6,171,548.43
Current Liabilities		
Accounts Payable	96,934.83	
A/P-Special Revenue Fund	2,163.00	
Accounts Payable Salaries	86,680.57	
Federal & FICA W/H Payable	22,999.19	
State W/H Payable	2,563.33	
PERA Payable	21,118.80	
PERA Life Insurance Withholding Payable	(136.00)	
Union Dues W/H Payable	355.45	
AFSCME People Payable	4.25	
Deferred Revenue	236,902.30	
TOTAL Current Liabilities		469,585.72
	TOTAL LIABILITIES	469,585.72
CAPITAL		
Investment in Fixed Assets	672,414.15	
C/F Building Repair & Maintenance Reserve	79,767.53	
C/F Automation, HQ Reserve	405,575.90	
R/F ARR Branch Reserves	255,457.89	
C/F Capital Appropriation Fund	701,683.13	
C/F Building Reserve	(1,883.00)	
C/F Accounting Software Reserve	26,625.60	
C/F Summer Reading Program Reserve	7,130.45	
C/F Sue Tricker Memorial Outreach Reserve	208,447.94	
C/F Outreach Reserve	0.15	
C/F Vehicle Reserve	80,311.38	
C/F Gates Grants Reserve	19,819.47	
C/F County Levy Buydown Reserve	257,384.00	
C/F Crow Wing County Reserve	124,581.85	
R/F Donations Reserve	129,213.82	
C/F Endowment MN Community Fund	141,517.27	
FUND BALANCE, General Funds	2,850,932.21	
Year-to-Date Earnings	(257,017.03)	
TOTAL CAPITAL		5,701,962.71
	TOTAL LIABILITIES & CAPITAL	6,171,548.43

8a 2026 Board Committees

Action Request: That the Chair appoint Board members to KRLS committees.

By KRLS Bylaws, the Chair assigns Board members to committees. In practice, the Chair has always first sought volunteers for the committees and assigned members as necessary.

Budget Committee

President is Chair

5 Board members total (all County Commissioners)

Meets 4 or more times per year, May to July is heaviest

Personnel Committee

President is Chair

3 Board members

Meets on irregular basis, 3 or more times per year

Audit Committee

Chair and Treasurer

Meets a few times each year

Outreach Committee

Committee of the Whole

Meets on irregular basis

Electronic Resources Committee

Chair is President

3 Board members

Strategic Planning/Policy Committee

Chair is President

4 Board members

Union Negotiation Committee – 2026-2 contract

Not defined in bylaws; from previous negotiation process:

Chair is President

3 board members

External Boards

Northern Lights Library Network

2 Board representatives

NW Links

KRLS Director

8b Union Contract

Action Request: That the Board approve the required signatures for the union contract agreement between AFSCME Council 65 Local Union 210 and KRLS for the 2026-2028 contract.

8c 2026 City/County Operating Budgets: Final

Action Request: For Board Approval

Please review and approve the following 2026 City / County Operating Budgets. Updates include final staff wages following union contract approval and final staffing / budget adjustments for the Bemidji Public Library following Beltrami County final levy approval.

8d FY2026 RLTA Priority 2 Application

Action Request: For Board information

Regional Library Telecommunication Aid (RLTA) supports internet within our branches as well as technology needs. RLTA Priority 1 supports broadband internet, and those funds not used in Priority 1 are then released to Priority 2 applications from regions. While this application does not require board signature, I wanted to keep the board up to date on the funding for which KRLS is applying. Please see attached the application for board information. In 2026, KRLS is continuing to use RLTA funding to support remote internet through hotspots, database access and e-materials, and tech repair services.

Regional Library Telecom Aid: Priority 2 Application (FY26)

FY26 Priority 2 funds can support eligible expenses incurred from July 1, 2025 to June 30, 2026. Invoices and receipts do not need to be submitted to MDE but should be retained by the library system.

Please submit this form as a PDF to emma.devera@state.mn.us no later than **January 16, 2026**

System Name:

Date Submitted:

	Description	Total Budgeted	Brief Description
Content	Content Subscriptions <i>annual Overdrive fees</i>		
	Library Resources <i>Overdrive materials</i>		
Non-E-Rate Equipment	Individual Devices <i>tablets, computers, hotspots without service</i>		
	Operational Devices <i>copier, printer, self-check</i>		
	Networking Equipment <i>server, redundant lines</i>		
	Tech Supplies <i>hotspot cases, USB drives</i>		
Subscriptions	Data Plans <i>hotspot data plans, off-site internet service</i>		
	Service Subscriptions <i>Zoom, website hosting</i>		
	Software Licenses <i>MS Office, Deep Freeze</i>		
Miscellany	Professional Services <i>web design, tech repair</i>		
	Category 2 <i>see FCC eligible services list</i>		



MINUTES

Council - Work Session Meeting

6:00 PM - Monday, January 26, 2026
City Hall, 8 Summit Drive, Blackduck MN

The Council - Work Session of the City of Blackduck was called to order on Monday, January 26, 2026, 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, and Council member Ronald Fredrickson
- COUNCILORS EXCUSED:** Councilor Donald Johnson and Councilor Laurie Hamilton
- STAFF PRESENT:** City Administrator Christina Regas, Chief Josh Arhart
- OTHERS PRESENT:** Sheriff Jason Riggs, Beltrami County, Tim Ramerth, Widseth, Matthew Jedlika, Blackduck Development Corp.

1 CALL TO ORDER

- a) Roll Call
Roll call was taken by Administrator Regas.
- b) Pledge of Allegiance
Mayor Gullette dispensed with the pledge of allegiance.

2 APPROVAL OF AGENDA

- a)

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

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Ronald Fredrickson	For

3 OLD BUSINESS

- a) Blackduck Police Department & Beltrami County Sheriff Partnership - Sheriff Riggs
Sheriff Riggs and Administrator Regas presented a summary of meetings with stakeholders to discuss the probability of contracting with the Beltrami County Sheriff's Department for Law Enforcement services despite recruiting issues with the Blackduck Police Department Officer candidates. Regas and Riggs presented to board members potential costs to the City of Blackduck if the City chooses to move forward with a contractual service. Riggs discussed the history of the department, hiring and turn-over issues; for the past few decades. Riggs provided his experience from being a Blackduck Department Officer and Chief and his struggle with the

consideration of giving up the department. Riggs reports on the road blocks the Sheriff's Department has with hiring new candidates and stated the number of people going into the law enforcement profession has dropped for the past five years. Riggs further stated the challenges with attracting candidates with their department's starting wage and the direct competition it has on local departments. Riggs states the Sheriff Office starting wage is up to \$37/hour. Riggs discussed the needs of the City and what the City would want to have covered if the City chose to contract for services. Riggs states that regardless of what services are provided if the agreement moves forward, the Sheriff's Department would still need to cover the northern part of Beltrami County for emergency calls. Riggs discussed the cost for contracting to the City of Blackduck and stated that would allow for one (1) law enforcement officer dedicated to the City of Blackduck. Riggs states the Sheriff Department can tailor the schedule of that officer to the needs of the community. Riggs states workers compensation would be taken over by the Sheriff's Office and training would be paid for as it is already.

Riggs states there are over a 1,000 open positions in law enforcement in the state open at this time and that could increase due to the number of officers that are close to retirement in the next 3-5 years. Riggs further states the number of people entering law enforcement is much lower and most that are seniors in the programs now all have job offers.

Regas requests the City Council consider all the information and determine if the City is interested in moving forward with the process by holding a few public hearings to gain the interest of the community. Riggs states his goal would be to provide regular updates to the City Council (perhaps twice annually) regarding how the process is going.

Mayor Gullette states at first he was not interested in contracting but the more he considered the cost vs. the services and what has been levied the past two years it is nice to know that the cost would be going to law enforcement services. Riggs states if the City chooses to move forward he would be present to assist in answering any questions of the public.

Regas states guidance from the City would be good at this point to begin the public input period prior to a decision and 2027 budget process. Riggs would want the County Attorney involved and the Council Commissioners. Regas states having an answer or direction by May 1, 2026 would be nice.

Council member Seitz states he does not want the Blackduck PD to go away but the city needs law enforcement presence in town and it does make him feel better knowing that someone would be scheduled here and in the school and school events. Riggs states Washington County contracts with almost all their smaller cities now and the partnership could be know on the local squad. Riggs states Blackduck sees most of the time of the north end Deputies.

Council member Fredrickson asks if the listing of needs from the committee meeting and cost from the county is very close to the current City department budget. Regas agrees and notes other discussion would need to happen regarding the public safety facility and would it remain as law enforcement use.

Regas recommends involving our business owners, school board members, neighboring community members/leaders to encourage feedback.

Mayor Gullette asks what the length of the contract could be. Riggs and Regas says it would be negotiable. Riggs states if the City disbands the department it can return, Fosston did it recently.

Council member Seitz states that the county wages are \$10 more than the City's wages but why can't the City increase their wages to match. Regas states it would unbalance the city as a whole on pay equity. Riggs states if you increase police department, administrator, and public works director would have to increase and all the remaining positions. Regas states it would cost the city more to increase all staff wages in the city then to contract. Seitz questions if the cost would exceed the cost of contracting with the county. Regas states she could run those numbers - but

believes it would be more to the budget.

Council member Fredrickson asks if the cost versus the needs/wants would be inclusive or cost more than the amount provided. Regas states for the cost listed the needs/wants would be met. Riggs states for the cost listed the needs/wants would be provided while working the 40 hours a week.

Board members, Regas, and Sheriff Riggs agreed to a tentative date of March 16, 2026 for the public hearing. Regas and Riggs will work with partners prior to the meeting including city and county attorneys. Riggs recommends a larger location to hold a public hearing. Regas will look into that option and report back. Nothing further at this time.

b) Wellhead Protection Plan Implementation Grant Application & LGU notification - Status

Regas reports the WHPP Grant application could not be fulfilled at this time and the City would be notified when funding is available.

c) Blackduck Lift Stations

Regas presented a 10 year feasibility study on wastewater fund to provide information to service future debt on updating the three (3) lift stations. Ramerth requests from the City Council feedback to allow Widseth to generate costs associated with servicing the bidding process and a proposal of services to the City. City Council members were in favor of moving forward after reviewing the future debt and operational budgets to the wastewater fund. Ramerth will have a proposal for services to approve at the February 9, 2026 council meeting. Regas did state that due to the nature of the project a portion of the debt could be levied but the debt obligation would primarily come from wastewater revenue.

d) KRLS Library Facility Renovation Project

Regas presented a current project budget noting the invoice from GHI for additional renovations and confirmation of donation from Friends of the Library and requested the city council approval the shelving order from the Library Store at the February 9th Council meeting. Council member Fredrickson asks what percent of the quote is required for placing the order. Regas states 50% was needed for the previous order but would confirm that detail by the February council meeting.

e) Lions Duck & Historic Duck Project

Nothing new to report at this time.

f) Blackduck City Hall Future Plans - Schedule Committee Meeting

Regas requests a meeting in February to discuss the future of city hall. Council member Seitz will sit on the committee, with Regas and Schwanke. Gullette requests extending an invitation to Planning Commissioner Smischney. Regas agreed and stated she will reach out.

4 NEW BUSINESS

a) AARP Municipality Support for Grant Request - Blackduck Development Corporation - Matthew Jedlika

Jedlika summarized a grant application with AARP and requests a letter of support from the City. City Council members were in favor of the need for the application and gave support to the BDC. Nothing further.

b) Beltrami Soil & Water Conservation District - Lower Red Lake Stormwater BMP Retrofit Study - request for discussion on proposed projects - **Kaylie Carver**, *Clean Water Specialist*

Regas provided a recent report from SWCD and asked if the City is interested in having a presentation of future projects from the Department. Board members were in favor of hearing more and requested Carver attend the February work session. Regas will reach out and schedule.

- c) HRDC Winter Festival in Kelliher - Mayor Gulette shared details of an upcoming event in Kelliher on March 7, 2026.

5 ADJOURNMENT

- a)

Nicholas Seitz moved to adjourn the work session at 7:25pm Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gulette	For
Nicholas Seitz	For
Ronald Fredrickson	For

Christina Regas, City Administrator

Maxwell Gulette, Mayor

February 9, 2026

FUND	Deerwood Checking BEGINNING BALANCE	Bill Report through 2/9/2026	Deerwood Checking ENDING BALANCE	Deerwood First Preferred Savings BEGINNING BALANCE	Deerwood First Preferred Savings Bill Report through 2/9/2026	Deerwood First Preferred Savings ENDING BALANCE	Total Balance of all Accounts
GENERAL (101)	\$573,359.91	\$21,781.37	\$551,578.54	\$113,999.17	\$0.00	\$113,999.17	
POLICE RESTRICTED CASH (101)	\$23,308.21	\$0.00	\$23,308.21	\$0.00	\$0.00	\$0.00	
CEMETERY (201)	(\$12,151.29)	\$550.00	(\$12,701.29)	\$9,293.61	\$0.00	\$9,293.61	
PERPETUAL CARE (202)	\$2,189.30	\$0.00	\$2,189.30	\$53,418.01	\$0.00	\$53,418.01	
SEWER MAINTENANCE (204)	\$0.00	\$0.00	\$0.00	\$67,212.71	\$0.00	\$67,212.71	
SEWER REPLACEMENT (205)	\$0.00	\$0.00	\$0.00	\$282,272.18	\$0.00	\$282,272.18	
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	\$62,498.97	\$0.00	\$62,498.97	
PINE TREE PARK (209)	\$15,028.65	\$137.25	\$14,891.40	\$15,366.98	\$0.00	\$15,366.98	
WATER SINKING FUND (212)	\$0.00	\$0.00	\$0.00	\$225,993.74	\$0.00	\$225,993.74	
PUBLIC WORKS RESERVE FUND (215)	\$0.00	\$0.00	\$0.00	\$41,023.44	\$0.00	\$41,023.44	
Fire Dept Special Equip Fund (216)	\$150,917.17	\$0.00	\$150,917.17	\$5,230.91	\$0.00	\$5,230.91	
2018 Revolving Loan Fund (250)	(\$195.00)	\$0.00	(\$195.00)	\$342,204.71	\$7,218.00	\$334,986.71	
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)	\$380.74	\$0.00	\$380.74	\$0.00	\$0.00	\$0.00	
2014A Disposal System Debt Service Fund (314)	\$26,250.29	\$0.00	\$26,250.29	\$0.00	\$0.00	\$0.00	
2017A Disposal System Debt Service Fund (317)	\$6,694.54	\$0.00	\$6,694.54	\$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)	\$86,631.66	\$705.00	\$85,926.66	\$0.00	\$0.00	\$0.00	
2018 Frontage/Pine Ave Internal Loan (325)	\$11,235.17	\$3,194.02	\$8,041.15	\$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)	(\$22,277.09)	\$0.00	(\$22,277.09)	\$0.00	\$0.00	\$0.00	
2025A Gen. Obligation Equipment Project Fund (340) Fire	\$14,785.13	\$0.00	\$14,785.13	\$0.00	\$0.00	\$0.00	
2025A Gen. Obligation Equipment Debt Fund (341) Fire	\$8,262.11	\$16,698.00	(\$8,435.89)	\$0.00	\$0.00	\$0.00	
TAX INCREMENT FINANCING (376)	\$40,130.57	\$0.00	\$40,130.57	\$133,267.20	\$0.00	\$133,267.20	
Blackduck HRA Fund (210)	\$34,315.83	\$0.00	\$34,315.83	\$0.00	\$0.00	\$0.00	
2023A Gen. Obligation Debt fund PW/PS Facility (381)	\$2,655.00	\$0.00	\$2,655.00	\$0.00	\$0.00	\$0.00	
2023B Gen. Obligation Debt Fund PW/PS Facility (382)	\$493.85	\$0.00	\$493.85	\$0.00	\$0.00	\$0.00	
Capital Project Fund (401)	\$14,386.41	\$0.00	\$14,386.41	(\$18,201.84)	\$0.00	(\$18,201.84)	
KRLS Library Renovation Project (550) - <i>new</i>	\$76,033.43	\$15,061.24	\$60,972.19	\$0.00	\$0.00	\$0.00	
WATER FUND (601)	(\$52,277.06)	\$2,385.17	(\$54,662.23)	\$0.00	\$0.00	\$0.00	
SEWER FUND (602)	\$41,149.27	\$2,784.00	\$38,365.27	\$0.00	\$0.00	\$0.00	
LIQUOR FUND (609)	\$190,873.38	\$103,457.40	\$87,415.98	\$0.00	\$0.00	\$0.00	
LIQUOR RENT RESTRICTED FUND (609)	\$37,233.69	\$0.00	\$37,233.69	\$0.00	\$0.00	\$0.00	
GOLF COURSE FUND (613)	(\$209,131.77)	\$9,098.69	(\$218,230.46)	\$0.00	\$0.00	\$0.00	
Total:	\$1,056,598.50	\$175,852.14	\$880,746.36	\$1,370,996.81	\$7,218.00	\$1,363,778.81	\$2,244,525.17

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

2026 Bond Payments:	Principal:	Interest:	Fees:	Total:
2019 Frontage Road/Pine Ave. Internal Loan (325)	\$2,877.89	\$316.13	\$0.00	\$3,194.02
2017A PFA Disposal System Bond Payment (320)	\$0.00	\$705.00	\$0.00	\$705.00
Golf Course Cart Shed Internal Loan Payment 0% int. (613)	\$5,000.00	\$0.00	\$0.00	\$5,000.00
Golf Course Cart Shed Internal Loan Payment 3.25% int. (613)	\$895.43	\$222.57	\$0.00	\$1,118.00
Golf Course Equipment Internal Loan Payment Rough Mower (613)	\$1,681.03	\$144.34	\$0.00	\$1,825.37
2025A Go Equipment Certificate - Fire Truck (341)	\$0.00	\$16,698.00	\$0.00	\$16,698.00
MN Deed Demolition Loan (250)	\$5,828.39	\$1,389.61	\$0.00	\$7,218.00

CITY OF BLACKDUCK

Monthly Bills

January 2026

Check Name	Amount		
101 GENERAL FUND		BELTRAMI ELECTRIC COOP	\$974.02
Marco Technologies LLC	-\$71.05	Hawkins, Inc	\$1,024.35
ARROW PRINTING	\$171.75	NORTHWOODS LUMBER CO	\$59.13
Beltrami County	\$5,451.00	PAUL BUNYAN COMMUNICATIONS	\$77.66
BELTRAMI COUNTY-AUDITOR/TREAS.	\$288.95	VERIZON WIRELESS	\$40.01
BELTRAMI ELECTRIC COOP	\$3,839.64	601 WATER FUND	\$2,385.17
BLACKDUCK AUTO PARTS, INC	\$955.90	602 SEWER FUND	
BLACKDUCK CO-OP	\$163.34	BELTRAMI COUNTY-AUDITOR/TREAS.	\$210.00
CLIFTON LARSON ALLEN LLP	\$3,648.75	BELTRAMI ELECTRIC COOP	\$1,642.18
DVS RENEWAL	\$261.00	Gopher State One Call	\$50.00
EHLERS AND ASSOCIATES	\$1,495.00	JUELSON PLUMBING & HEATING	\$750.00
LEAGUE OF MINNESOTA CITIES	\$1,255.00	RMB ENVIRONMENTAL LABORATORIES	\$131.82
NORTHWOODS LUMBER CO	\$78.95	602 SEWER FUND	\$2,784.00
PAUL BUNYAN COMMUNICATIONS	\$465.06	609 MUNICIPAL LIQUOR FUND	
PINNACLE MARKETING GROUP	\$79.00	Marco Technologies LLC	-\$12.90
QUILL CORPERATION	\$332.21	ABSOLUTE ICE	\$108.00
RATWIK, ROSZAK & MALONEY, P.A.	\$437.00	ARVIG ENTERPRISES INC.	\$6.30
ROGER'S TWO WAY RADIO	\$114.00	BELTRAMI COUNTY-AUDITOR/TREAS.	\$210.00
TIMBERLINE SPORTS, INC	\$401.58	BELTRAMI ELECTRIC COOP	\$1,557.04
TIMEVALUE SOFTWARE	\$35.00	BEMIDJI AREA CHAMBER OF COMMERC	\$200.00
TOWNSHIP AND RANGE, LLC	\$1,500.00	BEMIDJI COCA-COLA	\$541.60
VERIZON WIRELESS	\$547.33	BEMIDJI PAPER	\$228.26
VESTIS	\$331.96	BERNATELLOS	\$336.00
101 GENERAL FUND	\$21,781.37	Bernick Companies	\$17,019.06
201 CEMETERY FUND		BLACKDUCK CO-OP	\$92.64
ROBERT KLUG SR.	\$550.00	Breakthru Beverage	\$4,416.93
201 CEMETERY FUND	\$550.00	CHARLIE WARD	\$120.00
209 PINE TREE PARK FUND		D-S BEVERAGES, INC.	\$20,046.16
BELTRAMI ELECTRIC COOP	\$137.25	GUARDIAN PEST CONTROL	\$49.16
209 PINE TREE PARK FUND	\$137.25	HEGGIES PIZZA LLC	\$66.20
250 2018 REVOLVING LOAN FUND		JOHNSON BROTHERS LIQUOR CO.	\$10,049.97
MN DEPT OF EMPLOYMENT & ECONO	\$7,218.00	JONS REFUSE SOLUTIONS INC	\$542.19
250 2018 REVOLVING LOAN FUND	\$7,218.00	MELISSAS CLEANING	\$1,430.00
320 2017A PFA DISP SYS BOND DEBT S		MIKINNON CO., INC	\$7,705.68
MN PUBLIC FACILITIES AUTHORITY	\$705.00	NAYLOR REFRIGERATION & HTG.	\$577.33
320 2017A PFA DISP SYS BOND DE	\$705.00	NEI BOTTLING INC	\$1,205.10
550 KRLS LIBRARY RENOV PROJECT		NORTHWOODS LUMBER CO	\$68.03
GUSTAFSON HOME IMPROVEMENTS (G	\$15,059.75	OLD DUTCH	\$237.84
NORTHWOODS LUMBER CO	\$1.49	PAUL BUNYAN COMMUNICATIONS	\$389.90
550 KRLS LIBRARY RENOV PROJEC	\$15,061.24	PERFORMANCE FOOD SERVICE	\$9,465.42
601 WATER FUND		Phillips Wine and Spirits	\$11,498.13
BELTRAMI COUNTY-AUDITOR/TREAS.	\$210.00	PINNACLE MARKETING GROUP	\$79.00
		QUILL CORPERATION	\$108.90

Check Name	Amount
Southern Glazer's of MN	\$7,783.07
TOTAL TAP SERVICES	\$85.00
US FOODS	\$5,902.01
VESTIS	\$673.47
VINOCOPIA INC	\$516.50
WINE MERCHANTS	\$155.41
609 MUNICIPAL LIQUOR FUND	<u>\$103,457.40</u>
613 GOLF COURSE	
BELTRAMI COUNTY-AUDITOR/TREAS.	\$210.00
BELTRAMI ELECTRIC COOP	\$548.82
BEMIDJI AREA CHAMBER OF COMMERC	\$185.00
PAUL BUNYAN COMMUNICATIONS	\$132.50
PINNACLE MARKETING GROUP	\$79.00
613 GOLF COURSE	<u>\$1,155.32</u>
	<u>\$155,234.75</u>

Sewer Fund
Year to Date Income Statement thru 01/31/2026

Sewer Operating Revenue:		Budget
Reimbursements	\$0.00	\$0.00
Interest Earnings	\$53.98	\$750.00
Sewer Sales	\$17,637.09	\$262,172.36
Farm Lease Agreement Revenue	\$0.00	\$6,098.00
Swr Penalty	\$138.12	\$1,500.00
Transfer from Money Market - ARPA Funds	\$0.00	\$0.00
Sewer Connet/Reconnect	\$0.00	\$0.00
Charges for Service	\$0.00	\$5,000.00
Total Sewer Revenues	\$17,829.19	\$275,520.36

Sewer Operating Expenditures:		Budget	Remaining
Full-Time Employees Regular	\$9,616.53	\$79,090.68	\$69,474.15
Full-time Employee overtime	\$723.28	\$6,000.00	\$5,276.72
Part-Time Employees	\$0.00	\$1,373.10	\$1,373.10
Employer CPF Contribution - Union Contract	\$287.32	\$2,100.80	\$1,813.48
PERA	\$775.48	\$6,034.78	\$5,259.30
FICA	\$766.08	\$6,155.48	\$5,389.40
Employer Paid Health	\$1,230.94	\$14,433.16	\$13,202.22
MN Paid Leave	\$90.99	\$708.08	\$617.09
Office Supplies (GENERAL)	\$0.00	\$400.00	\$400.00
Heating Fuel	\$0.00	\$1,000.00	\$1,000.00
Electricity	\$1,642.18	\$21,000.00	\$19,357.82
Training and Instruction	\$0.00	\$1,000.00	\$1,000.00
Operating Supplies (GENERAL)	\$0.00	\$1,000.00	\$1,000.00
Motor Fuels	\$0.00	\$2,000.00	\$2,000.00
Lubricants and Additives	\$0.00	\$500.00	\$500.00
Repairs/Maint Supply	\$0.00	\$1,500.00	\$1,500.00
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	\$0.00	\$3,500.00	\$3,500.00
Architect Fees	\$0.00	\$0.00	\$0.00
Legal Fees - for project	\$0.00	\$100.00	\$100.00
Testing/Analysis	\$131.82	\$1,700.00	\$1,568.18
Other Professional Services	\$750.00	\$4,000.00	\$3,250.00
Engineering Services - <i>PER/ER</i>	\$0.00	\$0.00	\$0.00
Telephone	\$0.00	\$0.00	\$0.00
Postage	\$0.00	\$700.00	\$700.00
Travel Expense	\$0.00	\$1,000.00	\$1,000.00
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	\$0.00	\$2,452.74	\$2,452.74
Property Insurance	\$0.00	\$5,834.22	\$5,834.22
Other Insurance	\$0.00	\$0.00	\$0.00
Automotive Insurance	\$0.00	\$0.00	\$0.00
Workers Compensation	\$0.00	\$2,555.30	\$2,555.30
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	\$0.00	\$10,000.00	\$10,000.00
Repairs/Main Machinery/Equip	\$0.00	\$4,500.00	\$4,500.00
Dues and Subscriptions	\$260.00	\$8,735.00	\$8,475.00
Buildings & Structures - <i>Liftstations</i>	\$0.00	\$0.00	\$0.00
Improvements other	\$0.00	\$0.00	\$0.00
Refuse/Garbage Dispsal -	\$0.00	\$0.00	\$0.00
Medical Fees	\$0.00	\$0.00	\$0.00
Miscellaneous -	\$0.00	\$0.00	\$0.00
Other Equipment <i>marco printer</i>	\$0.00	\$0.00	\$0.00
Total Sewer Expenditures	\$16,274.62	\$191,598.34	\$175,323.72

		Budget	Remaining
2023A Go Bond Principal	\$0.00	\$16,056.93	\$16,056.93
2023A Go Bond Interest	\$0.00	\$9,723.83	\$9,723.83
2023B Go Bond Principal	\$0.00	\$3,176.31	\$3,176.31
2023B Go Bond Interest	\$0.00	\$1,713.04	\$1,713.04
Depreciation/Capital Outlay	\$0.00	\$20,000.00	\$20,000.00
Total	\$0.00	\$50,670.11	\$50,670.11

Net Total \$1,554.57 \$242,268.45 \$225,993.83

Water Fund

Year to Date Income Statement thru 01/31/2026

Water Operating Revenue:	Budget:	
Water Meter Sales	\$0.00	\$0.00
Health Dept Charges	\$20.09	\$4,687.76
Penalties and Interest	\$0.00	\$0.00
Water Sales	\$19,122.71	\$271,411.24
Water Connect/Reconnect Fee	\$0.00	\$800.00
Water Penalty	\$153.18	\$1,300.00
Interest Earnings	\$0.00	\$500.00
Reimbursements	\$0.00	\$0.00
Total Water Revenues	\$19,295.98	\$278,699.00

Water Operating Expenditures:	Year to Date	Budget	Remaining
Full-Time Employees Regular	\$9,164.34	\$75,986.12	\$66,821.78
Full-Time Employees OT	\$678.13	\$6,000.00	\$5,321.87
Part-Time Employees	\$0.00	\$1,373.10	\$1,373.10
Employer CPF Contribution - Union Contract	\$276.16	\$2,038.40	\$1,762.24
PERA	\$738.16	\$5,801.94	\$5,063.78
FICA	\$728.90	\$5,917.98	\$5,189.08
Employer Paid Health	\$1,170.13	\$13,996.96	\$12,826.83
MN Paid Leave	\$88.63	\$680.76	\$592.13
Office Supplies (GENERAL)	\$0.00	\$400.00	\$400.00
Printed Forms	\$0.00	\$0.00	\$0.00
Heating	\$0.00	\$1,000.00	\$1,000.00
Electricity	\$974.02	\$10,000.00	\$9,025.98
Computer Supplies	\$0.00	\$0.00	\$0.00
Training and Instruction	\$0.00	\$1,000.00	\$1,000.00
Operating Supplies (GENERAL)	\$0.00	\$2,600.00	\$2,600.00
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$0.00	\$1,500.00	\$1,500.00
Lubricants and Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$0.00	\$0.00
Chlorine	\$1,024.35	\$7,000.00	\$5,975.65
Fluoride	\$0.00	\$1,300.00	\$1,300.00
Repairs/Maint Supply	\$0.00	\$1,100.00	\$1,100.00
Equipment Parts	\$0.00	\$0.00	\$0.00
Building Repair Supply	\$0.00	\$0.00	\$0.00
Utility Maint Supply	\$0.00	\$0.00	\$0.00
Small Tools	\$0.00	\$500.00	\$500.00
Merchandise for Resale	\$0.00	\$750.00	\$750.00
Auditing and Acc't	\$0.00	\$3,500.00	\$3,500.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
Legal fees -	\$0.00	\$200.00	\$200.00
Testing/Analysis	\$0.00	\$0.00	\$0.00
Professional Services	\$0.00	\$0.00	\$0.00
Other Professional Services	\$0.00	\$1,000.00	\$1,000.00
Engineering Services - PER/ER	\$0.00	\$0.00	\$0.00
Telephone	\$35.66	\$917.00	\$881.34
Radio/communications Expense	\$40.01	\$480.00	\$439.99
Internet	\$42.00	\$504.00	\$462.00
Postage	\$0.00	\$900.00	\$900.00
Travel Expense	\$0.00	\$1,000.00	\$1,000.00
Other Equipment Rentals	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$0.00	\$792.53	\$792.53
Property Insurance	\$0.00	\$7,013.91	\$7,013.91
Workers Compensation	\$0.00	\$3,453.92	\$3,453.92
Unemployment Paid	\$0.00	\$0.00	\$0.00
Refuse/Garbage Disposal	\$0.00	\$350.00	\$350.00
State Connection Fee	\$0.00	\$4,688.00	\$4,688.00
Repairs/Maint Building -	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$59.13	\$12,000.00	\$11,940.87
Repairs/Maintenance Machinery	\$0.00	\$2,500.00	\$2,500.00
Dues and Subscriptions	\$210.00	\$4,000.00	\$3,790.00
Uncolletable Checks/Bad Debt	\$0.00	\$150.00	\$150.00
Medical Fees	\$0.00	\$0.00	\$0.00
Office Equipment and furniture	\$0.00	\$0.00	\$0.00
Other Equipment Marco Printer	\$0.00	\$0.00	\$0.00
Miscellaneous -	\$0.00	\$0.00	\$0.00
Cash Short	\$0.00	\$0.00	\$0.00
Bank Service Charges	\$0.00	\$150.00	\$150.00
Total Water Expenditures	\$15,229.62	\$182,544.62	\$167,315.00

Other Water Expenditures:	Budget	Remaining
Transfer Fr Other Fund	\$0.00	\$0.00
2023A Go bond principal	\$0.00	\$3,211.39
2023A Go Bond Interet	\$0.00	\$1,944.70
2023B Go Bond Principal	\$0.00	\$635.26
2023B Go Bond Interest	\$0.00	\$342.61
Debt Service Bond Principal	\$50,000.00	\$50,000.00
Debt Service Bond Interest	\$6,543.75	\$12,562.50
Depreciation/Capital Outlay	\$0.00	\$13,000.00
Total	\$56,543.75	\$81,696.46

Net Total (\$52,477.39) \$264,241.08 \$187,311.62

Pine Tree Park
Year to Date Income Statement thru 01/31/2026

PTP Revenues -	2026	2025	2026 budget
Reservation Fees	\$105.00	\$35.00	\$750.00
Grants	\$0.00	\$0.00	\$11,000.00
Camping Fees	\$1,420.00	\$669.00	\$24,000.00
Other Revenue	\$0.00	\$0.00	\$0.00
Transfer from Golf Course - mower	\$0.00	\$0.00	\$0.00
Interest Earnings	\$79.92	\$73.12	\$300.00
Total PTP Revenues	\$1,604.92	\$777.12	\$36,050.00

PTP Expenditures	2026 YTD	2025 YTD	2026 Budget	Remaining
Full-Time Employees Regular	\$588.22	\$479.95	\$5,609.69	\$5,021.47
Full-time Employee Overtime	\$46.92	\$129.77	\$500.00	\$453.08
Part-Time Employees Regular	\$0.00	\$0.00	\$3,432.75	\$3,432.75
Employer CPF Contribution	\$20.01	\$13.98	\$145.60	\$125.59
PERA	\$47.55	\$45.72	\$678.18	\$630.63
FICA	\$46.91	\$45.73	\$691.75	\$644.84
Employer Paid Health	\$86.77	\$74.99	\$997.35	\$910.58
MN Paid Leave	\$5.57	\$0.00	\$79.57	\$74.00
Office Supplies	\$0.00	\$0.00	\$0.00	\$0.00
Electricity	\$137.25	\$0.00	\$3,000.00	\$2,862.75
Operating Supplies (GENERAL)	\$0.00	\$0.00	\$700.00	\$700.00
Cleaning Supplies	\$0.00	\$0.00	\$200.00	\$200.00
Motor Fuels	\$0.00	\$0.00	\$1,400.00	\$1,400.00
Repairs/Maint Supply	\$0.00	\$0.00	\$850.00	\$850.00
Equipment Parts	\$0.00	\$0.00	\$300.00	\$300.00
Other Professional Services	\$0.00	\$0.00	\$1,750.00	\$1,750.00
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	\$0.00	\$0.00	\$1,174.09	\$1,174.09
Property Insurance	\$0.00	\$0.00	\$2,397.15	\$2,397.15
Workers Compensation Insurance	\$0.00	\$0.00	\$0.00	\$0.00
Garbage	\$0.00	\$0.00	\$2,500.00	\$2,500.00
Repairs/Maint Building	\$0.00	\$0.00	\$2,500.00	\$2,500.00
Repairs/Maintenance Structure	\$0.00	\$0.00	\$0.00	\$0.00
Improvements Other	\$0.00	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Machinery	\$0.00	\$0.00	\$1,500.00	\$1,500.00
Other Equipment - <i>new mower</i>	\$0.00	\$0.00	\$0.00	\$0.00
Depreciation	\$0.00	\$0.00	\$5,000.00	\$5,000.00
Miscellaneous -	\$0.00	\$0.00	\$0.00	\$0.00
Portable Restrooms	\$0.00	\$0.00	\$0.00	\$0.00
Dues and Subscriptions - includes refunds	\$0.00	\$0.00	\$375.00	\$375.00
Total PTP Expenditures	\$979.20	\$790.14	\$36,031.13	\$35,051.93

Net Profit **\$625.72** **(\$13.02)**

Lakeview Cemetery
Year to Date Income Statement thru 01/31/2026

Cemetery Revenue	2026	2025	2026 Budget
Cemetery Lot Revenues	\$0.00	\$0.00	\$0.00
Other Revenue	\$0.00	\$0.00	\$0.00
Interest Earnings	\$176.87	\$181.99	\$400.00
Transfer from General Fund	\$0.00	\$0.00	\$2,000.00
Transfer from Perpetual Fund	\$0.00	\$0.00	\$0.00
Transfer from Liquor Fund	\$0.00	\$0.00	\$500.00
Total PTP Revenues	\$176.87	\$181.99	\$2,900.00

Cemetery Expenditures	2026 YTD	2025 YTD	2026 Budget	Remaining
Operating Supplies (GENERAL)	\$0.00	\$0.00	\$0.00	\$0.00
Motor Fuels	\$0.00	\$0.00	\$1,000.00	\$1,000.00
Other Professional Services	\$550.00	\$375.00	\$500.00	(\$50.00)
Postage	\$0.00	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$0.00	\$0.00	\$146.76	\$146.76
Property Insurance	\$0.00	\$0.00	\$173.25	\$173.25
Workers Compensation Insurance	\$0.00	\$0.00	\$405.14	\$405.14
Total Cemetery Expenditures	\$550.00	\$375.00	\$2,225.15	\$1,675.15

Net Profit **(\$373.13)** **(\$193.01)**

Blackduck Municipal Golf Course
Year-To-Date Income Statement - 01/31/2026

	Actual 2026 Sales	2026 Revenue Budget	2026 Cost of Goods	2026 Gross Profit	2026 Gross Margin	2026 Expense Budget	Remaining Expense Budget
Beer	\$0.00	\$18,000.00	\$0.00	\$0.00	#DIV/0!	\$10,000.00	\$10,000.00
Liquor	\$0.00	\$5,000.00	\$0.00	\$0.00	#DIV/0!	\$1,000.00	\$1,000.00
Soft Drinks	\$0.00	\$10,000.00	\$0.00	\$0.00	#DIV/0!	\$8,000.00	\$8,000.00
Food	\$0.00	\$10,000.00	\$0.00	\$0.00	#DIV/0!	\$8,000.00	\$8,000.00
Golf Merchandise & Clubs for Sale	\$0.00	\$5,000.00	\$0.00	\$0.00	#DIV/0!	\$3,600.00	\$3,600.00
Clothing	\$0.00	\$4,000.00	\$0.00	\$0.00	#DIV/0!	\$4,000.00	\$4,000.00
Total	\$0.00	\$52,000.00	\$0.00	\$0.00	#DIV/0!	\$34,600.00	\$34,600.00

	Actual 2026 Revenue	Revenue Budget
Green Fees	\$0.00	\$100,000.00
Membership Fees	\$0.00	\$40,000.00
Trail Fees	\$0.00	\$1,000.00
Cart Storage	\$0.00	\$1,251.00
Rentals (Clubs, Carts)	\$0.00	\$1,750.00
Power Carts	\$0.00	\$55,000.00
Clubhouse Rental	\$0.00	\$1,500.00
Kayak Rental	\$0.00	\$0.00
Golf Tournament Revenue	\$0.00	\$10,000.00
Total Charges for Services	\$0.00	\$210,501.00

Total Income \$0.00

Less Operating Expense		2026 Budget	Remaining
FT Wages	\$3,817.36	\$34,855.97	\$31,038.61
PT Wages	\$0.00	\$76,436.23	\$76,436.23
PERA	\$286.30	\$8,301.25	\$8,014.95
FICA	\$292.03	\$8,513.85	\$8,221.82
Employer Paid Health	\$1,175.70	\$14,108.40	\$12,932.70
MN Paid Leave	\$33.95	\$979.37	\$945.42
Office Supplies	\$0.00	\$0.00	\$0.00
Heating Fuel	\$0.00	\$0.00	\$0.00
Electricity	\$548.82	\$7,000.00	\$6,451.18
Computer Supplies	\$0.00	\$0.00	\$0.00
Training & Instructions	\$0.00	\$0.00	\$0.00
Operating Supplies	\$0.00	\$6,500.00	\$6,500.00
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$0.00	\$4,000.00	\$4,000.00
Lubricants/Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$8,000.00	\$8,000.00
Repair/Maint/Supplies	\$0.00	\$0.00	\$0.00
Equipment parts	\$0.00	\$0.00	\$0.00
Building Repair supply	\$0.00	\$0.00	\$0.00
Small Tools/Equipment	\$0.00	\$1,000.00	\$1,000.00
Tires	\$0.00	\$0.00	\$0.00
Auditing/Accounting	\$0.00	\$0.00	\$0.00
Mix Expense	\$0.00	\$0.00	\$0.00
Other for Resale - ice	\$0.00	\$0.00	\$0.00
Medical Fees	\$0.00	\$0.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00
Telephone	\$102.50	\$1,200.00	\$1,097.50
Internet	\$70.00	\$600.00	\$530.00
Travel Expense	\$0.00	\$0.00	\$0.00
Other Equipment	\$0.00	\$0.00	\$0.00
Other Professional services	\$0.00	\$0.00	\$0.00
Website Development & Maintenance	\$79.00	\$948.00	\$869.00
Sponsorship Expense	\$0.00	\$1,000.00	\$1,000.00
Postage	\$0.00	\$0.00	\$0.00
Advertising	\$0.00	\$1,000.00	\$1,000.00
Promotional Expenses	\$0.00	\$2,500.00	\$2,500.00
Liability Insurance	\$0.00	\$4,256.07	\$4,256.07
Property Insurance	\$0.00	\$2,454.90	\$2,454.90
Work Comp	\$0.00	\$2,800.37	\$2,800.37
Unemployment	\$0.00	\$6,000.00	\$6,000.00
Dram Insurance	\$0.00	\$1,250.00	\$1,250.00
Garbage Disposal	\$0.00	\$1,300.00	\$1,300.00
Repair/Maint Building	\$0.00	\$2,000.00	\$2,000.00
Improvements other than Bldgs -	\$0.00	\$2,000.00	\$2,000.00
Repairs/Maint Machinery	\$0.00	\$11,000.00	\$11,000.00
Maintenance Course	\$0.00	\$5,000.00	\$5,000.00
Golf Cart Maintenance - ONLY	\$0.00	\$10,000.00	\$10,000.00
Furniture & Fixtures	\$0.00	\$0.00	\$0.00
Motor Vehicles - <i>golf cart purchase</i>	\$0.00	\$0.00	\$0.00
Club House renovations	\$0.00	\$0.00	\$0.00
Other Equipment <i>new rental clubs</i>	\$0.00	\$0.00	\$0.00
Uncollectable Checks	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$2,295.00	\$2,500.00	\$205.00
Bank Service Charges	\$67.00	\$6,500.00	\$6,433.00
Cart Shed Internal Loan 2020	\$0.00	\$6,118.00	\$6,118.00
Golf Rough Mower Internal Loan - 2022	\$0.00	\$3,650.74	\$3,650.74
Total Expense	\$8,767.66	\$243,773.15	\$235,005.49

OPERATING INCOME OR LOSS (\$8,767.66)

Other Expenses	
Misc. Expenses	\$0.00
Equipment - Gator	\$0.00
Gift Certificates / Discounts <i>discounts for punch cards & savings cards</i>	\$0.00
Cash Short -	\$0.00
Total Other Expenses	\$0.00

Other Income	
General Property taxes	\$0.00
Transfer Fr Liq Str	\$0.00
Reimbursements	\$0.00
Donations and Contributions	\$0.00
Promotional Event Revenue	\$0.00
Cash Over	\$0.00
Sponsorship Revenue <i>(cart / tee boxes)</i>	\$0.00
Total Other Income	\$0.00

NET INCOME OR LOSS YEAR TO DATE (\$8,767.66)

Inventory On-Hand at 1/1/2026 after inventory total	\$3,802.17
Inventory On-Hand at 1/31/2026	\$3,802.17
Difference	\$0.00

Sales Comparison YTD	2023	2024	2025	2026	+/- over prior year
Green Fees	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Cart Rental	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!

YTD Comparisons:	2023	2024	2025	2026	+/- over prior year
Operating Revenue	\$538.40	\$499.88	\$143.91	\$0.00	#DIV/0!
Operating Expense	\$31,877.44	\$28,495.30	\$25,526.72	\$8,767.66	-191.15%
	(\$31,339.04)	(\$27,995.42)	(\$25,382.81)	(\$8,767.66)	

Blackduck Municipal Liquor Store Income Statement
Year to Date Ending 1/31/2026

\$90,714.83 *How much we paid for our inventory (expenses)*

	YTD Sales	Cost of Goods	Gross Profit	Gross Profit Margin	2026 Liquor Expense Budget	2026 Liquor Revenue Budget	Percent of sales +/- to Budget
THC Edibles - Off-Sale	\$1,436.28	\$803.32	\$632.96	44.07%	\$18,696.00	\$28,572.00	-1889.31%
THC Beverages - Off-Sale	\$1,092.06	\$679.33	\$412.73	37.79%	\$16,110.00	\$23,000.00	-2006.11%
Liquor Sales Off-Sale	\$29,099.72	\$21,597.59	\$7,502.13	25.78%	\$246,275.00	\$339,306.00	-1066.01%
Beer Sales Off-Sale	\$37,456.61	\$29,260.52	\$8,196.09	21.88%	\$437,350.00	\$537,700.00	-1335.53%
Wine Sales Off-Sale	\$3,726.83	\$2,209.82	\$1,517.01	40.71%	\$28,300.00	\$47,047.00	-1162.39%
Other Sales On/Off-Sale	\$1,029.02	\$1,154.61	(\$125.59)	-12.20%	\$7,300.00	\$23,662.00	-2199.47%
Liquor Sales On-Sale	\$10,743.69	\$2,226.78	\$8,516.91	79.27%	\$0.00	\$125,172.00	-1065.07%
Beer Sales On-Sale	\$13,434.07	\$2,598.04	\$10,836.03	80.66%	\$0.00	\$173,851.00	-1194.11%
Wine Sales On-Sale	\$87.11	\$33.99	\$53.12	60.98%	\$0.00	\$2,350.00	-2597.74%
Clothing	\$205.00	\$152.81	\$52.19	25.46%	\$5,000.00	\$5,600.00	-2631.71%
Soft Drinks On Sale	\$2,225.16	\$820.20	\$1,404.96	63.14%	\$15,831.00	\$33,876.00	-1422.41%
Food Sales	\$34,327.68	\$15,319.10	\$19,008.58	55.37%	\$243,584.00	\$448,290.00	-1205.91%
Total	\$134,863.23	\$76,856.11	\$58,007.12	43.01%	\$1,018,446.00	\$1,788,426.00	-92.46%

cost of our inventory

Less Operating Expense	2026 YTD	Budget	Remaining
Wages FT	\$25,495.37	\$249,820.90	\$224,325.53
FT Overtime	\$932.35	\$1,500.00	\$567.65
Wages PT	\$16,443.33	\$117,733.24	\$101,289.91
PERA	\$3,423.61	\$27,200.96	\$23,777.35
FICA	\$3,825.03	\$28,117.89	\$24,292.86
Health Insurance	\$4,741.39	\$56,916.96	\$52,175.57
MN Paid Leave	\$440.74	\$3,234.48	\$2,793.74
Office Supplies	\$0.00	\$0.00	\$0.00
Electricity	\$1,557.04	\$22,000.00	\$20,442.96
Heating Fuel	\$92.64	\$10,000.00	\$9,907.36
Computer Supplies	\$0.00	\$750.00	\$750.00
Training and Instruction	\$0.00	\$200.00	\$200.00
Operating & Bar Supplies	\$760.82	\$12,000.00	\$11,239.18
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	\$1,910.24	\$14,577.00	\$12,666.76
Auditing / Acct'g Services	\$0.00	\$6,500.00	\$6,500.00
Other Professional Services - <i>Cleaning & Aramark Services</i>	\$2,727.63	\$22,800.00	\$20,072.37
Website Development	\$79.00	\$948.00	\$869.00
Telephone	\$196.01	\$2,400.00	\$2,203.99
Postage	\$0.00	\$1,000.00	\$1,000.00
Cable Television	\$188.89	\$2,400.00	\$2,211.11
Internet Access	\$85.00	\$1,020.00	\$935.00
Advertising	\$0.00	\$0.00	\$0.00
Travel Expense	\$0.00	\$300.00	\$300.00
Freight	\$843.21	\$7,100.00	\$6,256.79
Legal Fees	\$0.00	\$0.00	\$0.00
Promotions/Entertainment	\$813.25	\$8,000.00	\$7,186.75
Legal Notices	\$0.00	\$0.00	\$0.00
Liability Insurance	\$0.00	\$4,256.07	\$4,256.07
Property Insurance	\$0.00	\$7,936.95	\$7,936.95
Dram Shop/Liquor Liability	\$0.00	\$3,500.00	\$3,500.00
Other Insurance	\$0.00	\$0.00	\$0.00
Work Comp	\$0.00	\$9,439.23	\$9,439.23
Unemployment	\$0.00	\$500.00	\$500.00
Water Utility	\$220.43	\$2,800.00	\$2,579.57
Garbage Disposal	\$542.19	\$9,000.00	\$8,457.81
Catering Expense	\$0.00	\$0.00	\$0.00
Repairs & Maintenance	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Building	\$1,552.27	\$12,000.00	\$10,447.73
Uncollectable Checks	\$0.00	\$200.00	\$200.00
Dues and Subscriptions	\$557.34	\$4,500.00	\$3,942.66
Bank Service Charges	\$4,167.56	\$48,000.00	\$43,832.44
Furniture & Fixtures	\$0.00	\$0.00	\$0.00
Office Equip & Furnishings -	\$0.00	\$0.00	\$0.00
Improvements Other than Buildings - remodel	\$0.00	\$10,000.00	\$10,000.00
Building & Structures	\$0.00	\$0.00	\$0.00
Capital Outlay	\$0.00	\$10,000.00	\$10,000.00
Assessment	\$0.00	\$1,050.00	\$1,050.00
Obligation Debt - Remodel/Addition - Principal	\$30,000.00	\$30,000.00	\$0.00
Obligation Debt - Remodel/Addition - Interest	\$4,925.00	\$9,685.00	\$4,760.00
Other Equipment - Message board debt & copier lease	\$163.74	\$3,600.00	\$3,436.26
Total Operating Expense	\$106,684.08	\$762,986.68	\$656,302.60

Inventory Expense \$13,858.72

NET INCOME OR LOSS **(\$62,535.68)** *(gross profit - expenses)*

Other Expenses	
<i>Donations</i>	\$0.00 <i>2026 Budget - \$6,000.00</i>
Capital Outlay	\$0.00
Unemployment Paid	\$0.00
Cash Short	\$10.28
Misc. Expense	\$0.00
Total Other Expenses	\$10.28

Other Income	
Reimbursements (NSF)	\$102.00
<i>Rent Income</i>	<i>\$2,205.76</i>
Vending Income	\$255.40
Interest	\$386.05
Catering Revenue	\$0.00
Bank Service Fees Charged to customers	\$1,732.27
<i>Transfer from Liquor Rent Fund</i>	<i>\$0.00</i>
Cash Over	\$0.00
Total Other Income	\$4,681.48

Gross Profit Before Transfers **(\$57,864.48)**

Transfer to General Fund & Other Funds **\$0.00** *2026 Transfer total budget City wide = \$70500*

Net Profit After Inventory Exp & Transfers **(\$57,864.48)**

Inventory On-Hand at 1/1/2026 after inventory total	\$88,616.22
Inventory On-Hand at 1/31/2026	\$98,619.20
Difference	\$10,002.98

YTD 4-year Sales Comparison Ending 1/31/2026

	2023	2024	2025	2026	% of Increase from 2025-2026
Off-Sale THC Edibles	\$0.00	\$0.00	\$2,150.83	\$1,436.28	-0.33
Off-Sale THC Beverages	\$0.00	\$1,106.64	\$2,463.30	\$1,092.06	-55.67%
Off-Sale Liquor	\$26,449.43	\$25,963.68	\$26,742.98	\$29,099.72	8.81%
Off-Sale Beer	\$38,768.31	\$39,962.16	\$41,968.77	\$37,456.61	-10.75%
Off-Sale Wine	\$3,522.88	\$4,309.62	\$3,483.57	\$3,726.83	6.98%
Total Off-Sale	\$68,740.62	\$71,342.10	\$76,809.45	\$72,811.50	-5.21%
On-Sale Liquor	\$10,922.91	\$9,489.29	\$10,187.96	\$10,743.69	5.45%
On-Sale Beer	\$13,330.43	\$11,506.25	\$12,548.68	\$13,434.07	7.06%
On-Sale Wine	\$126.59	\$100.16	\$157.85	\$87.11	-44.81%
Total On-Sale	\$24,379.93	\$21,095.70	\$22,894.49	\$24,264.87	5.99%
Total On and Off Sale	\$93,120.55	\$92,437.80	\$99,703.94	\$97,076.37	-2.64%
Total Food Sales	\$22,814.98	\$29,552.86	\$31,764.39	\$34,327.68	8.07%
Gross Liquor Store Sales Comparison	\$123,658.28	\$141,398.68	\$155,368.28	\$139,544.71	-10.18%

2026 Blackduck DMV Office Income Statement

Year to date Revenue thru 01/31/2026

	2026 DMV Sales	2026 DNR Sales	2026 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	2026 Net Office Revenue	2026 YTD DMV Expenses	2026 YTD Net Profit	Previous Year Net Profit	Comparative +/- %
January	\$74,045.89	\$9,891.50	\$83,937.39	\$69,955.92	16.66%	\$3,853.44	\$641.00	\$70,192.45	\$9,250.50	\$4,494.44	\$5,230.06	-\$735.62	\$2,057.80	379.74%
February			\$0.00	\$97,708.20	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$3,276.72	#DIV/0!
March			\$0.00	\$103,745.43	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$3,591.45	#DIV/0!
April			\$0.00	\$79,672.94	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$2,942.43	#DIV/0!
May			\$0.00	\$97,770.70	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$4,264.32	#DIV/0!
June			\$0.00	\$54,471.51	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$1,871.67	#DIV/0!
July			\$0.00	\$58,593.18	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$1,228.43	#DIV/0!
August			\$0.00	\$52,971.60	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$1,014.02	#DIV/0!
September			\$0.00	\$38,981.37	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$2,111.72	#DIV/0!
October			\$0.00	\$52,765.44	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$1,578.08	#DIV/0!
November			\$0.00	\$42,907.31	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$646.78	#DIV/0!
December			\$0.00	\$74,893.10	#DIV/0!			\$0.00	\$0.00	\$0.00		\$0.00	\$2,135.27	#DIV/0!
Year To Date:	\$74,045.89	\$9,891.50	\$83,937.39	\$824,436.70	-882.20%	\$3,853.44	\$641.00	\$70,192.45	\$9,250.50	\$4,494.44	\$5,230.06	-\$735.62	\$26,718.69	3732.13%

MINNESOTA Lawful Gambling

City of Blackduck

JAN 21 2026

V#A430
\$2205.76

LG216 Worksheet for Calculating Lawful Gambling Monthly Rent

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: **2 20.00%**

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

A	B1	B2	C1	C2	D	E1	E2	F	G	H
Month and Year	Booth Operation		Bar Operation		Rent Limit	Bar Operation Electronic Games		Total Rent		Bar Operation
12/2025	Multiply the total of this month's net receipts from paper pull-tabs, electronic pull-tabs, tipboards, and electronic linked bingo, and paddletickets by the amount in Box 1.		Multiply the total of this month's net receipts from paper pull-tabs, tipboards, and paddletickets by the amount in Box 2.		If an amount was entered, in Col B, enter the sum of Cols B and C up to a max of \$1750. If Col B is blank, enter Col C.	Multiply the total of this month's net receipts from, electronic pull-tabs and electronic linked bingo by the amount in Box 3.		Add Columns D and E Report amount on Schedule A, line 22h	Enter cash short for games sold from bar-op. Report amount on Sched A, line 22m. 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.
	5523.00	1104.60	1104.60	1104.60	1104.60	7341.05	1101.16	2205.76	0.00	2205.76

1 This amount may not exceed 10%
 2 Enter no more than 10% if paper or electronic pull-tabs, tipboards, paddletickets (other than paddlewheel without a table once weekly), or electronic linked bingo games are conducted by the organization's employees. Otherwise, enter no more than 20%.
 3 This amount may not exceed 15%.
 4 Electronic pull-tab rent is based on the receipts incurred during the month, and not on when each pull-tab deal is closed.
 5 If the amount in Column H is negative, contact your compliance specialist.



CITY OF BLACKDUCK

01/22/26 3:26 PM

Page 1

Payments

Current Period: January 2026

Payment Batch DWDCPMT012026 \$743.98

Refer	503	CARDMEMBER SERVICE -DEERW	Ck# 015508	1/20/2026		
Cash Payment	E 101-43100-321	Telephone	Business Card Holder - Christina Regas			\$1.99
Invoice						
Cash Payment	E 101-43100-321	Telephone	Business Card Holder - Christina Regas			\$10.68
Invoice						
Cash Payment	E 101-41400-433	Dues and Subscriptions	Business Card Holder - Christina Regas			\$39.00
Invoice						
Transaction Date	1/20/2026	DW Checking	10100	Total		\$51.67

Refer	504	CARDMEMBER SERVICE -DEERW	Ck# 015508	1/20/2026		
Cash Payment	E 609-49750-433	Dues and Subscriptions	Business Credit Card Holder - Mike Schwanke			\$141.04
Invoice						
Cash Payment	E 550-45500-570	Office Equip and Furnishi	Business Credit Card Holder - Mike Schwanke			\$189.87
Invoice						
Cash Payment	E 550-45500-570	Office Equip and Furnishi	Business Credit Card Holder - Mike Schwanke			\$226.10
Invoice						
Cash Payment	E 550-45500-570	Office Equip and Furnishi	Business Credit Card Holder - Mike Schwanke			\$90.01
Invoice						
Cash Payment	E 101-41400-433	Dues and Subscriptions	Business Credit Card Holder - Mike Schwanke			\$9.39
Invoice						
Cash Payment	E 101-41400-210	Operating Supplies (GEN	Business Credit Card Holder - Mike Schwanke			\$35.90
Invoice						
Transaction Date	1/20/2026	DW Checking	10100	Total		\$692.31

Fund Summary

	10100 DW Checking	
101 GENERAL FUND		\$96.96
550 KRLS LIBRARY RENOV PROJECT		\$505.98
609 MUNICIPAL LIQUOR FUND		\$141.04
		\$743.98

Pre-Written Checks	\$743.98
Checks to be Generated by the Computer	\$0.00
Total	\$743.98

CITY OF BLACKDUCK

01/22/26 3:22 PM

Page 1

Transaction Activity COB Payrolls - January 2026

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
2026							
DELTA DENTAL	\$302.64	004944	Yes	Cash Payment	01/16/26	January	DeltaD 01-2026
2026	\$302.64						
	\$302.64						

CITY OF BLACKDUCK

01/22/26 3:23 PM

Page 1

Transaction Activity COB Payrolls - January 2026

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
2026							
LINCOLN NATIONAL LIFE	\$311.88	004945	Yes	Cash Payment	01/16/26	January	LinLife 01-2026
2026	\$311.88						
	\$311.88						

CITY OF BLACKDUCK

Transaction Activity COB Payrolls - January 2026

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
2026							
NORTHWEST SERVICE COOP	\$8,568.12	004943	Yes	Cash Payment	01/16/26	January	NWSCoop 01-2026
2026	\$8,568.12						
	\$8,568.12						

CITY OF BLACKDUCK

Transaction Activity COB Payrolls - January 2026

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
2026							
INTERNAL REVENUE SERVICE	\$1,914.70	004923	Yes	Cash Payment	12/31/25	January	PR12026LIABS010
MN DEPT OF REVENUE	\$736.90	004924	Yes	Cash Payment	12/31/25	January	PR12026LIABS010
INTERNAL REVENUE SERVICE	\$5,104.42	004923	Yes	Cash Payment	12/31/25	January	PR12026LIABS010
CENTRAL PENSION FUND	\$748.00	015437	No	Cash Payment	01/02/26	January	PR12026LIABS010
MN CHILD SUPPORT PAY CTR	\$25.00	015439	No	Cash Payment	01/02/26	January	PR12026LIABS010
IUOE LOCAL #49	\$140.00	015438	No	Cash Payment	01/02/26	January	PR12026LIABS010
PERA	\$4,663.88	004926	Yes	Cash Payment	01/02/26	January	PR12026LIABS010
NATIONWIDE	\$350.86	004927	Yes	Cash Payment	01/02/26	January	PR12026LIABS010
MN DEPT OF REVENUE	\$850.91	004937	Yes	Cash Payment	01/13/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$2,203.92	004936	Yes	Cash Payment	01/13/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$5,333.66	004936	Yes	Cash Payment	01/13/26	January	pr2liabs011326
PERA	\$4,928.24	004935	Yes	Cash Payment	01/13/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$666.46	004940	Yes	Cash Payment	01/14/26	January	PR201FIRE011426
CENTRAL PENSION FUND	\$745.00	015501	No	Cash Payment	01/14/26	January	pr2liabs011326
MN DEPT OF REVENUE	\$164.46	004941	Yes	Cash Payment	01/14/26	January	PR201FIRE011426
DEERWOOD BANK	\$2,750.03	015502	No	Cash Payment	01/14/26	January	pr2liabs011326
MN CHILD SUPPORT PAY CTR	\$25.00	015503	No	Cash Payment	01/14/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$2,354.58	004940	Yes	Cash Payment	01/14/26	January	PR201FIRE011426
2026	\$33,706.02						
	\$33,706.02						

CITY OF BLACKDUCK

Transaction Activity COB Payrolls - January 2026

Search Name	Amount	Check Nbr	EFT	Tran Name	Check/Receipt Date	Period Name	Batch Name
2026							
MN DEPT OF REVENUE	\$850.91	004937	Yes	Cash Payment	01/13/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$2,203.92	004936	Yes	Cash Payment	01/13/26	January	pr2liabs011326
INTERNAL REVENUE SERVICE	\$5,333.66	004936	Yes	Cash Payment	01/13/26	January	pr2liabs011326
PERA	\$4,928.24	004935	Yes	Cash Payment	01/13/26	January	pr2liabs011326
CENTRAL PENSION FUND	\$745.00	015501	No	Cash Payment	01/14/26	January	pr2liabs011326
MN CHILD SUPPORT PAY CTR	\$25.00	015503	No	Cash Payment	01/14/26	January	pr2liabs011326
DEERWOOD BANK	\$2,750.03	015502	No	Cash Payment	01/14/26	January	pr2liabs011326
2026	\$16,836.76						
	\$16,836.76						



PO Box 160
 Roseau, Minnesota 56751-0160
 Phone: (218) 463-2135
 www.citizensros.com

CITY OF BLACKDUCK, MN
 PO BOX 380
 BLACKDUCK MN 56630

***** LOAN PAYMENT NOTICE *****

CITY OF BLACKDUCK, MN
 PO BOX 380
 BLACKDUCK, MN 56630

Total Amount Due: \$ 16,698.00

Amount Enclosed : \$ _____

Date Payment Due : 2/01/2026
 Loan Type : Tax Exempt
 Loan Number: XXXXX5406
 Int & Prin Payment T/C: 329

CITIZENS STATE BANK OF ROSEAU
 PO BOX 160
 ROSEAU, MN 56751

341 - 47000 - 611

*** Please return this portion with your payment ***

***** LOAN PAYMENT NOTICE *****

CITY OF BLACKDUCK, MN
 PO BOX 380
 BLACKDUCK, MN 56630

Total Amount Due: \$ 16,698.00

Amount Enclosed : \$ _____

Date Payment Due : 2/01/2026
 Loan Type : Tax Exempt
 Loan Number: XXXXX5406
 Int & Prin Payment T/C: 329

CITIZENS STATE BANK OF ROSEAU
 PO BOX 160
 ROSEAU, MN 56751



CITY OF BLACKDUCK

01/15/26 1:32 PM

Page 1

Payments

Current Period: January 2026

Payment Batch suppbatch011226 \$4,690.53

Refer	434	<i>SOUTHSIDE TOWING AND RECOV</i>	<u>Ck# 015493</u>	<u>1/12/2026</u>		
Cash Payment	E 101-43100-436	Towing Charges			PW TRUCK DOWN- TOWING	\$395.13
Invoice	37623	12/17/2025				
Transaction Date	1/12/2026		DW Checking	10100	Total	\$395.13

Refer	435	<i>BLACKDUCK LEEVERS FOODS</i>	<u>Ck# 015492</u>	<u>1/12/2026</u>		
Cash Payment	E 609-49750-260	Food for Resale				\$4,295.40
Invoice	123126	12/31/2025				
Transaction Date	1/12/2026		DW Checking	10100	Total	\$4,295.40

Fund Summary

	10100	DW Checking	
101 GENERAL FUND			\$395.13
609 MUNICIPAL LIQUOR FUND			\$4,295.40
			<u>\$4,690.53</u>

Pre-Written Checks	\$4,690.53
Checks to be Generated by the Computer	\$0.00
Total	<u>\$4,690.53</u>

SALES TAX RECEIPTS

City of Blackduck																			
Payment Date	Revenue Month	Gross Revenue Amount	Start-up Costs (One-time only)	Miscellaneous Deduction or Addition (See notes below)	Administrative Cost	Net Amount Paid													
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	8,264.39			(74.38)	8,190.01													
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					-													
TOTAL		47,289.00	-	-	(425.60)	46,863.40													
Please note: This report contains current fiscal year information only.																			

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: 3670

Payment Information

Payment Reference: 0010172001
Payment Date: 02/02/2026
Payment Method: Automated Clearing House

Agency Code / Description	Contact Phone	Voucher ID / Payment Message	Invoice Date	Invoice Number	Customer Account	Paid Amt
P07 / DRIVER LIC - MIKE HUTCHINGS	651/201-7024	70 01119286	01/26/2026	DVS No Fee Pymts Oct-Dec 2025		686.00
		DVS No Fee Pymts Oct-Dec 2025				
Total:						686.00 USD

Office	RunDate	Date From	Date To	Category	Total	DRs/DLAs	Xsmall (\$2)	Small (\$4)	Medium (\$8)	Large (\$11)	Large (\$12)	Large (\$16)
180 Blackduck	02-Feb-2026	01-Oct-2025	31-Dec-2025	100% SRD Vet - Vehicle Transactions	8	8	0	0	4	0	4	0
180 Blackduck	02-Feb-2026	01-Oct-2025	31-Dec-2025	Other	47	47	1	6	2	0	11	27
					55	55	1	6	6	0	15	27
						\$686.00	\$2.00	\$24.00	\$48.00	\$0.00	\$180.00	\$432.00

January 5, 2026

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

RE: Potential Refunding of Existing Bonds

As your Municipal Advisor one of the services we provide is to monitor your outstanding bond issues and alert you to any potential refunding opportunities. An updated status report for your outstanding debt is attached. It includes general information about your existing debt and a brief comment regarding potential savings based on current market conditions. We will continue to monitor your issues on an ongoing basis and will contact you if we identify refunding opportunities that merit consideration.

If you have any questions about this information, please contact me.

Sincerely,

Ehlers

A handwritten signature in black ink, appearing to read 'Todd Hagen'.

Todd Hagen
Senior Municipal Advisor/ Vice President

A handwritten signature in blue ink, appearing to read 'Dan Tienter'.

Dan Tienter
Senior Municipal Advisor

Status Report on Refunding of Existing Bond Issues



Original Bond Amount	Title	Last Maturity	Call Date	Callable Amount	Callable Rates		Status
					Low	High	
\$1,165,000	General Obligation Bonds, Series 2012A	02/01/2035	02/01/2023	\$550,000	2.100%	2.550%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.
\$468,834	General Obligation Water Revenue Note of 2016	08/20/2046	09/28/2016	\$347,600	1.730%	3.466%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.
\$30,000	USDA Loan, 2020	04/06/2030	-	-	-	-	These bonds are not callable.
\$650,000	General Obligation Tax Abatement Bonds, Series 2021A	02/01/2042	02/01/2030	\$410,000	2.000%	2.000%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.
\$164,872	Taxable General Obligation Tax Abatement Bonds, Series 2021B	08/15/2036	08/27/2021	\$141,909	2.000%	2.000%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.
\$1,655,000	Taxable General Obligation Bond of 2023A (USDA Loan)	07/28/2063	07/29/2023	\$1,602,524	2.250%	2.250%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.
\$310,000	Taxable General Obligation Bond of 2023B (USDA Loan)	07/28/2063	07/29/2023	\$299,905	2.125%	2.125%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.

Original Bond Amount	Title	Last Maturity	Call Date	Callable Amount	Callable Rates		Status
					Low	High	
\$180,000	General Obligation Equipment Certificate, Series 2024A	02/01/2032	07/26/2024	\$180,000	4.830%	4.830%	As of January 5, 2026, we estimate that a current refunding would not generate sufficient savings to be considered.
\$363,000	General Obligation Equipment Certificate, Series 2025A	02/01/2036	01/24/2025	\$363,000	4.500%	4.500%	As of January 5, 2026, we estimate that this refunding would not generate sufficient savings to be considered.



January 6, 2026

Statement of Work - Audit Services

This agreement constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated November 4, 2024, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and City of Blackduck ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2025.

Troy M. Gabler, CPA is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of City of Blackduck, and the related notes to the financial statements as of and for the year ended December 31, 2025.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The RSI will be subjected to certain limited procedures, but will not be audited.

We will also evaluate and report on the presentation of the supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of your financial statements and the related notes.
- Preparation of the required supplementary information (RSI).
- Preparation of the supplementary information.
- Preparation of depreciation schedules.
- Converting cash basis accounting records to accrual basis. Assuming information is provided to know the entry to post.

- Propose adjusting entries, if requested
- Assistance with GASB 87/96 calculations, if requested

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by

Government Auditing Standards. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

As part of our audit, we will also perform the procedures and provide the report required by the Minnesota Legal Compliance Audit Guide for Political Subdivisions.

It is our understanding that our auditors' report will be included in your annual report which is comprised of the introductory section and that your annual report will be issued We anticipate issuing the financial statements and all related items on or before June 30, 2026. We will provide electronically and physically, as requested. . Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the entity and its environment, including the system of internal control, relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management Override of Internal Controls
- Revenue Recognition - Cutoff for Taxes
- Revenue Recognition - Cutoff for Nonexchange Revenues
- Revenue Recognition - Cutoff for Exchange Revenues

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and

grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

You are responsible for the design, implementation, and maintenance of effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding

assets to help ensure that appropriate goals and objectives are met. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for the preparation of other information included in your annual report. You agree to provide the final version of such information to us in a timely manner, and if possible, prior to the date of our auditors' report. If the other information included in your annual report will not be available until after the date of our auditors' report on the financial statements, you agree to provide written representations indicating that (1) the information is consistent with the financial statements, (2) the other information does not contain material misstatements, and (3) the final version of the documents will be provided to us when available, and prior to issuance of the annual report by the entity, so that we can complete the procedures required by professional standards. Management agrees to correct material inconsistencies that we may identify. You agree to include our auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit

reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of CLA and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory bodies pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of CLA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to those regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulator. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fee is \$36,100.00. We will also bill for expenses (including travel, report production, word processing, postage, internal and administrative charges, etc.) plus a technology and client support fee of five percent (5%) of all professional fees billed. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered as work progresses and are payable on presentation.

Audit of financial statements	\$31,100.00
-------------------------------	-------------

Financial statement preparation	\$5,000.00
---------------------------------	------------

Travel Time and Expenses (if requested) - Actual Time and Expense	.
---	---

Assistance in preparing information to calculate journal entries at year-end or assist in reconciling various schedules (if requested) - Actual Time	.
--	---

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below to indicate your acknowledgement and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of City of Blackduck.

CLA

Gabler, Troy

Troy Gabler

SIGNED 1/6/2026, 5:39:52 PM CST

Client

City of Blackduck

Christina A. Regas

Christina Regas

SIGNED 1/7/2026, 11:01:58 AM CST

City of Blackduck

Maxwell Gullette

Maxwell Gullette

SIGNED 1/7/2026, 9:37:55 AM CST

January 2026 Short Settlement
Received 01/27/2026

Cnty Code	FUND	DESCRIPTION	AMOUNT	SPEC ASSES #	SUBTOTALS:
R/P	1 101-31000	Gen Prop Tax	\$7,965.02		
	42 309-31000	89 GO Bond Prop Tax	\$0.00		
	29 309-31000	94 GO Bond Prop Tax	\$0.00		
	33 101-36100	98 GO Bond Prop Tax	\$0.00		
	34 309-31000	99 GO Bond Prop Tax	\$0.00		
	306-31000	2000 GO Bond Prop Tax	\$0.00		
	39 307-31000	2006 GO Bond Prop Tax	\$0.00		
	42 309-31000	2009 GO Bond Prop Tax	\$0.57		
	41 613-31000	2012 Refunding Golf Prop Tax	\$0.00		
	27 613-31000	Equipm Cert Prop Tax	\$0.00		
	45 311-31000	Industrial Lane	\$0.00		\$9,121.71
	45 210-31000	Blackduck HRA	\$169.79	10108 Cash Account	
	47 314-31000	2014 Go Bond Prop Tax	\$198.90		
	49 381-31000	2023A Go Bond Prop Tax	\$504.38		
	50 382-31000	2023B Go Bond Prop Tax	\$86.95		
51 331-31000	2024A Go Equipment Bond Tax	\$196.10			
M	1 101-31030	Mobile Home Tax Credit	\$21.92		
	42 309-31030	89 GO Bond MHTC	\$0.00		307 Tax \$0.00
	29 309-31030	94 GO Bond MHTC	\$0.00		307 Spec \$0.00
	33 101-31030	98 GO Bond MHTC	\$0.00		
	34 309-31030	99 GO Bond MHTC	\$0.00		309 Tax \$0.57
	306-31030	2000 GO Bond MHTC	\$0.00		309 Spec
	39 307-31030	2006 GO Bond MHTC	\$0.00		
	42 309-31030	2009 GO Bond MHTC	\$0.00		314 Tax \$199.44
	45 311-31030	Industrial Lane	\$0.00		314 Spec \$0.00
	41 613-31030	2012 Refunding Golf Prop Tax	\$0.00		
	27 613-31030	Equipm Cert Prop Tax	\$0.00		
	45 210-31000	Blackduck HRA	\$0.48	10108 Cash Account	
	47 314-31030	2014 Go Bond	\$0.54		376 Tax \$0.00
	49 381-31030	2023A Go Bond Prop Tax	\$1.40		376 Spec \$0.00
	50 382-31030	2023B Go Bond Prop Tax	\$0.24		
51 331-31000	2024A Go Equipment Bond Tax	\$0.54		613 Tax \$0.00	
OTHER	1 101-31900	Pen&Int Del Tax	\$0.00		
	1 101-31000	Gen Prop Tax (Excess TIF)	\$0.00		
	39 307-31000	2006 GO Bond (Excess TIF)	\$0.00		Front/Pine 325 Spec \$0.00
	42 309-31000	2009 GO Bond Prop Tax (Excess TIF)	\$0.00		
	45 311-31000	Industrial Lane (Excess TIF)	\$0.00		\$0.00
	41 613-31000	Golf Equip Certificate	\$0.00		Sewer 317 Spec \$249.97
	27 613-31000	Golf 2012 Refunding	\$0.00		Water 320 Spec \$434.13
	45 210-31000	Blackduck HRA	\$0.00	10108 Cash Account	2023A 381 \$505.78
47 314-31000	2014 Go Bond (Excess TIF)	\$0.00		2023B 382 \$87.19	
TIFF	376-31050	Tax Increments	\$0.00	Blackduck Housing	\$9,146.83
SPEC ASSES	101-36100	Special Assessments	\$0.00	8116, 8118	
	101-36100	98 Spec. Assessments	\$0.00	8101, 8102	
	314-36100	2014 Spec. Assessments	\$0.00	8126	
	314-31900	2014 Pen & Int	\$0.00	8126	
	325-36100	2018 Spec. Frontage/Pine	\$0.00	8127	\$684.10
	325-31900	2018 Pen & Int Frontage/Pine	\$0.00	8127	
	320-36100	2018 Spec. Summit/Main	\$325.59	8128	63.46%
	320-31900	2018 Pen & Int Summit/Main	\$108.54	8128	\$513.06
	317-36100	2018 Spec. Summit/Main	\$187.47	8128	36.54%
	317-31900	2018 Pen & Int Summit/Main	\$62.50	8128	\$171.04
	101-31900	Penalties & Interest	\$0.00		
	101-31900	98 Pen & Int	\$0.00		
	101-31050	Excess TIF	\$0.00		
	309-31900	99 Pen & Int	\$0.00		
	601-37160	Water Pen & Int	\$0.00	8199	
	101-34000	Charges for Services	\$0.00		
	602-37200	Sewer Sales	\$0.00	8199	
601-37100	Water Sales	\$0.00	8199		
101-31000	Stale Dated Tax Payment:	\$0.00			
	GRAND TOTAL:	\$9,830.93		\$9,830.93	

041-2012 Refunding for 613
 029 - Equip Ceat. for 613
 JAN 14, 2026
 11:19 AM
 AUTHORITY: 010200 CITY OF BLACKDUCK

BELTRAMI COUNTY, MN
 REMITTANCE ADVICE REPORT
 COLLECTED THROUGH 12/31/2025 FOR CHECK DATE 12/31/2025

ROLL	TAX TYPE	2025	2024	2023	2022	2021	2020	ALL PRIOR
GRAND TOTAL		9,830.93	14.27	0.00	0.00	0.00	0.00	0.00
AMOUNT OF CHECK		9,830.93						
M	NET TCAP	21.92	0.00	0.00	0.00	0.00	0.00	0.00
	10108 * 001 GENERAL REVENUE 101	21.92	0.00	0.00	0.00	0.00	0.00	0.00
	045 BLACKDUCK HRA LEVY -210	0.48	0.00	0.00	0.00	0.00	0.00	0.00
	047 2014A DISP SYS BOND 314	0.54	0.00	0.00	0.00	0.00	0.00	0.00
	049 2023A GO BOND 381	1.40	0.00	0.00	0.00	0.00	0.00	0.00
	050 2023B GO BOND 382	0.24	0.00	0.00	0.00	0.00	0.00	0.00
	051 2024A GO EQUIPMENT I 331	0.54	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL NET TCAP	25.12	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL M	21.92	0.00	0.00	0.00	0.00	0.00	0.00
	045 BLACKDUCK HRA LEVY	0.48	0.00	0.00	0.00	0.00	0.00	0.00
	047 2014A DISP SYS BOND	0.54	0.00	0.00	0.00	0.00	0.00	0.00
	049 2023A GO BOND	1.40	0.00	0.00	0.00	0.00	0.00	0.00
	050 2023B GO BOND	0.24	0.00	0.00	0.00	0.00	0.00	0.00
	051 2024A GO EQUIPMENT I	0.54	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL M	25.12	0.00	0.00	0.00	0.00	0.00	0.00
R/P	NET TCAP	7,952.89	12.13	0.00	0.00	0.00	0.00	0.00
	001 GENERAL REVENUE 101	7,952.89	12.13	0.00	0.00	0.00	0.00	0.00
	042 2009 A REFUNDING 309	0.00	0.57	0.00	0.00	0.00	0.00	0.00
	10108 * 045 BLACKDUCK HRA LEVY 210	169.50	0.29	0.00	0.00	0.00	0.00	0.00
	047 2014A DISP SYS BOND 314	198.60	0.30	0.00	0.00	0.00	0.00	0.00
	049 2023A GO BOND 381	503.54	0.84	0.00	0.00	0.00	0.00	0.00
	050 2023B GO BOND 382	86.81	0.14	0.00	0.00	0.00	0.00	0.00
	051 2024A GO EQUIPMENT I 331	196.10	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL NET TCAP	9,107.44	14.27	0.00	0.00	0.00	0.00	0.00
	TOTAL R/P	7,952.89	12.13	0.00	0.00	0.00	0.00	0.00
	001 GENERAL REVENUE	0.00	0.57	0.00	0.00	0.00	0.00	0.00
	042 2009 A REFUNDING	169.50	0.29	0.00	0.00	0.00	0.00	0.00
	045 BLACKDUCK HRA LEVY	198.60	0.30	0.00	0.00	0.00	0.00	0.00
	047 2014A DISP SYS BOND	503.54	0.84	0.00	0.00	0.00	0.00	0.00
	049 2023A GO BOND	86.81	0.14	0.00	0.00	0.00	0.00	0.00
	050 2023B GO BOND	196.10	0.00	0.00	0.00	0.00	0.00	0.00
	051 2024A GO EQUIPMENT I	196.10	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL R/P	9,107.44	14.27	0.00	0.00	0.00	0.00	0.00
SPECIAL	SPECIAL	651.58	0.00	0.00	0.00	0.00	0.00	0.00
	81280 SUMMIT AVE W & MA.	651.58	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL SPECIAL	32.52	0.00	0.00	0.00	0.00	0.00	0.00
	PENALTY	684.10	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL SPECIAL	684.10	0.00	0.00	0.00	0.00	0.00	0.00

PROJECT: 81280 - SUMMIT AVE W & MAIN ST N

AUTH	ASMT YEAR	PARCEL ID	OWNER NAME	SA BASE PRINCIPAL	SA BASE INTEREST	SA FEES	DELQ PENALTY	DELQ INTEREST	TOTAL
010200	2024	810032900	MICHEAL D POLLARD	258.50	69.79		16.36		344.65
010200	2024	810034300	CLIFFORD HANSON	254.56	68.73		16.16		339.45
010200	2024	AUTHORITY YEAR TOTAL		513.06	138.52		32.52		684.10
010200	AUTHORITY TOTAL			513.06	138.52		32.52		684.10
81280	PROJECT TOTAL			513.06	138.52		32.52		684.10

171.04

Date: January 16, 2026

To: Municipalities Seeking WIF Grants for Water Infrastructure Projects
(by email)

From: Steve Walter, MPFA Executive Director

Subject: Water Infrastructure Project Information Worksheet - **DUE January 26, 2026**

Each year the Minnesota Public Facilities Authority (MPFA) submits a report to the Minnesota Legislature on estimated funding needs under the Water Infrastructure Funding (WIF) program ([Minnesota Statutes, section 446A.072](#)) for wastewater and drinking water projects. The WIF program provides supplemental grants for high cost projects. Eligibility is based on affordability criteria (average cost per household of the wastewater or drinking water system), including operation and maintenance costs, existing debt service, and estimated additional debt service for the new project.

To be potentially eligible for a WIF grant, projects must be listed on the Clean Water Project Priority List (PPL) (prepared by the Minnesota Pollution Control Agency) or the Drinking Water PPL (prepared by the Minnesota Department of Health).

To assure we have accurate information for the report, municipalities with projects on the 2026 Project Priority Lists that may have grant eligible projects are asked to submit a Water Infrastructure Project Worksheet Excel file. The file is attached to the email that this letter is will be distributed by email and is available on our website at:

https://mn.gov/deed/assets/water-infrastructure-worksheet_tcm1045-452874.xlsx

The excel file includes an “Instructions” sheet.

A separate worksheet should be completed for each project and submitted by email to: mn.pfa@state.mn.us. Please return completed worksheets ASAP. Thanks!

Return completed form to
MPFA by Jan 26, 2026

Minnesota Public Facilities Authority
WIF Project Information Worksheet
(Instructions on next page)



1a. Project Type:
(drop-down list)

Drinking_Water

1b. 2026 PPL Project ID,
Project Name,
Project Description
(drop-down list)

Project ID: 1040014-02
Blackduck
Watermain - Replacement

2. Estimated year of construction start?

2027

3. Has applicant applied to USDA-RD?

Yes

4. Applicant name:

City of Blackduck

Contact Person:

Christina Regas

Title:

City Administrator

Phone:

218-835-4803

Address:

8 Summit Ave E.

City | State | Zip:

Blackduck MN 56630

E-mail address:

christina.regas@blackduckmn.com

5. Consultant (firm):

Widseth

Contact Person:

Tim Ramerth

Title:

Civil Engineer, President

Phone:

218-316-3653

Address:

PO Box 458

City | State | Zip:

Crookston MN 56716

E-mail address:

tim.ramerth@widseth.com

6. Brief Description of Project (area to be served, problem/need, proposed solution)

The existing water distribution system consists of areas with CI pipe and many of which are undersized according to Ten State Standards (TSS) and adequate looping doesn't exist. The CI watermains were installed over 50 years ago. They have met their effective life and should be replaced. Gate valves and hydrants that were installed with the CI watermain will be replaced. Install

7. Estimated Project Costs

Planning/Design	\$	495,687
Other A/E, Legal	\$	928,750
Land	\$	-
Construction	\$	5,023,185
Const Cntgncy (5%)	\$	251,159
Total	\$	6,698,781

8. Existing Debt Service and O&M Costs (WW or DW)

A. Existing annual system debt service
10 yr average (see separate box)
B. Annual operation and maintenance cost
(do not include depreciation)

	Current	When Project Begins Operation
A. Existing annual system debt service		\$ 84,917
B. Annual operation and maintenance cost	\$ 251,241	\$ 266,315

9. Residential and Nonresidential Users

	Current Users	Estimated Users When Project Begins Operation	Estimated Users in 20 years
A. Residential households (billed individually):			
i) connections	211	211	232
ii) ERU's (equals residential HH connections):	211	211	232
iii) percentage of system use:	46%	46%	46%
B. Other residential (multi-family, other residential facilities):			
i) connections	163	163	179
ii) ERU's	163	163	179
iii) percentage of system use:	36%	36%	36%
C. Nonresidential:			
i) connections	82	82	90
ii) ERU's	82	82	90
iii) percentage of system use:	18%	18%	18%
D. Total Users:			
i) connections	456	456	502
ii) ERU's	456	456	501
iii) percentage of system use:	100%	100%	100%

10. Municipalities (cities and townships) included in the Project Area

Municipality Name	Current System Users		Estimated Users When Project Begins Operation		Estimated Users in 20 years	
	Connections	ERUs	Connections	ERUs	Connections	ERUs
A. City of Blackduck	456	456	456	456	502	501
B.						
C.						
D.						
Totals (should match above):						
	456	456	456	456	502	501

11. Data Prepared and Authorized By

Worksheet Prepared By:	Christina Regas	Title:	City Administrator	Phone:	218-835-4803
Submittal Authorized By: (Municipal Official)	Christina Regas	Title:	City Administrator	Phone:	218-835-4803

MPFA

Loan

Officer : Paul Perez

MPFA

Region : 02

Space for notes, if needed

Annual Drinking Water operation & Maintenance cost estimates increase of 6% when project begins.

Annual Debt Service On Existing WW or DW System Debt
(do not include estimated debt service for the proposed project)

DS Amt (P&I)	Year
\$ 87,099	2026
\$ 86,574	2027
\$ 85,449	2028
\$ 89,324	2029
\$ 88,086	2030
\$ 86,766	2031
\$ 85,446	2032
\$ 90,297	2033
\$ 75,828	2034
\$ 74,298	2035
\$ 84,917	= 10 yr avg

Space for notes, if needed

Total users in 20 years estimates increase of 10%.

Return completed form to
MPFA by Jan 26, 2026

Minnesota Public Facilities Authority
WIF Project Information Worksheet
(Instructions on next page)



1a. Project Type:
(drop-down list)

Drinking_Water

1b. 2026 PPL Project ID,
Project Name,
Project Description
(drop-down list)

Project ID: 1040014-04
Blackduck
Treatment - Plant Rehab

2. Estimated year of construction start?

2027

3. Has applicant applied to USDA-RD?

Yes

4. Applicant name:

City of Blackduck

Contact Person:

Christina Regas

Title:

City Administrator

Phone:

218-835-4803

Address:

8 Summit Ave E.

City | State | Zip:

Blackduck MN 56630

E-mail address:

christina.regas@blackduckmn.com

5. Consultant (firm):

Widseth

Contact Person:

Tim Ramerth

Title:

Civil Engineer, President

Phone:

218-316-3653

Address:

PO Box 458

City | State | Zip:

Crookston MN 56716

E-mail address:

tim.ramerth@widseth.com

6. Brief Description of Project (area to be served, problem/need, proposed solution)

The EPA requires adequate chemical separation, the current facility stores all chemical in close proximity. Many components of the treatment facility are aged and require updates to provide consistent water treatment. Valves in the plant are inoperable or weak, magnetic flow metering are not provided accurate readings, and miscellaneous panel issues due to age. The building's exterior needs

7. Estimated Project Costs

Planning/Design	\$	306,364
Other A/E, Legal	\$	386,629
Land	\$	-
Construction	\$	2,406,673
Const Cntgncy (5%)	\$	120,334
Total	\$	3,220,000

8. Existing Debt Service and O&M Costs (WW or DW)

A. Existing annual system debt service
10 yr average (see separate box)
B. Annual operation and maintenance cost
(do not include depreciation)

	Current	When Project Begins Operation
A. Existing annual system debt service		\$ 84,917
B. Annual operation and maintenance cost	\$ 251,241	\$ 266,315

9. Residential and Nonresidential Users

	Current Users	Estimated Users When Project Begins Operation	Estimated Users in 20 years
A. Residential households (billed individually):			
i) connections	211	211	232
ii) ERU's (equals residential HH connections):	211	211	232
iii) percentage of system use:	46%	46%	46%
B. Other residential (multi-family, other residential facilities):			
i) connections	163	163	179
ii) ERU's	163	163	179
iii) percentage of system use:	36%	36%	36%
C. Nonresidential:			
i) connections	82	82	90
ii) ERU's	82	82	90
iii) percentage of system use:	18%	18%	18%
D. Total Users:			
i) connections	456	456	502
ii) ERU's	456	456	501
iii) percentage of system use:	100%	100%	100%

10. Municipalities (cities and townships) included in the Project Area

Municipality Name	Current System Users		Estimated Users When Project Begins Operation		Estimated Users in 20 years	
	Connections	ERUs	Connections	ERUs	Connections	ERUs
A. City of Blackduck	456	456	456	456	502	501
B.						
C.						
D.						
Totals (should match above):						
	456	456	456	456	502	501

11. Data Prepared and Authorized By

Worksheet Prepared By:	Christina Regas	Title:	City Administrator	Phone:	218-835-4803
Submittal Authorized By: (Municipal Official)	Christina Regas	Title:	City Administrator	Phone:	218-835-4803

MPFA

Loan

Officer : Paul Perez

MPFA

Region : 02

Space for notes, if needed
Annual Drinking Water operation & Maintenance cost estimates increase of 6% when project begins.

Annual Debt Service On Existing WW or DW System Debt
(do not include estimated debt service for the proposed project)

DS Amt (P&I)	Year
\$ 87,099	2026
\$ 86,574	2027
\$ 85,449	2028
\$ 89,324	2029
\$ 88,086	2030
\$ 86,766	2031
\$ 85,446	2032
\$ 90,297	2033
\$ 75,828	2034
\$ 74,298	2035
\$ 84,917	= 10 yr avg

Space for notes, if needed
Total users in 20 years estimates increase of 10%.

Return completed form to
MPFA by Jan 26, 2026

Minnesota Public Facilities Authority
WIF Project Information Worksheet
(Instructions on next page)



1a. Project Type:
(drop-down list)

Drinking_Water

1b. 2026 PPL Project ID,
Project Name,
Project Description
(drop-down list)

Project ID: 1040014-03
Blackduck
Storage - Tower Rehab

2. Estimated year of construction start?

2027

3. Has applicant applied to USDA-RD?

Yes

4. Applicant name:

City of Blackduck

Contact Person:

Christina Regas

Title:

City Administrator

Phone:

218-835-4803

Address:

8 Summit Ave E.

City | State | Zip:

Blackduck MN 56630

E-mail address:

christina.regas@blackduckmn.com

5. Consultant (firm):

Widseth

Contact Person:

Tim Ramerth

Title:

Civil Engineer, President

Phone:

218-316-3653

Address:

PO Box 458

City | State | Zip:

Crookston MN 56716

E-mail address:

tim.ramerth@widseth.com

6. Brief Description of Project (area to be served, problem/need, proposed solution)

The EWST was construction in 2003, and the coatings are at the end of their useful life. It is recommended to replace the interior and the exterior coatings of the tank. Provide a gear drive mixer to prevent freeze ups and provide more consistent water.

7. Estimated Project Costs

Planning/Design	\$	38,400
Other A/E, Legal	\$	79,507
Land	\$	-
Construction	\$	344,850
Const Cntgncy (5%)	\$	17,243
Total	\$	480,000

8. Existing Debt Service and O&M Costs (WW or DW)

A. Existing annual system debt service
10 yr average (see separate box)
B. Annual operation and maintenance cost
(do not include depreciation)

	Current	When Project Begins Operation
A. Existing annual system debt service		\$ 84,917
B. Annual operation and maintenance cost	\$ 251,241	\$ 266,315

9. Residential and Nonresidential Users

	Current Users	Estimated Users When Project Begins Operation	Estimated Users in 20 years
A. Residential households (billed individually):			
i) connections	211	211	232
ii) ERU's (equals residential HH connections):	211	211	232
iii) percentage of system use:	46%	46%	46%
B. Other residential (multi-family, other residential facilities):			
i) connections	163	163	179
ii) ERU's	163	163	179
iii) percentage of system use:	36%	36%	36%
C. Nonresidential:			
i) connections	82	82	90
ii) ERU's	82	82	90
iii) percentage of system use:	18%	18%	18%
D. Total Users:			
i) connections	456	456	502
ii) ERU's	456	456	501
iii) percentage of system use:	100%	100%	100%

10. Municipalities (cities and townships) included in the Project Area

Municipality Name	Current System Users		Estimated Users When Project Begins Operation		Estimated Users in 20 years	
	Connections	ERUs	Connections	ERUs	Connections	ERUs
A. City of Blackduck	456	456	456	456	502	501
B.						
C.						
D.						
Totals (should match above):						
	456	456	456	456	502	501

11. Data Prepared and Authorized By

Worksheet Prepared By:	Christina Regas	Title:	City Administrator	Phone:	218-835-4803
Submittal Authorized By: (Municipal Official)	Christina Regas	Title:	City Administrator	Phone:	218-835-4803

MPFA

Loan

Officer : Paul Perez

MPFA

Region : 02

Space for notes, if needed
Annual Drinking Water operation & Maintenance cost estimates increase of 6% when project begins.

Annual Debt Service On Existing WW or DW System Debt
(do not include estimated debt service for the proposed project)

DS Amt (P&I)	Year
\$ 87,099	2026
\$ 86,574	2027
\$ 85,449	2028
\$ 89,324	2029
\$ 88,086	2030
\$ 86,766	2031
\$ 85,446	2032
\$ 90,297	2033
\$ 75,828	2034
\$ 74,298	2035
\$ 84,917	= 10 yr avg

Space for notes, if needed
Total users in 20 years estimates increase of 10%.



Municipal Securities Rulemaking Board

Information for Municipal Advisory Clients

The Municipal Securities Rulemaking Board (MSRB) provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. Certain of those protections also apply to potential clients of a municipal advisor. Municipal advisors must comply with our rules when engaging in municipal advisory activities.

This document summarizes key principles of our rules that protect you. It also provides information on how to file a complaint against a municipal advisor with the appropriate federal regulatory authority. For the complete text of the rules and additional educational information, visit the MSRB's website at www.msrb.org.

Professional Competency. Our rules require that your municipal advisor meet professional qualification requirements based on its municipal advisory activities. Beginning January 1, 2018, our rules require that municipal advisors also meet continuing education requirements.

Fair Dealing. Our rules require that your municipal advisor deal fairly with you and not engage in any deceptive, dishonest or unfair practice. Your municipal advisor must satisfy a duty of care. Your municipal advisor's recommendations must be suitable, and your municipal advisor's compensation for its recommendations must not be excessive.

To help make sure that your municipal advisor is providing unbiased advice, our rules address potential conflicts of interest, including gift-giving and political contributions. Our rules generally prohibit a municipal advisor from advising or soliciting a municipal entity within two years of a political contribution to an official of that municipal entity.

Our rules also require that you receive certain disclosures from your municipal advisor so you are aware of information that is material to your decision-making. If you are receiving advice from your municipal advisor, your municipal advisor must disclose, in writing, all material conflicts of interest, and all legal and disciplinary events material to your evaluation of your municipal advisor. We refer to this as a “full and fair” disclosure under our rules.

You are also protected by our fair dealing rules if you are solicited by a municipal advisor on behalf of a third-party municipal securities dealer, municipal advisor or investment adviser to buy certain products or services. That municipal advisor must disclose all material facts about the solicitation, including all material risks and characteristics of the product or service.

Duty of Loyalty. If you are a municipal entity, our rules provide extra protections when your municipal advisor advises you about municipal financial products or the issuance of municipal securities. Your municipal advisor must deal honestly and with the utmost of good faith, and act in your best interests without regard to its financial or other interests.

Periodic Disclosure. Your municipal advisor must periodically provide you with the following:

- a statement that it is registered with the MSRB and the Securities and Exchange Commission (SEC);
- the MSRB’s website address; and
- a statement as to the availability of this brochure.

Documentation. When hiring a municipal advisor to provide advice, your municipal advisor must give you a written document outlining certain terms of its relationship with you.

Remedies for Disputes

If you have a dispute with your municipal advisor firm or representative, you should try to — but do not have to — resolve it with the individual or a supervisor. In some cases, you may not be able to resolve the dispute.

Terms as Used in this Brochure

- **You:** A municipal advisory client, including:
 - **Municipal Entity:** A state, political subdivision of a state, or municipal corporate instrumentality of a state, including a public pension plan.
 - **Obligated Person:** Any person (including the issuer) legally committed to support payment of all or part of an issue of municipal securities, other than certain unrelated providers of credit or liquidity enhancement.
- **Municipal Advisory Activities**
 - **The provision of advice** to you with respect to municipal financial products or the issuance of municipal securities.
 - **Solicitation** of you on behalf of certain third parties to purchase a product or service.

Municipal advisors that also act as municipal securities dealers must follow additional rules. For more information about the regulatory protections for investors, see the MSRB's [Information for Municipal Securities Investors](#) brochure.

Filing a Complaint

Regardless of whether you have tried to resolve your complaint directly, you may file a formal complaint with the regulatory agency that examines your municipal advisor for compliance with MSRB rules. You also may contact the MSRB, at 1300 I Street NW, Suite 1000, Washington, DC, 20005, 202-838-1330, complaints@msrb.org, and we will forward the complaint to the appropriate enforcement agency listed below.

To expedite the handling of your complaint, please be as specific as possible as to the nature of the complaint, including detail about the representative and/or firm involved. Please provide your name, phone number, email address and mailing address.

If you have a complaint about a potential violation of MSRB rules or other federal securities laws, contact:

U.S. Securities and Exchange Commission

SEC Center for Complaints and Enforcement Tips
100 F Street, N.E.
Washington, DC 20549-5990
<https://www.sec.gov/reportspubs/investor-publications/complaintshtml.html>

Or use the online portal at:
<https://acadia.sec.gov/TcrExternalWeb/faces/pages/accept.jspx>

If you have a complaint about your municipal advisor or about the municipal securities market:

U.S. Securities and Exchange Commission

Office of Investor Education and Advocacy
100 F Street, N.E.
Washington, DC 20549-0213
Fax: (202) 772-9295
<https://www.sec.gov/complaint/question.shtml>

Or use the online portal at:
<https://www.sec.gov/oiea/Complaint.html>

If you have a complaint against your municipal advisor that is also registered with FINRA as a dealer, contact:

FINRA Investor Complaint Center

9509 Key West Avenue
Rockville, MD 20850-3329
(240) 386-4357
<http://www.finra.org/investors/problem>

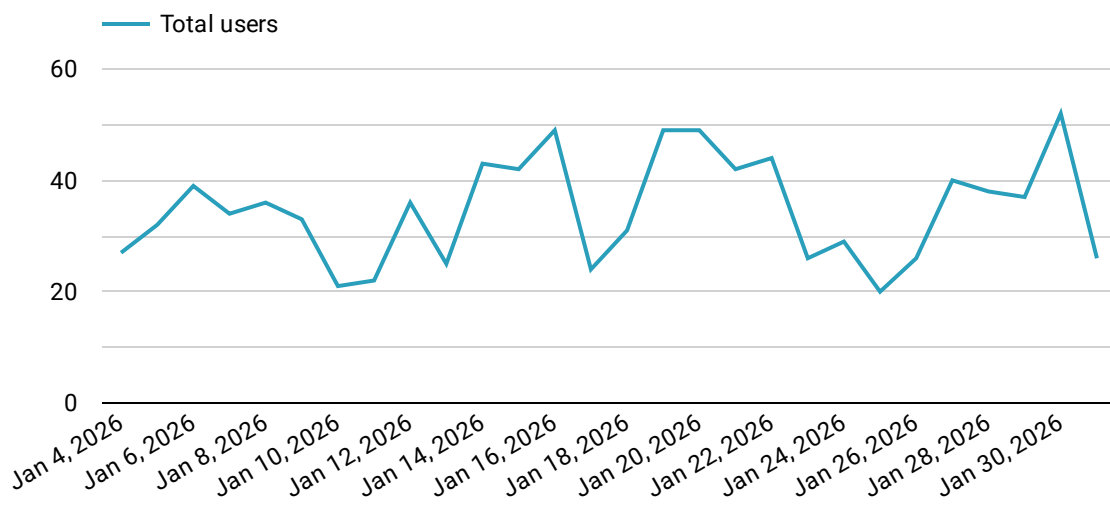
Or use the online portal at:
<http://www.finra.org/investors/investor-complaint-center>

About MSRB

The Municipal Securities Rulemaking Board (MSRB) was established by Congress in 1975 with the mission to protect investors, issuers and the public interest and to promote efficiency, competition and capital formation. MSRB is a private, self-regulatory organization governed by an independent board of directors with market knowledge and expertise. MSRB does not receive federal appropriations and is funded primarily through fees paid by regulated entities. MSRB is overseen by Congress and the Securities and Exchange Commission.

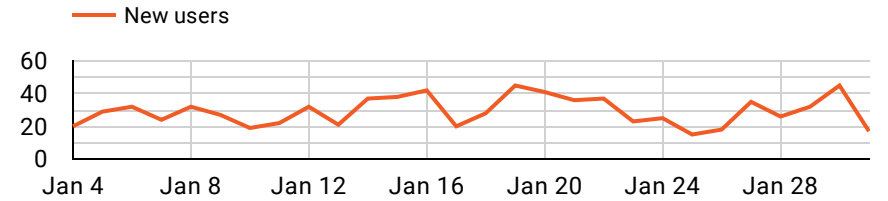
City of Blackduck Analytics Report

Country ▾ Region ▾ Device category ▾ Session campaign ▾ Jan 2, 2026 - Jan 31, 2026 ▾

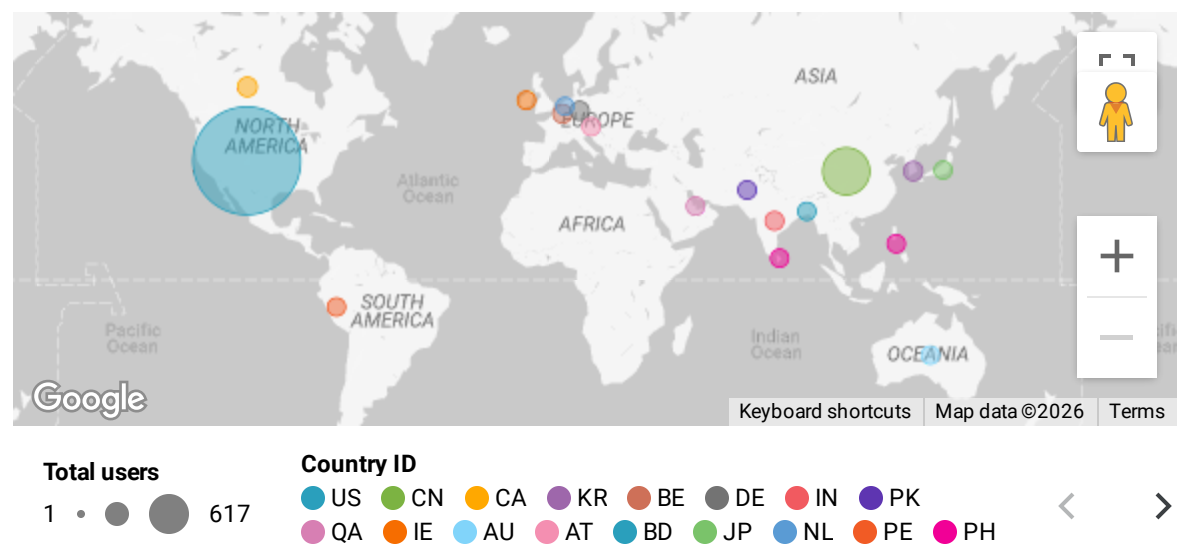
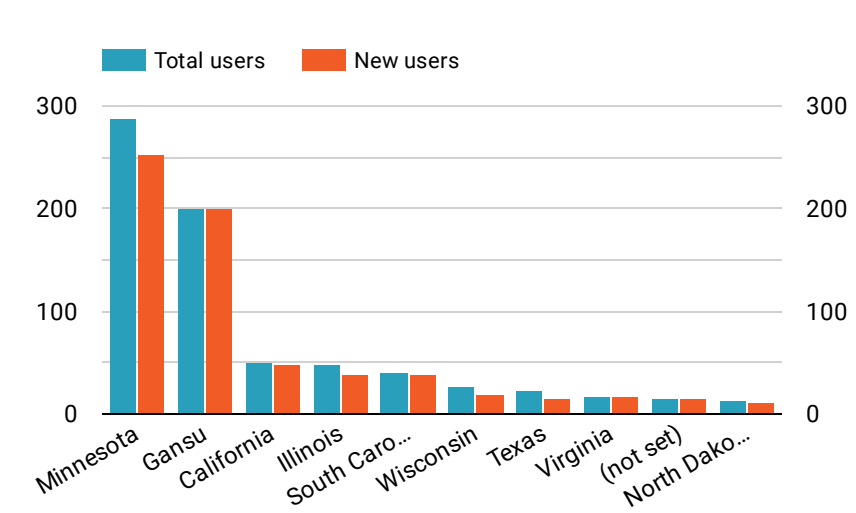
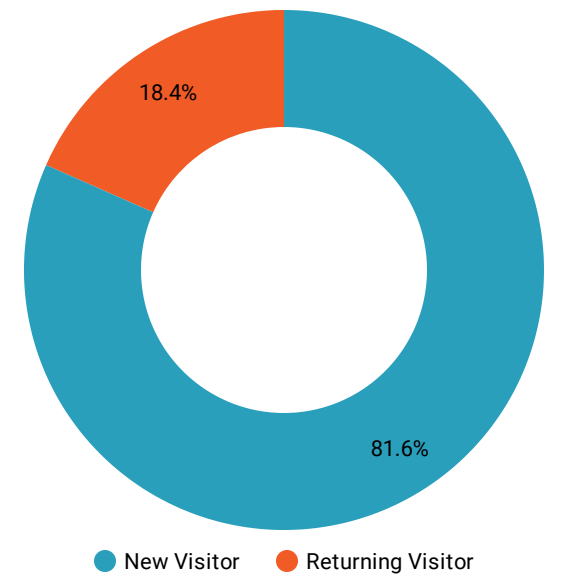


First user source	Total users ▾	New users
1. (direct)	458	446
2. google	339	303
3. bing	34	31
4. duckduckgo	14	14

1 - 16 / 16 < >



<p>Total users</p> <p>870</p>	<p>New users</p> <p>818</p>	<p>Sessions per user</p> <p>1.2</p>	<p>Sessions</p> <p>1,057</p>
<p>Views</p> <p>1,575</p>	<p>Events per session</p> <p>4.7</p>	<p>Engaged sessions</p> <p>441.0</p>	<p>Engagement rate</p> <p>41.7%</p>

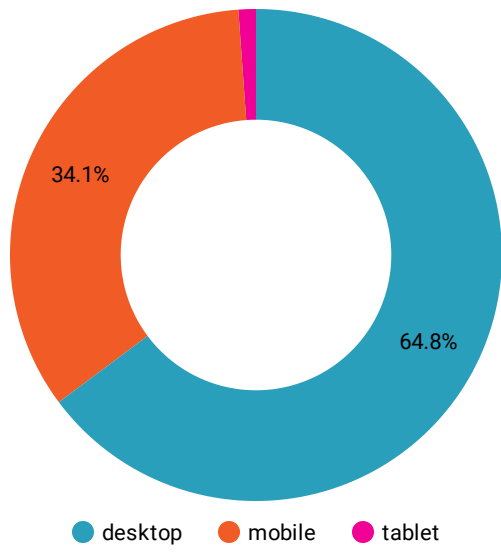


Region	Total users ▾	New use...
1. Minnesota	289	254
2. Gansu	200	200
3. California	50	49
4. Illinois	49	38
5. South Carolina	40	39
6. Wisconsin	27	19
7. Texas	23	15
8. Virginia	17	17

1 - 64 / 64 < >

Country	Total users ▾	New users
1. United States	617	569
2. China	200	200
3. Canada	11	10
4. South Korea	9	9
5. Belgium	7	7

1 - 18 / 18 < >



Device category	Total users
1. desktop	565
2. mobile	297
3. tablet	10

	Page path	Views	Average Engagment Time
1.	/	602	00:00:16
2.	/campground/	85	00:00:28
3.	/contact-us/	82	00:00:13
4.	/blackduck-community-library/	65	00:02:04
5.	/employment/	65	00:00:18
6.	/meeting-minutes-agenda/	65	00:00:20
7.	/rentals/	63	00:00:24

1 - 71 / 71 < >

ESTIMATE

Juelson Plumbing & Heating
18994 HINES RD NE
Hines, MN 56647

jphi@paulbunyan.net
+1 (218) 835-7704
JUELSON PLUMBING & HEATING
INC

Blackduck Fire Dept
Bill to
Blackduck Fire Department
PO Box 380
Blackduck, MN 56630

Ship to
Blackduck Fire Department
PO Box 380
Blackduck, MN 56630

Estimate details

Estimate no.: 2694
Estimate date: 02/04/2026

#	Product or service	Description	Qty	Rate	Amount
1.	Heat	1-Lennox Elite 97% Eff. 70,000 BTU Furnace EL297UH070XV36BK 1-Lennox 5" Filter Rack and Filter 1-Honeywell Focus Pro S200 Smart Thermostat 1-Plenum Adaptor	1	\$4,310.00	\$4,310.00
2.	Heat	Labor and Materials to Gas Pipe, Vent, and Install Furnace	1	\$1,590.00	\$1,590.00
				Total	\$5,900.00

Accepted date

Accepted by

February 4, 2026

Erica Naughton
Naughton Properties of Blackduck LLC
25490 Hines Road NE
Hines Mn 56647

RE: Petroleum Tank Release Site File Closure
Site: Blackduck Amoco, 288 Main St N, Blackduck, Beltrami County 56630
MPCA Site ID: LS0012811

Dear Erica Naughton

The Minnesota Pollution Control Agency (MPCA) has determined that the investigation and/or cleanup has adequately addressed the petroleum tank release at the site listed above. Based on the information provided by MPCA's contractor, WCEC, the MPCA has closed the petroleum tank release site file.

The closure of the petroleum tank release site file means the MPCA does not require any additional investigation or clean-up work at this time or in the foreseeable future. Please be aware that file closure does not necessarily mean that all petroleum contamination has been removed from this site. However, the MPCA has concluded that any remaining contamination, if present, does not appear to pose a threat to public health or the environment under current conditions.

The MPCA reserves the right to reopen this file and to require additional investigation or clean-up work if new information, changing regulatory requirements, or changed land use makes additional work necessary. If you or other parties discover additional contamination (either petroleum or non-petroleum) that was not previously reported, Minnesota state law requires that the MPCA be notified immediately.

You should understand this letter does not release any party from liability for the petroleum contamination under Minn. Stat. § 115C.021, subd. 1 or any other applicable state or federal law. In addition, this letter does not release any party from liability for non-petroleum contamination, if present, under Minn. Stat. § 115B, the Minnesota Environmental Response and Liability Act.

If future development of this property or the surrounding area is planned, it should be assumed that petroleum contamination may still be present. If petroleum contamination is encountered during future development work, the MPCA should be notified immediately.

If you have any questions regarding this letter, please contact me at 651-757-2627 or by email at kathryn.serier@state.mn.us, or the site's hydrologist, Rose Tusa, at 651-757-2490 or by email at rose.tusa@state.mn.us. Please reference the above MPCA Site ID in all correspondence. You may also reach the MPCA by calling 651-296-6300 or 800-657-3864.

Erica Naughton
Page 2
February 4, 2026

Sincerely,

Kathryn Serier

This document has been electronically signed.

Kathryn Serier
Project Manager
Remediation Division

KS/RT:df

cc: Christina Regas, City of Blackduck (electronic)
Brian Larson, Blackduck Fire Department (electronic)
Shane Foley, Beltrami County Environmental Services (electronic)
Jesse Frank, WCEC (electronic)
Matt Johnson, WCEC (electronic)
Timothy Motschman (USPS)
William Roberts (USPS)

February 6, 2026

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

Professional Services Proposal Lift Station Rehabilitation Project

Dear Honorable Mayor and City Council,

Thank you for the opportunity to assist the City of Blackduck with your Lift Station Rehabilitation Project. Widseth Smith Nolting & Associates, Inc. (dba Widseth) is pleased to submit a proposal for professional design and construction administration services.

Project Understanding

We understand three (3) lift stations are failing and in need of rehabilitation prior to the large project identified for the City of Blackduck. Our work will consist of preparation of Plans and Specifications for obtaining competitive bids to complete the rehabilitation of the sanitary sewer lift stations. These include the Main, West End (Oscar) and Black Mallard Lift Stations. Upon execution of a construction contract, Widseth will provide construction administration and observation services.

General Scope of Work

Based on our knowledge and preparation of the Preliminary Engineering Report (PER), quotes received from Minnesota Pump works, and discussions with Mike Schwanke, Public Works Director, the scope of work at each of the lift stations will include:

- Removal and replacement of existing ductile iron piping, fittings and valving.
- Removal and replacement of existing electrical controls and incorporating generator receptacle into new electrical control panels. The main lift station will have a future permanent generator installed as part of the large project.
- Salvage existing auto-dialer systems and for incorporating into new electrical control panel.
- Removal and replacement of existing pumps and guide rail systems.

It is our understanding the piping in the main lift station has been replaced.

Design Schedule

Based on the Scope of Services, this agreement will be from the proposal acceptance date through the completion of construction. Widseth proposes the following tentative design schedule:

Design	April 17, 2026
Construction Administration/Observation	Summer / Fall 2026

Scope of Services

Based on the Project Understanding outlined above, Widseth proposes the following Scope of Services:

Topographic Survey:

- The Widseth survey team will complete the topographic survey, together with the location of all visible utility appurtenances (and invert elevations for all utility structures as needed).
 - Utility locations will be shown on our topographic survey by utilizing current mapping records, and by surveying any visible utility structures, together with any field markings observed on site as coordinated through the Gopher One-Call utility locating system. Widseth will not expose or physically locate underground utilities and can make no guarantee that all utilities, whether in service or abandoned, will be located.

Civil Engineering Design:

Widseth will provide the following services as part of our Engineering Design:

- Complete a site visit with MN Pump Works and Mike Schwanke to review existing conditions and the proposed improvements.
- Preparation of a complete set of plans and specifications including incorporation of necessary documents / wage rates, etc. as may be required by Funding Agency.
- Preparation of necessary permitting, plan review documents.
- Prepare advertisement for bid and post advertisement in City's official newspaper and QuestCDN Website.
- Answer questions of contractors during the bidding phase and issue Addendums when required.
- Conduct bid opening, tabulate bids and provide recommendations to City Council.

Electrical Engineering Design:

Widseth will provide the following services as part of our Electrical Engineering Design:

- Complete a site visit with MN Pump Works and Mike Schwanke to review existing conditions and the proposed improvements.
- Preparation of a complete set of electrical plans and specifications, including, but not limited to:
 - Demolition of existing electrical components at the lift stations.
 - Sizing electrical service entrance at proposed lift stations.
 - Sizing feeders, overcurrent protection, disconnects, VFDs, etc. for lift station equipment.
 - Division 26 Electrical specifications.
 - Controls and Control Panel specifications.
 - West End (Oscar) and Black Mallard Lift Stations will include provisions for connection to a portable generator.
 - Main Lift Station will include provisions for a future permanent generator.
- Answer questions of contractors during the bidding phase and issue any addendums when required.

Construction Administration:

During Construction Widseth will provide the following services:

- Shop drawing review
- Preconstruction meeting with contractors, owner and utility companies.
- Construction staking (If necessary)
- Periodic site construction observations and site visits to assist with construction questions. We assume 12 site visits during construction for estimating purposes.
- Review contractor payment applications.
- Final Inspection including completion of punch list for contractor.
- Project Management
- Project Closeout / As-Built Drawings

Proposed Fees

Widseth proposes to complete the Design Services described above for a Total Lump Sum fee of \$37,000.00

Construction Administration/Observation Services to be provided on an Hourly Rate basis in accordance with the attached Fee Schedule. Construction Administration/Observation Fee estimated to be: \$23,000.00

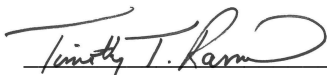
Your signature below and return of this document will indicate your agreement with this Letter Proposal and attachments and shall constitute an Agreement between Widseth and City of Blackduck. If this proposal meets your approval, please sign and return a copy of the executed agreement to our office and we will schedule our work accordingly.

This proposal will remain valid for 30 days after the submission date.

If you have any questions or would like to discuss any items in more detail, please contact Tim Ramerth, PE at 218-316-3653 or by e-mail at tim.ramerth@widseth.com

Thank you for this opportunity to provide professional design and construction administration services. Widseth is eager to contribute our expertise, and we look forward to bringing the project to completion.

Sincerely,



Timothy T. Ramerth, P.E., President

.....

Accepted by the City of Blackduck: The above proposal and attached General Provisions of Professional Services Agreement are satisfactory and Widseth is authorized to do the work as specified. Payment will be made monthly in accordance with the terms on the fee schedule.

2026 FEE SCHEDULE

CLASSIFICATION	RATE
Engineer/Architect/Surveyor/Scientist/Wetland Specialist/Geographer/Project Manager	
Level I	\$145 / Hour
Level II	\$170 / Hour
Level III	\$200 / Hour
Level IV	\$205 / Hour
Level V	\$215 / Hour
Technician	
Level I	\$105 / Hour
Level II	\$125 / Hour
Level III	\$145 / Hour
Level IV	\$160 / Hour
Level V	\$175 / Hour
Computer Systems Specialist	\$180 / Hour
Senior Funding Specialist	\$150 / Hour
Marketing Specialist	\$125 / Hour
Funding Specialist	\$125 / Hour
Administrative Assistant	\$ 90 / Hour

OTHER EXPENSES	RATE
Mileage (Federal Standard Rate) <i>subject to IRS Guidelines</i>	Cost
Meals/Lodging	Cost
Stakes & Expendable Materials	Cost
ATV 4-Wheeler Rental	\$100 / Day
ATV Side by Side Rental	\$200 / Day
Waste Water Sampler	\$40 / Day
ISCO Flow Recorder	\$60 / Day
Photoionization Detection Meter	\$100 / Day
Explosimeter	\$50 / Day
Product Recovery Equipment	\$35 / Day
Survey-Grade GPS (Global Positioning System)	\$75 / Hour
Mapping GPS (Global Positioning System)	\$150 / Day
Lath & Hubs	\$150 / Day
Soil Drilling Rig	\$35 / Hour
Groundwater Sampling Equipment	\$125 / Day
Hydrographic Survey System	\$500 / Day
Subcontractors	Cost plus 10%

REPRODUCTION COSTS	
Black & White Copies: 8-1/2" x 11"	\$0.10 Each
Black & White Copies: 11" x 17"	\$0.50 Each
Black & White Copies: 24" x 36"	\$3 Each
Color Copies: 8-1/2" x 11"	\$2 Each
Color Copies: 11" x 17"	\$4 Each
Color Copies: 24" x 36"	\$12 Each
Color Plots: 42" x 48"	\$22 Each

These rates are effective for only the year indicated and are subject to yearly adjustments which reflect equitable changes in the various components.

General Provisions of Professional Services Agreement

These General Provisions are intended to be used in conjunction with a letter-type Agreement or a Request for Services between Widseth Smith Nolting & Assoc., Inc., a Minnesota Corporation, hereinafter referred to as WIDSETH, and a CLIENT, wherein the CLIENT engages WIDSETH to provide certain Architectural, and/or Engineering services on a Project.

As used herein, the term "this Agreement" refers to (1) the WIDSETH Proposal Letter which becomes the Letter Agreement upon its acceptance by the Client, (2) these General Provisions and (3) any attached Exhibits, as if they were part of one and the same document. With respect to the order of precedence, any attached Exhibits shall govern over these General Provisions, and the Letter Agreement shall govern over any attached Exhibits and these General Provisions. These documents supersede all prior communications and constitute the entire Agreement between the parties. Amendments to this Agreement must be in writing and signed by both CLIENT and WIDSETH.

ARTICLE 1. PERIOD OF SERVICE

The term of this Agreement for the performance of services hereunder shall be as set forth in the Letter Agreement. In this regard, any lump sum or estimated maximum payment amounts set forth in the Letter Agreement have been established in anticipation of an orderly and continuous progress of the Project in accordance with the schedule set forth in the Letter Agreement or any Exhibits attached thereto. WIDSETH shall be entitled to an equitable adjustment to its fee should there be an interruption of services, or amendment to the schedule.

ARTICLE 2. SCOPE OF SERVICES

The scope of services covered by this Agreement shall be as set forth in the Letter Agreement or a Request for Services. Such scope of services shall be adequately described in order that both the CLIENT and WIDSETH have an understanding of the expected work to be performed.

If WIDSETH is of the opinion that any work they have been directed to perform is beyond the Scope of this Agreement, or that the level of effort required significantly exceeds that estimated due to changed conditions and thereby constitutes extra work, they shall notify the CLIENT of that fact. Extra work, additional compensation for same, and extension of time for completion shall be covered by a revision to the Letter Agreement or Request for Services and entered into by both parties.

ARTICLE 3. COMPENSATION TO WIDSETH

A. Compensation to WIDSETH for services described in this Agreement shall be on a Lump Sum basis, Percentage of Construction, and/or Hourly Rate basis as designated in the Letter Agreement and as hereinafter described.

1. A Lump Sum method of payment for WIDSETH's services shall apply to all or parts of a work scope where WIDSETH's tasks can be readily defined and/or where the level of effort required to accomplish such tasks can be estimated with a reasonable degree of accuracy. The CLIENT shall make monthly payments to WIDSETH within 30 days of date of invoice based on an estimated percentage of completion of WIDSETH's services.
2. A Percentage of Construction or an Hourly Rate method of payment of WIDSETH's services shall apply to all or parts of a work scope where WIDSETH's tasks cannot be readily defined and/or where the level of effort required to accomplish such tasks cannot be estimated with any reasonable degree of accuracy. Under an Hourly Rate method of payment, WIDSETH shall be paid for the actual hours worked on the Project by WIDSETH technical personnel times an hourly billing rate established for each employee. Hourly billing rates shall include compensation for all salary costs, payroll burden, general, and administrative overhead and professional fee. In a Percentage of Construction method of payment, final compensation will be based on actual bids if the project is bid and WIDSETH's estimate to the CLIENT if the project is not bid. A rate schedule shall be furnished by WIDSETH to CLIENT upon which to base periodic payments to WIDSETH.
3. In addition to the foregoing, WIDSETH shall be reimbursed for items and services as set forth in the Letter Agreement or Fee Schedule and the following Direct Expenses when incurred in the performance of the work:
 - (a) Travel and subsistence.
 - (b) Specialized computer services or programs.
 - (c) Outside professional and technical services with cost defined as the amount billed WIDSETH.
 - (d) Identifiable reproduction and reprographic costs.
 - (e) Other expenses for items such as permit application fees, license fees, or other additional items and services whether or not specifically identified in the Letter Agreement or Fee Schedule.
4. The CLIENT shall make monthly payments to WIDSETH within 30 days of date of invoice based on computations made in accordance with the above charges for services provided and expenses incurred to date, accompanied by supporting evidence as available.

B. The CLIENT will pay the balance stated on the invoice unless CLIENT notifies WIDSETH in writing of the particular item that is alleged to be incorrect within 15 days from the date of invoice, in which case, only the disputed item will remain undue until resolved by the parties. All accounts unpaid after 30 days from the date of original invoice shall be subject to a service charge of 1 % per month, or the maximum amount authorized by law, whichever is less. WIDSETH shall be entitled to recover all reasonable costs and disbursements, including reasonable attorneys fees, incurred in connection with collecting amount owed by CLIENT. In addition, WIDSETH may, after giving seven days written notice to the CLIENT, suspend services and withhold deliverables under this Agreement until WIDSETH has been paid in full for all amounts then due for services, expenses and charges. CLIENT agrees that WIDSETH shall not be responsible for any claim for delay or other consequential damages arising from suspension of services hereunder. Upon payment in full by Client and WIDSETH's resumption of services, the time for performance of WIDSETH's services shall be equitably adjusted to account for the period of suspension and other reasonable time necessary to resume performance.

ARTICLE 4. ABANDONMENT, CHANGE OF PLAN AND TERMINATION

Either Party has the right to terminate this Agreement upon seven days written notice. In addition, the CLIENT may at any time, reduce the scope of this Agreement. Such reduction in scope shall be set forth in a written notice from the CLIENT to WIDSETH. In the event of unresolved dispute over change in scope or changed conditions, this Agreement may also be terminated upon seven days written notice as provided above.

In the event of termination, and upon payment in full for all work performed and expenses incurred to the date of termination, documents that are identified as deliverables under the Letter Agreement whether finished or unfinished shall be made available by WIDSETH to the CLIENT pursuant to Article 5, and there shall be no further payment obligation of the CLIENT to WIDSETH under this Agreement except for payment of an amount for WIDSETH's anticipated profit on the value of the services not performed by WIDSETH and computed in accordance with the provisions of Article 3 and the Letter Agreement.

In the event of a reduction in scope of the Project work, WIDSETH shall be paid for the work performed and expenses incurred on the Project work thus reduced and for any completed and abandoned work, for which payment has not been made, computed in accordance with the provisions of Article 3 and the Letter Agreement.

ARTICLE 5. DISPOSITION OF PLANS, REPORTS AND OTHER DATA

All reports, plans, specifications, field data and notes and other documents, including all documents on electronic media, prepared by WIDSETH or its consultants are Instruments of Service and shall remain the property of WIDSETH or its consultants, respectively. WIDSETH and its subconsultants retain all common law, statutory and other reserved rights, including, without limitation, copyright. WIDSETH and its subconsultants maintain the right to determine if production will be made, and allowable format for production, of any electronic media or data to CLIENT or any third-party. Upon payment in full of monies due pursuant to the Agreement, WIDSETH shall make hard copies available to the CLIENT, of all documents that are identified as deliverables under the Letter Agreement. If the documents have not been finished (including, but not limited to, completion of final quality control), then WIDSETH shall have no liability for any claims expenses or damages that may arise out of items that could have been corrected during completion/quality control. Any Instruments of Service provided are not intended or represented to be suitable for reuse by the CLIENT or others on extensions of the Project or any other project. Any modification or reuse without written verification or adaptation by WIDSETH for the specific purpose intended will be at CLIENT's sole risk and without liability or legal exposure to WIDSETH. CLIENT shall indemnify, defend and hold harmless WIDSETH from any and all suits or claims of third parties arising out of use of unfinished documents, or modification or reuse of finished documents, which is not specifically verified, adapted, or authorized in writing by WIDSETH. This indemnity shall survive the termination of this Agreement.

Should WIDSETH choose to deliver to CLIENT documents in electronic form, CLIENT acknowledges that differences may exist between any electronic files delivered and the printed hard-copy. Copies of documents that may be relied upon by CLIENT are limited to the printed hard-copies that are signed and/or sealed by WIDSETH. Files in electronic form are only for convenience of CLIENT. Any conclusion or information obtained or derived from such electronic documents will be at user's sole risk. CLIENT acknowledges that the useful life of some forms of electronic media may be limited because of deterioration of the media or obsolescence of the computer hardware and/or software systems. Therefore, WIDSETH makes no representation that such media will be fully usable beyond 30 days from date of delivery to CLIENT.

ARTICLE 6. CLIENT'S ACCEPTANCE BY PURCHASE ORDER OR OTHER MEANS

In lieu of or in addition to signing the acceptance blank on the Letter Agreement, the CLIENT may accept this Agreement by permitting WIDSETH to commence work on the project or by issuing a purchase order signed by a duly authorized representative. Such purchase order shall incorporate by reference the terms and conditions of this Agreement. In the event of a conflict between the terms and conditions of this Agreement and those contained in the CLIENT's purchase order, the terms and conditions of this Agreement shall govern. Notwithstanding any purchase order provisions to the contrary, no warranties, express or implied, are made by WIDSETH.

WIDSETH

ARCHITECTS ■ ENGINEERS
SCIENTISTS ■ SURVEYORS

ARTICLE 7. CLIENT'S RESPONSIBILITIES

A. To permit WIDSETH to perform the services required hereunder, the CLIENT shall supply, in proper time and sequence, the following at no expense to WIDSETH:

1. Provide all program, budget, or other necessary information regarding its requirements as necessary for orderly progress of the work.
2. Designate in writing, a person to act as CLIENT's representative with respect to the services to be rendered under this Agreement. Such person shall have authority to transmit instructions, receive instructions, receive information, interpret and define CLIENT's policies with respect to WIDSETH's services.
3. Furnish, as required for performance of WIDSETH's services (except to the extent provided otherwise in the Letter Agreement or any Exhibits attached hereto), data prepared by or services of others, including without limitation, core borings, probes and subsurface explorations, hydrographic and geohydrologic surveys, laboratory tests and inspections of samples, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restriction; and other special data not covered in the Letter Agreement or any Exhibits attached hereto.
4. Provide access to, and make all provisions for WIDSETH to enter upon publicly or privately owned property as required to perform the work.
5. Act as liaison with other agencies or involved parties to carry out necessary coordination and negotiations; furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
6. Examine all reports, sketches, drawings, specifications and other documents prepared and presented by WIDSETH, obtain advice of an attorney, insurance counselor or others as CLIENT deems necessary for such examination and render in writing, decisions pertaining thereto within a reasonable time so as not to delay the services of WIDSETH.
7. Give prompt written notice to WIDSETH whenever CLIENT observes or otherwise becomes aware of any development that affects the scope of timing of WIDSETH's services or any defect in the work of Construction Contractor(s), Consultants or WIDSETH.
8. Initiate action, where appropriate, to identify and investigate the nature and extent of asbestos and/or pollution in the Project and to abate and/or remove the same as may be required by federal, state or local statute, ordinance, code, rule, or regulation now existing or hereinafter enacted or amended. For purposes of this Agreement, "pollution" and "pollutant" shall mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, alkalis, chemicals and hazardous or toxic waste. Hazardous or toxic waste means any substance, waste pollutant or contaminant now or hereafter included within such terms under any federal, state or local statute, ordinance, code, rule or regulation now existing or hereinafter enacted or amended. Waste further includes materials to be recycled, reconditioned or reclaimed.

If WIDSETH encounters, or reasonably suspects that it has encountered, asbestos or pollution in the Project, WIDSETH shall cease activity on the Project and promptly notify the CLIENT, who shall proceed as set forth above. Unless otherwise specifically provided in the Letter Agreement, the services to be provided by WIDSETH do not include identification of asbestos or pollution, and WIDSETH has no duty to identify or attempt to identify the same within the area of the Project.

With respect to the foregoing, CLIENT acknowledges and agrees that WIDSETH is not a user, handler, generator, operator, treater, storer, transporter or disposer of asbestos or pollution which may be encountered by WIDSETH on the Project. It is further understood and agreed that services WIDSETH will undertake for CLIENT may be uninsurable obligations involving the presence or potential presence of asbestos or pollution. Therefore, CLIENT agrees, except (1) such liability as may arise out of WIDSETH's sole negligence in the performance of services under this Agreement or (2) to the extent of insurance coverage available for the claim, to hold harmless, indemnify and defend WIDSETH and WIDSETH's officers, subcontractor(s), employees and agents from and against any and all claims, lawsuits, damages, liability and costs, including, but not limited to, costs of defense, arising out of or in any way connected with the presence, discharge, release, or escape of asbestos or pollution. This indemnification is intended to apply only to existing conditions and not to conditions caused or created by WIDSETH. This indemnification shall survive the termination of this Agreement.

9. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as CLIENT may require or WIDSETH may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as CLIENT may require to ascertain how or for what purpose any Contractor has used the moneys paid under the construction contract, and such inspection services as CLIENT may require to ascertain that Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.

10. Provide "record" drawings and specifications for all existing physical features, structures, equipment, utilities, or facilities which are pertinent to the Project, to the extent available.
11. Provide other services, materials, or data as may be set forth in the Letter Agreement or any Exhibits attached hereto.

B. WIDSETH may use any CLIENT provided information in performing its services. WIDSETH shall be entitled to rely on the accuracy and completeness of information furnished by the CLIENT. If WIDSETH finds that any information furnished by the CLIENT is in error or is inadequate for its purpose, WIDSETH shall endeavor to notify the CLIENT. However, WIDSETH shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided by CLIENT.

ARTICLE 8. OPINIONS OF COST

Opinions of probable project cost, construction cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs provided for in the Letter Agreement or any Exhibits attached hereto are to be made on the basis of WIDSETH's experience and qualifications and represent WIDSETH's judgment as an experienced design professional. It is recognized, however, that WIDSETH does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices, and that any evaluation of any facility to be constructed, or acquired, or work to be performed on the basis of WIDSETH's cost opinions must, of necessity, be speculative until completion of construction or acquisition. Accordingly, WIDSETH does not guarantee that proposals, bids or actual costs will not substantially vary from opinions, evaluations or studies submitted by WIDSETH to CLIENT hereunder.

ARTICLE 9. CONSTRUCTION PHASE SERVICES

CLIENT acknowledges that it is customary for the architect or engineer who is responsible for the preparation and furnishing of Drawings and Specifications and other construction-related documents to be employed to provide professional services during the Bidding and Construction Phases of the Project, (1) to interpret and clarify the documentation so furnished and to modify the same as circumstances revealed during bidding and construction may dictate, (2) in connection with acceptance of substitute or equal items of materials and equipment proposed by bidders and Contractor(s), (3) in connection with approval of shop drawings and sample submittals, and (4) as a result of and in response to WIDSETH's detecting in advance of performance of affected work inconsistencies or irregularities in such documentation. CLIENT agrees that if WIDSETH is not employed to provide such professional services during the Bidding (if the work is put out for bids) and the Construction Phases of the Project, WIDSETH will not be responsible for, and CLIENT shall indemnify and hold WIDSETH, its officers, consultant(s), subcontractor(s), employees and agents harmless from, all claims, damages, losses and expenses including attorneys' fees arising out of, or resulting from, any interpretation, clarification, substitution acceptance, shop drawing or sample approval or modification of such documentation issued or carried out by CLIENT or others. Nothing contained in this paragraph shall be construed to release WIDSETH, its officers, consultant(s), subcontractor(s), employees and agents from liability for failure to perform in accordance with professional standards any duty or responsibility which WIDSETH has undertaken or assumed under this Agreement.

ARTICLE 10. REVIEW OF SHOP DRAWINGS AND SUBMITTALS

WIDSETH may review and approve or take other appropriate action on the contractor's submittals or shop drawings for the limited purpose of checking for general conformance with information given and design concept expressed in the Contract Documents. Review and/or approval of submittals is not conducted for the purpose of determining accuracy and completeness of other details or for substantiating instructions for installation or performance of equipment or systems, all of which remain the exclusive responsibility of the contractor. WIDSETH's review and/or approval shall not constitute approval of safety precautions, or any construction means, methods, techniques, sequences or procedures. WIDSETH's approval of a specific item shall not indicate approval of an assembly of which the item is a component. WIDSETH's review and/or approval shall not relieve contractor for any deviations from the requirements of the contract documents nor from the responsibility for errors or omissions on items such as sizes, dimensions, quantities, colors, or locations. Contractor shall remain solely responsible for compliance with any manufacturer requirements and recommendations.

ARTICLE 11. REVIEW OF PAY APPLICATIONS

If included in the scope of services, any review or certification of any pay applications, or certificates of completion shall be based upon WIDSETH's observation of the Work and on the data comprising the contractor's application for payment, and shall indicate that to the best of WIDSETH's knowledge, information and belief, the quantity and quality of the Work is in general conformance with the Contract Documents. The issuance of a certificate for payment or substantial completion is not a representation that WIDSETH has made exhaustive or continuous inspections, reviewed construction means and methods, verified any back-up data provided by the contractor, or ascertained how or for what purpose the contractor has used money previously paid by CLIENT.

ARTICLE 12. REQUESTS FOR INFORMATION (RFI)

If included in the scope of services, WIDSETH will provide, with reasonable promptness, written responses to requests from any contractor for clarification, interpretation or information on the requirements of the Contract Documents. If Contractor's RFI's are, in WIDSETH's professional opinion, for information readily apparent from reasonable observation of field conditions or review of the Contract Documents, or are reasonably inferable therefrom, WIDSETH shall be entitled to compensation for Additional Services for WIDSETH's time in responding to such requests. CLIENT may wish to make the Contractor responsible to the CLIENT for all such charges for additional services as described in this article.

ARTICLE 13. CONSTRUCTION OBSERVATION

If included in the scope of services, WIDSETH will make site visits as specified in the scope of services in order to observe the progress of the Work completed. Such site visits and observations are not intended to be an exhaustive check or detailed inspection, but rather are to allow WIDSETH to become generally familiar with the Work. WIDSETH shall keep CLIENT informed about the progress of the Work and shall advise the CLIENT about observed deficiencies in the Work. WIDSETH shall not supervise, direct or have control over any Contractor's work, nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractor nor for the Contractor's safety precautions or programs in connection with the Work. These rights and responsibilities are solely those of the Contractor. WIDSETH shall not be responsible for any acts or omissions of any Contractor and shall not be responsible for any Contractor's failure to perform the Work in accordance with the Contract Documents or any applicable laws, codes, regulations, or industry standards.

If construction observation services are not included in the scope of services, CLIENT assumes all responsibility for interpretation of the Contract Documents and for construction observation, and the CLIENT waives any claims against WIDSETH that are connected with the performance of such services.

ARTICLE 14. BETTERMENT

If, due to WIDSETH's negligence, a required item or component of the Project is omitted from the construction documents, WIDSETH shall not be responsible for paying the cost required to add such item or component to the extent that such item or component would have been required and included in the original construction documents. In no event, will WIDSETH be responsible for any cost or expense that provides betterment or upgrades or enhances the value of the Project.

ARTICLE 15. CERTIFICATIONS, GUARANTEES AND WARRANTIES

WIDSETH shall not be required to sign any documents, no matter by who requested, that would result in WIDSETH having to certify, guarantee or warrant the existence of conditions whose existence WIDSETH cannot ascertain. CLIENT agrees not to make resolution of any dispute with WIDSETH or payment of any amount due to WIDSETH in any way contingent upon WIDSETH signing such certification.

ARTICLE 16. CONTINGENCY FUND

CLIENT and WIDSETH agree that certain increased costs and changes may be required because of possible omissions, ambiguities or inconsistencies in the plans and specifications prepared by WIDSETH, and therefore, that the final construction cost of the Project may exceed the bids, contract amount or estimated construction cost. CLIENT agrees to set aside a reserve in the amount of 5% of the Project construct costs as a contingency to be used, as required, to pay for any such increased costs and changes. CLIENT further agrees to make no claim by way of direct or third-party action against WIDSETH with respect to any increased costs within the contingency because of such changes or because of any claims made by any Contractor relating to such changes.

ARTICLE 17. INSURANCE

WIDSETH shall procure and maintain insurance for protection from claims against it under workers' compensation acts, claims for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims against it for damages because of injury to or destruction of property including loss of use resulting therefrom.

Also, WIDSETH shall procure and maintain professional liability insurance for protection from claims arising out of performance of professional services caused by any negligent act, error, or omission for which WIDSETH is legally liable.

Certificates of insurance will be provided to the CLIENT upon request.

ARTICLE 18. ASSIGNMENT

Neither Party to this Agreement shall transfer, sublet or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party. Subcontracting to subconsultants, normally contemplated by WIDSETH as a generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.

ARTICLE 19. NO THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall create a contractual relationship or a cause of action by a third-party against either WIDSETH or CLIENT. WIDSETH's services pursuant to this Agreement are being performed solely for the CLIENT's benefit, and no other party or entity shall have any claim against WIDSETH because of this Agreement.

ARTICLE 20. CORPORATE PROTECTION

It is intended by the parties to this Agreement that WIDSETH's services in connection with the Project shall not subject WIDSETH's individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary, CLIENT agrees that as the CLIENT's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against WIDSETH, a Minnesota corporation, and not against any of WIDSETH's individual employees, officers or directors.

ARTICLE 21. CONTROLLING LAW

This Agreement is to be governed by the laws of the State of Minnesota.

ARTICLE 22. ASSIGNMENT OF RISK

In recognition of the relative risks and benefits of the project to both the CLIENT and WIDSETH, the risks have been allocated such that the CLIENT agrees, to the fullest extent permitted by law, to limit the liability of WIDSETH, employees of WIDSETH and sub-consultants, to the CLIENT and to all construction contractors, subcontractors, agents and assigns on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that total aggregate liability of WIDSETH, employees of WIDSETH and sub-consultants, to all those named shall not exceed WIDSETH's total fee received for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contract or warranty.

ARTICLE 23. NON-DISCRIMINATION

WIDSETH will comply with the provisions of applicable federal, state and local statutes, ordinances and regulations pertaining to human rights and non-discrimination.

ARTICLE 24. SEVERABILITY

Any provision or portion thereof in this Agreement which is held to be void or unenforceable under any law shall be deemed stricken and all remaining provisions shall continue to be valid and binding between CLIENT and WIDSETH. All limits of liability and indemnities contained in the Agreement shall survive the completion or termination of the Agreement.

ARTICLE 25. PRE-LIEN NOTICE

PURSUANT TO THE AGREEMENT WIDSETH WILL BE PERFORMING SERVICES IN CONNECTION WITH IMPROVEMENTS OF REAL PROPERTY AND MAY CONTRACT WITH SUBCONSULTANTS OR SUBCONTRACTORS AS APPROPRIATE TO FURNISH LABOR, SKILL AND/OR MATERIALS IN THE PERFORMANCE OF THE WORK. ACCORDINGLY, CLIENT IS ENTITLED UNDER MINNESOTA LAW TO THE FOLLOWING NOTICE:

- (a) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR ITS CONTRIBUTIONS.**
- (b) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIALS FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**



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

January 19, 2026

Dear Township/City Clerk and Board Members:

In accordance with the Fire Protection Contract, you are invited to a meeting at City Hall in Blackduck on Thursday, February 26, 2026 at 6:00pm. This will provide an opportunity to review items set forth in the fire contract with the Fire Chief and City Administrator.

Information to be reviewed:

1. 2025 Actual Expenditures & 2026 Approved Budget (pre-audit)
2. KOPP Formula for 2026
3. 2026 Invoice for Service
4. Fire and Rescue Calls for 2025
5. Annual Budget Meeting Minutes August 12, 2025

Please encourage all interested parties from your township or city to attend this meeting. If you have any questions please contact Chief Brian Larson (218-556-5797).

Thank you,

Christina Regas
City Administrator

www.blackduckmn.com

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

"The City Of Blackduck Is An Equal Opportunity Provider"

2025 Blackduck Fire Department Budget vs. Actual & 2026 Proposed Budget

updated 12/31/25

Fire Protection Area approved 8/22/25

pre-audit

		2025 Budget	2025 YTD Expenditures	2025 Balance	2026 Budget		
E 101-42200-103	Part-Time Employees	\$17,500.00	\$15,150.00	\$2,350.00	\$20,000.00		
E 101-42200-122	FICA	\$1,314.31	\$1,116.30	\$198.01	\$1,530.00		
E 101-42200-124	Fire Pension Contributions	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-135	Employer Paid Leave - MN	\$0.00	\$0.00	\$0.00	\$176.00		
E 101-42200-200	Office Supplies (GENERAL)	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-205	Heating Fuel -	\$5,000.00	\$4,783.49	\$216.51	\$5,000.00		
E 101-42200-206	Electricity	\$5,000.00	\$4,682.85	\$317.15	\$5,000.00		
E 101-42200-207	Computer Supplies	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-208	Training and Instruction	\$2,000.00	\$3,000.00	(\$1,000.00)	\$2,000.00		
E 101-42200-210	Operating Supplies (GENERAL)	\$1,000.00	\$2,328.64	(\$1,328.64)	\$1,000.00		
E 101-42200-211	Cleaning Supplies	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-212	Motor Fuels	\$2,200.00	\$1,723.28	\$476.72	\$2,200.00		
E 101-42200-221	Equipment Parts	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-222	Tires	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-223	Building Repair Supplies	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-233	Uniforms - <i>turnout gear</i>	\$10,000.00	\$6,278.00	\$3,722.00	\$10,000.00		
E 101-42200-240	Small Tools and Minor Equip	\$2,000.00	\$182.01	\$1,817.99	\$2,000.00		
E 101-42200-304	Legal Fees	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-305	Medical Fees	\$2,500.00	\$1,299.00	\$1,201.00	\$2,500.00		
E 101-42200-307	Management Fees	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-310	Other Professional Services	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-321	Telephone	\$800.00	\$705.10	\$94.90	\$800.00		Verizon & PBC
E 101-42200-322	Postage	\$210.00	\$76.45	\$133.55	\$210.00		
E 101-42200-323	Radio/Communications Expenses	\$5,000.00	\$12,902.34	(\$7,902.34)	\$5,000.00		Verizon & Rogers
E 101-42200-327	Internet Access	\$600.00	\$561.17	\$38.83	\$600.00		PBC
E 101-42200-331	Travel Expenses	\$250.00	\$0.00	\$250.00	\$250.00		
E 101-42200-351	Legal Notices Publishing	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-352	General Notices and Pub Info	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-361	General Liability Ins -	\$555.51	\$411.48	(\$11.53)	\$880.57	increase	7%
E 101-42200-362	Property Ins	\$4,355.54	\$3,998.00	\$357.54	\$8,395.80	increase	5%
E 101-42200-363	Automotive Ins	\$2,812.70	\$2,503.00	\$309.70	\$5,506.60	increase	10%
E 101-42200-366	Workers Compensation Insurance -	\$7,876.94	\$7,509.74	\$1,474.75	\$8,260.71	increase	10%
E 101-42200-384	Refuse/Garbage Disosal	\$350.00	\$354.40	(\$4.40)	\$350.00		
E 101-42200-367	Unemployment Paid	\$0.00	\$15.48	(\$15.48)	\$0.00		
E 101-42200-401	Repairs/Maint Buildings	\$3,750.00	\$114.88	\$3,635.12	\$3,750.00		
E 101-42200-404	Repairs/Maint Machinery/Equip	\$9,400.00	\$6,073.15	\$3,326.85	\$10,000.00		
E 101-42200-420	Tower Lease	\$500.00	\$0.00	\$500.00	\$500.00		
E 101-42200-425	Depreciation	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-433	Dues and Subscriptions	\$200.00	\$66.50	\$133.50	\$200.00		
E 101-42200-436	Towing Charges	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-437	Bad Debt Expense	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-500	Capital Outlay (<i>Armer Radios year 6 - 2026</i>)	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00		
E 101-42200-520	Buildings and Structures	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-550	Motor Vehicles	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-580	Other Equipment -	\$1,000.00	\$1,000.00	\$0.00	\$400.00		
E 101-42200-701	Transfer to General Fund	\$0.00	\$0.00	\$0.00	\$0.00		
E 101-42200-708	Transfer to Fire Dept Reserve (<i>year 2 of contract - 2026</i>)	\$30,000.00	\$30,000.00	\$0.00	\$30,000.00		
E 101-42200-782	Intrafund Transfer	\$0.00	\$0.00	\$0.00	\$0.00		
		\$121,175.00	\$111,835.26	\$10,291.73	\$131,509.68		

Notes from meeting with Brian:
 keep operating same as 2025
 increase insurance per recommendation of LMC
 increase wages for increase to call volume

2026 Budget - *approved*

Government Unit	2026 Proposed Budget	2025 Market Value of Structures <i>(less exempt)</i>	Percentage of Total Evaluation	Annual Charge
Hines	\$124,118.20	\$71,395,700.00	27.18%	\$33,739.90
Hornet	\$124,118.20	\$13,991,600.00	5.33%	\$6,612.10
Birch	\$124,118.20	\$12,678,500.00	4.83%	\$5,991.56
Summit	\$124,118.20	\$20,178,300.00	7.68%	\$9,535.78
Taylor	\$124,118.20	\$15,011,900.00	5.72%	\$7,094.27
Hagali	\$124,118.20	\$48,950,200.00	18.64%	\$23,132.70
O'Brien	\$124,118.20	\$4,581,100.00	1.74%	\$2,164.92
Tenstrike	\$124,118.20	\$17,844,000.00	6.79%	\$8,432.65
Funkley	\$124,118.20	\$353,400.00	0.13%	\$167.01
Langor	\$124,118.20	\$14,929,800.00	5.68%	\$7,055.47
Moose Park	\$124,118.20	\$4,683,800.00	1.78%	\$2,213.45
Blackduck	\$124,118.20	\$38,043,400.00	14.48%	\$17,978.40
		\$262,641,700.00	100.00%	\$124,118.20

2025 Fire Department Incident Report

Incident #	DOI	Address - Name - Location	Postal Code	Postal code or Township	Description	Fire/Accident	Action
2501	1/6/2025	12327 Bay Ct. NE Turtle River	56601	City of Turtle River	Mutual Aid to Bemidji	Building Fire	Manpower
2502	1/7/2025	181 Northern Ave Blackduck	56630	City of Blackduck	Assist Police or Govt Agency	Unlock Building for Welfare Check	Manpower
2503	1/11/2025	28810 Corlan Rd Blackduck	56630	Langor Township	Dispatched / Cancel en route	Controlled Burn cancelled fire	
2504	1/22/2025	19231 Farington Ln NE	56647	Hines Township	Medical Asst to EMS	CPR in progress	Manpower
2505	1/25/2025	441 4th St. Blackduck	56630	City of Blackduck	Medical Asst to EMS	Lift Assist	Manpower
2506	2/7/2025	224 Frontage Rd Blackduck	56630	City of Blackduck	Dispatched / Cancel en route	Accident, no injuries	
2507	2/16/2025	24407 Serenity Ln NE Hines	56647	Hines Township	Medical Asst to EMS	Lift Assist	Manpower
2508	2/20/2025	Hwy 71 Blackduck	56630	City of Blackduck	Vehicle Accident/clean up	Provide first aid, check for injuries	investigate/manpower
2509	2/27/2025	641 Main St Lot 56 Blackduck	56630	City of Blackduck	Medical Asst to EMS	Lift Assist	Manpower
2510	3/1/2025	641 Main St Lot 56 Blackduck	56630	City of Blackduck	Medical Asst to EMS	Lift Assist	Manpower
2511	3/1/2025	641 Main St Lot 56 Blackduck	56630	City of Blackduck	Medical Asst to EMS	Lift Assist	Manpower
2512	3/9/2025	Hwy 72 Blackduck	56630	City of Blackduck	Motor Vehicle Accident w/injuries	Rescue remove from harm	
2513	3/10/2025	Hwy 72 Blackduck	56630	City of Blackduck	Motor Vehicle Accident w/injuries	Extricate, disentagle	
2514	4/12/2025	24563 Hines Rd NE Hines	56647	Hines Township	Vehicle Accident/clean up	Emergency medical services	Assist EMS
2515	4/12/2025	196 Hwy 71 Blackduck	56630	City of Blackduck	Medical Asst to EMS	Provide first aid, check for injuries	Assist EMS
2516	5/3/2025	2493 Nebish Rd NE Blackduck	56630	Hines Township	Brush /Grass fire	Extinguishment by personnel	
2517	5/8/2025	3634 Ten Mile Dr NW Puposky	56667	Puposky	Dispatched / Cancel en route	Mutual Aid - Alaska Fire - canceled	
2518	5/10/2025	60094 Olafson Rd Blackduck	56630	Moose Park Township	Grass fire	Extinguishment by personnel	
2519	5/12/2025	27139 Polaris Rd Puposky	56667	Puposky	Forest, woods or wildland fire	Provide apparatus	Mutual Aid - DNR Alaska Fire
2520	5/16/2025	MM340 Hwy 71 NE Blackduck	56630		Extrication of victim(s) from vehicle	Extricate, disentagle	Assist EMS
2521	5/19/2025	81 1st St NW Blackduck	56630	City of Blackduck	Medical Asst to EMS	Assist EMS - Code Call to Clinic	Manpower
2522	5/19/2025	15106 Sharp Rock Rd Hines	56647	Hines Township	Grass fire	Extinguishment by personnel	Assist DNR
2523	5/19/2025	Nelson Lake Rd Hines	56647	Hines Township	Forest, woods or wildland fire	Extinguishment by personnel	
2524	5/27/2025	Summit Ave Blackduck	56630	City of Blackduck	Passenger vehicle fire	Fire control or extinguishment	
2525	5/25/2025	Main St. Tenstrike	56683	City of Tenstrike	Dispatched / Cancel en route	Possible accident - canceled	
2526	5/27/2025	181 Northern Ave NW Blackduck	56630	City of Blackduck	Municipal alarm - false alarm	restore fire alarm system - pulled by youth	
2527	6/3/2025	Farrington Ln Hines	56647	Hines Township	Dispatched / Cancel en route	Controlled Burn cancelled fire - permitted	
2528	6/10/2025	496 Main St N Blackduck	56630	City of Blackduck	Medical Asst to EMS	Assist EMS -	Manpower
2529	6/12/2025	592 Universal DR SW Blackduck	56630	City of Blackduck	Medical Asst to EMS	Assist EMS with Medical CPR in progress	Manpower
2530	6/13/2025	Lokken St. Hagali Tenstrike	56683	City of Tenstrike	Dispatched / Cancel en route	Possible accident - canceled	
2531	6/20/2025	81 1st St NW Blackduck	56630	City of Blackduck	Medical Asst to EMS	Assist EMS - possible stroke	Manpower
2532	6/20/2025	17868 N. Blackduck Lake Rd N Hines	56647	Hines Township	Medical Asst to EMS	Assist EMS - fall	Manpower
2533	7/4/2025	25 2nd St SE Blackduck	56630	City of Blackduck	Medical Asst to EMS	Lift Assist	Manpower
2534	7/13/2025	16050 Black Lake Rd Bemidji	56601	City of Bemidji	Building Fire	Provide Manpower for structure fire with Bemidji Fire Dept.	Manpower
2535	7/19/2025	25745 Alwood Rd	56630	Summit Township	Medical Asst to EMS	Assist EMS	
2536	7/20/2025	19963 Gull Lake Loop Rd	56683	City of Tenstrike	Building Fire	Mutual Aid - City of Bemidji	Manpower
2537	7/20/2025	1122 Rodeo Dr NW	56601	City of Bemidji	Building Fire	Mutual Aid - City of Bemidji	Manpower - large Garage Fire
2538	7/21/2025	10903 South Gull Lake Loop Rd	56683	City of Tenstrike	Carbon Monoxide incident	Restore fire alarm system	
2539	7/26/2025	Nebish	56630	City of Blackduck	Vehicle Accident/clean up	Provide first aid & check for injuries	
2540	7/28/2025	533 Scenic	56630	City of Blackduck	Medical Asst to EMS	Assist EMS - Lift	
2541	7/28/2025	164 Main St N	56630	City of Blackduck	Medical Asst to EMS	Provide manpower	
2542	7/29/2025	32369 Alwood Rd NW	56630	Moose Park Township	Vehicle Accident/clean up	Provide first aid & check for injuries	investigate/manpower
2543	7/29/2025	164 Main St N	56630	City of Blackduck	Medical Asst to EMS	Assist EMS - Lift	manpower
2544	7/30/2025	181 Northern Ave NW Apt 109	56630	City of Blackduck	Building Fire	Fire control or extinguishment	investigate/manpower
2545	8/7/2025	249 2nd St NW	56630	City of Blackduck	Overheated motor	Ventilate, restore fire alarm system	elevator motor and pump running/overheating
2546	8/10/2025	257 1st St NW	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	
2547	8/17/2025	10598 Quarter Horse	56683	City of Tenstrike	Medical assist, assist EMS Crew	provide manpower	Lift assist, EMS crew, cot stuck
2548	8/21/2025	249 2nd St NW	56630	City of Blackduck	Dispatched / Cancel en route	cancelled en route	lift assist, cancelled
2549	8/21/2025	249 2nd St NW	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	lift assist EMS crew
2550	8/21/2025	25600 Croswell	56630	City of Blackduck	Unintentional transmission of alarm, other	investigate	cell phone crash detection alert, cleared
2551	8/22/2025	33 Carlson Ave	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	lift assist, EMS crew needed help with individual
2552	8/23/2025	12474 Sharp Rock	56683	City of Tenstrike	Medical assist, assist EMS Crew	provide manpower	assist EMS crew with person who flipped an ATV
2553	8/24/2025	26476 Hwy 71	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	Assist EMS crew with unwell patient
2554	8/24/2025	249 2nd St NW	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	assist EMS crew with individual who fell at top of stairs
2555	8/30/2025	25632 Hwy 71	56630	City of Blackduck	Medical assist, assist EMS Crew	investigate	possible accident. Cell phone crash detection, no accident upon arrival
2556	9/1/2025	593 Croswell	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	assist EMS with lift assist for patient on floor
2557	9/20/2025	30679 Alwood Rd	56630	City of Blackduck	motor vehicle accident with no injuries	investigate	accident in eastbound lane facing west. Vehicle went left of center and through ditch
2558	9/21/2025	384 Carter Lake Rd	56647	Hines Township	Medical assist, assist EMS Crew	provide manpower	assist EMS with lift assist.
2559	9/21/2025	384 Carter Lake Rd	56647	Hines Township	Medical assist, assist EMS Crew	provide manpower	assist EMS with lift
2560	9/21/2025	641 Main St Lot 15	56630	City of Blackduck	Rescue or EMS standby	provide manpower	stand by for possible lift assist, cleared
2561	9/23/2025	Perry Creek Road	56630	City of Blackduck	off-road vehicle or heavy equipment fire	Extinguishment by personnel	corn chopper fire, extinguished fire
2562	9/29/2025	25 2nd St SE Blackduck	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	lift assist with EMS for individual
2563	9/29/2025	Nebish	56647	Hines Township	Dispatched / Cancel en route	cancelled en route	CPR in progress, cancelled
2564	10/4/2025	167 3rd Ave NW	56647	Hines Township	Forest, woods or wildland fire	Extinguishment by personnel	small grass fire that got away from property owner
2565	10/8/2025	172 Summit Ave W	56630	City of Blackduck	Medical assist, assist EMS Crew	provide manpower	assist EMS with a lift assist out of a vehicle
2566	10/11/2025	25485 Three Mile Rd	56630	City of Blackduck	CO detector activation due to malfunction	investigate	CO alarm going off in residents basement

2567	10/11/2025	55 Railroad Ave	56630 City of Blackduck	Passenger vehicle fire	Extinguishment by personnel	extinguishment
2568	10/14/2025	249 2nd St NW	56630 City of Blackduck	Medical assist, assist EMS Crew	Emergency medical services	assist EMS with lift assist
2569	10/18/2025	197 Universal DR NW	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	set up landing zone for helicopter
2570	10/26/2025	25 2nd St SE	56630 City of Blackduck	Dispatched / Cancel en route	cancelled en route	lift assist cancelled enroute
2571	11/4/2025	157 Carlson Ave NW	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	lift assist for EMS
2572	11/4/2025	249 2nd St NW	56630 City of Blackduck	water or steam leak	shut down system, remove water	water heater over presurized, assist property manaer
2573	11/4/2025	Scenic Hwy / New Maple Ridge	56630 City of Blackduck	Vehicle Accident/clean up	control traffic	vehicle struck deer, traffic control and road clean up
2574	11/6/2025	57 Carlson Ave NW	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	lift assist requested for elderly patient in whell chair
2575	11/8/2025	156 1st ST NE	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	patient needing help out of vehicle to go onto EMS cot
2576	11/8/2025	216 Hwy 71 SW	56683 City Tenstrike	Dispatched / Cancel en route	cancelled en route	medical cancelled enrout
2577	11/8/2025	315 Oscar Ave NW	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	assist EMS with CPR in progress at address
2578	11/10/2025	641 Main St NW Lot 24	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpwer	assist EMS with patient with tooth pain
2579	11/10/2025	25 2nd ST SE	56630 City of Blackduck	Dispatched / Cancel en route	cancelled en route	cancelled lift assist
2580	11/11/2025	641 Main St N Lot 24	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	medical assist no transport
2581	11/17/2025	641 Main St N Lot 32	56630 City of Blackduck	Gas Leak	identify, analyze hazardous materials	possible propane leak
2582	12/3/2025	249 2nd St NW #206	56630 City of Blackduck	Dispatched / Cancel en route	cancelled en route	lift assist, cancelled
2583	12/9/2025	249 2nd St NW #302	56630 City of Blackduck	Medical assist, assist EMS Crew	provide manpower	Apt 302 lift assist
2584	12/19/2025	Scenic Hwy / Main St. S	56630 City of Blackduck	Vehicle Accident/clean up	Provide manpower	vehicle slid and hit light pole, no injuries
2585	12/19/2025	348 Summit Ave	56630 City of Blackduck	Detector activation, no fire - unintentional	false alarm, key holder on scene	
2586	12/21/2025	18416 Nebish Rd	56647 Hines Township	Medical assist, assist EMS Crew	provide manpower	medical assist. CPR and lift
2587	12/21/2025	15710 Popplewood Rd	56647 Hines Township	Fire in mobile home used as fixed residence	Extinguishment by personnel	Fire in trailer homes - extinguishment
2588	12/28/2025	Hwy 72 Blackduck	56630 City of Blackduck	Dispatched / Cancel en route	cancelled en route	vehicle in the ditch, no injuries, cancelled
2589	12/29/2025	31280 Rowan Tree Dr	56630 City of Funkley	Medical assist, assist EMS Crew	provide manpwer	lift assist for individual

TOWNSHIP BUDGET MEETING BLACKDUCK CITY HALL THURSDAY, AUG. 22, 2024 6:00PM

MEETING MINUTES

The Blackduck Fire Department Chief Brian Larson held the Budget Meeting of Parties in City Hall on August 22, 2024.

The Annual Meeting was called to order at 6:03pm.

Roll Call was taken by City Administrator Christina Regas those present included: City of Blackduck Administrator Christina Regas; Bill Rabe of Hines Township; Scott Burns of Birch Township; Sue Stroeing of Taylor Township; Jerome Geerdes of Birch Township; Maxwell Gullette of Blackduck, Daryl Lundberg of Summit Township, and Fire Chief Brian Larson a quorum was established of 60%.

City/Townships Absent: Hornet, O'Brien, Tenstrike, Funkley, Hagali, Taylor, Langor, and Moose Park Township

1. OLD BUSINESS –

a. REVIEW 2024 ACTUAL EXPENDITURES –

- i. Heating Fuel & Electricity - Summit Township asked if the fire hall is using less electricity and more propane. Regas stated the heating fuel budget balance reflects using all the 23-24 pre-buy plus and additional fill in the spring. Regas states the pre-buy for the 24-25 season was ordered this month; gallons ordered were similar to the last season just completed of which put the budget line for heating fuel overspent. Regas states after the 22-23 season the department had a surplus. Regas further reported the fire hall had a mini-split installed in 2024 (*purchased and installed and rebate received*) with the expectation to lower the electricity usage.
- ii. 2024 YTD Balance – Birch Township asked where the ytd balance goes after the year is completed. Regas stated the City is on a calendar year budget and the current balance will still be used for August – December 2024. Regas stated any excess after 2024 will be reported in the February fire meeting for recommendations to move into the Special Equipment Fund.

b. 2025 BUDGET – Regas and Larson took questions regarding increases to the 2025 proposed budget.

- i. Payroll – Larson reports wages are increasing due to increase in incidents. (increase of \$1,500)
- ii. Medical fees – Regas reports fees are increasing due to ECG testing due in 2025 (increase of \$2,000)
- iii. Workers Compensation – Regas reports the expected increase is much lower than the last 3-5 years of only a 5% increase. Birch Township asked if the City has a history of work comp claims. Regas reported the fire department has not but other departments in the city have. Larson states the safety is his department's number one priority.
- iv. Auto Insurance – Regas reports the expected increase is higher than previous years and most everyone is feeling that increase. Larson stated the charge for auto insurance is good for the fleet.
- v. Capital Outlay – Armer Radios – Summit asked if 2025 will be the last year for the depreciation for Armer radios. Regas reports 2025 is the last agreed upon year and the funds are depreciated into the special equipment fund. Larson reports the department is still running with refurbished radios in the trucks and the outlay will assist with the cost of replacements but with firmware upgrades and technology upgrades the department is at the mercy of what Motorola offers to run

TOWNSHIP BUDGET MEETING BLACKDUCK CITY HALL THURSDAY, AUG. 22, 2024 6:00PM

MEETING MINUTES

on the same system. Larson states the equipment is still working but he believes additional upgrades will need to continue. Larson states a new radio runs around \$5,000 each on government pricing. Larson would like to get more portables to replace the used ones. Regas states the department may ask for the capital outlay to continue after 2025. Blackduck asked what the life expectancy of a radio is. Larson states it is all based on upgrades allowed which could provide 5-10 years of use, but the Armer system is much different than VHF.

- i. Insurance Budgets for Liability, Property, and Auto – Birch Township asked how the budget for insurance was determined noting the YTD expense does not provide for a correct percentage increase on the budget sheet provided. Regas reports the ytd expense for those individual lines does not reflect the full year premium paid. Regas reports the City pays for half of the liability, property, and auto premiums in June and the remainder in October of each year. Regas further reports the amounts budgeted for the next year are the projected increases on the full premium amount due in the current year. Regas pulled the LMCIT premium invoices for the 2023-2024 coverage year and reported those full premium costs for the towns for clear reporting. Birch requested in future meetings to provide details of how the increase is calculated based on ytd expenditures.
- ii. Workers Compensation Insurance – Summit Township asked if the budget for workers compensation for insurance was reflecting the potential audit rebate. Regas states much like other insurance premiums estimating increases is difficult not knowing if the city receives any rebates. Regas further reports the City must pay the full amount of the work comp premium in June (*not like other insurance*). So estimates provided for the next year's budget are off of the same procedures.

Moved by Blackduck and seconded by Hines to approve the proposed 2025 Blackduck Fire Department budget. Motion carried.

- c. **2025 Payment & Estimated Market Value by Town** – Regas provided the payment and EMV by town to review providing a 2024 report for comparison. There were no questions on the payment or EMV.
- d. **YTD 2024 FIRE DEPT. INCIDENT REPORT** – Larson reports there have been 32 calls year to date and the department is on track to have a high volume call year. There were no questions on the incident report.

- 2. **NEW BUSINESS** – There was no new business discussed.

Motion by City of Blackduck and seconded by Taylor Township to adjourn the meeting at 6:53pm. Motion passed.

Meeting minutes submitted by Christina Regas City of Blackduck Administrator.



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: 2/4/2026

Expiration Date: 2/25/2026

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



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: 2/4/2026

Expiration Date: 2/25/2026

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	\$575.66	\$264.65	\$1,058.60
7	92-3096	estey Steel Cantilever Canopy Top - 24 in.D Double-Face	\$188.91	\$85.75	\$600.25



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

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

Kelly Hanks
Branch Manager
Kitchigami Regional Library

72 First St SE
Blackduck, MN 56630
hansks@krls.org
218-553-1710

City Council

Dear Members of the City Council,

I hope this letter finds you well. I am writing to formally request and provide my approval for the purchase and installation of shelving units as detailed in the quote provided by TheLibraryStore.com. This acquisition is crucial for the enhancement and organization of our library facilities, and I believe it will significantly benefit our community by improving accessibility and efficiency.

Details of the Request

- **Vendor:** TheLibraryStore.com
- **Items:** Shelving units as specified in Quote #944032
- **Purpose:** To improve the storage and organization of library materials
- **Total Cost:** \$62,887.44

Thank you for considering this request. I am available to discuss any questions or concerns you may have regarding this proposal. Please feel free to contact me at your earliest convenience.

Thank you for your attention and support.

Sincerely,

Kelly Hanks
Branch Manager
Kitchigami Regional Library



CITY OF BLACKDUCK RESOLUTION NO: 2026-07

RESOLUTION AUTHORIZING ELECTRONIC FUND TRANSFERS FOR THE CITY OF BLACKDUCK, MINNESOTA AND DESIGNATING THE CITY ADMINISTRATOR AS THE ELIGIBLE AUTHORITY

WHEREAS, Minnesota Statutes 471.38 subds. 3 permits the governing body of a governmental subdivision authorization to make an electronic funds transfer for the following reasons:

1. For a claim for a payment from an imprest payroll bank account or investment of excess money;
2. For a payment of tax or aid anticipation certificates;
3. For a payment of contributions to pension or retirement fund;
4. For vendor payments; and
5. For payment of bond principal, bond interest and fiscal agent service charge from the debt redemption fund.

AND WHEREAS, the authorization in MN Statute 471.38 subd. 3a extends only to a local government that has enacted all of the following policy controls:

1. The governing body shall annually delegate the authority to make electronic funds transfers to a designated business administrator or chief financial officer or the officer's designee;
2. The disbursing bank shall keep on file a certified copy of the delegation of authority;
3. The initiator of the electronic transfer shall be identified;
4. The initiator shall document the request and obtain an approval from the designated business administrator, or chief financial or the officer's designee, before initiating the transfer as required by internal control policies;
5. A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction;
6. A list of all transactions made by electronic funds transfer shall be submitted to the governing body at its next regular meeting after the transaction.

AND WHEREAS, the City Council of the City of Blackduck by Resolution 2014-05 on February 10, 2024 has authorized the City Administrator, Christina Regas, to the City of Blackduck's Bank Accounts to make any and all administrative changes;

THEREFORE, BE IT RESOLVED that the City of Blackduck hereby declares the City Administrator, Christina Regas, authorization to make electronic fund transfers on behalf of the City Council of the City of Blackduck.

Adopted by the City Council this 9th day of February 2026.

Maxwell Gullette, Mayor

Christina Regas, City Administrator

**ASSESSMENT AGREEMENT
BETWEEN LOCAL UNIT AND BELTRAMI COUNTY**

THIS AGREEMENT is made and entered into by and between the **CITY OF BLACKDUCK** and the County of Beltrami this 23rd day of January, 2026.

WHEREAS, the **CITY OF BLACKDUCK** wishes under the provisions of Minnesota Statutes, 273.072, to enter into an agreement with the County of Beltrami to provide for the assessment of the property in said Township by the County Assessing Officer: and

WHEREAS, it is the wish of said county to cooperate with said Township to provide for a fair and equitable assessment of property:

NOW THEREFORE, IN CONSIDERATION THE MUTUAL COVENANTS HEREIN CONTAINED, IT IS AGREED AS FOLLOWS:

1. That the **CITY OF BLACKDUCK** which lies within the County of Beltrami and constitutes a separate assessment district shall have its property assessed by the County Assessing Officer of Beltrami County, State of Minnesota, beginning with the assessment January 2, 2026 providing this agreement is approved by the Commissioner of Revenue of the State of Minnesota.
2. It is further agreed that the office of the local assessor of the **CITY OF BLACKDUCK** shall be transferred to Beltrami County for the duration of this agreement, which shall be until December of 2026.
3. In consideration of said services the **CITY OF BLACKDUCK** hereby agrees to pay the County of Beltrami the sum of **\$5,451**. The payment shall be made to the County Treasurer on or before **September 1, 2026**.

IN WITNESS WHEREOF, the parties have executed this agreement this _____ day of _____, 20_____.

In presence of

For City, Village or Township
Signed:

For County
Signed: _____

January 29, 2026

Sent via email to: Christina.Regas@blackduckmn.com

Christina Regas
City of Blackduck
8 Summit Ave E
PO Box 380
Blackduck, MN 56630

In reply refer to: C.S. 0410 (71=4) 901 Parcel 200
Beltrami County
Conveyance No. 2024-0044

Dear Christina Regas,

We are pleased to inform you that conditional approval has been obtained for the conveyance of the above-referenced real property as described in Exhibit "A" and shown in Exhibit "B" (the "Property").

The State of Minnesota, Department of Transportation ("Seller") offers to convey the Property to City of Blackduck ("Buyer") for a consideration of \$3,600.00 in accordance with the following terms and conditions:

1. All current real estate taxes, existing or pending assessments, delinquent taxes, fees and penalties will be paid by Buyer.
2. Seller makes no representations about the status of the title to the Property and is not obligated to correct any title defects.
3. This conveyance is subject to the following, which will be included in the deed issued to Buyer (the Grantee described below is one and the same as the Buyer described in this offer letter):
 - a. The Property is subject to the rights of existing utilities, if any, as provided in Minnesota Statutes §161.45 subd. 3.
4. The Property and all improvements, if any, are being conveyed as-is and where-is.
5. Payment must be made in the form of a city check, cashier's check, certified check or money order made payable to "Commissioner of Transportation – Trunk Highway Fund" in the amount of \$3,600
6. This offer is subject to and specifically conditioned upon receipt of the above-mentioned consideration on or before **July 30, 2026**. If such consideration is not received on or before that date, this offer is null and void and of no further force

and effect; and Seller is released from any further obligation to Buyer and may negotiate with other parties for sale or other disposition of the Property.

7. Upon receipt of payment for the conveyance, Seller will issue to Buyer a quitclaim deed using the legal description in Exhibit "A". Buyer agrees that upon issuance of the quitclaim deed, the Seller may record the deed in the Office of the County Recorder or Registrar of Titles as appropriate. Seller will provide Buyer with the recorded deed within 15 days of the return of the deed from the County.
8. ***The Seller may revoke this offer and cancel this conveyance in its discretion at any time before payment is received. The Seller shall notify Buyer in writing of such revocation and cancellation. Upon cancellation, this offer is null and void and shall be of no further force and effect; and the Seller is released from any further obligation to Buyer.***

Please submit payment and any questions you may have regarding this transaction to: Bonnie Hable (MS632), Minnesota Department of Transportation, 395 John Ireland Blvd., St. Paul, MN 55155-1800. Bonnie may be reached at 612-297-8876.

Sincerely,

Joseph D. Pignato, Director
Office of Land Management

Enclosures: Exhibits A & B

January 29, 2026
2024-0044-0410

DESCRIPTION FOR CONVEYANCE

Parcel 200 C.S. 0410 (71=4) 901

All of Tract A described below:

Tract A. Lots 1, 2, and 3, Block 1, SECOND ADDITION TO BLACKDUCK,
according to the plat thereof on file and of record in the office of the
County Recorder in and for Beltrami County, Minnesota;

containing 25725 square feet, more or less.



SECOND

THIRD

OF BLACKDUCK

ONE
11

18

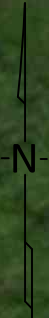
3RD ST

2

CONVEY
PAR. 200

2ND ADD. TO BLACKDUCK

STATION



SCALE IN FEET



CONVEYANCE 2024-0044 D2
C.S. 0410 (71=004) 901
PARCEL 200 (FEE)
AREA = 25,725 SF
MAP 319-201



CITY OF BLACKDUCK RESOLUTION NO: 2026-08

RESOLUTION AUTHORIZING SALE OF STATE RAIL BANK PROPERTY ACQUIRED FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION TO PHILLIP PATCH

WHEREAS, the City of Blackduck recognizes Phillip and Tammy Patch as residents of the community who own land adjacent to railbank property; and

WHEREAS, the Patches desire to acquire a portion of the railbank property that is directly adjacent to their land; and

WHEREAS, the Commissioner of MnDot has by request of the City conveyed a portion of the rail bank land to the City of Blackduck as authorized by MN State Statute §222.63, subd.4(c), the legal description for which is attached hereto as Exhibit A (“the Property”); and

WHEREAS, the City of Blackduck complied with all applicable laws and regulations to convey the property to the Patches; and

WHEREAS, attached as Exhibit C is a proposed Purchase Agreement with the Patches for sale of the Property, with the Patches covering City administrative and legal fees; and

WHEREAS, the Comprehensive Plan is unaffected by the sale of the Property so no initial review of the sale by the Planning Commission per Minnesota Statute §462.356, subd. 2 is required.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACKDUCK AS FOLLOWS:

1. Sale of the Property to the Patches is hereby approved pursuant to the terms of the attached Purchase Agreement.
2. The City Administrator is authorized to undertake the necessary steps to close the transaction in accordance with the terms of the Purchase Agreement.

Adopted this 9th day of February, 2026 by the City Council of the City of Blackduck

ATTEST:

Maxwell Gullette, Mayor

Christina Regas, City Administrator



CITY OF BLACKDUCK RESOLUTION NO: 2026-08

EXHIBIT A

January 29, 2026
2024-0044-0410

DESCRIPTION FOR CONVEYANCE

Parcel 200 C.S. 0410 (71=4) 901

All of Tract A described below:

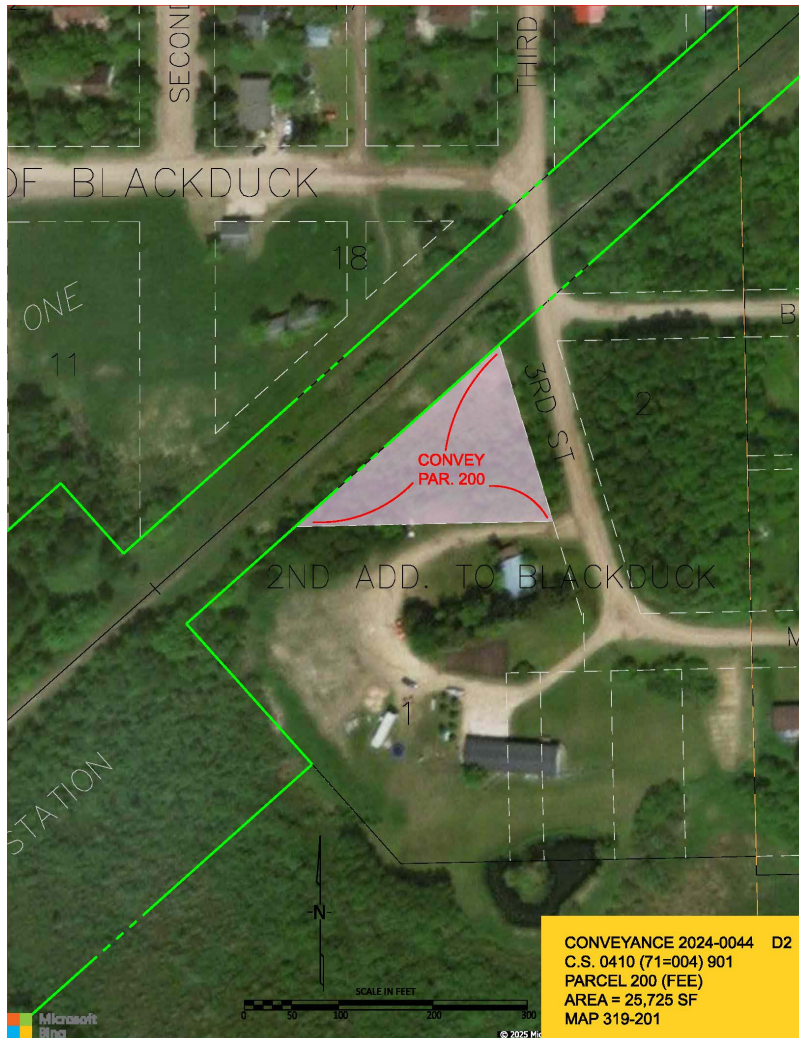
Tract A. Lots 1, 2, and 3, Block 1, SECOND ADDITION TO BLACKDUCK,
according to the plat thereof on file and of record in the office of the
County Recorder in and for Beltrami County, Minnesota;

containing 25725 square feet, more or less.



CITY OF BLACKDUCK RESOLUTION NO: 2026-08

EXHIBIT B



PURCHASE AGREEMENT

This Agreement is entered into by and between **the City of Blackduck**, a Minnesota municipal corporation (“Seller”), and **Phillip J. Patch and Tammy M. Patch**, husband and wife (“Buyer”).

RECITALS

- A. Seller is the fee owner of the parcel of property located in Beltrami County, Minnesota (“Property”), the legal description of which is as follows:
- See attached Exhibit A.
- B. Seller wishes to convey and Buyer wishes to purchase the Property, together with all rights, privileges, easements, and appurtenances belonging thereto, as illustrated in Exhibit B.

AGREEMENT

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Effective Date.** The effective date of this Agreement is February 9, 2026 (the “Effective Date”).
2. **Sale of Property.** Seller hereby agrees to sell and Buyer hereby agrees to purchase the Property including all easements and rights of every kind and nature benefiting or appurtenant to the Property held by Seller.
3. **Purchase Price.** The total purchase price (“Purchase Price”) to be paid by Buyer to Seller for the Property shall be \$3,600.
4. **Closing.** Unless otherwise agreed to, the closing of the purchase and sale contemplated by this Agreement (“Closing”) shall be held at such place as may be agreed upon by the parties, within 14 days of Buyer receiving the Title Commitment (“Closing Date”). At the Closing, Buyer shall pay the Purchase Price to Seller and the following closing documents shall be executed and delivered:
 - a. Seller shall deliver a quitclaim deed conveying the Property to Buyer, free and clear of all encumbrances, except the following:

- i. Property taxes and special assessments to be paid in accordance with this Agreement; and
 - ii. Building codes and laws and ordinances related to zoning and land use.
 - iii. The rights of existing utilities, if any, as provided in Minn. Stat. § 161.45, subd. 3.
- b. A closing statement detailing the financial terms of the Closing.
- c. All other documents necessary to transfer the Property to Buyer free and clear of all encumbrances, except those listed above.

5. **Additional Costs.**

- a. **Closing Costs.** Buyer agrees to pay all reasonable and customary closing costs charged in connection with its purchase of the Property
- b. **Documentary Taxes.** Buyer shall pay the state tax for the deed to be delivered by Seller under this Agreement as well as all recording fees related to this transaction.
- c. **Real Estate Taxes and Levied and Pending Assessments.** General real estate taxes due and payable in 2026, if any, shall be paid by Buyer. Any deferred property taxes shall be paid by Buyer. Buyer shall pay all special assessments levied or pending against the Property, if any, as of the date of this Agreement.
- d. **Attorneys' Fees.** Buyer agrees to pay for its own and Seller's attorneys' fees in connection with this transaction. Additionally, a party defaulting under this Agreement or any closing document will pay the reasonable attorney's fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.

6. **Title.**

- a. **Title Commitment.** Prior to the Closing Date, Seller shall obtain, if requested by Buyer and at Buyer's expense, evidence of title in the form of a commitment for an owner's title insurance policy, issued by Title Company ("Title Commitment"), and copies of all documents, instruments and matters shown as exceptions in the Title Commitment which are recorded in the office of the clerk and recorder of the county in which the Property is located.

- b. **Title Review.** Buyer shall have 14 days to review the Title Commitment.
 - c. **Title Policy.** At Buyer's request and expense, Buyer may obtain a title insurance policy for the Property, to be delivered by the Title Company following the Closing.
7. **Covenants and Warranties of Seller.** Seller makes no representations and warranties to Buyer. The property is sold "as is."
- a. Buyer is purchasing and acquiring the Property in "as-is, where-is" condition and "with all faults" and agrees that it is relying upon no warranties, representations or statements by Seller or any other person acting by or on behalf of Seller in entering into this Agreement or in closing the transactions contemplated herein; and (b) Buyer will have relied exclusively upon its own inspections and reviews, and not upon any representation or warranty of Seller or its agents or employees.
 - b. Unless otherwise agreed in a separate writing and except as otherwise expressly provided in this Agreement, Buyer (and any party claiming through or under Buyer) hereby agrees that following the Closing, Seller shall be fully and finally released from any and all claims or liabilities against the Seller related to or arising on account of the condition of or title to the Property, including without limitation any matters specifically referenced in this Agreement.
 - c. Buyer acknowledges that the Seller is a "pass-through" entity that acquired the Property from the State of Minnesota for the sole purpose of transferring title to Buyer for Buyer's sole benefit.
8. **Disclosures.** Except as set forth above, Buyer waives disclosures, unless waiver is not permitted by law. The Property is sold "as is."
9. **Contingencies:**
- a. Title is found acceptable to Buyer.
 - b. Buyer makes payment in accordance with this agreement.
 - c. Legal description to be verified and acceptable to Seller and Buyer.

Either party may cancel this agreement without any further obligation if a contingency is not met.

10. **Notices.** All notices required herein shall be in writing and delivered personally or mailed via certified mail, postage prepaid, directed to addressee at their respective address set forth below. If mailed, notice is effective as of the date of mailing.

To Buyer:

Phillip J. Patch
Tammy M. Patch
P.O. Box 303
Blackduck, MN 55630

To Seller:

Christina Regas
City Administrator
8 Summit Avenue NE,
Blackduck, MN 56630

With a copy to:

Joseph J. Langel
Ratwik, Roszak & Maloney, P.A.
444 Cedar Street, Suite 2100
St. Paul, MN 55101

11. **Brokerage Commissions.** The parties acknowledge and agree that they have not incurred any real estate brokerage fees, finders' fees, commissions or any other fees to any third party in connection with this purchase and sale. If there is an offending party regarding this provision, the offending party shall indemnify and hold harmless the non-offending party.
12. **Successors and Assigns.** All terms and provisions of this Option Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, transferees, successors and assigns.
13. **Complete Agreement/Amendment.** This is a final Agreement between the parties and contains their entire agreement and supersedes all previous understandings and agreements, oral or written, relative to the subject matter of this Agreement. No other agreement, statement or promise made by any party and no amendment, modification or other change of any provision of this Agreement shall be effective unless in writing signed by the parties.

14. **Remedies.** If either party fails to perform the terms and conditions of this Agreement, the other party may cancel this Agreement, the sole remedy for either party is to cancel this Agreement, without costs, fees, or damages. Both parties agree to cooperate and sign a cancellation of the agreement if asked to do so.
15. **Survival.** The terms of this agreement survive the closing.
16. **Severability.** If any term of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of such term shall not be affected thereby.
17. **Time of the Essence.** Time is of the essence under this Agreement and each and every provision hereof.
18. **Counterparts.** This Agreement may be executed separately and independently in any number of counterparts and each and all of which together shall be deemed to have been executed simultaneously and regarded as one agreement dated the Effective Date. In addition, the parties may deliver execution counterparts of this Agreement by facsimile transmission or email (scan signature page) and acknowledge that they shall be bound upon the delivery of such a transmission of a copy of executed signature pages.
19. **Minnesota Law.** This contract shall be governed by the laws of the State of Minnesota.

SELLER:

BUYER:

Maxwell Gullette, Mayor

Phillip Patch

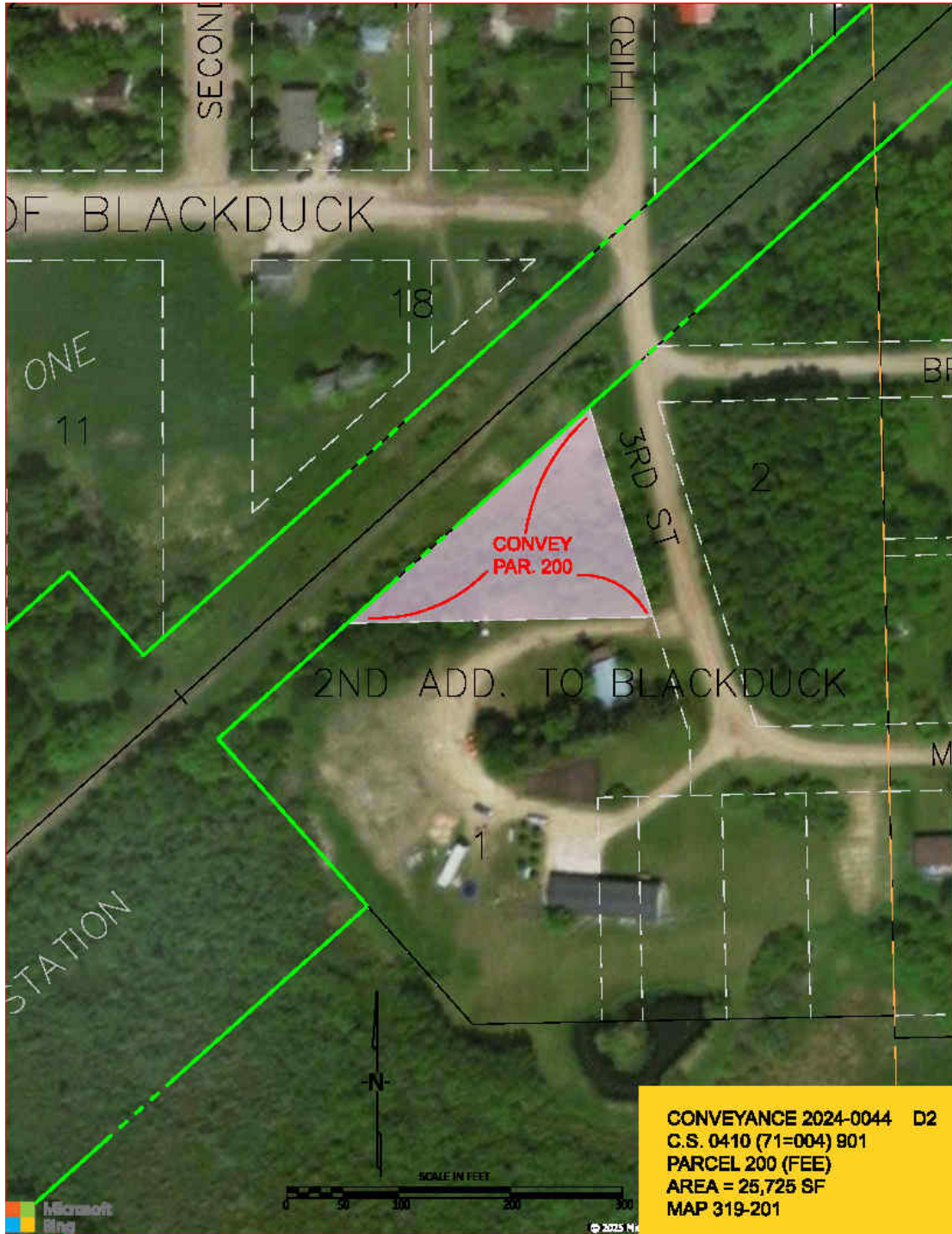
Christina Regas, City Administrator

EXHIBIT A
TO
PURCHASE AGREEMENT

Legal Description of the Property

Lots 1, 2 and 3, Block 1, SECOND ADDITION TO BLACKDUCK, according to the plat thereof on file and of record in the office of the County Recorder in and for Beltrami County, Minnesota.

EXHIBIT B
TO
PURCHASE AGREEMENT



(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

Business Entity to Individual(s)

eCRV number:

DEED TAX DUE: \$ 1.65

DATE: _____, 2026

FOR VALUABLE CONSIDERATION, the **City of Blackduck**, a municipal corporation under the laws of Minnesota ("Grantor"), hereby conveys and quitclaims to **Phillip J. Patch** and **Tammy M. Patch**, husband and wife (collectively, "Grantee"), as joint tenants, real property in Beltrami County, Minnesota, legally described as follows:

Lots 1, 2 and 3, Block 1, SECOND ADDITION TO BLACKDUCK, according to the plat thereof on file and of record in the office of the County Recorder in and for Beltrami County, Minnesota

Check here if all or part of the described real property is Registered (Torrens)

together with all hereditaments and appurtenances belonging thereto, and subject to the rights of existing utilities, if any, as provided in Minn. Stat. § 161.45, subd. 3.

Check applicable box:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: [...].)
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Grantor

City of Blackduck

By: _____
Maxwell Gullette
Its: Mayor

By: _____
Christina Regas
Its: City Administrator

State of Minnesota, County of Beltrami

This instrument was acknowledged before me on _____, 2026, by Maxwell Gullette as Mayor and by Christina Regas as City Administrator of the City of Blackduck.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

Ratwik, Roszak & Maloney, P.A.
444 Cedar Street, Suite 2100
St. Paul, MN 55101
(612) 339-0060

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

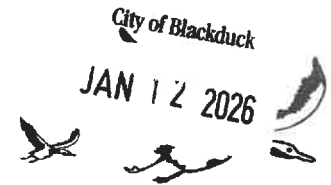
Phillip Patch
Tammy Patch
P.O. Box 303
Blackduck, MN 55630



Assessor's Office
701 Minnesota Ave NW, Suite 130 Bemidji, MN 56601
Kaleb Bessler, County Assessor
kaleb.bessler@co.beltrami.mn.us
Telephone: 218-333-4111

January 2, 2026

Paige Watson
PO Box 380
Blackduck, MN 56630



Greetings,

We are writing to notify you of the Local Board of Appeal and Equalization Meeting that is scheduled for the City of Blackduck on Friday April 24th at 1:00 pm at City Hall. Please make sure someone is there to open the building. Let us know if this date/time does not work for you by February 15th, 2026 to reschedule.

Please feel free to contact my office with any questions.

Sincerely,

Travis Else
Assessment Specialist
Travis.else@co.beltrami.mn.us
218-333-4113

Free • Open to the Public • All Ages

WINTER FESTIVAL

SAT., MARCH 7 ❄️ 11-2 P.M.

HOSTED AT KELLIHER PUBLIC SCHOOL
345 4th St NW, Kelliher

Residents of Beltrami County are invited to celebrate the end of winter and connect with local resources and neighbors.

FREE
Games
Music
Crafts
Prizes
Local Food

