

CITY OF MILACA
CITY COUNCIL MEETING
COUNCIL AGENDA
June 21, 2022

CELEBRATING 125 YEARS 1897-2022- CITY ESTABLISHED FEBRUARY 16, 1897

1. Call Meeting to Order 6:30 p.m.
2. Pledge of Allegiance
3. Roll Call
4. Approval of Agenda
5. Approval of Minutes 5-19-2022 and 6-6-2022
6. Approval of Bills
7. Public Hearing-None
8. Open Forum (5 minute limit, must request to be on the agenda)
9. Requests, Communications, Petitions and Complaints (must request to be on the agenda) **Mille Lacs Health System is moving into the old clinic within 4 to 6 months per Carvin Bussell.**
 - (a) Update State-
 - (b) Update County-
 - (c) Update Township-
 - (d) 2021 Audited Financials 2021 Presented by Molly Thompson CPA of Schlenner Wenner MB___ 2nd___
 - (e) Petition-Emily Hansen- Chickens and Bees in city limits.
10. **Ordinances and Resolutions**
 - (a) Resolution 22-22 Handout at meeting
 - (b) Resolution 22-23 Review Council applicants- Vote- Resolution to Fill a City Council Vacancy
 - (c) Resolution 22-24 Resolution accepting Donations
 - (d) Resolution 22-25 Resolution Appointing Election Judges and designation Polling Hours and Location
 - (e) Resolution 22-26 Resolution Special Assessment – Keith Rott Sewer Line Repair
 - (f) Ordinance No. 493 Enacting and Adopting a Supplement to the Code of Ordinances First Reading
 - (g) Ordinance No. 494 Chapter 30 Amending Sections of Ordinance of the City of Milaca First Reading
 - (h) Ordinance No. 495 Chapter 31 Amending Boards, Commissions, and Departments First Reading
 - (i) Review of City Ordinance Chapter 115 Peddlers, Solicitors, and Transient Merchants
 - (j) Discussion regarding changing the form of government from a Plan B to a Plan A
 - (k) Discussion regarding Temporary Liquor Licenses
11. Reports of Departments
 - (a) City Manager-
 - (b) Police-Activity Report
 - (c) Parks-
 - (d) Public Works- Water Meter Replacement Bid Results and Contract Award
 - (e) Public Works- 2022 Street Improvement Contractors Pay Request No. 1 \$55,204.03
 - (f) Liquor Store-
 - (g) Fire Department
 - (h) Planning & Zoning
 - (i) Airport-

12. Committees

- (a) Personnel-
- (b) Budget-
- (c) Tourism-
- (d) EDC-

13. Unfinished Business

- (a)
- (b)

14. New Business

- (a) Special Event Application- Movies in the Park 7-21-2022 & 8-4-2022
- (b) Special Event Application- Fall Fundraising Picnic 9-27-2022
- (c) Special Event Application – First National Bank- Community Pork Chop Dinner August 4th
- (d) Transient Merchant Application- Steven Ehlen- Lily's Wings LLC
- (e) Transient Merchant Application- Roger Wold- The Flaming Bowl LLC
- (e) Service Agreement with Linda Hunter-DBA Gingerbread Shows Craft Fair 8-26 & 27-2020
- (f) East Central Regional Library Agreement

15. Miscellaneous

16. Council Comments

17. Adjournment _____p.m.

§ 30.19 ORDER OF BUSINESS; AGENDA

(C) Unless the Council, in its discretion, votes to consider matters not appearing on the agenda, no item of business shall be considered unless it appears on the agenda for the meeting.

**CITY OF MILACA
COUNCIL MINUTES
May 19, 2022**

Call to Order Roll Call

Mayor Pedersen called the regular meeting of the Milaca City Council to order at 6:30 p.m.

Upon roll call, the following council members were present: Mayor Harold Pedersen; Councilors: Dave Dillan, Norris Johnson, Lindsee Larsen, and Cory Pedersen. Councilors Absent:

Staff Present: City Manager Tammy Pfaff, City Attorney Damien Toven, Assistant City Clerk Deloris Katke, Police Chief Quinn Rasmussen, Administrative Communications Specialist Mary Mickelson, Public Works/Events Coordinator Mark Wubben, and Fire Chief Jesse Gerads.

Others Present: George Eilertson-Northland Securities, Marshall Lind, Dan Hollenkamp, and Jeff Hage.

Approval of the Agenda

Mayor Pedersen called for a motion to approve the agenda. Motion by Johnson and seconded by Dillan. Resolution 22-21 is added to the agenda for the Airport Grant agreement. Mayor Pedersen called for a motion to add Resolution 22-21 to the agenda. Motion for approval from Dillan. The motion was seconded by Larsen. Motion carried unanimously upon roll call of all council members.

Approval of the Minutes – April 21, 2022

Mayor Pedersen called for a motion to approve the minutes. Motion by Dillan to approve the minutes. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

Approval of Bills

Mayor Pedersen called for a motion to approve the bills. Motion by C. Pedersen for approval of the bills. Johnson seconded the motion. Motion carried unanimously upon roll call of all council members.

Open Forum

Chamber – Not present.

Requests, Communications, Petitions and Complaints

Update State –

Update County –

Update Townships –

Petition – Emily Hansen - Chickens- Emily was not present; however, Dan Hollenkamp was present on her behalf. Dan had a list of names on his cell phone. Council requested the signed petition with names and addresses of those who live in city limits. The discussion and actual petition will be addressed at the next council meeting in June, at which time the council may refer the matter to the Planning Commission. Marshall Lind raised his hand and commented that they need to pay \$200 and file the application for a zoning amendment to code.

Ordinances and Resolutions

Resolution 22-08 Annual Appointments Revised – Previously Tabled. Mayor Pedersen called for a motion for approval. No motion by council.

Resolution 22-16 – Resolution Accepting Donations for the 125th Anniversary City Celebration.

Mayor Pedersen called for a motion for approval. Motion for approval by Johnson. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

Resolution 22-17 – Resolution LGA Formula Update Appropriation. Mayor Pedersen called for a motion for approval. Motion by Dillan for approval. Johnson seconded the motion. Motion carried unanimously upon roll call of all council members.

Resolution 22-18 – Resolution Declaring Part-time Police Officer as Covered by PERA. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

Resolution 22-19 – Resolution Accepting Resignation and Declaring a Council Vacancy. Mayor Pedersen called for a motion for approval. Motion by Larsen for approval. Dillan seconded the motion. Roll call of council members voting in favor: Larsen, Dillan, H. Pedersen, and Johnson. Council member C. Pedersen abstained. Motion carries. City Manager directed by council to advertise the council vacancy on June 1, 2022.

Resolution 22-20 (Final) – A Resolution for the Issuance and sale of \$570,000 General Obligation Street Reconstruction Bonds Series 2022A and Levying a Tax for the payment thereof. George Eilertson from Northland Securities presented the final resolution and bond schedules to the council and stated the bonds will be a fifteen-year term, with the final maturity on February 1, 2037. The average coupon rate of 3.88%. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

Ordinance Chapter 30 discussion. Council discussed changes as follows.

Section 30.01 – To list out all commissions or committees.

Section 30.18 – Change Deputy City Manager to Assistant City Clerk.

Section 30.18 – Change agenda to current layout.

Section 30.26 – Council compensation Mayor pointed out that council, if they choose to change the Mayor and council members compensation, it must be done every two years prior to the general election.

Chapter 31.07 – Remove Park Director

Add language for Planning Commission compensation in Chapter 31.

Resolution 22-08 Annual Appointments Revised – Previously Tabled. Dillan requested the council to bring back Resolution 22-08. Mayor Pedersen called for a motion to untable the resolution. Motion by Dillan and seconded by C. Pedersen. Motion carried unanimously upon roll call of all council members. Mayor Pedersen called for a motion to approve Resolution 22-08. Motion by Dillan for approval. C. Pedersen seconded the motion. Motion carried unanimously upon roll call of all council members.

Resolution 22-21 Approving the Airport Grant Agreement. Mayor Pedersen called for a motion for approval. Motion by Larsen for approval. Johnson seconded the motion. Motion carried unanimously upon roll call of all council members.

Reports of Departments, Boards and Commissions

City Manager –

Police – Quinn explained the reason regarding no activity report, due to the system being down.

Park – List of upcoming events.

Public Works – Activity report.

Liquor Store – No activity.

Fire Department – Jesse stated they have the Golf Tournament on July 9, 2022.

Airport – Contractors are ready to begin the project on the taxiway apron.

Planning Commission –

Personnel Committee –

Budget Committee –

Tourism – Next meeting will be in November.

EDC – Dillan gave a brief update of the meeting regarding activity in town.

Unfinished Business

New Business

Special Event Application – First National Bank Amending Application: To allow parking on grass, extended park hours to 12:00 a.m., music done at 11:00 p.m., close the campground and no campfires, and to operate outside the noise ordinance hours. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

Special Event Application – Milaca Chamber of Commerce - Parade June 16, 2022. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

Change City Council meeting date due to the parade. Council elected to move the meeting to June 21, 2022 at 6:30 p.m. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

Special Event Application – 2nd Annual Hoops and Hope June 25, 2022. Mayor Pedersen called for a motion for approval. Motion by Larsen for approval. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

Special Event Application and Liquor License – Rec Fest July 28 to July 31, 2022 and Rotz Camping and Jamming on September 8 to September 11, 2022. Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. C. Pedersen seconded the motion. Motion carried unanimously upon roll call of all council members.

Special Event Application – First National Bank 125th Anniversary Kids Day August 9, 2022. Mayor Pedersen called for a motion for approval. Motion by Dillan for approval. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

Council Comments

Larsen – No comment.

C. Pedersen – Thanked everyone for the privilege to service on the city council. City Council and City Manager thanked him for his service.

Dillan – Thanked the Public Works department for the school's Day of Service they had and that Public Works helped them get around town.

Mayor Pedersen – Commented on the graffiti under the bridge and the potholes around town. Mark Wubben commented they would be fixed next week.

Johnson – No comment.

Adjourn

With no other business presented before the council, Mayor Pedersen called for a motion to adjourn. Motion by Larsen to adjourn. C. Pedersen seconded the motion. Motion carried unanimously upon roll call of all council members. Meeting adjourned at 7:44 p.m.

Mayor Harold Pedersen

ATTEST:

City Manager Tammy Pfaff

**CITY OF MILACA
SPECIAL MEETING
COUNCIL MINUTES**

June 6, 2022

Call to Order Roll Call

Mayor Pedersen called the special meeting of the Milaca City Council to order at 6:30 p.m.

Upon roll call, the following council members were present: Mayor Pedersen; Councilors: Dave Dillan, Norris Johnson, and Lindsee Larsen. Councilors Absent

Staff Present: City Manager Tammy Pfaff, City Attorney Damien Toven, Assistant City Clerk Deloris Katke, City Treasurer Jessica Humphreys, Administrative Communication Specialist Mary Mickelsen, Public Works Supervisor Gary Kirkeby, Public Works/Events Mark Wubben, and Police Chief Quinn Rasmussen.

Others Present: Union Times Jeff Hage, Cindy Biederman, Myron Mollet, Pauline Mollet, Shannon Milender, Marshall Lind, Andy Nelson, Dean Angemeier, Chris Ehlen, Jim Gerads, and Roxie Gerads.

Approval of the Agenda

Mayor Pedersen called for a motion to approve the agenda. Motion by Johnson and seconded by Larsen. Motion carried unanimously upon roll call of all council members.

New Business

Declaring a Vacancy of a Council Position – Mayor Pedersen asked if this has been done. It was explained that a resolution was passed at the May council meeting.

Mayoral Decision – Mayor Pedersen announced he would not run for mayor in November.

Milaca Area Chamber of Commerce – Shannon gave the council an update on the parade and transient merchants.

Special Event and Transient Merchant Application Approval – Approve Kiddie parade on June 14 and approve transient merchant for Jody Stay-Pizza Barn, Sara Strandberg-Firehouse BBQ, Uncle Gerry's Treats, and Addie's Ice Cream Treats. Mayor Pedersen called for a motion for approval. Motion by Dillan and seconded by Larsen. Motion carried unanimously upon roll call of all council members. Mayor Pedersen asked that the transient merchant ordinance be placed on the next council agenda.

Rec Fest Committee Update – Mayor Pedersen stated the procedures that were given to the committee was outrageous. Jessica the city treasurer explained the need for the procedures to the council and committee volunteers. The volunteers were vocal in showing that they did not agree with the procedures and asked that it be simplified. The volunteers will meet with Jessica to discuss the procedures in detail.

Transient Merchant Application Approval – Lynn Anderson-Hunters Grill. Mayor Pedersen called for a motion for approval. Motion by Dillan and seconded by Larsen. Motion carried unanimously upon roll call of all council members.

Closed meeting pursuant to Minnesota Statue Sections 13D.05 Subd 2(b) and 13.43 Subd 2(4)

Mayor Pedersen announced that he would allow the meeting be open to the public as he was the subject of the city employee complaint letter that was sent to the City Attorney and the City Council. The City Attorney cautioned the mayor not to reveal names. The City Attorney then proceeded to summarize the city staff complaints filed against the mayor in creating a hostile workplace. He stated at the January council meeting a number of city staff signed a petition requesting the mayor resign, and if he did not resign that he could not be placed on any committees, commissions, or boards. The signed petition from the staff was given to council members Johnson, Dillan, Larsen, and C. Pedersen, and then given to the attorney and the mayor. The city staff petition requested the city council to restrict the mayor from

communicating with city staff and that the mayor has created a hostile work environment for multiple employees, has acted hostile at council meetings, and in private actions that were hostile and aggressive towards staff. Toven continued that council held a closed meeting to address the matter, and it was closed to protect the city staff that signed the petition. Toven referred to the whistleblower law. Toven stated the council met in a closed meeting to put in place an agreement between the mayor and city council to restrict the mayor. The agreement, signed by the mayor and city council, has restrictions that the mayor would only communicate with staff by email and no in-person meetings with staff unless another council member was present. Also, that if the mayor has any concerns regarding the agenda for the next scheduled council meeting that those issues or concerns be brought to staff prior to the agenda going out and not having them placed on the agenda at the council meeting. Toven went on to state that the mayor had agreed to being removed for the personnel and budget committees, and that the mayor attend a mediation session with the League of Minnesota Cities in the hopes to begin a positive communication with the employee. Toven stated the agreement was signed by the mayor and he agreed to the stipulations of the agreement. Since that time of the mayor signing the agreement, the city staff has brought forth numerous violations of the agreement, with one of those being that he wants to be reappointed to the parks commission and tourism board. City staff raised concerns and frustration citing that the mayor is still on boards and committees and he continues to make negative comments about multiple city staff. City staff continued with the complaint that the mayor continues to call city staff instead of following the signed agreement mode of communication via email. Mayor Pedersen believes he is in compliance with the agreement, stating he could call regarding Rec Fest, and continued to state that he called Deloris to get the agenda, claiming the email went to his spam. The mayor added that he did call public works and the police department. The council put in place that the mayor would not be placed on any boards, committees or commissions for the remainder of his term. Toven stated that the agreement that was signed by the mayor and city council is not addressing the concerns and needs of the city staff. Council member Johnson stated the intent was for the mayor to not be on any boards or commissions. Johnson suggested the council remove the mayor from any boards, committees, or commissions. Johnson made a motion to remove the mayor from all boards, committees and commissions. Motion failed due to lack of a second. The matter will be addressed at the June Regular City Council Meeting. Mayor commented that he wanted on the agenda to change the city from a Plan B city to a Plan A City.

Adjourn

With no other business presented before the council, Johnson made a motion to adjourn. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

Meeting adjourned at 8:45 p.m.

Mayor Harold Pedersen

ATTEST:

City Manager Tammy Pfaff

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
48394	05/23/22	AMAZON	4399394733	2	215-49000-201	24.16	24.16	DRY ERASE MARKERS-EVENTS	
48394	05/23/22	AMAZON	4458448338	1	101-45200-437	127.32	127.32	TOILET PAPER-PARKS	
48394	05/23/22	AMAZON	4665346556	1	101-41940-217	36.99-	36.99-	CHAIR MAT REFUND-CITY	
48394	05/23/22	AMAZON	4695357977	1	101-41940-217	32.96	32.96	TRASH BAGS-CITY	
48394	05/23/22	AMAZON	4788788589	1	101-42280-217	18.95-	18.95-	TRASH BAG REFUND-FIRE	
48394	05/23/22	AMAZON	5793849346	1	101-45200-437	8.03	8.03	TEACHING ORIENTEERING-PARKS	
48394	05/23/22	AMAZON	5957467987	1	101-45500-217	31.80	31.80	TOILET BOWL CLEANER-LIBRARY	
48394	05/23/22	AMAZON	6663543973	2	101-42110-201	33.16	33.16	WRITING TABLETS-PD	
48394	05/23/22	AMAZON	6799854487	1	101-41940-217	43.95	43.95	UNDER DESK KEYBOARD-CITY	
48394	05/23/22	AMAZON	7945977888	1	101-41940-217	14.24	14.24	LAN WIRE-CITY	
48394	05/23/22	AMAZON	8753786954	1	101-41940-217	36.99	36.99	CHAIR MAT-CITY	
48394	05/23/22	AMAZON	8873687766	1	101-41940-201	10.76	10.76	SHARPIE MARKERS-CITY	
48394	05/23/22	AMAZON	9393558696	2	609-49750-201	48.98	48.98	PACKAGING TAPE-LIQUOR	
48394	05/23/22	AMAZON	9658358853	1	101-41940-217	32.72	32.72	WINDEX-CITY	
48394	05/23/22	AMAZON	9733665463	1	101-45200-437	59.99	59.99	DISPLKAY BOX-PARKS	
48394	05/23/22	AMAZON	9983633375	1	101-43000-217	45.00	45.00	DOOR HINGE-PW	
Total 48394:							494.12		
48395	05/23/22	ASPEN MILLS	293702	1	101-42280-434	256.76	256.76	HIGGINS DRESS UNIFORM-FIRE	
Total 48395:							256.76		
48396	05/23/22	AUTO BODY TECHNICIANS	20950	1	101-45200-240	70.78	70.78	PARTS-PW	
48396	05/23/22	AUTO BODY TECHNICIANS	980877B2	1	101-43000-212	1,660.24	1,660.24	2019 FORD F 250 REPAIR-PW	
Total 48396:							1,731.02		
48397	05/23/22	BERNICKS	331847	1	609-49750-254	111.03	111.03	NA	
48397	05/23/22	BERNICKS	331848	1	609-49750-252	1,009.35	1,009.35	BEER	
Total 48397:							1,120.38		
48398	05/23/22	BREAKTHRU BEVERAGE MN	344390023	3	609-49750-333	10,140.39	10,140.39	FREIGHT	
48398	05/23/22	BREAKTHRU BEVERAGE MN	409671864	2	609-49750-333	301.50-	301.50-	CREDIT DELIVERY	
48398	05/23/22	BREAKTHRU BEVERAGE MN	409734404	2	609-49750-333	69.30-	69.30-	CREDIT DELIVERY	
Total 48398:							9,769.59		
48399	05/23/22	BUG COMMANDER PEST SOLU	7398	1	602-49400-310	139.00	139.00	RIVER DR SW TREATMENT	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48399:							139.00		
48400	05/23/22	C & L DISTRIBUTING CO.	1449369	4	609-49750-252	12,649.45	12,649.45	BEER	
48400	05/23/22	C & L DISTRIBUTING CO.	1453873	3	609-49750-252	7,509.50	7,509.50	BEER	
48400	05/23/22	C & L DISTRIBUTING CO.	2144000100	1	609-49750-252	29.70-	29.70-	CREDIT BEER	
48400	05/23/22	C & L DISTRIBUTING CO.	2144000105	1	609-49750-252	153.40-	153.40-	CREDIT BEER	
48400	05/23/22	C & L DISTRIBUTING CO.	2144000106	1	609-49750-252	76.93-	76.93-	CREDIT BEER	
Total 48400:							19,898.92		
48401	05/23/22	CRYSTAL SPRINGS ICE	500012	2	609-49750-333	367.08	367.08	DELIVERY	
Total 48401:							367.08		
48402	05/23/22	DAHLHEIMER DISTRIBUTING C	1581252	2	609-49750-252	16,027.90	16,027.90	BEER	
Total 48402:							16,027.90		
48403	05/23/22	DAVID A RUSSELL	050722	1	101-42110-310	264.04	264.04	ANIMAL CONTROL - PD	
Total 48403:							264.04		
48404	05/23/22	DIAMOND MAPS	4023	1	602-49400-310	360.00	360.00	YEARLY SUBSCRIPTION	
Total 48404:							360.00		
48405	05/23/22	DUSTY'S DRAIN CLEANING	D22-066	1	603-49450-310	525.00	525.00	425 2ND AVE NE CAMERA	
Total 48405:							525.00		
48406	05/23/22	EHLEN, CHRISTOPHER	051522	1	101-42280-437	159.86	159.86	PIZZAS	
Total 48406:							159.86		
48407	05/23/22	FARM-RITE EQUIPMENT INC.	R02580	1	101-43000-403	450.00	450.00	RENTAL EQUIPMENT	
Total 48407:							450.00		
48408	05/23/22	FLOWERPOT GREENHOUSE	000013	1	101-41940-225	862.50	862.50	PLANTED POTS DOWNTOWN	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48408:							862.50		
48409	05/23/22	GALLS INC	021052002	1	101-42110-434	32.60	32.60	UNIFORMS-RASMUSSEN	
Total 48409:							32.60		
48410	05/23/22	GOVT FINANCE OFFICERS ASS	3059152	1	101-41510-208	280.00	280.00	GOV INTERNAL CONTROL TRAINING	
Total 48410:							280.00		
48411	05/23/22	GRANITE CITY JOBBING	279154	5	609-49750-333	1,723.97	1,723.97	DELIVERY	
48411	05/23/22	GRANITE CITY JOBBING	279939	2	609-49750-256	699.65	699.65	TOBACCO	
48411	05/23/22	GRANITE CITY JOBBING	280127	3	609-49750-333	241.80	241.80	DELIVERY	
48411	05/23/22	GRANITE CITY JOBBING	280942	3	609-49750-256	430.97	430.97	TOBACCO	
Total 48411:							3,096.39		
48412	05/23/22	GRANITE ELECTRONICS	154010778-1	1	101-42280-226	35.00	35.00	PAGER REPAIR - FIRE	
Total 48412:							35.00		
48413	05/23/22	GRANITE LEDGE ELECTRIC	F22141	1	101-45200-401	2,195.00	2,195.00	SPLASH PAD	
Total 48413:							2,195.00		
48414	05/23/22	HJORT EXCAVATING	2022-187	1	602-49400-310	3,610.00	3,610.00	THRIFTY WHITE WATER LEAK	
48414	05/23/22	HJORT EXCAVATING	2022-188	1	603-49450-409	1,425.00	1,425.00	THRIFTY WHITE STORM C/B REPAIR	
48414	05/23/22	HJORT EXCAVATING	2022-189	1	603-49450-310	9,092.50	9,092.50	ALLEY BY ZION CHURCH-MH REPAIR	
48414	05/23/22	HJORT EXCAVATING	2022-193	1	603-49450-408	3,317.50	3,317.50	425 2ND AVE NE SEWER	
Total 48414:							17,445.00		
48415	05/23/22	IPRINT TECHNOLOGIES	892525	2	603-49450-201	435.00	435.00	TONER - SEWER	
Total 48415:							435.00		
48416	05/23/22	JAYSEN S FERN	2054	1	609-49750-259	18.60	18.60	OTHER FOR RESALE	
48416	05/23/22	JAYSEN S FERN	2055	1	609-49750-259	39.90	39.90	OTHER FOR RESALE	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48416:							58.50		
48417	05/23/22	JINDRAS RENTAL SERVICE	830	1	603-49450-310	750.00	750.00	425 2ND AVE NE SEWER REPAIR	
Total 48417:							750.00		
48418	05/23/22	JOHNSON BROTHERS LIQUOR	2046935	3	609-49750-251	1,148.11	1,148.11	LIQUOR	
48418	05/23/22	JOHNSON BROTHERS LIQUOR	2047702	3	609-49750-333	964.03	964.03	DELIVERY	
48418	05/23/22	JOHNSON BROTHERS LIQUOR	2048146	3	609-49750-333	8,337.17	8,337.17	DELIVERY	
48418	05/23/22	JOHNSON BROTHERS LIQUOR	2051642	2	609-49750-333	5,040.12	5,040.12	DELIVERY	
48418	05/23/22	JOHNSON BROTHERS LIQUOR	2052912	3	609-49750-333	2,354.93	2,354.93	DELIVERY	
Total 48418:							17,844.36		
48419	05/23/22	KIRKEBY, GARY	051122	1	101-43000-208	76.16	76.16	REIMB-MILEAGE FOR TRAINING	
Total 48419:							76.16		
48420	05/23/22	LEAGUE OF MN CITIES INSUR	10002610-05	1	700-50000-151	264.00	264.00	WORK COMP-JP AUDIT	
Total 48420:							264.00		
48421	05/23/22	M. AMUNDSON LLP	341175	2	609-49750-259	1,164.27	1,164.27	OTHER FOR RESALE	
Total 48421:							1,164.27		
48422	05/23/22	MAVERICK WINE COMPANY MI	771749	2	609-49750-251	475.08	475.08	LIQUOR	
Total 48422:							475.08		
48423	05/23/22	MICHAEL BECK DBA	DOWNTOW	1	602-49400-310	2,500.00	2,500.00	CITY CURB REPAIR-DOWNTOWN	
48423	05/23/22	MICHAEL BECK DBA	LIBRARY	1	101-45500-530	14,500.00	14,500.00	PARKING LOT & SIDEWALK-LIBRARY	
48423	05/23/22	MICHAEL BECK DBA	MUSEUM	1	208-45600-401	4,000.00	4,000.00	SIDEWALK, TUCK POINTING & DOOR CONCRETE JAM-MUSEU	
Total 48423:							21,000.00		
48424	05/23/22	MID-MN INSPECTIONS LLC	1084	1	101-42400-300	2,141.10	2,141.10	CONTRACTED BLDG OFFICIAL	
Total 48424:							2,141.10		

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/Manual
48425	05/23/22	MILACA CHAMBER OF COMME	50122	1	101-31410	644.21	644.21	MAY LODGING TAX	
Total 48425:							644.21		
48426	05/23/22	MILACA GENERAL RENTAL CEN	1-58287	1	101-43000-401	50.53	50.53	JACK HAMMER RENTAL-PW	
48426	05/23/22	MILACA GENERAL RENTAL CEN	1-58325	1	101-43000-240	48.90	48.90	SHOP PROPANE	
Total 48426:							99.43		
48427	05/23/22	MILACA IRON & METAL	11624293	1	101-43000-221	28.80	28.80	PARTS-PW	
Total 48427:							28.80		
48428	05/23/22	MILLE LACS COUNTY DAC	40166	4	101-45200-310	788.62	788.62	CLEANING SVCS - GORECKI CENTER	
Total 48428:							788.62		
48429	05/23/22	MINUTEMAN PRESS	30362	1	215-49000-343	279.66	279.66	ARTS & CRAFT FAIR FLYERS	
Total 48429:							279.66		
48430	05/23/22	MN PEIP	1191171	1	101-21706	21,918.60	21,918.60	MEDICAL INS.-JUNE	
Total 48430:							21,918.60		
48431	05/23/22	MOOSE LAKE BREWING CO. LL	511-004	1	609-49750-252	72.00	72.00	BEER	
Total 48431:							72.00		
48432	05/23/22	NCPERS GROUP LIFE INS	6272000620	1	101-21709	112.00	112.00	GROUP LIFE INS-JUNE	
Total 48432:							112.00		
48433	05/23/22	PAUSTIS WINE COMPANY	164989	3	609-49750-333	2,950.75	2,950.75	DELIVERY	
Total 48433:							2,950.75		
48434	05/23/22	PHILLIPS WINE AND SPIRITS	6393108	3	609-49750-333	6,816.77	6,816.77	DELIVERY	
48434	05/23/22	PHILLIPS WINE AND SPIRITS	6396906	3	609-49750-333	732.94	732.94	DELIVERY	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48434:							7,549.71		
48435	05/23/22	RED BULL DISTRIBUTION CO IN	5001685567	1	609-49750-254	193.00	193.00	NA	
Total 48435:							193.00		
48436	05/23/22	RWB EMERGENCY LIGHTING	22-73	1	101-42280-241	5,981.84	5,981.84	LIGHTS FOR RESCUE 1-FIRE	
Total 48436:							5,981.84		
48437	05/23/22	Southern Glazer's Wine & Spirits	2144390-1	1	609-49750-251	58.60-	58.60-	CREDIT LIQUOR	
48437	05/23/22	Southern Glazer's Wine & Spirits	2183331-1	1	609-49750-251	113.00-	113.00-	CREDIT LIQUOR	
48437	05/23/22	Southern Glazer's Wine & Spirits	2185806-1	1	609-49750-251	125.90-	125.90-	CREDIT LIQUOR	
48437	05/23/22	Southern Glazer's Wine & Spirits	2203666-1	1	609-49750-251	10.49-	10.49-	CREDIT LIQUOR	
48437	05/23/22	Southern Glazer's Wine & Spirits	2203667-1	2	609-49750-333	81.55-	81.55-	CREDIT DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	2206402	2	609-49750-333	386.40	386.40	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	2209012	2	609-49750-333	8,281.65	8,281.65	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	2209013	2	609-49750-333	327.75	327.75	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	2211507	2	609-49750-333	8,786.10	8,786.10	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	2211508	2	609-49750-333	231.75	231.75	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	5083703	2	609-49750-333	29.10	29.10	DELIVERY	
48437	05/23/22	Southern Glazer's Wine & Spirits	5083704	3	609-49750-253	218.77	218.77	WINE	
Total 48437:							17,871.98		
48438	05/23/22	STAR PUBLICATIONS	203037	1	609-49750-343	190.00	190.00	ADVERTISING	
Total 48438:							190.00		
48439	05/23/22	UNUM	0691590-001	1	101-21707	858.36	858.36	LIF/ADD/LTD/STD	
Total 48439:							858.36		
48440	05/23/22	USA BLUEBOOK	969778	1	602-49400-221	1,557.90	1,557.90	PARTS-WATER	
48440	05/23/22	USA BLUEBOOK	970971	1	602-49400-221	257.85	257.85	CURB BOX	
Total 48440:							1,815.75		
48441	05/23/22	VERIZON WIRELESS	9906043434	5	609-49750-321	710.51	710.51	STORE DISPLAY SIGN - LIQUOR	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48441:							710.51		
48442	05/23/22	VIKING BOTTLING CO.	2918611	1	609-49750-254	402.65	402.65	NA	
Total 48442:							402.65		
48443	05/23/22	VINOCOPIA	0303671	4	609-49750-333	1,770.17	1,770.17	DELIVERY	
48443	05/23/22	VINOCOPIA	0304220	2	609-49750-333	229.00	229.00	DELIVERY	
48443	05/23/22	VINOCOPIA	0304221	2	609-49750-333	98.50	98.50	DELIVERY	
48443	05/23/22	VINOCOPIA	0304222	2	609-49750-333	253.13	253.13	DELIVERY	
Total 48443:							2,350.80		
48444	05/23/22	WATSON COMPANY	124772	3	609-49750-333	982.54	982.54	DELIVERY	
48444	05/23/22	WATSON COMPANY	124971	3	609-49750-333	1,056.57	1,056.57	DELIVERY	
Total 48444:							2,039.11		
48445	05/23/22	WEYER ELECTRIC LLC	1794	1	101-42280-520	460.00	460.00	GYM AND SHOP REPAIRS	
Total 48445:							460.00		
48446	05/23/22	YOST, EDWARD	147	1	101-42110-310	300.00	300.00	IT SERVICES - POLICE	
Total 48446:							300.00		
48447	05/23/22	ZAHL-PMC	0271403	1	101-49810-221	883.38	883.38	PARTS-AIRPORT	
Total 48447:							883.38		
48448	05/23/22	ZARNOTH BRUSH WORKS, INC	0189377	1	101-43000-221	688.00	688.00	BROOMS - PW	
Total 48448:							688.00		
48449	05/26/22	AUTUMN ACRES REAL ESTATE	31-6620-01	1	001-10005	15.00	15.00	CREDIT ON FINAL BILL	
Total 48449:							15.00		
48450	05/26/22	HALL, DANIEL	11-1240-00	1	001-10005	41.10	41.10	CREDIT ON FINAL BILL	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48450:							41.10		
48451	05/26/22	HERBST, PAUL	31-0900-01	1	001-10005	16.10	16.10	CREDIT ON FINAL BILL	
Total 48451:							16.10		
48452	05/26/22	QUIGLEY, ALLEN & ROBYN	11-4740-00	1	001-10005	58.20	58.20	CREDIT ON FINAL BILL	
Total 48452:							58.20		
48453	05/26/22	U.S. POSTMASTER	052622	2	603-49450-322	379.27	379.27	MAY WATER BILLS-SEWER	
Total 48453:							379.27		
48454	05/26/22	VEURINK, ADAM	11-3150-00	1	001-10005	7.70	7.70	CREDIT ON FINAL BILL	
Total 48454:							7.70		
48455	05/26/22	VISA	7957-051322	7	101-42110-208	1,221.55	1,221.55	FIT TRAINING-PD	
Total 48455:							1,221.55		
48456	06/01/22	BELLBOY CORP.	0094916800	1	609-49750-251	3,721.35	3,721.35	LIQUOR	
48456	06/01/22	BELLBOY CORP.	0094917100	1	609-49750-251	135.00	135.00	LIQUOR	
Total 48456:							3,856.35		
48457	06/01/22	BERNICKS	335358	1	609-49750-252	34.50-	34.50-	CREDIT BEER	
48457	06/01/22	BERNICKS	335359	1	609-49750-254	91.98	91.98	NA	
48457	06/01/22	BERNICKS	335360	3	609-49750-254	4,341.80	4,341.80	NA	
48457	06/01/22	BERNICKS	337656	1	609-49750-252	180.75-	180.75-	CREDIT BEER	
48457	06/01/22	BERNICKS	337657	1	609-49750-254	122.62	122.62	NA	
48457	06/01/22	BERNICKS	337658	2	609-49750-254	6,021.00	6,021.00	NA	
Total 48457:							10,362.15		
48458	06/01/22	BREAKTHRU BEVERAGE MN	344179475	3	609-49750-333	2,409.31	2,409.31	DELIVERY	
48458	06/01/22	BREAKTHRU BEVERAGE MN	344266514	3	609-49750-333	1,729.00	1,729.00	DELIVERY	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48458:							4,138.31		
48459	06/01/22	BROOKVIEW WINERY	KISS-0062	1	609-49750-253	192.00	192.00	WINE	
Total 48459:							192.00		
48460	06/01/22	C & L DISTRIBUTING CO.	1456993	3	609-49750-253	11,328.25	11,328.25	WINE	
48460	06/01/22	C & L DISTRIBUTING CO.	1460273	4	609-49750-252	16,622.77	16,622.77	BEER	
48460	06/01/22	C & L DISTRIBUTING CO.	2144000118	2	609-49750-252	52.87-	52.87-	CREDIT BEER	
Total 48460:							27,898.15		
48461	06/01/22	DAHLHEIMER DISTRIBUTING C	1585069	1	609-49750-252	140.00	140.00	BEER	
48461	06/01/22	DAHLHEIMER DISTRIBUTING C	1585094	3	609-49750-254	13,121.77	13,121.77	NA	
48461	06/01/22	DAHLHEIMER DISTRIBUTING C	1588875	4	609-49750-254	14,884.95	14,884.95	NA	
Total 48461:							28,146.72		
48462	06/01/22	FRONTIER	011993-2-6	1	609-49750-321	155.38	155.38	PHONE SVC-LIQUOR STORE	
48462	06/01/22	FRONTIER	032802-2-6	1	101-42280-321	52.13	52.13	PHONE SVC-FIRE	
48462	06/01/22	FRONTIER	072480-2-6	1	602-49400-321	147.07	147.07	PHONE SVC-WATER (6134)	
48462	06/01/22	FRONTIER	082197-2-6	1	602-49400-321	1.80	1.80	PHONE SVC-WATER (0121)	
48462	06/01/22	FRONTIER	082488-2-6	1	101-49810-321	95.18	95.18	PHONE SVC-AIRPORT (2648)	
Total 48462:							451.56		
48463	06/01/22	JOHNSON BROTHERS LIQUOR	2047751	2	609-49750-333	187.19	187.19	DELIVERY	
48463	06/01/22	JOHNSON BROTHERS LIQUOR	2057761	2	609-49750-333	337.55	337.55	DELIVERY	
48463	06/01/22	JOHNSON BROTHERS LIQUOR	2057762	3	609-49750-333	2,462.65	2,462.65	DELIVERY	
48463	06/01/22	JOHNSON BROTHERS LIQUOR	2062914	4	609-49750-333	4,318.37	4,318.37	DELIVERY	
Total 48463:							7,305.76		
48464	06/01/22	MOOSE LAKE BREWING CO. LL	525-002	1	609-49750-252	60.00	60.00	BEER	
Total 48464:							60.00		
48465	06/01/22	PAUSTIS WINE COMPANY	166477	3	609-49750-333	1,861.67	1,861.67	DELIVERY	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48465:							1,861.67		
48466	06/01/22	Southern Glazer's Wine & Spirits	2214126	2	609-49750-333	5,938.21	5,938.21	DELIVERY	
48466	06/01/22	Southern Glazer's Wine & Spirits	2214127	2	609-49750-333	89.55	89.55	DELIVERY	
48466	06/01/22	Southern Glazer's Wine & Spirits	2216536	2	609-49750-333	6,702.37	6,702.37	DELIVERY	
48466	06/01/22	Southern Glazer's Wine & Spirits	2216537	2	609-49750-333	309.04	309.04	DELIVERY	
Total 48466:							13,039.17		
48467	06/01/22	VINOCOPIA	0305247	3	609-49750-333	692.25	692.25	DELIVERY	
Total 48467:							692.25		
48468	06/13/22	AMERICAN BOTTLING CO.	3568315979	1	609-49750-254	286.68	286.68	NA	
Total 48468:							286.68		
48469	06/13/22	AW RESEARCH LABORATORIE	47918	1	602-49400-310	90.00	90.00	WATER TEST	
Total 48469:							90.00		
48470	06/13/22	BERNICKS	339738	1	609-49750-252	1,803.80	1,803.80	BEER	
Total 48470:							1,803.80		
48471	06/13/22	BILLINGS SERVICE	060122	6	101-49810-212	3,880.48	3,880.48	GAS-AIRPORT	
Total 48471:							3,880.48		
48472	06/13/22	BRAHAM, CITY OF	2022-1	1	700-50000-437	768.90	768.90	FINAL JP BD PMT-DISSOLVED/ 2021 AUDIT COMPLETED	
Total 48472:							768.90		
48473	06/13/22	BRIAN JOHNSON	6482	1	101-42110-310	150.00	150.00	TOW FOR ICR #22-1369	
Total 48473:							150.00		
48474	06/13/22	BRIDGETOWER OPCO, LLC	745412043	1	602-49400-343	231.67	231.67	2022 WATERMETER REPLACEMENT AD	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48474:							231.67		
48475	06/13/22	CINTAS	4118386931	1	609-49750-310	95.74	95.74	RUGS - LIQUOR STORE	
48475	06/13/22	CINTAS	4118588738	1	101-43000-434	154.13	154.13	UNIFORMS-PW	
48475	06/13/22	CINTAS	4119133969	1	101-45500-310	40.53	40.53	RUGS-LIBRARY	
48475	06/13/22	CINTAS	4119133983	1	101-45200-310	41.60	41.60	RUGS-GCC	
48475	06/13/22	CINTAS	4119134082	1	101-41940-310	26.56	26.56	RUGS-CITY HALL	
48475	06/13/22	CINTAS	4119231660	1	101-43000-434	78.79	78.79	UNIFORMS-PW	
48475	06/13/22	CINTAS	4119804826	1	609-49750-310	95.74	95.74	RUGS - LIQUOR STORE	
48475	06/13/22	CINTAS	4119965117	1	101-43000-434	78.79	78.79	UNIFORMS-PW	
48475	06/13/22	CINTAS	4120463091	1	101-41940-310	14.67	14.67	RUGS-CITY HALL	
48475	06/13/22	CINTAS	4120463118	1	101-45500-310	40.53	40.53	RUGS-LIBRARY	
48475	06/13/22	CINTAS	4120463132	1	101-45200-310	41.60	41.60	RUGS-GCC	
48475	06/13/22	CINTAS	4120595898	1	101-43000-434	78.79	78.79	UNIFORMS-PW	
Total 48475:							787.47		
48476	06/13/22	CORE & MAIN LP	Q730626	1	602-49400-218	470.55	470.55	METER CABLE	
Total 48476:							470.55		
48477	06/13/22	CRYSTAL SPRINGS ICE	2006049	2	609-49750-333	282.40	282.40	DELIVERY	
48477	06/13/22	CRYSTAL SPRINGS ICE	2006126	2	609-49750-333	264.60	264.60	DELIVERY	
48477	06/13/22	CRYSTAL SPRINGS ICE	4002870	2	609-49750-333	78.68	78.68	DELIVERY	
48477	06/13/22	CRYSTAL SPRINGS ICE	4002940	2	609-49750-333	162.20	162.20	DELIVERY	
Total 48477:							787.88		
48478	06/13/22	Damien F. Toven & Associates, LL	1063	1	101-41610-304	1,075.00	1,075.00	CIVIL RETAINER	
48478	06/13/22	Damien F. Toven & Associates, LL	1064	1	101-41610-304	2,510.18	2,510.18	CRIMINAL RETAINER	
Total 48478:							3,585.18		
48479	06/13/22	E.C.M. PUBLISHERS, INC.	893209	1	602-49400-310	249.54	249.54	2022 WATER METER BID AD	
Total 48479:							249.54		
48480	06/13/22	FIRE EQUIPMENT SPECIALTIES	11007	1	101-42280-434	252.95	252.95	HOODS	
48480	06/13/22	FIRE EQUIPMENT SPECIALTIES	11011	1	101-42280-434	717.98	717.98	GLOVES-FIRE	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48480:							970.93		
48481	06/13/22	FIRST NATIONAL BANK MILACA	61522	1	386-47000-611	4,855.00	4,855.00	2015 GO PARK BOND INT PMT	
Total 48481:							4,855.00		
48482	06/13/22	GALLS INC	021260052	1	101-42110-434	872.22	872.22	VEST-SHAW	
48482	06/13/22	GALLS INC	021280472	1	101-42110-434	324.84	324.84	VEST CARRIER-SHAW	
Total 48482:							1,197.06		
48483	06/13/22	GOPHER STATE ONE CALL	2050588	1	603-49450-310	68.85	68.85	MAY LOCATES	
Total 48483:							68.85		
48484	06/13/22	GRANITE CITY JOBBING	281935	1	609-49750-217	73.39	73.39	OTHER OPERATING SUPPLIES	
48484	06/13/22	GRANITE CITY JOBBING	282073	2	609-49750-259	305.62	305.62	OTHER FOR RESALE	
48484	06/13/22	GRANITE CITY JOBBING	282434	2	609-49750-333	88.25	88.25	DELIVERY	
48484	06/13/22	GRANITE CITY JOBBING	283081	2	609-49750-259	925.71	925.71	OTHER FOR RESALE	
Total 48484:							1,392.97		
48485	06/13/22	HAWKINS, INC.	6184660	1	602-49400-216	40.00	40.00	CHEMICALS	
48485	06/13/22	HAWKINS, INC.	6196730	1	602-49400-216	3,582.02	3,582.02	CHEMICALS	
Total 48485:							3,622.02		
48486	06/13/22	HENRY EMBROIDERY & SCREE	18075	1	101-45200-434	60.00	60.00	SCREEN PRINTING PARK ATTENDANT	
Total 48486:							60.00		
48487	06/13/22	HY-TECH AUTOMOTIVE-PRINC	102914	1	101-42110-310	100.00	100.00	2000 BUICK LESABRE TOW-PD	
Total 48487:							100.00		
48488	06/13/22	IPRINT TECHNOLOGIES	890119	1	101-42110-201	365.00	365.00	TONER-PD	
Total 48488:							365.00		
48489	06/13/22	JIMS MILLE LACS DISPOSAL	211948-0622	4	101-43000-312	466.58	466.58	COMPOST	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/Manual
48489	06/13/22	JIMS MILLE LACS DISPOSAL	212276-0622	1	101-45200-384	90.54	90.54	GARBAGE-PARKS	
48489	06/13/22	JIMS MILLE LACS DISPOSAL	219225-0622	1	609-49750-384	105.30	105.30	GARBAGE - LIQUOR	
48489	06/13/22	JIMS MILLE LACS DISPOSAL	3249517-062	1	101-45200-415	148.39	148.39	CHANGING SHELTER	
48489	06/13/22	JIMS MILLE LACS DISPOSAL	3488032-062	1	101-45200-384	95.12	95.12	ARCHERY RANGE	
Total 48489:							905.93		
48490	06/13/22	JOHNSON BROTHERS LIQUOR	2062915	2	609-49750-333	3,328.41	3,328.41	DELIVERY	
48490	06/13/22	JOHNSON BROTHERS LIQUOR	2066739	2	609-49750-333	1,170.50	1,170.50	DELIVERY	
48490	06/13/22	JOHNSON BROTHERS LIQUOR	2067522	4	609-49750-333	1,595.50	1,595.50	DELIVERY	
Total 48490:							6,094.41		
48491	06/13/22	JOHNSON, WARNE	060122	1	101-43000-434	200.00	200.00	WORK BOOTS - PW	
Total 48491:							200.00		
48492	06/13/22	KLM ENGINEERING, INC.	8898	1	602-49400-303	4,900.00	4,900.00	ANTENNA INSPECTION-AT&T	
Total 48492:							4,900.00		
48493	06/13/22	KOCHS HARDWARE HANK	053122	11	609-49750-217	1,581.81	1,581.81	CLEANING SUPPLIES-LIQUOR	
Total 48493:							1,581.81		
48494	06/13/22	LEAGUE OF MINNESOTA CITIE	363893	1	101-41940-309	171.16	171.16	ADOBE ACROBAT SUBSCRIPTIONS-CITY	
Total 48494:							171.16		
48495	06/13/22	LEAGUE OF MN CITIES INSUR	40000681-06	5	101-41940-151	67,983.00	67,983.00	WORK COMP-CITY	
48495	06/13/22	LEAGUE OF MN CITIES INSUR	40000739-07	12	609-49750-364	93,486.31	93,486.31	PROP/LIAB DRAM SHOP-LIQUOR	
Total 48495:							161,469.31		
48496	06/13/22	LENNOX, LILIANA L	2075	1	101-41940-310	4,455.00	4,455.00	MURAL-1/2 DOWN	
Total 48496:							4,455.00		
48497	06/13/22	LOCATORS & SUPPLIES INC	0299825-IN	1	101-45200-434	50.47	50.47	T-SHIRTS	
48497	06/13/22	LOCATORS & SUPPLIES INC	0300158-IN	1	602-49400-218	42.52	42.52	KRYLON MARKING STICK	
48497	06/13/22	LOCATORS & SUPPLIES INC	0300211-IN	1	602-49400-218	336.66	336.66	LOCATING FLAGS	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/Manual
Total 48497:							429.65		
48498	06/13/22	M. AMUNDSON LLP	341956	2	609-49750-217	305.61	305.61	OTHER OPERATING SUPPLIES	
48498	06/13/22	M. AMUNDSON LLP	342263	4	609-49750-333	1,587.42	1,587.42	DELIVERY	
48498	06/13/22	M. AMUNDSON LLP	342655	2	609-49750-259	1,068.99	1,068.99	OTHER FOR RESALE	
48498	06/13/22	M. AMUNDSON LLP	342744	1	609-49750-217	150.00	150.00	OTHER OPERATING SUPPLIES	
Total 48498:							3,112.02		
48499	06/13/22	MACQUEEN EMERGENCY GRO	P02556	1	101-42280-221	1,420.00	1,420.00	SCBA FLOW TEST	
Total 48499:							1,420.00		
48500	06/13/22	MILACA AUTO VALUE	1302823-052	2	101-45200-221	253.78	253.78	BLOWER PARTS-PARKS	
Total 48500:							253.78		
48501	06/13/22	MILACA BLDG CENTER	3141-0522	6	101-42110-240	5,666.22	5,666.22	STORAGE SHED-PD	
Total 48501:							5,666.22		
48502	06/13/22	MILACA UNCLAIMED FREIGHT	052522	1	609-49750-437	25.80	25.80	GRAND CAVE OPENING & FIRST AID SUPPLIES	
48502	06/13/22	MILACA UNCLAIMED FREIGHT	060622	1	101-43000-217	4.99	4.99	MISC- PW	
48502	06/13/22	MILACA UNCLAIMED FREIGHT	060822	1	215-49000-437	53.91	53.91	BASKETS FOR KIDS EVENT	
Total 48502:							84.70		
48503	06/13/22	MILLE LACS COUNTY DAC	0608000002	4	101-42280-310	898.50	898.50	CLEANING SVCS - FIRE	
Total 48503:							898.50		
48504	06/13/22	MILLE LACS VETERINARY CLINI	143909	1	101-42110-310	80.35	80.35	VET SERVICES	
Total 48504:							80.35		
48505	06/13/22	MILLER TRUCKING	6487	1	609-49750-333	46.00	46.00	DELIVERY	
Total 48505:							46.00		
48506	06/13/22	MINUTEMAN PRESS	30500	1	215-49000-343	250.00	250.00	RUM RIVER MARKET SIGNS	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48506:							250.00		
48507	06/13/22	MN COMPUTER SYSTEMS INC	346375	1	101-41940-310	51.80	51.80	COPIER MAINTENANCE-CITY HALL	
Total 48507:							51.80		
48508	06/13/22	MN DEPT OF HEALTH	1480002-063	1	602-20810	2,430.00	2,430.00	2ND QTR TEST FEE	
Total 48508:							2,430.00		
48509	06/13/22	MN DEPT OF HEALTH (2)	FBL-36843-3	2	214-49000-437	95.00	95.00	REC FEST-CAMPING LICENSE	
Total 48509:							95.00		
48510	06/13/22	MN PEIP	1204321	1	101-21706	20,480.46	20,480.46	MEDICAL INSURANCE-JULY 2022	
Total 48510:							20,480.46		
48511	06/13/22	OLDENBURG, JOHN	5100156	1	101-43000-434	200.00	200.00	WORK BOOTS	
Total 48511:							200.00		
48512	06/13/22	OMANN BROTHERS INC	31202	1	609-49750-520	6,947.50	6,947.50	BEER CAVE PATCHING	
48512	06/13/22	OMANN BROTHERS INC	31203	1	602-49400-310	15,870.47	15,870.47	WATERMAN PATCHES	
Total 48512:							22,817.97		
48513	06/13/22	QUALITY FLOW SYSTEMS	43039	1	603-49450-310	2,406.00	2,406.00	SERVICE CHECKS-6 STATIONS	
Total 48513:							2,406.00		
48514	06/13/22	QUILL CORPORATION	25286817	1	101-41940-201	17.78	17.78	OFFICE SUPPLIES - CITY	
48514	06/13/22	QUILL CORPORATION	25297603	1	101-41940-217	125.94	125.94	ENVELOPES-CITY	
Total 48514:							143.72		
48515	06/13/22	RED BULL DISTRIBUTION CO IN	5001988239	1	609-49750-254	159.75	159.75	NA	
Total 48515:							159.75		

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
48516	06/13/22	ROELOFS, TROY	206661398-0	1	101-43000-221	59.98	59.98	FILTER CAP FOR ROLLER REIMB	
Total 48516:							59.98		
48517	06/13/22	SCHARBER, DREW	053122	1	101-45200-437	400.00	400.00	CORN HOLE BOARDS-PARKS	
Total 48517:							400.00		
48518	06/13/22	Southern Glazer's Wine & Spirits	2216764	2	609-49750-333	262.95	262.95	DELIVERY	
48518	06/13/22	Southern Glazer's Wine & Spirits	2219204	2	609-49750-333	1,604.91	1,604.91	DELIVERY	
48518	06/13/22	Southern Glazer's Wine & Spirits	2219205	2	609-49750-333	261.30	261.30	DELIVERY	
Total 48518:							2,129.16		
48519	06/13/22	STANTEC	1922707	1	101-41940-310	218.75	218.75	ENGINEERING FEES	
48519	06/13/22	STANTEC	1922714	1	500-43100-303	1,083.50	1,083.50	2021 STREET IMP PROJECT ENGINEER FEES	
48519	06/13/22	STANTEC	1922716	1	500-43100-303	8,432.27	8,432.27	2022 STREET IMP PROJECT ENGINEER FEES	
48519	06/13/22	STANTEC	1922720	1	602-49400-303	3,470.25	3,470.25	2022 WATER METER REPLACEMENT PROJECT	
Total 48519:							13,204.77		
48520	06/13/22	STAR PUBLICATIONS	203966	2	609-49750-343	192.90	192.90	FINANCE CHARGE	
Total 48520:							192.90		
48521	06/13/22	SUPER X POWER	1255016	1	101-49810-221	21.99	21.99	GAS MIX & SAFETY GLASSES- AIRPORT	
48521	06/13/22	SUPER X POWER	710172	1	101-43000-221	114.00	114.00	CHAINSAW REPAIR - PW	
Total 48521:							135.99		
48522	06/13/22	TWIN CITIES AIR CLEANING SP	16003	2	101-41940-401	892.36	892.36	FILTERS-CITY	
Total 48522:							892.36		
48523	06/13/22	ULINE	149144854	1	101-45200-401	133.27	133.27	SOAP DISPENSER	
Total 48523:							133.27		
48524	06/13/22	UNION-TIMES	UNT-171326-	1	101-42110-310	57.00	57.00	SUBSCRIPTION-PD	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 48524:							57.00		
48525	06/13/22	VERIZON WIRELESS	9907542391	1	602-49400-321	117.62	117.62	PHONE SERVICE WATER TRMT PLANT	
Total 48525:							117.62		
48526	06/13/22	VIKING BOTTLING CO.	2929202	1	609-49750-254	258.20	258.20	NA	
48526	06/13/22	VIKING BOTTLING CO.	2929286	1	609-49750-254	101.20	101.20	NA	
48526	06/13/22	VIKING BOTTLING CO.	2929384	1	609-49750-254	196.50	196.50	NA	
48526	06/13/22	VIKING BOTTLING CO.	2938858	1	609-49750-254	132.55	132.55	NA	
Total 48526:							688.45		
48527	06/13/22	WATSON COMPANY	125140	3	609-49750-333	956.45	956.45	DELIVERY	
48527	06/13/22	WATSON COMPANY	125336	3	609-49750-333	677.22	677.22	DELIVERY	
48527	06/13/22	WATSON COMPANY	125712	3	609-49750-333	714.65	714.65	DELIVERY	
Total 48527:							2,348.32		
48528	06/13/22	WEX BANK	81387407	1	101-42110-212	2,469.96	2,469.96	GAS - POLICE	
Total 48528:							2,469.96		
821210	05/20/22	MILACA LOCAL LINK	0239001067-	1	101-42280-321	89.62	89.62	PHONE SERVICE 3465-FIRE	M
Total 821210:							89.62		
821211	05/20/22	MILACA LOCAL LINK	0239000163-	12	619-49900-321	694.82	694.82	PHONE SERVICE-DEP REG 3449	M
Total 821211:							694.82		
821212	06/16/22	CENTERPOINT ENERGY	5826769-105	1	609-49750-381	522.24	522.24	GAS - LIQUOR STORE	
Total 821212:							522.24		
821213	06/16/22	CENTERPOINT ENERGY	8000014099-	8	101-45200-381	3,715.08	3,715.08	NATURAL GAS-COMM CTR 10551998-7	
Total 821213:							3,715.08		
821214	06/16/22	DELTA DENTAL OF MN	CNS0009722	1	101-21712	1,477.83	1,477.83	DENTAL INS - JUNE 2022	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/Manual
Total 821214:							1,477.83		
821215	06/16/22	EAST CENTRAL ENERGY	71152000522	1	609-49750-381	1,946.59	1,946.59	ELECTRIC - LIQUOR	
Total 821215:							1,946.59		
821216	06/16/22	EAST CENTRAL ENERGY	832400-0522	12	101-41940-381	10,155.62	10,155.62	ELECTRIC - CITY HALL	
Total 821216:							10,155.62		
821217	06/16/22	EAST CENTRAL ENERGY	060122	1	212-49000-603	555.56	555.56	RLF EMERGENCY RELIEF LOAN	
Total 821217:							555.56		
821218	06/16/22	MIDCONTINENT COMMUNICATI	14799080112	1	101-42110-321	133.39	133.39	INTERNET- POLICE	
Total 821218:							133.39		
821219	06/16/22	MILACA LOCAL LINK	0239001067	1	101-42280-321	89.62	89.62	PHONE SERVICE-FIRE	
Total 821219:							89.62		
821220	06/16/22	MILACA LOCAL LINK	0239000163	12	619-49900-321	716.36	716.36	PHONE SERVICE-DEP REG 3449	
Total 821220:							716.36		
821221	06/16/22	MN DEPT OF REVENUE	MAYSALEST	5	101-36200	519.00	519.00	MAY SALES TAX	
Total 821221:							519.00		
821222	06/16/22	MN DEPT OF REVENUE	06012022	1	609-20800	24,659.00	24,659.00	LIQUOR SALES TAX - MAY	
Total 821222:							24,659.00		
821223	06/16/22	NICE	7074531	2	602-49400-321	8.43	8.43	LONG DISTANCE SERVICE-WATER	
Total 821223:							8.43		
821224	06/16/22	UNUM	0691590-001	1	101-21707	806.92	806.92	LIF/ADD/LTD/STD	

Check Number	Check Issue Date	Payee	Invoice Number	In S	Invoice GL Account	Invoice Amount	Check Amount	Description	Void/ Manual
Total 821224:							806.92		
990000068	05/25/22	AMERICAN FDS-EFTPS	PR0522221	1	101-21708	425.00	425.00	AMERICAN FUNDS AMERICAN FUNDS Pay Period: 5/22/2022	
Total 990000068:							425.00		
990000069	05/25/22	EFTPS-FED TAXPAYMENT	PR0522221	5	101-21703	10,939.19	10,939.19	FED/SSI/MEDICARE MEDICARE Pay Period: 5/22/2022	
Total 990000069:							10,939.19		
990000070	05/25/22	EFTPS-STATE TAXPAYMENT	PR0522221	1	101-21702	2,221.45	2,221.45	SWT STATE WITHHOLDING TAX Pay Period: 5/22/2022	
Total 990000070:							2,221.45		
990000071	05/25/22	GOVONE SOLUTIONS	PR0522221	4	101-21704	10,252.23	10,252.23	PERA PERA PROTECTIVE Pay Period: 5/22/2022	
Total 990000071:							10,252.23		
990000072	05/23/22	EFTPS-FED TAXPAYMENT	PR0522221	9	101-21703	342.88	342.88	FED/SSI/MEDICARE emp 51	
Total 990000072:							342.88		
990000073	06/06/22	AMERICAN FDS-EFTPS	PR0605221	1	101-21708	425.00	425.00	AMERICAN FUNDS AMERICAN FUNDS Pay Period: 6/5/2022	
Total 990000073:							425.00		
990000074	06/06/22	EFTPS-FED TAXPAYMENT	PR0605221	5	101-21703	10,987.72	10,987.72	FED/SSI/MEDICARE MEDICARE Pay Period: 6/5/2022	
Total 990000074:							10,987.72		
990000075	06/06/22	EFTPS-STATE TAXPAYMENT	PR0605221	1	101-21702	2,268.83	2,268.83	SWT STATE WITHHOLDING TAX Pay Period: 6/5/2022	
Total 990000075:							2,268.83		
990000076	06/06/22	GOVONE SOLUTIONS	PR0605221	4	101-21704	10,472.12	10,472.12	PERA PERA PROTECTIVE Pay Period: 6/5/2022	
Total 990000076:							10,472.12		
Grand Totals:							672,432.60		

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
001-10005	138.10	.00	138.10
001-20200	.00	138.10-	138.10-
101-20200	55.94	296,590.72-	296,534.78-
101-21701	8,894.89	.00	8,894.89
101-21702	4,490.28	.00	4,490.28
101-21703	13,374.90	.00	13,374.90
101-21704	20,724.35	.00	20,724.35
101-21706	42,399.06	.00	42,399.06
101-21707	1,665.28	.00	1,665.28
101-21708	850.00	.00	850.00
101-21709	112.00	.00	112.00
101-21712	1,477.83	.00	1,477.83
101-31410	644.21	.00	644.21
101-34107	6.00	.00	6.00
101-34780	135.00	.00	135.00
101-36200	7.00	.00	7.00
101-41510-208	280.00	.00	280.00
101-41610-304	3,585.18	.00	3,585.18
101-41940-151	42,014.00	.00	42,014.00
101-41940-201	28.54	.00	28.54
101-41940-217	298.79	36.99-	261.80
101-41940-225	862.50	.00	862.50
101-41940-309	171.16	.00	171.16
101-41940-310	5,682.89	.00	5,682.89
101-41940-321	277.29	.00	277.29
101-41940-322	7.38	.00	7.38
101-41940-361	59,325.96	.00	59,325.96
101-41940-363	7,544.00	.00	7,544.00
101-41940-381	801.46	.00	801.46
101-41940-401	446.18	.00	446.18
101-41940-437	45.98	.00	45.98
101-42110-201	384.76	.00	384.76
101-42110-208	943.95	.00	943.95
101-42110-212	2,469.96	.00	2,469.96
101-42110-240	2,495.00	.00	2,495.00
101-42110-310	951.39	.00	951.39
101-42110-321	911.15	.00	911.15
101-42110-434	1,229.66	.00	1,229.66
101-42110-437	113.94	.00	113.94
101-42280-151	15,285.00	.00	15,285.00

GL Account	Debit	Credit	Proof
101-42280-212	1,276.02	.00	1,276.02
101-42280-217	220.00	18.95-	201.05
101-42280-221	1,420.00	.00	1,420.00
101-42280-226	35.00	.00	35.00
101-42280-241	5,981.84	.00	5,981.84
101-42280-310	45.42	.00	45.42
101-42280-321	303.90	.00	303.90
101-42280-361	1,900.00	.00	1,900.00
101-42280-363	2,464.00	.00	2,464.00
101-42280-381	1,412.99	.00	1,412.99
101-42280-384	25.00	.00	25.00
101-42280-434	1,227.69	.00	1,227.69
101-42280-437	159.86	.00	159.86
101-42280-520	460.00	.00	460.00
101-42400-300	2,141.10	.00	2,141.10
101-43000-208	76.16	.00	76.16
101-43000-212	2,691.71	.00	2,691.71
101-43000-217	181.41	.00	181.41
101-43000-221	890.78	.00	890.78
101-43000-230	74.99	.00	74.99
101-43000-240	48.90	.00	48.90
101-43000-312	300.00	.00	300.00
101-43000-321	372.48	.00	372.48
101-43000-380	3,046.94	.00	3,046.94
101-43000-381	1,515.21	.00	1,515.21
101-43000-401	50.53	.00	50.53
101-43000-403	450.00	.00	450.00
101-43000-434	790.50	.00	790.50
101-45200-212	478.35	.00	478.35
101-45200-221	33.78	.00	33.78
101-45200-240	525.63	.00	525.63
101-45200-310	257.08	.00	257.08
101-45200-381	291.48	.00	291.48
101-45200-384	236.63	.00	236.63
101-45200-401	2,510.14	.00	2,510.14
101-45200-415	148.39	.00	148.39
101-45200-434	110.47	.00	110.47
101-45200-437	962.14	.00	962.14
101-45200-530	19.75	.00	19.75
101-45500-217	94.73	.00	94.73
101-45500-310	723.38	.00	723.38
101-45500-321	88.54	.00	88.54

GL Account	Debit	Credit	Proof
101-45500-381	1,475.44	.00	1,475.44
101-45500-401	446.18	.00	446.18
101-45500-530	14,500.00	.00	14,500.00
101-49010-361	542.00	.00	542.00
101-49010-381	264.41	.00	264.41
101-49810-212	245.04	.00	245.04
101-49810-221	905.37	.00	905.37
101-49810-321	95.18	.00	95.18
101-49810-361	868.00	.00	868.00
101-49810-381	269.26	.00	269.26
208-20200	.00	4,532.26-	4,532.26-
208-45600-381	393.81	.00	393.81
208-45600-401	4,000.00	.00	4,000.00
208-49020-406	138.45	.00	138.45
212-20200	.00	555.56-	555.56-
212-49000-603	555.56	.00	555.56
214-20200	.00	40.00-	40.00-
214-49000-437	40.00	.00	40.00
215-20200	.00	3,813.97-	3,813.97-
215-49000-201	12.17	.00	12.17
215-49000-217	88.36	.00	88.36
215-49000-343	529.66	.00	529.66
215-49000-437	3,183.78	.00	3,183.78
386-20200	.00	4,855.00-	4,855.00-
386-47000-611	4,855.00	.00	4,855.00
500-20200	.00	9,515.77-	9,515.77-
500-43100-303	9,515.77	.00	9,515.77
602-20200	.00	51,041.43-	51,041.43-
602-20800	366.00	.00	366.00
602-20810	2,430.00	.00	2,430.00
602-37120	5.00	.00	5.00
602-49400-151	1,936.00	.00	1,936.00
602-49400-201	217.50	.00	217.50
602-49400-212	439.10	.00	439.10
602-49400-216	3,622.02	.00	3,622.02
602-49400-218	849.73	.00	849.73
602-49400-221	1,815.75	.00	1,815.75
602-49400-303	8,370.25	.00	8,370.25
602-49400-310	22,819.01	.00	22,819.01
602-49400-321	346.63	.00	346.63
602-49400-322	302.62	.00	302.62
602-49400-343	231.67	.00	231.67

GL Account	Debit	Credit	Proof
602-49400-361	3,226.15	.00	3,226.15
602-49400-363	837.00	.00	837.00
602-49400-381	3,227.00	.00	3,227.00
603-20200	.00	29,146.25-	29,146.25-
603-49450-151	2,288.00	.00	2,288.00
603-49450-201	217.50	.00	217.50
603-49450-212	410.50	.00	410.50
603-49450-310	12,842.35	.00	12,842.35
603-49450-322	189.63	.00	189.63
603-49450-361	6,546.61	.00	6,546.61
603-49450-363	837.00	.00	837.00
603-49450-381	1,072.16	.00	1,072.16
603-49450-408	3,317.50	.00	3,317.50
603-49450-409	1,425.00	.00	1,425.00
609-20200	1,408.06	272,188.27-	270,780.21-
609-20800	24,659.00	.00	24,659.00
609-49750-151	6,460.00	.00	6,460.00
609-49750-201	12.99	.00	12.99
609-49750-217	946.83	.00	946.83
609-49750-251	81,001.70	723.70-	80,278.00
609-49750-252	102,126.57	522.90-	101,603.67
609-49750-253	17,523.17	80.00-	17,443.17
609-49750-254	4,336.95	5.25-	4,331.70
609-49750-256	9,283.58	63.56-	9,220.02
609-49750-259	4,122.18	.00	4,122.18
609-49750-310	191.48	.00	191.48
609-49750-321	195.39	.00	195.39
609-49750-333	1,815.73	12.65-	1,803.08
609-49750-343	382.90	.00	382.90
609-49750-361	6,425.59	.00	6,425.59
609-49750-364	2,970.00	.00	2,970.00
609-49750-381	2,468.83	.00	2,468.83
609-49750-384	105.30	.00	105.30
609-49750-401	85.85	.00	85.85
609-49750-437	25.80	.00	25.80
609-49750-520	7,048.43	.00	7,048.43
619-20200	.00	446.37-	446.37-
619-49900-310	25.00	.00	25.00
619-49900-321	421.37	.00	421.37
700-20200	.00	1,032.90-	1,032.90-
700-50000-151	264.00	.00	264.00
700-50000-437	768.90	.00	768.90



CONTACT: Marilyn Phillips, 320-532-2608. Mphilli2@mlhealth.org

“Mille Lacs Health System to Open New Family Medical Clinic and Rehab Center in Milaca, Minnesota

Clinic location on 10th Street NW will open late 2022

Former site of M Health Fairview Clinic

FOR IMMEDIATE RELEASE

- Onamia, Minnesota, (June 16, 2022)

Residents of Milaca and nearby communities will soon have expanded healthcare services nearby. Mille Lacs Health System will open a new Family Medical Clinic on 10th Street NW in Milaca, site of the former M Health Fairview Clinic. The new facility will open in late 2022 and will include Physical Therapy and Chiropractic services currently offered by Mille Lacs Health System at 5th Street SE in Milaca.

This convenient and modern new facility will offer local residents the high-quality care they’ve come to expect from Mille Lacs Health System, the largest health service provider in Mille Lacs County. Services will include clinical appointments with providers, laboratory for blood work, nurse injections, blood pressure checks, immunizations, and radiology. Rehabilitation services will include a team of professionals offering dynamic and comprehensive approaches to rehabilitative care.

“We are pleased to bring our award-winning high-quality family medical clinic services to the Milaca community,” said Bill Nelson, CEO of Mille Lacs Health System. “Our physical therapy and chiropractic services have been very well-received by local Milaca residents. Our expansion in Milaca is in response to many of our patients who have asked us to offer more convenient services in the local Milaca area to help them achieve and maintain their health.”

Milaca businessman and building owner, Carvin Buzzell said, “I am excited that this modern facility will be here for our Milaca friends and neighbors. We need to have a clinic and rehab close by. It’s more convenient and could be life-saving. I am honored and excited to partner with Mille Lacs Health System and look forward to a great long-term partnership.”

Mille Lacs Health System will initially lease 20,000 square feet of the building’s 33,000 square feet.

The Milaca location will be fully staffed by an experienced team of physicians, nurse practitioners and physician assistants with the possibility of specialists being offered in the future. Same day appointments will be available.

Both Tony Hass, D. C. and Chad Barthelemy, Physical Therapist, will continue to serve Mille Lacs Health System Chiropractic and Physical Therapy in the new location. Mille Lacs Health System opened the 5th Street SE offices in May, 2008 and has been proven to be very successful in helping patients achieve optimal functioning.

Mille Lacs Health System is always looking for great people to join the team. If interested in applying, please visit our Careers page at www.mlhealth.org to see if an advertised position is right for you.

For over 65 years Mille Lacs Health System has served the healthcare needs of residents of central Minnesota. It is the largest healthcare provider in Mille Lacs County and is a community owned, not-for-profit healthcare organization. The Onamia location is a critical access hospital where patients can receive urgent care, emergency, and a wide range of specialty care. Services include long-term care, home care, senior care and ambulance (Onamia and Isle). Primary care clinics are located in Onamia, Isle, Hillman, Garrison, and soon-to-be Milaca (fall 2022). Mille Lacs Health System partners with Crosier Fathers and Brothers in the operation of Lake Song Assisted Living facility in Onamia.

The non-profit is nearing completion of a \$30M expansion and renovation of its flagship location in Onamia, Minnesota. For more information, visit their website at www.mlhealth.org.

###

City of Milaca, Minnesota

Audited Financial Statements

December 31, 2021

**SCHLENNER
WENNER & CO.**
CPAs

**CITY OF MILACA, MINNESOTA
TABLE OF CONTENTS**

INTRODUCTORY SECTION:

CITY COUNCIL AND OFFICIALS 2

FINANCIAL SECTION:

INDEPENDENT AUDITOR’S REPORT 4

BASIC FINANCIAL STATEMENTS:

Government-wide Financial Statements

 Statement of Net Position 8

 Statement of Activities 9

Fund Financial Statements

 Balance Sheet – Governmental Funds 10

 Reconciliation of the Balance Sheet – Governmental Funds
 to the Statement of Net Position 11

 Statement of Revenues, Expenditures, and
 Changes in Fund Balances – Governmental Funds 12

 Reconciliation of Changes in Fund Balance of Governmental
 Funds to the Statement of Activities 13

 Statement of Net Position – Proprietary Funds 14

 Statement of Revenues, Expenses, and
 Changes in Net Position – Proprietary Funds 15

 Statement of Cash Flows – Proprietary Funds 16

 Statement of Fiduciary Net Position 18

 Statement of Changes in Fiduciary Net Position 19

 Notes to the Basic Financial Statements 20

REQUIRED SUPPLEMENTARY INFORMATION:

Budgetary Comparison Schedule – General Fund 51

Schedule of City’s Proportionate Share of the Net Pension Liability 54

Schedule of City Pension Contributions 55

Schedule of Changes in Net Pension Liability (Asset) 56

Notes to the Required Supplementary Information 57

SUPPLEMENTARY INFORMATION:

Combining Balance Sheet – Nonmajor Governmental Funds 63

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances – Nonmajor Governmental Funds 65

Supplemental Combining Balance Sheet – Debt Service Fund 67

Supplemental Combining Schedule of Revenues, Expenditures, and
 Changes in Fund Balance – Debt Service Fund 69

Schedule of Indebtedness 71

OTHER REPORTS:

Report on Internal Control Over Financial Reporting and on
 Compliance and Other Matters Based on an Audit of
 Financial Statements Performed in Accordance with
 Government Auditing Standards 73

Schedule of Findings and Responses 75

Corrective Action Plans 78

**INTRODUCTORY
SECTION**

**CITY OF MILACA, MINNESOTA
CITY COUNCIL AND OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2021**

CITY COUNCIL

Term Expires

Harold Pedersen	Mayor	December 31, 2022
Dave Dillan	Council Member	December 31, 2024
Norris Johnson	Council Member	December 31, 2022
Lindsee Larsen	Council Member	December 31, 2024
Cory Pedersen	Council Member	December 31, 2022

CITY OFFICIALS

Tammy Pfaff	Manager
Jessica Humphreys	Treasurer

**FINANCIAL
SECTION**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Milaca, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milaca, Minnesota, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milaca, Minnesota, as of December 31, 2021, and their respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

An Independently Owned Member, RSM US Alliance

www.schlennerwenner.cpa

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

St. Cloud
320.251.0286

Little Falls
320.632.6311

Albany
320.845.2940

Maple Lake
320.963.5414

Monticello
763.295.5070

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Milaca, Minnesota's basic financial statements. The introductory section, accompanying combining and individual nonmajor fund financial statements and supplemental schedules, and schedule of indebtedness are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual nonmajor fund financial statements and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2022 on our consideration of the City of Milaca's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Milaca's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Milaca's internal control over financial reporting and compliance.



SCHLENNER WENNER & CO.
St. Cloud, Minnesota
June 16, 2022

BASIC FINANCIAL STATEMENTS

**CITY OF MILACA, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash, Cash Equivalents, and Investments	\$ 3,574,046	\$ 2,924,322	\$ 6,498,368
Property Taxes Receivable	107,379	-	107,379
Assessments Receivable	42,811	8,584	51,395
Accounts Receivable	13,987	72,052	86,039
Interest Receivable	12,084	-	12,084
Internal Balances	889	(889)	-
Due from Other Governments	1,789	973	2,762
Inventory	-	474,934	474,934
Prepays	57,704	13,379	71,083
Property Held for Sale	23,600	-	23,600
Noncurrent Assets:			
Capital Assets Not Being Depreciated	1,215,848	131,827	1,347,675
Capital Assets Being Depreciated (Net)	6,841,216	4,565,199	11,406,415
Investment in Joint Venture	1,226	-	1,226
Net Pension Asset	490,767	-	490,767
TOTAL ASSETS	12,383,346	8,190,381	20,573,727
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	606,355	211,285	817,640
LIABILITIES			
Accounts Payable	158,797	192,465	351,262
Salaries Payable	27,510	19,714	47,224
Accrued Interest Payable	14,146	3,272	17,418
Construction Contracts Payable	29,989	-	29,989
Deposits Payable	-	17,696	17,696
Unearned Revenue	6,175	-	6,175
Noncurrent Liabilities:			
Amount Due Within One Year	330,667	166,000	496,667
Amount Due After One Year	1,842,766	699,930	2,542,696
Net Pension Liability	420,300	291,353	711,653
TOTAL LIABILITIES	2,830,350	1,390,430	4,220,780
DEFERRED INFLOWS OF RESOURCES			
Pensions	957,167	290,271	1,247,438
NET POSITION			
Net Investment in Capital Assets	5,932,954	3,851,026	9,783,980
Restricted	1,084,638	-	1,084,638
Unrestricted	2,184,592	2,869,939	5,054,531
TOTAL NET POSITION	\$ 9,202,184	\$ 6,720,965	\$ 15,923,149

**CITY OF MILACA, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 597,289	\$ 58,579	\$ -	\$ -	\$ (538,710)	\$ -	\$ (538,710)
Public Safety	783,583	132,178	110,448	304,822	(236,135)	-	(236,135)
Public Works	274,522	3,900	49,059	22,064	(199,499)	-	(199,499)
Culture and Recreation	417,005	27,694	-	117,201	(272,110)	-	(272,110)
Economic Development	39,652	-	-	-	(39,652)	-	(39,652)
Airport	66,866	17,509	-	208,123	158,766	-	158,766
Debt Service	80,816	24,000	-	-	(56,816)	-	(56,816)
Total Governmental Activities	2,259,733	263,860	159,507	652,210	(1,184,156)	-	(1,184,156)
Business-Type Activities:							
Water	683,881	544,829	160,273	482	-	21,703	21,703
Sewer	361,231	348,893	198	-	-	(12,140)	(12,140)
Liquor	2,733,229	2,892,947	364	-	-	160,082	160,082
Total Business-Type Activities	3,778,341	3,786,669	160,835	482	-	169,645	169,645
TOTALS	\$ 6,038,074	\$ 4,050,529	\$ 320,342	\$ 652,692	(1,184,156)	169,645	(1,014,511)
General Revenues:							
Taxes					1,023,082	-	1,023,082
Tax Increment					60,129	-	60,129
Franchise and Other Tax					38,783	-	38,783
Intergovernmental					921,613	-	921,613
Investment Income (Loss)					(53,929)	27,603	(26,326)
Gain (Loss) on Sale of Assets					3,667	-	3,667
Miscellaneous					189,453	28,342	217,795
Total General Revenues					2,182,798	55,945	2,238,743
Transfers					192,648	(192,648)	-
Total General Revenues and Transfers					2,375,446	(136,703)	2,238,743
CHANGE IN NET POSITION					1,191,290	32,942	1,224,232
NET POSITION - BEGINNING OF YEAR					8,010,894	6,688,023	14,698,917
NET POSITION - END OF YEAR					\$ 9,202,184	\$ 6,720,965	\$ 15,923,149

See accompanying notes.

**CITY OF MILACA, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash, Cash Equivalents, and Investments	\$ 2,226,177	\$ 597,766	\$ 235,784	\$ 514,319	\$ 3,574,046
Property Taxes Receivable	69,780	37,599	-	-	107,379
Assessments Receivable	16,819	2,689	-	23,303	42,811
Accounts Receivable	13,987	-	-	-	13,987
Interest Receivable	12,084	-	-	-	12,084
Due from Other Funds	889	-	-	-	889
Due from Other Governments	1,789	-	-	-	1,789
Prepays	57,704	-	-	-	57,704
Property Held for Sale	-	-	-	23,600	23,600
TOTAL ASSETS	<u>\$ 2,399,229</u>	<u>\$ 638,054</u>	<u>\$ 235,784</u>	<u>\$ 561,222</u>	<u>\$ 3,834,289</u>
LIABILITIES					
Accounts Payable	\$ 69,767	\$ -	\$ 54,642	\$ 34,388	\$ 158,797
Salaries Payable	27,510	-	-	-	27,510
Construction Contracts Payable	-	-	29,989	-	29,989
Unearned Revenue	6,175	-	-	-	6,175
Total Liabilities	103,452	-	84,631	34,388	222,471
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	29,054	25,452	-	-	54,506
Special Assessments	16,819	2,689	-	23,303	42,811
Total Deferred Inflows of Resources	45,873	28,141	-	23,303	97,317
FUND BALANCES					
Nonspendable	57,704	-	-	23,600	81,304
Restricted	-	609,913	151,153	309,577	1,070,643
Assigned	-	-	-	272,361	272,361
Unassigned	2,192,200	-	-	(102,007)	2,090,193
Total Fund Balances	<u>2,249,904</u>	<u>609,913</u>	<u>151,153</u>	<u>503,531</u>	<u>3,514,501</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,399,229</u>	<u>\$ 638,054</u>	<u>\$ 235,784</u>	<u>\$ 561,222</u>	<u>\$ 3,834,289</u>

**CITY OF MILACA, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Total Fund Balances - Governmental Funds		\$ 3,514,501
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds:		
Capital Assets	\$ 17,312,365	
Accumulated Depreciation	<u>(9,255,301)</u>	
Capital Assets (Net)		8,057,064
Joint Venture Investments reported in governmental activities are not current financial resources and, therefore, are not reported in the funds.		
		1,226
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:		
Debt Principal Payable	(1,954,222)	
Bond Premium, Net of Accumulated Amortization	(21,606)	
Capital Leases Payable	(160,504)	
Compensated Absences	<u>(37,101)</u>	
		(2,173,433)
The net pension liability and related deferred outflows/inflows represent the allocation of the pension obligations of the statewide plans to the City. Such balances are not reported in the funds:		
Net Pension Asset	490,767	
Net Pension Liability	(420,300)	
Deferred Outflows - Pensions	606,355	
Deferred Inflows - Pensions	<u>(957,167)</u>	
		(280,345)
Interest on long-term debt is recognized as an expenditure when due and payable in the governmental funds. Therefore, interest is not accrued in the governmental funds Balance Sheet, but is accrued in the Statement of Net Position:		
		(14,146)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds:		
Property Taxes		54,506
Special Assessments		<u>42,811</u>
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ <u>9,202,184</u>

CITY OF MILACA, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 551,007	\$ 458,567	\$ -	\$ 26,903	\$ 1,036,477
Tax Increment	-	-	-	60,129	60,129
Franchise Taxes	11,395	-	-	-	11,395
Special Assessments	5,121	9,975	-	-	15,096
Licenses, Permits, and Fees	51,499	-	-	-	51,499
Intergovernmental	1,368,130	-	-	-	1,368,130
Charges for Services	161,372	24,000	-	23,355	208,727
Fines	-	-	-	3,634	3,634
Investment Income (Loss)	(65,335)	4,898	-	6,508	(53,929)
Miscellaneous	360,106	-	-	134,426	494,532
TOTAL REVENUES	2,443,295	497,440	-	254,955	3,195,690
EXPENDITURES					
Current:					
General Government	645,616	-	-	-	645,616
Public Safety	831,898	-	-	3,281	835,179
Public Works	266,555	-	-	-	266,555
Parks and Recreation	117,254	-	-	53,491	170,745
Library	22,790	-	-	-	22,790
Economic Development	-	-	-	39,652	39,652
Airport	65,562	-	-	-	65,562
Capital Outlay	518,877	150	573,390	427,497	1,519,914
Debt Service:					
Principal	-	658,512	-	6,667	665,179
Interest and Other Charges	-	58,715	14,014	19,530	92,259
TOTAL EXPENDITURES	2,468,552	717,377	587,404	550,118	4,323,451
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(25,257)	(219,937)	(587,404)	(295,163)	(1,127,761)
OTHER FINANCING SOURCES (USES)					
Debt Issuance	-	-	715,000	-	715,000
Premium on Bond Issuance	-	-	16,604	-	16,604
Transfers In	200,603	31,316	-	57,500	289,419
Transfers Out	(31,316)	-	-	(65,455)	(96,771)
TOTAL OTHER FINANCING SOURCES (USES)	169,287	31,316	731,604	(7,955)	924,252
NET CHANGE IN FUND BALANCES	144,030	(188,621)	144,200	(303,118)	(203,509)
FUND BALANCES - BEGINNING	2,105,874	798,534	6,953	806,649	3,718,010
FUND BALANCES - ENDING	\$ 2,249,904	\$ 609,913	\$ 151,153	\$ 503,531	\$ 3,514,501

See accompanying notes.

**CITY OF MILACA, MINNESOTA
RECONCILIATION OF CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ (203,509)

Amounts reported for governmental activities in the Statement of Activities are different due to the following:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense:

Capital Outlay Capitalized	1,839,572	
Depreciation Expense	(595,779)	
Gain (Loss) on Disposal of Assets	<u>(15,556)</u>	
		1,228,237

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts below detail the effects of these differences in the treatment of long term debt and related items:

Debt Principal Repayments	665,179	
Debt Issuance	(715,000)	
Premium on Bond Issuance	(16,604)	
Amortization of Bond Premium	<u>1,786</u>	
		(64,639)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds only when it is due. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due:

Accrued Interest Payable	1,648	
Prepaid Interest in Governmental Funds	<u>8,009</u>	
		9,657

Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period:

Property Taxes	13,993	
Special Assessments	6,968	
Equity Investment Income	<u>(34,477)</u>	
		(13,516)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Compensated Absences		3,573
----------------------	--	-------

Certain liabilities do not represent the impending use of current resources.

Therefore, the change in such liabilities and related deferrals are not reported in the governmental funds:

Net Pension Liability and Deferred Outflows/Inflows of Resources		<u>231,487</u>
--	--	----------------

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,191,290

**CITY OF MILACA, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021**

	Water Fund	Sewer Fund	Liquor Fund	Totals
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 850,013	\$ 1,086,311	\$ 987,998	\$ 2,924,322
Assessments Receivable	8,584	-	-	8,584
Accounts Receivable	44,384	27,668	-	72,052
Due from Other Governments	-	973	-	973
Inventory	-	-	474,934	474,934
Prepays	3,453	2,656	7,270	13,379
Total Current Assets	906,434	1,117,608	1,470,202	3,494,244
Noncurrent Assets				
Capital Assets Not Being Depreciated	-	-	131,827	131,827
Capital Assets Being Depreciated (Net)	2,905,098	1,037,524	622,577	4,565,199
Total Noncurrent Assets	2,905,098	1,037,524	754,404	4,697,026
TOTAL ASSETS	3,811,532	2,155,132	2,224,606	8,191,270
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	51,660	52,774	106,851	211,285
LIABILITIES				
Current Liabilities				
Accounts Payable	19,209	23,069	150,187	192,465
Salaries Payable	5,077	5,179	9,458	19,714
Deposits Payable	17,696	-	-	17,696
Due to Other Funds	-	-	889	889
Accrued Interest	3,272	-	-	3,272
Bonds Due Within One Year	166,000	-	-	166,000
Total Current Liabilities	211,254	28,248	160,534	400,036
Noncurrent Liabilities				
Compensated Absences Due After One Year	4,873	4,873	10,184	19,930
Bonds Due After One Year	680,000	-	-	680,000
Net Pension Liability	71,071	72,676	147,606	291,353
Total Noncurrent Liabilities	755,944	77,549	157,790	991,283
TOTAL LIABILITIES	967,198	105,797	318,324	1,391,319
DEFERRED INFLOWS OF RESOURCES				
Pensions	70,807	72,406	147,058	290,271
NET POSITION				
Net Investment in Capital Assets	2,059,098	1,037,524	754,404	3,851,026
Unrestricted	766,089	992,179	1,111,671	2,869,939
TOTAL NET POSITION	\$ 2,825,187	\$ 2,029,703	\$ 1,866,075	\$ 6,720,965

CITY OF MILACA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Liquor Fund	Totals
SALES AND COST OF SALES				
Sales	\$ -	\$ -	\$ 2,892,947	\$ 2,892,947
Cost of Sales	-	-	(2,151,548)	(2,151,548)
GROSS PROFIT	-	-	741,399	741,399
OPERATING REVENUES				
Charges for Services	544,829	332,893	-	877,722
TOTAL GROSS PROFIT AND OPERATING REVENUES	544,829	332,893	741,399	1,619,121
OPERATING EXPENSES				
Wages and Benefits	187,080	190,235	368,921	746,236
Materials and Supplies	22,922	3,239	10,509	36,670
Repairs and Maintenance	169,757	51,048	33,472	254,277
Professional Services	61,156	23,836	8,813	93,805
Insurance	5,427	4,152	8,497	18,076
Utilities	42,721	10,550	30,921	84,192
Miscellaneous	2,539	979	65,076	68,594
Depreciation	182,095	76,856	55,472	314,423
TOTAL OPERATING EXPENSES	673,697	360,895	581,681	1,616,273
NET OPERATING INCOME (LOSS)	(128,868)	(28,002)	159,718	2,848
NONOPERATING INCOME (EXPENSE)				
Special Assessments	482	-	-	482
Intergovernmental	160,098	-	-	160,098
Connection Fees	-	16,000	-	16,000
Investment Income	9,513	11,161	6,929	27,603
Miscellaneous	28,517	198	364	29,079
Interest and Other Charges	(10,184)	(336)	-	(10,520)
TOTAL NONOPERATING INCOME (EXPENSE)	188,426	27,023	7,293	222,742
CHANGE IN NET POSITION PRIOR TO TRANSFERS	59,558	(979)	167,011	225,590
TRANSFERS				
Operating Transfers Out	-	-	(192,648)	(192,648)
CHANGE IN NET POSITION	59,558	(979)	(25,637)	32,942
NET POSITION - BEGINNING OF YEAR	2,765,629	2,030,682	1,891,712	6,688,023
NET POSITION - END OF YEAR	<u>\$ 2,825,187</u>	<u>\$ 2,029,703</u>	<u>\$ 1,866,075</u>	<u>\$ 6,720,965</u>

**CITY OF MILACA, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Water Fund	Sewer Fund	Liquor Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 543,491	\$ 329,670	\$ 2,923,856	\$ 3,797,017
Cash Paid to Suppliers	(300,875)	(70,905)	(2,377,548)	(2,749,328)
Cash Paid to Employees	(176,116)	(178,692)	(341,105)	(695,913)
NET CASH PROVIDED BY OPERATING ACTIVITIES	66,500	80,073	205,203	351,776
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes and Intergovernmental	160,098	642	-	160,740
Other Receipts from Customers	28,517	16,198	364	45,079
Net Operating Subsidies and Transfers from (to) Other Funds	-	-	(191,759)	(191,759)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	188,615	16,840	(191,395)	14,060
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Special Assessments	(2,272)	-	-	(2,272)
Purchases of Capital Assets	(55,679)	(17,244)	(143,166)	(216,089)
Payments on Bond Principal	(169,000)	(35,000)	-	(204,000)
Cash Paid for Interest	(10,881)	(774)	-	(11,655)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(237,832)	(53,018)	(143,166)	(434,016)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	9,513	11,161	6,929	27,603
Net Change in Cash and Cash Equivalents	26,796	55,056	(122,429)	(40,577)
Cash and Cash Equivalents - Beginning of Year	823,217	1,031,255	1,110,427	2,964,899
Cash and Cash Equivalents - End of Year	<u>\$ 850,013</u>	<u>\$ 1,086,311</u>	<u>\$ 987,998</u>	<u>\$ 2,924,322</u>

CITY OF MILACA, MINNESOTA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water Fund	Sewer Fund	Liquor Fund	Totals
RECONCILIATION OF NET OPERATING INCOME				
(LOSS) TO NET CASH PROVIDED BY				
OPERATING ACTIVITIES				
Net Operating Income (Loss)	\$ (128,868)	\$ (28,002)	\$ 159,718	\$ 2,848
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	182,095	76,856	55,472	314,423
Changes in Assets, Liabilities, and Deferrals:				
Accounts Receivable	(2,380)	(3,223)	30,909	25,306
Inventory	-	-	(24,622)	(24,622)
Prepays	(73)	322	(317)	(68)
Accounts Payable	3,720	22,577	(43,773)	(17,476)
Salaries Payable	823	850	692	2,365
Deposits Payable	1,042	-	-	1,042
Net Pension Liability	(19,104)	(19,226)	(32,240)	(70,570)
Deferred Outflows or Resources - Pensions	(38,180)	(39,037)	(80,438)	(157,655)
Deferred Inflows or Resources - Pensions	67,239	68,770	139,942	275,951
Compensated Absences	186	186	(140)	232
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 66,500	\$ 80,073	\$ 205,203	\$ 351,776

**CITY OF MILACA, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2021**

	<u>Custodial Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 139,664
Accounts Receivable	217
Prepays	623
TOTAL ASSETS	140,504
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	51,571
LIABILITIES	
Accounts Payable	7,906
Accrued Salaries	4,763
Noncurrent Liabilities:	
Compensated Absences	2,412
Net Pension Liability	71,063
TOTAL LIABILITIES	86,144
DEFERRED INFLOWS OF RESOURCES	
Pensions	70,800
FIDUCIARY NET POSITION	
Fiduciary Net Position - Held for Others	\$ 35,131

**CITY OF MILACA, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Custodial Funds</u>
ADDITIONS	
Licenses and Permits	\$ 5,715,731
Intergovernmental	175
Charges for Services	135,147
Interest Earnings	1,404
Miscellaneous	837
TOTAL ADDITIONS	5,853,294
DEDUCTIONS	
Wages and Benefits	165,375
Materials and Supplies	5,505
State Remittances	5,481,296
Equipment and Rent	7,771
Insurance	1,417
Utilities	2,918
Other Services and Charges	206,471
TOTAL DEDUCTIONS	5,870,753
CHANGE IN FIDUCIARY NET POSITION	(17,459)
FIDUCIARY NET POSITION - BEGINNING OF YEAR	52,590
FIDUCIARY NET POSITION - END OF YEAR	\$ 35,131

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Milaca (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The City has a mayor-council form of government that is governed by an elected mayor and four-member council. The City provides the following services: sanitation, utilities, liquor, recreation, public improvements, public safety, airport, planning and zoning, and general administrative services.

1.A. FINANCIAL REPORTING ENTITY

The City's financial reporting entity is comprised of the primary governmental unit of the City of Milaca.

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, and includes all component units of which the City appointed a voting majority of the units' board; the City is either able to impose its will on the unit or a financial benefit or burden relationship exists.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City has the following blended component unit:

Economic Development Authority of the City of Milaca

The Authority was established pursuant to the provisions of Minnesota Statutes Section 469.090 to 469.108 to promote and provide incentives for economic development, and to preserve and create jobs, enhance the City's tax base and promote the general welfare of the people. The EDA is governed by a board of commissioners consisting of five members, all of whom shall be members of the City Council.

The financial activity of the Authority is performed by the City of Milaca and treated as routine City business.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the City has no discretely presented component units.

Joint Ventures

Braham Milaca Building Inspector Board

The Building Inspector Board was created in 2010 through the execution of a joint powers agreement between the City of Milaca and the City of Braham. The Building Inspector Board is governed by a four member board, consisting of each City's Administrator and one member from each City Council. In addition to charges for services, the Building Inspector Board receives an equal annual appropriation from both the Cities. For the year ended December 31, 2021, City funding for the Building Inspector Board totaled \$48,100. Because the City has a fifty percent ownership share, and explicit measurable equity interest in the joint venture, the dollar amount of this equity interest has been reported in the government-wide financial statements. The agreement was terminated during 2021, and only residual funds remain with the entity at year-end for any close-out costs.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.A. FINANCIAL REPORTING ENTITY (Continued)

The following is the net change in the City's equity interest during the current year.

	2021
Joint Venture Equity Interest at January 1st	\$ 35,703
Change in Equity Interest	(34,477)
Joint Venture Equity Interest at December 31st	\$ 1,226

Related Organizations

The Fire Relief Association is organized as a non-profit organization by its members to provide benefits to such members in accordance with Minnesota Statutes. Its Board of Directors is appointed by the membership of the organization. All funding is conducted in accordance with Minnesota Statutes, whereby State aids flow through the City to the Association.

1.B. BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The City reports the following major governmental funds:

General Fund

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

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on general long-term debt of the City other than debt service payments made by enterprise funds. Ad valorem taxes and special assessments are used for the payment of principal and interest on the City's indebtedness.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.B. BASIS OF PRESENTATION (Continued)

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of capital projects (other than those financed by proprietary funds).

The City reports the following major proprietary funds:

Enterprise Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The City maintains Water, Sewer, and Liquor Enterprise Funds.

The City reports the following nonmajor fund types:

Capital Project Funds

The nonmajor Capital Project Funds account for financial resources to be used for the acquisition or construction of various other capital projects (other than those financed by proprietary funds).

Special Revenue Funds

The Special Revenue Funds account for funds received by the City with a specific purpose.

Debt Service Funds

The nonmajor Debt Service Funds account for the activity of the tax increment financing districts established by the City.

Additionally, the City reports custodial funds. These funds are used to account for the financial activity of assets that are being held in a fiduciary capacity.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the “economic resources” measurement focus as defined in the second bullet point below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- All governmental funds utilize a current financial resources measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available financial resources during a given period. These funds use fund balance as their measure of available financial resources at the end of the period.
- The government-wide financial statements and proprietary funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the “accrual basis” of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the “modified accrual” basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary and fiduciary funds utilize the accrual basis of accounting.

1.D. USE OF ESTIMATES

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

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY

Cash and Cash Equivalents

For purposes of the Statement of Net Position, “cash, cash equivalents, and investments” includes all demand, savings, brokered certificates of deposits, and money market savings accounts for the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand, savings, and money market savings accounts.

Investments

Investments are stated at their fair value as determined in accordance with the fair value hierarchy. Short-term investments are reported at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Certificates of deposit are stated at cost, plus accrued interest, which approximates fair market value.

Net appreciation (depreciation) in fair value of investments includes net unrealized and realized gains and losses. Purchases and sales of securities are recorded on a trade-date basis.

See Note 2.A. for additional information related to Cash, Cash Equivalents, and Investments.

Prepays

Prepays represent expenditures/expenses paid during the current year to be recognized in future periods.

Inventory

The Liquor Fund carries inventory that consists of items held for resale. Inventory is recognized on the average cost method.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Interfund Receivables and Payables

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities, as well as interfund receivables and payables between funds within business-type activities, are eliminated in the Statement of Net Position. See Note 2.D. for details of interfund transactions, including receivables and payables at year-end.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable and not deemed necessary at year end. Major receivable balances for the governmental activities include taxes, special assessments and charges for services. Business-type activities report utility charges and assessments as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as taxes, assessments, other intergovernmental revenues, fines and charges for services since they are usually both measurable and available. Revenues collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and assessments compose the majority of proprietary fund receivables. Allowance for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. No allowances are deemed necessary at year end.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Capital assets are defined by the City based on each individual asset's initial cost and must have an estimated useful life in excess of two years. The City's cost thresholds for capitalization of acquisitions within various categories are as follows:

Land and Improvements	\$12,500
Buildings and Improvements	\$25,000
Infrastructure	\$50,000
Vehicles, Machinery, and Equipment	\$5,000

The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements	7-40 years
Infrastructure	10-50 years
Vehicles, Machinery, and Equipment	3-20 years

Government-wide Statements

In the government-wide financial statements, capital outlay expenditures are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated acquisition value at the date of donation.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Compensated Absences

It is the City's policy to permit employees to accumulate up to 176 hours of vacation leave and be paid out for this leave upon resignation. Additionally, employees may accumulate up to 1,000 hours of sick leave, which is subject to partial payout upon resignation, dependent upon the employee's years of service with the City. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as the result of an employee's resignation or retirement. In the event a liability is recorded in the governmental funds, General Fund resources would typically be used to liquidate the compensated absences.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Net Pension Asset/Liability

The net pension asset represents the Milaca Fire Department Relief Association's net pension asset as of the most recent actuarial valuation date. The net pension liability represents the City's allocation of its pro-rata share of the net pension liabilities of the Statewide pension plans administered by the Public Employees Retirement Administration.

PERA

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

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the Statements of Net Position reports a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to future periods, and therefore, will not be recognized as an outflow of resources (expense) until that time. The City reports deferred outflows of resources in the government-wide and proprietary fund Statements of Net Position in relation to the activity of the pension funds in which City employees participate.

In addition to liabilities, the Statements of Net Position and Balance Sheet report a separate section for deferred inflows of resources. This element represents an acquisition of net position or fund balance that applies to future periods, and therefore, will not be recognized as an inflow of resources (revenue) until that time. The City reports property taxes and special assessments as deferred inflows of resources in the governmental fund financial statements, in accordance with the modified accrual basis of accounting. Accordingly, such amounts are deferred and recognized as inflows of resources in the period that they become available. In addition, the City reports deferred inflows of resources in the government-wide and proprietary fund Statements of Net Position in relation to the activity of pension funds in which City employees participate.

See Notes 3 and 4 for additional information pertaining to the deferred outflows and deferred inflows recorded to account for pension activities.

Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – The portion of net position for which use is constrained by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

Unrestricted – Remaining balance of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

It is the City’s policy to consider restricted net position to its depletion before unrestricted net position is applied.

Fund Statements

Governmental Fund Financial Statements – In the fund financial statements, governmental funds report fund balances as either nonspendable, restricted, committed, assigned, or unassigned. When the City incurs an expenditure for which it may use either restricted or unrestricted fund balances, it uses restricted fund balances first unless unrestricted fund balances will have to be returned because they were not used. When the City incurs an expenditure for purposes for which amounts in any unrestricted fund balance classification could be used, it uses fund balances in the following order: Committed, assigned, unassigned.

Nonspendable – Includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. The nonspendable fund balances at December 31, 2021 consist of prepaid expenditures and property held for sale.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Restricted – That portion of fund balance which is not available for appropriation or which has been legally segregated for a specific purpose.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the City Council, which is the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned – Amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council has formally delegated the authority to assign fund balances to the City Manager.

Unassigned – This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The City has formally adopted a policy under which it strives to maintain a minimum unassigned General Fund balance of 5 months of budgeted operating expenditures.

See Note 2.E. for additional disclosures.

Proprietary Fund Financial Statements – Proprietary fund equity is classified the same as in the government-wide statements, as described previously.

1.F. REVENUES, EXPENDITURES, AND EXPENSES

Property Tax

Under state law, municipalities are limited in their ability to levy a property tax. The City levies its property tax for the subsequent year during the month of December. Mille Lacs County is the collecting agency for the levy and remits the collections to the City. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

December 30th is the last day the City can certify a tax levy to the County for collection the following year. The County creates the tax list for all taxable property in the City and applies the applicable tax rate to the tax capacity of individual properties to arrive at the actual tax for each property. The County also collects all special assessments, except for certain prepayments paid directly to the City. The County collects all taxes and assessments, except as noted above. The County mails copies of all real estate and personal property tax statements. Each year, property owners are required to pay one half of their real estate taxes by May 15 and the balance by October 15. Penalties and interest are assessed to property owners who do not pay their property taxes and special assessments by the due dates.

Delinquent taxes receivable include the past six years’ uncollected taxes. Delinquent taxes have been offset by deferred inflows of resources for taxes not received within 60 days after year end in the fund financial statements.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related to financing, noncapital financing, or investing activities.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.F. REVENUES, EXPENDITURES, AND EXPENSES (Continued)

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character	Current (further classified by Function)
	Capital Outlay
	Debt Service

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds, as well as all interfund transfers between individual proprietary funds, have been eliminated. See additional information at Note 2.D.

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, deferred outflows/inflows of resources, equity, revenues, and expenditures/expenses.

2.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council. Minnesota Statutes require that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds (100% if collateral pledged is irrevocable standby letters of credit issued by the Federal Home Loan Bank). Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- A general obligation of a state or local government, with taxing powers, rated "A" or better;
- A revenue obligation of a state or local government, with taxing powers, rated "AA" or better;
- Unrated general obligation securities of a local government, with taxing powers, pledged as collateral against funds deposited by that same local government entity;

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

- Irrevocable standby letter of credit issued by a Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard and Poor's; or
- Time deposits insured by any federal agency.

Minnesota Statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the City.

At December 31, 2021, the City's deposits were exposed to custodial credit risk. The City's deposits were in excess of federal depository insurance and collateral held by the government's agent in the government's name. The balance of the City's deposits that were exposed to custodial risk totaled \$17,583.

Investments

The City may also invest idle funds as authorized by Minnesota Statutes as follows: direct obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that received the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City does not have any investment policies that would further limit investment choices.

Investment balances at December 31, 2021 are as follows:

Deposit/Investment	Interest Rate	Maturity	Fair Value	S & P's Credit Rating	Percent of Total
<i>Pooled Investments:</i>					
Money Market Funds	0.02	N/A	\$ 1,793,891	N/A	33.67
<i>Non-Pooled Investments:</i>					
Money Market Funds	0.02	N/A	11,280	N/A	0.21
Certificates of Deposit	1.99-3.40	<1 year	1,092,043	NR	20.50
Certificates of Deposit	0.45-3.15	1-5 years	1,530,563	NR	28.73
Certificates of Deposit	0.75-1.35	6-10 years	<u>899,611</u>	NR	<u>16.89</u>
Totals			<u>\$ 5,327,388</u>		<u>100.00</u>

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

The investments of the City are subject to the following risks:

- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota Statutes limit the City's investments.
- Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.
- Concentration of Credit Risk is the risk associated with the magnitude of the City's investments (considered five percent or more) in the investments of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. At December 31, 2021, the City is not exposed to a significant concentration of credit risk.
- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The City has formally adopted an Investment Policy, to ensure compliance with Minnesota Statutes and to address each of the risks above to the extent deemed necessary by the City's Council.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United State of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of December 31, 2021:

- Money market funds of \$1,805,171 are deemed to be level 1 investments and are valued by using quoted market prices.
- Certificates of Deposits of \$3,522,217 are considered to be level 2 investments.

Additionally, the property held for sale totaling \$23,600 has been valued as a level 3 investment. This property is an unlisted security valued at fair market, as valued by the Mille Lacs County Assessor's office at the date of acquisition.

Property held for sale is measured at fair value on a nonrecurring basis. This asset is not measured at fair value on an ongoing basis; however, it is subject to fair value adjustment in certain circumstances, such as there is evidence of impairment or a change in the amount of previously recognized impairment.

Deposits and Investments Summary

A reconciliation of cash and investments as shown on the Statements of Net Position for the City follows:

Carrying Amount of Deposits	\$	1,310,644
Investments		5,327,388
Total	\$	6,638,032
Government-wide Cash, Cash Equivalents and Investments	\$	6,498,368
Fiduciary - Custodial Funds Cash and Cash Equivalents		139,664
Total	\$	6,638,032

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.B. CAPITAL ASSETS

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

	Balance at 1/1/2021	Additions	Disposals	Transfers	Balance at 12/31/2021
<i>Governmental Activities:</i>					
Capital Assets not Being Depreciated					
Land	\$ 222,036	\$ -	\$ -	\$ -	\$ 222,036
Construction In Progress	21,465	1,245,135	-	(272,788)	993,812
Total Capital Assets not Being Depreciated	243,501	1,245,135	-	(272,788)	1,215,848
Capital Assets Being Depreciated					
Buildings and Improvements	5,299,997	65,109	(20,000)	-	5,345,106
Infrastructure	6,597,488	188,321	-	272,788	7,058,597
Equipment, Machinery and Furnishings	3,376,374	341,007	(24,567)	-	3,692,814
Total Capital Assets Being Depreciated	15,273,859	594,437	(44,567)	272,788	16,096,517
Less: Accumulated Depreciation					
Buildings and Improvements	(2,248,805)	(132,758)	4,444	-	(2,377,119)
Infrastructure	(4,479,305)	(260,603)	-	-	(4,739,908)
Equipment, Machinery and Furnishings	(1,960,423)	(202,418)	24,567	-	(2,138,274)
Total Accumulated Depreciation	(8,688,533)	(595,779)	29,011	-	(9,255,301)
Total Capital Assets Being Depreciated, Net	6,585,326	(1,342)	(15,556)	272,788	6,841,216
Capital Assets, Net	\$ 6,828,827	\$ 1,243,793	\$ (15,556)	\$ -	\$ 8,057,064

Depreciation is charged to governmental activities as follows:

General Government	\$ 50,912
Public Safety	120,695
Public Works	227,269
Parks and Recreation	196,903
Total Depreciation Expense	\$ 595,779

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.B. CAPITAL ASSETS (Continued)

	Balance at 1/1/2021	Additions	Disposals	Transfers	Balance at 12/31/2021
<i>Business-Type Activities:</i>					
Capital Assets not Being Depreciated					
Land	\$ 54,788	\$ -	\$ -	\$ -	\$ 54,788
Construction In Progress	-	77,039	-	-	77,039
Total Capital Assets not Being Depreciated	54,788	77,039	-	-	131,827
Capital Assets Being Depreciated					
Buildings and Improvements	4,770,954	5,684	-	-	4,776,638
Infrastructure	5,361,667	62,765	-	-	5,424,432
Equipment, Machinery and Furnishings	828,976	70,601	-	-	899,577
Total Capital Assets Being Depreciated	10,961,597	139,050	-	-	11,100,647
Less: Accumulated Depreciation					
Buildings and Improvements	(2,333,784)	(104,880)	-	-	(2,438,664)
Infrastructure	(3,260,289)	(162,062)	-	-	(3,422,351)
Equipment, Machinery and Furnishings	(626,952)	(47,481)	-	-	(674,433)
Total Accumulated Depreciation	(6,221,025)	(314,423)	-	-	(6,535,448)
Total Capital Assets Being Depreciated, Net	4,740,572	(175,373)	-	-	4,565,199
Capital Assets, Net	<u>\$ 4,795,360</u>	<u>\$ (98,334)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,697,026</u>

2.C. NONCURRENT LIABILITIES

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. All debt set forth below are direct obligations of the City and pledge the full faith and credit of the City.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES (Continued)

Debt Detail

As of December 31, 2021, the long-term debt of the financial reporting entity consists of the following:

Governmental Activities

General Obligation Bonds

Issue Date	Original Amount	Annual Principal Payment	Interest Rate(s)	Maturity Date	Remaining Amount
08/12	\$ 845,000	\$20,000 - \$95,000	1.00 - 2.15%	02/24	\$ 220,000
03/15	475,000	\$25,000 - \$40,000	2.00 - 3.40%	12/30	315,000
08/17	653,000	\$126,000 - \$135,000	2.30%	02/22	135,000
07/19	545,000	\$45,000 - \$55,000	2.10 - 3.00%	02/31	500,000
08/21	715,000	\$40,000 - \$55,000	0.85 - 2.00%	02/37	715,000
Total Governmental Activities Bonds Payable					1,885,000
Bonds Due Within One Year					305,000
Bonds Due After One Year					<u>\$ 1,580,000</u>

General Obligation Notes

Issue Date	Original Amount	Annual Principal Payment	Interest Rate(s)	Maturity Date	Remaining Amount
03/14	\$ 190,000	\$19,000	1.00%	03/24	\$ 57,000
G.O. Notes Due Within One Year					19,000
G.O. Notes Due After One Year					<u>\$ 38,000</u>

Promissory Note

Issue Date	Original Amount	Monthly Principal Payment	Interest Rate(s)	Maturity Date	Remaining Amount
05/20	\$ 20,000	\$556	0.00%	10/23	\$ 12,222
Promissory Notes Due Within One Year					6,667
Promissory Notes Due After One Year					<u>\$ 5,555</u>

Capital Lease

Issue Date	Original Amount	Annual Principal Payment	Interest Rate(s)	Maturity Date	Remaining Amount
01/20	\$ 223,016	\$15,000 - \$54,001	3.85%	01/27	\$ 160,504
Capital Lease Due Within One Year					-
Capital Lease Due After One Year					<u>\$ 160,504</u>

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES (Continued)

Business-Type Activities

General Obligation Revenue Bonds					
Issue Date	Original Amount	Annual Principal Payment	Interest Rate(s)	Maturity Date	Remaining Amount
07/06	\$ 3,060,114	\$70,000 - \$173,000	1.07%	08/26	\$ 846,000
		Bonds Due Within One Year			166,000
		Bonds Due After One Year			\$ 680,000

Changes in Noncurrent Liabilities

The following is a summary of changes in noncurrent liabilities for the year ended December 31, 2021:

Type of Debt	Balance 01/01/21	Additions	Deductions	Balance 12/31/21	Amounts Due Within One Year
Governmental Activities:					
G.O. Bonds	\$ 1,762,000	\$ 715,000	\$ (592,000)	\$ 1,885,000	\$ 305,000
Unamortized Bond Premium	6,788	16,604	(1,786)	21,606	-
G.O. Notes	76,000	-	(19,000)	57,000	19,000
Promissory Note	18,889	-	(6,667)	12,222	6,667
Capital Lease	184,709	-	(24,205)	160,504	-
Compensated Absences	40,674	-	(3,573)	37,101	-
Total	\$ 2,089,060	\$ 731,604	\$ (647,231)	\$ 2,173,433	\$ 330,667
Business-Type Activities:					
G.O. Revenues Bonds	\$ 1,050,000	\$ -	\$ (204,000)	\$ 846,000	\$ 166,000
Compensated Absences	19,698	1,774	(1,542)	19,930	-
Total	\$ 1,069,698	\$ 1,774	\$ (205,542)	\$ 865,930	\$ 166,000

Governmental activity debt is typically funded through Debt Service Funds, with the exception of the promissory note being financed through the Revolving Loan Fund. Business-Type activity debt is typically funded through the Water Fund. Compensated absences is funded through the funds to which the respective employees' wages are allocated.

At December 31, 2021, the asset acquired with the capital lease has an original cost of \$266,756 and accumulated depreciation of \$25,564, for a net carry value of \$241,192.

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES (Continued)

Annual Debt Service Requirements

At December 31, 2021, the estimated annual debt service requirements to maturity, including principal and interest, are as follows:

Years Ending December 31,	Governmental Activities					
	General Obligation Bonds			General Obligation Notes		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 305,000	\$ 38,620	\$ 343,620	\$ 19,000	\$ 570	\$ 19,570
2023	210,000	33,376	243,376	19,000	380	19,380
2024	150,000	29,716	179,716	19,000	190	19,190
2025	130,000	27,234	157,234	-	-	-
2026	130,000	24,891	154,891	-	-	-
2027-2031	650,000	75,420	725,420	-	-	-
2032-2036	255,000	18,450	273,450	-	-	-
2037	55,000	550	55,550	-	-	-
Totals	<u>\$ 1,885,000</u>	<u>\$ 248,257</u>	<u>\$ 2,133,257</u>	<u>\$ 57,000</u>	<u>\$ 1,140</u>	<u>\$ 58,140</u>

Years Ending December 31,	Governmental Activities					
	Promissory Note			Capital Lease		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 6,667	\$ -	\$ 6,667	\$ -	\$ -	\$ -
2023	5,555	-	5,555	25,137	6,179	31,316
2024	-	-	-	26,104	5,212	31,316
2025	-	-	-	27,109	4,207	31,316
2026	-	-	-	28,153	3,163	31,316
2027	-	-	-	54,001	2,079	56,080
Totals	<u>\$ 12,222</u>	<u>\$ -</u>	<u>\$ 12,222</u>	<u>\$ 160,504</u>	<u>\$ 20,840</u>	<u>\$ 181,344</u>

Years Ending December 31,	Business-Type Activities		
	Principal	Interest	Total
2022	\$ 166,000	\$ 8,512	\$ 174,512
2023	167,000	7,276	174,276
2024	169,000	5,489	174,489
2025	171,000	3,681	174,681
2026	173,000	1,851	174,851
Totals	<u>\$ 846,000</u>	<u>\$ 26,809</u>	<u>\$ 872,809</u>

Interest expense totals \$63,448 in the Statement of Activities (included in Debt Service, Water, and Sewer lines). Interest expenditures total \$57,824 for the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (included in the line Interest and Other Charges) and \$10,272 in the Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds (included in the line Interest and Other Charges).

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.D. INTERFUND TRANSACTIONS AND BALANCES

Operating transfers consist of the following for the year ended December 31, 2021:

Major Funds	Transfers Out	Transfers In			Total
		Major Funds		Nonmajor Funds	
		General	Debt Service	Governmental	
General	\$ 31,316	\$ -	\$ 31,316	\$ -	\$ 31,316
Liquor	192,648	192,648	-	-	192,648
	223,964	192,648	31,316	-	223,964
Nonmajor Funds					
Governmental	65,455	7,955	-	57,500	65,455
Total	\$ 289,419	\$ 200,603	\$ 31,316	\$ 57,500	\$ 289,419

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget require to expend them and to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Short-Term Balances		Purpose
Due To Fund	Due From Fund	
General	Liquor	\$ 889 Liquor Transaction Processed Through General Fund

Interfund balances will be repaid using existing cash reserves in the Liquor Fund.

2.E. FUND EQUITY

At December 31, 2021, governmental fund equity consists of the following:

General Fund	
Nonspendable - Prepaids	\$ 57,704
Unassigned	<u>2,192,200</u>
Total General Fund Balance	<u>\$ 2,249,904</u>
Debt Service Fund	
Restricted for Debt Service	<u>\$ 609,913</u>
Capital Projects Fund	
Restricted for Capital Projects	<u>\$ 151,153</u>

**CITY OF MILACA, MINNESOTA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021**

NOTE 2 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.E. FUND EQUITY (Continued)

Nonmajor Governmental Funds	
Nonspendable - Property Held for Sale	\$ 23,600
Restricted for Economic Development Loans	71,368
Restricted for Police DWI Enforcement	13,209
Restricted for Capital Projects	225,000
Assigned for Milaca Economic Development Authority	16,122
Assigned for Youth Safety	2,028
Assigned for Parks and Rec	85,452
Assigned for Capital Projects	168,759
Unassigned	<u>(102,007)</u>
Total Nonmajor Governmental Funds Balance	<u>\$ 503,531</u>

Additionally, nonmajor funds with deficit fund balances at December 31, 2021 are as follows:

Fund	Deficit
Nonmajor Governmental Funds	
TIF District No. 1-10	<u>\$ 102,007</u>

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE

Plan Description

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

General Employees Retirement Plan

All full-time and certain part-time employees of the City of Milaca are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Plan

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

Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by State Statute and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

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

Police and Fire Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase will be fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

Contributions

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

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 6.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2021 were \$67,181. The City's contributions were equal to the required contributions as set by State Statute.

Police and Fire Fund Contributions

Police and Fire members were required to contribute 11.8 percent of their annual covered salary in the fiscal year 2021 and the City was required to contribute 17.7 percent for the Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2021 were \$69,066. The City's contributions were equal to the required contributions as set by State Statute.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

Pension Costs

General Employees Fund Pension Costs

At December 31, 2021, the City reported a liability of \$529,536 for its proportionate share of the General Employees Fund’s net pension liability. The City’s net pension liability reflected a reduction due to the State of Minnesota’s contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State’s contribution meets the definition of a special funding situation. The State of Minnesota’s proportionate share of the net pension liability associated with the City totaled \$16,198. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021 relative to the total employer contributions received from all of PERA's participating employers. The City’s proportionate share was 0.0124 percent at the end of the measurement period and 0.0134 percent for the beginning of the period.

City’s proportionate share of the net pension liability:	\$529,536
State of Minnesota’s proportionate share of the net pension liability associated with the City	<u>16,198</u>
Total	<u>\$545,734</u>

For the year ended December 31, 2021, the City recognized pension expense of \$29,499 for its proportionate share of the General Employees Plan’s pension expense. In addition, the City recognized \$1,307 as grant revenue for its proportionate share of the State of Minnesota’s pension expense for the annual \$16 million contribution.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 3,463	\$ 16,357
Changes in actuarial assumptions	323,323	12,598
Difference between projected and actual investment earnings	-	453,649
Changes in proportionate share	22,172	44,966
Contributions paid to PERA subsequent to the measurement date	<u>35,157</u>	<u>-</u>
Total Deferred Outflows/Inflows	<u>\$ 384,115</u>	<u>\$ 527,570</u>

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

The \$35,157 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense
2022	\$ (16,808)
2023	\$ (19,054)
2024	\$ (17,665)
2025	\$ (125,085)

Police and Fire Fund Pension Costs

At December 31, 2021, the City reported a liability of \$253,181 for its proportionate share of the Police and Fire Fund’s net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportionate share of the net pension liability was based on the City’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions received from all of PERA’s participating employers. The City’s proportionate share was 0.0328 percent at the end of the measurement period and 0.0363 percent for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2019. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota’s pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2021, the City recognized pension expense of \$4,911 for its proportionate share of the Police and Fire Plan’s pension expense. The City recognized \$2,074 as grant revenue for its proportionate share of the State of Minnesota’s pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$2,952 for the year ended December 31, 2021 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota’s on-behalf contributions to the Police and Fire Fund.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

At December 31, 2021, the City reported its proportionate share of the Police and Fire Plan’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 49,351	\$ -
Changes in actuarial assumptions	372,111	116,772
Difference between projected and actual investment earnings	-	478,020
Changes in proportionate share	25,522	60,844
Contributions paid to PERA subsequent to the measurement date	<u>38,112</u>	<u>-</u>
Total Deferred Outflows/Inflows	<u>\$ 485,096</u>	<u>\$ 655,636</u>

The \$38,112 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	<u>Pension Expense</u>
2022	\$ (161,494)
2023	\$ (28,608)
2024	\$ (33,216)
2025	\$ (59,108)
2026	\$ 73,774

The total pension expense for all plans recognized by the City for the year ended December 31, 2021, including amortization of deferral balances, was negative \$74,890.

Long-Term Expected Return on Investment

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

Actuarial Methods and Assumptions

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

Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan were completed in 2020 and were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

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

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There have been no changes in plan provisions since the previous valuation.

Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

	Sensitivity of Net Pension Liability at Current Single Discount Rate			
	General Employees Fund		Police and Fire Fund	
1% Increase in Discount Rate	7.50%	\$ 77,860	7.50%	\$ (198,196)
Current Discount Rate	6.50%	\$ 529,536	6.50%	\$ 253,181
1% Decrease in Discount Rate	5.50%	\$ 1,079,982	5.50%	\$ 803,808

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 STATEWIDE VOLUNTEER FIREFIGHTER RETIREMENT PLAN

Plan Description

The Milaca Fire Department participates in the Statewide Volunteer Firefighter Retirement Plan (Volunteer Firefighter Plan accounted for in the Volunteer Firefighter Fund), an agent multiple-employer lump-sum defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). The Volunteer Firefighter Plan covers volunteer firefighters of municipal fire departments or independent nonprofit firefighting corporations that have elected to join the plan. As of December 31, 2021, the plan covered 21 active firefighters and 9 vested terminated fire fighters whose pension benefits are deferred. The plan is established and administered in accordance with *Minnesota Statutes*, Chapter 353 G.

Benefits Provided

The Volunteer Firefighter Plan provides retirement, death, and supplemental benefits to covered firefighters and survivors. Benefits are paid based on the number of years of service multiplied by a benefit level approved by the City. Members are eligible for a lump-sum retirement benefit at 50 years of age with five years of service. Plan provisions include a pro-rated vesting schedule that increases from 5 years at 40 percent through 20 years at 100 percent.

Contributions

The Volunteer Firefighter Plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in *Minnesota Statutes*, and voluntary City contributions. The State of Minnesota contributed \$54,793 in fire state aid to the plan for the year ended December 31, 2021. Required employer contributions are calculated annually based on statutory provisions. The City of Milaca's statutorily-required contributions to the Volunteer Firefighter Plan for the year ended December 31, 2021 were \$0.

Pension Costs

At December 31, 2021, the City of Milaca reported a net pension asset of \$490,767 for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2021. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the fire department. The following table presents the changes in net pension asset during the year.

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Beginning Balance 12/31/20	\$ 490,050	\$ 880,539	\$ (390,489)
Service Cost	33,510	-	33,510
Interest on Pension Liability	31,262	-	31,262
Actuarial Experience (Gains)/Losses	(10,682)	-	(10,682)
Projected Investment Earnings	-	86,886	(86,886)
Contributions (State)	-	54,792	(54,792)
Changes in Benefit Level	-	-	-
Asset (Gain)/Loss	-	13,700	(13,700)
Benefit Payments	(5,060)	(5,060)	-
Administrative Fee	-	(1,010)	1,010
Net Changes	<u>49,030</u>	<u>149,308</u>	<u>(100,278)</u>
Balance End of Year 12/31/21	<u>\$ 539,080</u>	<u>\$ 1,029,847</u>	<u>\$ (490,767)</u>

For the year ended December 31, 2021, the City recognized pension expense of negative \$61,634.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 STATEWIDE VOLUNTEER FIREFIGHTER RETIREMENT PLAN (Continued)

At December 31, 2021, the City of Milaca reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ -	\$ 56,507
Difference between projected and actual investment earnings	-	78,525
Total Deferred Outflows/Inflows	\$ -	\$ 135,032

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense
2022	\$ (46,737)
2023	\$ (50,232)
2024	\$ (29,115)
2025	\$ (8,948)

Actuarial Assumptions

The total pension liability at December 31, 2021, was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

- Retirement eligibility at the later of age 50 or 20 years of service
- Investment rate of return of 6.0 percent
- Inflation rate of 3.0 percent

There were no changes in actuarial assumptions in 2021.

Discount Rate

The discount rate used to measure the total pension liability was six percent. The projection of cash flows used to determine the discount rate assumed that contributions to the Volunteer Firefighter Fund will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 STATEWIDE VOLUNTEER FIREFIGHTER RETIREMENT PLAN (Continued)

Pension Liability Sensitivity

The following presents the City's net pension asset for the Volunteer Firefighter Fund, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate one percent lower or one percent higher than the current discount rate:

	<u>1% Decrease in Discount Rate (5.00%)</u>	<u>Discount Rate (6.00%)</u>	<u>1% Increase in Discount Rate (7.00%)</u>
Net Pension Asset	\$ 467,330	\$ 490,767	\$ 512,977

Plan Investments

Investment Policy

The Minnesota State Board of Investment (SBI) is established by Article XI of the Minnesota Constitution to invest all state funds. Its membership as specified in the Constitution is comprised of the governor (who is designated as chair of the board), state auditor, secretary of state and state attorney general.

All investments undertaken by the SBI are governed by the prudent person rule and other standards codified in Minnesota Statutes, Chapter 11A and Chapter 353G.

Within the requirements defined by state law, the SBI, with assistance of the SBI staff and the Investment Advisory Council, establishes investment policy for all funds under its control. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. Studies guide the on-going management of the funds and are updated periodically.

Asset Allocation

To match the long-term nature of the pension obligations, the SBI maintains a strategic asset allocation for the Volunteer Firefighter Plan that includes allocations to domestic equity, international equity, bonds and cash equivalents. The long-term target asset allocation and long-term expected real rate of return is the following:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Stocks	35%	5.10%
International Stocks	15%	5.30%
Bonds	45%	0.75%
Unallocated Cash	5%	0.00%

The six percent long-term expected rate of return on pension plan investments was determined using a building-block method. Best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using both long-term historical returns and long-term capital market expectations from a number of investment management and consulting organizations. The asset class estimates and the target allocations were then combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 STATEWIDE VOLUNTEER FIREFIGHTER RETIREMENT PLAN (Continued)

Description of significant investment policy changes during the year

The SBI made no significant changes to their investment policy during Fiscal Year 2020 for Volunteer Firefighter Fund.

Pension Plan Fiduciary Net Position

Detailed information about the Volunteer Firefighter Fund's fiduciary net position as of December 31, 2021, is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

NOTE 5 OTHER NOTES

5.A. RISK MANAGEMENT

Claims and Judgements

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To manage these risks, the City purchases commercial insurance. The City retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year settlements in excess of insurance for any of the past two years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported. The City's management is not aware of any incurred but unreported claims.

Public Health Emergency

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the City operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the City, to date, the City has not experienced any significant negative effects on its operations.

5.B. TAX INCREMENT FINANCING DISTRICTS

The City occasionally enters into tax increment financing arrangements with local businesses for the purpose of stimulating economic growth within the City. Eligibility for businesses seeking tax abatements of this nature is determined in accordance the applicable Minnesota Statutes, and such arrangements generally include a commitment by the local business to use the abated funds for financing a development or redevelopment project. Any tax increment generated by the district and not retained by the City for administrative costs is returned to the business to finance the debt incurred for the related improvements.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 OTHER NOTES (Continued)

5.B. TAX INCREMENT FINANCING DISTRICTS (Continued)

The following is a summary of the City's current tax increment financing districts:

	District #4-10
Business Name	RDT Properties, LLC
Purpose	Redevelopment
Authorizing MN Statute:	469.174
Year Established:	2010
Duration of District:	Through 2036
Original Base Net Tax Capacity:	\$ 20,088
Current Net Tax Capacity:	<u>\$ 51,506</u>
Captured Net Tax Capacity:	
Retained by City	<u>\$ 31,418</u>
Amount Abated	<u>\$ 38,338</u>
Shared with Other Taxing Districts	<u>\$ -</u>
Total Bonds Issued:	None

5.C. COMMITMENTS

Construction Contracts

The City entered into various contracts during the year for construction services. The remaining commitment under these contracts at December 31, 2021 totals \$55,755, not including retainage which has been accrued in these financial statements.

5.D. DEFINED CONTRIBUTION PLAN

The City provides eligible employees future retirement benefits through a voluntary retirement savings plan (the Plan) authorized under Section 457 of the internal revenue code. The City has contracted with a private brokerage firm to establish the Plan, and plan assets are not held in a formal trust meeting the criteria defined by GASB No. 73, par 4. The City Council acts as the plan administrator, but the City is not involved with the investment decisions for plan assets. Eligible employees of the City may begin participating in the Plan commencing on the date of their employment by electing to have a percentage of their pay contributed to the Plan. The City does not make employer contributions.

The City is holding assets in a 457 retirement plan trust, on behalf of a retired employee. This 457 retirement plan trust is a different plan than described above, and is no longer offered to City employees. At December 31, 2021, the trust had a balance of approximately \$45,862. The City does not have any form of administrative authority over the trust, nor does it have the ability to access the funds within.

**CITY OF MILACA, MINNESOTA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 OTHER NOTES (Continued)

5.E. CONDUIT DEBT OBLIGATIONS

The City has issued Minnesota Revenue Bonds, Series 2003, 2011, 2013, 2016, 2019, and 2020, to provide financial assistance to private-sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property of the private-sector entities and are payable solely from the revenues of the private-sector entities. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entities secured by the bond issuances. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2021, such notes are outstanding with an aggregate principal amount payable of approximately \$18,200,000.

5.F. SUBSEQUENT EVENTS

Subsequent to year-end and prior to the issuance of these financial statements, the City's Council issued debt for the 2022 street construction project in the amount of \$570,000. Additionally, the City approved contracts for new pavement at the Gorecki Center Parking Area for \$52,176, reconstruction of the airport apron for \$155,535 and the 2022 street construction project for \$432,959, for a total of \$640,670 in approved contracts.

5.G. NEW ACCOUNTING STANDARD

In June 2017, the Government Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. GASB Statement No. 87 (GASB 87) increases the usefulness of governmental financial statements by requiring recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating leases and recognized as income by lessors and expenditures by lessees. GASB 87 replaces the previous lease accounting methodology and establishes a single model for lease accounting based on the foundational principle that leases are a financing of the right to use an underlying asset. GASB 87 will be effective for the City's fiscal year ended December 31, 2022. The effect on net position will likely be significant.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF MILACA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts Original and Final	Actual Amounts Budgetary Basis	Variance with Budget Over (Under)
REVENUES			
Taxes			
Property Taxes	\$ 540,221	\$ 550,522	\$ 10,301
Franchise Taxes	24,000	11,395	(12,605)
Hotel/Motel Taxes	600	485	(115)
Total Taxes	<u>564,821</u>	<u>562,402</u>	<u>(2,419)</u>
Special Assessments	2,000	5,121	3,121
Licenses and Permits	52,400	51,499	(901)
Intergovernmental Revenue			
Federal Revenue			
Other Federal Grants	-	136,667	136,667
State Revenue			
Local Government Aid	918,570	918,570	-
Market Value Credit	350	556	206
PERA Aid	2,302	-	(2,302)
Transportation	-	49,059	49,059
Police and Fire Aid	64,585	55,155	(9,430)
Other State Grants and Aids	12,600	208,123	195,523
Total Intergovernmental Revenue	<u>998,407</u>	<u>1,368,130</u>	<u>369,723</u>
Charges for Services			
General Government	7,075	7,080	5
Police and Fire Contracts	139,325	121,032	(18,293)
Streets and Highways	4,000	3,900	(100)
Parks and Recreation	7,500	11,851	4,351
Airports	23,900	17,509	(6,391)
Total Charges for Services	<u>181,800</u>	<u>161,372</u>	<u>(20,428)</u>
Miscellaneous Revenue			
Investment Earnings	15,000	(65,335)	(80,335)
Sale of Assets	-	19,223	19,223
Refunds and Reimbursements	6,000	15,462	9,462
Contributions and Donations	120,000	201,932	81,932
Other Miscellaneous	5,250	123,489	118,239
Total Miscellaneous Revenue	<u>146,250</u>	<u>294,771</u>	<u>148,521</u>
TOTAL REVENUES	<u>1,945,678</u>	<u>2,443,295</u>	<u>497,617</u>

CITY OF MILACA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget Amounts Original and Final	Actual Amounts Budgetary Basis	Variance with Budget Over (Under)
EXPENDITURES			
General Government			
Mayor and Council	19,225	16,677	(2,548)
Administration and Finance	108,765	99,759	(9,006)
Other General Government	427,807	529,180	101,373
Total General Government	555,797	645,616	89,819
Public Safety			
Police			
Current	692,896	609,293	(83,603)
Capital Outlay	45,000	45,492	492
Fire			
Current	154,850	152,713	(2,137)
Capital Outlay	16,755	208,727	191,972
Other Public Safety			
Current	49,425	69,892	20,467
Total Public Safety	958,926	1,086,117	127,191
Public Works			
Street Maintenance and Storm Sewers	305,967	229,975	(75,992)
Snow and Ice Removal	6,500	570	(5,930)
Street Lighting	37,500	36,010	(1,490)
Capital Outlay - Other	-	-	-
Total Public Works	349,967	266,555	(83,412)
Culture and Recreation			
Libraries			
Current	26,960	22,790	(4,170)
Parks and Recreation			
Current	121,154	117,254	(3,900)
Capital Outlay	-	24,016	24,016
Total Culture and Recreation	148,114	164,060	15,946
Miscellaneous Expenditures			
Airports			
Current	62,872	65,562	2,690
Capital Outlay	12,500	240,642	228,142
Total Miscellaneous Expenditures	75,372	306,204	230,832
TOTAL EXPENDITURES	2,088,176	2,468,552	380,376

CITY OF MILACA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budget Amounts Original and Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Budget Over (Under)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(142,498)	(25,257)	117,241
OTHER FINANCING SOURCES (USES)			
Transfers			
From Other Funds	163,049	200,603	37,554
To Other Funds	<u>(31,316)</u>	<u>(31,316)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>131,733</u>	<u>169,287</u>	<u>37,554</u>
NET CHANGE IN FUND BALANCE	<u>\$ (10,765)</u>	144,030	<u>\$ 154,795</u>
FUND BALANCES - BEGINNING		<u>2,105,874</u>	
FUND BALANCE - ENDING		<u>\$ 2,249,904</u>	

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

Note 1 - Expenditures in Excess of Budget

Actual expenditures in the General Fund of \$2,468,552 exceeded the final budgeted expenditures by \$380,376 for the current year. This is primarily due to unbudgeted capital outlay expenditures in public safety and airport.

**CITY OF MILACA, MINNESOTA
SCHEDULE OF CITY'S PROPORTIONATE
SHARE OF NET PENSION LIABILITY
LAST TEN YEARS (Presented Prospectively)**

For the Measurement Year Ended June 30	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<i>General Employees Retirement Pension Plan</i>							
2021	0.0124%	\$ 529,536	\$ 16,198	\$ 545,734	\$ 893,000	61.1%	87.0%
2020	0.0134%	\$ 803,391	\$ 24,750	\$ 828,141	\$ 955,427	86.7%	79.1%
2019	0.0132%	\$ 729,798	\$ 22,666	\$ 752,464	\$ 938,171	80.2%	80.2%
2018	0.0120%	\$ 655,771	\$ -	\$ 655,771	\$ 842,071	77.9%	79.5%
2017	0.0117%	\$ 746,920	\$ -	\$ 746,920	\$ 773,727	96.5%	75.9%
2016	0.0123%	\$ 998,699	\$ -	\$ 998,699	\$ 748,344	133.5%	68.9%
2015	0.0123%	\$ 637,450	\$ -	\$ 637,450	\$ 724,130	88.0%	78.2%
<i>Public Employees Police and Fire Pension Plan</i>							
2021	0.0328%	\$ 253,181	\$ 11,391	\$ 264,572	\$ 387,836	68.2%	93.7%
2020	0.0363%	\$ 478,473	\$ 11,286	\$ 489,759	\$ 409,633	119.6%	87.2%
2019	0.0371%	\$ 394,967	\$ -	\$ 394,967	\$ 391,312	100.9%	89.3%
2018	0.0340%	\$ 362,405	\$ -	\$ 362,405	\$ 367,843	98.5%	78.5%
2017	0.0320%	\$ 432,038	\$ -	\$ 432,038	\$ 342,568	126.1%	75.9%
2016	0.0350%	\$ 1,404,611	\$ -	\$ 1,404,611	\$ 334,240	420.2%	63.8%
2015	0.0350%	\$ 397,682	\$ -	\$ 397,682	\$ 311,900	127.5%	78.7%

Note: The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

CITY OF MILACA, MINNESOTA
SCHEDULE OF CITY PENSION CONTRIBUTIONS
LAST TEN YEARS (Presented Prospectively)

For the Fiscal Year Ended December 31	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<i>General Employees Retirement Pension Plan</i>					
2021	\$ 67,181	\$ 67,181	\$ -	\$ 895,747	7.50%
2020	\$ 69,896	\$ 69,896	\$ -	\$ 931,947	7.50%
2019	\$ 75,279	\$ 75,279	\$ -	\$ 1,003,718	7.50%
2018	\$ 63,155	\$ 63,155	\$ -	\$ 842,718	7.49%
2017	\$ 58,030	\$ 58,030	\$ -	\$ 773,727	7.50%
2016	\$ 56,126	\$ 56,126	\$ -	\$ 748,334	7.50%
2015	\$ 53,290	\$ 53,290	\$ -	\$ 724,130	7.36%
<i>Public Employees Police and Fire Pension Plan</i>					
2021	\$ 69,066	\$ 69,066	\$ -	\$ 390,203	17.70%
2020	\$ 75,386	\$ 75,386	\$ -	\$ 425,910	17.70%
2019	\$ 67,143	\$ 67,143	\$ -	\$ 396,124	16.95%
2018	\$ 59,591	\$ 59,591	\$ -	\$ 367,843	16.20%
2017	\$ 55,496	\$ 55,496	\$ -	\$ 342,568	16.20%
2016	\$ 54,147	\$ 54,147	\$ -	\$ 334,240	16.20%
2015	\$ 50,474	\$ 50,474	\$ -	\$ 311,900	16.18%
<i>Volunteer Fire Relief Association</i>					
2021	\$ -	\$ -	\$ -	N/A	N/A
2020	\$ -	\$ -	\$ -	N/A	N/A
2019	\$ -	\$ -	\$ -	N/A	N/A

Note: The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2015 and is intended to show a ten year trend. The Volunteer Fire Relief Association schedule is provided prospectively with the City's fiscal year ended December 31, 2019. Additional years will be reported as they become available.

CITY OF MILACA, MINNESOTA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET)
STATEWIDE VOLUNTEER FIREFIGHTER FUND
LAST TEN YEARS (Presented Prospectively)

	Measurement Year Ended December 31,		
	2021	2020	2019
Changes in Total Pension Liability (TPL)			
Balance at January 1st	\$ 490,050	\$ 477,815	\$ 454,108
Service Cost	33,510	36,404	25,906
Interest on the TPL	31,262	28,222	28,582
Assumption Changes	(10,682)	(48,721)	(23,521)
Changes in Benefit Level	-	84,030	-
Benefit Payments	(5,060)	(87,700)	(7,260)
Balance at December 31st	<u>\$ 539,080</u>	<u>\$ 490,050</u>	<u>\$ 477,815</u>
Plan Fiduciary Net Position (PFNP)			
Balance at January 1st	\$ 880,539	\$ 816,759	\$ 655,600
Fire State Aid	54,793	51,210	\$ 47,841
Projected Investment Income	86,886	101,126	121,399
Gain or Loss	13,700	-	-
Total Additions	<u>155,379</u>	<u>152,336</u>	<u>169,240</u>
Benefit Payments	(5,060)	(87,700)	(7,260)
Administrative Expenses	(1,011)	(856)	(821)
Total Reductions	<u>(6,071)</u>	<u>(88,556)</u>	<u>(8,081)</u>
Balance at December 31st	<u>\$ 1,029,847</u>	<u>\$ 880,539</u>	<u>\$ 816,759</u>
Net Pension Liability (Asset) - December 31st	<u>\$ (490,767)</u>	<u>\$ (390,489)</u>	<u>\$ (338,944)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	191%	180%	171%

Note: The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2019 and is intended to show a ten year trend. Additional years will be reported as they become available.

CITY OF MILACA, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND

2021 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100 percent Joint & Survivor option changed from 35 percent to 45 percent. The assumed number of married female new retirees electing the 100 percent Joint & Survivor option changed from 15 percent to 30 percent. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

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

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

CITY OF MILACA, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability and 3.00 percent for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions

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

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

CITY OF MILACA, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6 million, which meets the special funding situation definition, was due September 2015.

NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – POLICE AND FIRE FUND

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

2020 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

2019 Changes

Changes in Actuarial Assumptions

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

CITY OF MILACA, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021

NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – POLICE AND FIRE FUND (Continued)

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions

- Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent thereafter to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

**CITY OF MILACA, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

NOTE 2 PUBLIC EMPLOYEES RETIREMENT PLAN – POLICE AND FIRE FUND (Continued)

2015 Changes

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2037 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.50 percent, to a fixed rate of 2.50 percent.

NOTE 3 DEFINED BENEFIT PLAN – FIRE RELIEF ASSOCIATION

2021 Changes

Changes in Actuarial Assumptions

- There were no significant changes made to actuarial assumptions during 2021.

2020 Changes

Changes in Actuarial Assumptions

- There were no significant changes made to actuarial assumptions during 2020.

2019 Changes

Changes in Actuarial Assumptions

- There were no significant changes made to actuarial assumptions during 2019.

SUPPLEMENTARY INFORMATION

**CITY OF MILACA, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Capital Project Funds			Special Revenue Funds		
	Gorecki Improvements	Gorecki Improvements II	Veterans Memorial	EDA Fund	Youth Safety	Charitable Gambling
ASSETS						
Cash, Cash Equivalents, and Investments	\$ 136,568	\$ 165,816	\$ 105,978	\$ 16,122	\$ 2,028	\$ 71,343
Assessments Receivable	-	-	-	23,303	-	-
Property Held for Sale	-	-	-	23,600	-	-
TOTAL ASSETS	<u>\$ 136,568</u>	<u>\$ 165,816</u>	<u>\$ 105,978</u>	<u>\$ 63,025</u>	<u>\$ 2,028</u>	<u>\$ 71,343</u>
LIABILITIES						
Accounts Payable	\$ (1,234)	\$ 11,220	\$ 4,617	\$ -	\$ -	\$ 616
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue: Special Assessments	-	-	-	23,303	-	-
FUND BALANCES						
Nonspendable	-	-	-	23,600	-	-
Restricted	75,000	150,000	-	-	-	-
Assigned	62,802	4,596	101,361	16,122	2,028	70,727
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>137,802</u>	<u>154,596</u>	<u>101,361</u>	<u>39,722</u>	<u>2,028</u>	<u>70,727</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 136,568</u>	<u>\$ 165,816</u>	<u>\$ 105,978</u>	<u>\$ 63,025</u>	<u>\$ 2,028</u>	<u>\$ 71,343</u>

CITY OF MILACA, MINNESOTA
COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds				Debt Service Funds		Total Nonmajor Funds
	Revolving Loan	DWI Forfeiture	REC Fest	City Event	TIF District No. 1-10	TIF District No. 2-6	
ASSETS							
Cash, Cash Equivalents, and Investments	\$ 71,368	\$ 13,209	\$ 5,662	\$ 9,063	\$ (82,838)	\$ -	\$ 514,319
Assessments Receivable	-	-	-	-	-	-	23,303
Property Held for Sale	-	-	-	-	-	-	23,600
TOTAL ASSETS	<u>\$ 71,368</u>	<u>\$ 13,209</u>	<u>\$ 5,662</u>	<u>\$ 9,063</u>	<u>\$ (82,838)</u>	<u>\$ -</u>	<u>\$ 561,222</u>
LIABILITIES							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 19,169	\$ -	\$ 34,388
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue: Special Assessments	-	-	-	-	-	-	23,303
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	23,600
Restricted	71,368	13,209	-	-	-	-	309,577
Assigned	-	-	5,662	9,063	-	-	272,361
Unassigned	-	-	-	-	(102,007)	-	(102,007)
Total Fund Balances	<u>71,368</u>	<u>13,209</u>	<u>5,662</u>	<u>9,063</u>	<u>(102,007)</u>	<u>-</u>	<u>503,531</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 71,368</u>	<u>\$ 13,209</u>	<u>\$ 5,662</u>	<u>\$ 9,063</u>	<u>\$ (82,838)</u>	<u>\$ -</u>	<u>\$ 561,222</u>

CITY OF MILACA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BLANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Capital Project Funds			Special Revenue Fund		
	Gorecki Improvements	Gorecki Improvements II	Veterans Memorial	EDA Fund	Youth Safety	Charitable Gambling
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,903
Tax Increment	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Investment Income	2,458	1,849	107	189	20	851
Miscellaneous	-	-	117,201	-	500	-
TOTAL REVENUES	2,458	1,849	117,308	189	520	27,754
EXPENDITURES						
Current:						
Public Safety	-	-	-	-	-	-
Parks and Recreation	16,248	-	2,064	-	-	5,575
Economic Development	-	-	-	1,200	-	-
Capital Outlay	141,974	35,634	249,889	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	158,222	35,634	251,953	1,200	-	5,575
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(155,764)	(33,785)	(134,645)	(1,011)	520	22,179
OTHER FINANCING SOURCES (USES)						
Transfers In	-	47,500	-	-	-	-
Transfers Out	(47,500)	(10,000)	-	-	-	(7,955)
TOTAL OTHER FINANCING SOURCES (USES)	(47,500)	37,500	-	-	-	(7,955)
NET CHANGE IN FUND BALANCES	(203,264)	3,715	(134,645)	(1,011)	520	14,224
FUND BALANCES - BEGINNING	341,066	150,881	236,006	40,733	1,508	56,503
FUND BALANCES - ENDING	\$ 137,802	\$ 154,596	\$ 101,361	\$ 39,722	\$ 2,028	\$ 70,727

CITY OF MILACA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BLANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Fund				Debt Service Funds		Total Nonmajor Funds
	Revolving Loan	DWI Forfeiture	REC Fest	City Event	TIF District No. 1-10	TIF District No. 2-6	
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,903
Tax Increment	-	-	-	-	42,599	17,530	60,129
Charges for Services	-	7,512	11,675	4,168	-	-	23,355
Fines	-	3,634	-	-	-	-	3,634
Investment Income	797	140	55	42	-	-	6,508
Miscellaneous	-	-	5,650	11,075	-	-	134,426
TOTAL REVENUES	<u>797</u>	<u>11,286</u>	<u>17,380</u>	<u>15,285</u>	<u>42,599</u>	<u>17,530</u>	<u>254,955</u>
EXPENDITURES							
Current:							
Public Safety	-	3,281	-	-	-	-	3,281
Parks and Recreation	-	-	15,381	14,223	-	-	53,491
Economic Development	-	-	-	-	38,452	-	39,652
Capital Outlay	-	-	-	-	-	-	427,497
Debt Service:							
Principal	6,667	-	-	-	-	-	6,667
Interest and Other Charges	-	-	-	-	2,000	17,530	19,530
TOTAL EXPENDITURES	<u>6,667</u>	<u>3,281</u>	<u>15,381</u>	<u>14,223</u>	<u>40,452</u>	<u>17,530</u>	<u>550,118</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,870)	8,005	1,999	1,062	2,147	-	(295,163)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	1,000	9,000	-	-	57,500
Transfers Out	-	-	-	-	-	-	(65,455)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>9,000</u>	<u>-</u>	<u>-</u>	<u>(7,955)</u>
NET CHANGE IN FUND BALANCES	(5,870)	8,005	2,999	10,062	2,147	-	(303,118)
FUND BALANCES - BEGINNING	<u>77,238</u>	<u>5,204</u>	<u>2,663</u>	<u>(999)</u>	<u>(104,154)</u>	<u>-</u>	<u>806,649</u>
FUND BALANCES - ENDING	<u>\$ 71,368</u>	<u>\$ 13,209</u>	<u>\$ 5,662</u>	<u>\$ 9,063</u>	<u>\$ (102,007)</u>	<u>\$ -</u>	<u>\$ 503,531</u>

**CITY OF MILACA, MINNESOTA
SUPPLEMENTAL COMBINING BALANCE SHEET
DEBT SERVICE FUND
DECEMBER 31, 2021**

	2010 GO Refunding Debt	2012 GO Bonds	2012 Equipment Certificate	2014 Fire Hall Improvement	2015 GO Park Debt	2017 Library Lease Refunding
ASSETS						
Cash, Cash Equivalents, and Investments	\$ (37,997)	\$ 297,760	\$ 1,025	\$ 27,317	\$ 19,054	\$ 273,337
Property Taxes Receivable	8,692	6,894	-	-	3,383	13,620
Assessments Receivable	-	2,689	-	-	-	-
TOTAL ASSETS	<u>\$ (29,305)</u>	<u>\$ 307,343</u>	<u>\$ 1,025</u>	<u>\$ 27,317</u>	<u>\$ 22,437</u>	<u>\$ 286,957</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue:						
Property Taxes	\$ 5,870	\$ 4,668	\$ -	\$ -	\$ 2,292	\$ 9,224
Special Assessments	-	2,689	-	-	-	-
Total Deferred Inflows of Resources	5,870	7,357	-	-	2,292	9,224
FUND BALANCE						
Restricted	-	299,986	1,025	27,317	20,145	277,733
Unassigned	(35,175)	-	-	-	-	-
Total Fund Balance	<u>(35,175)</u>	<u>299,986</u>	<u>1,025</u>	<u>27,317</u>	<u>20,145</u>	<u>277,733</u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ (29,305)</u>	<u>\$ 307,343</u>	<u>\$ 1,025</u>	<u>\$ 27,317</u>	<u>\$ 22,437</u>	<u>\$ 286,957</u>

CITY OF MILACA, MINNESOTA
SUPPLEMENTAL COMBINING BALANCE SHEET (Continued)
DEBT SERVICE FUND
DECEMBER 31, 2021

	2019 Improvement Debt	2020 Loader Equipment Lease	2021 GO Street Project Bonds	Intrafund Activity	Total Debt Service Fund
ASSETS					
Cash, Cash Equivalents, and Investments	\$ 48,736	\$ (31,316)	\$ (150)	\$ -	\$ 597,766
Property Taxes Receivable	5,010	-	-	-	37,599
Assessments Receivable	-	-	-	-	2,689
TOTAL ASSETS	<u>\$ 53,746</u>	<u>\$ (31,316)</u>	<u>\$ (150)</u>	<u>\$ -</u>	<u>\$ 638,054</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	\$ 3,398	\$ -	\$ -	\$ -	\$ 25,452
Special Assessments	-	-	-	-	2,689
Total Deferred Inflows of Resources	3,398	-	-	-	28,141
FUND BALANCE					
Restricted	50,348	-	-	(66,641)	609,913
Unassigned	-	(31,316)	(150)	66,641	-
Total Fund Balance	<u>50,348</u>	<u>(31,316)</u>	<u>(150)</u>	<u>-</u>	<u>609,913</u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 53,746</u>	<u>\$ (31,316)</u>	<u>\$ (150)</u>	<u>\$ -</u>	<u>\$ 638,054</u>

CITY OF MILACA, MINNESOTA
SUPPLEMENTAL COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	2010 GO	2012 GO	2012	2014 Fire Hall	2015 GO Park	2017 Library
	Refunding Debt	Bonds	Equipment	Improvement	Debt	Lease
			Certificate			Refunding
REVENUES						
Taxes	\$ 105,799	\$ 84,300	\$ -	\$ -	\$ 41,275	\$ 166,063
Special Assessments	-	9,975	-	-	-	-
Charges for Services	-	-	-	24,000	-	-
Investment Income	150	2,490	11	160	283	1,696
TOTAL REVENUES	<u>105,949</u>	<u>96,765</u>	<u>11</u>	<u>24,160</u>	<u>41,558</u>	<u>167,759</u>
EXPENDITURES						
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	295,000	90,000	-	19,000	30,000	132,000
Interest and Other Charges	7,264	5,843	-	1,520	10,490	4,624
TOTAL EXPENDITURES	<u>302,264</u>	<u>95,843</u>	<u>-</u>	<u>20,520</u>	<u>40,490</u>	<u>136,624</u>
EXCESS (DEFICIENCY) OF REVENUES						
OVER (UNDER) EXPENDITURES	(196,315)	922	11	3,640	1,068	31,135
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(196,315)	922	11	3,640	1,068	31,135
FUND BALANCE - BEGINNING	<u>161,140</u>	<u>299,064</u>	<u>1,014</u>	<u>23,677</u>	<u>19,077</u>	<u>246,598</u>
FUND BALANCE - ENDING	<u>\$ (35,175)</u>	<u>\$ 299,986</u>	<u>\$ 1,025</u>	<u>\$ 27,317</u>	<u>\$ 20,145</u>	<u>\$ 277,733</u>

CITY OF MILACA, MINNESOTA
SUPPLEMENTAL COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (Continued)
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	2019 Improvement Debt	2020 Loader Equipment Lease	2021 GO Street Project Bonds	Intrafund Activity	Total Debt Service Fund
REVENUES					
Taxes	\$ 61,130	\$ -	\$ -	\$ -	\$ 458,567
Special Assessments	-	-	-	-	9,975
Charges for Services	-	-	-	-	24,000
Investment Income	108	-	-	-	4,898
TOTAL REVENUES	<u>61,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>497,440</u>
EXPENDITURES					
Capital Outlay	-	-	150	-	150
Debt Service:					
Principal	45,000	47,512	-	-	658,512
Interest and Other Charges	13,854	15,120	-	-	58,715
TOTAL EXPENDITURES	<u>58,854</u>	<u>62,632</u>	<u>150</u>	<u>-</u>	<u>717,377</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,384	(62,632)	(150)	-	(219,937)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	31,316	-	-	31,316
NET CHANGE IN FUND BALANCE	2,384	(31,316)	(150)	-	(188,621)
FUND BALANCE - BEGINNING	<u>47,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>798,534</u>
FUND BALANCE - ENDING	<u>\$ 50,348</u>	<u>\$ (31,316)</u>	<u>\$ (150)</u>	<u>\$ -</u>	<u>\$ 609,913</u>

**CITY OF MILACA, MINNESOTA
SCHEDULE OF INDEBTEDNESS
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)**

	Issue Dates	Interest Rates	Maturity Dates	Initial Authorized Issue	Outstanding Balance 01/01/21	Issued	Paid	Outstanding Balance 12/31/21	Principal Due Within One Year
GOVERNMENTAL INDEBTEDNESS									
<u>General Obligation Bonds</u>									
G.O. Bonds, Series 2010A	12/16/2010	2.00-3.25%	2/1/2023	\$ 1,250,000	\$ 295,000	\$ -	\$ 295,000	\$ -	\$ -
G.O. Refunding Bonds, Series 2012A	8/22/2012	1.00-2.15%	2/1/2024	845,000	310,000	-	90,000	220,000	95,000
G.O. Note Payable (Ambulance - ECE Loan)	3/3/2014	1.00%	3/3/2024	190,000	76,000	-	19,000	57,000	19,000
G.O. Park Improvement Bonds, Series 2015A	3/16/2015	2.00-3.40%	12/15/2030	475,000	345,000	-	30,000	315,000	30,000
G.O. Library Lease Revenue Bonds, Series 2017A	8/1/2017	2.30%	2/1/2022	653,000	267,000	-	132,000	135,000	135,000
G.O. Street Reconstruction Bonds, Series 2019A	7/10/2019	2.10-3.00%	2/1/2031	545,000	545,000	-	45,000	500,000	45,000
G.O. Street Reconstruction Bonds, Series 2021A	8/12/2021	0.85-2.00%	2/1/2037	715,000	-	715,000	-	715,000	-
RLF Emergency Relief Note	5/22/2020	0.00%	10/1/2023	20,000	18,889	-	6,667	12,222	6,667
<u>Lease</u>									
Equipment Lease	1/1/2020	3.85%	1/1/2027	223,016	184,709	-	24,205	160,504	-
TOTAL GOVERNMENTAL DEBTS				4,916,016	2,041,598	715,000	641,872	2,114,726	330,667
ENTERPRISE INDEBTEDNESS									
<u>MN Public Facilities Authority Loan</u>									
G.O. Revenue Bonds, 2006	7/19/2006	1.07%	8/20/2026	3,060,114	1,010,000	-	164,000	846,000	166,000
G.O. Revenue Bonds, 2010	12/16/2010	2.00-3.00%	2/1/2021	335,000	40,000	-	40,000	-	-
TOTAL ENTERPRISE DEBTS				3,395,114	1,050,000	-	204,000	846,000	166,000
TOTAL INDEBTEDNESS				\$ 8,311,130	\$ 3,091,598	\$ 715,000	\$ 845,872	\$ 2,960,726	\$ 496,667

OTHER REPORTS

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Milaca, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milaca (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Milaca's basic financial statements, and have issued our report thereon dated June 16, 2022.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies described in the accompanying *Schedule of Findings and Responses* to be material weaknesses: 2021-001 and 2021-003.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency described in the accompanying *Schedule of Findings and Responses* to be a significant deficiency: 2021-002.

Compliance and Other Matters

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

Minnesota Legal Compliance


In connection with our audit, we noted that the City of Milaca failed to comply with the provisions of the deposits and investments, conflicts of interest, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters as described in the *Schedule of Findings and Responses* as items 2021-004, 2021-005, and 2021-006. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City of Milaca failed to comply with the provisions of the claims and disbursements, contracting and bidding, public indebtedness, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

City of Milaca's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Milaca's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Responses* and *Corrective Action Plans*. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



SCHLENNER WENNER & CO.

St. Cloud, Minnesota

June 16, 2022

**CITY OF MILACA, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

FINANCIAL STATEMENT FINDINGS

Finding 2021-001 Limited Segregation of Duties

Condition: During our audit we reviewed procedures over cash receipts, cash disbursements, payroll and financial reporting and found the City to have limited segregation of duties over those transaction cycles.

Criteria: Internal control that supports the City's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements requires adequate segregation of accounting duties. In other words, no one person may have control over two or more of these responsibilities.

Cause: Limited number of staff members.

Effect: The existence of limited segregation of duties could adversely affect the City's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements.

Recommendation: Although the number of staff members may not be large enough to eliminate this deficiency, we recommend that the City evaluate current procedures and segregate where possible and implement compensating controls. It is important that the Council is aware of this condition and monitor all financial information.

*Views of Responsible
Officials And Planned
Corrective Actions:*

Management agrees with the recommendation. See corresponding Corrective Action Plan.

Finding 2021-002 Financial Statement Preparation

Condition: Schlenner Wenner & Co. drafted the audited financial statements and related footnote disclosures for the City. It is management's responsibility to provide for the preparation of financial statements and the auditors' responsibility to determine the fairness of the presentation. This deficiency could result in a misstatement that could have been prevented or detected by management.

Criteria: Internal controls over financial reporting should be in place to provide for the preparation of financial statements on an annual basis.

Cause: The City's staff does not possess the expertise to prepare financial statements internally. This is not unusual for an organization of your size.

Effect: The inability to internally prepare the City's financial statements can result in undetected errors in financial reporting.

Recommendation: We recommend that management review a draft of the financial statements in detail for accuracy. During review we recommend a disclosure checklist be utilized to ensure all required disclosures are presented and the City should agree the financial statement numbers to their accounting software. The City may not have the ability to eliminate this finding.

*Views of Responsible
Officials And Planned
Corrective Actions:*

Management agrees with the recommendation. See corresponding Corrective Action Plan.

**CITY OF MILACA, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

FINANCIAL STATEMENT FINDINGS (Continued)

Finding 2021-003 Material Audit Adjustments

Condition: Audit adjustments were required to correct material misstatements identified in the trial balance presented for the audit.

Criteria: The City is required to report financial information in accordance with accounting principles generally accepted in the United States of America.

Cause: The City failed to record certain year-end adjustments for the purpose of properly presenting accrual balances required under generally accepted accounting principles.

Effect: The misstatement in the trial balance presented for the audit resulted in the need to record audit adjustments to achieve fair financial statement presentation under accounting principles generally accepted in the United States of America.

Recommendation: We recommend management perform a thorough review of the trial balance prior to the audit and ensure all transactions have been properly recorded.

*Views of Responsible
Officials And Planned
Corrective Actions:* Management agrees with the recommendation. See corresponding Corrective Action Plan.

MINNESOTA LEGAL COMPLIANCE FINDINGS

Finding 2021-004 Deposits in Excess of Insured Limits

Condition: The City held deposits in excess of FDIC limits with a financial institution, without sufficient collateral pledged.

Criteria: In accordance with MN Statute § 118A.03, subd. 1 & 3, the City is required to obtain a bond or collateral which, when computed at its market value, shall be at least ten percent more than the amount of deposits being held in excess of deposit insurance.

Cause: The financial institution performed a review near year-end and assigned collateral in the amount required at that time. However, funds deposited to the City's account subsequent to this review resulted in a portion of the City's overall balances being in excess of the combined coverage provided by FDIC and assigned collateral.

Effect: The failure to timely identify when deposits did not have sufficient pledged collateral resulted in temporary noncompliance with the requirements set forth in Minnesota Statutes.

Recommendation: We recommend the City implement a process of reviewing bank account balances on a regular basis and making corrective actions as necessary.

*Views of Responsible
Officials And Planned
Corrective Actions:* Management agrees with the recommendation. See corresponding Corrective Action Plan.

**CITY OF MILACA, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

MINNESOTA LEGAL COMPLIANCE (Continued)

Finding 2021-005 Conflicts of Interest Statute Violation

Condition: The City executed a vendor contract, with which a conflict of interest existed for a City official (Interested Officer), and failed to perform the procedures required under State Statutes in regard to such contracts.

Criteria: Under Minnesota Statute 471.89, prior to the performance of the contract, the City is required to authorize the contract by adopting a resolution setting forth the essential facts and terms of the agreement. Prior to payment of the contract, the Interested Officer is also required to file an affidavit stating the purpose and terms of the contract, among other items set forth in the statute.

Cause: The City failed to adopt a resolution that authorized the contract with the Interested Officer, and an affidavit was not filed with the City before payment on the contract was made. The conflict of interest had not been disclosed to the City until after the City's noncompliance had already occurred.

Effect: The failure to adhere to the criteria documented above resulted in the City's noncompliance with Minnesota Statutes.

Recommendation: We recommend the City review its personnel policies and related procedures to ensure contracts involving a conflict of interest are properly addressed and all City officials and personnel are aware of the related disclosure requirements.

*Views of Responsible
Officials And Planned
Corrective Actions:*

Management agrees with the recommendation. See corresponding Corrective Action Plan.

Finding 2021-006 Annual Summary Financial Statement Publication

Condition: The City failed to prepare and publish summary financial statements in the manner described below.

Criteria: Under Minnesota Statute 471.698, the City must publish summary financial statements, in a form as prescribed by the State Auditor, in a qualified newspaper of general circulation in the City.

Cause: The City was unaware of the statute and its requirements.

Effect: The failure to prepare and publish summary financial statements in a qualified newspaper of general circulation in the City resulted in the City's noncompliance with Minnesota Statutes.

Recommendation: We recommend management prepare and publish summary financial statements in a qualified newspaper of general circulation in the City subsequent to the annual audit, to avoid future noncompliance.

*Views of Responsible
Officials and Planned
Corrective Action:*

Management agrees with our recommendation. See corresponding Corrective Action Plan.

**CITY OF MILACA, MINNESOTA
CORRECTIVE ACTION PLANS
FOR THE YEAR ENDED DECEMBER 31, 2021**

FINANCIAL STATEMENT FINDINGS

Finding 2021-001 Limited Segregation of Duties

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The City currently has the following procedures in place:
 - o The City's Department Heads review all invoices received. The City Council also reviews the monthly invoices and approves the expenditures.
 - o The City utilizes claim listings which are approved by the City Manager.The City will review current procedures and implement additional controls where possible.
3. Official Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
The Corrective Action Plan will be reviewed on an ongoing basis with no anticipated completion date.
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

Finding 2021-002 Financial Statement Preparation

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The City may continue to have the auditor prepare the financial statements and will continue to document the annual review of the financial statements and related footnote disclosures. The City will revisit this decision on an ongoing, annual basis.
3. Official Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
The Corrective Action Plan will be reviewed on an ongoing basis with no anticipated completion date.
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

**CITY OF MILACA, MINNESOTA
CORRECTIVE ACTION PLANS
FOR THE YEAR ENDED DECEMBER 31, 2021**

FINANCIAL STATEMENT FINDINGS (Continued)

Finding 2021-003 Material Audit Adjustments

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The City will thoroughly review the trial balance prior to audit fieldwork and make any adjusting entries before submitting the trial balance to the auditors.
3. Official Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
The Corrective Action Plan will be reviewed on an ongoing basis with no anticipated completion date.
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

MINNESOTA LEGAL COMPLIANCE

Finding 2021-004 Deposits in Excess of Insured Limits

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
Subsequent to year-end, the City has ensured sufficient collateral has been pledged on all depository accounts.
3. Official Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
December 31, 2022
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

**CITY OF MILACA, MINNESOTA
CORRECTIVE ACTION PLANS
FOR THE YEAR ENDED DECEMBER 31, 2021**

MINNESOTA LEGAL COMPLIANCE (Continued)

Finding 2021-005 Conflicts of Interest Statute Violation

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The City will review and revise its policies as necessary to ensure the required procedures are followed in the event that a contract is executed involving an interested officer.
3. Official Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
December 31, 2022
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

Finding 2021-006 Annual Summary Financial Statement Publication

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to the Finding
The City will prepare and publish summary financial statements on an annual basis.
3. Office Responsible
Tammy Pfaff, City Manager, is the official responsible for ensuring corrective action.
4. Planned Completion Date
December 31, 2022
5. Plan to Monitor Completion
The City Council will be monitoring this Corrective Action Plan.

City of Milaca, Minnesota

Report to the Members of Governance

June 16, 2022

**SCHLENNER
WENNER & CO.**
CPAs

**CITY OF MILACA, MINNESOTA
TABLE OF CONTENTS**

Introductory Letter..... 1

Required Communications2

Exhibit A – Management Letter

Members of Governance
City of Milaca, Minnesota

We are pleased to present this report related to our audit of the basic financial statements of the City of Milaca (the City) as of and for the year ended December 31, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City's financial reporting process.

This report is intended solely for the information and use of the members of governance and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the City of Milaca.



SCHLENNER WENNER & CO.
St. Cloud, Minnesota
June 16, 2022

An Independently Owned Member, RSM US Alliance

www.schlennerwenner.cpa

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

St. Cloud
320.251.0286

Little Falls
320.632.8311

Albany
320.845.2940

Maple Lake
320.963.5414

Monticello
763.295.5070

CITY OF MILACA, MINNESOTA REQUIRED COMMUNICATIONS

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our arrangement letter dated April 22, 2022. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated April 22, 2022 regarding the planned scope and timing of our audit and have discussed with you our identification of significant risks of material misstatement.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. The City did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions

We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The only estimates we have deemed significant to the financial statements are the estimates associated with the following balances reported at year-end:

- Net pension liabilities/asset and related deferred outflows/inflows of resources

Audit Adjustments and Uncorrected Misstatements

Audit adjustments, other than those that are clearly trivial, have been proposed by us and recorded by the City for the purpose of adjusting year-end balances for investments, payables, debt, receivables, and net pension balances, as well as recording current year capital asset activity and depreciation.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

**CITY OF MILACA, MINNESOTA
REQUIRED COMMUNICATIONS**

Departure From the Auditor's Standard Report

Our Independent Auditor's Report includes several additional or non-standard paragraphs that you should be aware of as follows:

- Other Matters related to Required Supplementary Information and Supplementary Information
- Other Reporting Required by *Government Auditing Standards*

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the basic financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Internal Control and Compliance Matters

We have separately communicated the material weaknesses and significant deficiency in internal control over financial reporting identified during our audit of the basic financial statements, as required by *Government Auditing Standards*. This communication is included within the compliance section of the City's financial report for the year ended December 31, 2021

Significant Written Communications Between Management and Our Firm

We have requested certain representations from management that are included in the management representation letter dated June 16, 2022.

APPENDIX A

MANAGEMENT LETTER

Members of Governance
City of Milaca, Minnesota

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our audit of the financial statements of the City of Milaca, Minnesota (the City) for the year ended December 31, 2021. These items are offered as constructive suggestions to be considered as part of the ongoing process of modifying and improving the City's practices and procedures.

Current Year Comments:

Obtaining Vendor W-9's

During our current year audit procedures, we noted the City has not established a consistent practice of obtaining W-9 forms from applicable vendors, particularly in relation to vendors being used for events hosted by the City. We recommend the City consider incorporating the completion of the W-9 form into the process for making payment to such vendors, to ensure that payment is not made until this form is received (when required). This will help facilitate and streamline the City's required reporting to the Internal Revenue Service at year-end.

Closing:

We will be happy to discuss any of these recommendations with you and assist in their implementation. Please do not hesitate to contact us with any questions or concerns.

We wish to take this opportunity to express our sincere appreciation for all the courtesies and cooperation extended to us by Tammy Pfaff and Jessica Humphreys. We would also like to thank you for the opportunity to serve you. We look forward to serving you in the future.

This report is intended solely for the information and use of the City Council, management, and others within the organization of the City of Milaca, and is not intended to be, and should not be, used by anyone other than those specified parties.



SCHLENNER WENNER & CO.
St. Cloud, Minnesota
June 16, 2022

An Independently Owned Member, RSM US Alliance

www.schlennerwenner.cpa

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

St. Cloud
320.251.0286

Little Falls
320.632.6311

Albany
320.845.2940

Maple Lake
320.963.5414

Monticello
763.295.5070

PETITION FOR CHICKENS

LAST NAME	FIRST NAME	ADDRESS	PHONE NUMBER	PAGE	NOTES
BLACKBURN	JAY	525 3RD AVE SE	612-475-0545	1	
HIGGINS	KATE	460 3RD AVE SE	763-250-0275	1	
TOTZKE	LANAYA	440 3RD AVE SE	320-982-3609	1	
JAECKELS	KEN	430 3RD AVE SE	320-312-4806	1	
GOLDEN	JEN	405 3RD AVE SE	763-482-3935	1	RENTS FROM ELDRED & EILEEN PAULSON
MILLER	HAROLD	520 2ND AVE SE	952-220-8057	1	OWNER IS A LINDSEY LABELLE
LABELLE	LINDSEY	520 2ND AVE SE	763-548-4574	1	
BINSFELD	MICHAEL	450 2ND AVE SE	651-352-0792	1	
HANSEN	JEFF	260 8TH ST NW	320-630-3671	1	
JERGENS	BRENT	340 12TH ST NE	320-293-2955	1	
VEURINK	LUANN	1318 3RD AVE NE	320-260-2716	1	OWNER IS A LUGENE VEURINK
BRUSS	JASON	1320 3RD AVE NE	320-703-8399	1	RENTS FROM LUGENE VEURINK
FETTERS	JASMINE	445 2ND AVE SE	320-515-0241	2	OWNER IS A PHYLIS KRUEGER
HART	JOSH	505 2ND AVE SE	320-247-0931	2	OWNER IS A HEATHER ALEXANDER BUT I BELIEVE THEY ARE MARRIED
ALEXANDER	HEATHER	505 2ND AVE SE	612-599-5021	2	
BARJHERON	QUINT	515 2ND AVE SE	218-760-4516	2	
KRAGT	KELLEY	525 2ND AVE SE	651-348-0372	2	
CROTINGER	JESSICA	540 2ND AVE SE	320-362-0482	2	RENTS FROM ALLEN JACKSON PROPERTIES
		540 2ND AVE SE	320-982-0130	2	CANNOT READ NAME AT ALL
GRUSZKA	SKYLAR	550 2ND AVE SE	763-312-4070	2	OWNER IS A NICHOLAS WIDHALM
WIDHALM	NIKKI	550 2ND AVE SE	612-479-8939	2	OWNER IS A NICHOLAS WIDHALM
DAIKER	TODD	610 CENTRAL AVE S	320-260-6124	2	OWNER IS A PAM DAIKER BUT I BELIEVE THEY ARE MARRIED
DAHL	BRANDON	455 CENTRAL AVE S	320-446-4622	2	OWNER IS AN ALICIA CURTIS
LARSEN	JUSTIN & AMANDA	610 3RD AVE NW	763-691-4395	2	
BROWN	DARRIN & DENAE	445 3RD AVE NW	507-251-0289	2	DAUGHTER TO CHUCK & LAURIE GAHM/TEMPORARILY LIVING HERE
COOPER	CHUCK & YOSHUA	430 3RD AVE NW	320-983-3954	2	
FERGUSON	IDA	425 3RD AVE NW	612-296-8985	2	
MEYER	BRENDA	410 3RD AVE NW	763-300-2888	2	
MCCARTHY	KAIJA	360 3RD AVE NW	612-280-0451	2	
MCCARTHY	JUSTIN	360 3RD AVE NW	612-964-3542	2	
		415 4TH AVE NW		2	CANNOT READ NAME AT ALL/OWNER IS A PAYTON LUX
BEEUWSAERT	MARLENE	425 4TH AVE NW	320-982-5476	2	

PETITION FOR CHICKENS

GRULKE	KARI	435 4TH AVE NW	320-982-1263	2	OWNER IS AN ANDY GRULKE BUT I BELIEVE THEY ARE MARRIED
DOOLEY	ADAM	505 4TH AVE NW	320-674-0993	2	OWNER IS A KELLY DAHLBERG
DOOLEY	KELLY	505 4TH AVE NW	320-674-0607	2	MARRIED NAME NOW IS DOOLEY
DAHLBERG	CURTIS	505 4TH AVE NW	320-339-1942	2	LIVING WITH KELLY DOOLEY/RELATIVE?
GORECKI	DOROTHY	510 4TH AVE NW	320-982-3160	2	
TIMMER	CURTIS	520 4TH AVE NW	612-770-6797	2	
OLSON	RICK	540 4TH AVE NW	320-224-8356	2	
HILLCREST	DAYNA	540 4TH AVE NW	651-353-1859	2	DAUGHTER TO RICK OLSON/LIVES HERE AS WELL
HILLCREST	JOHN	540 4TH AVE NW	320-412-0054	2	SON-IN-LAW TO RICK OLSON/LIVES HERE AS WELL
BRYSON	JOEL	555 CENTRAL AVE S #8	651-468-8778	3	APT BLDG
HOLLMAN	PRESTON	555 CENTRAL AVE S #8	512-367-9580	3	APT BLDG
CHAPIN	KYRIL	520 CENTRAL AVE S	651-334-8190	3	
		560 CENTRAL AVE S	763-528-1538	3	OWNER IS A JESSIE WELLMAN
SNAZA	CHARLENE	435 CENTRAL AVE S	612-352-7628	3	OWNER IS AN ANTHONY SNAZA
GLAOVITZ	AMBER	395 8TH ST NE	320-362-4559	3	APT BUILDING
ROSE	DUSTIN	205 7TH ST NE	612-702-9649	3	OWNER IS LAURA WALZ
PEACH	CHRIS	1323 4TH AVE NE	763-269-2130	3	OWNER IS AN ERICA WIEBUSCH
NELSON	CARL	319 12TH ST NE	320-983-6252	3	
VEURINK	LUGENE	1318 3RD AVE NE	320-980-1096	3	
		1400 3RD AVE NE		3	CANNOT READ NAME AND DID NOT WRITE A PHONE #
KING	CHRIS	1108 9TH ST NE	763-657-9871	3	
KING	JENNY	1108 9TH ST NE	763-381-2871	3	
YATES	DON	1400 3RD AVE NE	210-416-0381	3	
YATES	KIM	1400 3RD AVE NE	210-416-0381	3	
UPHAM	TYLER	345 3RD AVE NW	763-269-2548	3	RENTS FROM JOEL & LORI MILLAM
UPHAM	KIERA	345 3RD AVE NW	763-269-2548	3	RENTS FROM JOEL & LORI MILLAM
HOECK	MATT	330 5TH AVE SE	320-237-0933	3	OWNER IS A TIFFANY HOECK BUT THEY ARE MARRIED
ANDERSON	MISTY	920 3RD AVE NW	651-206-3870	3	
ANDERSON	CHAS	920 3RD AVE NW	651-206-3910	3	OWNER IS A MISTY ANDERSON
WELLER	GREGG	850 3RD AVE NW	320-291-4156	3	
CARIGNAN	ROBERT	810 3RD AVE NW	320-983-2689	3	OWNER IS A BEVERLY CARIGNAN
ADAMS	DARREN	710 3RD AVE NW	320-982-6767	3	
HOLCOMB	DAWSON	625 3RD AVE NW	320-493-3132	3	RENTS FROM MICHAEL & JENNIFER ASHER
KIMBLE	RODNEY & DENISE	345 6TH ST NW	763-691-4069	3	
OLSON	ART	120 7TH ST NW	320-241-7919	4	RENTS FROM RYAN SCHMIT

PETITION FOR CHICKENS

CARPENTER	TROY	610 2ND AVE SE	612-219-3811	4	
	BOB	210 1ST ST E	320-492-1826	4	APT BLDG
		610 3RD AVE SE		4	OWNER IS A PAUL PALMER
KADLEC	BOB	545 3RD AVE SE	320-333-0842	4	
RAIBER	MAKENZIE	620 2ND AVE SE	320-434-5639	4	RENTS FROM MICHAEL & JENNIFER ASHER
SCHWANKL	BRANDI	645 CENTRAL AVE S	763-312-4124	4	
SALZBRUNN		655 CENTRAL AVE S	612-817-7782	4	RENTS FROM GLORIA GALLATI
KIEL	GARRIT	630 2ND AVE SE	507-828-8249	4	RENTS FROM LARRY & CLARA ISUM
HAGLMAN	ABYGAIL	640 2ND AVE	CAN'T READ #	4	NO DIRECTIONAL ON ADDRESS
DRESSEL	BETH	660 2ND AVE SE	320-982-0280	4	
GALLATI	GLORIA	670 2ND AVE SE	320-983-3454	4	
ARMSTRONG	SHARON	690 2ND AVE SE	612-812-9936	4	
JUHL	NICHOLAS	695 2ND AVE SE	218-686-3440	4	
CASSENS	MICHAEL	705 CENTRAL AVE S		4	
HUNT	SUE	685 2ND AVE SE	763-250-0840	4	OWNER IS A SUZANNE HAAPALA
		665 2ND AVE SE	320-310-1378	4	RENTS FROM BRAD MAITLAND
MARQUARDT	BRIAN	645 2ND AVE SE	612-987-2195	4	
SERBUS	GLORIA	635 2ND AVE SE	320-982-2994	4	
BREWER	AUDRA	635 2ND AVE SE	320-982-2994	4	RELATIVE OF GLORIA SERBUS
SERBUS		635 2ND AVE SE	320-982-2994	4	
		605 2ND AVE SE		4	OWNER IS A MARGARET SHEA
NELSON	CHARLENE	535 3RD AVE SE		4	
PADILLA	MARICELA	425 5TH AVE SE	612-239-1559	4	OWNER IS A MARICELA HASSON
		460 3RD AVE SE	763-250-0629	4	OWNER IS A KATHLEEN & RICH HIGGINS
NORDIN	BRANDON	445 3RD AVE SE	320-266-5231	4	
PATTEN	MARY	435 3RD AVE SE	320-983-3956	4	
GRIFFIN	ROBERT	415 3RD AVE SE		4	
VIELLE	ANGELA	415 2ND AVE SE	320-362-1675	4	RENTS FROM DAVID & JUDY AMMERMAN
HATHAWAY	KELLY	425 2ND AVE SE	320-333-7937	4	
		425 2ND AVE SE	320-237-3223	4	OWNER IS A KELLY HATHAWAY
TOTAL SIGNED				97	

The Petition

I am in favor of allowing residents to have the freedom to raise up to 4 chickens(no roosters) in the city limits of Milaca.

Name	Address	Phone Number
Kevin M. Fitts	445 2nd Ave SE	320-515-0241
J. Hart	595 2nd Ave S, E	320-247-0931
Hal Anderson	505 2nd Ave SE	612-599-5021
Wendy Bergner	515 2nd Ave SE	218-760-4516
Michelle Knight	525 2nd Ave SE	651-848-0372
Jessica Crattinger	940 2nd Ave SE	320-360-0482
M. S.	590 2nd Ave SE	320-982-0130
SKYLAR GRUSZKA	550 2nd Ave SE	763-312-4070
NICK WIDHOLM	550 2nd Ave SE	612-479-8939
Todd T. Drake	612 Central Ave S	320-260-6174
Bronson Dahl	455 Central Ave S	320-496-4622
Lustina & Amanda Larsen	1618 3rd Ave NW	763-181-4395
Darin & Dena Brown	445 3rd Ave NW	507-251-0289
Cheryl and Vasco Cooker	430 3rd Ave NW	320-983-3954
Ida Ferguson	425 3rd Ave NW	612-296-8985
Brenda Meyer	410 3rd Ave NW	763-300-2888
Karen McCaughey	360 3rd Ave NW	612-280-0451
Judy M. F.	360 3rd Ave NW	612-964-3542
R. D.	415 4th Ave NW	
Martina Brown	425 4th Ave NW	320-982-5476
Kati Gtulke	435 4th Ave NW	320-982-1263
Adrian Dasky	505 4th Ave NW	320-674-0993
Kelly Dasky	505 4th Ave NW	320-674-0607
Curtis Wahlberg	305 4th Ave NW	320-339-1942
Dozthy Goreski	510 4th Ave NW	320-982-3160
Corey Sumner	520 4th Ave NW	320-982-2472
RIO/5 OLSON	540 4th Ave NW	320-224-8350
Danna Hillcrest	540 4th Ave NW	651-358-1859
John Hillcrest	"	320-412-0054

The Petition

I am in favor of allowing residents to have the freedom to raise up to 4 chickens(no roosters) in the city limits of Milaca.

Name	Address	Phone Number
JOEL BRYSON	555 CENTRAL AVES #8 MILACA MN 56353	1-651-468-8778
Preston Hollman	555 Central Ave S #8 Milaca MN 56353	512-367-9580
Kyril Chapin	520 Central Ave S Milaca MN	651-334-8190
<i>[Signature]</i>	560 CENTRAL AVE MILACA	763-528-1588
Charlene Snaza	435 Central Ave S.	612-352-7628
Amber Glauvitz	395 8th St	320-362-4559
Dustin Rose	205 7th St. N.E.	612-702-4649
Chris Peach	1323 4th Ave NW	763-209-2130
Carl Nelson	319 12th St NE	320 983-6252
Luzene Varrink	1318 3rd Ave NE 1400 3rd Ave NE	320-980-1096
Chris King	1108 9th St NE	763-657-9871
Jenny King	1108 9th St. NE Milaca	763-881-2871
Don Yates	1400 3RD AVE NE MILACA	210 416 0301
Kim Yates	"	"
Tyler Upham	345 3rd Ave NW	763-269-2549
Kiera Upham	"	"
Matt Hoeck	330 5th Ave SE milaca	(320) 237-0933
Missy Anderson	920 3RD AVE NW MILACA	1651-206-3870
Chas Anderson	920 3RD AVE NW MILACA	651-206-3910
Gross Weller	850 3rd Ave NW	320 291-4156
Robert Carignan	810 7th Ave NW	320-983-2689
Darren Adamo	710 3RD AVE. NW	320-983-6767
Dawson Holcomb	625 3rd Ave NW	320-495-3132
Rodney + Denise Kimble	345 6th St NW	763-691-4069

The Petition

I am in favor of allowing residents to have the freedom to raise up to 4 chickens(no roosters) in the city limits of Milaca.

Name	Address	Phone Number
Art Olson	120 7 th St. N.W. Milaca	320-241-7919
Tracy Casper	610 2 nd Ave SE Milaca	612-219-3811
Bob Kozlowski	210 1st St East Milaca	320-492-1826
Bob Kozlowski	610 2 nd Ave. S.E. Milaca	
Bob Kozlowski	545 3rd Ave SE Milaca	320-333-0842
Makenzie Kaiber	626 2nd Ave SE - Milaca	320-434-5639
Brandi Schwanke	645 Central Ave S Milaca	763-312-4124
Clayton Zbrunn	655 Central Ave	612-817-7822
Larry Kiel	680 2 nd Ave SW	567-828-8249
Alvin Hageman	640 2nd Ave Milaca	706-544-1671
Beth Dressel	1060 2nd Ave Milaca	320-982-0880
Deanna Gallati	670 2nd Ave SE Milaca	320-983-3454
Theresa Ojamaa	690 2nd Ave SE Milaca	612-812-9936
Nick Kuhl	695 2 nd Ave SE MILACA	612-218-686-3440
Michael Cannon	705 Central Ave Milaca	
Sam Junt	685 2nd Ave SE Milaca	763-250-0840
Wim Wim	665 2nd Ave	320 310-1578
Brian Marquardt	645 2 nd Ave S.E.	612-987-2195
Alain Lujan	635 2nd Ave S.E.	320-982-2992
Andra Brewer	"	"
Ala Khai Derbat	"	"
Ignacia Brea	605 2ND AVE SE	
Charles Allen	535 3 rd AVE SE	
Marcela Padilla	425 5 th Ave SE	612 239 1559
Brandon Nordin	460 3 rd Ave SE	763-256- 0629 0629
Brandon Nordin	445 3rd Ave SE.	320-266 5731
Mary Mary	435 3 rd Ave. SE.	983-2956
Robert Robert	415 3 rd Ave. S.E.	
Andrea Vielle	415 2 nd AVE SE	320-862-1675
Kelly Hathaway	425 2nd Ave SE	320-333-7737
Kelly Hathaway	425 2nd Ave SE	320-237-3223

PETITION FOR COLONY OF HONEY BEES

LAST NAME	FIRST NAME	ADDRESS	PHONE NUMBER	PAGE	NOTES
CROTINGER	JESSICA	540 2ND AVE SE	320-362-0482	5	RENTS FROM ALLEN JACKSON PROPERTIES
EGGEN	MICKEY	540 2ND AVE SE	320-982-0130	5	RENTS FROM ALLEN JACKSON PROPERTIES
GRUSZKA	SKYLAR	550 2ND AVE SE	763-312-4070	5	OWNER IS A NICHOLAS WIDHALM
WIDHALM	NIKKI	550 2ND AVE SE	612-479-8939	5	OWNER IS A NICHOLAS WIDHALM
DAIKER	TODD	610 CENTRAL AVE S	320-260-6124	5	OWNER IS A PAM DAIKER BUT I BELIEVE THEY ARE MARRIED
DAHL	BRANDON	455 CENTRAL AVE S	320-446-4622	5	OWNER IS AN ALICIA CURTIS
KIMBLE	RODNEY & DENISE	345 6TH ST NW	763-691-4069	5	
BROWN	DENAE	445 3RD AVE NW	612-226-6910	5	DAUGHTER TO CHUCK & LAURIE GAHM/TEMPORARILY LIVING HERE
BROWN	DARRIN	445 3RD AVE NW	507-251-0289	5	DAUGHTER TO CHUCK & LAURIE GAHM/TEMPORARILY LIVING HERE
FERGUSON	IDA	425 3RD AVE NW	612-296-8985	5	
MEYER	BRENDA	410 3RD AVE NW	763-300-2888	5	
MCCARTHY	KAIJA	360 3RD AVE NW	612-280-0451	5	
MCCARTHY	JUSTIN	360 3RD AVE NW	612-964-3542	5	
		415 4TH AVE NW		5	
BEEUWSAERT	MARLENE	425 4TH AVE NW	320-982-5476	5	
GRULKE	KARI	435 4TH AVE NW	320-982-1263	5	OWNER IS AN ANDY GRULKE BUT I BELIEVE THEY ARE MARRIED
DOOLEY	KELLY	505 4TH AVE NW	320-674-0607	5	MARRIED NAME NOW IS DOOLEY
DAHLBERG	CURTIS	505 4TH AVE NW	320-339-1942	5	LIVING WITH KELLY DOOLEY/RELATIVE?
DOOLEY	ADAM	505 4TH AVE NW	320-674-0993	5	OWNER IS A KELLY DAHLBERG
TIMMER	CURTIS	520 4TH AVE NW	612-770-6797	5	
OLSON	RICK	540 4TH AVE NW	320-224-8356	5	
HILLCREST	DAYNA	540 4TH AVE NW	651-353-1859	5	DAUGHTER TO RICK OLSON/LIVES HERE AS WELL
HILLCREST	JOHN	540 4TH AVE NW	320-412-0054	5	SON-IN-LAW TO RICK OLSON/LIVES HERE AS WELL
HANSEN	JEFF	260 8TH ST NW	320-630-3671	5	
JERGENS	BRENT	340 12TH ST NE	320-293-2955	5	
BRUSS	JASON	1320 3RD AVE NE	320-703-8399	5	RENTS FROM LUGENE VEURINK
VEURINK	LUANN			5	
OLSON	ART	120 7TH ST NW	320-241-7919	6	RENTS FROM RYAN SCHMIT
CARPENTER	TROY	610 2ND AVE SE	612-219-3811	6	
	BOB	210 1ST ST E	320-492-1826	6	APT BLDG
		610 3RD AVE SE		6	OWNER IS A PAUL PALMER
KADLEC	BOB	545 3RD AVE SE	320-333-0842	6	

PETITION FOR COLONY OF HONEY BEES

RAIBER	MAKENZIE	620 2ND AVE SE	320-434-5639	6	RENTS FROM MICHAEL & JENNIFER ASHER
SCHWANKL	BRANDI	645 CENTRAL AVE S	763-312-4124	6	
SALZBRUNN		655 CENTRAL AVE S	612-817-7782	6	RENTS FROM GLORIA GALLATI
KIEL	GARRIT	630 2ND AVE SE	507-828-8249	6	RENTS FROM LARRY & CLARA ISUM
HAGLMAN	ABYGAIL	640 2ND AVE	CAN'T READ #	6	NO DIRECTIONAL ON ADDRESS
DRESSEL	BETH	660 2ND AVE SE	320-982-0280	6	
GALLATI	GLORIA	670 2ND AVE SE	320-983-3454	6	
ARMSTRONG	SHARON	690 2ND AVE SE	612-812-9936	6	
JUHL	NICHOLAS	695 2ND AVE SE	218-686-3440	6	
CASSENS	MICHAEL	705 CENTRAL AVE S		6	
HUNT	SUE	685 2ND AVE SE	763-250-0840	6	OWNER IS A SUZANNE HAAPALA
MARQUARDT	BRIAN	645 2ND AVE SE	612-987-2195	6	
SERBUS	GLORIA	635 2ND AVE SE	320-982-2994	6	
VANESSA		605 2ND AVE SE		6	
NELSON	CHARLENE	535 3RD AVE SE		6	
PADILLA	MARICELA	425 5TH AVE SE	612-239-1559	6	OWNER IS A MARICELA HASSON
		460 3RD AVE SE	763-250-0629	6	OWNER IS A KATHLEEN & RICH HIGGINS
NORDIN	BRANDON	445 3RD AVE SE	320-266-5231	6	
PATTEN	MARY	435 3RD AVE SE	320-983-3956	6	
VIELLE	ANGELA	415 2ND AVE SE	320-362-1675	6	RENTS FROM DAVID & JUDY AMMERMAN
FETTERS	JASMINE	445 2ND AVE SE	320-515-0241	6	OWNER IS A PHYLIS KRUEGER
HART	JOSH	505 2ND AVE SE	320-247-0931	6	OWNER IS A HEATHER ALEXANDER BUT I BELIEVE THEY ARE MARRIED
ALEXANDER	HEATHER	505 2ND AVE SE	612-599-5021	6	
BARJHERON	QUINT	515 2ND AVE SE	218-760-4516	6	
KRAGT	KELLEY	525 2ND AVE SE	651-348-0372	6	
ESSELMAN	MICHAELA	555 2ND AVE SE	320-983-2436	6	
BRYSON	JOEL	555 CENTRAL AVE S #8	651-468-8778	7	APT BLDG
HOLLMAN	PRESTON	555 CENTRAL AVE S #8	512-367-9580	7	APT BLDG
CHAPIN	KYRIL	520 CENTRAL AVE S	651-334-8190	7	
		560 CENTRAL AVE S	763-528-1538	7	OWNER IS A JESSIE WELLMAN
SNAZA	CHARLENE	435 CENTRAL AVE S	612-352-7628	7	OWNER IS AN ANTHONY SNAZA
GLAOVITZ	AMBER	395 8TH ST NE	320-362-4559	7	APT BUILDING
BLANCHARD	CAROL	395 8TH ST NE	320-309-6481	7	
ROSE	DUSTIN	205 7TH ST NE	612-702-9649	7	OWNER IS LAURA WALZ

PETITION FOR COLONY OF HONEY BEES

PEACH	CHRIS	1323 4TH AVE NE	763-269-2130	7	OWNER IS AN ERICA WIEBUSCH
NELSON	CARL	319 12TH ST NE	320-983-6252	7	
VEURINK	LUGENE	1318 3RD AVE NE	320-980-1096	7	
		1400 3RD AVE NE	331-903-2647	7	CANNOT READ NAME
KING	CHRIS	1108 9TH ST NE	763-657-9871	7	
KING	JENNY	1108 9TH ST NE	763-381-2871	7	
YATES	DON	1400 3RD AVE NE	210-416-0381	7	
UPHAM	TYLER	345 3RD AVE NW	763-269-2548	7	RENTS FROM JOEL & LORI MILLAM
UPHAM	KIERA	345 3RD AVE NW	763-269-2548	7	RENTS FROM JOEL & LORI MILLAM
HOECK	MATT	330 5TH AVE SE	320-237-0933	7	OWNER IS A TIFFANY HOECK BUT THEY ARE MARRIED
ANDERSON	CHAS	920 3RD AVE NW	651-206-3910	7	OWNER IS A MISTY ANDERSON
ANDERSON	MISTY	920 3RD AVE NW	651-206-3870	7	
WELLER	GREGG	850 3RD AVE NW	320-291-4156	7	
CARIGNAN	ROBERT	810 3RD AVE NW	320-983-2689	7	OWNER IS A BEVERLY CARIGNAN
ADAMS	DARREN	710 3RD AVE NW	320-982-6767	7	
HOLCOMB	DAWSON	625 3RD AVE NW	320-493-3132	7	RENTS FROM MICHAEL & JENNIFER ASHER
LARSEN	JUSTIN & AMANDA	610 3RD AVE NW	763-691-4395	7	
BLACKBURN	JAY	525 3RD AVE SE	612-475-0545	8	
WOJCIK	CAROL	515 3RD AVE SE	320-266-7020	8	
TOTZKE	LANAYA	440 3RD AVE SE	320-982-3609	8	
JAECKELS	KEN	430 3RD AVE SE	320-312-4806	8	
GOLDEN	JEN	405 3RD AVE SE	763-482-3935	8	RENTS FROM ELDRED & EILEEN PAULSON
MILLER	HAROLD	520 2ND AVE SE	952-220-8057	8	OWNER IS A LINDSEY LABELLE
LABELLE	LINDSEY	520 2ND AVE SE	763-548-4574	8	
BINSFELD	MICHAEL	450 2ND AVE SE	651-352-0792	8	
TOTAL SIGNED				91	

The Petition

I am in favor of allowing residents to have the freedom to maintain one colony of honey bees in the city limits of Milaca.

Name	Address	Phone Number
Jessica Craftinger	540 2nd Ave SE	320-562-0482
Mickel Eger	540 2nd Ave SE	320-982-0130
Sybil Gruszka	550 2nd Ave SE	763-312-4070
Nick Widhalm	550 2nd Ave SE	612-479-8939
Jude Dailer	610 Central Ave S	320-982-1113
Bruce Diller	453 Central Ave S	320-496-4622
Denise & Rodney Kimble	345 6th Ave NW	763-691-4069
Shaun	445 3rd Ave NW	763-776-6910
Darin Brown	445 3rd Ave NW	507-251-0289
Ida Ferguson	475 3rd Ave NW	612-296-8985
Brenda Meyer	410 3rd Ave NW	763-302-2888
Paula McArthur	360 3rd Ave NW	612-281-0451
Justin McArthur	360 3rd Ave NW	612-964-3542
Kathy	415 4th Ave NW	
Maureen Brown	475 4th Ave NW	320-982-5476
Kori Gustke	475 4th Ave NW	320-982-1263
Kelly Dooker	505 4th Ave NW	320-674-0607
Curtis Dahlberg	505 4th Ave NW	320-339-1942
Adam Dooley	505 4th Ave NW	320-674-0993
Carl Johnson	520 4th Ave NW	320-612-7112
Rick Olson	540 4th Ave NW	320-237-8356
Danna Hillcrest	540 4th Ave NW	651-353-1859
John Hillcrest	"	320-412-0054
Jeff & Jennifer	265 8th St NW	320-630-3671
Mark	340 12th St. NE	320-293-2955
Jan Burns	1320 3rd Ave. NE	320-703-8399
LuAnn Veurink		

W

The Petition

I am in favor of allowing residents to have the freedom to maintain one colony of honey bees in the city limits of Milaca.

Name	Address	Phone Number
Art Olson	120 7 th St. N.W. Milaca	320-241-7919
Troy Casper	610 8 th Ave. Milaca	320-612-3811
Bob Kozlowski	210 1st St. East Milaca	320-492-1826
Paul Kozlowski	610 3 rd Ave. SE. Milaca	
Paul Kozlowski	545 3rd Ave. SE. Milaca	320-333-0842
MaKenzie Kalker	620 2nd Ave SE - Milaca	320-484-5639
Brandi Schwankel	645 Central Ave. S Milaca	763-312-4124
Craig Salzbrenn	65 S Central Ave S	612 817-7787
Gabriel Kiel	636 2 nd Ave S	507-828-8249
Alysaail Hageman	640 2nd Ave Milaca	706-504-1670
Beck Dressel	600 2nd Ave SE Milaca	320-982-0280
David Hallen	670-7 th Ave SE Milaca	320-983-3454
Sharon Armstrong	690 2nd Ave SE Milaca	612-812-9936
Michael	695 2 nd AVE NE MILACA	218-686-3448
Michael	705 Cutco Ave Milaca	3206306032
Sue Hunt	685 2 nd Ave SE Milaca	763-250-0840
Brian Marquardt	645-2 nd AVE SE MILACA	612-987-2195
Carrie Serbas	635 2 nd Ave. S.E.	320-982-2994
Vanessa Brachler	605 2 nd AVE SE	
Phyllis Nelson	535 3 rd AVE SE	
Maxxela Padilla	425 5 th Ave SE	612-239-1559
Sharon	460 3 rd Ave SE	763 250 0629
Erin Norcia	445 3 rd Ave SE	320-266-5231
Mary Patten	435-3 rd Ave. S.E.	320-983-3936
Angela Wille	415 2 nd AVE SE	320-862-1675
Carmen Fetter	445 2 nd Ave SE	320-515-0241
Jim Hart	505 2 nd Ave S.E.	320 247-0931
Heather Alexander	505 2 nd Ave SE	612-599-5021
Joel Berger	515 2 nd Ave SE	218-760-4510
Kelley Krugg	525 2 nd ave SE	621 347 0372
Michaela Esselman	555 2 nd Ave SE, Milaca	320-983-2436

(30)

(6)

The Petition

I am in favor of allowing residents to have the freedom to maintain one colony of honey bees in the city limits of Milaca.

Name	Address	Phone Number
JOEL BRYSON	555 CENTRAL AVE S APT 408 MILACA, MN 56353-1151	1-651-468-8778
Preston Hollman	555 Central Ave S APT 408 Milaca, MN 56353	512-367-9880
Kyril Chapin	520 Central Ave S Milaca MN	651-334-8190
Byrd Miller	560 58 CENTRAL AVE S	763-5081538
Charlene Snoza	435 Central Ave S Milaca	612-352-7628
Amber Blawitz	295 8th St	320-362-4539
Carol Blanchard	395 6 th ST NE	320-309-6488
Justin Rose	265 7 th ST NE	612-702-9649
Chris Peach	1323 4th Ave NE	763-209-2130
Cat L Nelson	319 12 th ST NE	320-983-6252
Eugene Veunak bit yell	1318 3 rd Ave NE 1400 3 rd Ave NE	320-980-1096 331-903-2647
Chris King	1108 9th St NE	763-657-9871
Jenny Kiner	1108 9th St. NE Milaca	763-381-2871
Kim Yates Dore Yates	1400 3 rd AVE NE MILACA	210 416 0301
Kim Yates	1400 3 rd AVE NE Milaca	
Taylor Upham	345 3 rd Ave NW	763-269-7448
Kiera Upham	↓	↓
Matt Noeck	330 5th Ave SE milaca	(320) 237-0933
	920 3rd Ave NE Milaca	(320) 651-3910
Misty Anderson	920 3RD AVE NW Milaca	651-206-3890
Gregg Weller	850 3 rd Ave NW	320 271-4156
Robert Caragna	810 3 rd Ave NW	320-983-2889
Darren Adams	710 3RD AVE NW	320-983-6767
Dawson Holcomb	625 3 rd Ave NW	320-443-7132
Justin + Amanda Larson	210 3rd ave NW	763 181 4305

CITY OF MILACA
APPLICATION FOR COUNCIL MEMBER

DATA CLASSIFICATION ADVISORY: Please be advised that the information that you are requested to provide is classified as private data pursuant to Minnesota Statute 13.43 except for the following data which is classified as public data: (1) name; (2) city of residence except when the appointment has a residency requirement that requires the entire address be public; (3) education and training; (4) employment history; (5) volunteer work; (6) awards and honors; (7) prior government service.

If you are appointed to a position of council member, the following additional data will be classified as public data: (1) residential address; (2) either a telephone number or electronic mail address where the appointee can be reached, or both at the request of the appointee. Any electronic mail address or telephone number provided by the city for use by an appointee shall be public. An appointee may use and electronic mail address or telephone number provided by the public body as the designated electronic mail address or telephone number at which the appointee can be reached.

APPLICANT'S NAME: Hollenkamp Daniel A
Last Name First Name Middle Initial

HOME ADDRESS: 605 Central Ave S, Milaca MN

WORK PHONE: _____ **HOME PHONE:** [REDACTED] **CELL PHONE:** [REDACTED]

EMAIL: [REDACTED] **HOW LONG HAVE YOU LIVED IN MILACA?** 17+ years

WHAT INTERESTS YOU ABOUT BECOMING A COUNCIL MEMBER?
See Attached Paper

PLEASE PROVIDE ADDITIONAL INFORMATION THAT YOU BELIEVE IS IMPORTANT IN CONSIDERING YOUR APPLICATION: (Additional information may be provided on a separate sheet)

N/A

I HEREBY ATTEST THAT:

- I have read and understand the Data Classification Advisory as stated above.
- I have sufficient time to devote to this responsibility and will attend the required meetings if appointed.
- I am eligible to vote in Minnesota.
- I have a valid Minnesota Driver's License.

[Signature]

6-2-22

SIGNATURE

DATE

OFFICE USE ONLY	
DATE RECEIVED <u>6-2-2022</u>	APPOINTED YES ___ NO ___
APPOINTMENT DATE _____	TERM END DATE _____

What interests you in becoming a council member?

That is a good question. I suppose there are many reasons. Explaining them can be a challenge. I will give it my best shot.

I would like to be involved. Not just in the meetings, but also in the community where I live. Things are always changing, growing, and shifting directions. I believe I can contribute positively to the development and direction of this community. I can bring a solid moral character, a family based mindset, and a diverse base of perspectives to the committee.

I am by no means a perfect individual. I strive for personal integrity. I have a firm foundation in my faith and am involved in my local church, Milaca Evangelical Free. I have taught Sunday School classes, co-lead our men's retreat, and contributed to the church in many ways. This integrity is used, not just in my religious life, but in my family life and professional life as well. This resulted in me winning a number of rewards, and special training opportunities with my employer.

My family is very important to me. Joining the council will not only allow me to understand the community my children grow in, but also allow me to help preserve the good of our town while enriching areas for their future. My wife and I have seven active children. We are constantly in and out of the community engaging in all sorts of activities and people. This allows me to hear what thoughts and opinions go through the community regularly.

My perspective comes from all angles. I grew up in Mora, MN. In my late teen years, I traveled the world. I am a small business owner, and a landlord. I have worked in the church and in the private sector. I have worked for union employers and non-union employers, construction, factory, grocery, etc. Currently I work full time at a multicultural, food production facility in Foley, MN.

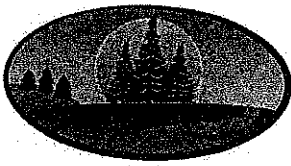
I would like to become a city council member, because I think I can learn from, and contribute to the city of Milaca.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Hollenkamp', with a stylized flourish at the end.

Dan Hollenkamp



CITY OF MILACA Minnesota

255 First Street East, Milaca, MN 56353

(320)983-3141 | (320)983-3142 fax

APPLICATION FOR COUNCIL MEMBER

DATA CLASSIFICATION ADVISORY: Please be advised that the information that you are requested to provide is classified as private data pursuant to Minnesota Statute 13.43 except for the following data which is classified as public data: (1) name; (2) city of residence except when the appointment has a residency requirement that requires the entire address be public; (3) education and training; (4) employment history; (5) volunteer work; (6) awards and honors; (7) prior government service.

If you are appointed to a position of council member, the following additional data will be classified as public data: (1) residential address; (2) either a telephone number or electronic mail address where the appointee can be reached, or both at the request of the appointee. Any electronic mail address or telephone number provided by the city for use by an appointee shall be public. An appointee may use an electronic mail address or telephone number provided by the public body as the designated electronic mail address or telephone number at which the appointee can be reached.

APPLICANT'S NAME: Muller Kenneth D
Last Name First Name Middle Initial

HOME ADDRESS: 337 8th St. NW Milaca, MN 56353

WORK PHONE: _____ **HOME PHONE:** [REDACTED] **CELL PHONE:** [REDACTED]

EMAIL: [REDACTED] **HOW LONG HAVE YOU LIVED IN MILACA?** 18 years

WHAT INTERESTS YOU ABOUT BECOMING A COUNCIL MEMBER?

I was elected and served 2 1/2 terms on the Milaca City Council. (10 yrs) and feel that this experience will be helpful in filling the vacancy. I welcome the opportunity to get involved in the Milaca City Government again.

PLEASE PROVIDE ADDITIONAL INFORMATION THAT YOU BELIEVE IS IMPORTANT IN CONSIDERING YOUR APPLICATION: (Additional information may be provided on a separate sheet) I HEREBY ATTEST THAT:

Background: President of Stones Throw Golf Club (6 yrs), Church Council (Zion), Chairman of Milaca Airport Commission (10 yrs), Served on various committee's for the City of Milaca. Career before retirement: Electronic Engineer, Vice President and Co-Founder of (Communication Solutions Inc.) a Electronic Manufacturing Co. that had annual sales of over \$35 Million with 120 employees. Business experience in short and long term planning. Grew up in Milaca and Graduated from Milaca High School in 1959. Have strong interest in economic development for creating jobs, affordable living and a desirable place to work and live.

I HEREBY ATTEST THAT:

- I have read and understand the Data Classification Advisory as stated above.
- I have sufficient time to devote to this responsibility and will attend the required meetings if appointed.
- I am eligible to vote in Minnesota.
- I have a valid Minnesota Driver's License.

Kenneth D. Muller
SIGNATURE

06/07/2022
DATE

OFFICE USE ONLY		
DATE RECEIVED	<u>6-7-22</u>	APPOINTED YES ___ NO ___
APPOINTMENT DATE	_____	TERM END DATE _____

CITY OF MILACA
APPLICATION FOR COUNCIL MEMBER

DATA CLASSIFICATION ADVISORY: Please be advised that the information that you are requested to provide is classified as private data pursuant to Minnesota Statute 13.43 except for the following data which is classified as public data: (1) name; (2) city of residence except when the appointment has a residency requirement that requires the entire address be public; (3) education and training; (4) employment history; (5) volunteer work; (6) awards and honors; (7) prior government service.

If you are appointed to a position of council member, the following additional data will be classified as public data: (1) residential address; (2) either a telephone number or electronic mail address where the appointee can be reached, or both at the request of the appointee. Any electronic mail address or telephone number provided by the city for use by an appointee shall be public. An appointee may use and electronic mail address or telephone number provided by the public body as the designated electronic mail address or telephone number at which the appointee can be reached.

APPLICANT'S NAME: LIND MARSHALL H
Last Name First Name Middle Initial

HOME ADDRESS: 235 3RD AVE NW MILACA MN 56353

WORK PHONE: [REDACTED] HOME PHONE: [REDACTED] CELL PHONE: [REDACTED]

EMAIL: [REDACTED] HOW LONG HAVE YOU LIVED IN MILACA? 24 1/2 YRS

WHAT INTERESTS YOU ABOUT BECOMING A COUNCIL MEMBER?

I WANT TO BE PART OF A COUNCIL THAT PROMOTES ITS SMALL TOWN ATMOSPHERE, FRIENDLY BUSINESSES AND EMPLOYERS WORKING ON EXPANSION OF EXISTING NEW RETAIL, MANUFACTURING, SERVICE AND INDUSTRIAL BUSINESSES.

PLEASE PROVIDE ADDITIONAL INFORMATION THAT YOU BELIEVE IS IMPORTANT IN CONSIDERING YOUR APPLICATION: (Additional information may be provided on a separate sheet)

SEE ATTACHED SHEET

I HEREBY ATTEST THAT:

- I have read and understand the Data Classification Advisory as stated above.
- I have sufficient time to devote to this responsibility and will attend the required meetings if appointed.
- I am eligible to vote in Minnesota.
- I have a valid Minnesota Driver's License.

[Signature]

6/12/2022

SIGNATURE

DATE

OFFICE USE ONLY	
DATE RECEIVED <u>6-12-22</u>	APPOINTED YES ___ NO ___
APPOINTMENT DATE _____	TERM END DATE _____

Marshall Lind
235 3rd Ave NW
Milaca, MN 56353
320-982-5085

I believe my work history, organizations and activities will help me as a City Council Member Building Official, Zoning Administrator & City Planner for the Braham-Milaca Joint Powers Board, 1998 – July of 2021.

Economic Development Committee member, Safety Committee member and Nuisance Inspector for the City of Milaca

Economic Development Coordinator, Well Head Protection Manager, GPS 45:95 Economic Development Committee Representative, NLX Northern Lights Express High Speed Rail Representative, City Clerks/Administrators & Community/Developers Representative, Isanti County EDA Representative, Isanti and Kanabec Counties Water Management Task Force Representative, Assistant Weed Inspector for the City of Braham

Building Official for the Cities for Foreston, Pease & Mora, Royalton Township and Chengwatana Township

Treasurer for East Central Chapter of MN Deer Hunters Association, member of the Rum River Sno Riders Snowmobile Club

Attends City Council meetings to keep up with what is happening within the City.

CITY OF MILACA
COUNCIL VACANCY BY APPOINTMENT

COUNCIL MEMBERS Vote for one

APPLICATIONS RECEIVED FROM

SELECT ONE

DATE RECEIVED

X

DANIEL HOLLENKAMP

6/2/2022

KENNETH MULLER

6/7/2022

MARSHALL LIND

6/12/2022

RESOLUTION NO. 22-23

A RESOLUTION APPOINTING A COUNCIL MEMBER TO FILL A VACANCY.

WHEREAS, the City of Milaca City Council has received council applications to fill the vacancy of a council member, and fill the remainder of the term ending December 31, 2022

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILACA, MINNESOTA AS FOLLOWS:

1. The council hereby appoints _____ to fill the council vacancy.

The council declares that a council member has been appointed on June 21, 2022 and will fill the remaining term until December 31, 2022.

Passed by the City Council of Milaca, Minnesota this 21st day of June, 2022.

Mayor Harold Pedersen

Attest:

City Manager Tammy Pfaff

RESOLUTION NO. 22-24

RESOLUTION ACCEPTING DONATIONS

WHEREAS, The City of Milaca is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens. The city is specifically authorized to accept gifts and bequests for the benefit of its citizens in accordance with the term prescribed by the donor to be used for the a museum rebuild of the old time log sled with a shelter to commemorate the celebration of the 125th Anniversary of the city. Funds are received as a discount donation of materials and;

WHEREAS, the following persons and entities have offered to contribute the discount on materials donated in the actual amounts set forth below to the city:

<u>Name of Donor</u>	<u>Amount</u>
Milaca Building Center (Historical Log Sled/Shelter)	\$ 1,590.00

WHEREAS, All such donations have been contributed to assist the city in the establishment as allowed by law; and

WHEREAS, The City Council finds that it is appropriate to accept the donations offered.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MILACA, MINNESOTA, AS FOLLOWS:

1. The donations described above are accepted and shall be used to fund the building of the log sled and shelter celebrating the 125th Anniversary of the city, either alone or in cooperation with others, as allowed by law.
2. The city manager is hereby directed to issue receipts to each donor acknowledging the city's receipt of the donor's donation.

Adopted this 21st day of June 2022.

Mayor Harold Pedersen

ATTEST

City Manager Tammy Pfaff

RESOLUTION NO. 22 – 25

RESOLUTION APPOINTING ELECTION JUDGES AND DESIGNATING POLLING
HOURS AND LOCATION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILACA,
MINNESOTA;

1. Polling hours to be set from 7:00 a.m. to 8:00 p.m. for Primary and General Elections to be held August 9, 2022 and November 8, 2022.
2. Polling place is Milaca City Hall, 255 1st Street E, Milaca, MN 56353.
3. To appoint the following election judges:

Ardy Becklin
Arla Johnson
Ginger Martin
Karen Schlenker
Deloris Katke
Pam Novak
Dan Hollenkamp
Mary Mickelson
Jessica Humphreys
Becky Porter
Tammy Pfaff

4. To appoint Mary Mickelson and Tammy Pfaff as head election judges.

Adopted this 21st day of June 2022.

Mayor Harold Pedersen

ATTEST

Tammy Pfaff, City Manager

RESOLUTION NO. 22 -26

260 3rd Ave SE

A RESOLUTION ASSESSING AN UNPAID SEWER SERVICE CHARGE

WHEREAS property owner(s) of record, Keith Rott, owns the property located at 260 3rd Ave SE in Milaca, PID #21-043-0030; and,

WHEREAS the property owner's sewer line needed repair or replacement and it is the property owners' responsibility to effect repairs; and,

WHEREAS the property owner has signed an Agreement of Assessment and Waiver and agreed to have such repair assessed onto 2023 property taxes;

NOW THEREFORE BE IT RESOLVED by the Milaca City Council that the Council hereby approves the following unpaid sewer service charge be levied against the described property at a rate of six and a half (6.5%) percent interest per annum for a period of ten years (10) years:

\$6,760.00
Keith Rott
260 3rd Ave SE
Milaca MN 56353
PID #21-043-0030

Adopted this 21st day of June, 2022.

Mayor Harold Pedersen

ATTEST

Tammy Pfaff City Manager

ORDINANCE NO. 493

AN ORDINANCE ENACTING AND ADOPTING A SUPPLEMENT TO THE CODE OF ORDINANCES FOR THE CITY OF MILACA, MN

WHEREAS, American Legal Publishing Corporation of Cincinnati, Ohio, has completed the S-17 Supplement to the Code of Ordinances of the Political Subdivision, which supplement contains all ordinances of a general and permanent nature enacted since the prior supplement to the Code of Ordinances of this Political Subdivision; and

WHEREAS, American Legal Publishing Corporation has recommended the revision or addition of certain sections of the Code of Ordinances which are based on or make reference to sections of the Minnesota code; and

WHEREAS, it is the intent of the city council to accept these updated sections in accordance with the changes of the law of the State of Minnesota; and

WHEREAS, it is necessary to provide for the usual daily operation of the municipality and for the immediate preservation of the public peace, health, safety and general welfare of the municipality that this ordinance take effect at an early date;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF MILACA:

Section 1. That the 2022 S-17 Supplement to the Code of Ordinance of the City of Milaca as submitted by American Legal Publishing Corporation of Cincinnati, Ohio, and as attached hereto, be and the same is hereby adopted by reference as if set out in its entirety.

Section 2. Such supplement shall be deemed published as of the day of its adoption and approval by the Milaca City Council, and the City Manager is hereby authorized and ordered to insert such supplement into the copy of the Code of Ordinances kept on file in the Office of the City Manager.

Section 3. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the peace, health, safety and general welfare of the people of this municipality, and shall take effect at the earliest date provided by law.

Passed this 21st day of June, 2022.

Mayor Harold Pedersen

ATTEST

Tammy Pfaff, City Manager

1st reading: 06-21-22

2nd reading: 06-21-22

Published _____

ORDINANCE NO. 494
AN ORDINANCE AMENDING CHAPTER 30
(CITY GOVERNMENT) OF THE CITY OF MILACA CODE OF ORDINANCES

Added language is indicated by underline and removed language is indicated by ~~strikethrough~~

THE CITY COUNCIL OF THE CITY OF MILACA DOES HEREBY ORDAIN THE FOLLOWING ORDINANCES ARE AMENDED AS FOLLOWS:

CHAPTER 30: CITY GOVERNMENT

Section

General Provisions

- 30.01 Committees
- 30.02 Other boards and commissions; advisory status
- 30.03 City Manager-Clerk established
- 30.04 Annual audit

City Council

- 30.15 Meetings; time and notification
- 30.16 Annual designations; officers, newspaper, and depositories
- 30.17 Presiding officer; Mayor
- 30.18 Meeting minutes
- 30.19 Order of business; agenda
- 30.20 Quorum; voting
- 30.21 Ordinances, resolutions, motions, and the like
- 30.22 Rules; suspension or amendment
- 30.23 Mayor and Council members; compensation

GENERAL PROVISIONS

§ 30.01 COMMITTEES.

(A) The City Council may create committees, standing or special, as it deems necessary, including, but not limited to the parks, planning, personnel, budget, economic development and tourism.

(B) These committees shall consist of as many members and perform duties, as the Council may require.

(74 Code, § 100:30)

§ 30.02 OTHER BOARDS AND COMMISSIONS; ADVISORY STATUS.

Pursuant to M.S. § 412.621, subd. 1, as amended from time to time, there shall be no board of health as defined in M.S. § 145A.02, subd. 2, as amended from time to time, library board, park board, public utilities commission, or any other administrative board or commission, except for the administration of a function jointly with another political subdivision. The Council shall

itself be and perform the duties and exercise the powers of the board of health and shall govern and administer the library, parks and utilities as fully as other municipal functions for the administration of which no independent boards are authorized by statute for cities generally. The Council may, however, create boards or commissions to advise the Council with respect to any municipal function or activity or to investigate any subject of interest to the city.

§ 30.03 CITY MANAGER-CLERK ESTABLISHED.

(A) The Office of City Clerk-Treasurer is hereby abolished.

(B) Pursuant to M.S. § 412.681, as amended from time to time, the Offices of City Manager and City Clerk in this city are hereby combined in the Office of City Manager-Clerk.

(C) The Office of City Treasurer shall be filled by appointment of the City Manager-Clerk. (Ord. 194, passed 5-17-79)

§ 30.04 ANNUAL AUDIT.

Beginning with the year in which this code becomes effective and each year thereafter, there shall be an audit of the city's financial affairs by the State Auditor or a public accountant in accordance with minimum auditing procedures prescribed by the State Auditor.

(74 Code, § 110:00) (Ord. 174, passed 12-1-76)

CITY COUNCIL

§ 30.15 MEETINGS; TIME AND NOTIFICATION.

(A) Regular meetings of the Council shall be designated at the first regular meeting of the Council in January of each year, except that the first regular meeting shall be held on the same day as the previous year. Any regular meeting falling upon a holiday shall be held on the next following business day, unless changed by the Council, at the same time and place. All meetings, including special and adjourned meetings, shall be held in the City Hall, unless otherwise designated by the Council with proper notice.

(B) Special meetings of the Council may be called by the Mayor or by any two members of the Council by writing filed with the City Manager-Clerk. At least one day before the meeting the City Manager-Clerk shall notify each member of the time, place, and purpose of the meeting by causing written notice thereof to be delivered to him or her personally if he or she can be found, or, if he or she cannot be found, by leaving a copy at the home of the member with some person of suitable age and discretion. Special meetings may be held without prior written notice when all Council members are present at the meeting or consent thereto in writing. This consent shall be filed with the City Manager-Clerk prior to the beginning of the meeting. Any special meeting attended by all the Council members shall be a valid meeting for the transaction of any business that may come before the meeting. Written notice of any special meeting shall be posted giving the date, time, place and purpose of the meeting at least three days before the meeting. Written notice shall be mailed at least three days before the meeting to anyone who has filed a written request for notice of special meetings. In calculating the three days, if the last day falls on a Saturday, Sunday or legal holiday, the next regular business day shall be counted as the third day.

(C) All Council meetings, including special meetings and adjourned meetings, shall be open to the public, unless closure is permitted or required by the Open Meeting Law, M.S. Ch. 13D, as it may be amended from time to time.

(D) No Council meeting shall be conducted after 7:00 p.m. on the day of a political party precinct caucus.

(74 Code, § 100:00)

§ 30.16 ANNUAL DESIGNATIONS; OFFICERS, NEWSPAPER, AND DEPOSITORIES.

At the first regular Council meeting in January of each year, the Council shall:

(A) Designate the official newspaper;

(B) Designate the depositories of city funds;

(C) Choose an acting mayor from the Council members, who shall perform the duties of the Mayor during the disability or absence of the Mayor from the city or, in case of a vacancy in the office of Mayor, until a successor has been appointed and qualified; and

(D) Appoint officers and employees and members of boards, commissions, and committees as may be necessary.

(74 Code, § 100:00)

§ 30.17 PRESIDING OFFICER; MAYOR.

(A) The Mayor shall preside at all meetings of the Council. In the absence of the Mayor, the acting mayor shall preside. In the absence of both, the City Manager-Clerk shall call the meeting to order and shall preside until the Council members present at the meeting choose one of their number to act temporarily as presiding officer.

(B) The presiding officer shall preserve order, enforce rules of procedure herein prescribed, and determine without debate, subject to the final decision of the Council on appeal, all questions of procedure and order. Except as otherwise provided by statute or by these rules, the proceedings of the Council shall be conducted in accordance with Robert's Rules of Order Revised.

(C) Any member may appeal to the Council from a ruling of the presiding officer. If the appeal is seconded, the member may speak once solely on the question involved and the presiding officer may explain his or her ruling, but no other Council member shall participate in the discussion. The appeal shall be sustained if it is approved by a majority of the members present exclusive of the presiding officer.

(74 Code, § 100:05)

§ 30.18 MEETING MINUTES.

(A) (1) Minutes of each Council meeting shall be kept by the City Manager-Clerk, or in his or her absence, by the Assistant City Clerk ~~Deputy City Manager-Clerk~~. In the absence of both, the presiding officer shall appoint a secretary pro tem.

(2) Ordinances, resolutions, and claims need not be recorded in full in the minutes if they appear in other permanent records of the City Manager-Clerk and can be accurately identified from the description given in the minutes.

(B) The minutes of each meeting shall be reduced to typewritten form, and shall be signed by the City Manager-Clerk, and copies thereof shall be delivered to each Council member as soon

as practicable after the meeting. At the next regular Council meeting following delivery, approval of the minutes shall be considered by the Council. The minutes need not be read aloud, but the presiding officer shall call for any additions or corrections. If there is no objection to a proposed addition or correction, approval may be made without a vote of the Council. If there is an objection, the Council shall vote upon the addition or correction. If there are no additions or corrections, the minutes shall stand approved.

(74 Code, § 100:10)

§ 30.19 ORDER OF BUSINESS; AGENDA.

(A) Each meeting of the Council shall convene at the time and place appointed therefor. Council business shall be conducted in the following order:

- (1) Call to order;
- (2) Pledge of Allegiance;
- ~~(2)~~ (3) Roll call;
- (4) Approval of agenda;
- ~~(3)~~ (5) Approval of minutes and bills;
- (6) Approval of bills;
- ~~(4)~~ (7) Public hearings;
- (8) Open Forum
- ~~(5)~~ (9) Petitions, requests, and communications;
- ~~(6)~~ (10) Ordinances and resolutions;
- ~~(7)~~ (11) Reports of Departments of officers, boards, and committees;
 - (a) City Manger
 - (b) Police
 - (c) Parks
 - (d) Public Works
 - (e) Liquor Store
 - (f) Fire Department
 - (g) Planning & Zoning
 - (h) Airport
- ~~(12)~~ (12) Committees
 - (a) Personnel
 - (b) Budget
 - (c) Tourism
 - (d) EDC
- ~~(8)~~ (13) Unfinished business;
- ~~(9)~~ (14) New business;
- ~~(10)~~(15) Miscellaneous;
- ~~(11)~~(16) Council Comments;
- (17) Adjournment.

(B) The order of business may be varied by the presiding officer, but all public hearings shall be held at the time specified in the notice of the hearing.

(C) An agenda of business for each Council meeting shall be prepared and filed in the office of the City Manager-Clerk not later than the Friday immediately preceding the regular scheduled meeting of the City Council. The agenda shall be prepared in accordance with the order of business and copies thereof shall be delivered to each Council member and to the City Attorney as far in advance of the meeting as time for preparation will permit. Unless the Council, in its discretion, votes to consider matters not appearing on the agenda, no item of business shall be considered unless it appears on the agenda for the meeting. In the event any Council member wishes to propose a new ordinance including amendments to existing ordinances, and the new ordinance does not relate directly to a subject or item of business on the agenda, then one week prior to the regular scheduled meeting of the Council, the Council member introducing that ordinance must present to the City Manager-Clerk in writing a summary of the ordinance to be proposed. The City Manager-Clerk shall then include the proposed ordinance as part of the agenda and deliver a copy of the summary to other Council members and to the City Attorney at the same time the agenda is delivered.

(74 Code, § 100:15) (Am. Ord. 262, passed 11-10-83)

§ 30.20 QUORUM; VOTING.

(A) At all Council meetings a majority of all the Council members elected shall constitute a quorum for the transaction of business.

(B) The votes of the members on any question pending before the Council may be by voice vote, standing vote, or any other manner of voting which signifies the intention of the members, and the names of those voting for and against the question shall be recorded in the minutes. If any member, being present, does not vote, the minutes, as to his or her name, shall be marked "Present - Not voting."

(C) A majority vote of all members of the Council shall be necessary for approval of any ordinance unless a larger number is required by statute. Except as otherwise provided by statute, a majority vote of a quorum shall prevail in all other cases.

(D) Whenever a phrase "four-fifths vote of the Council" or a similar phrase is used in this code or any other ordinance contained in the municipal code of the city, these phrases shall be deemed to mean a four-fifths vote of all the members of the Council, including members not then and there present.

(74 Code, § 100:20) (Am. Ord. 262, passed 11-10-83)

§ 30.21 ORDINANCES, RESOLUTIONS, MOTIONS, AND THE LIKE.

(A) Every ordinance shall be presented in writing and shall receive two readings by the City Manager-Clerk before the Council previous to its passage, but shall not be read twice at the same meeting unless the rules are suspended for that purpose. Every ordinance introduced or considered shall be recorded in the minutes by title.

(B) (1) This first reading of an ordinance shall be by title only and unless the rules are suspended, each member of the Council shall be furnished a copy of the ordinance before the next Council meeting. No vote on the first reading will be required except where a public hearing is required before passage of an ordinance.

(2) In cases where a public hearing is required, the first reading must pass by a majority vote of the Council members then and there present before a public hearing will be called, and if the ordinance shall fail to receive a majority vote to pass in the first reading, no public hearing

will be called and the ordinance shall be deemed to have been defeated. A vote in favor of the passage of the first reading of the ordinance shall not be deemed a vote in favor of the ordinance on the second reading, nor shall a Council member voting for an approval of the first reading be required to vote in favor of the ordinance on the second reading. Nothing in this section shall be construed to deny the right to a public hearing where a citizen has a right to a hearing under law. The first reading of an ordinance shall be informational in nature only and unless the rules are suspended shall not be subject to debate at the first reading.

(C) The second reading of an ordinance shall be by section headings only, at which time amendments, if any, may be offered; but the reading of any sections shall not prevent a Council member from offering amendments to a previous section. If no amendments are made, the presiding officer shall submit the ordinance to a vote; but if amendments are made, the presiding officer shall so report and each section shall be read as amended before a vote upon the ordinance is taken.

(D) All motions shall be recorded in the minutes and stated in full before the presiding officer submits them to a vote. All petitions and other communications addressed to the Council shall be in writing and shall be read in full upon presentation of the same to the Council. They shall then be filed in the office of the City Manager-Clerk.

(E) Every ordinance and resolution by the Council shall be signed by the Mayor, attested by the City Manager-Clerk, and filed by him or her in the Ordinance or Resolution Book. Proof of publication of every ordinance shall be attached to and filed with the ordinance.

(F) Every ordinance or resolution repealing a previous ordinance or resolution or a section or division thereof shall give the number, if any, and the title of the ordinance or resolution to be repealed in whole or in part. No ordinance or resolution or division thereof shall be amended by reference to the title alone, but the amending ordinance or resolution shall set forth in full each section or division to be amended.

(74 Code, § 100:25) (Am. Ord. 262, passed 11-10-83)

§ 30.22 RULES; SUSPENSION OR AMENDMENT.

These rules, or any of them, may be temporarily suspended by a three-fourths vote of all the Council members, and shall not be repealed or amended except by a majority vote of the whole Council after notice has been given at some preceding Council meeting.

(74 Code, § 100:35)

§ 30.23 MAYOR AND COUNCIL MEMBERS; COMPENSATION.

Salaries of the Mayor and Council members shall be fixed by ordinance. No change in salary shall take place until after the next succeeding city election.

(74 Code, § 105:05) (Ord. 172, passed 11-10-76; Am. Ord. 443, passed 7-19-18)

Adopted by the City Council of the City of Milaca this ____ day of _____, 2022.

Harold Pedersen, Mayor

ATTEST

Tammy Pfaff, City Manager

ORDINANCE NO. 495
AN ORDINANCE AMENDING CHAPTER 31
(BOARDS, COMMISSIONS, AND DEPARTMENTS) OF THE CITY OF MILACA
CODE OF ORDINANCES

Added language is indicated by underline and removed language is indicated by ~~strikethrough~~

THE CITY COUNCIL OF THE CITY OF MILACA DOES HEREBY ORDAIN THE FOLLOWING ORDINANCES ARE AMENDED AS FOLLOWS:

CHAPTER 31: BOARDS, COMMISSIONS, AND DEPARTMENTS

Section

31.01 Reserved

Fire Department

31.20 Continuation of Department

31.21 Firefighter appointment

31.22 Duties of Chief

31.23 Records

31.24 Regulations

31.25 Compensation

31.26 Relief Association

Planning Commission

31.40 Establishment

31.41 Composition

31.42 Length of appointment

31.43 Officers; meetings and records

31.44 Program of work

31.45 Comprehensive Plan; preparation

31.46 Procedure for adoption of Plan

31.47 Execution of Plan

Board of Adjustments and Appeals

31.60 Establishment; composition and powers

Parks and Recreation Advisory Commission

31.75 Establishment; membership

31.76 Meetings; rules of procedure; officers

31.77 Duties

31.78 Director of Parks

Cross-reference:

Boards and commissions; advisory status, see § 30.02

Committees, see § 30.01

§ 31.01 RESERVED

FIRE DEPARTMENT

§ 31.20 CONTINUATION OF DEPARTMENT.

There is hereby continued in this city a Volunteer Fire Department consisting of a Chief(s) and other officers as the City Manager or City Council shall establish, and a number of firefighter as may be determined from time to time by the City Manager, but shall not be greater than 25.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.21 FIREFIGHTER APPOINTMENT.

(A) The officers on the department shall be selected annually by the Chief from an eligibility list subject to confirmation by the City Manger-Clerk following consultation with the City Council. Each shall hold office for one year and until his or her successor has been duly qualified and appointed, except that an officer may be removed by the City Manager-Clerk for cause.

(B) Firefighters and probationary firefighters shall be appointed or removed by the City Manager-Clerk, who shall take into consideration recommendations of the Department officers and members of the Department.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.22 DUTIES OF CHIEF.

(A) The Chief(s) shall have control of the firefighting apparatus and shall be solely responsible for its care and condition. He or she shall make an annual report to the Council at its meeting in June of each year on the condition of the equipment and needs of the Fire Department.

(B) He or she may submit additional reports and recommendations at any meeting of the Council, and shall report each suspension by him or her of a member of the Fire Department to the City Manager-Clerk as soon as reasonably practicable following the suspension.

(C) The Chief(s) shall be responsible for the proper training of Firefighters. The City Manager may discipline or suspend any member for refusal or neglect to obey orders or for violating Fire Department organization rules and regulations.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.23 RECORDS.

The Chief shall keep in convenient form a complete record of all fires. The record shall include the time of the alarm, location of fire, cause of fire (if known), type of building, name of owner and tenant, purpose for which occupied, value of building and contents, members of the Department responding to the alarm, and other information as he or she may deem advisable or as may be required from time to time by the City Manager-Clerk or the State Department of Commerce.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.24 REGULATIONS.

The Department may enact a department policy manual for its regulation as shall be necessary from time to time, all of which shall be subject to confirmation by the Council. All these regulations shall comply with all ordinances of this city as well as with all laws of the state, specifically including, but not by way of limitation, compliance with the State Human Rights Act (M.S. §§ 363.01 through 363.14, as amended from time to time), and comply with applicable federal laws.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.25 COMPENSATION.

The members and officers of the Fire Department shall receive compensation for their services to the Department as shall be set annually by the Council. The City Manager-Clerk and Chief shall annually or at other periods of time recommend to the Council the basis for and amount of compensation.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

§ 31.26 RELIEF ASSOCIATION.

The city Fire Department Relief Association heretofore organized and maintained by the Department is hereby continued in accordance with law.

(Ord. passed 1-19-89; Am. Ord. 406, passed 12-19-13)

PLANNING COMMISSION

§ 31.40 ESTABLISHMENT.

The Planning Commission for this municipality is hereby continued as heretofore established. ('74 Code, § 220:00)

Cross-reference:

Board of Adjustment and Appeals, see § 31.60

§ 31.41 COMPOSITION.

(A) The Planning Commission shall consist of seven voting members. A minimum of five members shall be appointed from the resident population of the city and up to two members may be appointed from the surrounding community area. Any member may be removed by a majority vote of the Council.

(B) In addition to the seven members, the Council shall select one member for the Commission from among its own members to serve as a Planning Commission liaison. The Council member, City Manager-Clerk, City Attorney, and the City Zoning Administrator shall all be ex-officio members.

('74 Code, § 220:05) (Ord. 168, passed 5-12-76; Am. Ord. 168, passed 4-9-87; Am. Ord. 327, passed 3-15-01)

§ 31.42 LENGTH OF APPOINTMENT.

(A) Members of the Planning Commission shall be appointed for terms of three years. Both original and successive appointees shall hold their offices until their successors are appointed and qualified. The terms of ex-officio members shall correspond to their respective official tenures. Vacancies during the term shall be filled by the Council for the unexpired portion of the term. Every appointed member shall, before entering upon the discharge of his or her duties, take an oath that he or she will faithfully discharge the duties of the office. All members, excluding ex-officio members, of the Planning Commission shall receive a monthly stipend as set by ordinance to help defray their expenses.

(B) All current appointments shall expire on December 31, 2007, and initial appointments under this ordinance shall be made on January 1, 2008 as follows: Two seats for one-year terms, two seats for two-year terms, and three seats for three-year terms. All appointments made after the initial appointment shall convert to three year terms.

(Ord. 367, passed 2-15-07)

§ 31.43 OFFICERS; MEETINGS AND RECORDS.

The Commission shall elect a Chairperson from among its appointed members for a term of one year, and the Commission may create and fill other offices as it may determine. The Commission shall hold at least one regular meeting each month. It shall adopt rules for the transaction of business and shall keep a record of its resolutions, transactions, and findings, which record shall be a public record. On or before January 1 of each year the Commission shall submit to the Council a report of its work during the preceding year. Expenditures of the Commission shall be within amounts appropriated for the purpose by the Council.

('74 Code, § 220:15)

§ 31.44 PROGRAM OF WORK.

(A) Upon the appointment and organization of the Commission, it shall proceed with the preparation and adoption of resolution of a program of work, outlining activities proposed to be undertaken in the exercise of its powers and the performance of its duties. The program will include:

- (1) An outline of data and information to be assembled as a basis for the Comprehensive Plan;
- (2) An outline of subjects to be covered by the Comprehensive Plan; and
- (3) An outline of types of procedure necessary to make the Comprehensive Plan effective.

(B) The Planning Commission may, by resolution, revise its program of work from time to time.

('74 Code, § 220:20)

§ 31.45 COMPREHENSIVE PLAN; PREPARATION.

It shall be the function and duty of the Planning Commission to prepare and recommend to the Council a Comprehensive Plan for the physical development of this municipality, including proposed public buildings, street arrangements and improvements, public utility services, parks, playgrounds, and other similar developments, the use of property, the density of population, and

other matters relating to its physical development. The Plan may be prepared in sections, each of which shall relate to a major subject of the Plan, as outlined in the Commission's program of work.

(74 Code, § 220:25)

§ 31.46 PROCEDURE FOR ADOPTION OF PLAN.

(A) Before recommending to the Council for adoption the Comprehensive Plan or any section of it or any substantial amendment thereof, the Commission shall hold at least one public hearing thereon, notice of the time and place of which shall be given by publication in a newspaper of general circulation at least ten days before the day of the hearing. The Council may amend and adopt the recommended Plan by a two-thirds vote for all its members.

(B) The Commission may from time to time recommend to the Council amendments or deletions to the Plan or section thereof as herein provided for the adoption of the original plan whenever changed conditions or further studies by the Commission indicate that an amendment or addition is necessary.

(74 Code, § 220:30)

§ 31.47 EXECUTION OF PLAN.

(A) Upon the adoption of the Comprehensive Plan or any section thereof, it shall be the duty of the Planning Commission to recommend to the Council reasonable and practicable means for putting into effect the Plan or section thereof in order that the same will serve as a pattern and guide for the orderly physical development of this municipality and as a basis for the efficient expenditure of the funds thereof relating to the subjects of the Plan.

(B) These means shall consist of any proposed revision of the current existing zoning plan, the control of subdivision plats, a plan of future streets, coordination of the normal public improvements, a long term program of capital expenditures, and other matters as will accomplish the purposes of this section.

(74 Code, § 220:35)

§ 31.48 COMPENSATION.

The members and officers of the Planning Commission shall receive compensation for their services as shall be set annually by the Council. The City Manager-Clerk shall annually or at other periods of time recommend to the Council the basis for and amount of compensation.

BOARD OF ADJUSTMENTS AND APPEALS

§ 31.60 ESTABLISHMENT; COMPOSITION AND POWERS.

The Council for the city is hereby designated and appointed the Board of Adjustments and Appeals for the city with authority to exercise those powers granted to the Board of Adjustments and Appeals under city ordinances, including those powers set forth in §§ 156.165 et seq.

(Ord. 280, passed 2-14-85)

Cross-reference:

Flood plain districts; zoning appeals and variances, see § 153.132

Planning Commission, see §§ 31.60 through 31.63
Sign variances, see § 156.138
Zoning appeals and variances, see §§ 156.165 et seq.

PARKS AND RECREATION ADVISORY COMMISSION

§ 31.75 ESTABLISHMENT; MEMBERSHIP.

There is hereby established a Parks and Recreation Commission for the city, pursuant to M.S. § 412.11, as amended from time to time. The Commission shall consist of nine voting members, who shall be appointed by the City Council, with names of candidates submitted 30 days prior to selection at January's regular Council meeting. The term of each member shall be three years. Vacancies during the term shall be filled by the Council for the unexpired portion of the term. There is no limit to the number of times of service, but reappointments are not to be automatic. A City Council member shall be appointed by the City Council as a liaison and shall serve as an ex-officio member of the Commission. All members, excluding ex-officio members, of the Parks and Recreation Advisory Commission shall receive a monthly stipend for meetings attended, in an amount set by ordinance, to help defray their expenses.

(74 Code, § 235:00) (Ord. 166, passed 9-10-75; Am. Ord. 295, passed 11-17-88)

§ 31.76 MEETINGS; RULES OF PROCEDURE; OFFICERS.

The Commission shall hold at least one regular meeting each month. The Commission shall establish regular meeting dates, but special meetings may be called by an officer of the Commission upon three days' notice to all members. The Commission shall establish rules of procedure as may be deemed necessary. The Commission shall select a Chairperson and a Secretary from its membership who shall serve for terms of one year, beginning with the first meeting of the year.

(74 Code, § 235:05) (Ord. 166, passed 9-10-75; Am. Ord. 295, passed 11-17-88)

§ 31.77 DUTIES.

The Commission shall submit to the City Council annually, prior to June 15, a report pertaining to the current status of the parks and recreation facilities and programs, and shall include, but not be limited to, any proposals which may be necessary for the acquisition, development, and proper use of park properties and recreation programming as may be deemed appropriate. Other reports shall be submitted to the city as requested or as the Commission deems appropriate in light of the matter under consideration.

(74 Code, § 235:10) (Ord. 166, passed 9-10-75; Am. Ord. 295, passed 11-17-88)

~~§ 31.78 DIRECTOR OF PARKS.~~

~~The City Council shall appoint a Director of Parks among the city's regular full-time employees.~~

(74 Code, § 235:15) (Ord. 166, passed 9-10-75)

Adopted by the City Council of the City of Milaca this ____ day of _____, 2022.

Harold Pedersen, Mayor

ATTEST

Tammy Pfaff, City Manager

CHAPTER 115: PEDDLERS, SOLICITORS, AND TRANSIENT MERCHANTS

Section

- 115.01 Definitions
- 115.02 Exceptions to definitions
- 115.03 Licensing; exemptions
- 115.04 License ineligibility
- 115.05 License suspension and revocation
- 115.06 License transferability
- 115.07 Prohibited activities
- 115.08 Exclusion by placard

- 115.99 Violations; convictions

Cross-reference:

Fees, Charges, and Rates, see Ch. 34

Criminal History License Background Investigations, see § 33.20

§ 115.01 DEFINITIONS.

Except as may otherwise be provided or clearly implied by context, all terms shall be given their commonly accepted definitions. For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

PEDDLER. A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of offering for sale, displaying or exposing for sale, selling or attempting to sell, and delivering immediately upon sale, the goods, wares, products, merchandise or other personal property that the person is carrying or otherwise transporting. The term **PEDDLER** shall mean the same as the term **HAWKER**.

PERSON. Any natural individual, group, organization, corporation, partnership, or association. As applied to groups, organizations, corporations, partnerships, and associations, the term shall include each member, officer, partner, associate, agent, or employee.

REGULAR BUSINESS DAY. Any day during which the City Hall is normally open for the purpose of conducting public business. Holidays defined by state law shall not be counted as **REGULAR BUSINESS DAYS**.

SOLICITOR. A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of obtaining or attempting to obtain orders for goods, wares, products, merchandise, other personal property, or services, of which he or she may be carrying or transporting samples, or that may be described in a catalog or by other means, and for which delivery or performance shall occur at a later time. The absence of samples or catalogs shall not remove a person from the scope of this provision if the actual purpose of the person's activity is to obtain or attempt to obtain orders as discussed above. The term shall mean the same as the term **CANVASSER**.

TRANSIENT MERCHANT. A person who temporarily sets up business out of a vehicle, trailer, boxcar, tent, other portable shelter, or empty storefront for the purpose of exposing or displaying for sale, selling or attempting to sell, and delivering, goods, wares, products, merchandise, or other personal property and who does not remain or intend to remain in any one location for more than 14 consecutive days.

§ 115.02 EXCEPTIONS TO DEFINITIONS.

(A) For the purpose of the requirements of this chapter, the terms **PEDDLER**, **SOLICITOR**, and **TRANSIENT MERCHANT** shall not apply to any person selling or attempting to sell at wholesale any goods, wares, products, merchandise, or other personal property to a retailer of the items being sold by the wholesaler. The terms also shall not apply to any person who makes initial contacts with other people for the purpose of establishing or trying to establish a regular customer delivery route for the delivery of perishable food and dairy products such as baked goods and milk, nor shall they apply to any person making deliveries of perishable food and dairy products to the customers on his or her established regular delivery route.

(B) In addition, persons conducting the type of sales commonly known as garage sales, rummage sales, or estate sales, as well as those persons participating in an organized multi-person bazaar or flea market, shall be exempt from the definitions of **PEDDLERS**, **SOLICITORS**, and **TRANSIENT MERCHANTS**, as shall be anyone conducting an auction as a properly licensed auctioneer, or any officer of the court conducting a court-ordered sale. Exemption from the definitions for the scope of this chapter shall not excuse any person from complying with any other applicable statutory provision or local ordinance.

(C) Persons going door to door selling or soliciting the sale of personal property or services, or soliciting money to raise funds for any local school, club, church, youth group or civic improvement activity is exempt from the definitions of **PEDDLERS**, **SOLICITORS**, and **TRANSIENT MERCHANTS**.

(Am. Ord. 385, passed 12-17-09)

§ 115.03 LICENSING; EXEMPTIONS.

(A) *City license required.* Except as otherwise provided for by this chapter, no person shall conduct business as either a peddler, solicitor, or a transient merchant without first having obtained a license from the city.

(B) *Application.* Application for a city license to conduct business as a peddler, solicitor, or transient merchant shall be made at least 14 regular business days before the applicant desires to begin conducting business. Application for a license shall be made on a form approved by the City Council and available from the office of the City Manager-Clerk. All applications shall be signed by the applicant. All applications shall include the following information:

- (1) Applicant's full legal name;
- (2) All other names under which the applicant conducts business or to which the applicant officially answers;
- (3) A physical description of the applicant (hair color, eye color, height, weight, distinguishing marks and features, and the like);
- (4) Full address of applicant's permanent residence;
- (5) Telephone number of applicant's permanent residence;
- (6) Full legal name of any and all business operations owned, managed, or operated by applicant, or for which the applicant is an employee or agent;
- (7) Full address of applicant's regular place of business (if any);
- (8) Any and all business related telephone numbers of the applicant;
- (9) The type of business for which the applicant is applying for a license;
- (10) Whether the applicant is applying for a monthly or daily license;
- (11) The dates during which the applicant intends to conduct business, and if the applicant is applying for a daily license, the number of days he or she will be conducting business in the city (maximum 14 consecutive days or six month maximum);

(12) Any and all addresses and telephone numbers where the applicant can be reached while conducting business within the city, including the location where a transient merchant intends to set up business;

(13) A statement as to whether or not the applicant has been convicted within the last five years of any felony, gross misdemeanor, or misdemeanor for violation of any state or federal statute or any local ordinance, other than traffic offenses;

(14) A list of the three most recent locations where the applicant has conducted business as a peddler, solicitor, or transient merchant;

(15) Written permission of the property owner or the property owner's agent for any property to be used by a transient merchant;

(16) A general description of the items to be sold or services to be provided;

(17) All additional information deemed necessary by the City Council;

(18) The applicant's driver's license number or other acceptable form of identification; and

(19) The license plate number, registration information, and vehicle identification number for any vehicle to be used in conjunction with the licensed business, and a description of the vehicle.

(C) *Fee.* All applications for a license under this chapter shall be accompanied by the fee established in Chapter 34 of this code, as it may be amended from time to time.

(D) *Procedure.* Upon receipt of the completed application and payment of the license fee, the City Manager-Clerk must determine if the application is complete. An application is determined to be complete only if all required information is provided. If the Manager-Clerk determines that the application is incomplete, the Manager-Clerk must inform the applicant of the required necessary information that is missing. If the application is complete, the Manager-Clerk must order any investigation, including background checks, necessary to verify the information provided with the application. Upon completion of the background check, the Manager-Clerk must issue the license unless there exists grounds for denying the license under § 115.04, in which case the Manager-Clerk must deny the license. If the Manager-Clerk denies the license, the applicant must be notified in writing of the decision, the reason for denial, and of the applicant's right to appeal the denial by requesting, within 20 days of receiving notice of rejection, a public hearing before the City Council. The City Council shall hear the appeal within 20 days of the date of the request. The decision of the City Council following the public hearing can be appealed by petitioning the State Court of Appeals for a writ of certiorari.

(E) *Duration.* All licenses granted under this chapter shall be valid only during the time period indicated on the license.

(F) License exemptions.

(1) No license shall be required for any person to sell or attempt to sell, or to take or attempt to take orders for, any product grown, produced, cultivated, or raised on any farm.

(2) No license shall be required of any person going from house-to-house, door-to-door, business-to-business, street-to-street, or other type of place-to-place when the activity is for the purpose of exercising that person's state or federal Constitutional rights such as the freedom of speech, press, religion, and the like, except that this exemption may be lost if the person's exercise of Constitutional rights is merely incidental to a commercial activity.

(3) Professional fundraisers working on behalf of an otherwise exempt person or group shall not be exempt from the licensing requirements of this chapter.
(Am. Ord. 385, passed 12-17-09; Am. Ord. 426, passed 5-18-17) Penalty, see § 10.99

§ 115.04 LICENSE INELIGIBILITY.

The following shall be grounds for denying a license under this chapter:

(A) The failure of the applicant to truthfully provide any of the information requested by the city as a part of the application, or the failure to sign the application, failure to pass a background check, or the failure to pay the required fee at the time of application;

(B) The conviction of the applicant within the past five years from the date of application for any violation of any federal or state statute or regulation, or of any local ordinance, which adversely reflects on the person's ability to conduct the business for which the license is being sought in an honest and legal manner. Those violations shall include but not be limited to burglary, theft, larceny, swindling, fraud, unlawful business practices, and any form of actual or threatened physical harm against another person;

(C) The revocation within the past five years of any license issued to the applicant for the purpose of conducting business as a peddler, solicitor, or transient merchant; or

(D) The applicant is found to have a bad business reputation. Evidence of a bad business reputation shall include, but not be limited to, the existence of more than three complaints against the applicant with the Better Business Bureau, the Attorney General's Office, or other similar business or consumer rights office or agency, within the preceding 12 months, or three complaints filed against the applicant within the preceding five years.

(Am. Ord. 426, passed 5-18-17)

§ 115.05 LICENSE SUSPENSION AND REVOCATION.

(A) *Generally.* Any license issued under this chapter may be suspended or revoked at the discretion of the City Council for violation of any of the following:

- (1) Fraud, misrepresentation, or incorrect statements on the application form;
- (2) Fraud, misrepresentation, or false statements made during the course of the licensed activity;
- (3) Conviction of any offense for which granting of a license could have been denied under § 115.04; or
- (4) Violation of any provision of this chapter.

(B) *Multiple persons under one license.* The suspension or revocation of any license issued for the purpose of authorizing multiple persons to conduct business as peddlers, solicitors, or transient merchants on behalf of the licensee shall serve as a suspension or revocation of each authorized person's authority to conduct business as a peddler, solicitor, or transient merchant on behalf of the licensee whose license is suspended or revoked.

(C) *Notice.* Prior to revoking or suspending any license issued under this chapter or right to solicit business within the city, the city shall provide the license holder or solicitor with written notice of the alleged violations and inform the licensee or solicitor of his or her right to a hearing on the alleged violation. Notice shall be delivered in person or by mail to the permanent residential address listed on the license application, or if no residential address is listed, to the business address provided on the license application.

(D) *Public hearing.* Upon receiving the notice provided in division (C) of this section, the licensee shall have the right to request a public hearing. If no request for a hearing is received by the City Manager-Clerk within ten regular business days following the service of the notice, the city may proceed with the suspension or revocation. For the purpose of mailed notices, service shall be considered complete as of the date the notice is placed in the mail. If a public hearing is requested within the stated time frame, a hearing shall be scheduled within 20 days from the date of the request. Within three regular business days of the hearing, the City Council shall notify the licensee of its decision.

(E) *Emergency.* If, in the discretion of the City Council, imminent harm to the health or safety or economic interests of the public may occur because of the actions of a peddler, solicitor or transient merchant, whether licensed or unlicensed under this chapter, the City Council may immediately suspend the person's license, if any, or right to solicit business within the city and provide notice of the right to show cause at a subsequent public hearing as prescribed in division (C) of this section why the license or right to solicit business in the city should not be terminated.

(F) *Appeals*. Any person whose license is suspended or revoked under this section shall have the right to appeal that decision in court.
(Am. Ord. 385, passed 12-17-09; Am. Ord. 426, passed 5-18-17) Penalty, see § 10.99

§ 115.06 LICENSE TRANSFERABILITY.

No license issued under this chapter shall be transferred to any person other than the person to whom the license was issued.
Penalty, see § 10.99

§ 115.07 PROHIBITED ACTIVITIES.

No peddler, solicitor, or transient merchant shall conduct business in any of the following manners:

(A) Calling attention to his or her business or items to be sold by means of blowing any horn or whistle, ringing any bell, crying out, or by any other noise, so as to be unreasonably audible within an enclosed structure;

(B) Obstructing the free flow of either vehicular or pedestrian traffic on any street, alley, sidewalk, or other public right-of-way;

(C) Conducting business in a way as to create a threat to the health, safety, and welfare of any individual or the general public;

(D) Conducting business before 10:00 a.m. or after 8:00 p.m.;

(E) Failing to provide proof of license or registration, and identification, when requested; or using the license or registration of another person;

(F) Making any false or misleading statements about the product or service being sold, including untrue statements of endorsement. No peddler, solicitor, or transient merchant shall claim to have the endorsement of the city solely based on the city having issued a license or certificate of registration to that person; or

(G) Remaining on the property of another when requested to leave, or to otherwise conduct business in a manner a reasonable person would find obscene, threatening, intimidating, or abusive.
Penalty, see § 10.99
(Am. Ord. 426, passed 5-18-17)

§ 115.08 EXCLUSION BY PLACARD.

No peddler, solicitor, or transient merchant, unless invited to do so by the property owner or tenant, shall enter the property of another for the purpose of conducting business as a peddler, solicitor, or transient merchant when the property is marked with a sign or placard at least four inches long and four inches wide with print of at least 48 point in size stating "No Peddlers, Solicitors, or Transient Merchants," or "Peddlers, Solicitors, and Transient Merchants Prohibited," or other comparable statement. No person other than the property owner or tenant shall remove, deface, or otherwise tamper with any sign or placard under this section.

Penalty, see § 10.99

§ 115.99 VIOLATIONS; CONVICTIONS.

A violation of any provision of this chapter are subject to penalties under § 10.99 punishable as a misdemeanor and each day the violation occurs is a separate offense.
(Ord. 426, passed 5-18-17)



Incident Summary by Incident Type

Date Range: 5/1/2022 to 5/31/2022

Incident Type	# of Incidents
911 Hang Up	2
Accident	6
Agency Assist	31
Alarm	10
Animal	9
Assault	5
Cdtp	2
Child Custody	2
Community Contact	7
Community Contact	1
Csc	1
Debris	1
Disturbance	4
Domestic	3
Driving Complaint	9
Drugs	1
Family Services Referral	10
Fire	1
Found Property	2
Fraud-forgery-scam	2
Funeral Escort	2
Garbage Dumping	2
Gas Drive Off	5
Gas Leak	1
Harassment Complaint	6
Icr Misc	24
Juvenile Complaint	8



Incident Summary by Incident Type

Date Range: 5/1/2022 to 5/31/2022

Lockout	2
Medical	48
Noise Complaint	4
Parking Complaint	5
Property Exchange	3
Public Assist	22
Remove Unwanted	1
Suicidal Party	2
Suspicious Activity	16
Theft	9
Threats Complaint	1
Traffic	69
Trespass Complaint	2
Welfare Check	13
Total: 354	



Stantec Consulting Services Inc.
 733 Marquette Avenue, Suite 1000, Minneapolis, MN 55402

June 2, 2022

Tammy Pfaff, Manager
 City of Milaca
 City Hall
 255 1st Street East
 Milaca, MN 56353

Re: **2022 Water Meter Replacement Project**
 Stantec Project No. 193805564
Bid Results and Contract Award Recommendation

Dear Tammy:

The City received bids for the 2022 Water Meter Replacement Project on June 2, 2022. The project includes replacing over 800 water meters. The new meters will be automatic read meters. The project also includes converting about 200 existing meters to the automatic read system. The project also includes installation of a meter reading antenna on the industrial park water and new software. The new system will read in gallons.

BID INFORMATION.

Attached is a copy of the Bid Tabulation. The bid documents were set up to allow multiple suppliers to submit bids. The bid tabulation will be distributed to the Bidders once the Project has been awarded.

Three Bids were received. The following summarizes the results of the Bids received:

Contractor	Base Bid A	Base Bid B	Alternate No. 1
Core and Main LP	\$509,164.00	0	0
Dakota Supply Group	0	0	\$559,821.00
Minn. Paving & Materials	0	\$589,721.94	0

The low Bid on the Project was submitted by Core and Main LP with a Total Base Bid A of \$509,164.00. These Bids have been reviewed and found to be in order.

If the City Council wishes to award the Project to the low Bidder, then Core and Main LP should be awarded the Project based on the Total Base Bid contract amount of \$509,164.00.

We recommend Award base on the Base Bid in the amount of \$509,164.00. Gary Kirkeby agrees with this recommendation. Please feel free to contact us if you have any questions or need anything else.

Sincerely,
STANTEC CONSULTING SERVICES INC.

Phil Gravel

Daryl Kirschenman

Enclosure



Project Name: **2022 Water Meter Replacement**

I hereby certify that this is an exact reproduction of bids received.

City Project No.:

Stantec Project No.: 193805564

Bid Opening: Thursday, June 2, 2022 at 11:00 AM CDT

Owner: Milaca, Minnesota

Daryl Kirschenman

Daryl Kirschenman, P.E.

License No. 24744

Bidder No. 1

Bidder No. 2

Bidder No. 3

BID TABULATION

Core and Main LP

Dakota Supply Group

Ferguson Waterworks - Blaine

Item Num	Item	Units	Qty	Bidder No. 1		Bidder No. 2		Bidder No. 3	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
BASE BID A - ADVANCED METERING INFRASTRUCTURE (AMI) AND METER REPLACEMENT BY SENSUS.									
1	MOBILIZATION, BONDS, INSURANCE AND FIRST YEAR INSTALLATION FEES.	LS	1	\$3,000.00	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00
2	FURNISH CONEX STYLE STEEL STORAGE CONTAINER AT CITIES TOWER OR RENTAL STORAGE UNIT IN MILACA	LS	1	\$2,300.00	\$2,300.00	\$0.00	\$0.00	\$0.00	\$0.00
3	FURNISH AND INSTALL TOWER ANTENNA, TOWER PENETRATION, CABLE AND SUPPORT POSTS FOR MOUNTING BASE STATION.	LS	1	\$42,000.00	\$42,000.00	\$0.00	\$0.00	\$0.00	\$0.00
4	FREEZE SERVICE LINES IF REQUIRED FOR SERVICES THAT HAVE FAULTY SHUT OFF VALVES.	EA	50	\$140.00	\$7,000.00	\$0.00	\$0.00	\$0.00	\$0.00
5	WATER METER GROUND BONDING JUMPER CABLE IF REQUIRED PER NATIONAL ELECTRICAL CODE.	EA	50	\$20.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00
6	FURNISH AND INSTALL SENSUS AMI FIX NETWORK SYSTEM	EA	1	\$29,705.00	\$29,705.00	\$0.00	\$0.00	\$0.00	\$0.00
7	FURNISH AND INSTALL SMART POINT 510M, NON-PIT SET MODULE RADIO TRANSCIEVER. SINGLE PORT	EA	877	\$180.00	\$157,860.00	\$0.00	\$0.00	\$0.00	\$0.00
8	FURNISH AND INSTALL 3/4" SENSUS SHORT IPERL, 1G 3-TERM SCREW SM	EA	818	\$181.00	\$148,058.00	\$0.00	\$0.00	\$0.00	\$0.00
9	FURNISH SPARE 3/4" SENSUS SHORT IPERL, 1G 3-TERM SCREW SM METERS AND DELIVER TO THE CITY.	EA	16	\$116.00	\$1,856.00	\$0.00	\$0.00	\$0.00	\$0.00
10	FURNISH AND INSTALL 3/4" SENSUS ALLY WATER METER WITH REMOTE SERVICE FOR SHUT OFF/TURN ON APPLICATIONS	EA	10	\$570.00	\$5,700.00	\$0.00	\$0.00	\$0.00	\$0.00
11	FURNISH AND INSTALL 1" SENSUS IPERL, 1 G 3-TERM SCREW SM	EA	32	\$255.00	\$8,160.00	\$0.00	\$0.00	\$0.00	\$0.00
12	FURNISH AND INSTALL 1-1/2" SENSUS OMNI C2 METER	EA	17	\$1,400.00	\$23,800.00	\$0.00	\$0.00	\$0.00	\$0.00
13	FURNISH AND INSTALL 2" SENSUS OMNI C2 MTR 1G METER	EA	5	\$1,610.00	\$8,050.00	\$0.00	\$0.00	\$0.00	\$0.00
14	FURNISH AND INSTALL 3" SENSUS OMNI C2 MTR 1G METER	EA	5	\$2,415.00	\$12,075.00	\$0.00	\$0.00	\$0.00	\$0.00
15	INCORPORATE EXISTING SENSUS METERS TO NEW AUTOMATIC READ SYSTEM. APPROXIMATELY 194 METERS ON EXISTING CITY SYSTEM. CONVERT ALL EXISTING METERS TO READ IN GALLONS WITH 100% COMPATIBILITY	EA	194	\$100.00	\$19,400.00	\$0.00	\$0.00	\$0.00	\$0.00
BASE BID A - ADVANCED METERING INFRASTRUCTURE (AMI)AND METER REPLACEMENT BY SENSUS.					\$469,964.00		\$0.00		\$0.00

BID TABULATION				Bidder No. 1 Core and Main LP		Bidder No. 2 Dakota Supply Group		Bidder No. 3 Ferguson Waterworks - Blaine	
Item Num	Item	Units	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total
	BASE BID A- YEAR 2-5 ANNUAL OPERATION FEES FOR THE SYSTEM. THE ANNUAL FEE WILL BE CONSIDERED A FACTOR OF THE CONTRACT AWARD.	YEAR	4.00	\$9,800.00	\$39,200.00	\$0.00	\$0.00	\$0.00	\$0.00
	BASE BID B - ADVANCED METERING INFRASTRUCTURE (AMI) AND METER REPLACEMENT BY NEPTUNE								
16	MOBILIZATION, BONDS, INSURANCE AND FIRST YEAR INSTALLATION FEES.	LS	1	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
17	FURNISH CONEX STYLE STEEL STORAGE CONTAINER AT CITIES TOWER OR RENTAL STORAGE UNIT IN MILACA	LS	1	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$2,500.00
18	FURNISH AND INSTALL TOWER ANTENNA, TOWER PENETRATION, CABLE AND SUPPORT POSTS FOR MOUNTING BASE STATION.	LS	1	\$0.00	\$0.00	\$0.00	\$0.00	\$13,000.00	\$13,000.00
19	FREEZE SERVICE LINES IF REQUIRED FOR SERVICES THAT HAVE FAULTY SHUT OFF VALVES.	EA	50	\$0.00	\$0.00	\$0.00	\$0.00	\$75.00	\$3,750.00
20	WATER METER GROUND BONDING JUMPER CABLE IF REQUIRED PER NATIONAL ELECTRICAL CODE.	EA	50	\$0.00	\$0.00	\$0.00	\$0.00	\$75.00	\$3,750.00
21	FURNISH AND INSTALL TO AMI NEPTUNE R900 NETWORK SYSTEM, INCLUDE A MOBILE MRX-920 MOBILE DATA COLLECTION SYSTEM.	EA	1	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000.00	\$20,000.00
22	FURNISH AND INSTALL ENCODER NEPTUNE E-CODER R900i MODULE RADIO TRANSCIEVER, SINGLE PORT	EA	1071	\$0.00	\$0.00	\$0.00	\$0.00	\$115.00	\$123,165.00
23	FURNISH AND INSTALL 3/4" NEPTUNE T-10 POSITIVE DISPLACEMENT METER	EA	1012	\$0.00	\$0.00	\$0.00	\$0.00	\$325.00	\$328,900.00
24	FURNISH SPARE 3/4" NEPTUNE T-10 POSITIVE DISPLACEMENT METERS AND DELIVER TO CITY	EA	16	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00	\$3,520.00
25	FURNISH AND INSTALL 3/4" NEPTUNE WATER METER WITH REMOTE SERVICE FOR SHUT OFF/TURN ON APPLICATIONS	EA	10	\$0.00	\$0.00	\$0.00	\$0.00	\$675.00	\$6,750.00
26	FURNISH AND INSTALL 1" NEPTUNE T-10 POSITIVE DISPLACEMENT METER	EA	32	\$0.00	\$0.00	\$0.00	\$0.00	\$430.00	\$13,760.00
27	FURNISH AND INSTALL 1 1/2" NEPTUNE T-10 POSITIVE DISPLACEMENT METER	EA	17	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$17,000.00
28	FURNISH AND INSTALL 2" NEPTUNE TRU/FLO COMPOUND METER	EA	5	\$0.00	\$0.00	\$0.00	\$0.00	\$2,475.00	\$12,375.00
29	FURNISH AND INSTALL 3" NEPTUNE TRU/FLO COMPOUND METER	EA	5	\$0.00	\$0.00	\$0.00	\$0.00	\$3,650.00	\$18,250.00
30	REMOVE EXISITNG SENSUS METERS APPROXIMATELY 194 METERS ON EXISTING CITY SYSTEM. DELIVER ALL SALVAGED METERS AND RADIOS TO THE CITY.	EA	194	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01	\$1.94
	BASE BID B - ADVANCED METERING INFRASTRUCTURE (AMI) AND METER REPLACEMENT BY NEPTUNE.				\$0.00		\$0.00		\$571,721.94
	BASE BID B- YEARS 2-5 ANNUAL OPERATION FEES FOR THE SYSTEM. THE ANNUAL FEE WILL BE CONSIDERED A FACTOR OF THE AWARD BASIS.	YEAR	4	\$0.00	\$0.00	\$0.00	\$0.00	\$4,500.00	\$18,000.00

Bidder No. 1

Bidder No. 2

Bidder No. 3

BID TABULATION

Core and Main LP

Dakota Supply Group

Ferguson Waterworks - Blaine

Item Num	Item	Units	Qty	Bidder No. 1		Bidder No. 2		Bidder No. 3	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
	(ALTERNATE NO. 1) IS OPTIONAL TO THE BIDDER. IF ALTERNATE NO. 1 IS SUBMITTED FOR OTHER EQUIPMENT, THE BIDDER SHALL SUBMIT INFORMATION ON ALTERNATE EQUIPMENT PRIOR TO THE BID FOR REVIEW BY THE OWNER AND ENGINEER. ALTERNATE NO. 1 SHALL BE FILLED OUT BY MANUFACTURERS OTHER THAN SENSUS OR NEPTUNE.								
31	MOBILIZATION, BONDS, INSURANCE AND FIRST YEAR INSTALLATION FEES.	LS	1		\$0.00	\$12,800.00	\$12,800.00	\$0.00	\$0.00
32	FURNISH CONEX STYLE STEEL STORAGE CONTAINER AT CITIES TOWER OR RENTAL STORAGE UNIT IN MILACA	LS	1		\$0.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00
33	FURNISH AND INSTALL TOWER ANTENNA, TOWER PENETRATION, CABLE AND SUPPORT POSTS FOR MOUNTING BASE STATION.	LS	1		\$0.00	\$12,000.00	\$12,000.00	\$0.00	\$0.00
34	FREEZE SERVICE LINES IF REQUIRED FOR SERVICES THAT HAVE FAULTY SHUT OFF VALVES.	EA	50		\$0.00	\$175.00	\$8,750.00	\$0.00	\$0.00
35	FURNISH AND INSTALL WATER METER GROUND BONDING JUMPER CABLE IF REQUIRED PER NATIONAL ELECTRICAL CODE.	EA	50		\$0.00	\$20.00	\$1,000.00	\$0.00	\$0.00
36	FURNISH AND INSTALL AMI NETWORK SYSTEM BASE STATION AND MOBILE METER READING SYSTEM.	EA	1		\$0.00	\$53,950.00	\$53,950.00	\$0.00	\$0.00
37	FURNISH AND INSTALL RADIO TRANSCIEVER, SINGLE PORT	EA	1071		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
38	FURNISH AND INSTALL 3/4" METER	EA	1012		\$0.00	\$360.00	\$364,320.00	\$0.00	\$0.00
39	FURNISH 3/4" METER AND DELIVER TO CITY.	EA	16		\$0.00	\$282.00	\$4,512.00	\$0.00	\$0.00
40	FURNISH AND INSTALL 3/4" SMART WATER METER WITH REMOTE SERVICE FOR SHUT OFF/TURN ON APPLICATIONS	EA	10		\$0.00	\$916.00	\$9,160.00	\$0.00	\$0.00
41	FURNISH AND INSTALL 1" METER	EA	32		\$0.00	\$488.00	\$15,616.00	\$0.00	\$0.00
42	FURNISH AND INSTALL 1 1/2" METER	EA	17		\$0.00	\$1,225.00	\$20,825.00	\$0.00	\$0.00
43	FURNISH AND INSTALL 2" METER	EA	5		\$0.00	\$2,268.00	\$11,340.00	\$0.00	\$0.00
44	FURNISH AND INSTALL 3" METER	EA	5		\$0.00	\$2,620.00	\$13,100.00	\$0.00	\$0.00
45	REMOVE EXISITNG SENSUS METERS APPROXIMATELY 194 METERS ON EXISTING CITY SYSTEM. DELIVER ALL SALVAGED METERS AND RADIOS TO THE CITY.	EA	194		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	ALTERNATE NO. 1 - ADVANCED METERING INFRASTRUCTURE (AMI) AND METER REPLACEMENT BY MANUFACTURERS OTHER THAN SENSUS OR NEPTUNE.				\$0.00		\$529,873.00		\$0.00
	ALTERNATE NO. 1- YEARS 2-5 ANNUAL OPERATION FEES FOR THE SYSTEM. THE ANNUAL FEE WILL BE CONSIDERED A FACTOR OF THE CONTRACT AWARD.	YEAR	4		\$0.00	\$7,487.00	\$29,948.00	\$0.00	\$0.00

BID TABULATION				Bidder No. 1 Core and Main LP		Bidder No. 2 Dakota Supply Group		Bidder No. 3 Ferguson Waterworks - Blaine	
Item Num	Item	Units	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total
TOTALS									
	BASE BID A + ANNUAL OPERATIONS FEES				\$509,164.00		\$0.00		\$0.00
	BASE BID B + ANNUAL OPERATIONS FEES				\$0.00		\$0.00		\$589,721.94
	ALTERNATE NO. 1 + ANNUAL OPERATIONS FEES				\$0.00		\$559,821.00		\$0.00
Contractor Name and Address:				Core and Main, LP 15800 W. 78th St. Eden Prairie, MN 55344		Dakota Supply Group 845 Berkshire Land N. Plymouth, MN 55441		Ferguson Waterworks 1694 91st Ave. NE Blaine, MN 55449	
Phone:				(952) 937-9666		(952) 935-0445		(763) 560-5200	
Email:				john.selsvold@coreandmain.com		julianne.turk@dsgsupply.com		bradley.klein@ferguson.com	
Signed By:				John Selsvold		Julianne Turk		Bradley Klein	
Title:				Branch Manager		Chief Financial Officer		Area Sales Manager	
Bid Security:				Bid Bond		Bid Bond		Bid Bond	
Addenda Acknowledged:				1		1		1	



Stantec Consulting Services Inc.
733 Marquette Avenue, Suite 1000, Minneapolis, MN 55402

June 13, 2022

Tammy Pfaff, Manager
City of Milaca
255 First Street East
Milaca, MN 56353

Re: 2022 Street Improvements Project
Stantec Project No. 193805453
Contractor's Request for Payment No. 1

Dear Tammy:

Attached for city approval is Contractor's Request for Payment No. 1 for the 2022 Street Improvements Project. The prime contractor is Knife River Corp.

This request includes the initial project work. The payment amount includes a retainage in the amount of 5% of the payment to date.

We have reviewed the contractor's payment request and found it to be in order. We recommend approval. **If the City wishes to approve this request, then payment should be made to Knife River Corp. – North Central in the amount of \$55,204.03.**

Please execute the payment request document. Keep a signed copy for your records. Forward a signed copy to Knife River Corp. Send a scanned copy to Stantec.

The bituminous reclamation and paving work on the project are scheduled to occur in June and July. Should you have any questions, please feel free to contact Chuck Boser or me.

Sincerely,
STANTEC CONSULTING SERVICES INC.

A handwritten signature in black ink that reads "Phil Gravel".

Phil Gravel
Enclosure

cc: Gary Kirkeby



Owner: City of Milaca, 255 1st. St., Milaca, MN 56353	Date: June 13, 2022
For Period: 5/1/2022 to 6/13/2022	Request No: 1
Contractor: Knife River Corp.-North Central, 4787 Shadow Wood Dr. NE, Sauk Rapids, MN 56379	

CONTRACTOR'S REQUEST FOR PAYMENT
2022 STREET IMPROVEMENTS PROJECT
STANTEC PROJECT NO. 193805453

SUMMARY

1	Original Contract Amount		\$	<u>432,959.20</u>
2	Change Order - Addition	\$	<u>0.00</u>	
3	Change Order - Deduction	\$	<u>0.00</u>	
4	Revised Contract Amount		\$	<u>432,959.20</u>
5	Value Completed to Date		\$	<u>58,109.50</u>
6	Material on Hand		\$	<u>0.00</u>
7	Amount Earned		\$	<u>58,109.50</u>
8	Less Retainage 5%		\$	<u>2,905.47</u>
9	Subtotal		\$	<u>55,204.03</u>
10	Less Amount Paid Previously		\$	<u>0.00</u>
11	Liquidated damages -		\$	<u>0.00</u>
12	AMOUNT DUE THIS REQUEST FOR PAYMENT NO. <u>1</u>		\$	<u><u>55,204.03</u></u>

Recommended for Approval by:
STANTEC

Phil Havel 6-13-2022

Approved by Contractor:
KNIFE RIVER CORP.-NORTH CENTRAL

Bryan Pearson
 6/13/22

Approved by Owner:
CITY OF MILACA

Specified Contract Completion Date:

Date:

No.	Item	Unit	Quantity	Unit Price	Current Quantity	Quantity to Date	Amount to Date
BASE BID							
1	MOBILIZATION	LS	1	14500.00	0.5	0.5	\$7,250.00
2	TRAFFIC CONTROL	LS	1	3000.00	0.5	0.5	\$1,500.00
3	EROSION AND SEDIMENT CONTROL	LS	1	3000.00	0.5	0.5	\$1,500.00
4	SALVAGE CATCH BASIN CASTING (STORM)	EACH	12	175.00	12	12	\$2,100.00
5	SALVAGE MH CASTING (STORM)	EACH	2	175.00	2	2	\$350.00
6	SALVAGE MH CASTING (SANITARY)	EACH	17	175.00	17	17	\$2,975.00
7	REMOVE CURB AND GUTTER	LIN FT	1200	6.00	1122	1122	\$6,732.00
8	SAWCUT BITUMINOUS PAVEMENT	LIN FT	120	5.00			\$0.00
9	FULL DEPTH RECLAMATION (FDR) (P)	SQ FT	132000	0.20			\$0.00
10	HAUL EXCESS RECLAIM MATERIAL TO CITY SITE	CY	200	8.00			\$0.00
11	HAUL AND DISPOSE EXCESS MATERIAL	LS	1	30000.00			\$0.00
12	SUBGRADE PREPARATION	LS	1	18000.00			\$0.00
13	ADJUST EXISTING VALVE BOX	EACH	8	500.00			\$0.00
14	ADJUST EXIST CB FRAME AND CASTING (STORM)	EACH	12	175.00			\$0.00
15	ADJUST EXISTING MH FRAME AND CASTING (STORM)	EACH	2	650.00			\$0.00
16	ADJUST EXISTING MH FRAME AND CASTING (SAN)	EACH	17	650.00			\$0.00
17	SUBGRADE EXCAVATION (EV)	CU YD	200	20.00			\$0.00
18	SELECT GRANULAR BORROW (CV)	CU YD	200	17.50			\$0.00
19	TYPE SP 9.5 WEARING COURSE MIXTURE (3,B) - STREET	TON	1275	65.00			\$0.00
20	TYPE SP 12.5 NON WEARING COURSE MIXTURE (3,B) - STREET	TON	2550	63.00			\$0.00
21	PREPARE SURFACE FOR WEAR PAVING	LS	1	1500.00			\$0.00
22	TACK COAT	GAL	920	0.01			\$0.00
23	CONCRETE CURB & GUTTER	LIN FT	1200	21.50	1122	1122	\$24,123.00
24	4" PVC PERFORATED DRAINTILE W/ SOCK	LIN FT	1200	11.50	833	833	\$9,579.50
25	CONNECT TO EXIST STORM STRUCTURE (CORE DRILL)	EACH	19	200.00	10	10	\$2,000.00
26	SOD (YARD TYPE)	SQ YD	500	10.50			\$0.00
27	LOAM TOPSOIL BORROW (LV)	CU YD	60	60.00			\$0.00
	TOTAL BASE BID						<u>\$58,109.50</u>
	TOTAL BASE BID						<u>\$58,109.50</u>
	WORK COMPLETED TO DATE:						<u>\$58,109.50</u>

PROJECT PAYMENT STATUS

OWNER CITY OF MILACA
STANTEC PROJECT NO. 193805453
CONTRACTOR KNIFE RIVER CORP.-NORTH CENTRAL

CHANGE ORDERS

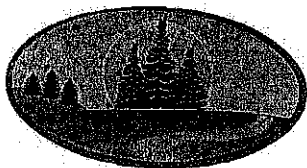
No.	Date	Description	Amount
Total Change Orders			

PAYMENT SUMMARY

No.	From	To	Payment	Retainage	Completed
1	05/01/2022	06/13/2022	55,204.03	2,905.47	58,109.50

Material on Hand

Total Payment to Date		\$55,204.03	Original Contract	\$432,959.20
Retainage Pay No.	1	2,905.47	Change Orders	
Total Amount Earned		\$58,109.50	Revised Contract	\$432,959.20



CITY OF
MILACA *Minnesota*

255 First Street East, Milaca, MN 56353

(320)983-3141 | (320)983-3142 fax

www.cityofmilaca.org

**CITY OF MILACA SPECIAL EVENT
 PERMIT APPLICATION**

Permit Number _____
 Return to City Hall _____
 Date of Application _____

NAME OF SPECIAL EVENT: Movie in the Park

TYPE OF SPECIAL EVENT: Parade _____ Runs/Walks _____ Other: Movie

Applicant's or Organization's Name: City of Milaca

Name of Contact Person: Mary Mickelson Daytime Phone: (320) 983-3141

Address: 255 1st Street East
Milaca, MN 56353 Evening Phone: _____
 Fax Number: _____

Email Address: mmickelson@milacacity.com

Other permits may be required for your event. This application will allow you to apply for the Special Event Permit along with Street Closings, Banners/Signs, and Parade Permits. All information needed for these permits are attached to this application. You must obtain a separate application for Park/Shelter Reservations, Temporary 3.2. Malt Beverage license, or Fireworks Permit.

Starting Date 07/21/2022 & 08/04/2022 Starting Time 9:00 p.m.

Ending Date 07/21/2022 & 08/04/2022 Ending Time 11:00 p.m.

Estimated Number of Participants Attending the Event 100

Number of Sanitary Facilities Existing Sanitary Locations Existing Locations in Park

Where will Individuals Park Parking Lot

Will Security Be Provided Yes No Explain Arrangements: _____

If using a public address system, give the location of speakers Rec Park Bandshell

How will drinking water be provided Bring your own; possible concessions

Will electricity be required, and if so, how will it be provided Bandshell

How will refuse be disposed of In park trashcans

Will the Special Event require the use of a park/shelter Yes No
 (if yes, a park/shelter reservation form must be obtained from the City of Milaca)

FOOD

Will food be sold

Yes No

****Food trucks must be licensed by the City of Milaca per Ordinance #115****

Name of vendor / serving team _____

tbd if yes - pre-packaged food & drinks only

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service Food Truck Food Stand Other _____

Name of vendor / serving team _____

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service Food Truck Food Stand Other _____

PARADE

IF YOUR EVENT INCLUDES A PARADE, YOU MUST COMPLETE THIS SECTION

Parade Title _____

Date of Parade _____ Assembly Time _____

Assembly Area _____

(Note: Applicant must obtain owner(s) written permission and attach to this application if assembly/dispersal is on private property).

Exact Starting Time _____ Estimated Duration _____

Actual Starting Location _____

Proposed Parade Route
(Attach a separate sheet if necessary)



Parade End Location _____ Parade Dispersal Area _____

Approximate Number of Units in Parade _____

Approximate Number of Persons in Parade _____

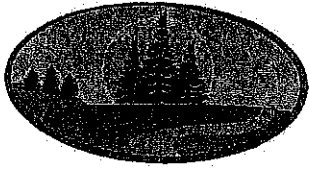
Approximate Number of Animals in Parade _____

Type of Animals in Parade _____

Maximum Length of Parade in miles (or fractions thereof) _____

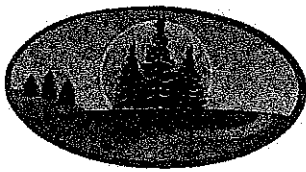
Contact Person _____ Telephone _____ Cell Phone _____

If your parade involves the closing of any county road in the city limits, please allow up to 60 days for approval because the city must receive Mille Lacs County Board approval prior to final approval by the City of Milaca.



2022 Movies in the Park Variance Request

1. Curfew extended to 11:45 p.m. for juveniles.
2. Rec Park close is extended to midnight.
3. Movie in bandshell continue until 11:30 p.m.



CITY OF
MILACA *Minnesota*

255 First Street East, Milaca, MN 56353

(320)983-3141 | (320)983-3142 fax

www.cityofmilaca.org

**CITY OF MILACA SPECIAL EVENT
PERMIT APPLICATION**

Permit Number _____
Return to City Hall _____
Date of Application _____

NAME OF SPECIAL EVENT: Fall Fundraising Picnic
 TYPE OF SPECIAL EVENT: Parade _____ Runs/Walks _____ Other: Picnic / Dessert Auction
 Applicant's or Organization's Name: Rum River Life Choices Center
 Name of Contact Person: Ann Morell Daytime Phone: 320-983-3771
 Address: 1006-5th St. SE Evening Phone: 320-282-6929
Milaca, MN 56353 Fax Number: _____
 Email Address: milaca@rumriverlifechoices.org

Other permits may be required for your event. This application will allow you to apply for the Special Event Permit along with Street Closings, Banners/Signs, and Parade Permits. All information needed for these permits are attached to this application. You must obtain a separate application for Park/Shelter Reservations, Temporary 3.2. Malt Beverage license, or Fireworks Permit.

Starting Date Sept. 17, 2022 Starting Time 3pm Set-up 4pm Start
 Ending Date Sept. 17, 2022 Ending Time 7pm Clean-up until 8pm
 Estimated Number of Participants Attending the Event 400
 Number of Sanitary Facilities 2 Sanitary Locations 1 Porta Potty by Lions Shelter
also using park facilities 1 Handwashing by Lions Shelter
 Where will Individuals Park In the parking lot
 Will Security Be Provided Yes Explain Arrangements: _____
 No _____
 If using a public address system, give the location of speakers Bandshell
 How will drinking water be provided Bottled Water
 Will electricity be required, and if so, how will it be provided Lions Shelter + Bandshell Rentals
 How will refuse be disposed of taken to provided dumpster
 Will the Special Event require the use of a park/shelter Yes No
 (if yes, a park/shelter reservation form must be obtained from the City of Milaca)

FOOD

Will food be sold

Yes No

**Licenses & Insurance
Copies will be sent
to you upon receipt
of them.*

Name of vendor / serving team

The Grandstand

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service

Food Truck Food Stand Other _____

Name of vendor / serving team

Thai 1 On

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service

Food Truck Food Stand Other _____

Princeton Knights of Columbus - Food Truck

PARADE

IF YOUR EVENT INCLUDES A PARADE, YOU MUST COMPLETE THIS SECTION - n/a

Parade Title _____

Date of Parade _____ Assembly Time _____

Assembly Area _____

(Note: Applicant must obtain owner(s) written permission and attach to this application if assembly/dispersal is on private property).

Exact Starting Time _____ Estimated Duration _____

Actual Starting Location _____

Proposed Parade Route

(Attach a separate sheet if necessary)



Large rounded rectangular box with horizontal lines for writing the proposed parade route.

Parade End Location _____ Parade Dispersal Area _____

Approximate Number of Units in Parade _____

Approximate Number of Persons in Parade _____

Approximate Number of Animals in Parade _____

Type of Animals in Parade _____

Maximum Length of Parade in miles (or fractions thereof) _____

Contact Person _____ Telephone _____ Cell Phone _____

If your parade involves the closing of any county road in the city limits, please allow up to 60 days for approval because the city must receive Mille Lacs County Board approval prior to final approval by the City of Milaca.

BANNERS & SIGNS

IF YOUR EVENT REQUIRES BANNERS OR SIGNS, YOU MUST COMPLETE THIS SECTION
(Attach a separate sheet if necessary)

Banner description(s) and location, including size, method of construction and wording:

BANNER(S): Wording: Fall Fundraising Picnic
Rum River Life Choices Center (logo)
Size: 4' x 8'
Display: We will supply T-Post & put up by
parking lot

Date Banner to be put up Sept. 17, 2022 Date Banner to be taken down Sept. 17, 2022
Contact Person Ann Morell Telephone 320-283-3771 Cell Phone 320-282-6929

Sign description(s) and location, including size, method of construction and wording:

SIGN(S)

Date Sign to be put up _____ Date Sign to be taken down _____
Contact Person _____ Telephone _____ Cell Phone _____

BANNER & SIGN RULES

Special events temporary signs for non-profit organizations are permitted which are temporary displays which are erected to celebrate, commemorate or observe a civil or religious holiday. These signs shall be removed from the premises within ten days following completion of the special event. The special event signs shall not exceed four feet by eight feet in size.

Special events temporary signs shall not be erected more than 90 days before the date of the special event; an extension of this time limit may be obtained only by variance.

Public portable signs may be erected by the city and/or a non-profit corporation to advertise community-interest events and which public portable signs shall be placed upon public property. All public portable signs shall not be erected more than seven days before the date of the special event and shall be promptly removed following the event.

The Building Inspector may order the removal of any sign in violation of city ordinance.

YOU MUST COMPLETE THIS SECTION FOR EACH CLOSING THROUGHOUT THE ENTIRE EVENT
STREET CLOSINGS - N/A

1.

Location _____ **Between** _____ **&** _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ **Time** _____ - _____
(Beginning) (End)

Contact Person _____ **Daytime Phone** _____ **Cell Phone** _____

Special Requests _____

2.

Location _____ **Between** _____ **&** _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ **Time** _____ - _____
(Beginning) (End)

Contact Person _____ **Daytime Phone** _____ **Cell Phone** _____

Special Requests _____

3.

Location _____ **Between** _____ **&** _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ **Time** _____ - _____
(Beginning) (End)

Contact Person _____ **Daytime Phone** _____ **Cell Phone** _____

Special Requests _____

4.

Location _____ **Between** _____ **&** _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ **Time** _____ - _____
(Beginning) (End)

Contact Person _____ **Daytime Phone** _____ **Cell Phone** _____

Special Requests _____

5.

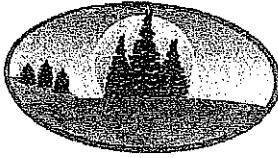
Location _____ **Between** _____ **&** _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ **Time** _____ - _____
(Beginning) (End)

Contact Person _____ **Daytime Phone** _____ **Cell Phone** _____

Special Requests _____

For additional street closings, attach a separate sheet of paper listing each closing individually.



CITY OF MILACA Minnesota

255 First Street East, Milaca, MN 56353

(320)983-3141 | (320)983-3142 fax

www.cityofmilaca.org

CITY OF MILACA SPECIAL EVENT PERMIT APPLICATION

Permit Number	_____
Return to City Hall	_____
Date of Application	5/26/2022

NAME OF SPECIAL EVENT: First National Bank of Milaca 125th Anniversary Community Pork Chop Dinner

TYPE OF SPECIAL EVENT: Parade _____ Runs/Walks _____ Other: Block Event

Applicant's or Organization's Name: First National Bank of Milaca

Name of Contact Person: Brett Freese Daytime Phone: 320-983-1353

Address: 190 2nd Ave SW Evening Phone: _____
Milaca, MN 56353 Fax Number: 320-983-2579

Email Address: brett.freese@fnbmilaca.com

Other permits may be required for your event. This application will allow you to apply for the Special Event Permit along with Street Closings, Banners/Signs, and Parade Permits. All information needed for these permits are attached to this application. You must obtain a separate application for Park/Shelter Reservations, Temporary 3.2. Malt Beverage license, or Fireworks Permit.

Starting Date 8/4/2022 Starting Time 3:00pm

Ending Date 8/4/2022 Ending Time 8:00pm

Estimated Number of Participants Attending the Event 200+

Number of Sanitary Facilities _____ Sanitary Locations _____

Where will Individuals Park neighboring streets

Will Security Be Provided Yes Explain Arrangements: _____
 No

If using a public address system, give the location of speakers _____

How will drinking water be provided yes

Will electricity be required, and if so, how will it be provided Yes, bank provided

How will refuse be disposed of trash cans

Will the Special Event require the use of a park/shelter Yes No
 (if yes, a park/shelter reservation form must be obtained from the City of Milaca)

FOOD

Will food be sold

Yes No

Name of vendor / serving team _____

Food will be provided at no cost to attendees _____

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service _____

Food Truck Food Stand Other _____

Name of vendor / serving team _____

Licensed with State of MN (enclose copy)

Liability Insurance (enclose copy)

Type of Service _____

Food Truck Food Stand Other _____

PARADE

IF YOUR EVENT INCLUDES A PARADE, YOU MUST COMPLETE THIS SECTION

Parade Title _____

Date of Parade _____ Assembly Time _____

Assembly Area _____

(Note: Applicant must obtain owner(s) written permission and attach to this application if assembly/dispersal is on private property).

Exact Starting Time _____ Estimated Duration _____

Actual Starting Location _____

Proposed Parade Route
(Attach a separate sheet if necessary)

→ _____

Parade End Location _____ Parade Dispersal Area _____

Approximate Number of Units in Parade _____

Approximate Number of Persons in Parade _____

Approximate Number of Animals in Parade _____

Type of Animals in Parade _____

Maximum Length of Parade in miles (or fractions thereof) _____

Contact Person _____ Telephone _____ Cell Phone _____

If your parade involves the closing of any county road in the city limits, please allow up to 60 days for approval because the city must receive Mille Lacs County Board approval prior to final approval by the City of Milaca.

BANNERS & SIGNS

IF YOUR EVENT REQUIRES BANNERS OR SIGNS, YOU MUST COMPLETE THIS SECTION
(Attach a separate sheet if necessary)

Banner description(s) and location, including size, method of construction and wording:

BANNER(S): _____ _____ _____ _____ _____
--

Date Banner to be put up _____ Date Banner to be taken down _____

Contact Person _____ Telephone _____ Cell Phone _____

Sign description(s) and location, including size, method of construction and wording:

SIGN(S) _____ _____ _____ _____ _____

Date Sign to be put up _____ Date Sign to be taken down _____

Contact Person _____ Telephone _____ Cell Phone _____

BANNER & SIGN RULES

Special events temporary signs for non-profit organizations are permitted which are temporary displays which are erected to celebrate, commemorate or observe a civil or religious holiday. These signs shall be removed from the premises within ten days following completion of the special event. The special event signs shall not exceed four feet by eight feet in size.

Special events temporary signs shall not be erected more than 90 days before the date of the special event; an extension of this time limit may be obtained only by variance.

Public portable signs may be erected by the city and/or a non-profit corporation to advertise community-interest events and which public portable signs shall be placed upon public property. All public portable signs shall not be erected more than seven days before the date of the special event and shall be promptly removed following the event.

The Building Inspector may order the removal of any sign in violation of city ordinance.

**YOU MUST COMPLETE THIS SECTION FOR EACH CLOSING THROUGHOUT THE ENTIRE EVENT
STREET CLOSINGS**

1.

Location 2nd Ave SW Between 2nd St W & 1st St E
(Street to be Closed) (Cross Street) (Cross Street)

Date 8/4/2022 Time 3:00pm - 8:00pm
(Beginning) (End)

Contact Person Brett Freese Daytime Phone 320-983-1353 Cell Phone 320-282-8546

Special Requests _____

2.

Location _____ Between _____ & _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ Time _____ - _____
(Beginning) (End)

Contact Person _____ Daytime Phone _____ Cell Phone _____

Special Requests _____

3.

Location _____ Between _____ & _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ Time _____ - _____
(Beginning) (End)

Contact Person _____ Daytime Phone _____ Cell Phone _____

Special Requests _____

4.

Location _____ Between _____ & _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ Time _____ - _____
(Beginning) (End)

Contact Person _____ Daytime Phone _____ Cell Phone _____

Special Requests _____

5.

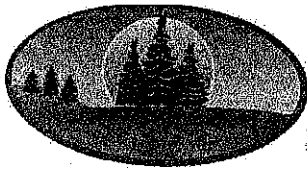
Location _____ Between _____ & _____
(Street to be Closed) (Cross Street) (Cross Street)

Date _____ Time _____ - _____
(Beginning) (End)

Contact Person _____ Daytime Phone _____ Cell Phone _____

Special Requests _____

For additional street closings, attach a separate sheet of paper listing each closing individually.



CITY OF MILACA Minnesota

255 First Street East, Milaca, MN 56353

(320)983-3141 | (320)983-3142 fax

PLEASE CHECK ONE OF THE FOLLOWING THAT BEST DESCRIBES YOUR APPLICATION:

- Peddler Application:** A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of offering for sale, displaying or exposing for sale, selling or attempting to sell, and delivering immediately upon sale, the goods, wares, products, merchandise or other personal property that the person is carrying or otherwise transporting. The term **PEDDLER** shall mean the same as the term **HAWKER**. **Fee of \$50.00 per applicant**
- Solicitor Application:** A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of obtaining or attempting to obtain orders for goods, wares, products, merchandise, other personal property, or services, of which he or she may be carrying or transporting samples, or that may be described in a catalog or by other means, and for which delivery or performance shall occur at a later time. The absence of samples or catalogs shall not remove a person from the scope of this provision if the actual purpose of the person's activity is to obtain or attempt to obtain orders as discussed above. The term shall mean the same as the term **CANVASSER**. **Fee of \$50.00 per applicant**
- Transient Merchant Application:** A person who temporarily sets up business out of a vehicle, trailer, boxcar, tent, other portable shelter, or empty storefront for the purpose of exposing or displaying for sale, selling or attempting to sell, and delivering, goods, wares, products, merchandise, or other personal property and who does not remain or intend to remain in any one location for more than 14 consecutive days. **Fee of \$50.00 per applicant**

NAME OF APPLICANT: Steven Anthony Ehlen
FIRST FULL MIDDLE LAST

OTHER OFFICIAL NAMES USED BY APPLICANT: N/A

PERMANENT ADDRESS: 1970 Sandstone Loop South Sartell MN 56377
CITY STATE ZIP

APPLICANT PHONE: 320-492-4097 APPLICANT EMAIL: lilyswingsandthings@gmail.com

APPLICANT IS: Individual Partnership Corporation Other Organization

FULL NAME OF BUSINESS OR ORGANIZATION: Lily's Wings, LLC

BUSINESS ADDRESS: 1970 Sandstone Loop South Sartell MN 56377
CITY STATE ZIP

BUSINESS TELEPHONE: 320-252-5514 BUSINESS CELL PHONE: 320-492-4097

Are you a U.S. citizen? Yes No

If employed, name of employer: Self Employed Lily's Wings

Address of employer: 1970 Sandstone Loop South Sartell MN 56377

If you checked Partnership, Corporation, or Other Organization, please complete the following.

Is Partnership, Corporation or Other Organization organized under Minnesota Law? Yes No

a) If no, State in which organized: _____

b) Is Organization authorized to do business in Minnesota: Yes No

c) Attach a copy of Certificate of Authority to transact business in Minnesota.

Address of registered office of agent in State of Minnesota:

1970 Sandstone Loop South Sartell MN 56377

City State Zip

Type of business to be conducted: Food Service Sales

Have goods to be sold been grown or produced by you? Yes No X

Location where business will be conducted: (Please list streets or describe precise area). If business is to be conducted from one location, please give street address: Recreation Park Milaca MN Saturday 8/13/22 for First National Bank 125th Anniversary Celebration

Length of time license is desired: (14 consecutive days maximum) 1 Days from 4pm to 11pm (6 month maximum) Months from to

Describe vehicle(s) to be used, if any: 15GCD121XP108482 1993 Gillig Red YBU 6600

VIN # Year Make Color License #

Please list last 3 cities you have been in:

Please attach a copy of Permit for retail sales issued by the State of Minnesota, pursuant to MN Statutes #297A.

Applicant's Signature Date 6/7/22

INCLUDE THE FOLLOWING WITH APPLICATION:

- PERMIT FOR RETAIL SALES (If applicable) \$50.00 (Check, Cash, Debit or Credit Card)
BACKGROUND CONSENT FORM Certificate of Authority to transact business in Minnesota
COPY OF DRIVER'S LICENSE

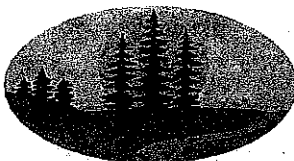
If paying by Debit or Credit Card, there is a minimum \$3.00 Convenience Fee or 2.95%.

Date Paid: 6-7-22 Cash Check # 4274 Debit/Credit Card

Approved/Denied by: Date

UPDATED: 05242022

CITY OF MILACA
255 1st St E
MILACA MN 56353



SCANNED

22-1445
5/23/22

320-983-3141
320-983-3142 FAX
www.cityofmilaca.org

PLEASE CHECK ONE OF THE FOLLOWING THAT BEST DESCRIBES YOUR APPLICATION:

Peddler Application: A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of offering for sale, displaying or exposing for sale, selling or attempting to sell, and delivering immediately upon sale, the goods, wares, products, merchandise or other personal property that the person is carrying or otherwise transporting. The term **PEDDLER** shall mean the same as the term **HAWKER**. Fee of \$50.00 per applicant

Solicitor Application: A person who goes from house-to-house, door-to-door, business-to-business, street-to-street, or any other type of place-to-place, for the purpose of obtaining or attempting to obtain orders for goods, wares, products, merchandise, other personal property, or services, of which he or she may be carrying or transporting samples, or that may be described in a catalog or by other means, and for which delivery or performance shall occur at a later time. The absence of samples or catalogs shall not remove a person from the scope of this provision if the actual purpose of the person's activity is to obtain or attempt to obtain orders as discussed above. The term shall mean the same as the term **CANVASSER**. Fee of \$50.00 per applicant

Transient Merchant Application: A person who temporarily sets up business out of a vehicle, trailer, boxcar, tent, other portable shelter, or empty storefront for the purpose of exposing or displaying for sale, selling or attempting to sell, and delivering, goods, wares, products, merchandise, or other personal property and who does not remain or intend to remain in any one location for more than 14 consecutive days. Fee of \$50.00 per applicant

NAME OF APPLICANT: Roger James Wold
FIRST FULL MIDDLE LAST

OTHER OFFICIAL NAMES USED BY APPLICANT: _____

PERMANENT ADDRESS: 11500 133rd Ave. N. Dayton MN 55327
CITY STATE ZIP

APPLICANT HOME PHONE: 651 403 1442 APPLICANT CELL PHONE: 651 403 1442

APPLICANT IS: Individual Partnership Corporation Other Organization

FULL NAME OF BUSINESS OR ORGANIZATION: The Flaming Bowl L.L.C.

BUSINESS ADDRESS: 11500 133rd Ave. N. Dayton MN 55327
CITY STATE ZIP

BUSINESS TELEPHONE: 651 403 1442 BUSINESS CELL PHONE: 651 403 1442

Are you a U.S. citizen? Yes No

If employed, name of employer: _____

Address of employer: _____

.....
If you checked Partnership, Corporation, or Other Organization, please complete the following.

Is Partnership, Corporation or Other Organization organized under Minnesota Law? Yes No

a) If no, State in which organized: _____

b) Is Organization authorized to do business in Minnesota: Yes No

c) Attach a copy of Certificate of Authority to transact business in Minnesota.

Address of registered office agent in State of Minnesota:

60 Empire Drive, Suite 100 St. Paul MN 55103
City State Zip

Type of business to be conducted: Food Service "Food Truck"

Have goods to be sold been grown or produced by you? Yes No

Location where business will be conducted: (Please list streets or describe precise area). If business is to be conducted from one location, please give street address: Recreation Park, Milaca, MN.
435 2nd ST. NW, Milaca, MN, 56353

Length of time license is desired:
(14 Consecutive Days maximum) 1 Days from 8-13-2022 to 8-13-2022
(6 month maximum) _____ Months from _____ to _____

Describe vehicle(s) to be used, if any:
1GBJ6T1E6JV107537 1988 CHEVY BLACK YBC6554
VIN # Year Make Color License #

VIN # Year Make Color License #

Please list last 3 cities you have been in: Maple Grove, Elk River, Big Lake.

Please attach a copy of Permit for retail sales issued by the State of Minnesota, pursuant to MN Statutes #297A.

R. Wold 4-20-2022
Applicant's Signature Date

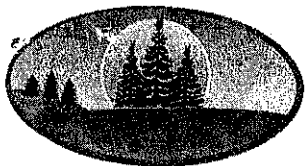
INCLUDE THE FOLLOWING WITH APPLICATION:

- PERMIT FOR RETAIL SALES (If applicable)
- \$50.00 (Check, Cash, Debit or Credit Card)
- BACKGROUND CONSENT FORM
- Certificate of Authority to transact business in Minnesota
- COPY OF DRIVER'S LICENSE

If paying by Debit or Credit Card, there is a minimum \$3.00 Convenience Fee or 2.95%.

Date Paid: MAY 23 2022 \$50.00 Cash Check # 5019 Debit or Credit Card

Approved/Denied by: _____ Date _____



Service Agreement

This Service Agreement (the "**Agreement**") is entered into _____, **2022** (the "**Effective Date**") by and between the **City of Milaca** ("**the City**") located at 255 1st Street E, Milaca, MN 56353 and **Linda Hunter DBA Gingerbread Shows** ("**Gingerbread Shows**") located at PO Box 224, Stillwater, MN 55082, also individually referred to as the "**Party**", and collectively the "**Parties**".

1. **Services.** Gingerbread Shows shall perform the services listed in this Section 1 (the "Services") for the **City of Milaca Everything Under the Sun Arts & Crafts Fair and More** located in **Rec Park, 435 2nd St NW, Milaca, MN 56353** on **August 27, 2022**.
 - 1.1. Responsible for vendor registrations for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 27, 2022
 - 1.1.1. Registration fees will be payable to **Gingerbread Shows**.
Registration fee will be **\$30** per vendor.
 - 1.2. Ensure City of Milaca-approved vendor contract is signed with each vendor for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 27, 2022
 - 1.3. Responsible for vendor check-ins for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 26 & 27, 2022
 - 1.4. Responsible for vendor set-up for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 26 & 27, 2022
 - 1.5. Responsible for vendor tear-down for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 27, 2022
 - 1.6. Ensure vendor area is free from debris and garbage after tear-down for the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 27, 2022
2. **Compensation.** Gingerbread Shows agrees to pay the City **50% of the total Vendor Registration Fees** as payment for the Services provided. This fee will be paid in accordance will the following schedule:

Total Cost of the Services: 50% x Total number of \$30 vendor registration fees
Amount Due at Completion: Payment in full according to compensation shown above. Gingerbread Shows will provide the City with vendor registration information to satisfy the City's yearly audit.

3. **Advertising.** The City of Milaca must approve all vendor solicitation ads, and advertisements of, and on-site signage at the City of Milaca Everything Under the Sun Arts & Crafts Fair and More on August 27, 2022.
4. **Payment.** Payment to the City must be made by September 15, 2022. Payment may be made by credit card/electronic transfer/check in accordance with current City of Milaca protocols.
5. **Term.** The term of this Agreement shall commence on the Effective Date, as stated above, and continue through August 28, 2022, unless otherwise terminated per the terms of this Agreement.
6. **Termination.**
 - 6.1. Either Party may terminate the Agreement at any time upon 90 days prior written notice to the other Party. In the event Gingerbread Shows terminates the Agreement, Gingerbread Shows shall return to the vendor any amounts previously paid to Gingerbread Shows for which Gingerbread Shows has not yet performed the Services.
 - 6.2. This Agreement will automatically terminate when both Parties have performed all of their obligations under the Agreement and all payments have been received.
7. **Relationship of the Parties.**
 - 7.1. **No Exclusivity.** The Parties understand this Agreement is not an exclusive arrangement. The Parties agree they are free to enter into other similar agreements with other parties. Gingerbread Shows agrees Gingerbread Shows will not enter into any agreements that conflict with Gingerbread Shows' obligations under this Agreement.
 - 7.2. **Independent Contractor.** Gingerbread Shows is an independent contractor. Neither Party is an agent, representative, partner, or employee of the other Party.
8. **Dispute Resolution.**
 - 8.1. **Choice of Law.** The Parties agree that this Agreement shall be governed by the State and/or Country in which the duties of this Agreement are expected to take place. In the event that the duties of this Agreement are to take place in multiple States and/or Countries, this Agreement shall be governed by Minnesota law.

- 8.2. Negotiation.** In the event of a dispute, the Parties agree to work towards a resolution through good faith negotiation.
- 8.3. Mediation or Binding Arbitration.** In the event that a dispute cannot be resolved through good faith negotiation, the Parties agree to submit to binding mediation or arbitration.
- 8.4. Attorney's Fees.** In the event of Arbitration and/or Mediation, the prevailing Party will be entitled to its legal fees, including, but not limited to, its attorneys' fees.

9. General.

- 9.1. Assignment.** The Parties may not assign their rights and/or obligations under this Agreement.
- 9.2. Complete Contract.** This Agreement constitutes the Parties entire understanding of their rights and obligations. This Agreement supersedes any other written or verbal communications between the Parties. Any subsequent changes to this Agreement must be made in writing and signed by both Parties.
- 9.3. Severability.** If any section of this Agreement is found to be invalid, illegal, or unenforceable, the rest of this Agreement will still be enforceable.
- 9.4. Waiver.** Neither Party can waive any provision of this Agreement, or any rights or obligations under this Agreement, unless agreed to in writing. If any provision, right, or obligation is waived, it is only waived to the extent agreed to in writing.
- 10. Service Provider Indemnity.** Gingerbread Shows hereby agrees to release and discharge the City of Milaca and all of its affiliates, managers, members, agents, attorneys, staff, volunteers, heirs, representatives, predecessors, successors, and assigns from any and all claims or causes of action and agrees to voluntarily give up or waive any rights otherwise held to bring a legal action against the City of Milaca for personal injury or property damage.
- 11. Notices.** All notices under this Agreement must be sent by email with read receipt requested or by certified or registered mail with return receipt requested. Notices shall be sent as follows:

Customer
City of Milaca
255 1st Street E

Milaca, MN 56353
tpfaff@milacacity.com

Service Provider

Linda Hunter DBA Gingerbread Shows

Address: Box 224

City, State, Zip: Stillwater MN 55082

Email: gbshowz@winter.net.com

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

City of Milaca

Signed: _____

Name: _____

Date: _____

Linda Hunter DBA Gingerbread Shows

Signed: 

Name: Linda Hunter

Date: May 2, 2022

Library Branch Agreement

THIS AGREEMENT, made and entered into this ____ day of _____, _____, by and between the City of Milaca, a municipal corporation, hereinafter collectively referred to as "CITY," and East Central Regional Library, a public regional library system established under Minnesota Statutes, hereinafter referred to as "ECRL."

WHEREAS, the Milaca City Council, by written action, has established a branch library of the East Central Regional Library System in the City of Milaca.

NOW, THEREFORE, the parties hereto wish to commit in writing the terms and conditions under which the CITY will be affiliated with ECRL, and in consideration of the premises, the parties do hereby agree as follows.

1. **SERVICES.** Throughout the term of this agreement ECRL agrees to provide basic system services as defined in Minnesota Statute 134.001, Subdivision 5. These services shall include, but shall not be limited to, communication among parties, resource sharing, delivery of materials, reciprocal borrowing, and cooperative reference service. In addition, the following specific services shall be provided:
 - A. Determination and development of services to be provided with input from citizens of the communities.
 - B. Development and carrying out of all library policies. ECRL maintains uniform policies for all library services, and to minimize confusion, no individual policies for the Milaca location will be maintained.
 - C. ECRL administrative staff determines hours of service with input from local residents. ECRL will provide staffing for a minimum of 20 open hours per week or the minimum number of hours necessary to qualify for Regional Library Telecommunication Aid.
 - D. The ECRL staff is responsible for selection of library materials for all ECRL libraries. All materials purchased for any library are to be ordered through ECRL regardless of the source of funds. Local citizens are encouraged to make suggestions for collection development and ECRL staff will evaluate those recommendations utilizing the library's Collection Development Policy. Gift materials, monetary donations, and equipment will be accepted under the provisions of ECRL policies.
 - E. Personnel administration: ECRL is responsible for the selection, training and employment of all branch personnel. The ECRL Board is responsible for maintaining a region-wide pay schedule and personnel policy for all ECRL personnel. All decisions relating to promotion, demotion, hiring or termination are the responsibility of ECRL.
 - F. ECRL will insure all building contents, including materials, which are owned by ECRL.
 - G. Miscellaneous services: telephone service, delivery service, purchase of essential operating supplies and all other responsibilities not directly associated with the provision and maintenance of physical facilities. Services beyond established ECRL base-level services as defined in Exhibit B will be the responsibility of the CITY.

- H. Automation equipment, software and licenses required to perform assigned ECRL functions. ECRL maintains a centralized integrated library automation system and is a MnLINK participant. Computers are to be used for library purposes only. No hardware or software can be added to any ECRL computer without the authorization of library administration.
- I. All library Internet access will be provided through ECRL, to assure compliance with the state and federal regulations and funding requirements. ECRL will provide an Internet connection to operate the ECRL- sponsored integrated library system as well as public computing stations and public wireless services.

2. **EQUIPMENT AND FURNISHINGS.** In connection with the location of a branch library in the City of Milaca, the City of Milaca will provide appropriate equipment and furnishings for the library as determined by ECRL and CITY. City-owned equipment is outlined in Exhibit A. It is the understanding of the parties hereto that the title to the said equipment and furnishings will remain with the CITY throughout the term of this agreement. If during the term of the agreement the equipment and furnishings shall be deemed to be obsolete or shall need replacing, then the original furnishings and equipment shall be returned to the City of Milaca for sale or other disposition. In the event that the equipment provided by the City of Milaca becomes inadequate for the provision of library service, the CITY shall have one (1) year or a time frame established through mutual agreement of both the CITY and ECRL to provide an acceptable plan for replacement of equipment before this agreement may be terminated.
3. **LIBRARY FACILITY.** Throughout the term of this agreement, the City of Milaca will provide a facility to serve as the location of the ECRL branch library.

All costs associated with operation and upkeep of the building including, but not limited to custodial services, utilities, insurance, and building maintenance will be paid for by the CITY without offset or reimbursement to or from the ECRL funds or appropriations. The CITY, its employees and agents, will be allowed to access the said building in order to provide janitorial services and maintain the building. Janitorial and trash removal services will be provided at least weekly, more frequently for larger facilities or facilities that are open five or more days per week. See Schedule A for agreed upon service levels. The CITY will make necessary arrangement to provide for all necessary maintenance and repair of the buildings and grounds including, but not limited to, raking, lawn mowing and timely snow removal. The facility needs to meet the following requirements:

- Adequate air conditioning and heating.
- Adequate space to meet its service, operation and storage needs.
- Complies with local or state ADA parking requirements, whichever is greater.
- Complies with federal, state and local restroom requirements.
- Has an exterior book drop in a well lit area. If the book drop empties into the interior of the library, it must meet state fire code regulations.
- New buildings or facility remodels of the library will be done with mutual agreement of both ECRL and the CITY.
- Meet uniform building code, pass ECRL safety audit standards and meet library insurance carrier requirements.
- Complies with ECRL policies and includes ECRL branding for building identification and internal signage.
- Interior space is well maintained to reasonable standards and presents a modern, fresh and clean appearance including walls, paint, wiring and flooring.

4. **ADDITIONAL CITY RESPONSIBILITIES.** In connection with the operation of a branch in the City of Milaca, the CITY shall be responsible for the following:
 - A. The host location must meet state maintenance of effort requirements throughout the term of this agreement. Libraries must receive financial support sufficient to qualify for state and federal aid;
 - B. Development and interpretation of policies related to meeting room use that comply with ECRL policy as detailed in Exhibit B (if applicable);
 - C. Support of special programming by providing space for discussion groups, lectures, art exhibits and children's programming, etc.;
 - D. Support for provision of adequate funding for regional library service programs with local, state, and federal authority;
 - E. Development of additional local funding (taxes, gifts, etc.) for supplementary equipment and facilities; and
 - F. Approval of ECRL Behavior Policy as detailed in Exhibit B; this will be enforced by the City or County Law Enforcement. Additional "Rules of Behavior" of the site (if necessary) must be approved by ECRL.
 - G. Libraries must abide by the policies established by the ECRL Board of Trustees.
5. **FIRE AND EXTENDED COVERAGE INSURANCE.** CITY at its sole cost and expense, shall keep the building and all improvements appurtenant thereto, and all fixtures and equipment therein, insured for the benefit of the CITY against loss or damage by fire and against such other risks as are or shall be customarily covered with respect to buildings similar in construction, general location, use, and occupancy including, but not limited to, windstorm, hail, explosion, vandalism, riot and civil commotion, damage from vehicles, smoke damage, and such other damage as may be deemed necessary by the CITY.
6. **PERSONAL PROPERTY INSURANCE.** ECRL shall maintain insurance coverage upon all personal property owned by ECRL including library materials and equipment. The CITY shall maintain insurance coverage upon all other personal property owned by CITY.
7. **GIFTS AND ENDOWMENTS.** After the execution of this agreement, all property, except library materials and equipment, given, granted, conveyed, donated, devised, or bequeathed to, or otherwise acquired by the CITY shall vest in, and be held in the name of the City of Milaca. All library materials and equipment so acquired by the CITY will be handled in accordance with the provisions of ECRL policy.
8. **EMPLOYEES.** ECRL will employ such individuals as it deems appropriate to provide the necessary library services associated with operating the branch library. The salary, employment schedule and job description for all employees will be established by ECRL. Any employees will serve under the terms of the ECRL Personnel Rules and Policies.
9. **TERMINATION OF AGREEMENT.** This Agreement shall remain in full force and effect until terminated by either party, by providing written notice of resignation at least three (3) full calendar months prior to the end of the calendar year. If a party fails to fulfill its obligations under this Agreement in a proper and timely manner, or otherwise violates the terms of this Agreement, the

other party has the right to terminate this Agreement.

The ECRL Board of Trustees, at a regular meeting, by a two-thirds (2/3) vote of those present and voting (assuming a quorum), may terminate the operations of any library in violation of any requirements of this agreement, provided that notice of such meeting shall specifically state that such termination shall be one of the items of business to be considered at the meeting.

If the agreement is terminated the CITY agrees to:

- A. Allow ECRL staff and Internet service provider to remove all telecommunications equipment owned by ECRL but located on site.
- B. Return all materials, equipment or other items received from ECRL for which the ownership has not been transferred whether owned by ECRL or by other persons or facilities.

Cities terminating the agreement cannot re-apply for services until a minimum of three years has passed from the date of termination.

Upon termination of this Agreement by ECRL, CITY shall be relieved of any further obligations to ECRL. Termination does not relieve the CITY of any current obligations to ECRL. Cities that terminate services can make no future claims against ECRL.

Upon termination of this Agreement by either party, the operation of the branch library will cease. Each party will be responsible for removing its property from the facility. ECRL will remove its property from the branch facility within 30 days of the closing of the branch location.

10. **NOTICES.** All communications and notices required to be given or served hereunder shall be in writing and shall be deemed to have been duly given or served if delivered in person or deposited in the United States Mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to a party to this agreement at the address hereafter stated:

Executive Director
East Central Regional Library
111 Dellwood St. N
Cambridge, MN 55008

City Manager Tammy Pfaff
City of Milaca
255 First St E
Milaca, MN 56353

11. **BINDING EFFECT.** This agreement shall be binding on and shall inure to the benefit of the parties hereto and to their assigns and successors in interest.
12. **AMENDMENT, MODIFICATION, AND WAIVER.** No amendment, modification, or waiver of any condition, provision, or term hereof shall be valid or of any effect unless made in writing, signed by parties hereto and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default.
13. **SEVERABLE PROVISIONS.** Each provision, section, sentence, clause, phrase, and work of this agreement is intended to be severable. If any provision, section, sentence, clause, phrase, or work hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the agreement.
14. **MINNESOTA LAW.** This agreement shall be construed and enforced in accordance with the laws of the State of Minnesota.

15. **ASSIGNMENT.** Neither party may assign its interest hereunder without the express written consent of the other party.
16. **INDEMNIFICATION.** ECRL and the CITY mutually agree to defend, indemnify and hold each other, its officials, officers, employees and agents harmless from any claims, demands, actions or causes of action, (including reasonable attorney's fees and expenses), arising out of any act or omission arising from their own negligent acts, its subcontractors, agents or employees in the performance of, or with relation to, any of the work or services to be performed or furnished by ECRL or the CITY under this Agreement.
17. **MEDIATION.** By mutual agreement of the parties, any claim or controversy arising out of or relating to this agreement or the breach thereof may be settled by mediation. This shall not be construed to prevent any party from seeking legal redress to enforce the provisions of this agreement.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed the day and year first above written.

CITY OF MILACA

Mayor Harold Pedersen

City Manager Tammy Pfaff

EAST CENTRAL REGIONAL LIBRARY

Library Executive Director

President, ECRL Board of Trustees

Secretary, ECRL Board of Trustees

Schedule A - Cleaning Agreement

The City has hired the DAC clean the building weekly.

Exhibit A – City-Owned Equipment

Listing of city-owned assets – chairs, desks, shelving, etc.

Book Asset Listing of Library Furnishing- Value \$128,171.22

Purchased in April of 2007

Exhibit B – Related ECRL Policies

ECRL Acceptable Behavior Policy (approved 8/12/19)

Scope: This policy applies to the library building, its surrounding parking lot and sidewalks. In ECRL locations that are co-located with City facilities, the scope of this policy applies only within dedicated library spaces.

Purpose: East Central Regional Library encourages the public to use its facilities, materials and services to fulfill their informational, educational and recreational needs. To best serve all library users and staff, certain standards and rules of library behavior have been established to ensure that the library is a safe and welcoming environment for all. Library users are expected to be courteous, considerate and understanding of other users and library staff and respectful of library property and the property of others.

The Library recognizes and welcomes users of differing abilities. Nothing contained in this policy is meant to discourage library use by such individuals. Additionally, users should be advised that different areas of the library have different levels of activity and noise and act accordingly to allow for enjoyment of the library by all.

In accordance with the above, behavior becomes unacceptable when it interferes with the appropriate use of the library, the safety and security of library users or staff, staff's ability to do their job or when it could result in damage to property.

The following is not intended to be an exhaustive list.

The library does not allow:

- Any behavior that is disruptive to library use
- Shouting, running, fighting and roughhousing
- Obscene or threatening language
- Verbal or physical harassment of library staff or other users
- Intimidation through stalking or staring
- Use of tobacco products (cigarettes, cigars, pipes, e-cigarettes, chewing tobacco)
- Engaging in sexual and/or obscene acts
- Consumption of alcoholic beverages or controlled substances, or being under the influence in a manner that causes a public disturbance
- Use of sporting equipment inside the library facility
- Sleeping and/or snoring
- Not wearing proper attire, including shirt and shoes

The following policies further address more specific behaviors:

- Animals in the Library Policy
- Unattended Children Policy
- Solicitation Policy
- Photo and Video Policy
- Acceptable Internet Use Policy

Enforcement: Enforcement of this policy will be conducted in fair and reasonable manner. Library staff will intervene to stop unacceptable behavior. Failure to comply with the Library's policies or staff directives may result in removal from the library, suspension or revocation of library privileges and/or prosecution to the fullest extent of the law. Staff may tell any user who is in violation of this policy to immediately leave the Library for the day. Failure to leave at staff's direction will be

considered trespassing resulting in notification of law enforcement. Suspensions or revocation of library privileges for periods longer than a day will be made in writing by ECRL Administration.

Appeals: Appeals to suspension or revocation of library privileges may be appealed in writing to the Executive Director

ECRL Community Meeting Room Policy – Approved 7/13/20

Community Meeting Rooms are provided by East Central Regional Library, in cooperation with the City that owns the library facilities, as gathering places for the dissemination and discussion of ideas.

Allowed uses may vary based on the owning entity's guidelines. Specifics about costs, hours, occupancy, available technology and the reservation process are found in the appendices. These may be updated without notice as circumstances require.

1. Use of the Community Rooms shall be open to all groups and citizens on an equal and equitable basis. All users of the Community Rooms must provide access to the general public to all meetings at all times. Only groups which allow free and equal access to their meetings will be allowed to use the room.
2. Reservations are available on a first-come, first-served basis. No group has an automatic right to a given date or time on a regular basis. The exceptions to this rule are:
 - a. Meetings or programs which East Central Regional Library sponsors or co-sponsors.
 - b. Meetings of the government agency (City) that owns the building.
 - c. All other governmental organizations and agencies are restricted to the regular access policies for the meeting space.
3. For-profit organizations may use the room with the following restrictions:
 - a. No items or services shall be sold in the community room, nor shall orders be taken, or money exchanged in the room.
 - b. For-profit users may be charged rent, payable when the room is booked for all the hours that the room is used, **including set-up time.**
4. The room may be used by religious groups on a free and equitable basis. Religious meetings must allow individuals to attend the meeting and may not ask for offerings or contributions unless the group wishes to rent the room.
5. Library policies for the building as a whole must be followed. Specifically
 - a. There is no tobacco use (smoking, smokeless, or e-cigarette) allowed whatsoever in the building
 - b. Generally, there shall be no meetings for which admission is charged. Exceptions may be made by the owning entity.
 - c. Soliciting is strictly prohibited. Gambling and alcoholic beverages may be allowed provided the user has obtained appropriate licenses and approval from the owning entity.

- d. Animals are not permitted in the library facility. Service animals are permitted in accordance with Minnesota Statute 363A.19 and ECRL's Service Animal Policy. If an animal is part of a program to be presented at the facility, proof of liability insurance must be provided at the time of application.
6. Use of equipment belonging to ECRL may require preapproval and must be left in working order.
7. Renters are responsible for access to the building during those times that they are in the building and the library is closed.
 - a. The outside doors to the library will be locked when the library is not open.
 - b. When meetings begin prior to the library opening, or continue after the library closes, a representative must be present to accept responsibility and remain throughout the meeting.
 - c. Users must provide a representative who will supervise access if additional guests are expected. The exterior door is not to be propped open at any time.
 - d. Renters leaving after the library has closed for the evening shall ensure that the facility is left according to local procedures, and the building is empty before securing the doors.
8. Room users shall be responsible for set-up and general clean-up and orderliness of the room when they are done with meetings, including leaving the kitchen area in an acceptable condition and trash placed in the preferred receptacles. The room must be returned to the original set-up or charges may apply. If additional effort beyond normal cleaning is required, a fee for personnel costs associated with the cleaning may be charged. Users should not affix items to the walls or other surfaces that might cause damage. Any damage or breakage to the meeting room or its furnishings is the financial responsibility of the renting person or organization.
9. ECRL will not be responsible for the care or storage of materials belonging to groups using the Community Room. Equipment or other supplies used by the renting organization must be removed at the conclusion of the meeting or activity unless other arrangements have been made in advance.
10. Nonalcoholic refreshments and snacks may be served during meetings. Groups are responsible for providing all of their own supplies. Kitchen facilities are intended only for serving food. Cooking is not permitted.
11. Showing a movie in library facilities requires a public performance license. Groups wishing to do so must provide proof that they have purchased performance rights for the movie to be shown.
12. Violation of this policy, general and location-specific procedures may result in the denial of future use of the community room.

Exhibit C – Facility Map

Map of facility space provided by the lease.

