



## CITY OF MARSHALL

### City Council Meeting

#### A g e n d a

Tuesday, July 09, 2024 at 5:30 PM

City Hall, 344 West Main Street

#### OPENING ITEMS

##### APPROVAL OF AGENDA

##### APPROVAL OF MINUTES

- [1.](#) Consider Approval of the Minutes from the Regular Meeting Held on June 25th

##### PUBLIC HEARING

- [2.](#) Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project – 1) Public Hearing on Assessment; 2) Consider Resolution Adopting Assessment

##### AWARD OF BIDS

- [3.](#) Utility Vehicle for the Fire Department

##### CONSENT AGENDA

- [4.](#) Call for Public Hearing for a New On-Sale Liquor License for Sazon Catracho, LLC
- [5.](#) Call for Public Hearing to Consider Granting a Franchise Agreement with Minnesota Energy Resources and Introduction of the Ordinance
- [6.](#) Consider Liability Coverage – Waiver for 2024-2025 League of Minnesota Cities Insurance Trust Property/Casualty and Liability Insurance
- [7.](#) Consider Approval to Allow Holy Redeemer Church to Hold a Raffle on September 28th
- [8.](#) Consider Approval to Allow Holy Redeemer Church to Hold a Raffle on December 31st
- [9.](#) Consider Approval of the Bills/Project Payments

##### APPROVAL OF ITEMS PULLED FROM CONSENT

##### NEW BUSINESS

- [10.](#) City of Marshall 2023 Audit
- [11.](#) Card Reader/Key FOB Entry System at the Fire Station
- [12.](#) Consider Approval of Amendment #3 Between Stockwell Engineers and the City of Marshall for the Marshall Aquatic Center to Facilitate Donor Splash Pad Enhancements
- [13.](#) Adoption of Joint Airport Zoning Ordinance – Chapter 86, Article 86-VII
- [14.](#) Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project – Consider Change Order No. 7 (Final) and Acknowledgement of Final Pay Request (No. 12)
- [15.](#) Firm Gas Service Extension Agreement with Great Plains Natural Gas - Airpark East
- [16.](#) Consider Approval of Amendment to Final Lease Agreement with Adult Basic Education (ABE) Program Extending the Agreement Effective August 1, 2024, through August 31, 2024
- [17.](#) Salaries and Compensation of Mayor and Councilpersons

##### COUNCIL REPORTS

- [18.](#) Commission/Board Liaison Reports
19. Councilmember Individual Items

##### STAFF REPORTS

20. City Administrator
21. Director of Public Works/City Engineer
22. City Attorney

##### ADMINISTRATIVE REPORTS

- [23.](#) Administrative Brief

##### INFORMATION ONLY

- [24.](#) Building Permits

##### MEETINGS

- [25.](#) Upcoming Meetings

##### ADJOURN

**Disclaimer:** These agendas have been prepared to provide information regarding an upcoming meeting of the Common Council of the City of Marshall. This document does not claim to be complete and is subject to change.



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Mayor Byrnes
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	APPROVAL OF MINUTES
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval of the Minutes from the Regular Meeting Held on June 25th
<b>Background Information:</b>	Enclosed are the minutes from the previous meetings.
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	Staff encourages City Council Members to provide any suggested corrections to the minutes in writing to City Clerk, Steven Anderson, prior to the meeting.
<b>Recommendations:</b>	That the minutes from the meeting held on June 25th be approved as filed with each member and that the reading of the same be waived.

**CITY OF MARSHALL  
CITY COUNCIL MEETING  
M I N U T E S  
Tuesday, June 25, 2024**

The regular meeting of the Common Council of the City of Marshall was held June 25, 2024, at City Hall, 344 West Main Street. The meeting was called to order at 5:30 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer (via Zoom), Amanda Schroeder, Steve Meister, John Alcorn, James Lozinski and See Moua-Leske. Absent: None. Staff present included: Sharon Hanson (via Zoom); City Administrator; Pamela Whitmore (via Zoom), City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Jim Marshall, Director of Public Safety; Lauren Deutz, Economic Development Director; Scott Truedson, Wastewater Supervisor; Cassi Weiss, CVB Director; Ilya Gutman, Plans Examiner; Dean Coudron, Public Ways Supervisor; and Steven Anderson, City Clerk.

**Consider Approval of the Minutes from the Regular Meeting Held on June 11th**

There were no requests to amend the minutes from the regular meeting held on June 11.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to approve the minutes. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Moratorium on the Operation of Cannabis Businesses- 1) Public Hearing 2) Consider Ordinance Establishing a Moratorium on the Operation of Cannabis Businesses**

The City of Marshall prohibited (via a moratorium through Ordinance 23-015) almost all business operations related to hemp-based products. The two exceptions were that hemp-based beverages may be made at a brewery or distillery and an exclusive liquor store may sell hemp-based beverages. The moratorium established in Ordinance 23-015 was set to expire July 2024. It was estimated that the Office of Cannabis Management would begin issuing licenses in early 2025 but seemed unlikely based on the OCM rulemaking progress so far. Along with the proposed registration ordinance, there were proposed amendments to existing zoning, and the repeal of the current moratorium. Staff recommended adopting a new moratorium on the higher-level cannabis products until the OCM has finalized its regulatory scheme. Councilmember Lozinski clarified that the moratorium was being put into place to give OCM a change to complete their rulemaking process before licenses were issued. Attorney Whitmore added that OCM was allowed to begin issuing preliminary licenses and if a moratorium was not in place a business might have been able to receive a preliminary license from OCM that might have later not met our zoning regulations.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Motion made by Councilmember Moua-Leske, Seconded by Councilmember Alcorn to adopt Ordinance 24-011 Establishing a Moratorium on the Operation of Cannabis Businesses and authorize its summary publication. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Approval of the Consent Agenda**

Motion made by Councilmember Lozinski, Seconded by Councilmember Schroeder to approve the items on the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

- Introduction of Joint Airport Zoning Ordinance – Chapter 86, Article 86-VII
- Consider Request for Street Closure for Arts & Living Festival (09/28/2024-Saturday)
- Consider Authorization to Declare Vehicles as Surplus Property for the Marshall Police Department
- Military Surplus Equipment Program
- Consider Approval of the Bills/Project Payments

**Pre-Development Agreement for Affordable Family Apartment Complex**

The City of Marshall had been working with an established developer on the potential development of a 60-unit affordable housing family apartment complex on London Road. The project was initially approved in 2023 and included senior living and an affordable housing family apartment complex, but the application was not approved. Minnesota Housing indicated breaking the development into two phases might improve the scoring, so the developer opted to start with the affordable housing family apartment complex first. The developer would be applying for the Minnesota Housing Tax Credit funding to help support project costs which would allow the units to be at or below 50% Area Median Income. The City's most recent Housing Study, completed in 2021, indicated a need for 75 shallow-subsidy units, and 128 deep-subsidy units through 2030. A Pre-Development Agreement (PDA) would give the developer the option to acquire the property for \$325,000 and a cash incentive of \$325,000 would be made to the developer. The EDA also approved use of \$10,000 of the Statewide Affordable Housing Aid. The developer was also required to complete the Paris Road extension and in turn, the City would provide \$500,000 in Pooled TIF funds to support the project. The PDA also provides support to the developer's application to Minnesota Housing. Lyon County also supported the project by providing roughly \$225,000 in housing funds over the next two years.

Motion made by Councilmember Lozinski, Seconded by Councilmember Schroeder to approve the pre-development agreement for affordable family apartment complex with RLIC Land Holdings, LLC with a termination date of January 31, 2025. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Consider a Request for a Conditional Use Permit for a Triplex in a B-1 Limited Business District**

Moriah Properties, LLC applied for a Conditional Use Permit to allow a third apartment in a building that was previously used as commercial space. The building was in a B-1 Limited Business District and within the limits of the Downtown District. Apartment buildings are Conditional Use within a Limited Business District. The former Automobile License Bureau was in this building along with two apartments. The bureau had moved to a new location on College Drive, and the owner wanted to replace the vacant space with another apartment to create a triplex. The building was in the downtown district, so yards, parking, and lot coverage regulations are not applicable. The lot was rezoned to B-1 Limited Business district in 1986 to allow business use. The Planning Commission conducted a public hearing on June 12, 2024, and unanimously recommended approval. Mayor Byrnes and Councilmember Lozinski both noted that the change in use would be much better suited for the neighborhood and traffic.

Motion made by Councilmember Lozinski, Seconded by Councilmember Alcorn to approve Resolution 24-063 granting a conditional use permit at 302 West Redwood Street for a triplex in a B-1 limited business district. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Consider the Request for a Conditional Use Permit to Install a Billboard at 1604 East College Drive**

Wayne's tractor Repair applied for a Conditional Use Permit for a non-digital advertising sign at 1604 East College Drive. The applicant requested two panels, 17 feet by 20 feet each, installed at about 20-degree angle to each other to face traffic in both directions. The overall height of the sign was requested to be 30 feet. Each side was less than the maximum allowed length of 55 feet and there were no residential districts or other advertising signs within 100 feet of the proposed sign, so this request met the specific requirements for advertising signs. Section 86-49 Standard for Hearing included 15 specific criteria for granting a conditional use permit and this request satisfied all criteria. The Planning Commission conducted a public hearing on June 12, 2024, and unanimously recommended approval. Councilmember Lozinski expressed his concern with the number of billboards coming into the community. Lozinski would like the ordinance to be amended that billboards would be through an interim use permit so the billboard would not be allowed on the property forever. Attorney Whitmore explained that because billboards are an allowable use there wasn't much that could be done until the ordinance was changed.



Motion made by Councilmember Schroeder, Seconded by Councilmember Alcorn to approve Resolution 24-064 granting a conditional use permit at 1604 East College Drive to install a billboard. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske  
Voting Nay: Councilmember Lozinski. The motion **Carried. 6-1.**

**Consider Approval of Significant Industrial User (SIU) Agreements with the Wastewater Treatment Facility**

On October 5, 2022, the City of Marshall entered a Memorandum of Understanding (MOU) regarding sampling and the development of a Pollution Management Plan (PMP) for Per-and Polyfluoroalkyl Substances (PFAS). On March 1, 2024, the City of Marshall received a new NPDES permit that included a 15- year Schedule of Compliance (SOC) for sulfates and a 10-year chloride variance. The MPCA required all Publicly Owned Treatment Works (POTWs) to regulate their industrial users to prevent interference and pass-through of the POTW. This included industries that discharge greater than 25,000 gallons/day, consume 5% or more of the POTW's capacity, or can cause the POTW to violate its permit standards. The City of Marshall had SIU agreements with five local industries. Due to the City's new discharge requirements the SIU agreements needed to be updated to include a limit for chloride, cooperation with the City's Schedule of Compliance (SOC) for sulfate, and cooperation with the City's PFAS Management Plan. The new SIU agreements were created with input from the MPCA Pretreatment Coordinator, Flaherty & Hood Environmental Attorneys, and City Attorney Pamela Whitmore. Each agreement contained appendices that addressed the needs of individual SIUs. Staff had discussed the changes with our SIUs at meetings over the last several years and all our SIUs have agreed to and signed the new agreements.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to approve the Significant Industrial User agreements for the Wastewater Treatment Facility. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Consider Authorization for HVAC System Repairs in the Airport Arrival/Departure Building**

The existing HVAC system at the arrival/departure building was failing and parts and supplies were no longer available. The HVAC control system was proprietary from Direct Digital Control so only one quote was received. Councilmember Lozinski asked about "output devices will be reused unless noted otherwise" and if a change order would be needed. Coudron addressed the question that Direct Digital Control came on site to look at the equipment and there shouldn't be additional cost to replace the output devices. Councilmember Meister questioned if the 18 Variable Air Volume (VAV) boxes needed to be recalibrated for \$2,550. Coudron informed the council that the 18 boxes would need to be recalibrated because of the age of the equipment and the recalibration would make the system more efficient. The HVAC system was original to the building and was built in 2002. Councilmember Alcorn verified if this was a budgeted item for \$40,000 and Meister asked where the remaining \$4,300 overage would be coming from. Coudron stated that adjustments would need to be made in the Airport budget.

Motion made by Councilmember Schafer, Seconded by Councilmember Alcorn to authorize HVAC system repairs at the Airport Arrival/Departure Building. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

**Registration Requirements for the Sale of Intoxicating Cannabinoid Products and Amendments to Ch. 86 Zoning**

Staff, along with the Legislative & Ordinance Committee, discussed getting a framework in place that retailers of Lower Potency Hemp based products could start selling those products in the City of Marshall before waiting for final Office of Cannabis Management rulemaking. The proposed ordinance created a registration system which complied with state law and enabled the city to know where these products are sold for purposes of compliance checks. Additionally, the proposed ordinance allowed the city to charge a registration fee to help offset the costs associated with compliance checks. The proposed ordinances also included proposed amendments to existing zoning which would prohibit retail sales of these

products in residential districts as “home sales” and created reasonable distance requirements between retailers selling these products and schools (500 feet from primary building as identified on a city-maintained map).

Motion made by Councilmember Lozinski, Seconded by Councilmember Moua-Leske to adopt Ordinance 24-012 Establishing Registration Requirements for the Sale of Intoxicating Cannabinoid Products, Amending Chapter 86, Repealing Ordinance 23-015 and authorize its summary publication. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

#### **Consider Appointments to Various Boards, Commission, Bureaus, and Authorities**

The City Council met prior to the regular meeting and interviewed a candidate for an open position on the Economic Development Authority.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to appoint Nick Schwarz to the Economic Development Authority with a term ending on May 31, 2027. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

#### **Commission/Board Liaison Reports**

Byrnes	No report.
Schafer	No report.
Meister	EDA elected new officers and discussed housing funds for the pre-development agreement.
Schroeder	Planning Commission held public hearings for the Triplex Conditional Use Permit, Billboard sign Conditional Use Permit, Airport Zoning, and THC registration zoning amendments
Alcorn	No report.
Moua-Leske	Library Board discussed budgets. The CVB was working on finding a location for a hunting cleaning station, mostly aimed towards birds, but has not had much traction from local businesses yet.
Lozinski	No report.

#### **Councilmember Individual Items**

Councilmember Lozinski commented on the effectiveness of the diversion channel and retention ponds.

Mayor Byrnes mentioned the Juneteenth event and how well it went and on flood control. On June 24, 2024, the Redwood River crested to 15.98 feet which was the 3<sup>rd</sup> highest it had been since it was recorded. The City of Marshall had invested over the years in flood control, and they have paid off. The floods that occurred in 1957, 1969, and 1993 were below 15.98 feet and devastated the community. Jim Marshall, Director of Public Safety, commented on Emergency Management and preparedness.

**City Administrator**

This was the first year the City of Marshall was the main sponsor of the Juneteenth event and how well Third Street worked as a venue for the Juneteenth event.

**Director of Public Works/City Engineer**

Provided project updates on: Whitney Street, Mill & Overlay, Minnesota Highway 23 lift station, and Independence Park back parking lot.

**City Attorney**

No report.

**Information Only**

There were no questions on the Upcoming Meetings.

**Upcoming Meetings**

There were no questions on the Upcoming Meetings.

**Adjournment**

At 6:23 PM Motion made by Councilmember Meister, Seconded by Councilmember Lozinski to adjourn the meeting. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Attest:

\_\_\_\_\_  
Steven Anderson, City Clerk

\_\_\_\_\_  
Robert Byrnes, Mayor

**CITY OF MARSHALL**  
**AGENDA ITEM REPORT**

<b>Presenter:</b>	Jason Anderson												
<b>Meeting Date:</b>	Tuesday, July 9, 2024												
<b>Category:</b>	PUBLIC HEARING												
<b>Type:</b>	ACTION												
<b>Subject:</b>	Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project – 1) Public Hearing on Assessment; 2) Consider Resolution Adopting Assessment												
<b>Background Information:</b>	This project consisted of: reconstruction and utility replacement on West Lyon Street from East College Drive to North 5 <sup>th</sup> Street, and North 3 <sup>rd</sup> Street from West Main Street to West Redwood Street. All utilities were replaced, including watermain, sanitary sewer, and storm sewer on West Lyon and North 3 <sup>rd</sup> Streets. Other items of work included in this project are pavement removal, aggregate base, concrete surfacing, sidewalks, curb and gutter, streetscaping, and other minor work.												
<b>Fiscal Impact:</b>	<p>The following is a breakdown of the proposed project funding. The costs shown below include 16% for engineering and administrative costs, for a total project cost of \$4,381,637.</p> <table> <tr> <td>Wastewater Fund</td><td>\$ 323,625</td></tr> <tr> <td>MMU</td><td>698,740</td></tr> <tr> <td>Surface Water Management Utility</td><td>925,434</td></tr> <tr> <td>City Participation (Ad Valorem)</td><td>1,909,939</td></tr> <tr> <td>Assessed to Property Owners</td><td><u>523,899</u></td></tr> <tr> <td><b>Total Project Amount</b></td><td><b>\$4,381,637</b></td></tr> </table> <p>Per the current Fee Schedule, the assessment interest rate is calculated using the most recent bond interest rate and adding 2% for administrative costs. Per City Finance Department, the 2023A Bonding had a True Interest Cost of 3.27% for the Street Improvements, plus 2%, results in a 5.27% interest rate for Special Assessments.</p> <p>The term of the assessment repayment is proposed by staff to be 8 years. The City has no formal written policy on the term but has followed an administrative past practice to generally match the assessment repayment to the bond repayment term. If the assessment is substantially higher in cases such as commercial assessments, it may be appropriate to increase the assessment repayment term. Alternatively, on smaller assessment projects consideration could be made to shorten the assessment term. One other item to note is that if additional principal is paid each year the interest is recalculated annually to address the payments. Therefore, there is no penalty for individuals to repay on a more accelerated schedule if they choose.</p>	Wastewater Fund	\$ 323,625	MMU	698,740	Surface Water Management Utility	925,434	City Participation (Ad Valorem)	1,909,939	Assessed to Property Owners	<u>523,899</u>	<b>Total Project Amount</b>	<b>\$4,381,637</b>
Wastewater Fund	\$ 323,625												
MMU	698,740												
Surface Water Management Utility	925,434												
City Participation (Ad Valorem)	1,909,939												
Assessed to Property Owners	<u>523,899</u>												
<b>Total Project Amount</b>	<b>\$4,381,637</b>												
<b>Alternative/ Variations:</b>	<ul style="list-style-type: none"> <li>• Modify assessments to property owners, thereby modifying the attached proposed assessment.</li> <li>• Amend the terms of the assessments.</li> </ul>												
<b>Recommendations:</b>	<p><u>Recommendation No. 1</u> that the Council close the public hearing on assessments for Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project.</p> <p><u>Recommendation No. 2</u> that the Council adopt RESOLUTION NUMBER 24-065, which is the “Resolution Adopting Assessment” for Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project.</p>												

RESOLUTION NUMBER 24-065

RESOLUTION ADOPTING ASSESSMENT

WHEREAS, pursuant to proper notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed assessment for the following project:

**PROJECT ST-009: W LYON ST. / N 3RD ST. RECONSTRUCTION PROJECT** – This project consisted of: reconstruction and utility replacement on West Lyon Street from East College Drive to North 5<sup>th</sup> Street, and North 3<sup>rd</sup> Street from West Main Street to West Redwood Street. All utilities were replaced, including watermain, sanitary sewer, and storm sewer on West Lyon and North 3<sup>rd</sup> Streets. Other items of work included in this project are pavement removal, aggregate base, concrete surfacing, sidewalks, curb and gutter, streetscaping, and other minor work.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALL, MINNESOTA:

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such proposed assessment shall be payable in equal annual principal installments extending over a period of eight (8) years and shall bear interest at the rate of five and twenty-seven one-hundredths percent (5.27%) per year.
3. After the adoption of the assessment, the clerk shall transmit a certified duplicate of the assessment roll with each installment, including interest, set forth separately to the county auditor of the county to be extended on the proper tax lists of the county; but in lieu of such certification, the council may in its discretion direct the clerk to file all assessment rolls in the clerk's office and to certify annually to the county auditor, on or before November 30 in each year, the total amount of installments of and interest on assessments on each parcel of land in the municipality which are to become due in the following year. If any installment and interest has not been so certified prior to the year when it is due, the clerk shall forthwith certify the same to the county auditor for collection in the then succeeding year; and if the municipality has issued improvement warrants to finance the improvement, it shall pay out of its general funds into the fund of the improvement interest on the then unpaid balance of the assessment for the year or years during which the collection of such installment is postponed. All assessments and interest thereon shall be collected and paid over in the same manner as other municipal taxes.
4. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment to the City of Marshall, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. They may at any time thereafter, pay to the City of Marshall, the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before October 15 or interest will be charged through December 31 of the succeeding year.
5. The right to partially prepay the assessment to the City Clerk according to Ordinance No. 364, Second Series, is available.
6. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Passed and adopted by the Council this 9<sup>th</sup> day of July, 2024.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

This Instrument Drafted by: Jason R. Anderson, P.E.; Director of Public Works/City Engineer

**COST BREAKDOWN**  
**Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project**  
**CITY OF MARSHALL, MINNESOTA**  
**Per Pay Request #10 dated 12/18/2023 AND Addison Plan Quantities**

ITEM	TOTAL	SPECIAL ASSESSMENTS	WASTEWATER FUND	MMU	Mn/DOT	SURFACE WATER MANAGEMENT UTILITY	AD VALOREM
SANITARY SEWER	\$176,250	\$76,900	\$99,351				
WATERMAIN	\$268,070	\$0		\$268,070			
STORM SEWER	\$553,741	\$9,063				\$544,677	
DRIVEWAY	\$36,669	\$12,056		\$0			\$24,613
SIDEWALK	\$29,603	\$0					\$29,603
STREETSCAPING	\$631,875	\$123,640		\$0			\$508,235
STREET	\$2,685,429	\$302,239	\$224,274	\$430,669	\$0	\$380,757	\$1,347,489
TOTALS	\$4,381,637	\$523,899	\$323,625	\$698,740	\$0	\$925,434	\$1,909,939
% PARTICIPATION	100.0%	12.0%	7.4%	15.9%	0.0%	21.1%	43.6%

CONTRACT AMOUNT	3,777,273.34
CONTINGENCIES	0.00 <sup>0%</sup>
	<u>3,777,273.34</u>
ENG. & ADMIN.	604,363.73 <sup>16%</sup>
	<u>4,381,637.07</u>



Sanitary/6" PIPE			63.8000		0.0000	
Unit/Pipe	Rate/Pipe	Total			Rate/Property	Total

922.00	\$	58,823.60	0.00	\$	95,062.00	\$	3,320,733.63	\$	3,320,733.63	\$	3,320,733.63	\$	4,494,048.90	\$	4,381,637.07	30,021.52
--------	----	-----------	------	----	-----------	----	--------------	----	--------------	----	--------------	----	--------------	----	--------------	-----------



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Quentin Brunsvold
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	AWARD OF BIDS
<b>Type:</b>	ACTION
<b>Subject:</b>	Utility Vehicle for the Fire Department
<b>Background Information:</b>	<p>The 2024 CIP includes \$21,000 in funding for a new utility vehicle for the Fire Department. Included in the packet is the bid tabulation worksheet. We had 5 competitive bids from 4 responsible bidders. The apparent low bidder was from Action Sports for a 2024 Polaris Ranger 1000 EPS from Action Sports for \$18,737.00. This bid does meet the minimum specifications required and comes with a 1-year warranty, per specs.</p> <p>The next apparent low bidder was Kesteloot Enterprises, Inc. for a 2024 Kubota RTVXG850 for \$18,756.73, which is \$19.73 higher, does meet the minimum specifications required but does have a 2-year warranty.</p>
<b>Fiscal Impact:</b>	\$18,737.00
<b>Alternative/ Variations:</b>	Accept the bid from Kesteloot Enterprises, Inc. for the additional year warranty for an additional \$19.73
<b>Recommendations:</b>	Accept the low bid from Action Sports for \$18,737.00 for the purchase of a 2024 Polaris Ranger 1000 EPS.

**BID TABULATION****BASE BID: NEW 2023 OR 2024 UTILITY VEHICLE FOR FIRE DEPARTMENT – CITY OF MARSHALL, MINNESOTA****DATE: JULY 2, 2024**

BIDDER	PROPOSAL		COMMENTS
	BASE BID	BID MEET SPECS? Y/N	
Action Sports – Polaris	\$18,737.00	Yes	12 Mo. Warranty, 999cc,
Kesteloot Enterprises, Inc.	\$18,756.73	Yes	24 Mo. Warranty or 1,000 hours, 851cc,
Action Sports – CanAm	\$21,091.00	Yes	12 mo. Warranty, 976cc,
C&B Operations – Tracy, MN	\$21,500.00	No	Only 813cc
Kibble Equipment – Marshall, MN	\$26,000.00	No	Only 812cc.

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Call for Public Hearing for a New On-Sale Liquor License for Sazon Catracho, LLC
<b>Background Information:</b>	Attached is an application for an On-Sale and Sunday Liquor License for Sazon Catracho located at 1404 East College Drive (former Four Seas location). City Ordinance section 6-51 requires that a hearing be set within 20 days but not less than 10 days in advance for all new on-sale liquor intoxicating liquor license applications.
<b>Fiscal Impact:</b>	N/A
<b>Alternative/ Variations:</b>	None recommended
<b>Recommendations:</b>	To set a public hearing date of July 23, 2024, for consideration of a On-Sale Liquor License for Sazon Catracho, LLC.

# Intoxicating Liquor License Application

Type of License (Select all that apply)	Fee
<input checked="" type="checkbox"/> On-Sale Liquor	\$3000
<input checked="" type="checkbox"/> On-Sale Sunday	\$200
<input type="checkbox"/> 3.2% On-Sale Malt Liquor	\$250
<input type="checkbox"/> 3.2% Off-Sale Malt Liquor	\$90
<input type="checkbox"/> Brewer Taproom/Growler	\$500
<input type="checkbox"/> Wine	\$600
<input type="checkbox"/> Club	\$275

Minnesota Tax ID: \_\_\_\_\_

Federal Employer ID: \_\_\_\_\_

Social Security/ITIN: \_\_\_\_\_  
(if an individual)

Date of Birth if applying  
as an Individual: \_\_\_\_\_

Legal Name

Sazon Catracho, LLC

Business Name (dba)

Sazon Catracho

Business Address

1404 E. College Dr.

Mailing Address (if different than business address)

Phone

Email

## Proof of Worker's Compensation Insurance Coverage

Insurance Company: \_\_\_\_\_

Dates of coverage: \_\_\_\_\_

Policy Number: \_\_\_\_\_

I am not required to have workers' compensation liability coverage because:

- ☐ I have no employees covered by the law  
☐ Other (specify on an attached document)

\*All applicants must attach or email a certificate of liability insurance with **liquor liability coverage** that corresponds with the license period (January 1 - December 31). If the period covered does not match, a comment that "liquor liability is continuous until canceled" must be noted. Certificates can be emailed to [steven.anderson@ci.marshall.mn.us](mailto:steven.anderson@ci.marshall.mn.us)

## Section 2: Employees

General manager, proprietor, food/beverage manager, managing partner, or any individual in charge of the licensed premise.

Name: Swany yesenia Ramos Castillo

Name: Yany Reyes Milla

Address: 1003 W 4th St Marshall MN 56258

Address: 309 Homan Ave Monticello

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Position/Title: Presidenta

Position/Title: vice

Is alcohol awareness training provided for staff on alcohol service techniques? Yes ☒ No ☐

Item 4. How often is the training provided: once per year

# Intoxicating Liquor License Application

## Section 3: Corporations

If the licensee is a corporation, partnership or LLC, complete the following for each partner/officer:

Partner/Officer Name (First Middle Last)	DOB	SSN #	Home Address
Swany yesenia Ramos-Castillo			1003 North St Marshall MN
Yony Reyes Milla			309 Homa Ave Montevideo
Partner/Officer Name (First Middle Last)	DOB	SSN #	Home Address
Partner/Officer Name (First Middle Last)	DOB	SSN #	Home Address
Partner/Officer Name (First Middle Last)	DOB	SSN #	Home Address

If more than five partner's or officers please attach as a list.

Scan the QR code to view the City of Marshall Ordinance pertaining to Alcoholic Beverages



**NOTICE OF HEARING ON APPLICATION FOR  
AN ON-SALE LIQUOR LICENSE**

PLEASE TAKE NOTICE, that a public hearing will be held on an application submitted for a new On-Sale Liquor License in the City of Marshall, Minnesota, as provided for by Marshall City Code, Chapter 6, and also pursuant to Minnesota Statutes Annotated, Chapter 340A, as amended, and further pursuant to regulations made and issued by the State Liquor Control Commissioner.

Said application requests a new On-Sale Liquor License for Sazon Catracho, LLC, at 1404 E. College Drive, Marshall, MN 56258

The hearing is scheduled before the Common Council at or after 5:30 P.M. on Tuesday, July 23, 2024, at City Hall in the Council Chambers, 344 West Main Street, Marshall, Minnesota.

Dated: July 13, 2024

BY ORDER OF THE COMMON COUNCIL

Steven Anderson  
City Clerk

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Steven Anderson
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Call for Public Hearing to Consider Granting a Franchise Agreement with Minnesota Energy Resources and Introduction of the Ordinance
<b>Background Information:</b>	<p>Minnesota Energy Resources was approached by Duininck Inc. to receive service of natural gas to their location along North Seventh Street. Under Chapter 10 of the City Charter a franchise is required to “place or maintain any permanent or semi-permanent fixtures in, over or under any street or public place for the purpose of operating a public utility...” and can only be granted by ordinance.</p> <p>The Public Works Director and City Clerk have been in talks with Minnesota Energy Resources and have worked with Robert Vose of Kennedy and Graven along with City Attorney Whitmore to modify our current franchise agreement with Great Plains Natural Gas to fit the request of Minnesota Energy Resources. The franchise agreement proposal is nearly identical to the Great Plains Natural Gas agreement with the largest change being an authorized service area for Minnesota Energy Resources along North Seventh Street, instead of having access to the entire city limits. The service area can be reviewed and expanded if Minnesota Energy Resources receives new requests for service that does not interfere with existing facilities.</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	To introduce the ordinance for a franchise agreement with Minnesota Energy Resources and call for a public hearing to be held on July 23, 2024.

**CITY OF MARSHALL  
ORDINANCE 24-XXX**

**AN ORDINANCE GRANTING MINNESOTA ENERGY RESOURCES, A  
SUBSIDIARY OF WEC ENERGY GROUP, A WISCONSIN CORPORATION, ITS  
SUCCESSORS AND ASSIGNS, A NONEXCLUSIVE FRANCHISE TO CONSTRUCT  
OPERATE, REPAIR AND MAINTAIN FACILITIES AND EQUIPMENT FOR THE  
TRANSPORTATION, DISTRIBUTION, MANUFACTURE AND SALE OF GAS  
ENERGY FOR A SPECIFIED AREA WITHIN THE CITY'S BOUNDARIES AND TO  
USE PUBLIC WAYS AND GROUNDS OF THE CITY OF MARSHALL, MINNESOTA  
FOR SUCH PURPOSE; AND, PRESCRIBING CERTAIN TERMS AND  
CONDITIONS THEREOF.**

The Common Council of the City of Marshall in the State of Minnesota do ordain as follows:

**SECTION 1:**        **ADOPTION** “DIVISION 22-VI-3 MINNESOTA ENERGY RESOURCES” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

DIVISION 22-VI-3 MINNESOTA ENERGY RESOURCES(*Added*)

**SECTION 2:**        **ADOPTION** “Section 22-205 Definitions” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Section 22-205 Definitions(*Added*)

For purposes of this Ordinance, the following capitalized terms are listed in alphabetical order and shall have the following meanings:

- (a) **City.** The City of Marshall, County of Lyon, State of Minnesota.
- (b) **City Utility System.** Facilities used for providing public utility service owned or operated by City or agency thereof, including fiber optic, sanitary sewer, storm sewer, water service, street lighting, traffic signals, and electrical service.
- (c) **Commission.** The Minnesota Public Utilities Commission (Commission), or any successor agency or agencies, including an agency of the federal government, which preempts all or part of the authority to regulate gas retail rates now vested in the Minnesota Public Utilities Commission.



- (d) **Company.** Minnesota Energy Resources, a subsidiary of WEC Energy Group, a Wisconsin corporation, its successors and assigns including all successors and assigns that own or operate any part or parts of the Gas Facilities subject to this franchise.
- (e) **Gas Facilities.** Gas transmission and distribution pipes, lines, ducts, fixtures, and all necessary equipment and appurtenances owned or operated by the Company for the purpose of providing gas energy use in a specified area within the City's boundaries.
- (f) **Notice.** A writing served by any party or parties on any other party or parties. Notice to Company shall be mailed to 2685 145th Street West, Rosemount, MN 55068. Notice to the City shall be mailed to City of Marshall, c/o City Administrator 344 West Main Street, Marshall, MN 56258. Any party may change its respective address for the purpose of this Ordinance by written notice to the other parties.
- (g) **Ordinance.** This gas franchise ordinance, also referred to as the Franchise.
- (h) **Public Way.** Any street, alley, platted or recorded utility easement or other public right-of-way within the City.
- (i) **Public Ground.** Land owned or otherwise controlled by the City for park, open space or similar public purpose, which is held for use in common by the public

**SECTION 3:**            **ADOPTION** “Section 22-206 Adoption Of Franchise” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section 22-206 Adoption Of Franchise(*Added*)

- (a) **Grant of Franchise.** City hereby grants Company, for a period of 20 years from the date this Ordinance is passed and approved by the City, a non exclusive franchise with the right to import, manufacture, distribute and sell gas within th eportion of the City identified and depicted in Exhibit A hereto. For these purposes, Company may construct, operate, repair and maintain Gas Facilities in, on, over, under and across the Public Ways and Public Grounds, subject to the provisions of this Ordinance. Company may do all reasonable things necessary or customary to accomplish these purposes, subject however, to such reasonable regulations as may be imposed by the City pursuant to ordinance or permit requirements and to the further provisions of this Franchise.
- (b) **Effective Date; Written Acceptance.** This Franchise shall be in full force and effect from and after its passage of this Ordinance and publication as required by law and its acceptance by Company. If Company does not file a written acceptance with the City within 60 days after the date the City Council adopts this Ordinance, or otherwise informs the City, at any time, that the Company does not accept this Franchise, the City Council by resolution may revoke this Franchise or seek its enforcement in a court of competent jurisdiction.
- (c) **Service and Gas Rates.** The service to be provided, the measurement of, and the rates to be charged by Company for gas service in the City are subject to the jurisdiction of

the Commission, or its successor agency.

- (d) **Publication Expense.** Company shall pay the expense of publication of this Ordinance.
- (e) **Dispute Resolution.** If either party asserts that the other party is in default in the performance of any obligation hereunder, the complaining party shall notify the other party of the default and the desired remedy. The notification shall be written. Representatives of the parties must promptly meet and attempt in good faith to negotiate a resolution of the dispute. If the dispute is not resolved within 30 days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, either party may commence an action in District Court to interpret and enforce this franchise or for such other relief as may be permitted by law or equity.
- (f) **Continuation of Franchise.** If the City and the Company are unable to agree on the terms of a new Franchise by the time this Franchise expires, this Franchise will remain in effect until a new Franchise is agreed upon, or until 90 days after the City or the Company serves written Notice to the other party of its intention to allow the Franchise to expire.

**SECTION 4:**            **ADOPTION** “Section 22-207 Location, Other Regulations” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section 22-207 Location, Other Regulations(*Added*)

- (a) **Location of Facilities.** Gas Facilities shall be located, constructed, and maintained so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways and so as not to disrupt normal operation of any City Utility System. Gas Facilities may be located on Public Grounds as determined by the City. Company's construction, reconstruction, operation, repair, maintenance, location and relocation of Gas Facilities shall be subject to other reasonable regulations of the City consistent with authority granted the City to manage its Public Ways and Public Grounds under state law, to the extent not inconsistent with a specific term of this Franchise.
- (b) **Street Openings.** Company shall not open or disturb the surface of any Public Way or Public Ground for any purpose without first having obtained a permit from the City, if required by a separate ordinance, for which the City may impose a reasonable fee. Permit conditions imposed on Company shall not be more burdensome than those imposed on other utilities for similar facilities or work. Company may, however, open and disturb the surface of any Public Way or Public Ground without a permit if (i) an emergency exists requiring the immediate repair of Gas Facilities and (ii) Company gives telephone, email or similar notice to the City before commencement of the

- emergency repair, if reasonably possible. Within two business days after commencing the repair, Company shall apply for any required permits and pay any required fees.
- (c) **Restoration.** After undertaking any work requiring the opening of any Public Way, the Company shall restore the Public Way in accordance with Minnesota Rules, part 7819.1100 and applicable City ordinances consistent with law. Company shall restore the Public Ground to as good a condition as formerly existed, and shall be completed as promptly as weather permits, and if Company shall not promptly perform and completed the work, remove all dirt, rubbish, equipment and material, and put the Public Ground in the said condition, the City shall have, after demand to Company to cure and the passage of reasonable period of time following the demand, but not to exceed thirty days, the right to make the restoration of Public Ground at the expense of Company. Company shall pay to the City the cost of such work done for or performed by the City. This remedy shall be in addition to any other remedy available to the City for noncompliance with this Section 3.3. The City may also require Company to post a construction performance bond consistent with the provisions of Minnesota Rules parts 7819.3000 and 7819.0100, subpart 6.
- (d) **Avoid Damage to Gas Facilities.** The Company must take reasonable measures to prevent the Gas Facilities from causing damage to property. The Company must take protective measures when the City performs work near the Gas Facilities, if given reasonable notice by the City of such work prior to its commencement.
- (e) **Notice of Improvements to Streets.** The City will give Company reasonable written Notice of plans for improvements to Public Ways where the City has reason to believe that Gas Facilities may affect or be affected by the improvement. The notice will contain: (i) the nature of the improvements, (ii) the Public Ways upon which the improvements are to be made, (iii) the time when the City anticipates that the work will start, and (iv) if more than one-Public Way is involved, the order in which the work is expected to proceed. The notice will be given to Company a sufficient length of time, considering seasonal working conditions, in advance of the actual commencement of the work to permit Company to make any additions, alterations or repairs to its Gas Facilities the Company deems necessary.
- (f) **Mapping Information.** Subject to the Homeland Security Act, or other applicable laws, rules or regulations protecting confidential or proprietary information, the Company must promptly provide complete and accurate mapping information for any of its Gas Facilities in accordance with the requirements of Minnesota Rules Parts 7819.4000 and 7819.4100.
- (g) **Manufacture or Storage of Gas.** Before Company constructs any new structure or converts any existing structure for the manufacture or storage of gas, Company shall first obtain the approval of the structure and the location thereof from the City. Such approval by the City shall not be unreasonably withheld.

**SECTION 5:**            **ADOPTION** “Section 22-208 Relocations” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section 22-208 Relocations(*Added*)

- (a) **Relocation in Public Ways.** The Company shall comply with Minnesota Rules, part 7819.3100 and applicable City ordinances consistent with law.
- (b) **Relocation in Public Ground.** City may require Company at Company's expense to relocate or remove its Gas Facilities from Public Ground upon a finding by City that the Gas Facilities have become or will become a substantial impairment to the existing or proposed public use of the Public Ground. Relocation shall comply with applicable city ordinances consistent with law. (b)
- (c) **Relocation in Non-Public Ground.** If the City orders or requests the Company to relocate its Gas Facilities or equipment for the primary benefit of a commercial or private project, or as a result of the initial request of a commercial or private developer or other non-public entity, and such removal is necessary to prevent interference and not merely for the convenience of the City or other right-of-way user, the Company shall receive payment for the cost of such relocation as a precondition to relocating its Gas Facilities or equipment. Any person or corporation desiring to move a building or other structure along, or to make any unusual use of any street, alley, avenue, bridge, public right-of-way or public place which shall interfere with the Gas Facilities or equipment of the Company, shall first give notice to the City and the Company and pay a sum sufficient to cover the expense and damage incident to the moving of the Company's Gas Facilities and equipment
- (d) **Projects with Federal Funding.** Relocation, removal, or rearrangement of any Company Gas Facilities made necessary because of the extension into or through City of a federally-aided highway project shall be governed by the provisions of Minnesota Statutes Section 161.46.
- (e) **Relocation Liability.** Nothing contained in this section shall relieve any person, persons, or corporations from liability arising out of the failure to exercise reasonable care to avoid injuring Company's facilities while performing any work connected with grading, regrading or changing the line of any public way, or with the construction or reconstruction of any City utility system.

**SECTION 6:**           **ADOPTION** “Section 22-209 Indemnification” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section 22-209 Indemnification(*Added*)

- (a) **Indemnification of City.** Company shall indemnify and hold the City harmless from any and all liability, on account of injury to persons or damage to property occasioned by the construction, maintenance, repair, inspection, the issuance of permits, or the

operation of the Gas Facilities located in the Public Ways and Public Grounds. The City shall not be indemnified for losses or claims occasioned through its own negligence.

- (b) **Defense of City.** In the event a suit is brought against the City under circumstances where this agreement to indemnify applies, Company at its sole cost and expense shall defend the City in such suit if written notice thereof is promptly given to Company within a period wherein Company is not prejudiced by lack of such notice. If Company is required to indemnify and defend, it will thereafter have control of such litigation, but Company may not settle such litigation without the consent of the City, which consent shall not be unreasonably withheld. This section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City. The Company, in defending any action on behalf of the City, shall be entitled to assert in any action every defense or immunity that the City could assert in its own behalf. This Franchise shall not be interpreted to constitute a waiver by the City of any of its defenses of immunity or limitations on liability under Minnesota Statutes, Chapter 466.

**SECTION 7:**        **ADOPTION** “Section 22-210 Vacation Of Public Ways” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section 22-210 Vacation Of Public Ways(*Added*)

The City shall give Company at least two weeks prior written notice of a proposed vacation of a Public Way. The City and the Company shall comply with Minnesota Rules, 7819.3100 and 7819.3200 and applicable ordinances consistent with law.

**SECTION 8:**        **ADOPTION** “Section 22-211 Change In Form Of Government” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section 22-211 Change In Form Of Government(*Added*)

Any change in the form of government of the City shall not affect the validity of this Ordinance. Any governmental unit succeeding the City shall, without the consent of company, succeed to all of the rights and obligations of the City provided in this Ordinance.

**SECTION 9:            ADOPTION** “Section 22-212 Franchise Fee” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Section 22-212 Franchise Fee(*Added*)

- (a) **Form.** During the term of this Franchise, and in addition to permit fees being imposed or that the City has a right to impose, the City may charge the Company a franchise fee.
- (b) **Franchise Fee.** Company shall pay to the City an annual amount equal to 5% of its gross revenues. The foregoing shall be compensation for the use of Public Ways and Grounds. The City reserves the right to increase or lower the fee upon sixty (60) days advance written notice to the Company. The fee shall become effective ten (10) days after written notice enclosing the Ordinance amending the fee amount has been served upon the Company by certified mail. Such change shall not occur more often than once in any calendar year, and shall be effective not sooner than the first day of the first calendar month which follows the effective date of the ordinance adopting the change by not less than sixty days subject to company obtaining Commission approval of the new franchise fee rate.
- (c) **Payments.** Payments due to the City under this Franchise shall be computed on a monthly basis and shall be computed at the end of each month. Payments shall be due and payable for each month, forty-five (45) days after the end of the proceeding month. Each payment shall be accompanied by a brief report showing the basis for the computation of said payment and such other relevant facts to support the computation as may be required by the City.
- (d) **Collection of Fee.** No acceptance of any payment shall be construed as an accord that the payment paid is in fact the correct amount, nor shall such acceptance of the payment be construed of the release of any claim that the City may have for further or additional sums payable under the provisions of this Franchise. All amounts paid shall be subject to audit and recomputation by the City. The Company agrees to make available for inspection by the City at reasonable times, all records necessary to audit the Company's determination of the franchise fee payments.
- (e) **Gross Revenues.** Gross Revenues shall mean the actual gross revenues received by the Company from sales of natural gas and distribution within the City limits. This term does not include any sales, excise or other taxes collected by Company on behalf of the State, City or other governmental unit.
- (f) **Continuation of Franchise Fee.** If this Franchise expires and the City and the Company are unable to agree upon terms of a new Franchise, the franchise fee, if any being imposed by the City at the time this Franchise expires, will remain in effect until a new Franchise is agreed upon.

**SECTION 10:**        **ADOPTION** “Section 22-213 Purchase By City” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-213 Purchase By City(*Added*)

The Council, at the end of any calendar year, upon a 2/3 majority vote of the Council, may acquire and thereafter operate the gas plant and distribution system, and all mains, pipes, services and other appliances thereto appertaining which shall have been constructed, installed, operated, and maintained by the Company, its successors, lessees or assigns, upon paying to the Company, its successors, lessees or assigns, the fair market value of such property. To ascertain the fair market value of such property, the City shall acquire such property by right of eminent domain.

**SECTION 11:**        **ADOPTION** “Section 22-214 Approval Of Transfer” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-214 Approval Of Transfer(*Added*)

No sale, assignment or lease of this Franchise shall be effective until the Common Council shall have approved the same and until the successor, lessee or assignee of the Company shall have filed in the office of the City Administrator an instrument, duly executed, reciting the fact of such sale, lease or assignment, accepting the terms of the Franchise, and agreeing to be bound thereby and to perform all of the terms and conditions thereof.

**SECTION 12:**        **ADOPTION** “Section 22-215 Forfeiture” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-215 Forfeiture(*Added*)

The violation by the Company, its successors, lessees or assigns, of the provisions of this Franchise or of any material part or portion thereof, or the failure promptly to perform any of the provisions thereof shall be cause for the forfeiture of this Franchise and all rights hereunder by Resolution of the Common Council after written notice to the Company, its successors, lessees or assigns, and the continuation of such violation, failure or default. The parties acknowledge that the provisions for dispute resolution as set forth in Sec. 22-192 (e) must be complied with prior to imposition of the forfeiture provision herein.

**SECTION 13:**        **ADOPTION** “Section 22-216 Abandoned Facilities” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-216 Abandoned Facilities(*Added*)

The Company shall comply with City ordinances, Minnesota Statutes, Section 216D.01 et seq. and Minnesota Rules Part 7819.3300, as they may be amended from time to time. The Company shall maintain records describing the exact location of all abandoned and retired Facilities within the City, produce such records at the City's request and comply with the location requirements of Section 216D.04 with respect to all Facilities, including abandoned and retired Facilities.

**SECTION 14:**        **ADOPTION** “Section 22-217 Provisions Of Ordinance” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-217 Provisions Of Ordinance(*Added*)

- (a) **Severability.** Every section, provision, or part of this Ordinance is declared separate from every other section, provision, or part; and if any section, provision, or part shall be held invalid, it shall not affect any other section, provision, or part. Where a provision of any other City Ordinance conflicts with the provisions of this Ordinance, the provisions of this Ordinance shall prevail.
- (b) **Limitation on Applicability.** This Ordinance constitutes a Franchise agreement between the City and Company as the only parties and no provision of this Franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.



**SECTION 15:**        **ADOPTION** “Section 22-218 Amendment Procedure” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section 22-218 Amendment Procedure(*Added*)

Either party to this Franchise may at any time propose that the Franchise be amended. This Ordinance may be amended at any time by the City passing a subsequent Ordinance declaring the provisions of the amendment, which amendatory Ordinance shall become effective upon the filing of Company's written consent thereto with the City Administrator within 60 days after the effective date of the amendatory Ordinance. The City, however, reserves the exclusive right to amend the franchise fee pursuant to Ordinance Sec. 22-212 above without the requirement that Company consent to said franchise fee amendment.

**SECTION 16:**        **ADOPTION** “AUTHORIZED SERVICE AREA” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

AUTHORIZED SERVICE AREA(*Added*)

EXHIBIT A



**SECTION 17:**        **AMENDMENT** “DIVISION 22-VI-2 NATURAL GAS” of the Marshall Municipal Code is hereby *amended* as follows:

AMENDMENT

DIVISION 22-VI-2 GREAT PLAINS NATURAL GAS

**SECTION 18:**        **AMENDMENT** “Section 22-211 Mechanical License” of the Marshall Municipal Code is hereby *amended* as follows:

AMENDMENT

Section 22-~~211~~311 Mechanical License

**SECTION 19:**        **EFFECTIVE DATE** This Ordinance shall be effective upon its passage and publication as required by law, and receipt of Company's acceptance.

PASSED AND ADOPTED BY THE CITY OF MARSHALL COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Robert Byrnes, Mayor, City of  
Marshall

\_\_\_\_\_  
Steven Anderson, City Clerk, City of  
Marshall

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Karla Drown
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Liability Coverage – Waiver for 2024-2025 League of Minnesota Cities Insurance Trust Property/Casualty and Liability Insurance
<b>Background Information:</b>	<p>The City of Marshall carries property and casualty insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT). The annual renewal is for the coverage period of October 1, 2024, through October 1, 2025.</p> <p>Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased.</p> <p>See attached for further details.</p> <p>This does not approve the renewal of the insurance for the City of Marshall. This is a step in the renewal process. The 2024-2025 renewal premiums will come before the Council at later date.</p>
<b>Fiscal Impact:</b>	none
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	Sign the waiver form with the designation of “Does Not Waive” for the annual LMCIT property, casualty, and liability insurance renewal period.

## LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. Email completed form to your city's underwriter, to [pstech@lmc.org](mailto:pstech@lmc.org), or fax to 651.281.1298.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

---

LMCIT Member Name: City of Marshall

Check one:

☒ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04.

☐ The member **WAIVES** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: Tuesday, July 9, 2024

Signature: \_\_\_\_\_

Position: Mayor

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Steven Anderson
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval to Allow Holy Redeemer Church to Hold a Raffle on September 28
<b>Background Information:</b>	<p>Holy Redeemer Church will be hosting a raffle fundraiser on September 28 at the Holy Redeemer Church located at 501 W. Lyon Street.</p> <p>Gambling permits are issued by the State of MN but require local approval before submittal.</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	None recommended.
<b>Recommendations:</b>	To approve the LG220 Application for Exempt Permit for Holy Redeemer Church on September 28, 2024, at 501 W. Lyon Street.



**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

**Application Fee (non-refundable)**

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

**ORGANIZATION INFORMATION**

Organization Name: Holy Redeemer Church

Previous Gambling Permit Number: X-04549

Minnesota Tax ID Number, if any: 8382653

Federal Employer ID Number (FEIN), if any: 41-0718327

Mailing Address: 503 W. Lyon St

City: Marshall State: MN Zip: 56258 County: Lyon

Name of Chief Executive Officer (CEO): Fr. Steven J. Verhelst

CEO Daytime Phone: 507-532-5711 CEO Email: sverhelst@holy-redeemer.com

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): lnelson@holy-redeemer.com

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

☐ Fraternal ☒ Religious ☐ Veterans ☐ Other Nonprofit Organization

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

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

☐ **A current calendar year Certificate of Good Standing**

Don't have a copy? Obtain this certificate from:

MN Secretary of State, Business Services Division  
60 Empire Drive, Suite 100  
St. Paul, MN 55103

Secretary of State website, phone numbers:

[www.sos.state.mn.us](http://www.sos.state.mn.us)

651-296-2803, or toll free 1-877-551-6767

☒ **IRS income tax exemption (501(c)) letter in your organization's name**

Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Holy Redeemer Church

Physical Address (do not use P.O. box): 501 W. Lyon St

Check one:

☒ City: Marshall Zip: 56258 County: Lyon

☐ Township: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_

Date(s) of activity (for raffles, indicate the date of the drawing): September 28, 2024

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☒ Raffle

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.



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

<b>CITY APPROVAL</b> <b>for a gambling premises</b> <b>located within city limits</b>	<b>COUNTY APPROVAL</b> <b>for a gambling premises</b> <b>located in a township</b>
<input checked="checked" type="checkbox"/> The application is acknowledged with no waiting period. <input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city). <input type="checkbox"/> The application is denied.	<input type="checkbox"/> The application is acknowledged with no waiting period. <input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days. <input type="checkbox"/> The application is denied.
Print City Name: _____ Signature of City Personnel: _____ Title: _____ Date: _____	Print County Name: _____ Signature of County Personnel: _____ Title: _____ Date: _____
<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: 0 auto;"> <b>The city or county must sign before submitting application to the Gambling Control Board.</b> </div>	<b>TOWNSHIP (if required by the county)</b> On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.) Print Township Name: _____ Signature of Township Officer: _____ Title: _____ Date: _____

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

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: *Fr. Steven J. Verhelst* Date: 7/3/24  
(Signature must be CEO's signature; designee may not sign)

Print Name: Fr. Steven J. Verhelst

<b>REQUIREMENTS</b>	<b>MAIL APPLICATION AND ATTACHMENTS</b>
<p><b>Complete a separate application for:</b></p> <ul style="list-style-type: none"> <li>all gambling conducted on two or more consecutive days; or</li> <li>all gambling conducted on one day.</li> </ul> <p>Only one application is required if one or more raffle drawings are conducted on the same day.</p> <p><b>Financial report to be completed within 30 days after the gambling activity is done:</b>                      A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.</p> <p>Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).</p>	<p><b>Mail application with:</b></p> <p>_____ a copy of your proof of nonprofit status; and</p> <p>_____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is <b>\$100</b>; otherwise the fee is <b>\$150</b>. Make check payable to <b>State of Minnesota</b>.</p> <p><b>To:</b> Minnesota Gambling Control Board                      1711 West County Road B, Suite 300 South                      Roseville, MN 55113</p> <p><b>Questions?</b>                      Call the Licensing Section of the Gambling Control Board at 651-539-1900.</p>

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

This form will be made available in alternative format (i.e. large print, braille) upon request.



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Steven Anderson
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval to Allow Holy Redeemer Church to Hold a Raffle on December 31
<b>Background Information:</b>	<p>Holy Redeemer Church will be hosting a raffle fundraiser on December 31 at the Holy Redeemer Parish Center located at 503 W. Lyon Street.</p> <p>Gambling permits are issued by the State of MN but require local approval before submittal.</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	None recommended.
<b>Recommendations:</b>	To approve the LG220 Application for Exempt Permit for Holy Redeemer Church at their Parish Center on December 31, 2024, located at 503 W. Lyon Street.

**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

**Application Fee (non-refundable)**

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

**ORGANIZATION INFORMATION**

Organization Name: Holy Redeemer Church

Previous Gambling Permit Number: X-04549

Minnesota Tax ID Number, if any: 8382653

Federal Employer ID Number (FEIN), if any: 41-0718327

Mailing Address: 503 W. Lyon St

City: Marshall State: MN Zip: 56258 County: Lyon

Name of Chief Executive Officer (CEO): Fr. Steven J. Verhelst

CEO Daytime Phone: 507-532-5711 CEO Email: sverhelst@holy-redeemer.com

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): lnelson@holy-redeemer.com

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

☐ Fraternal ☒ Religious ☐ Veterans ☐ Other Nonprofit Organization

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

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

☐ **A current calendar year Certificate of Good Standing**

Don't have a copy? Obtain this certificate from:

MN Secretary of State, Business Services Division  
60 Empire Drive, Suite 100  
St. Paul, MN 55103

Secretary of State website, phone numbers:  
[www.sos.state.mn.us](http://www.sos.state.mn.us)  
651-296-2803, or toll free 1-877-551-6767

☒ **IRS income tax exemption (501(c)) letter in your organization's name**

Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Holy Redeemer Parish Center

Physical Address (do not use P.O. box): 503 W Lyon St

Check one:

☒ City: Marshall Zip: 56258 County: Lyon

☐ Township: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_

Date(s) of activity (for raffles, indicate the date of the drawing): December 31, 2024

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☒ Raffle

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.



**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)****CITY APPROVAL  
for a gambling premises  
located within city limits**

- ☒ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- ☐ The application is denied.

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

Signature of City Personnel: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**The city or county must sign before  
submitting application to the  
Gambling Control Board.**

**COUNTY APPROVAL  
for a gambling premises  
located in a township**

- ☐ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- ☐ The application is denied.

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

Signature of County Personnel: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**TOWNSHIP (if required by the county)**

On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

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

Signature of Township Officer: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

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

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: Fr. Steven J. Verhelst Date: 7/3/24  
(Signature must be CEO's signature; designee may not sign)

Print Name: Fr. Steven J. Verhelst**REQUIREMENTS****Complete a separate application for:**

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Financial report to be completed within 30 days after the gambling activity is done:**

A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the

application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-

**MAIL APPLICATION AND ATTACHMENTS****Mail application with:**

- \_\_\_\_\_ a copy of your proof of nonprofit status; and
- \_\_\_\_\_ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

**To:** Minnesota Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Questions?**

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

This form will be made available in alternative format (i.e. large print, braille) upon request.

An equal opportunity employer

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Karla Drown
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider approval of the bills/project payments
<b>Background Information:</b>	Staff encourage the City Council Members to contact staff in advance of the meeting regarding these items if there are questions. Construction contract questions are encouraged to be directed to Director of Public Works, Jason Anderson at 537-6051 or Finance Director, Karla Drown at 537-6764
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	The following bills and project payments be authorized for payment.

**CITY OF MARSHALL, MINNESOTA  
PRIOR AND CURRENT YEARS CONSTRUCTION CONTRACTS**

7/9/2024

PROJECT #:	Coding	DATE		CONTRACTOR:	ORIGINAL CONTRACT AMOUNT:	CHANGE ORDERS	CURRENT CONTRACT AMOUNT	2022 Prior Payments	2023 Prior Payments	2024 Prior Payments	PYMTS THIS MEETING:	RETAINAGE	BALANCE:	PERCENT COMPLETE
CH1	494-43300-55120	11/12/2019	City Hall Renovation	Brennan Companies	5,030,200.00	749,360.00	5,779,560.00	66,794.00				11,822.00	-	100.00%
ST-009	481-43300-55170	3/14/2023	W. Lyon Street/N. 3rd Street Reconstruction	R & G Construction Co.	3,845,497.31	41,277.51	3,886,774.82		3,518,016.32	220,377.96		37,761.56	110,618.98	97.15%
PK-092	481-45200-55120	4/11/2023	Amateur Sports Center Shelter & Storage-Ball Field	Doom & Cuyper's Construction, Inc.	171,642.00	6,078.00	177,720.00		177,000.00	720.00		-	-	100.00%
AP-007	480-43400-55170	2022	Crack Filling w/Sealcoat	City Staff - Street/Airport	75,000.00		75,000.00	51,540.63					23,459.37	68.72%
AP-003	482-43400-55120	2/13/2024	SRE Building	Sussner Construction	2,913,100.00		2,913,100.00						2,913,100.00	0.00%
ST-012	482-43300-55170	2/27/2024	S Whitney (E College to Jean)	D & G Excavating	1,565,706.60		1,565,706.60			344,633.93	147,029.62	25,877.03	1,048,166.02	33.05%
ST-001	101-43300-53425	3/26/2024	Chip Seals	Pearson Bros., Inc.	132,504.60		132,504.60						132,504.60	0.00%
ST-002	495-43300-55170	3/26/2024	Bituminous Overlay on Various City Streets	Central Specialties Inc.	587,422.58		587,422.58			195,332.62		10,280.66	381,809.30	35.00%
ST-010	482-43300-55170	4/23/2024	Lyon Circle Reconstruction	A&C Excavating, LLC	161,580.80		161,580.80						161,580.80	0.00%
PK-015	482-45200-55170	4/23/2024	Independence Park parking lot (back)	Town & Country Excavating LLC	197,216.00		197,216.00						197,216.00	0.00%
					14,679,869.89	796,715.51	15,476,585.40	118,334.63	3,695,016.32	761,064.51	147,029.62	85,741.25	4,968,455.07	



Marshall, MN

# Check Report

By Check Number

Date Range: 06/28/2024 - 07/09/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-REG AP						
0567	ALEX AIR APPARATUS 2 LLC	06/28/2024	EFT	0.00	27,492.75	16916
0578	AMAZON CAPITAL SERVICES	06/28/2024	EFT	0.00	587.50	16917
0658	AP DESIGN, INC. / NICHOLAS J SCHWARZ OR JIL	06/28/2024	EFT	0.00	25.00	16918
5702	B & H PHOTO & ELECTRONICS CORP	06/28/2024	EFT	0.00	830.71	16919
0682	BEACON ATHLETICS LLC	06/28/2024	EFT	0.00	1,172.00	16920
0688	BELLBOY CORPORATION	06/28/2024	EFT	0.00	5,363.78	16921
6163	BLUE LINE SHARPENING & SALES	06/28/2024	EFT	0.00	628.56	16922
3829	BRAU BROTHERS	06/28/2024	EFT	20.00	240.00	16923
6744	C&L DISTRIBUTING	06/28/2024	EFT	0.00	3,233.15	16924
7507	CIGNA HEALTH AND LIFE INSURANCE COMPAN	06/28/2024	EFT	0.00	1,401.27	16925
5733	CLARITY TELECOM, LLC	06/28/2024	EFT	0.00	3,232.48	16926
7394	CRESTED RIVER CANNABIS COMPANY	06/28/2024	EFT	0.00	1,701.00	16927
3819	DACOTAH PAPER CO	06/28/2024	EFT	3.29	325.68	16928
7102	DAHLHEIMER BEVERAGE	06/28/2024	EFT	0.00	2,474.22	16929
2129	DEPOVER, PERRY	06/28/2024	EFT	0.00	84.00	16930
5731	DOLL DISTRIBUTING LLC	06/28/2024	EFT	0.00	24,386.40	16931
1020	DUIINCK, INC.	06/28/2024	EFT	0.00	2,187.62	16932
1090	FASTENAL COMPANY	06/28/2024	EFT	0.00	47.66	16933
7073	FIXEN CHIROPRACTIC	06/28/2024	EFT	0.00	55.00	16934
1201	GRAINGER INC	06/28/2024	EFT	0.00	45.48	16935
1215	GREENWOOD NURSERY	06/28/2024	EFT	201.00	804.00	16936
3760	GROWMARK INC.	06/28/2024	EFT	0.00	730.40	16937
1256	HAWKINS INC	06/28/2024	EFT	0.00	880.90	16938
2036	JOHNSON BROTHERS LIQUOR COMPANY	06/28/2024	EFT	0.00	10,619.20	16939
1399	JOHNSON BROTHERS LIQUOR COMPANY	06/28/2024	EFT	0.00	6,538.94	16940
5447	JOHNSON BROTHERS LIQUOR COMPANY	06/28/2024	EFT	0.00	1,354.60	16941
2605	JOHNSON BROTHERS LIQUOR COMPANY	06/28/2024	EFT	0.00	3,607.33	16942
1417	KENNEDY & GRAVEN, CHARTERED	06/28/2024	EFT	0.00	5,690.45	16943
3564	KESTELOOT ENTERPRISES, INC	06/28/2024	EFT	0.00	157.22	16944
5095	KIBBLE EQUIPMENT LLC	06/28/2024	EFT	0.00	23.84	16945
3065	LUTHER, ERIC	06/28/2024	EFT	0.00	32.63	16946
5813	MARSHALL LUMBER CO	06/28/2024	EFT	0.00	24.03	16947
4980	MENARDS INC	06/28/2024	EFT	0.00	121.52	16948
1839	MINNESOTA VALLEY TESTING LABS INC	06/28/2024	EFT	0.00	578.40	16949
3809	O'REILLY AUTOMOTIVE STORES, INC	06/28/2024	EFT	0.00	736.41	16950
2026	PEPSI COLA BOTTLING OF PIPESTONE MN INC	06/28/2024	EFT	0.00	94.50	16951
2049	PLUNKETTS PEST CONTROL INC	06/28/2024	EFT	0.00	43.50	16952
2201	RUNNING SUPPLY, INC	06/28/2024	EFT	0.00	614.80	16953
3630	SCHOLTEN, ANTHONY	06/28/2024	EFT	0.00	44.50	16954
4939	SCP DISTRIBUTORS LLC	06/28/2024	EFT	0.00	881.08	16955
6251	SHRED RIGHT	06/28/2024	EFT	0.00	42.53	16956
4855	SOUTHERN GLAZER'S	06/28/2024	EFT	0.00	6,146.48	16957
4522	ST LOUIS MRO INC.	06/28/2024	EFT	0.00	55.00	16958
2190	SUNRISE ROTARY CLUB OF MARSHALL	06/28/2024	EFT	0.00	237.50	16959
0875	THE COMPUTER MAN INC	06/28/2024	EFT	0.00	206.50	16960
6156	TRUE BRANDS	06/28/2024	EFT	0.00	453.61	16961
3538	TURFWERKS	06/28/2024	EFT	0.00	519.54	16962
0853	ULTIMATE SAFETY CONCEPTS, INC.	06/28/2024	EFT	0.00	2,423.17	16963
4489	VERIZON WIRELESS	06/28/2024	EFT	0.00	1,453.74	16964
6113	VERSA-VEND VENDING INC	06/28/2024	EFT	0.00	198.36	16965
2538	VIKING COCA COLA BOTTLING CO.	06/28/2024	EFT	0.00	937.55	16966
4594	VINOCOPIA INC	06/28/2024	EFT	0.00	2,543.58	16967
5288	WEST CENTRAL COMMUNICATIONS, INC	06/28/2024	EFT	0.00	992.70	16968
0560	AFSCME COUNCIL 65	06/28/2024	EFT	0.00	1,384.60	16969

## Check Report

Date Range: 06/28/2024 - 07/09/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1480	LAW ENFORCEMENT LABOR SERVICE INC	06/28/2024	EFT	0.00	1,339.50	16970
1571	MADISON NATIONAL LIFE INSURANCE COMPAN	06/28/2024	EFT	0.00	1,180.15	16971
1923	NCPERS MN GROUP LIFE INS.	06/28/2024	EFT	0.00	240.00	16972
6706	SUN LIFE FINANCIAL	06/28/2024	EFT	0.00	1,634.38	16973
0567	ALEX AIR APPARATUS 2 LLC	07/05/2024	EFT	0.00	670.00	16974
0578	AMAZON CAPITAL SERVICES	07/05/2024	EFT	0.00	0.93	16975
2701	ANDERSON, JASON	07/05/2024	EFT	0.00	80.00	16976
2362	BAUMANN, ADAM	07/05/2024	EFT	0.00	30.00	16977
0018	BORDER STATES INDUSTRIES, INC.	07/05/2024	EFT	0.00	100.34	16978
0186	BRUNSVOLD, QUENTIN	07/05/2024	EFT	0.00	30.00	16979
3413	BRUSVEN, KATHERINE	07/05/2024	EFT	0.00	30.00	16980
0204	BUYSSE, JASON	07/05/2024	EFT	0.00	30.00	16981
0216	CALLENS, DAVID	07/05/2024	EFT	0.00	30.00	16982
0239	CAUWELS, ROGER	07/05/2024	EFT	0.00	30.00	16983
0272	COUDRON, DEAN	07/05/2024	EFT	0.00	30.00	16984
0934	D & G EXCAVATING INC	07/05/2024	EFT	0.00	147,029.62	16985
3259	DEUTZ, LAUREN	07/05/2024	EFT	0.00	80.00	16986
3760	GROWMARK INC.	07/05/2024	EFT	0.00	704.00	16987
3565	HANSON, ERIC	07/05/2024	EFT	0.00	70.00	16988
1256	HAWKINS INC	07/05/2024	EFT	0.00	40,159.04	16989
2153	HOFFMANN, RYAN	07/05/2024	EFT	0.00	30.00	16990
1325	ICMA RETIREMENT TRUST #300877	07/05/2024	EFT	0.00	50.00	16991
1417	KENNEDY & GRAVEN, CHARTERED	07/05/2024	EFT	0.00	5,615.00	16992
0785	KOPITSKI, JASON	07/05/2024	EFT	0.00	30.00	16993
2363	KRUK, CHRISTOPHER	07/05/2024	EFT	0.00	30.00	16994
0265	LEE, JERRED	07/05/2024	EFT	0.00	30.00	16995
3065	LUTHER, ERIC	07/05/2024	EFT	0.00	30.00	16996
1616	MARSHALL CONVENTION & VISITORS BUREAU	07/05/2024	EFT	0.00	7,000.00	16997
5813	MARSHALL LUMBER CO	07/05/2024	EFT	0.00	30.75	16998
0933	MARSHALL, JAMES	07/05/2024	EFT	0.00	80.00	16999
2719	MELLENTHIN, CODY	07/05/2024	EFT	0.00	30.00	17000
0973	MEULEBROECK, ANDY	07/05/2024	EFT	0.00	30.00	17001
3453	MOBERG, E.J.	07/05/2024	EFT	0.00	80.00	17002
1243	PATZERS INC	07/05/2024	EFT	25.00	256.98	17003
1163	PRZYBILLA, SCOTT	07/05/2024	EFT	0.00	30.00	17004
2096	QUARNSTROM & DOERING, PA	07/05/2024	EFT	0.00	5,684.71	17005
2125	RIEKE, BENJAMIN	07/05/2024	EFT	0.00	30.00	17006
1211	ROKEH, JASON	07/05/2024	EFT	0.00	30.00	17007
2470	SANDGREN, KAYLYNN	07/05/2024	EFT	0.00	30.00	17008
3495	SMSU	07/05/2024	EFT	0.00	7,773.57	17009
1334	ST AUBIN, GREGORY	07/05/2024	EFT	0.00	30.00	17010
1659	STELTER, GEOFFREY	07/05/2024	EFT	0.00	30.00	17011
1350	STENSRUD, PRESTON	07/05/2024	EFT	0.00	30.00	17012
2190	SUNRISE ROTARY CLUB OF MARSHALL	07/05/2024	EFT	0.00	237.50	17013
1378	SWANSON, GREGG	07/05/2024	EFT	0.00	30.00	17014
1423	TRUEDSON, SCOTT	07/05/2024	EFT	0.00	30.00	17015
1448	VANLEEUEWE, SARA J.	07/05/2024	EFT	0.00	70.00	17016
6469	ACTIVE911, INC	06/28/2024	Regular	0.00	189.00	124643
0630	ARCTIC GLACIER	06/28/2024	Regular	0.00	328.48	124644
0689	BEND RITE CUSTOM FABRICATION, INC.	06/28/2024	Regular	0.00	414.56	124645
0699	BEVERAGE WHOLESALERS, INC.	06/28/2024	Regular	0.00	36,521.23	124646
4457	BREAKTHRU BEVERAGE MINNESOTA WINE & SPIRITS	06/28/2024	Regular	0.00	3,151.40	124647
7680	BROWN, KIMBERLY	06/28/2024	Regular	0.00	1,250.00	124649
0763	BSN SPORTS LLC	06/28/2024	Regular	0.00	4,478.22	124650
2720	BUESING, DIANE	06/28/2024	Regular	0.00	1,000.00	124651
5228	CHRISTENSEN FARMS & FEEDLOTS, INC	06/28/2024	Regular	0.00	100.00	124652
7678	DEERE & COMPANY STRATEGIC ACCOUNTS BUSINESS	06/28/2024	Regular	18,806.41	62,960.59	124653
7677	DEMUTH, BONNIE	06/28/2024	Regular	0.00	100.00	124654
7040	J & M DISPLAYS, INC.	06/28/2024	Regular	0.00	14,300.00	124655
5333	JOHANSSON SALES & SERVICE	06/28/2024	Regular	0.00	91.69	124656
1459	LAKELAND ENGINEERING EQUIPMENT COMPANY	06/28/2024	Regular	0.00	76.39	124657

Check Report

Date Range: 06/28/2024 - 07/09/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1515	LOUWAGIE, RICHARD	06/28/2024	Regular	0.00	200.00	124658
7681	LUNDSTROM, ANDREW	06/28/2024	Regular	0.00	500.00	124659
7355	MINNESOTA RUGBY REFEREE SOCIETY	06/28/2024	Regular	0.00	230.00	124660
5590	MINNESOTA STATE HIGH SCHOOL LEAGUE REG	06/28/2024	Regular	0.00	19,378.00	124661
1945	NORM'S GTC	06/28/2024	Regular	0.00	189.98	124662
7053	PERFORMANCE FOOD GROUP, INC.	06/28/2024	Regular	0.00	143.96	124663
7679	PRECISE REFRIGERATION HEATING & AIR COND	06/28/2024	Regular	0.00	2,364.44	124664
7663	SPEEDEE DELIVERY SERVICE, INC	06/28/2024	Regular	0.00	11.82	124665
6791	WALMART	06/28/2024	Regular	0.00	123.00	124666
7683	CLAPP, JOHN	07/05/2024	Regular	0.00	500.00	124667
1546	LYON COUNTY HISTORICAL SOCIETY	07/05/2024	Regular	0.00	7,009.25	124668
7684	OUTSTATE BREWING COMPANY LLC	07/05/2024	Regular	0.00	620.00	124669
7682	TOWN OF FAIRVIEW	07/05/2024	Regular	0.00	23,622.40	124670
6791	WALMART	07/05/2024	Regular	0.00	70.66	124671
7505	BEAM TECHNOLOGIES INC	07/03/2024	Bank Draft	0.00	4,249.42	DFT0003981
7505	BEAM TECHNOLOGIES INC	07/03/2024	Bank Draft	0.00	4,248.71	DFT0004027
7505	BEAM TECHNOLOGIES INC	07/03/2024	Bank Draft	0.00	915.62	DFT0004043
7077	MEDSURETY, LLC	06/28/2024	Bank Draft	0.00	92.28	DFT0004047

Bank Code AP Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	40	28	18,806.41	179,925.07
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	4	4	0.00	9,506.03
EFT's	167	101	249.29	347,543.84
	211	133	19,055.70	536,974.94



All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	40	28	18,806.41	179,925.07
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	4	4	0.00	9,506.03
EFT's	167	101	249.29	347,543.84
	211	133	19,055.70	536,974.94

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH FUND	6/2024	279,276.44
999	POOLED CASH FUND	7/2024	257,698.50
			536,974.94

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	E.J. Moberg
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	INFO/ACTION
<b>Subject:</b>	Presentation of the City's 2023 Audit
<b>Background Information:</b>	Hear presentation from Nancy Schulzetenberg of BerganKDV about 2023 audit results.
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	Accept the year-end 2023 audit.

**City of Marshall  
Lyon County, Minnesota  
Basic Financial Statements  
December 31, 2023**

# City of Marshall Table of Contents

<b>Elected Officials and Administration</b>	<b>1</b>
<b>Independent Auditor's Report</b>	<b>2</b>
<b>Management's Discussion and Analysis</b>	<b>5</b>
<b>Basic Financial Statements</b>	
Government-Wide Financial Statement	
Statement of Net Position	20
Statement of Activities	22
Fund Financial Statements	
Balance Sheet - Governmental Funds	24
Reconciliation of the Balance Sheet to the Statement of Net Position	
- Governmental Funds	25
Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances to the Statement of Activities - Governmental Funds	28
Statement of Revenues, Expenditures, and Changes in Fund Balance	
- Budget and Actual - General Fund	29
Statement of Revenues, Expenditures, and Changes in Fund Balance	
- Budget and Actual - Sales/Lodging Tax Fund	30
Statement of Net Position - Proprietary Funds	31
Statement of Revenues, Expenses, and Changes in Fund Net Position	
- Proprietary Funds	32
Statement of Cash Flows - Proprietary Funds	33
Statement of Fiduciary Net Position	34
Statement of Changes in Fiduciary Net Position	34
Notes to Basic Financial Statements	35
<b>Required Supplementary Information</b>	
Schedule of Changes in Total OPEB Liability and Related Ratios	90
Schedule of City's Proportionate Share of Net Pension Liability General	
Employees Retirement Fund	92
Schedule of City's Proportionate Share of Net Pension Liability Police and Fire Plan	
Retirement Fund	93
Schedule of City Contributions General Employees Plan Retirement Fund	95
Schedule of City Contributions Police and Fire Plan Retirement Fund	95
Schedule of Changes in the Net Pension Liability and Related Ratios	
- Fire Relief Association	96
Schedule of Employee Contributions and Non Employer Contributing Entities	
- Fire Relief Association	98
Notes to Required Supplementary Information	100
<b>Supplementary Information</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual - General Fund	110
Combining Balance Sheet - Nonmajor Governmental Funds	116

# City of Marshall

## Table of Contents

### Supplementary Information (Continued)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Nonmajor Governmental Funds	117
Combining Balance Sheet - Nonmajor Special Revenue Funds	118
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Nonmajor Special Revenue Funds	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	
Marshall - Lyon County Library	122
Tax Increment Financing	123
Community Education Drivers Training	124
ASC Arena	125
Emergency Response and Industrial Training Center	126
Endowment Avera / WMMC	127
Combining Balance Sheet - Nonmajor Capital Projects Funds	128
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Nonmajor Capital Projects Funds	132
Schedule of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual - Capital Equipment	137
Combining Balance Sheet - Debt Service Funds	138
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	
- Debt Service Funds	144
Combining Balance Sheet/Net Position - Component Unit	
- Economic Development Authority Funds	150
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	
/Net Position - Component Unit - Economic Development Authority Funds	151
Statement of Revenues, Expenditures, and Changes in Fund Balance	
- Component Unit - Budget and Actual - Economic Development Authority	152
Schedule of Expenditures of Federal Awards	153
Notes to Schedule of Expenditures of Federal Awards	154
 <b>Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	 155
 <b>Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> Uniform Guidance</b>	 157
 <b>Schedule of Findings</b>	 160
 <b>Minnesota Legal Compliance</b>	 163

**City of Marshall  
Elected Officials and Administration  
December 31, 2023**

<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
Robert Byrnes	Mayor	January 1, 2025
John Alcorn	Council Member, Ward 1	January 4, 2027
Amanda Schroeder	Council Member, Ward 1	January 1, 2025
Steven Meister	Council Member, Ward 2	January 1, 2025
See Moua-Leske	Council Member, Ward 2	January 4, 2027
Craig Schafer	Council Member, Ward 3	January 4, 2027
James Lozinski	Council Member, Ward 3	January 1, 2025

<u>Administration</u>	
Sharon Hanson	City Administrator
Jim Marshall	Director of Public Safety
Jason Anderson	Director of Public Works / City Engineer
E.J. Moberg	Director of Administrative Services
Karla Drown	Finance Director
Lauren Deutz	Economic Development Director



## Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of Marshall  
Marshall, Minnesota

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marshall, as of and for the year ended December 31, 2023, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marshall, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following discretely presented component units: Marshall Municipal Utilities and Marshall Housing Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us and our opinion insofar, as it relates to the amounts presented for the discretely presented component units mentioned above, is based on the reports of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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**

The City of Marshall's 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.

### **Responsibilities of Management for the Financial Statements (Continued)**

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.

### **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 Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information as 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 (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

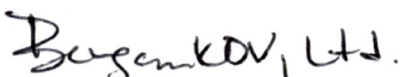
### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Marshall's basic financial statements. The accompanying supplementary information as identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2024, on our consideration of the City of Marshall'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 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 Marshall's internal control over financial reporting and compliance.



St. Cloud, Minnesota  
June 12, 2024

## City of Marshall Management's Discussion and Analysis

As management of the City of Marshall, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023.

### Financial Highlights

- ◆ The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$116,560,567 (net position). Of this amount, \$14,784,409 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- ◆ The City's total net position increased by \$2,466,201. Governmental activities had an increase of \$1,366,599 and business-type activities (enterprise funds) had an increase of \$1,099,602.
- ◆ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$27,804,510, an increase of \$3,144,438 in comparison with the prior year. Approximately 44 percent of this total amount, \$12,188,389, is available for spending at the City's discretion between assigned and unassigned fund balance. The fund balances are classified in accordance with GASB Statement No. 54 as follows:
  - 1) Nonspendable - \$188,306
  - 2) Restricted - \$15,427,815
  - 3) Assigned - \$6,055,405
  - 4) Unassigned - \$6,132,984

### Overview of the Financial Statements

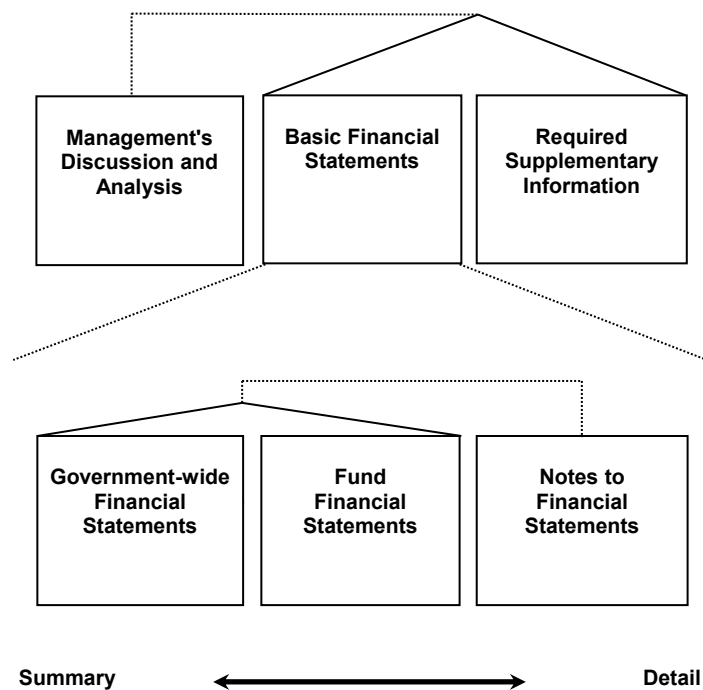
This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

**City of Marshall**  
**Management's Discussion and Analysis**

**Overview of the Financial Statements (Continued)**

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 show how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining an individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

**Figure 1**  
**Required Components of the**  
**City's Annual Financial Report**



**City of Marshall**  
**Management's Discussion and Analysis**

**Overview of the Financial Statements (Continued)**

Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explain the structure and contents of each of the statements.

**Figure 2**  
**Major Features of the Government-wide and Fund Financial Statements**

	<b>Government-wide Statements</b>	<b>Fund Financial Statements</b>	
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>
Scope	Entire City government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> <li>◆ Statement of Net Position</li> <li>◆ Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Balance Sheet</li> <li>◆ Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>◆ Statement of Net Position</li> <li>◆ Statement of Revenues, Expenses, and Changes in Net Position</li> <li>◆ Statement of Cash Flows</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid.	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

## City of Marshall Management's Discussion and Analysis

### Overview of the Financial Statements (Continued)

**Government-Wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, economic development, airport, and interest on long-term debt. The business-type activities of the City include wastewater treatment, surface water management, and a municipal liquor store operation.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Marshall Housing Commission, Marshall Municipal Utilities, and Economic Development Authority, all for which the City is financially accountable. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found as listed in the table of contents.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**City of Marshall**  
**Management's Discussion and Analysis**

**Overview of the Financial Statements (Continued)**

**Governmental Funds. (Continued)** Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds, many of which are Debt Service funds, which are considered one fund for reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Debt Service Fund, and the 2023 Public Improvements Fund, all of which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain special revenue funds. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found as listed in the table of contents.

**Proprietary Funds.** The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, wastewater treatment, surface water, and liquor store operations. The electric and water operations are accounted for in the Public Utilities Commission (PUC).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found as listed in the table of contents.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found as listed in the table of contents.

**City of Marshall  
Management's Discussion and Analysis**

**Overview of the Financial Statements (Continued)**

**Notes to Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found as listed in the table of contents.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Marshall's share of net pension liabilities for defined benefit plans and schedules of contributions and other postemployment benefits. The required supplementary information can be found as listed in the table of contents.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to financial statements. Combining and individual fund financial statements and schedules can be found as listed in the table of contents.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$116,560,567 at the close of the most recent fiscal year.

## City of Marshall Management's Discussion and Analysis

### Government-Wide Financial Analysis

A large portion of the City's net position (70.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### City of Marshall's Summary of Net Position

	Governmental Activities			Business-Type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
<b>Assets</b>						
Current and other assets	\$34,382,328	\$32,288,414	\$ 2,093,914	\$15,338,338	\$13,764,223	\$ 1,574,115
Capital assets	93,340,983	94,659,297	(1,318,314)	44,361,804	44,990,678	(628,874)
Total assets	<u>127,723,311</u>	<u>126,947,711</u>	<u>775,600</u>	<u>59,700,142</u>	<u>58,754,901</u>	<u>945,241</u>
<b>Deferred Outflows of Resources</b>						
Deferred OPEB resources	65,600	68,876	(3,276)	12,697	11,648	1,049
Deferred pension resources	5,226,690	6,714,195	(1,487,505)	249,428	357,250	(107,822)
Total deferred outflows of resources	<u>5,292,290</u>	<u>6,783,071</u>	<u>(1,490,781)</u>	<u>262,125</u>	<u>368,898</u>	<u>(106,773)</u>
<b>Liabilities</b>						
Other liabilities	2,733,755	3,267,314	(533,559)	784,059	549,570	234,489
Noncurrent liabilities	41,297,654	47,633,664	(6,336,010)	23,525,586	24,349,758	(824,172)
Total liabilities	<u>44,031,409</u>	<u>50,900,978</u>	<u>(6,869,569)</u>	<u>24,309,645</u>	<u>24,899,328</u>	<u>(589,683)</u>
<b>Deferred Inflows of Resources</b>						
Grants for subsequent years	2,060,591	2,456,410	(395,819)	-	-	-
Deferred OPEB resources	284,212	88,224	195,988	55,008	14,921	40,087
Deferred pension resources	5,323,901	339,281	4,984,620	312,035	25,573	286,462
Deferred inflows related to leases	40,500	37,500	3,000	-	-	-
Total deferred inflows of resources	<u>7,709,204</u>	<u>2,921,415</u>	<u>4,787,789</u>	<u>367,043</u>	<u>40,494</u>	<u>326,549</u>
<b>Net Position</b>						
Net investment in capital assets	59,759,668	60,670,297	(910,629)	22,077,970	22,148,114	(70,144)
Restricted	16,150,716	15,587,628	563,088	3,787,804	3,955,953	(168,149)
Unrestricted	<u>5,364,604</u>	<u>3,650,464</u>	<u>1,714,140</u>	<u>9,419,805</u>	<u>8,081,910</u>	<u>1,337,895</u>
Total net position	<u>\$81,274,988</u>	<u>\$79,908,389</u>	<u>\$ 1,366,599</u>	<u>\$35,285,579</u>	<u>\$34,185,977</u>	<u>\$ 1,099,602</u>

An additional portion of the City's net position (17.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (12.7%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

There was an increase of \$1,099,602 in net position reported in connection with the City's business-type activities. This increase was a result of the following funds change in net position: Wastewater Treatment \$850,680, Municipal Liquor Store \$384,182, and Surface Water Management (\$135,260). The Municipal Liquor fund's gross profit percentage is currently at 28.7%, higher than 28.4% in 2022.



**City of Marshall**  
**Management's Discussion and Analysis**

**Government-wide Financial Analysis (Continued)**

**Governmental Activities.** Governmental activities increased the City's net position by \$1,366,599. Key elements of this increase are described above and summarized in the following table:

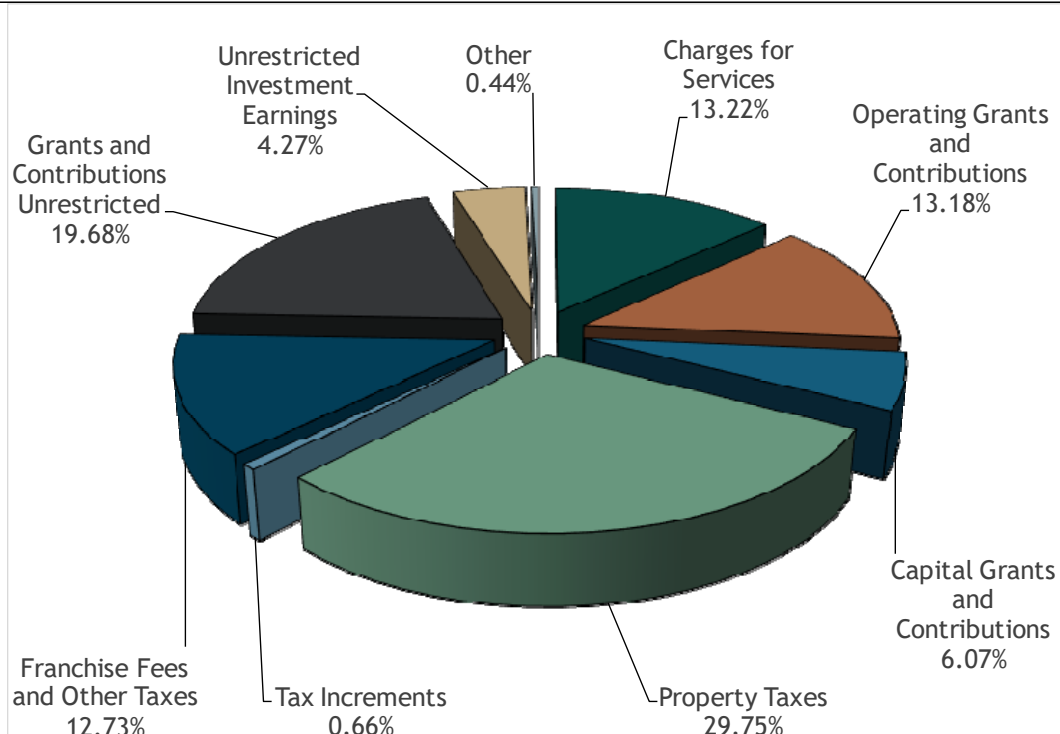
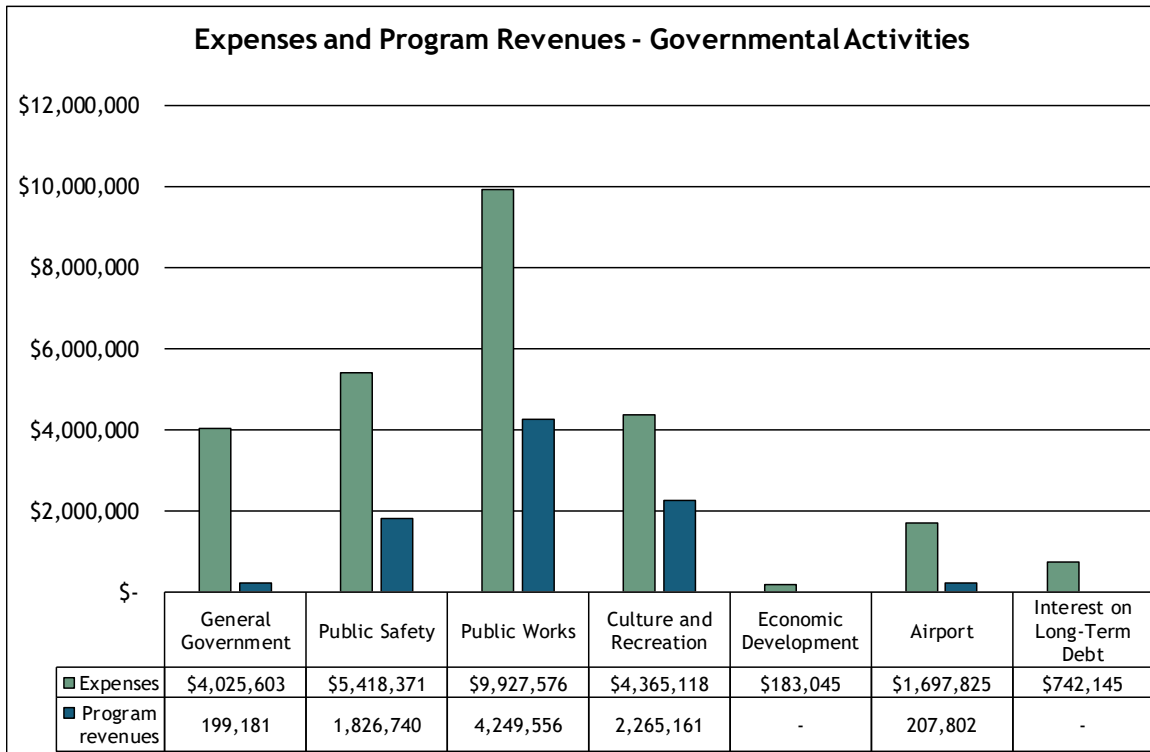
**City of Marshall's Changes in Net Position**

	Governmental Activities			Business-Type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 3,561,602	\$ 3,914,143	\$ (352,541)	\$14,314,413	\$13,939,327	\$ 375,086
Operating grants and contributions	3,551,857	3,404,098	147,759	33,833	67,052	(33,219)
Capital grants and contributions	1,634,981	1,551,125	83,856	455	3,354	(2,899)
General revenues						
Property taxes	8,014,610	7,427,698	586,912	-	-	-
Tax increments	178,235	361,407	(183,172)	-	-	-
Franchise fees and other taxes	3,429,341	3,463,095	(33,754)	-	-	-
State grants and contributions not restricted to specific programs	5,301,656	3,480,083	1,821,573	-	-	-
Unrestricted investment earnings	1,151,380	(366,042)	1,517,422	586,110	(388,880)	974,990
Other	118,545	119,755	(1,210)	-	-	-
Total revenues	<u>26,942,207</u>	<u>23,355,362</u>	<u>3,586,845</u>	<u>14,934,811</u>	<u>13,620,853</u>	<u>1,313,958</u>
<b>Expenses</b>						
General government	4,025,603	4,380,825	(355,222)	-	-	-
Public safety	5,418,371	5,575,149	(156,778)	-	-	-
Public works	9,927,576	8,164,101	1,763,475	-	-	-
Culture and recreation	4,365,118	5,946,188	(1,581,070)	-	-	-
Economic development	183,045	1,551,729	(1,368,684)	-	-	-
Airport	1,697,825	1,654,638	43,187	-	-	-
Interest on long-term debt	742,145	882,627	(140,482)	-	-	-
Wastewater treatment	-	-	-	5,134,014	4,818,481	315,533
Surface water management	-	-	-	1,589,387	1,602,394	(13,007)
Municipal liquor store	-	-	-	6,327,733	6,181,079	146,654
Parkway townhomes	-	-	-	-	-	-
Total expenses	<u>26,359,683</u>	<u>28,155,257</u>	<u>(1,795,574)</u>	<u>13,051,134</u>	<u>12,601,954</u>	<u>449,180</u>
Increase (Decrease) in Net Position before Transfers	582,524	(4,799,895)	5,382,419	1,883,677	1,018,899	864,778
Transfers	<u>784,075</u>	<u>580,520</u>	<u>203,555</u>	<u>(784,075)</u>	<u>(580,520)</u>	<u>(203,555)</u>
Change in Net Position	1,366,599	(4,219,375)	5,585,974	1,099,602	438,379	661,223
Net position, January 1	<u>79,908,389</u>	<u>84,127,764</u>	<u>(4,219,375)</u>	<u>34,185,977</u>	<u>33,747,598</u>	<u>438,379</u>
Net position, December 31	<u>\$81,274,988</u>	<u>\$79,908,389</u>	<u>\$ 1,366,599</u>	<u>\$35,285,579</u>	<u>\$34,185,977</u>	<u>\$ 1,099,602</u>

# City of Marshall Management's Discussion and Analysis

## Government-wide Financial Analysis (Continued)

**Governmental Activities (Continued)** The following graphs depict various governmental activities and show the revenues and expenses directly related to those activities.

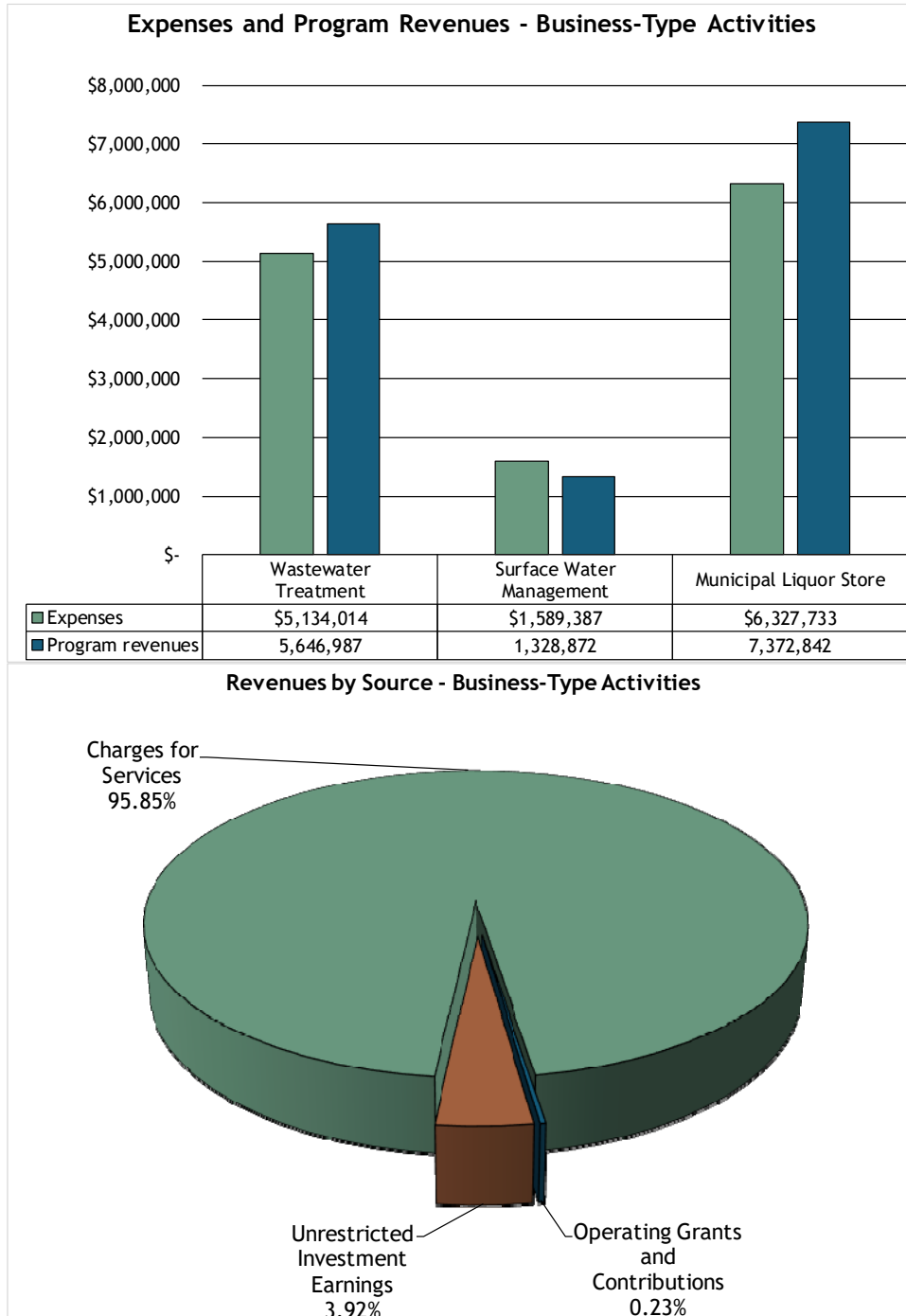


# City of Marshall Management's Discussion and Analysis

## Government-Wide Financial Analysis (Continued)

**Business-Type Activities.** Business-type activities increased the City's net position by \$1,099,602. Key elements of this increase are as follows:

- ◆ Overall gross profit increased by \$273,707 in the business-type funds while nonoperating income increased by \$839,780.



## City of Marshall Management's Discussion and Analysis

### Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The *General Fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General Fund was \$6,952,477. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 48.8% of fund expenditures, while total fund balance represents 60.9% of that same amount.

The fund balance of the City's *General Fund* increased by \$2,149,224 during the current fiscal year. The key factor in this increase was an increase in revenues of \$2,648,833.

The *Debt Service Fund* has a total fund balance of \$6,831,152, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the Debt Service Fund was \$681,835. The major factor in this decrease was debt service principal and interest expenditures exceeding revenues and transfers in for the year.

The *2023 Public Improvements Fund* has a total fund balance of \$527,012. Revenues and other financing sources outpaced expenditures for the fund by \$686,176 for the year.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$9,419,805. The total increase in net position for the funds was \$1,099,602. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

### General Fund Budgetary Highlights

The City's General Fund budget had no amendments during the year. The budget called for a decrease in fund balance of \$23,978. Actual revenues were over budget by \$1,595,480 and the expenditure budget was underspent by \$539,163. Other financing sources (uses) were over budget \$38,559. The net result was an increase to the General Fund balance of \$2,149,224 in 2023.

# City of Marshall Management's Discussion and Analysis

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business type activities as of December 31, 2023, amounts to \$137,702,787 (net of accumulated depreciation/amortization). This investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total decrease in the City's investment in capital assets for the current fiscal year was 1.4% (a 1.4% decrease for governmental activities and a 1.4% decrease for business-type activities).

Some of the major capital asset events during the current fiscal year included the following:

### **Governmental Activities**

- ◆ N 3<sup>rd</sup>/W Lyon street reconstruction costs of \$1,926,684.
- ◆ Channel Parkway overlay costs of \$1,398,094.
- ◆ 2023 mill and overlay costs of \$635,145.

### **Business-Type Activities**

- ◆ N 3<sup>rd</sup>/W Lyon street reconstruction costs of \$997,350
- ◆ Legion Field project costs of \$699,956

Additional information on the City's capital assets can be found in Note 6 in the notes to basic financial statements as listed in the table of contents.

## City of Marshall's Capital Assets (net of depreciation/amortization)

	Governmental Activities			Business-Type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Land	\$ 7,561,656	\$ 7,093,656	\$ 468,000	\$ 512,872	\$ 512,872	\$ -
Construction in progress	2,482,429	914,090	1,568,339	1,098,056	501,963	596,093
Buildings	35,268,089	36,716,968	(1,448,879)	1,926,110	1,992,815	(66,705)
Improvements other than buildings	9,468,782	10,423,375	(954,593)	18,578,280	19,448,723	(870,443)
Systems and infrastructure	34,286,373	35,220,579	(934,206)	21,521,387	21,715,421	(194,034)
Equipment and machinery	3,687,792	4,197,677	(509,885)	725,099	818,884	(93,785)
Library books	-	-	-	-	-	-
Leased vehicles	585,862	92,952	492,910	-	-	-
Total	<u>\$ 93,340,983</u>	<u>\$ 94,659,297</u>	<u>\$ (1,318,314)</u>	<u>\$ 44,361,804</u>	<u>\$ 44,990,678</u>	<u>\$ (628,874)</u>

**City of Marshall**  
**Management's Discussion and Analysis**

**Capital Asset and Debt Administration (Continued)**

**Long-term Debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$52,793,001 as shown in the chart below. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

**City of Marshall's Outstanding Debt**

	Governmental Activities			Business-Type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
General Obligation Bonds	\$ 7,505,000	\$ 8,165,000	\$ (660,000)	\$ -	\$ -	\$ -
G.O. Tax Increment Bonds	1,885,000	2,060,000	(175,000)	-	-	-
G.O. Tax Abatement Bonds	2,090,000	2,215,000	(125,000)	-	-	-
G.O. Improvement Bonds	17,902,264	17,492,282	409,982	-	-	-
G.O. State Aid Street Bonds	1,545,000	1,770,000	(225,000)	-	-	-
G.O. Revenue Bonds	-	-	-	8,252,737	7,992,718	260,019
Revenue Bonds	-	-	-	1,485,000	1,710,000	(225,000)
PFA Notes	-	-	-	12,128,000	12,823,890	(695,890)
Total	<u>\$ 30,927,264</u>	<u>\$ 31,702,282</u>	<u>\$ (775,018)</u>	<u>\$ 21,865,737</u>	<u>\$ 22,526,608</u>	<u>\$ (660,871)</u>

The City's total debt decreased \$1,435,889, or 2.7 percent, during the current fiscal year. Long-term debt of \$4,790,000 was issued during the year and \$6,225,889 was retired during the year.

*Minnesota Statutes* limit the amount of net general obligation debt a City may issue up to 3 percent of the market value of taxable property within the City. The current legal debt limit (3% of 2022/23 estimated market value) for the City is \$33,549,795, which is significantly in excess of the City's outstanding debt subject to the limit of \$13,579,600.

The City of Marshall maintains an AA bond rating on its general obligation bonds from Standard and Poor's. Marshall Municipal Utilities has also received an A rating from Standard and Poor's.

Additional information on the City's long-term debt can be found in Note 7 in the footnotes as listed in the table of contents.

**Economic Factors and Next Year's Budgets and Rates**

- ◆ The unemployment rate for the City of Marshall in 2023 was 2.3 percent, which was an increase from the rate of 2.2 percent in 2022. The unemployment rate for Lyon County in 2023 was 2.5 percent, which was an increase from the rate of 2.4 percent in 2022. This is comparable to the State's average unemployment rate in 2023, where the unemployment rate in Minnesota was 2.8 percent. This is an increase from the previous year, when the unemployment rate in Minnesota stood at 2.7 percent.
- ◆ The increase in Net Tax Capacity from pay 2023 to pay 2024 was \$321,267 or 2.24% (percent). The total estimated market value for all taxable property in 2015 (pay 2016) was \$910,762,900 and in 2023 (pay 2024) was \$1,216,811,900. This represents an average increase of 3.69% (percent) per year.

**City of Marshall  
Management's Discussion and Analysis**

**Economic Factors and Next Year's Budgets and Rates (Continued)**

- ◆ In November 2023, City voters approved extending the local option sales tax of 0.5% to fund a new aquatic center. The City intends to issue bonds in fall 2024 to finance construction of the facility, along with capitalized interest and issuance costs. The par amount of the bonds is estimated to be around \$21 million.
- ◆ All of these factors were considered in preparing the City's budget for the 2024 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Marshall, 344 West Main Street, Marshall, Minnesota 56258.

## BASIC FINANCIAL STATEMENTS



City of Marshall  
Statement of Net Position  
December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and temporary investments	\$ 30,849,577	\$ 9,581,558	\$ 40,431,135
Restricted assets	-	3,787,804	3,787,804
Receivables			
Interest	110,651	43,093	153,744
Delinquent taxes	56,872	-	56,872
Accounts	320,471	159,416	479,887
Notes	264	-	264
Leases	40,500	-	40,500
Special assessments	1,495,679	16,204	1,511,883
Intergovernmental	621,965	13,221	635,186
Due from component units/primary government	167,074	828,681	995,755
Inventories	-	838,974	838,974
Prepaid items	188,306	69,387	257,693
Land held for resale	-	-	-
Net pension asset	530,969	-	530,969
Capital assets			
Nondepreciable	10,044,085	1,610,928	11,655,013
Depreciable, net of accumulated depreciation	83,296,898	42,750,876	126,047,774
Total assets	<u>127,723,311</u>	<u>59,700,142</u>	<u>187,423,453</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to OPEB	65,600	12,697	78,297
Deferred outflows related to pensions	5,226,690	249,428	5,476,118
Total deferred outflows of resources	<u>5,292,290</u>	<u>262,125</u>	<u>5,554,415</u>
<b>Liabilities</b>			
Accounts payable	431,787	300,475	732,262
Contracts payable	198,626	146,411	345,037
Other payable	-	-	-
Due to other governments	39,392	84,923	124,315
Due to component units/primary government	265,120	24,818	289,938
Accrued interest payable	518,051	166,360	684,411
Accrued salaries payable	234,588	44,240	278,828
Accrued liabilities - other	-	-	-
Deposits payable	-	-	-
Unearned revenue	1,046,191	16,832	1,063,023
Noncurrent liabilities			
Due within one year	4,067,430	2,522,457	6,589,887
Due in more than one year	30,784,193	19,980,061	50,764,254
Net pension liability, due in more than one year	6,081,801	952,573	7,034,374
Total OPEB liability, due within one year	15,369	2,974	18,343
Total OPEB liability, due in more than one year	348,861	67,521	416,382
Total liabilities	<u>44,031,409</u>	<u>24,309,645</u>	<u>68,341,054</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to OPEB	284,212	55,008	339,220
Deferred inflows related to pensions	5,323,901	312,035	5,635,936
Advanced appropriations - State shared taxes	2,060,591	-	2,060,591
Deferred inflows of resources related to leases	40,500	-	40,500
Deferred inflows related to water treatment plant upgrades	-	-	-
Total deferred inflows of resources	<u>7,709,204</u>	<u>367,043</u>	<u>8,076,247</u>
<b>Net Position</b>			
Net investment in capital assets	59,759,668	22,077,970	81,837,638
Restricted for			
Debt service	7,554,053	3,787,804	11,341,857
Public safety	595,928	-	595,928
Economic development	4,059,502	-	4,059,502
Tax increment financing	2,818,970	-	2,818,970
Capital projects	987,940	-	987,940
Library	134,323	-	134,323
Unrestricted	5,364,604	9,419,805	14,784,409
Total net position	<u>\$ 81,274,988</u>	<u>\$ 35,285,579</u>	<u>\$ 116,560,567</u>

Component Units		
Marshall Municipal Utilities	Marshall Housing Commission	Economic Development Authority
\$ 24,624,537	\$ 482,449	\$ 2,592,353
1,386,417	40,692	-
154,605	4,736	10,259
-	-	1,211
4,248,119	40,458	-
-	-	257,161
-	-	-
-	-	-
-	-	1,637
289,938	-	-
1,262,748	-	-
276,667	24,389	255
-	-	832,581
-	-	-
722,128	514,965	-
68,543,613	2,495,696	3,068
101,508,772	3,603,385	3,698,525
135,158	-	-
646,766	-	-
781,924	-	-
2,779,973	4,684	3,029
-	-	-
-	-	19,769
-	11,211	-
828,681	-	167,092
88,825	-	-
331,863	636	4,972
-	5,250	-
93,819	28,391	-
-	12,301	2,329
1,525,000	38,421	-
5,375,066	35,058	-
2,466,023	-	-
-	-	-
574,006	-	-
14,063,256	135,952	197,191
107,418	-	-
815,270	-	-
-	-	-
-	-	-
8,946,911	-	-
9,869,599	-	-
55,178,994	3,010,661	3,068
1,386,417	-	-
-	-	-
-	-	123,283
-	-	-
-	-	-
-	-	-
21,792,430	456,772	3,374,983
\$ 78,357,841	\$ 3,467,433	\$ 3,501,334

City of Marshall  
Statement of Activities  
Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 4,025,603	\$ 175,692	\$ 23,489	\$ -
Public safety	5,418,371	522,966	1,110,066	193,708
Public works	9,927,576	2,122,798	1,870,895	255,863
Culture and recreation	4,365,118	740,146	444,090	1,080,925
Economic development	183,045	-	-	-
Airport	1,697,825	-	103,317	104,485
Interest on long-term debt	742,145	-	-	-
Total governmental activities	<u>26,359,683</u>	<u>3,561,602</u>	<u>3,551,857</u>	<u>1,634,981</u>
Business-type activities				
Wastewater treatment	5,134,014	5,606,455	36,400	4,132
Surface water management	1,589,387	1,327,904	4,645	(3,677)
Municipal liquor store	<u>6,327,733</u>	<u>7,380,054</u>	<u>(7,212)</u>	<u>-</u>
Total business-type activities	<u>13,051,134</u>	<u>14,314,413</u>	<u>33,833</u>	<u>455</u>
Total primary government	<u>\$ 39,410,817</u>	<u>\$ 17,876,015</u>	<u>\$ 3,585,690</u>	<u>\$ 1,635,436</u>
Component Units				
Marshall Municipal Utilities - Water	\$ 7,332,984	\$ 7,790,847	\$ -	\$ -
Marshall Municipal Utilities - Electric	37,239,812	37,966,308	-	-
Marshall Housing Commission	1,125,125	515,031	432,533	74,416
Economic Development Authority	<u>194,952</u>	<u>12,089</u>	<u>253,057</u>	<u>-</u>
Total component units	<u>\$ 45,892,873</u>	<u>\$ 46,284,275</u>	<u>\$ 685,590</u>	<u>\$ 74,416</u>
General revenues				
Property taxes, levied for general purposes				
Property taxes, levied for special purposes				
Property taxes, levied for debt service				
Tax increments				
Sales tax				
Lodging taxes				
Franchise taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - January 1				
Net position, December 31				

Net (Expense) Revenues and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Marshall Municipal Utilities	Marshall Housing Commission	Economic Development Authority
\$ (3,825,486)	\$ -	\$ (3,825,486)	\$ -	\$ -	\$ -
(3,591,631)	-	(3,591,631)	-	-	-
(5,678,020)	-	(5,678,020)	-	-	-
(2,099,957)	-	(2,099,957)	-	-	-
(183,045)	-	(183,045)	-	-	-
(1,490,023)	-	(1,490,023)	-	-	-
(742,145)	-	(742,145)	-	-	-
(17,610,307)	-	(17,610,307)	-	-	-
-	512,973	512,973	-	-	-
-	(260,515)	(260,515)	-	-	-
-	1,045,109	1,045,109	-	-	-
-	1,297,567	1,297,567	-	-	-
<u>\$ (17,610,307)</u>	<u>\$ 1,297,567</u>	<u>\$ (16,312,740)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 457,863	\$ -	\$ -
-	-	-	726,496	-	-
-	-	-	-	(103,145)	-
-	-	-	-	-	70,194
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,184,359</u>	<u>\$ (103,145)</u>	<u>\$ 70,194</u>
\$ 6,291,243	\$ -	\$ 6,291,243	\$ -	\$ -	\$ -
-	-	-	-	-	173,633
1,723,367	-	1,723,367	-	-	-
178,235	-	178,235	-	-	-
2,564,338	-	2,564,338	-	-	-
320,570	-	320,570	-	-	-
544,433	-	544,433	-	-	-
5,301,656	-	5,301,656	-	-	-
1,151,380	586,110	1,737,490	1,143,699	9,039	88,127
118,545	-	118,545	-	-	-
784,075	(784,075)	-	-	-	-
18,977,842	(197,965)	18,779,877	1,143,699	9,039	261,760
1,367,535	1,099,602	2,467,137	2,328,058	(94,106)	331,954
79,908,389	34,185,977	114,094,366	76,205,366	3,561,539	3,169,380
<u>\$ 81,275,924</u>	<u>\$ 35,285,579</u>	<u>\$ 116,561,503</u>	<u>\$ 78,357,841</u>	<u>\$ 3,467,433</u>	<u>\$ 3,501,334</u>

**City of Marshall**  
**Balance Sheet - Governmental Funds**  
**December 31, 2023**

	General Fund (101/106)	Debt Service (300s)	Sales / Lodging Tax (256)	2023 Public Improvements (481)	Other Governmental Funds	Totals
<b>Assets</b>						
Cash and temporary investments	\$ 9,525,520	\$ 7,265,719	\$ 1,656,645	\$ 583,767	\$ 11,641,089	\$ 30,672,740
Receivables						
Interest	94,328	551	6,555	-	8,517	109,951
Delinquent taxes	41,027	12,014	-	-	3,831	56,872
Accounts	103,045	-	8,309	-	209,117	320,471
Notes	-	-	-	-	264	264
Leases	-	-	-	-	40,500	40,500
Special assessments	707	1,158,792	-	-	336,180	1,495,679
Intergovernmental	194,796	22,982	399,000	-	5,187	621,965
Due from other funds	83,264	-	-	-	1,200	84,464
Due from component units	-	-	-	-	167,074	167,074
Prepaid items	156,287	-	-	-	32,019	188,306
Total assets	<u>\$ 10,198,974</u>	<u>\$ 8,460,058</u>	<u>\$ 2,070,509</u>	<u>\$ 583,767</u>	<u>\$ 12,444,978</u>	<u>\$ 33,758,286</u>
<b>Liabilities</b>						
Accounts payable	\$ 136,708	\$ 3,100	\$ -	\$ 3,820	\$ 288,159	\$ 431,787
Contracts payable	-	-	-	52,660	145,966	198,626
Due to other funds	-	-	-	-	84,464	84,464
Due to component units	254,133	-	-	-	10,987	265,120
Due to other governments	21,828	-	-	275	17,255	39,358
Accrued salaries payable	209,024	-	-	-	25,564	234,588
Unearned revenue	873,231	-	-	-	172,960	1,046,191
Total liabilities	<u>1,494,924</u>	<u>3,100</u>	<u>-</u>	<u>56,755</u>	<u>745,355</u>	<u>2,300,134</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - taxes	41,027	12,014	-	-	3,831	56,872
Unavailable revenue - special assessments	707	1,158,792	-	-	336,180	1,495,679
Advanced appropriations - State shared taxes	-	455,000	-	-	1,605,591	2,060,591
Deferred inflows of resources related to leases	-	-	-	-	40,500	40,500
Total deferred inflows of resources	<u>41,734</u>	<u>1,625,806</u>	<u>-</u>	<u>-</u>	<u>1,986,102</u>	<u>3,653,642</u>
<b>Fund Balances (Deficits)</b>						
Nonspendable						
Prepaid items	156,287	-	-	-	32,019	188,306
Restricted						
Debt service	-	6,831,152	-	-	-	6,831,152
Public safety	595,928	-	-	-	-	595,928
Economic development	-	-	2,070,509	-	1,988,993	4,059,502
Tax increment financing	-	-	-	-	2,818,970	2,818,970
Capital projects	-	-	-	-	987,940	987,940
Library	-	-	-	-	134,323	134,323
Assigned						
Insurance reserve	152,803	-	-	-	-	152,803
OPEB liability	364,230	-	-	-	-	364,230
Shelter	50,000	-	-	-	-	50,000
DARE - police department	195,500	-	-	-	-	195,500
Forfeiture program - police department	37,033	-	-	-	-	37,033
Unallocated health insurance premium	9,282	-	-	-	-	9,282
City band memorial donations	1,020	-	-	-	-	1,020
Legion Field donations	62,244	-	-	-	-	62,244
Budgeted and levied expenditures	84,420	-	-	-	-	84,420
Staff separation	-	-	-	-	129,976	129,976
Library operations	-	-	-	-	106,833	106,833
Economic development	-	-	-	-	86,685	86,685
Capital projects	-	-	-	527,012	3,394,242	3,921,254
Drivers education	-	-	-	-	58,605	58,605
ASC Arena	-	-	-	-	371,115	371,115
Park improvements	1,092	-	-	-	132,493	133,585
Emergency response and industrial training center	-	-	-	-	290,820	290,820
Unassigned	6,952,477	-	-	-	(819,493)	6,132,984
Total fund balances (deficits)	<u>8,662,316</u>	<u>6,831,152</u>	<u>2,070,509</u>	<u>527,012</u>	<u>9,713,521</u>	<u>27,804,510</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 10,198,974</u>	<u>\$ 8,460,058</u>	<u>\$ 2,070,509</u>	<u>\$ 583,767</u>	<u>\$ 12,444,978</u>	<u>\$ 33,758,286</u>

City of Marshall  
Reconciliation of the Balance Sheet to  
the Statement of Net Position - Governmental Funds  
December 31, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	27,804,510
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	92,755,121
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of:	
Compensated absences payable	(1,270,308)
Other postemployment benefits obligation	(364,230)
Pension liability	(6,081,801)
Bonds payable	(30,927,264)
Unamortized bond premiums	(2,218,917)
Long-term assets are not available to pay current-period expenditures and, therefore, are unavailable in the funds.	
Delinquent property taxes	56,872
Special assessments receivable	1,495,679
Long-term assets from pensions reported in governmental activities are not financial resources therefore are not reported as assets in the funds.	530,969
Governmental funds do not report long-term amounts related to pensions and other post-employment benefits.	
Deferred outflows of pension resources	5,226,690
Deferred inflows of pension resources	(5,323,901)
Deferred outflows of other postemployment benefits	65,600
Deferred inflows of other postemployment benefits	(284,212)
Governmental funds do not report a liability for accrued interest until due and payable.	(447,905)
An internal service fund is used by management to charge the costs of fleet activity to individual funds. The assets and liabilities of the Central Fleet Internal Service Fund are included in governmental activities in the Statement of Net Position.	258,085
Total net position - governmental activities	<u>\$ 81,274,988</u>

**City of Marshall**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended December 31, 2023**

	General Fund (101/106)	Debt Service (300s)	Sales / Lodging Tax (256)
<b>Revenues</b>			
Taxes	\$ 6,541,526	\$ 1,723,367	\$ 2,666,552
Special assessments	352	221,209	-
Licenses and permits	393,543	-	-
Intergovernmental	5,090,456	66,300	-
Charges for services	2,012,499	-	-
Fines and forfeitures	98,769	-	-
Investment earnings	915,059	4,128	50,562
Miscellaneous	989,773	-	-
Total revenues	<u>16,041,977</u>	<u>2,015,004</u>	<u>2,717,114</u>
<b>Expenditures</b>			
Current			
General government	3,019,275	-	936
Public safety	4,449,639	-	-
Public works	3,290,502	-	-
Culture and recreation	2,676,261	-	-
Economic development	-	-	-
Airport	788,915	-	-
Capital outlay			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Culture and recreation	10,000	-	-
Airport	-	-	-
Debt service			
Principal	-	3,827,818	-
Interest and other	-	1,023,561	-
Total expenditures	<u>14,234,592</u>	<u>4,851,379</u>	<u>936</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,807,385</u>	<u>(2,836,375)</u>	<u>2,716,178</u>
<b>Other Financing Sources (Uses)</b>			
Sale of capital assets	65,189	-	-
Bonds issued	-	92,856	-
Premium on bonds issued	-	-	-
Transfers in	424,625	2,066,684	-
Transfers out	(147,975)	(5,000)	(2,267,844)
Total other financing sources (uses)	<u>341,839</u>	<u>2,154,540</u>	<u>(2,267,844)</u>
Net change in fund balances	2,149,224	(681,835)	448,334
Fund Balances, January 1	<u>6,513,092</u>	<u>7,512,987</u>	<u>1,622,175</u>
Fund Balances, December 31	<u>\$ 8,662,316</u>	<u>\$ 6,831,152</u>	<u>\$ 2,070,509</u>

2023 Public Improvements (481)	Other Governmental Funds	Totals
\$ -	\$ 705,858	\$ 11,637,303
-	15,407	236,968
-	-	393,543
-	4,222,743	9,379,499
-	77,265	2,089,764
-	8,488	107,257
-	176,683	1,146,432
641,323	530,314	2,161,410
641,323	5,736,758	27,152,176
-	28,539	3,048,750
-	167,813	4,617,452
289,234	64,571	3,644,307
-	2,248,839	4,925,100
-	181,294	181,294
-	6,532	795,447
-	67,409	67,409
-	32,850	32,850
3,056,456	2,088,856	5,145,312
-	691,432	701,432
-	73,499	73,499
-	-	3,827,818
37,131	-	1,060,692
3,382,821	5,651,634	28,121,362
(2,741,498)	85,124	(969,186)
-	-	65,189
2,959,944	-	3,052,800
317,730	-	317,730
150,000	865,755	3,507,064
-	(408,340)	(2,829,159)
3,427,674	457,415	4,113,624
686,176	542,539	3,144,438
(159,164)	9,170,982	24,660,072
\$ 527,012	\$ 9,713,521	\$ 27,804,510



**City of Marshall**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances to**  
**the Statement of Activities - Governmental Funds**  
**Year Ended December 31, 2023**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ 3,144,438
--	--------------

Governmental funds report capital outlay as expenditures. However, in the Statement of a Activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense.

Capital outlay	5,130,716
Depreciation/amortization expense	(6,901,514)
Disposal of capital assets	(40,426)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 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.

Bonds issued	(3,052,800)
Premium on bonds issued	(317,730)
Principal repayments	3,827,819
Bond premiums amortization	280,371

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 when it is due in the funds when it is due and thus requires use of current financial resources.

and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(2,298)
--	---------

Long-term pension activity is not reported in governmental funds.	(418,013)
---	-----------

Certain revenues are recognized as soon as they are earned. 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	(15,117)
Special assessments	(326,168)

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 governmental funds.

Compensated absences	(11,107)
Other postemployment benefits costs	(8,877)

An internal service fund is used by management to charge the costs of fleet activity to individual funds. The change in net position of the Central Fleet Internal Service Fund is included in governmental activities in the Statement of Activities.

Change in net position - governmental activities	<u>77,305</u> <u>\$ 1,366,599</u>
--	--------------------------------------

**City of Marshall**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Over (Under)
<b>Revenues</b>				
Taxes	\$ 6,525,175	\$ 6,525,175	\$ 6,541,526	\$ 16,351
Licenses and permits	381,240	381,240	393,543	12,303
Special assessments	1,000	1,000	352	(648)
Intergovernmental	4,736,868	4,736,868	5,090,456	353,588
Charges for services	1,966,150	1,966,150	2,012,499	46,349
Fines and forfeitures	112,900	112,900	98,769	(14,131)
Investment earnings	149,640	149,640	915,059	765,419
Miscellaneous	573,524	573,524	989,773	416,249
Total revenues	<u>14,446,497</u>	<u>14,446,497</u>	<u>16,041,977</u>	<u>1,595,480</u>
<b>Expenditures</b>				
Current				
General government	2,936,617	2,936,617	3,019,275	82,658
Public safety	4,574,864	4,574,864	4,449,639	(125,225)
Public works	3,253,289	3,253,289	3,290,502	37,213
Culture and recreation	2,730,321	2,730,321	2,676,261	(54,060)
Airport	1,278,664	1,278,664	788,915	(489,749)
Capital outlay				
Culture and recreation	-	-	10,000	10,000
Total expenditures	<u>14,773,755</u>	<u>14,773,755</u>	<u>14,234,592</u>	<u>(539,163)</u>
Excess of revenues under expenditures	(327,258)	(327,258)	1,807,385	2,134,643
<b>Other Financing Sources</b>				
Sale of capital assets	-	-	65,189	65,189
Transfers in	400,000	400,000	424,625	24,625
Transfers out	(96,720)	(96,720)	(147,975)	(51,255)
Total other financing sources (uses)	<u>303,280</u>	<u>303,280</u>	<u>341,839</u>	<u>38,559</u>
Net change in fund balances	<u>\$ (23,978)</u>	<u>\$ (23,978)</u>	2,149,224	<u>\$ 2,173,202</u>
<b>Fund Balance</b>				
Beginning of year			<u>6,513,092</u>	
End of year			<u>\$ 8,662,316</u>	

City of Marshall  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Sales / Lodging Tax  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 2,120,000	\$ 2,120,000	\$ 2,666,552	\$ 546,552
Investment earnings	16,498	16,498	50,562	34,064
Total revenues	2,136,498	2,136,498	2,717,114	580,616
<b>Expenditures</b>				
Current				
General government	1,000	1,000	936	(64)
Excess of revenues over expenditures	2,136,498	2,136,498	2,716,178	580,680
<b>Other Financing Sources (Uses)</b>				
Transfers out	(2,267,844)	(2,267,844)	(2,267,844)	-
Net change in fund balances	<u>\$ (131,346)</u>	<u>\$ (131,346)</u>	448,334	<u>\$ 580,680</u>
<b>Fund Balance</b>				
Beginning of year			1,622,175	
End of year			<u>\$ 2,070,509</u>	

City of Marshall  
Statement of Net Position - Proprietary Funds  
December 31, 2023

	Wastewater Treatment (602)	Municipal Liquor Store (609)	Surface Water Management (630)	Totals	Governmental Activities - Internal Service Fund
<b>Assets</b>					
<b>Current assets</b>					
Cash and temporary investments	\$ 5,880,362	\$ 1,454,830	\$ 2,246,366	\$ 9,581,558	\$ 176,837
Restricted assets					
Debt service	1,649,217	1,563,970	574,617	3,787,804	-
Receivables					
Interest	18,263	11,557	13,273	43,093	700
Accounts	159,074	342	-	159,416	-
Special assessments	-	-	16,204	16,204	-
Intergovernmental	13,150	-	71	13,221	-
Due from component units	611,422	-	217,259	828,681	-
Inventories	-	838,974	-	838,974	-
Prepaid items	55,102	9,956	4,329	69,387	-
Total current assets	8,386,590	3,879,629	3,072,119	15,338,338	177,537
<b>Noncurrent assets</b>					
<b>Capital assets</b>					
Land	199,134	48,603	265,135	512,872	-
Construction in progress	361,047	-	737,009	1,098,056	-
Buildings	168,472	2,359,862	-	2,528,334	-
Improvements other than buildings	42,976,501	123,122	-	43,099,623	-
Systems and infrastructure	23,176,652	-	20,721,682	43,898,334	-
Equipment and machinery	2,981,918	220,871	596,473	3,799,262	-
Leased vehicles	-	-	-	-	712,182
Total capital assets	69,863,724	2,752,458	22,320,299	94,936,481	712,182
Less accumulated depreciation/amortization	(40,068,339)	(715,251)	(9,791,087)	(50,574,677)	(126,320)
Net capital assets	29,795,385	2,037,207	12,529,212	44,361,804	585,862
Total noncurrent assets	29,795,385	2,037,207	12,529,212	44,361,804	585,862
Total assets	38,181,975	5,916,836	15,601,331	59,700,142	763,399
<b>Deferred Outflows of Resources</b>					
Deferred inflows related to pensions	171,122	78,306	-	249,428	-
Deferred inflows related to OPEB	10,160	2,537	-	12,697	-
Total deferred outflows of resources	181,282	80,843	-	262,125	-
Total assets and deferred outflows of resources	38,363,257	5,997,679	15,601,331	59,962,267	763,399
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	93,516	206,731	228	300,475	-
Contracts payable	-	-	146,411	146,411	-
Due to component unit	20,581	2,219	2,018	24,818	-
Due to other governments	379	84,502	42	84,923	34
Accrued interest payable	86,879	3,739	75,742	166,360	70,146
Accrued salaries payable	33,927	10,313	-	44,240	-
Unearned revenue	-	16,832	-	16,832	-
Compensated absences payable	54,643	13,980	-	68,623	-
Notes from direct borrowings - current portion	703,000	-	-	703,000	-
Bonds payable - current portion	946,217	230,000	574,617	1,750,834	-
Total OPEB liability - current portion	2,380	594	-	2,974	-
Lease liability - current portion	-	-	-	-	137,791
Total current liabilities	1,941,522	568,910	799,058	3,309,490	207,971
<b>Noncurrent liabilities</b>					
Compensated absences payable	108,158	41,903	-	150,061	-
Notes from direct borrowings - noncurrent portion	11,425,000	-	-	11,425,000	-
Bonds payable - noncurrent portion	2,607,307	1,255,000	4,124,596	7,986,903	-
Premium or discount on bonds payable	102,995	-	315,102	418,097	-
Total OPEB liability - noncurrent portion	54,031	13,490	-	67,521	-
Net pension liability	653,520	299,053	-	952,573	-
Lease liability - noncurrent portion	-	-	-	-	297,343
Total noncurrent liabilities	14,951,011	1,609,446	4,439,698	21,000,155	297,343
Total liabilities	16,892,533	2,178,356	5,238,756	24,309,645	505,314
<b>Deferred inflows of resources</b>					
Deferred inflows related to OPEB	44,018	10,990	-	55,008	-
Deferred inflows related to pensions	214,074	97,961	-	312,035	-
Total deferred inflows of resources	258,092	108,951	-	367,043	-
<b>Net Position</b>					
Net investment in capital assets	14,010,866	552,207	7,514,897	22,077,970	150,728
Restricted for debt service	1,649,217	1,563,970	574,617	3,787,804	-
Unrestricted	5,552,549	1,594,195	2,273,061	9,419,805	107,357
Total net position	\$ 21,212,632	\$ 3,710,372	\$ 10,362,575	\$ 35,285,579	\$ 258,085

**City of Marshall**  
**Statement of Revenues, Expenses, and Changes**  
**in Fund Net Position - Proprietary Funds**  
**Year Ended December 31, 2023**

	Wastewater Treatment (602)	Municipal Liquor Store (609)	Surface Water Management (630)	Totals	Governmental Activities - Internal Service Fund
<b>Operating Revenues</b>					
Charges for services	\$ 5,558,950	\$ -	\$ 1,281,033	\$ 6,839,983	\$ -
Sales	-	7,376,044	-	7,376,044	-
Cost of sales	-	(5,256,596)	-	(5,256,596)	-
Total operating revenues/gross profit	<u>5,558,950</u>	<u>2,119,448</u>	<u>1,281,033</u>	<u>8,959,431</u>	<u>-</u>
<b>Operating Expenses</b>					
Salaries and benefits	1,421,868	579,582	-	2,001,450	-
Supplies	553,580	40,528	2,104	596,212	43,895
Repairs and maintenance	187,267	7,525	57,891	252,683	-
Professional services	-	-	-	-	400
Other services and charges	666,230	241,540	645,673	1,553,443	-
Insurance	84,257	18,010	5,859	108,126	-
Utilities	250,261	39,661	17,388	307,310	-
Depreciation/amortization	1,748,536	93,953	718,612	2,561,101	83,347
Total operating expenses	<u>4,911,999</u>	<u>1,020,799</u>	<u>1,447,527</u>	<u>7,380,325</u>	<u>127,642</u>
Operating income (loss)	646,951	1,098,649	(166,494)	1,579,106	(127,642)
<b>Nonoperating Revenues (Expenses)</b>					
Special assessments	4,132	-	(3,677)	455	-
Other income	-	4,010	-	4,010	-
Grants and contributions	46,437	37	-	46,474	-
Investment earnings (loss)	347,157	113,698	125,255	586,110	4,948
Refunds and reimbursements	(10,037)	(7,249)	4,645	(12,641)	-
Rents	14,809	-	-	14,809	-
Gain on disposal of assets	-	-	-	-	53,356
Bond premium amortization	32,696	-	46,871	79,567	-
Bond issuance costs	-	-	(21,130)	(21,130)	-
Interest and other expenses	(222,015)	(50,338)	(120,730)	(393,083)	40,473
Total nonoperating revenues (expenses)	<u>213,179</u>	<u>60,158</u>	<u>31,234</u>	<u>304,571</u>	<u>98,777</u>
Income before transfers	860,130	1,158,807	(135,260)	1,883,677	(28,865)
Transfers in	-	-	-	-	106,170
Transfers out	<u>(9,450)</u>	<u>(774,625)</u>	<u>-</u>	<u>(784,075)</u>	<u>-</u>
Change in net position	850,680	384,182	(135,260)	1,099,602	77,305
Net position, January 1	<u>20,361,952</u>	<u>3,326,190</u>	<u>10,497,835</u>	<u>34,185,977</u>	<u>180,780</u>
Net position, December 31	<u>\$ 21,212,632</u>	<u>\$ 3,710,372</u>	<u>\$ 10,362,575</u>	<u>\$ 35,285,579</u>	<u>\$ 258,085</u>

**City of Marshall**  
**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2023**

	Wastewater Treatment (602)	Municipal Liquor Store (609)	Surface Water Management (630)	Totals	Internal Service Fund
<b>Cash Flows - Operating Activities</b>					
Receipts from customers and users	\$ 5,730,813	\$ 7,376,108	\$ 1,280,082	\$ 14,387,003	\$ -
Payments to suppliers and vendors	(1,659,894)	(5,588,564)	(588,296)	(7,836,754)	(45,476)
Payments to and on behalf of employees	(1,297,572)	(564,797)	-	(1,862,369)	-
Other receipts	4,772	(3,239)	4,645	6,178	(25,586)
Net cash provided (used) by operating activities	<u>2,778,119</u>	<u>1,219,508</u>	<u>696,431</u>	<u>4,694,058</u>	<u>(71,062)</u>
<b>Cash Flows - Noncapital Financing Activities</b>					
Transfer from other funds	-	-	-	-	106,170
Transfer to other funds	(9,450)	(774,625)	-	(784,075)	-
Net cash provided (used) by noncapital financing activities	<u>(9,450)</u>	<u>(774,625)</u>	<u>-</u>	<u>(784,075)</u>	<u>106,170</u>
<b>Cash Flows - Capital and Related Financing Activities</b>					
Acquisition of capital assets	(457,646)	(44,360)	(1,436,964)	(1,938,970)	(576,257)
Proceeds from sales of capital assets	6,743	-	-	6,743	53,356
Proceeds from bonds, leases, and notes issued, net of discounts/premiums issued	-	-	1,918,908	1,918,908	-
Principal paid on long-term debt	(1,610,979)	(225,000)	(562,092)	(2,398,071)	329,974
Federal grants	46,356	-	-	46,356	-
Interest paid on long-term debt	(236,013)	(50,835)	(80,924)	(367,772)	136,205
Bond issuance costs	-	-	(21,130)	(21,130)	-
Special assessments received	4,132	-	7,065	11,197	-
Net cash provided (used) by capital and related financing activities	<u>(2,247,407)</u>	<u>(320,195)</u>	<u>(175,137)</u>	<u>(2,742,739)</u>	<u>(56,722)</u>
<b>Cash Flows - Investing Activities</b>					
Interest received on cash and investments	<u>345,015</u>	<u>112,947</u>	<u>120,812</u>	<u>578,774</u>	<u>4,248</u>
Net increase (decrease) in cash and cash equivalents	866,277	237,635	642,106	1,746,018	(17,366)
<b>Cash and Cash Equivalents</b>					
January 1	<u>6,663,302</u>	<u>2,781,165</u>	<u>2,178,877</u>	<u>11,623,344</u>	<u>194,203</u>
December 31	<u>\$ 7,529,579</u>	<u>\$ 3,018,800</u>	<u>\$ 2,820,983</u>	<u>\$ 13,369,362</u>	<u>\$ 176,837</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>					
Cash and temporary investments					
Unrestricted	\$ 5,880,362	\$ 1,454,830	\$ 2,246,366	\$ 9,581,558	\$ 176,837
Restricted - debt service	1,649,217	1,563,970	574,617	3,787,804	-
Total Cash and Cash Equivalents	<u>\$ 7,529,579</u>	<u>\$ 3,018,800</u>	<u>\$ 2,820,983</u>	<u>\$ 13,369,362</u>	<u>\$ 176,837</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>					
Operating income (loss)	\$ 646,951	\$ 1,098,649	\$ (166,494)	\$ 1,579,106	\$ (127,642)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Other income related to operations	4,772	(3,239)	4,645	6,178	(25,586)
Depreciation	1,748,536	93,953	718,612	2,561,101	83,347
(Increase) decrease in assets					
Accounts receivable	(5,634)	110	-	(5,524)	-
Due from component units	190,647	-	(880)	189,767	-
Due from other governments	(13,150)	-	(71)	(13,221)	-
Inventories	-	(8,627)	-	(8,627)	-
Prepaid items	2,900	3,115	87	6,102	-
Increase (decrease) in liabilities					
Accounts payable	82,342	13,069	(4,203)	91,208	-
Contracts payable	-	-	146,411	146,411	-
Due to other governments	(262)	7,772	(1,424)	6,086	(1,181)
Due to component unit	(3,279)	(33)	(252)	(3,564)	-
Accrued salaries payable	(21,078)	(9,839)	-	(30,917)	-
Compensated absences payable	7,091	6,240	-	13,331	-
Increase (decrease) in deferred inflows of resources					
Unearned revenue	-	(46)	-	(46)	-
Pension related activity	125,381	15,551	-	140,932	-
Other postemployment benefit activity	12,902	2,833	-	15,735	-
Net cash provided (used) by operating activities	<u>\$ 2,778,119</u>	<u>\$ 1,219,508</u>	<u>\$ 696,431</u>	<u>\$ 4,694,058</u>	<u>\$ (71,062)</u>
<b>Noncash Investing, Capital and Financing Activities</b>					
Book value of disposed/traded of capital assets	\$ 6,743	\$ -	\$ -	6,743	\$ 53,356
Amortization of bond (premium) discount	(32,696)	-	(46,871)	(79,567)	-

City of Marshall  
Statement of Fiduciary Net Position  
December 31, 2023

	Private Purpose Trust Fund (802)
<b>Assets</b>	
Current	
Cash and investments	\$ 18,118
Interest receivable	<u>72</u>
Total assets	<u><u>\$ 18,190</u></u>
<b>Net Position</b>	
Held in trust	<u><u>\$ 18,190</u></u>

Statement of Changes in Fiduciary Net Position  
Year Ended December 31, 2023

	Private Purpose Trust Fund (802)
<b>Additions</b>	
Investment income	\$ 712
Other additions	
Donations	<u>929</u>
Total additions	1,641
<b>Deductions</b>	
Program expenditures	<u>900</u>
Change in net position	741
<b>Net Position</b>	
Beginning of year	<u>17,449</u>
End of year	<u><u>\$ 18,190</u></u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Marshall (the City) was incorporated February 20, 1901, under the provisions of Minnesota Laws of 1870. The City operates under a Mayor-Council form of government with a full-time City Administrator and provides the following services as authorized by its charter, which was adopted in 1969 as provided by *Minnesota Statutes* Chapter 410: public safety (police and fire), highways and streets, culture and recreation, public library, public improvements, planning and zoning, and general administrative services. The City also owns a municipal airport and municipal liquor store. The City also operates public electric, water and wastewater treatment and surface water utilities. The electric and water utilities are presented as a discretely presented component unit. The accompanying basic financial statements present the government entities for which the government is financially accountable.

The financial statements present the City and its component units. The City includes all funds, account groups, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain organizations have been defined and are presented in this report as follows:

**1. Blended Component Units**

The Housing and Redevelopment Authority (HRA) serves all the citizens of the City and is governed by City appointed boards. The HRA was created pursuant to *Minnesota Statutes* §§ 469.090 through 469.108 to carry out housing development and redevelopment within the City in accordance with policies established by the Council. The HRA may not exercise any of the powers enumerated by the authorizing statutes without prior approval of the Council. Separate financial statements are not issued.

The Marshall-Lyon County Public Library is a joint venture between the City and Lyon County. The City appoints six members, and the County appoints three members of the governing board of the Library. The City does have the authority to approve or modify the Library's operational and capital budgets and any bonded debt must be approved by the City Council. The City provides a material portion of the Library's annual operating budget. The Library's total debt outstanding is expected to be repaid entirely with resources of the City. The Library, whose year-end is December 31, is a blended component unit (with special revenue, debt service, and capital project funds) of the City. Separate financial statements are not issued.



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

**2. Discretely Presented Component Units**

The Economic Development Authority (EDA) serves all the citizens of the City and is governed by City appointed boards. The EDA was created pursuant to *Minnesota Statutes* §§ 469.090 through 469.108 to carry out economic and industrial development and redevelopment within the City in accordance with policies established by the Council. The seven-member board consists of two Council members and four other City Council approved members along with the City Administrator, who is the executive director. The EDA may not exercise any of the powers enumerated by the authorizing statutes without prior approval of the Council. The EDA is reported as two discretely presented special revenue funds (Economic Development Authority and EDA Parkway Housing). Separate financial statements are not issued.

The Marshall Municipal Utilities (the Utilities) meets the criteria to be included as a discrete presentation. The members of the governing board of the Utilities are appointed by the Mayor and approved by the City Council. The Utilities makes monthly payments to the City "in lieu of taxes" in accordance with an agreement between itself and the City. Therefore, there is a financial benefit to the City. Complete financial statements for the Utilities may be obtained from the Utilities Business Office at 113 South Fourth Street, Marshall, Minnesota.

The Marshall Housing Commission (the Commission) meets the criteria to be included as a discrete presentation. The members of the governing board of the Utilities are appointed by the Mayor and approved by the City Council. Although the City does not have the authority to approve or modify the Commission's operational and capital budgets, the tax rates established by the Commission and bonded debt must be approved by the City Council. The Commission has a September 30 reporting date, therefore, the information presented within the government-wide financial statements is from its September 30, 2023, separately issued financial statements. Complete financial statements for the Commission may be obtained from the Marshall Housing Commission at 202 North First Street, Marshall, Minnesota.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. The fiduciary funds are only reported in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than program revenues.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

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

The Private Purpose Trust Fund is presented in the fiduciary fund financial statements. Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the City, these Funds are not incorporated into the government-wide statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**Description of Funds:**

**Major Governmental Funds:**

General Fund - This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund - This fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

Sales/Lodging Tax Special Revenue Fund - This fund is used to account for sales and lodging tax received by the City to be used for future capital projects.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Description of Funds: (Continued)**

**Major Governmental Funds: (Continued)**

2023 Public Improvement Capital Project Fund - This fund is used to account for street and utility improvements made to the City's infrastructure system.

**Proprietary Funds:**

Wastewater Treatment Fund - This fund accounts for the operations, maintenance, and capital improvements of the City's wastewater treatment activities.

Municipal Liquor Store Fund - This fund accounts for the operations of the City's off-sale municipal liquor store.

Surface Water Management Fund - This fund accounts for the operations, maintenance, and capital improvements of the City's storm water collection activities.

**Fiduciary Fund:**

Private Purpose Trust Fund - This fund accounts for resources legally held by the government in trust. All resources of the fund, including any earnings on invested resources, may be used to support activities of the Trust. There is no requirement that any portion of these resources is preserved as capital.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted as needed. Further, when committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order 1) committed 2) assigned, and 3) unassigned.

**1. Component Units**

The Marshall Economic Development Authority has adopted the modified accrual basis of accounting. The Marshall Housing Commission and the Marshall Public Utilities have adopted the accrual basis of accounting.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**1. Component Units (Continued)**

The Marshall Housing Commission has a fiscal year end of September 30. Therefore, the data included for this component unit is as of that date in the statement of net position and for the year then ended in the statement of activities.

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

**1. Deposits and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on participation by each fund for cash and investment balances.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

*Minnesota Statutes* § 118A outlines authorized investments, including obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

Certain investments for the City are reported at fair value as disclosed in Note 3. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

**2. Receivables and Payables**

All trade and property tax receivables are shown at a gross amount since both are assessable to the property taxes and are collectible upon the sale of the property.

The Marshall Public Utilities grants credit to its customers, which is mainly unsecured in the course of its operations. A portion of customer receivables is secured by deposits based on prior payment history of individual accounts. Monthly sewer rental charges are included in the customer's billings and transferred to the City when collected. No allowance for doubtful accounts has been recorded as management deems all receivables to be collectible.

The City levies its property tax for the subsequent year during the month of December. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Lyon County is the collecting agency for the levy and remits the collections to the City three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Taxes not collected as of December 31 each year are shown as delinquent taxes receivable.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**2. Receivables and Payables (Continued)**

The County Auditor prepares the tax list for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditor also collects all special assessments, except for certain prepayments paid directly to the City.

The County Auditor submits the list of taxes and special assessments to be collected on each parcel of property to the County Treasurer in January of each year.

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

Special assessments represent the financing for public improvements paid for by benefitting property owners. These assessments are recorded as receivables when assessment rolls are provided to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

**3. Inventory, Land Held for Resale, and Prepaid Items**

Inventory is valued at the lower of cost or market value using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

The material and supply inventory of the Marshall Municipal Utilities is state at average cost which approximates actual cost.

Land held for resale is valued at the lower of cost or fair value.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption.

**4. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The City reports infrastructure assets on a network and subsystem basis. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**4. Capital Assets (Continued)**

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	5 - 25
Buildings and improvements	20 - 50
Infrastructure	10 - 40
Machinery and equipment	3 - 20
Vehicles	3 - 30

The Marshall-Lyon County Library provides depreciation based on historical cost or estimated historical cost. The straight-line method of depreciation is used over the estimated useful lives of individual assets. Library books are depreciated using group depreciation by collections. The Library uses a capitalization threshold of \$15,000 for library book collections and \$1,000 for all other capital assets.

The Marshall Economic Development Authority provides depreciation based on the estimated useful lives of individual assets. The straight-line method of depreciation is used.

The Marshall Municipal Utilities uses the straight-line composite group method for depreciation based on estimated useful lives of the various classes of property. The provision is 3.25% of the average balance of depreciable property in service at December 31, 2023.

**5. Lease Receivable**

The City is a lessor for numerous noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term in a systematic and rational manner.

Key estimates and judgments include how the City determines (1) the discount rate, (2) lease term, (3) lease receipts, and (4) amortization.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**6. Right-to-Use Lease Assets/Lease Liabilities**

The City recorded right-to-use lease assets as a result of implementing GASB Statement No. 87, *Leases*. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, (3) lease payments, and (4) amortization.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City determines its estimated borrowing rate based on the applicable State and Local Government Securities rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

**7. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City presents deferred outflows of resources on the Statements of Net Position for deferred outflows of resources related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years.

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City presents deferred inflows of resources on the Governmental Funds Balance Sheet as unavailable revenue and grants for subsequent years. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Governmental Funds Balance Sheet and Statement of Net Position for advanced appropriations from the Municipal State Aid Street program as timing requirements for revenue recognition have not yet been met. The City presents deferred inflows of resources on the Statements of Net Position related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years. Finally, deferred inflows of resources related to leases receivable are reported in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Compensated Absences**

**a. City of Marshall**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. The General Fund is typically used to liquidate governmental compensated absences payable.

Vacation is earned and credited to an employee's record after each bi-weekly pay period according to years of service at the following rates:

<u>Years of Service</u>	<u>Hours per Years of Service</u>	<u>Maximum Accrual</u>
0 to 5 years	80 hours (10 days)	160 hours
5 to 10 years	120 hours (15 days)	240 hours
10 to 15 years	144 hours (18 days)	288 hours
15 to 20 years	160 hours (20 days)	320 hours
20+ years	200 hours (25 days)	400 hours

Sick leave is an authorized absence from work with pay, granted to eligible, full-time and  $\frac{3}{4}$  time employees. Sick leave is a privilege, not a right. Employees are to use this paid leave only when they are unable to work for medical reasons and/or under the conditions explained below. Employees are required to exhaust their sick leave balance prior to approval of an unpaid medical leave absence. Sick leave does not accrue during unpaid leave absence.

Full-time employees will earn sick leave at the rate of one (1) day or 8 hours for each month of service and can be accumulated up to 120 days or 960 hours at this rate. Beyond 120 days or 960 hours, sick leave will continue to accumulate at a rate of  $\frac{1}{2}$  day or 4 hours for each month of service.

If at any time the accumulation drops below 120 days or 960 hours, the employee will then accumulate one (1) day or 8 hours for each month of service up to 120 days or 960 hours and then continue to accumulate  $\frac{1}{2}$  day or 4 hours for each month of service.

When an employee reaches 120 days or 960 hours or more of accumulated sick leave and the employee utilizes sick leave, it shall first be withdrawn from the 960 hour portion and not from the accumulated sick leave.



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Compensated Absences (Continued)**

**b. Marshall Municipal Utilities**

All full-time employees accrue vacation time between 10 to 25 days per year based on years of service to 25 years when an additional 1 day may accrue for each 5 years of service thereafter. Employees may accumulate up to 20 days (160 hours) by December 31<sup>st</sup> of each year to be used in the following year. Up to 10 days of accrued vacation pay in excess of the 20-day maximum accrual will be deposited in the Health Care Savings Plan on an annual basis. Upon termination, 100% of the accrued vacation pay will be deposited into the Health Care Savings Plan.

Under the employee sick leave plan, each employee is allowed to accumulate sick leave up to a maximum of 140 days. Thereafter, when the maximum hours have been reached, any unused sick leave will be deposited into the employee's Health Care Savings Plan on an annual basis. The accumulated leave is remitted to the employee or placed in the Health Care Savings Plan at the Commission's discretion upon retirement or death at a rate of 50% after 5 years of service, 75% after 10 years, and 100% after 15 years or more of service.

Sick leave benefits are recorded as a liability in the period earned by the employee.

**9. Severance Plan**

Employees hired prior to January 1, 2016, with at least 20 years of service are eligible for retirement payments based upon their years of service. An eligible individual will receive an amount equal to one month's salary plus an additional 3% annual salary each year in excess of twenty years to a maximum of 150% of the monthly salary. As of December 31, 2023, the City has recorded estimated future costs under this plan of \$138,418.

**10. Postemployment Benefits Other Than Pensions**

Under *Minnesota Statute* § 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees may obtain dependent coverage immediately before retirements. All premiums are funded on a pay-as-you-go basis. The liability was actuarially determined, in accordance with GASB Statement No. 75, at December 31, 2023. The General Fund is typically used to liquidate the governmental total OPEB liability.

**11. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**11. Long-Term Obligations (Continued)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**12. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the relief association and additions to/deductions from PERA's and the relief association's fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association 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.

**13. Restricted and Designated Assets**

The Wastewater Treatment Fund, Surface Water Management fund and the Marshall Municipal Utilities fund (component unit) have classified resources consisting of cash and investments and delinquent taxes receivable as designated and restricted assets on the statements of net position. These amounts have been set aside for debt service payments and capital improvements. Amounts restricted for debt service are \$3,787,804.

**14. Fund Balance**

**a. Classification**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- ◆ **Nonspendable Fund Balances** - These are amounts that cannot be spent because they are not in spendable form, such as prepaid items.
- ◆ **Restricted Fund Balances** - These are amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through enabling legislation.
- ◆ **Committed Fund Balances** - These are amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council (highest level of decision making authority) through resolution. Committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action used to commit these amounts.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**14. Fund Balance (Continued)**

**a. Classification (Continued)**

- ◆ Assigned Fund Balances - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City's Finance Director based on the City Council's direction.

**b. Minimum Fund Balance**

The City's fund balance policy for the General Fund is to maintain unrestricted fund balance of an amount not less than 5 months of the next year's budgeted expenditures.

**15. Net Position**

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**E. Use of Estimates**

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

**F. Budgetary Information**

1. Prior to September 1 of each year, City Administrator submits to the City Council, a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. The final budget is legally enacted through passage of a resolution on or before December 28 and the property tax levy is certified to the County Auditor.
3. Budgets for the General and certain Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
4. Expenditures may not legally exceed budgeted appropriations at the fund level. All amounts over budget are approved by the City Council through the disbursement process. Management is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Reported budget amounts are as originally adopted or amended by the City Council. Monitoring of budgets is maintained at the expenditure category level (i.e., personnel services, supplies, charges for services, and capital outlay) within each program.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Budgetary Information (Continued)**

5. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project-length financial plans.
6. Budgeted amounts are as originally adopted or as amended by the City Council. Budgeted expenditure appropriations lapse at year-end.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Deficit Fund Balance**

The following funds had a deficit fund balance at December 31, 2023:

Capital Projects	
2020 Public Improvements	\$ (488,224)
2024 Public Improvements	(23,255)
Aquatic Center	<u>(308,014)</u>
 Total	 <u><u>\$ (819,493)</u></u>

**NOTE 3 - DEPOSITS AND INVESTMENTS**

Cash balances of the City's funds are combined (pooled) and invested to the extent available in various investments authorized by *Minnesota Statutes*. Each fund's portion of this pool (or pools) is displayed in the financial statements as "cash and cash equivalents" or "investments". For purposes of identifying risk of investing public funds, the balances and related restrictions are summarized as follows.

**A. Deposits**

The deposits of the City are subject to the following risk:

Custodial Credit Risk - Deposits: The City has an investment policy in place to address custodial credit risk for deposits, stating all deposits and investments must be in compliance with *Minnesota Statutes* §118A; protected by federal depository insurance and corporate surety bonds or collateral equal to 110% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance, National Credit Union Administration (NCUA) or corporate surety bonds. As of December 31, 2023, the City's bank balance was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution's trust department or agent and in the City's name. As of December 31, 2023, the City's deposits consisted of the following:

Checking and savings	\$ 6,195,770
Certificates of deposit	194,096
Money market	<u>4,555,469</u>
 Total Deposits	 <u><u>\$ 10,945,335</u></u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments**

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

**Interest Rate Risk:** The interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City manages its exposure to declines in fair values by limiting the maturity of its investment portfolio.

**Credit Risk:** 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.

**Concentration of Credit Risk:** The concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy places no limit on the amount the City may invest in any one issuer; however, it does state diversification strategies shall be determined and revised periodically by the investment officer for all funds.

**Custodial Credit Risk - Investments:** This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City typically limits its exposure by purchasing securities that are insured or registered, or securities held by the City or its agent in the City's name.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

As of December 31, 2023, the City had the following investments:

Types of Investments	Credit Quality/ Ratings (1)	Primary Government Segmented Time Distribution (2)	Amount	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Investments at Amortized Cost						
Broker Money Market Funds	N/A	less than 1 year	\$ 17,110,871	\$ -	\$ -	\$ -
U.S Treasury Notes	N/A	less than 1 year	996,460	-	-	-
Investments at Fair Value						
Federal Agency Bonds and Notes	N/A	less than 1 year	2,241,048	-	2,241,048	-
Federal Agency Bonds and Notes	N/A	1 to 5 years	10,520,511	-	10,520,511	-
Federal Agency Bonds and Notes	N/A	more than 5 years	1,762,536	-	1,762,536	-
Municipal Bonds	Baa1 to Aaa	less than 1 year	1,595,891	-	1,595,891	-
	Aa1 to Aaa, A+					
Municipal Bonds	to AAA	1 to 5 years	4,318,333	-	4,318,333	-
Municipal Bonds	Aa1 to Aaa	more than 5 years	573,717	-	573,717	-
Certificate of Deposit	N/A	less than 1 year	1,931,629	-	1,931,629	-
Certificate of Deposit	N/A	1 to 5 years	740,406	-	740,406	-
Total Primary Government			<u>\$ 41,791,402</u>	<u>\$ -</u>	<u>\$ 23,684,071</u>	<u>\$ -</u>

Types of Investments	Credit Quality/ Ratings (1)	Component Units		Fair Value		
		Segmented Time Distribution (2)	Amount	Measurement Using		
				Level 1	Level 2	Level 3
<i>Component Unit -</i>						
<i>Marshall Municipal Utilities</i>						
Investments at Amortized Cost						
Broker Money Market Funds	N/A	less than 1 year	\$ 1,525,564	\$ -	\$ -	\$ -
Investments at Fair Value						
U.S Treasury Notes	N/A	1 to 5 years	1,246,221	-	1,246,221	-
U.S Treasury Notes	N/A	more than 5 years	1,239,218	-	1,239,218	-
Federal Agency Bonds and Notes	N/A	less than 1 year	313,357	-	313,357	-
Federal Agency Bonds and Notes	N/A	1 to 5 years	2,512,475	-	2,512,475	-
Federal Agency Bonds and Notes	N/A	more than 5 years	1,850,494	-	1,850,494	-
Federal Agency Mortgage Pools	N/A	less than 1 year	245,945	-	245,945	-
Federal Agency Mortgage Pools	N/A	1 to 5 years	1,013,263	-	1,013,263	-
Federal Agency Mortgage Pools	N/A	more than 5 years	237,621	-	237,621	-
Certificates of Deposrt	A+ to AAA	1 to 5 years	18,009	-	-	-
Municipal Bonds	A+ to AAA	less than 1 year	1,414,955	-	1,414,955	-
Municipal Bonds	A+ to AAA	1 to 5 years	6,159,977	-	6,159,977	-
Municipal Bonds	A+ to AAA	more than 5 years	2,845,162	-	2,845,162	-
Total Marshall Municipal Utilities Investments			20,622,261	-	19,078,688	-
Total Investments			\$ 62,413,663	\$ -	\$ 42,762,759	\$ -

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

The City has the following recurring fair value measurements as of December 31, 2023:

- ◆ Investments of \$42,762,759 are valued using a matrix pricing model (Level 2 inputs)

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**C. Cash and Investment Summary**

Cash and investments as shown on the statement of net position for the City, including component units, follows:

		Component Units		
	Primary Government	Municipal Utilities	Housing Commission	Economic Development Authority
Deposits (Note 3 A.)	\$ 2,424,630	\$ 5,387,093	\$ 523,141	\$ 2,592,353
Cash on Hand	2,907	1,600	-	-
Investments (Note 3 B.)	41,791,402	20,622,261	-	-
Total	<u>\$ 44,218,939</u>	<u>\$ 26,010,954</u>	<u>\$ 523,141</u>	<u>\$ 2,592,353</u>
Cash and Temporary Investments	\$ 40,431,135	\$ 24,624,537	\$ 482,449	\$ 2,592,353
Restricted Assets	3,787,804	1,386,417	40,692	-
Total	<u>\$ 44,218,939</u>	<u>\$ 26,010,954</u>	<u>\$ 523,141</u>	<u>\$ 2,592,353</u>

	Fiduciary Funds	Total
Deposits (Note 3 A.)	\$ 18,118	\$ 10,945,335
Cash on Hand	-	4,507
Investments (Note 3 B.)	-	62,413,663
Total	<u>18,118</u>	<u>73,363,505</u>
Cash and Temporary Investments	18,118	68,148,592
Restricted Assets	-	5,214,913
Total	<u>\$ 18,118</u>	<u>\$ 73,363,505</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 4 - INTERFUND ACTIVITY**

**A. Transfers**

Transfers among funds were for the City to assist with administrative costs, to assist with operations, to cover capital expenditures, to assist with capital projects, and assist with debt service obligations.

Fund	Transfers In					Total
	General	Debt Service	2023 Public Improvements	Nonmajor Governmental	Internal Service Fund	
Transfers out						
General	\$ -	\$ -	\$ -	\$ 51,255	\$ 96,720	\$ 147,975
Debt service	-	5,000	-	-	-	5,000
Sales/Lodging Tax	-	1,453,344	-	814,500	-	2,267,844
Nonmajor governmental	-	408,340	-	-	-	408,340
Wastewater Treatment	-	-	-	-	9,450	9,450
Municipal Liquor Store	424,625	200,000	150,000	-	-	774,625
Total transfers out	\$ 424,625	\$ 2,066,684	\$ 150,000	\$ 865,755	\$ 106,170	\$ 3,613,234

**B. Interfund Receivables/Payables**

The following balances arise from negative cash balances in the debtor fund:

*Due From/To Other Funds*

Fund	Due from Other Funds	Due to Other Funds
General	\$ 83,264	\$ -
Nonmajor governmental	1,200	84,464
Total	\$ 84,464	\$ 84,464

The following balances represent capital improvements and monthly year-end charges to component units:

*Due to Primary Government from Component Unit*

Receivable Entity/Fund	Payable Entity/Fund	Amount
Primary Government	Component unit	
Nonmajor governmental	Economic Development Authority	\$ 167,074
Enterprise		
Wastewater Treatment	Marshall Municipal Utilities	611,422
Surface Water Management	Marshall Municipal Utilities	217,259
Total		\$ 995,755



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 4 - INTERFUND ACTIVITY (CONTINUED)**

*Due to Component Unit from Primary Government*

<u>Receivable Fund/Entity</u>	<u>Payable Fund/Entity</u>	<u>Amount</u>
Component Unit	Primary Government	
Marshall Municipal Utilities	General	\$ 254,133
Marshall Municipal Utilities	Nonmajor governmental	10,987
Marshall Municipal Utilities	Wastewater Treatment enterprise	20,581
Marshall Municipal Utilities	Municipal Liquor Store enterprise	2,219
Marshall Municipal Utilities	Surface Water Management enterprise	2,018
		<hr/>
Total		\$ 289,938
		<hr/> <hr/>

*Due to Component Unit from other Component Unit*

<u>Receivable Fund/Entity</u>	<u>Payable Fund/Entity</u>	<u>Amount</u>
Component Unit	Component Unit	
Marshall Municipal Utilities	Economic Development Authority	\$ 18
		<hr/> <hr/>

**NOTE 5 - NOTES AND LEASES RECEIVABLE**

Loans were made by the Economic Development Authority, EDA Parkway Housing Fund and EDA Revolving Fund, the balances of which are \$80,000, and \$177,161, respectively, as of December 31, 2023. The portion of the Small Cities Development Program which is required to be repaid only if the borrower sells the property within 7 years of the date of the loan is \$264 as of December 31, 2023, net of an allowance of \$688,532.

The City has a lease for building space within the MERIT Center. The lease agreement includes annual principal and interest payments. The annual interest and discount rate on the lease agreement is 2.5%. Revenue from these leases for the year ended December 31, 2023, was \$13,000.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 6 - CAPITAL ASSETS**

*Primary Government*

Capital asset activity for the primary government for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 7,093,656	\$ 468,000	\$ -	\$ 7,561,656
Construction in progress	914,090	2,311,140	742,801	2,482,429
Total capital assets not being depreciated	<u>8,007,746</u>	<u>2,779,140</u>	<u>742,801</u>	<u>10,044,085</u>
Other capital assets				
Buildings	51,862,830	73,499	-	51,936,329
Improvements other than buildings	29,963,842	145,799	-	30,109,641
Infrastructure	75,765,427	2,650,087	-	78,415,514
Equipment and machinery	13,059,906	224,992	768,407	12,516,491
Library books	330,753	-	71,287	259,466
Leased vehicles	135,925	576,257	-	712,182
Total other capital assets at historical cost	<u>171,118,683</u>	<u>3,670,634</u>	<u>839,694</u>	<u>173,949,623</u>
Less accumulated depreciated for				
Buildings	15,145,862	1,522,378	-	16,668,240
Improvements other than buildings	19,540,467	1,100,392	-	20,640,859
Infrastructure	40,544,848	3,584,293	-	44,129,141
Equipment and machinery	8,862,229	694,451	727,981	8,828,699
Library books	330,753	-	71,287	259,466
Less accumulated amortization for				
Leased vehicles	42,973	83,347	-	126,320
Total accumulated depreciation and amortization	<u>84,467,132</u>	<u>6,984,861</u>	<u>799,268</u>	<u>90,652,725</u>
Total other capital assets, net	<u>86,651,551</u>	<u>(3,314,227)</u>	<u>40,426</u>	<u>83,296,898</u>
Governmental activities capital assets, net	<u>\$ 94,659,297</u>	<u>\$ (535,087)</u>	<u>\$ 783,227</u>	<u>\$ 93,340,983</u>

Depreciation and amortization expense was charged to functions/programs of the governmental activities as follows:

General government	\$ 824,699
Public safety	401,506
Public works	4,082,751
Culture and recreation	1,085,739
Airport	<u>590,166</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 6,984,861</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 512,872	\$ -	\$ -	\$ 512,872
Construction in progress	501,963	1,808,011	1,211,918	1,098,056
Total capital assets not being depreciated	<u>1,014,835</u>	<u>1,808,011</u>	<u>1,211,918</u>	<u>1,610,928</u>
Capital assets being depreciated				
Buildings	2,528,334	-	-	2,528,334
Improvements other than buildings	43,044,625	54,998	-	43,099,623
Infrastructure	42,724,724	1,188,418	14,808	43,898,334
Equipment and machinery	4,010,455	99,461	310,654	3,799,262
Total capital assets being depreciated	<u>92,308,138</u>	<u>1,342,877</u>	<u>325,462</u>	<u>93,325,553</u>
Less accumulated depreciated for				
Buildings	535,519	66,705	-	602,224
Improvements other than buildings	23,595,902	925,441	-	24,521,343
Infrastructure	21,009,303	1,382,452	14,808	22,376,947
Equipment and machinery	3,191,571	186,503	303,911	3,074,163
Total accumulated depreciation	<u>48,332,295</u>	<u>2,561,101</u>	<u>318,719</u>	<u>50,574,677</u>
Total capital assets being depreciated, net	<u>43,975,843</u>	<u>(1,218,224)</u>	<u>6,743</u>	<u>42,750,876</u>
Business-type activities capital assets, net	<u>\$ 44,990,678</u>	<u>\$ 589,787</u>	<u>\$ 1,218,661</u>	<u>\$ 44,361,804</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Wastewater Treatment	\$ 1,748,536
Municipal Liquor Store	93,953
Surface Water Management	<u>718,612</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 2,561,101</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

*Discretely Presented Component Units*

Capital asset activity for the Marshall Municipal Utilities for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Marshall Municipal Utilities				
Capital assets not being depreciated				
Construction in progress	\$ 308,893	\$ 1,807,604	\$ 1,394,369	\$ 722,128
Capital assets being depreciated				
Electric production plant	3,330,746	661,778	-	3,992,524
Electric transmission line	16,564,891	-	-	16,564,891
Electric distribution system	61,405,328	992,408	147,785	62,249,951
Transportation and general	10,582,989	476,496	90,984	10,968,501
Water utility	73,164,018	1,015,818	69,578	74,110,258
Total capital assets being depreciated	165,047,972	3,146,500	308,347	167,886,125
Less accumulated depreciated for				
Electric production plant	2,897,556	63,965	-	2,961,521
Electric transmission line	12,107,622	526,783	-	12,634,405
Electric distribution system	34,998,825	2,566,149	147,785	37,417,189
Transportation and general	8,874,912	609,550	90,984	9,393,478
Water utility	35,348,070	1,692,263	69,578	36,970,755
Total accumulated depreciation	94,226,985	5,458,710	308,347	99,377,348
Total capital assets being depreciated, net	70,820,987	(2,312,210)	-	68,508,777
Capital assets, net	<u>\$ 82,315,906</u>	<u>\$ (504,606)</u>	<u>\$ 1,394,369</u>	<u>\$ 69,230,905</u>

Depreciation expense was charged to functions/programs of the Marshall Municipal Utilities activities as follows:

Business-type Activities	
Marshall Municipal Utilities - Water	\$ 1,692,263
Marshall Municipal Utilities - Electric	<u>3,766,447</u>
Total	<u>\$ 5,458,710</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

Capital asset activity for the Marshall Housing Commission for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Marshall Housing Commission</b>				
Capital assets not being depreciated				
Land	\$ 514,965	\$ -	\$ -	\$ 514,965
Capital assets being depreciated				
Buildings	9,441,182	109,898	-	9,551,080
Equipment and machinery	198,297	8,598	3,100	203,795
Total capital assets being depreciated	9,639,479	118,496	3,100	9,754,875
Less accumulated depreciated	6,970,150	292,129	3,100	7,259,179
Total capital assets being depreciated, net	2,669,329	(173,633)	-	2,495,696
Capital assets, net	<u>\$ 3,184,294</u>	<u>\$ (173,633)</u>	<u>\$ -</u>	<u>\$ 3,010,661</u>

Depreciation expense was charged to functions/programs of the Marshall Housing Commission activities as follows:

Business-type Activities	
Marshall Housing Commission	<u>\$ 292,129</u>

Capital asset activity for the Economic Development Authority for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Economic Development Authority</b>				
Capital assets being depreciated				
Land improvements	\$ 12,920	\$ -	\$ -	\$ 12,920
Less accumulated depreciated for Land improvements	9,206	646	-	9,852
Total capital assets being depreciated, net	3,068	(646)	-	3,068
Capital assets, net	<u>\$ 3,068</u>	<u>\$ (646)</u>	<u>\$ -</u>	<u>\$ 3,068</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functions/programs of the Economic Development Authority activities as follows:

Governmental Activities	
Economic Development Authority	<u>\$ 646</u>

**NOTE 7 - LONG-TERM DEBT**

**A. Components of Long-Term Liabilities**

**1. Governmental Activity Debt**

**a. General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

These bonds were issued for capital equipment purchases and other capital improvements. The debt is a general obligation of the City and will be retired through ad valorem tax levies.

General obligation bonds currently outstanding are as follows:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Capital Improvement of 2010A	\$ 1,150,000	2.00 - 3.30 %	09/15/10	02/01/26	\$ 230,000
G.O. Bonds of 2015A	1,710,000	2.00 - 3.00	01/01/15	02/01/31	975,000
G.O. Bonds of 2020A	6,170,000	2.00 - 5.00	02/27/20	02/01/40	5,655,000
G.O. Equipment Certificates of 2020B	360,000	2.00	07/09/20	02/01/28	260,000
G.O. Equipment Certificates of 2021A	440,000	2.00	06/10/21	02/01/30	385,000
Total General Obligation Bonds					<u>\$ 7,505,000</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**1. Governmental Activity Debt (Continued)**

**a. General Obligation Bonds (Continued)**

The annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	General Obligation Bonds Governmental Activities		
	Principal	Interest	Total
2024	\$ 535,000	\$ 209,309	\$ 744,309
2025	555,000	189,259	744,259
2026	570,000	169,289	739,289
2027	510,000	151,294	661,294
2028	530,000	133,919	663,919
2029-2033	2,145,000	432,519	2,577,519
2034-2038	1,860,000	199,253	2,059,253
2039-2040	800,000	19,119	819,119
Total	<u>\$ 7,505,000</u>	<u>\$ 1,503,960</u>	<u>\$ 9,008,960</u>

**b. General Obligation Tax Increment Bonds**

These bonds were issued for development and redevelopment projects. The additional tax revenue resulting from increased tax capacity of the redeveloped properties is used to retire the related debt.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Tax Increment					
Revenues Bonds of 2017B	\$ 2,930,000	0.70 - 2.70%	10/26/17	02/01/33	<u>\$ 1,885,000</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**1. Governmental Activity Debt (Continued)**

**b. General Obligation Tax Increment Bonds (Continued)**

The annual debt service requirements to maturity for general obligation tax increment bonds are as follows:

Year Ending December 31,	G.O. Tax Increment Bonds Governmental Activities		
	Principal	Interest	Total
2024	\$ -	\$ 51,225	\$ 51,225
2025	100,000	50,100	150,100
2026	115,000	47,538	162,538
2027	220,000	43,350	263,350
2028	225,000	37,788	262,788
2029-2033	1,225,000	91,888	1,316,888
Total	<u>\$ 1,885,000</u>	<u>\$ 321,888</u>	<u>\$ 2,206,888</u>

**c. General Obligation Tax Abatement Bonds**

These bonds were issued to finance public infrastructure improvements. They will be retired from tax abatement revenues and tax levies.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Tax Abatement Bonds of 2016C	\$ 2,810,000	2.00 - 3.00%	06/23/16	02/01/37	<u>\$ 2,090,000</u>



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**1. Governmental Activity Debt (Continued)**

**c. General Obligation Tax Abatement Bonds (Continued)**

The annual debt service requirements to maturity for general obligation tax abatement bonds are as follows:

Year Ending December 31,	G.O. Tax Abatement Bonds Governmental Activities		
	Principal	Interest	Total
2024	\$ 130,000	\$ 53,300	\$ 183,300
2025	130,000	50,700	180,700
2026	135,000	48,050	183,050
2027	135,000	45,350	180,350
2028	140,000	42,600	182,600
2029-2033	750,000	157,550	907,550
2034-2037	670,000	40,950	710,950
Total	<u>\$ 2,090,000</u>	<u>\$ 438,500</u>	<u>\$ 2,528,500</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**d. General Obligation Improvement Bonds**

These bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements or through sales tax. Some issuances, however, are partly financed by ad valorem tax levies.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds of 2011B	\$ 1,510,000	0.50 - 4.00%	10/01/11	02/01/27	\$ 310,000
G.O. Improvement Bonds of 2012A	2,550,000	2.00 - 2.55	06/01/12	02/01/28	390,000
G.O. Improvement Bonds of 2013A	2,785,000	2.00 - 3.00	08/01/13	02/01/25	470,000
G.O. Improvement Bonds of 2014B	15,735,000	3.13 - 5.00	07/23/14	02/01/28	6,705,000
G.O. Improvement Bonds of 2014C	1,955,000	2.00 - 3.00	07/23/14	02/01/26	255,000
G.O. Improvement Bonds of 2015B	895,000	3.00 - 4.00	07/22/15	02/01/24	115,000
G.O. Improvement Bonds of 2016B	1,500,000	2.00	06/23/16	02/01/25	380,000
G.O. Improvement Bonds of 2017A	1,035,000	2.00 - 3.00	07/13/17	02/01/28	535,000
G.O. Improvement Bonds of 2017B	360,000	1.65 - 3.00	10/26/17	02/01/28	190,000
G.O. Improvement Bonds of 2018A	2,328,608	3.13 - 4.00	07/25/18	02/01/34	1,612,024
G.O. Improvement Bonds of 2020B	424,535	2.00	07/09/20	02/01/28	295,990
G.O. Improvement Bonds of 2021A	899,600	2.00	06/10/21	02/01/30	766,450
G.O. Improvement Bonds of 2022A	2,825,000	3.00 - 5.00	05/26/22	02/01/33	2,825,000
G.O. Improvement Bonds of 2023A	3,052,800	5.00	06/22/23	02/01/34	3,052,800
Total G.O. Improvement Bonds					<u>\$ 17,902,264</u>

The annual debt service requirements to maturity for general obligation improvement bonds are as follows:

Year Ending December 31,	G.O. Improvement Bonds Governmental Activities		
	Principal	Interest	Total
2024	\$ 2,899,166	\$ 703,430	\$ 3,602,596
2025	2,888,566	568,822	3,457,388
2026	2,615,010	469,181	3,084,191
2027	2,599,659	382,896	2,982,555
2028	2,511,957	294,768	2,806,725
2029-2033	3,895,213	657,318	4,552,531
2034	492,693	17,986	510,679
Total	<u>\$ 17,902,264</u>	<u>\$ 3,094,400</u>	<u>\$ 20,996,664</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**e. General Obligation State Aid Street Bonds**

These bonds were issued to finance construction, reconstruction, and improvement of municipal state-aid streets. They will be retired from State Aid revenues.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. State Aid Street Bonds of 2021B	\$ 2,000,000	4.00%	06/10/21	04/01/29	<u>\$ 1,545,000</u>

The annual debt service requirements to maturity for general obligation state aid street bonds are as follows:

Year Ending December 31,	G.O. State Aid Street Bonds Governmental Activities		
	Principal	Interest	Total
2024	\$ 235,000	\$ 57,100	\$ 292,100
2025	240,000	47,600	287,600
2026	250,000	37,800	287,800
2027	260,000	27,600	287,600
2028	275,000	16,900	291,900
2029	285,000	5,700	290,700
Total	<u>\$ 1,545,000</u>	<u>\$ 192,700</u>	<u>\$ 1,737,700</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT**

**A. Components of Long-Term Liabilities (Continued)**

**1. Business-Type Activity Debt**

**a. General Obligation Revenue Bonds**

These bonds were issued to finance capital improvements to the storm water system and wastewater treatment facility. These bonds will be retired from net revenue of these enterprise funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Utility and Improvement Bonds of 2011A - Storm	\$ 925,000	0.50 - 4.00%	09/15/11	02/01/27	\$ 290,000
G.O. Utility and Improvement Bonds of 2011A - Wastewater	960,000	0.50 - 4.00	09/15/11	02/01/27	300,000
G.O. Utility and Improvement Bonds of 2011B - Storm	335,000	0.50 - 4.00	10/01/11	02/01/27	105,000
G.O. Utility and Improvement Bonds of 2011B - Wastewater	205,000	0.50 - 4.00	10/01/11	02/01/27	60,000
G.O. Utility and Improvement Bonds of 2012A - Wastewater	1,775,000	2.00 - 2.55	06/01/12	02/01/28	655,000
G.O. Utility and Improvement Bonds of 2014C - Wastewater	1,420,000	2.00 - 3.00	07/23/14	02/01/25	315,000
G.O. Utility and Improvement Bonds of 2015B - Wastewater	860,000	3.00 - 4.00	07/22/15	02/01/24	120,000
G.O. Utility and Improvement Bonds of 2016B - Wastewater	305,553	2.00	06/23/16	02/01/25	81,181
G.O. Utility and Improvement Bonds of 2016B - Storm	1,049,447	2.00	06/23/16	02/01/25	278,820
G.O. Utility and Improvement Bonds of 2016D - Wastewater	3,630,000	2.00	06/23/16	02/01/27	1,565,000
G.O. Utility and Improvement Bonds of 2017A - Storm	85,000	2.00 - 3.00	07/13/17	02/01/23	15,000
G.O. Utility and Improvement Bonds of 2018A - Wastewater	619,850	3.13 - 4.00	07/25/18	02/01/34	457,343
G.O. Utility and Improvement Bonds of 2018A - Storm	631,542	3.13 - 4.00	07/25/18	02/01/34	425,633
G.O. Utility and Improvement Bonds of 2020B - Storm	1,685,465	2.00	07/09/20	02/01/31	1,299,010
G.O. Utility and Improvement Bonds of 2021A - Wastewater	625,400	2.00	06/10/21	02/01/30	548,550
G.O. Utility and Improvement Bonds of 2023A - Storm	1,737,200	5.00	06/22/23	02/01/34	<u>1,737,200</u>
Total G.O. Revenue Bonds					<u><u>\$ 8,252,737</u></u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**2. Business-Type Activity Debt (Continued)**

**a. General Obligation Revenue Bonds (Continued)**

The annual debt service requirements to maturity for general obligation revenue bonds are as follows:

Year Ending December 31,	G.O. Revenue Bonds Business-type Activities		
	Principal	Interest	Total
2024	\$ 1,520,834	\$ 241,391	\$ 1,762,225
2025	1,526,434	191,020	1,717,454
2026	1,224,991	152,738	1,377,728
2027	1,260,341	117,732	1,378,072
2028	673,043	90,175	763,218
2029-2033	1,759,787	227,451	1,987,238
2034	287,307	6,489	293,796
Total	<u>\$ 8,252,736</u>	<u>\$ 1,026,995</u>	<u>\$ 9,279,731</u>

**b. Revenue Bonds**

These bonds were issued to finance capital improvements to the municipal liquor store. These bonds will be retired from net revenue of this enterprise funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Lease Revenue Bond of 2015	\$ 3,240,000	1.05 - 3.10%	02/10/15	12/01/29	<u>\$ 1,485,000</u>

The annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending December 31,	Revenue Bonds Business-type Activities		
	Principal	Interest	Total
2024	\$ 230,000	\$ 44,873	\$ 274,873
2025	235,000	38,318	273,318
2026	245,000	31,620	276,620
2027	250,000	24,025	274,025
2028	260,000	16,275	276,275
2029	265,000	8,215	273,215
Total	<u>\$ 1,485,000</u>	<u>\$ 163,325</u>	<u>\$ 1,648,325</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**2. Business-Type Activity Debt (Continued)**

**c. Notes from Direct Borrowings**

On July 10, 2019, the City issued a \$15,678,015 G.O. Wastewater Revenue Utility and Improvement Note 2019A through the Minnesota Public Facilities Authority. As of December 31, 2023, the City had drawn \$14,830,890 on this note and have made \$2,076,590 in principal payments. The amortization schedule below represents the entire liability once the project is complete, and all draws have been made.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Wastewater Revenue Utility and Improvement Note 2019A	\$ 15,678,015	1.00 %	07/10/2019	08/20/1939	<u>\$ 12,128,000</u>

The annual debt service requirements to maturity for Notes from Direct Borrowings are as follows:

Year Ending December 31,	Notes from Direct Borrowings Business-type Activities		
	Principal	Interest	Total
2024	\$ 703,000	\$ 121,280	\$ 824,280
2025	710,000	114,250	824,250
2026	717,000	107,150	824,150
2027	724,000	99,980	823,980
2028	731,000	92,740	823,740
2029-2033	3,767,000	352,540	4,119,540
2034-2038	3,960,000	160,400	4,120,400
2039	816,000	8,160	824,160
Total	<u>\$ 12,128,000</u>	<u>\$ 1,056,500</u>	<u>\$ 13,184,500</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**2. Business-Type Activity Debt (Continued)**

**d. Lease Liability**

The City entered into lease agreements for vehicles. The lease agreements include annual principal and interest payments as noted below. Interest and discount rates on the lease agreements range from 4.29% to 15.4%.

Year Ending December 31,	Lease Liability		
	Governmental Activities		
	Principal	Interest	Total
2024	\$ 137,791	\$ 36,740	\$ 174,531
2025	151,202	23,328	174,530
2026	121,356	9,507	130,863
2027	24,785	571	25,356
Total	<u>\$ 435,134</u>	<u>\$ 70,146</u>	<u>\$ 505,280</u>

**3. Component Unit Debt**

**a. Revenue Bonds**

These bonds were issued to finance capital improvements to the Marshall Municipal Utilities. These bonds will be retired from net revenue of this enterprise fund.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Utility Revenue Bonds					
Series 2014A	\$ 4,025,000	3.04%	04/24/14	07/01/29	\$ 1,835,000
Series 2021C	3,420,000	0.44	08/18/21	07/01/25	1,415,000
Series 2021D	2,515,000	0.99	08/18/21	07/01/25	<u>1,855,000</u>
Total Revenue Bonds					<u>\$ 5,105,000</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**A. Components of Long-Term Liabilities (Continued)**

**3. Component Unit Debt (Continued)**

**b. Revenue Bonds (Continued)**

The annual debt service requirements to maturity for Marshall Municipal Utilities revenue bonds are as follows:

Year Ending December 31,	Revenue Bonds Marshall Municipal Utilities Component Unit Activities		
	Principal	Interest	Total
2024	\$ 1,525,000	\$ 177,650	\$ 1,702,650
2025	1,170,000	114,000	1,284,000
2026	670,000	68,500	738,500
2027	695,000	48,025	743,025
2028	715,000	30,250	745,250
2029	330,000	11,550	341,550
Total	<u>\$ 5,105,000</u>	<u>\$ 449,975</u>	<u>\$ 5,554,975</u>



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**B. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 8,165,000	\$ -	\$ 660,000	\$ 7,505,000	\$ 535,000
General obligation tax increment bonds	2,060,000	-	175,000	1,885,000	-
General obligation tax abatement bonds	2,215,000	-	125,000	2,090,000	130,000
General obligation improvement bonds	17,492,282	3,052,800	2,642,818	17,902,264	2,899,166
General obligation State Aid street bonds	1,770,000	-	225,000	1,545,000	235,000
Unamortized bond premium	2,181,558	317,730	280,371	2,218,917	-
Total bonds payable	33,883,840	3,370,530	4,108,189	33,146,181	3,799,166
Lease liability	105,160	437,022	107,048	435,134	137,791
Compensated absences payable	1,259,201	65,120	54,013	1,270,308	130,473
Governmental activity long-term liabilities	<u>\$ 35,248,201</u>	<u>\$ 3,872,672</u>	<u>\$ 4,269,250</u>	<u>\$ 34,851,623</u>	<u>\$ 4,067,430</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

**B. Changes in Long-Term Liabilities (Continued)**

Long-term liability activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-type activities					
Bonds payable					
General obligation					
revenue bonds	\$ 7,992,718	\$ 1,737,200	\$ 1,477,181	\$ 8,252,737	\$ 1,520,834
Revenue bonds	1,710,000	-	225,000	1,485,000	230,000
PFA notes	12,823,890	-	695,890	12,128,000	703,000
Unamortized bond premium	315,956	181,708	79,567	418,097	-
Total bonds payable	22,842,564	1,918,908	2,477,638	22,283,834	2,453,834
Compensated absences payable	205,353	25,372	12,041	218,684	68,623
Business-type activity long-term liabilities	<u>\$23,047,917</u>	<u>\$ 1,944,280</u>	<u>\$ 2,489,679</u>	<u>\$22,502,518</u>	<u>\$ 2,522,457</u>

**NOTE 8 - CONDUIT DEBT**

Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the express purpose of providing capital financing for a specific third party. The City has issued conduit debt to provide funding to private-sector entities for projects deemed to be in the public interest. Although these bonds bear the name of the City, the City has no obligation for such debt beyond the resources provided by related leases or loans. Accordingly, the bonds are not reported as liabilities in the financial statements of the City. As of December 31, 2023, the following issues were outstanding:

Name	Date of Issue	Original Amount of Issue	Balance Outstanding as of 12/31/23
SMSU - Student Housing Revenue Note	2005	\$ 5,600,000	\$ 1,975,638

**NOTE 9 - RISK MANAGEMENT**

The City purchases commercial insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT) with other cities in the state which is a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 9 - RISK MANAGEMENT (CONTINUED)**

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

The City's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience is known. The amount of premium adjustment for 2023 was estimated to be immaterial based on workers' compensation rates and salaries for the year.

At December 31, 2023, there were no other claims liabilities reported in the fund based on the requirements of GASB Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**NOTE 10 - PENSION PLANS**

The City participates in various pension plans. Total pension expense for the year ended December 31, 2023, was \$1,509,060. The components of pension expense are noted in the following plan summaries.

The General Fund, Wastewater Treatment Fund, and Municipal Liquor Store Fund typically liquidate the liability related to pensions.

**Public Employees' Retirement Association**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by 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 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.

**B. Benefits Provided**

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

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**B. Benefits Provided (Continued)**

**General Employees Plan Benefits**

General Employees Plan benefits are based on a member's highest average salary for any 5 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 a Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

**Police and Fire Plan Benefits**

Benefits for the Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after 10 years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after 10 years up to 100% after 20 years of credited service. The annuity accrual rate is 3% 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 is fixed at 1%. 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.

**C. Contributions**

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

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**Police and Fire Plan Benefits (Continued)**

**C. Contributions (Continued)**

Coordinated Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2023 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2023, were \$457,283. The City's contributions were equal to the required contributions as set by state statute.

**Police and Fire Fund Contributions**

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2023 and the City was required to contribute 17.7% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2023, were \$357,424. The City's contributions were equal to the required contributions as set by state statute.

**D. Pension Costs**

**General Employees Fund Pension Costs**

At December 31, 2023, the City reported a liability of \$4,378,448 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 \$120,761.

The net pension liability was measured as of June 30, 2023, 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, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0783% at the end of the measurement period and 0.0776% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 4,378,448
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>120,761</u>
Total	<u><u>\$ 4,499,209</u></u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**General Employees Fund Pension Costs (Continued)**

For the year ended December 31, 2023, the City recognized pension expense of \$675,685 for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$543 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2023, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual economic experience	\$ 143,481	\$ 30,239
Changes in actuarial assumptions	710,295	1,200,095
Net collective difference between projected and actual investment earnings	-	184,698
Changes in proportion	64,063	19,218
Contributions paid to PERA subsequent to the measurement date	<u>228,641</u>	<u>-</u>
Total	<u><u>\$ 1,146,480</u></u>	<u><u>\$ 1,434,250</u></u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**General Employees Fund Pension Costs (Continued)**

The \$228,641 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, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2024	\$ 126,781
2025	(659,284)
2026	111,075
2027	<u>(94,983)</u>
Total	<u><u>\$ (516,411)</u></u>

**Police and Fire Fund Pension Costs**

At December 31, 2023, the City reported a liability of \$2,655,926 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.1538% at the end of the measurement period and 0.1584% for the beginning of the period.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Fund Pension Costs (Continued)**

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2023. The contribution consisted of \$9 million in direct state aid that meets 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 aid was paid on October 1, 2022. 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% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$106,986.

City's proportionate share of the net pension liability	\$ 2,655,926
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>106,986</u>
Total	<u><u>\$ 2,762,912</u></u>

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 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, 2023, the City recognized pension expense of \$781,147 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized (\$6,444) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's 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 also recognized \$13,842 for the year ended December 31, 2023, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Plan Pension Costs (Continued)**

At December 31, 2023, 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.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 736,199	\$ -
Changes in actuarial assumptions	3,127,196	3,733,916
Net collective difference between projected and actual investment earnings	-	71,472
Changes in proportion	50,167	172,490
Contributions paid to PERA subsequent to the measurement date	178,712	-
	<u>178,712</u>	<u>-</u>
Total	<u>\$ 4,092,274</u>	<u>\$ 3,977,878</u>

The \$178,712 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2024	\$ 128,464
2025	37,304
2026	647,496
2027	(185,262)
2028	(692,318)
	<u>(692,318)</u>
Total	<u>\$ (64,316)</u>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**E. Long-Term Expected Return on Investment**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real</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	<u>100.0 %</u>	

**F. Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2023, 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 7.0%. 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 7.0% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan and 2.25% for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 1% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service and 6.0% per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% 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

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**F. Actuarial Methods and Assumptions (Continued)**

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 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2021 and was 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 2023:

**Changes in Actuarial Assumptions**

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

**Changes in Plan Provisions**

- ◆ An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- ◆ The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- ◆ The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- ◆ A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**Police and Fire Fund**

**Changes in Actuarial Assumptions**

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

**Changes in Plan Provisions**

- ◆ Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- ◆ Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- ◆ Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- ◆ The total and permanent duty disability benefit was increased, effective July 1, 2023.

**G. Discount Rate**

The rate used for the General Employees Plan used to measure the total pension liability in 2023 was 7.0%. 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 and Police and Fire Plans 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.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**H. Pension Liability Sensitivity**

The following 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 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the General Employees Fund net pension liability	\$ 7,745,827	\$ 4,378,448	\$ 1,608,652
	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the Police and Fire Fund net pension liability	\$ 5,269,674	\$ 2,655,926	\$ 507,076

**I. 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](http://www.mnpera.org).

**Public Employees Defined Contribution Plan**

City Council members are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Public Employees Defined Contribution Plan (Continued)**

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. *Minnesota Statutes* Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.25%) of the assets in each member's account annually.

Pension expense for the year is equal to the contributions made. Total contributions made by the City during fiscal year 2023 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,945	\$ 1,945	5%	5%	5%

**A. Component Unit Pension Information**

Qualified employees of the Marshall Housing Commission (the Commission), a discrete component unit of the City, belong to the Housing Renewal and Local Agency Retirement Plan, which is a defined contribution retirement plan. The retirement plan is a national plan with local or regional housing authorities and commission, urban renewal agencies, and other organizations eligible to participate. Required contributions were made by the Commission to the Housing Renewal and Local Agency Retirement Plan. The Commission's pension contributions for the year ending December 31, 2023, were \$11,938.

Detailed information concerning the Commission's pension plan is presented in its publicly available annual report for the year ended September 30, 2023. That report may be obtained by contacting the Commission.

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association**

**A. Plan Description**

The Marshall Firefighter's Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the Marshall Fire Department per *Minnesota State Statutes*.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**A. Plan Description (Continued)**

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Marshall Firefighter's Association, 201 East Saratoga Street, Marshall, MN 56258 or by calling 507-532-5141.

**B. Benefits Provided**

Volunteer firefighters of the City are members of the Marshall Firefighter's Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 20 years of service. Partial benefits are payable to members who have reached age 50 and have completed 10 years of service. Disability benefits and widow and children's survivor benefits are also payable to members, or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

**C. Members Covered by Benefit Terms**

At December 31, 2022, the following members were covered by the benefit terms:

Inactive members entitled to but not yet receiving benefits	10
Active members	<u>46</u>
Total	<u><u>56</u></u>

**D. Contributions.**

*Minnesota Statutes* Chapter 424A.092 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aids are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City's obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers: therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on behalf payment of \$125,641 made by the State of Minnesota for the Relief Association.

**E. Net Pension Liability**

The City's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

*Actuarial Assumptions*

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 %
Investment rate of return	6.00 %, net of pensions plan investment expenses: including inflation

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**E. Net Pension Liability (Continued)**

*Actuarial Assumptions (Continued)*

The value of death benefits is similar to the value of the retirement pension. Because of low retirement ages, the plan assumes no pre-retirement mortality. Post-retirement mortality does not apply as the benefit structure and form of payment do not reflect lifetime benefits.

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized in the table on the following page.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and equivalents	14.00 %	0.84 %
Fixed income	40.00	2.27
Equities	44.00	5.65
Other	2.00	4.44
Total	<u>100.00 %</u>	

*Discount Rate*

The discount rate used to measure the total pension liability was 6.00%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**F. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at January 1, 2023	\$ 2,463,048	\$ 2,688,949	\$ (225,901)
Changes for the year			
Service cost	144,955	-	144,955
Interest cost	120,423	-	120,423
Differences between expected and actual experience	(56,818)	-	(56,818)
Changes of assumptions	(76,050)	-	(76,050)
Contributions - State and local	-	125,641	(125,641)
Net investment income	-	323,557	(323,557)
Benefit payments	(628,464)	(628,464)	-
Administrative expense	-	(11,620)	11,620
Net changes	(495,954)	(190,886)	(305,068)
Balances at December 31, 2023	\$ 1,967,094	\$ 2,498,063	\$ (530,969)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease in Discount Rate 5.00%	Current Discount Rate Rate 6.00%	1% Increase in Discount Rate 7.00%
City's net pension liability (asset)	\$ (449,569)	\$ (530,969)	\$ (609,116)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued relief association financial report.



**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 10 - PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plan - Volunteer Firefighter's Relief Association (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$50,283. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 155,487
Changes of assumptions	71,240	68,321
Net difference between projected and actual earnings on pension plan investments	<u>166,124</u>	<u>-</u>
Total	<u><u>\$ 237,364</u></u>	<u><u>\$ 223,808</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown on the following page.

Year Ending	Total
2024	\$ 18,691
2025	47,774
2026	81,249
2027	(58,471)
2028	(18,699)
Thereafter	<u>(56,988)</u>
Total	<u><u>\$ 13,556</u></u>

**H. Payable to the Pension Plan**

At December 31, 2023, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2023.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN**

**A. Plan Description**

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. It is the City's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. No assets are acclimated in a trust.

**B. Benefits Provided**

Benefit provisions are established through negotiations between the City and the unions representing the City employees and are renegotiated each bargaining period. Retired employees receive no retiree benefits except the allowance to continue health insurance that is mandated by Minnesota Law. The Retiree Health Plan does not issue a publicly available financial report.

**C. Contributions**

Retirees contribute to the health care plan at the same rate as City employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with union representatives. The required contributions are based on projected pay-as-you-go financing requirements. For the year 2023, the City had implicit contributions of \$31,237 to the plan.

**D. Members**

As of December 31, 2022, the following were covered by the benefit terms:

Retirees electing coverage	17
Actives waiving coverage	9
Active employees electing coverage	<u>89</u>
Total	<u><u>115</u></u>

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation measured as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Discount rate	4.05%
Inflation	2.50%
Healthcare cost trend increases	6.30% initially, gradually decreasing to an ultimate rate of 3.90% in 2075 and later years
Mortality assumption	Pub-2010 General (General) and Public Safety (Police and Fire) mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**E. Actuarial Assumptions (Continued)**

The actuarial assumptions used in the December 31, 2022, valuation was based on the results of an actuarial experience study for the period January 1, 2022, through December 31, 2022.

The discount rate used to measure the total OPEB liability was 4.05% which is equal to the 20 Year Municipal Bond Yield.

**F. Total OPEB Liability**

The City's total OPEB liability of \$434,725 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2022.

	Total OPEB Liability
	<u>\$ 648,415</u>
Balance at January 1, 2022	
Changes for the year	
Service cost	86,290
Interest	13,231
Differences between expected and actual economic experience	(164,139)
Changes of assumptions	(117,835)
Benefit payments	<u>(31,237)</u>
Net changes	<u>(213,690)</u>
Balance at December 31, 2022	<u><u>\$ 434,725</u></u>

Changes of actuarial assumptions and other inputs since the last valuations are as follows:

- ◆ The discount rate was changed from 1.84% to 4.05% based on updated 20-year municipal bond rates.
- ◆ The inflation rate was changed from 2.25% to 2.50%.
- ◆ The payroll growth assumption was changed from 3.00% to 3.25% based on the 7/1/22 PERA valuations.

The General Fund typically liquidates the liability related to OPEB.

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**G. OPEB Liability Sensitivity**

The following presents the City's total OPEB liability calculated using the discount rate of 4.05% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

Total OPEB Liability		
1% Decrease in Discount Rate (3.05%)	Current Discount Rate (4.05%)	1% Increase in Discount Rate (5.05%)
\$ 465,464	\$ 434,725	\$ 404,935

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower and 1% higher than the current healthcare cost trend rates.

Total OPEB Liability		
1% Decrease in Trend Rate (5.3% Decreasing to 2.9%)	Current Trend Rate (6.3% Decreasing to 3.9%)	1% Increase in Trend Rate (7.3% Decreasing to 4.9%)
\$ 382,360	\$ 434,725	\$ 497,368

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2023, the City recognized OPEB expense of \$63,124. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 233,881
Changes of assumptions	47,060	105,339
Contributions subsequent to the measurement date	31,237	-
<b>Total</b>	<b>\$ 78,297</b>	<b>\$ 339,220</b>

**City of Marshall**  
**Notes to Basic Financial Statements**

**NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB (Continued)**

The \$31,237 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as follows:

Year Ending <u>December 31,</u>	
2024	\$ (36,397)
2025	(36,397)
2026	(36,397)
2027	(38,161)
2028	(35,533)
Thereafter	<u>(109,275)</u>
Total	<u>\$ (292,160)</u>

**NOTE 12 - SUBSEQUENT EVENT**

On May 9, 2024, the City of Marshall issued General Obligation Bonds, Series 2024A in the amount of \$3,580,000 and General Obligation Grant Anticipation Notes, Series 2024B in the amount of \$2,415,000. The Series 2024A Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. The Series 2024B Notes will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes; however, the City does not anticipate the need to levy taxes to pay debt service on the Series 2024B Notes. The City has applied for grants of state and federal funds, including from the Federal Aviation Administration, to aid in the payment of the cost of the various improvements to the Southwest Minnesota Regional Airport, and the City will pledge such grant receipts, plus certain local funds, to cover 105% of debt Service on the Series 2024B Notes.

## REQUIRED SUPPLEMENTARY INFORMATION

**City of Marshall**  
**Schedule of Changes in Total OPEB Liability**  
**and Related Ratios**

	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Total OPEB Liability				
Service cost	\$ 86,290	\$ 81,632	\$ 67,767	\$ 59,020
Interest	13,231	12,817	17,247	20,045
Differences between expected and actual experience	(164,139)	(1,556)	(74,789)	-
Changes of assumptions	(117,835)	8,282	13,009	20,751
Benefit payments	(31,237)	(23,963)	(22,830)	(20,572)
Net change in total OPEB liability	(213,690)	77,212	404	79,244
Beginning of year	648,415	571,203	570,799	491,555
End of year	<u>\$ 434,725</u>	<u>\$ 648,415</u>	<u>\$ 571,203</u>	<u>\$ 570,799</u>
Covered-employee payroll	\$ 9,219,677	\$ 8,406,199	\$ 6,917,827	\$ 5,045,093
Total OPEB liability as a percentage of covered-employee payroll	4.83%	7.75%	8.29%	11.31%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

December 31, 2019	December 31, 2018
\$ 53,044	\$ 46,291
17,550	17,579
(74,431)	-
29,640	17,186
(22,807)	(15,171)
2,996	65,885
488,559	422,674
<u>\$ 491,555</u>	<u>\$ 488,559</u>
\$ 6,221,055	\$ 7,183,783
7.90%	6.80%



**City of Marshall**  
**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**General Employees Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.0783%	\$ 4,378,448	\$ 120,761	\$ 4,499,209	\$ 6,230,493	70.3%	83.1%
2022	0.0776%	6,145,946	180,012	6,325,958	5,809,627	105.8%	76.7%
2021	0.0785%	3,352,303	102,376	3,454,679	5,653,000	59.3%	87.0%
2020	0.0770%	4,616,502	142,402	4,758,904	5,491,880	84.1%	79.1%
2019	0.0755%	4,174,226	129,661	4,303,887	5,340,853	78.2%	80.2%
2018	0.0747%	4,144,050	135,844	4,279,894	5,015,656	85.3%	79.5%
2017	0.0757%	4,832,638	60,786	4,893,424	4,879,197	100.3%	75.9%
2016	0.0708%	5,748,609	75,053	5,823,662	4,394,194	132.5%	68.9%
2015	0.0730%	3,783,239	-	3,783,239	4,221,213	89.6%	78.2%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Marshall**  
**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**Public Employees Police and Fire Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.1538%	\$ 2,655,926	\$ 106,986	\$ 2,762,912	\$ 2,020,316	136.8%	86.5%
2022	0.1584%	6,982,942	301,086	7,284,028	1,924,192	378.5%	70.5%
2021	0.1515%	1,155,784	52,570	1,208,354	1,955,765	61.8%	93.7%
2020	0.1503%	1,967,588	46,689	2,014,277	1,814,074	111.0%	87.2%
2019	0.1519%	1,596,623	-	1,596,623	1,639,377	97.4%	89.3%
2018	0.1481%	1,578,593	-	1,578,593	1,561,333	101.1%	88.8%
2017	0.1530%	2,065,682	-	2,065,682	1,566,649	131.9%	85.4%
2016	0.1490%	5,979,629	-	5,979,629	1,433,849	417.0%	63.9%
2015	0.1540%	1,749,800	-	1,749,800	1,367,414	128.0%	86.6%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

## REQUIRED SUPPLEMENTARY INFORMATION

**City of Marshall**  
**Schedule of City Contributions**  
**General Employees Retirement Fund**  
**Last Ten Years**

<u>Fiscal Year Ending December 31,</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>City's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2023	\$ 457,283	\$ 457,283	\$ -	\$ 6,097,107	7.5%
2022	432,918	432,918	-	5,772,240	7.5%
2021	437,879	437,879	-	5,838,387	7.5%
2020	479,230	479,230	-	6,389,733	7.5%
2019	406,453	406,453	-	5,419,373	7.5%
2018	388,137	388,137	-	5,175,154	7.5%
2017	364,044	364,044	-	4,853,924	7.5%
2016	339,038	339,038	-	4,520,504	7.5%
2015	337,463	337,463	-	4,499,507	7.5%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**Schedule of City Contributions**  
**Public Employees Police and Fire Retirement Fund**  
**Last Ten Years**

<u>Fiscal Year Ending December 31,</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in Relation to the Statutorily Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>City's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2023	\$ 357,424	\$ 357,424	\$ -	\$ 2,019,345	17.70%
2022	367,844	367,844	-	2,078,215	17.70%
2021	327,828	327,828	-	1,852,136	17.70%
2020	270,285	270,285	-	1,527,034	17.70%
2019	277,118	277,118	-	1,634,914	16.95%
2018	260,368	260,368	-	1,607,210	16.20%
2017	254,704	254,704	-	1,572,247	16.20%
2016	229,508	229,508	-	1,416,716	16.20%
2015	240,460	240,460	-	1,484,321	16.20%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

**City of Marshall**  
**Schedule of Changes in Net Pension Liability**  
**and Related Ratios - Fire Relief Association**

	2023	2022	2021	2020
<b>Total Pension Liability (TPL)</b>				
Service cost	\$ 144,955	\$ 134,664	\$ 119,404	\$ 116,491
Interest	120,423	126,627	153,954	157,417
Differences between expected and actual experience	(56,818)	-	(114,170)	-
Changes of assumptions	(76,050)	-	67,464	-
Changes of benefit terms	-	86,052	-	-
Benefit payments, including refunds or member contributions	(628,464)	(323,133)	(468,609)	(200,478)
Net change in total pension liability	(495,954)	24,210	(241,957)	73,430
Beginning of year	2,463,048	2,438,838	2,680,795	2,607,365
End of year	<u>\$ 1,967,094</u>	<u>\$ 2,463,048</u>	<u>\$ 2,438,838</u>	<u>\$ 2,680,795</u>
<b>Plan Fiduciary Net Position (FNP)</b>				
Contributions - State and local	\$ 125,641	\$ 112,667	\$ 111,585	\$ 106,308
Contributions - donations and other income	-	-	-	223
Net investment income	323,557	(530,734)	361,217	330,106
Benefit payments, including refunds of member contributions	(628,464)	(323,133)	(468,609)	(200,478)
Administrative expense	(11,620)	(11,150)	(11,496)	(9,750)
Other	-	584	-	-
Net change in plan fiduciary net position	(190,886)	(751,766)	(7,303)	226,409
Beginning of year	2,688,949	3,440,715	3,448,018	3,221,609
End of year	<u>\$ 2,498,063</u>	<u>\$ 2,688,949</u>	<u>\$ 3,440,715</u>	<u>\$ 3,448,018</u>
<b>Net Pension Liability (NPL)</b>	<u>\$ (530,969)</u>	<u>\$ (225,901)</u>	<u>\$ (1,001,877)</u>	<u>\$ (767,223)</u>
Plan fiduciary net position as a percentage of the total pension liability	127.0%	109.2%	141.1%	128.6%
Covered employee payroll	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

The City implemented the Provisions of Governmental Accounting Standards Board Statement No. 68 for the year ended December 31, 2015. The schedules within the Required Supplementary Information section required a ten year presentation, but does not require retroactive reporting. Information prior to 2014 is not available.

2019	2018	2017	2016	2015
\$ 134,662	\$ 131,058	\$ 138,841	\$ 151,873	\$ 128,480
165,189	173,655	234,533	206,225	203,955
(69,133)	-	(504,956)	-	-
64,058	-	(579)	(44,795)	34,723
-	-	-	88,384	59,012
-	(867,453)	(656,455)	(45,890)	(254,609)
294,776	(562,740)	(788,616)	355,797	171,561
2,312,589	2,875,329	3,663,945	3,308,148	3,136,587
<u>\$ 2,607,365</u>	<u>\$ 2,312,589</u>	<u>\$ 2,875,329</u>	<u>\$ 3,663,945</u>	<u>\$ 3,308,148</u>
\$ 100,826	\$ 108,906	\$ 156,757	\$ 124,166	\$ 103,127
-	8,454	-	-	-
482,227	(147,725)	514,498	269,176	(45,718)
-	(867,453)	(656,455)	(45,890)	(254,609)
(9,925)	(9,975)	(9,152)	(8,530)	(11,275)
-	-	-	-	-
573,128	(907,793)	5,648	338,922	(208,475)
2,648,481	3,556,274	3,550,626	3,211,704	3,420,179
<u>\$ 3,221,609</u>	<u>\$ 2,648,481</u>	<u>\$ 3,556,274</u>	<u>\$ 3,550,626</u>	<u>\$ 3,211,704</u>
<u>\$ (614,244)</u>	<u>\$ (335,892)</u>	<u>\$ (680,945)</u>	<u>\$ 113,319</u>	<u>\$ 96,444</u>
123.6%	114.5%	123.7%	96.9%	97.1%
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

**City of Marshall**  
**Schedule of Employer Contributions**  
**and Non-Employer Contributing**  
**Entities - Fire Relief Association**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Employer				
Statutorily determined contribution (SDC)	\$ -	\$ -	\$ -	\$ -
Contribution made	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Non-employer				
2% aid	\$ 120,641	\$ 110,667	\$ 107,585	\$ 104,308

The City implemented the Provisions of Governmental Accounting Standards Board Statement No. 68 for the year ended December 31, 2015. The schedules within the Required Supplementary Information section required a ten year presentation, but does not require retroactive reporting. Information prior to 2014 is not available.

2019	2018	2017	2016	2015	2014
\$ -	\$ 1,654	\$ 48,227	\$ 21,501	\$ -	\$ 74,423
-	(1,654)	(48,227)	(21,501)	-	(74,507)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (84)</u>
\$ 100,826	\$ 100,252	\$ 101,530	\$ 100,664	\$ 101,127	\$ 95,892



**City of Marshall**  
**Notes to Required Supplementary Information**

**General Employees Fund**

**2023 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- ◆ An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- ◆ The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- ◆ The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- ◆ A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**2022 Changes**

Changes in Actuarial Assumptions

- ◆ The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- ◆ The price inflation assumption was decreased from 2.5% to 2.25%.
- ◆ The payroll growth assumption was decreased from 3.25% to 3.0%.
- ◆ Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- ◆ Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- ◆ 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.

**City of Marshall**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2020 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ The assumed spouse age difference was changed from two years older for females to one year older.
- ◆ The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

**Changes in Plan Provisions**

- ◆ Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. 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.

**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 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% 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% to 3.00%, beginning July 1, 2018.
- ◆ Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- ◆ Contribution stabilizer provisions were repealed.
- ◆ Annual increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- ◆ For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- ◆ Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**City of Marshall**  
**Notes to Required Supplementary Information**

**General Employees Fund (Continued)**

**2017 Changes**

Changes in Actuarial Assumptions

- ◆ The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- ◆ The assumed annual increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

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

**2016 Changes**

Changes in Actuarial Assumptions

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- ◆ The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- ◆ Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2015 Changes**

Changes in Actuarial Assumptions

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% 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 \$6.0 million, which meets the special funding situation definition, was due September 2015.

**City of Marshall**  
**Notes to Required Supplementary Information**

**Police and Fire Fund**

**2023 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return assumption was changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

Changes in Plan Provisions

- ◆ Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- ◆ Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- ◆ Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- ◆ The total and permanent duty disability benefit was increased, effective July 1, 2023.
- ◆

**2022 Changes**

Changes in Actuarial Assumptions

- ◆ The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- ◆ The single discount rate was changed from 6.5% to 5.4%.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The inflation assumption was changed from 2.5% to 2.25%.
- ◆ The payroll growth assumption was changed from 3.25% to 3.0%.
- ◆ 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 MP-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 resulted 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 resulted in more assumed terminations.
- ◆ Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates resulted in more projected disabilities.
- ◆ Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

**City of Marshall**  
**Notes to Required Supplementary Information**

**Police and Fire Fund (Continued)**

**2021 Changes (Continued)**

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2019 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

**2018 Changes**

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ Annual increases were changed to 1.00% 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% funding, or July 1, 2048, if earlier.
- ◆ Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- ◆ Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- ◆ Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- ◆ Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- ◆ 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% lower than the previous rates.
- ◆ Assumed rates of retirement were changed, resulting in fewer retirements.
- ◆ The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2% 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.

**City of Marshall**  
**Notes to Required Supplementary Information**

**Police and Fire Fund (Continued)**

**2017 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ Assumed termination rates were decreased to 3% 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% to 60%.
- ◆ 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 annual benefit increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- ◆ The single discount rate was changed from 5.6% per annum to 7.5% per annum.

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2016 Changes**

**Changes in Actuarial Assumptions**

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- ◆ The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- ◆ The single discount rate changed from 7.90% to 5.60%.
- ◆ The assumed future salary increases, payroll growth, and inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

**Changes in Plan Provisions**

- ◆ There have been no changes since the prior valuation.

**2015 Changes**

**Changes in Actuarial Assumptions**

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2037 and 2.5% per year thereafter.

**Changes in Plan Provisions**

- ◆ The post-retirement benefit increase to be paid after attainment of the 90% funding threshold was changed, from inflation up to 2.5%, to a fixed rate of 2.5%.

**City of Marshall**  
**Notes to Required Supplementary Information**

**Post Employment Health Care Plan**

**2023 Changes**

Changes in Actuarial Assumptions

- ◆ The discount rate was changed from 1.84% to 4.05% based on updated 20-year municipal bond rates.
- ◆ Health care trend rates were reset to reflect updated cost increase expectations.
- ◆ Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- ◆ Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the 7/1/2020 PERA General Employees Plan and 7/1/2020 Police and Fire Plan valuations to the rates used in the 7/1/2022 valuations.
- ◆ The percent of future retirees assumed to elect life insurance coverage at retirement changed from 70% to 50% to reflect recent plan experience.
- ◆ The percent of future non-Medicare eligible retirees electing each medical plan changed to reflect recent plan experience and new plan offerings.
- ◆ The inflation assumption was changed from 2.25% to 2.50% based on an updated historical analysis of inflation rates and forward-looking market expectations.
- ◆ The payroll growth assumption was changed from 3.00% to 3.25% based on the 7/1/2022 PERA valuations.

**2022 Changes**

Changes in Actuarial Assumptions

- ◆ The discount rate was changed from 2.00% to 1.84% based on updated 20-year municipal bond rates.

**2021 Changes**

Changes in Actuarial Assumptions

- ◆ The discount rate was changed from 2.75% to 2.00% based on updated 20-year municipal bond rates.
- ◆ Healthcare trend rates were reset to reflect updated cost increase expectations.
- ◆ Medical per capita claims costs were updated to reflect recent experience and new plan offerings, including an adjustment to reflect age/gender-based risk scores published by the Society of Actuaries.
- ◆ Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the 7/1/2018 PERA General Employees Plan and 7/1/2018 Police and Fire Plan valuations to the rates used in the 7/1/2021 valuations.
- ◆ The percent of future non-Medicare eligible retirees electing each medical plan changed to reflect recent plan experience and new plan offerings.
- ◆ The inflation assumption was changed from 2.50% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations.

**2020 Changes**

Changes in Actuarial Assumptions

- ◆ The discount rate was changed from 3.71% to 2.75% based on updated 20-year municipal bond rates.

**2019 Changes**

Changes in Actuarial Assumptions

- ◆ The discount rate was changed from 3.31% to 3.71% based on updated 20-year municipal bond rates.



**City of Marshall**  
**Notes to Required Supplementary Information**

**Post Employment Health Care Plan (Continued)**

**2019 Changes (Continued)**

**Changes in Actuarial Assumptions (Continued)**

- ◆ Healthcare trend rates were reset to reflect updated cost increase expectations, including an adjustment to reflect the impact of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- ◆ Medical per capita claims costs were updated to reflect recent experience.
- ◆ Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the 7/1/2016 PERA General Employees Retirement Plan and PERA Police & Fire Plan to the rates used in the 7/1/2018 valuations.
- ◆ The percent of future retirees electing medical coverage at retirement changed from 35% to 40% to reflect recent plan experience.
- ◆ The percent of retirees electing spouse coverage changed from 20% to 35% to reflect recent plan experience.
- ◆ The percent of future non-Medicare eligible retirees electing each medical plan changed to reflect recent plan experience.

**2018 Changes**

**Changes in Actuarial Assumptions**

- ◆ The discount rate was changed from 3.81% to 3.31%



(THIS PAGE LEFT BLANK INTENTIONALLY)

## SUPPLEMENTARY INFORMATION

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 5,795,175	\$ 5,795,175	\$ 5,804,767	\$ 9,592
Lodging tax	170,000	170,000	218,356	48,356
Franchise fees	560,000	560,000	518,403	(41,597)
Total taxes	6,525,175	6,525,175	6,541,526	16,351
Special assessments	1,000	1,000	352	(648)
Licenses and permits				
Business	61,640	61,640	57,797	(3,843)
Nonbusiness	319,600	319,600	335,746	16,146
Total licenses and permits	381,240	381,240	393,543	12,303
Intergovernmental				
Federal				
Other Federal aid	600,580	600,580	121,598	(478,982)
State				
Local government aid	2,706,253	2,706,253	2,706,253	-
Property tax credits and aids	799,333	799,333	799,539	206
Airport grants	91,027	91,027	103,317	12,290
Other State aids	447,675	447,675	1,248,530	800,855
Total State	4,044,288	4,044,288	4,857,639	813,351
Local				
Other local grants	92,000	92,000	111,219	19,219
Total intergovernmental	4,736,868	4,736,868	5,090,456	353,588
Charges for services				
General government	50,600	50,600	48,408	(2,192)
Public safety	200,870	200,870	211,023	10,153
Public works	1,329,680	1,329,680	1,348,753	19,073
Culture and recreation	385,000	385,000	404,315	19,315
Total charges for services	1,966,150	1,966,150	2,012,499	46,349
Fines and forfeitures	112,900	112,900	98,769	(14,131)
Investment earnings	149,640	149,640	915,059	765,419
Miscellaneous				
Contributions and donations	175,500	175,500	282,883	107,383
Refunds and reimbursements	145,250	145,250	428,612	283,362
Total miscellaneous	573,524	573,524	989,773	416,249
Total revenues	14,446,497	14,446,497	16,041,977	1,595,480

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures</b>				
Current				
General government				
Adult community center				
Personnel services	\$ 128,514	\$ 128,514	\$ 125,241	\$ (3,273)
Supplies	16,500	16,500	18,516	2,016
Other services and charges	18,573	18,573	25,481	6,908
Total adult community center	163,587	163,587	169,238	5,651
Appraising and assessing				
Personnel services	354,094	354,094	359,083	4,989
Supplies	1,200	1,200	162	(1,038)
Other services and charges	23,554	23,554	16,111	(7,443)
Total appraising and assessing	378,848	378,848	375,356	(3,492)
Cable commission				
Personnel services	213,297	213,297	216,521	3,224
Supplies	8,250	8,250	5,937	(2,313)
Other services and charges	13,330	13,330	9,474	(3,856)
Total cable commission	234,877	234,877	231,932	(2,945)
City administration				
Personnel services	543,684	543,684	551,425	7,741
Supplies	5,000	5,000	4,595	(405)
Other services and charges	65,413	65,413	32,377	(33,036)
Total City administration	614,097	614,097	588,397	(25,700)
Finance				
Personnel services	402,918	402,918	391,441	(11,477)
Supplies	2,500	2,500	15,859	13,359
Other services and charges	67,048	67,048	82,901	15,853
Total finance	472,466	472,466	490,201	17,735
General community development				
Supplies	167,130	167,130	209,234	42,104
Other services and charges	101,363	101,363	124,906	23,543
Total general community development	268,493	268,493	334,140	65,647
Information technology				
Supplies	29,421	29,421	29,225	(196)
Other services and charges	137,060	137,060	146,169	9,109
Total information technology	166,481	166,481	175,394	8,913
Legal				
Supplies	300	300	-	(300)
Other services and charges	137,394	137,394	195,655	58,261
Total legal	137,694	137,694	195,655	57,961

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures (continued)</b>				
Current (continued)				
General government (continued)				
Mayor and Council				
Personnel services	\$ 58,601	\$ 58,601	\$ 57,858	\$ (743)
Supplies	13,500	13,500	9,029	(4,471)
Other services and charges	124,948	124,948	118,372	(6,576)
Total Mayor and Council	197,049	197,049	185,259	(11,790)
Municipal building maintenance				
Personnel services	252,340	252,340	217,893	(34,447)
Supplies	13,650	13,650	16,742	3,092
Other services and charges	37,035	37,035	39,068	2,033
Total building maintenance	303,025	303,025	273,703	(29,322)
Total general government	2,936,617	2,936,617	3,019,275	82,658
Public safety				
Animal impoundment				
Personnel services	34,613	34,613	27,824	(6,789)
Supplies	1,900	1,900	2,947	1,047
Other services and charges	8,321	8,321	4,653	(3,668)
Total animal impoundment	44,834	44,834	35,424	(9,410)
Chemical assessment team				
Personnel services	27,252	27,252	33,005	5,753
Supplies	17,389	17,389	31,060	13,671
Other services and charges	15,359	15,359	23,709	8,350
Total chemical assessment team	60,000	60,000	87,774	27,774
Emergency management services				
Supplies	10,000	10,000	3,304	(6,696)
Other services and charges	9,569	9,569	6,485	(3,084)
Total emergency management services	19,569	19,569	9,789	(9,780)
Fire services				
Personnel services	250,538	250,538	263,378	12,840
Supplies	118,500	118,500	109,135	(9,365)
Other services and charges	327,502	327,502	414,451	86,949
Total fire services	696,540	696,540	786,964	90,424
Police administration				
Personnel services	3,260,636	3,260,636	3,076,743	(183,893)
Supplies	124,469	124,469	106,669	(17,800)
Other services and charges	368,816	368,816	346,276	(22,540)
Total police administration	3,753,921	3,753,921	3,529,688	(224,233)
Total public safety	4,574,864	4,574,864	4,449,639	(125,225)

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures (continued)</b>				
Current (continued)				
Public works				
Community planning				
Personnel services	\$ 507,634	\$ 507,634	\$ 489,915	\$ (17,719)
Supplies	17,000	17,000	15,514	(1,486)
Other services and charges	29,784	29,784	53,415	23,631
Total community planning	554,418	554,418	558,844	4,426
Engineering				
Personnel services	823,129	823,129	772,693	(50,436)
Supplies	32,350	32,350	19,719	(12,631)
Other services and charges	61,929	61,929	112,837	50,908
Total engineering	917,408	917,408	905,249	(12,159)
Street administration				
Personnel services	908,271	908,271	893,056	(15,215)
Supplies	493,218	493,218	501,853	8,635
Other services and charges	102,452	102,452	153,979	51,527
Total street administration	1,503,941	1,503,941	1,548,888	44,947
Street lighting				
Other services and charges	277,522	277,522	277,521	(1)
Total street lighting	277,522	277,522	277,521	(1)
Total public works	3,253,289	3,253,289	3,290,502	37,213
Culture and recreation				
Aquatic center				
Personnel services	101,345	101,345	107,978	6,633
Supplies	88,840	88,840	77,182	(11,658)
Other services and charges	58,043	58,043	59,633	1,590
Total aquatic center	248,228	248,228	244,793	(3,435)
Community education				
Personnel services	119,588	119,588	111,820	(7,768)
Supplies	19,160	19,160	18,666	(494)
Other services and charges	20,120	20,120	17,477	(2,643)
Total community education	158,868	158,868	147,963	(10,905)
Community services administration				
Personnel services	306,016	306,016	169,268	(136,748)
Supplies	15,350	15,350	18,565	3,215
Other services and charges	43,917	43,917	58,383	14,466
Total community services administration	365,283	365,283	246,216	(119,067)

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Expenditures (continued)</b>				
Current (continued)				
Culture and recreation (continued)				
Library				
Other services and charges	\$ 720,625	\$ 720,625	\$ 720,625	\$ -
Community services youth activities				
Personnel services	9,606	9,606	283	(9,323)
Supplies	4,000	4,000	-	(4,000)
Total community services youth activities	13,606	13,606	283	(13,323)
Municipal band				
Personnel services	6,692	6,692	4,057	(2,635)
Supplies	700	700	1,508	808
Other services and charges	12	12	11	(1)
Total municipal band	7,404	7,404	5,576	(1,828)
Park maintenance and development				
Personnel services	530,110	530,110	503,255	(26,855)
Supplies	290,200	290,200	264,590	(25,610)
Other services and charges	154,778	154,778	235,071	80,293
Total park maintenance and development	975,088	975,088	1,002,916	27,828
Recreation				
Personnel services	175,849	175,849	214,775	38,926
Supplies	38,000	38,000	43,034	5,034
Other services and charges	27,370	27,370	50,080	22,710
Total recreation	241,219	241,219	307,889	66,670
Total culture and recreation	2,730,321	2,730,321	2,676,261	(54,060)
Airport				
Personnel services	326,382	326,382	317,978	(8,404)
Supplies	104,700	104,700	100,966	(3,734)
Other services and charges	847,582	847,582	369,971	(477,611)
Total airport	1,278,664	1,278,664	788,915	(489,749)
Total current	14,773,755	14,773,755	14,224,592	(549,163)
Capital outlay				
Culture and recreation	-	-	10,000	10,000
Total expenditures	14,773,755	14,773,755	14,234,592	(539,163)
Excess (deficiency) of revenues over (under) expenditures	(327,258)	(327,258)	1,807,385	2,134,643

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - General Fund  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	\$ -	\$ -	\$ 65,189	\$ 65,189
Transfers in	400,000	400,000	424,625	24,625
Transfers out	(96,720)	(96,720)	(147,975)	(51,255)
Total other financing sources (uses)	<u>303,280</u>	<u>303,280</u>	<u>341,839</u>	<u>38,559</u>
Net change in fund balances	<u>\$ (23,978)</u>	<u>\$ (23,978)</u>	2,149,224	<u>\$ 2,173,202</u>
<b>Fund Balance</b>				
Beginning of year			<u>6,513,092</u>	
End of year			<u>\$ 8,662,316</u>	



**City of Marshall**  
**Combining Balance Sheet -**  
**Nonmajor Governmental Funds**  
**December 31, 2023**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total
<b>Assets</b>			
Cash and temporary investments	\$ 5,902,280	\$ 5,738,809	\$ 11,641,089
Receivables			
Interest	4,925	3,592	8,517
Delinquent taxes	-	3,831	3,831
Accounts	1,108	208,009	209,117
Notes	264	-	264
Leases	40,500	-	40,500
Special assessments	-	336,180	336,180
Intergovernmental	-	5,187	5,187
Due from other funds	-	1,200	1,200
Due from component units	167,074	-	167,074
Prepaid items	32,019	-	32,019
Total assets	<u>\$ 6,148,170</u>	<u>\$ 6,296,808</u>	<u>\$ 12,444,978</u>
<b>Liabilities</b>			
Accounts payable	\$ 34,822	\$ 253,337	\$ 288,159
Contracts payable	-	145,966	145,966
Due to other funds	-	84,464	84,464
Due to component unit	10,880	107	10,987
Due to other governments	17,255	-	17,255
Accrued salaries payable	25,564	-	25,564
Unearned revenue	810	172,150	172,960
Total liabilities	<u>89,331</u>	<u>656,024</u>	<u>745,355</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - taxes	-	3,831	3,831
Unavailable revenue - special assessments	-	336,180	336,180
Advanced appropriations - State shared taxes	-	1,605,591	1,605,591
Deferred inflows of resources related to leases	40,500	-	40,500
Total deferred inflows of resources	<u>40,500</u>	<u>1,945,602</u>	<u>1,986,102</u>
<b>Fund Balances</b>			
Nonspendable			
Prepaid items	32,019	-	32,019
Restricted for			
Economic development	1,988,993	-	1,988,993
Tax increment financing	2,818,970	-	2,818,970
Capital projects	-	987,940	987,940
Library	134,323	-	134,323
Assigned for			
Staff separation	129,976	-	129,976
Library operations	106,833	-	106,833
Economic development	86,685	-	86,685
Capital projects	-	3,394,242	3,394,242
Driver education	58,605	-	58,605
ASC Arena	371,115	-	371,115
Park improvements	-	132,493	132,493
Emergency response and industrial training center	290,820	-	290,820
Unassigned	-	(819,493)	(819,493)
Total fund balances	<u>6,018,339</u>	<u>3,695,182</u>	<u>9,713,521</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 6,148,170</u>	 <u>\$ 6,296,808</u>	 <u>\$ 12,444,978</u>

**City of Marshall**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2023**

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total
<b>Revenues</b>			
Taxes	\$ 177,573	\$ 528,285	\$ 705,858
Intergovernmental	1,080,925	3,141,818	4,222,743
Charges for services	77,265	-	77,265
Fines and forfeitures	8,488	-	8,488
Special assessments	-	15,407	15,407
Investment earnings	146,308	30,375	176,683
Other revenues	372,907	157,407	530,314
Total revenues	<u>1,863,466</u>	<u>3,873,292</u>	<u>5,736,758</u>
<b>Expenditures</b>			
Current			
General government	4,762	23,777	28,539
Public safety	167,813	-	167,813
Public works	-	64,571	64,571
Culture and recreation	2,011,137	237,702	2,248,839
Economic development	181,294	-	181,294
Airport	-	6,532	6,532
Capital outlay			
General government	-	67,409	67,409
Public safety	-	32,850	32,850
Public works	-	2,088,856	2,088,856
Culture and recreation	-	691,432	691,432
Airport	-	73,499	73,499
Total expenditures	<u>2,365,006</u>	<u>3,286,628</u>	<u>5,651,634</u>
Excess (deficiency) of revenues under expenditures	(501,540)	586,664	85,124
<b>Other Financing Sources (Uses)</b>			
Transfers in	814,500	51,255	865,755
Transfers out	(230,146)	(178,194)	(408,340)
Total other financing sources (uses)	<u>584,354</u>	<u>(126,939)</u>	<u>457,415</u>
Net change in fund balances	82,814	459,725	542,539
Fund Balances January 1	<u>5,935,525</u>	<u>3,235,457</u>	<u>9,170,982</u>
Fund Balances, December 31	<u>\$ 6,018,339</u>	<u>\$ 3,695,182</u>	<u>\$ 9,713,521</u>

**City of Marshall**  
**Combining Balance Sheet -**  
**Nonmajor Special Revenue Funds**  
**December 31, 2023**

	Marshall - Lyon County Library (211)	Small Cities Development Program (220)	2018 Small Cities Development Program (221)	Tax Increment Financing (230)
<b>Assets</b>				
Cash and temporary investments	\$ 406,763	\$ 86,343	\$ 43,599	\$ 2,652,145
Receivables				
Interest	1,668	342	170	-
Accounts	-	-	88	-
Notes	-	-	264	-
Leases	-	-	-	-
Intergovernmental	-	-	-	-
Due from other funds	-	-	-	-
Due from component units	-	-	-	167,074
Prepaid items	10,043	-	-	-
<b>Total assets</b>	<b>\$ 418,474</b>	<b>\$ 86,685</b>	<b>\$ 44,121</b>	<b>\$ 2,819,219</b>
<b>Liabilities</b>				
Accounts payable	\$ 21,407	\$ -	\$ 1	\$ -
Due to component unit	-	-	-	249
Due to other governments	311	-	-	-
Accrued salaries payable	15,581	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>37,299</b>	<b>-</b>	<b>1</b>	<b>249</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows of resources related to leases	-	-	-	-
<b>Fund Balances</b>				
Nonspendable				
Prepaid items	10,043	-	-	-
Restricted				
Economic development	-	-	44,120	-
Tax increment financing	-	-	-	2,818,970
Library	134,323	-	-	-
Assigned				
Staff separation	129,976	-	-	-
Library operations	106,833	-	-	-
Economic development	-	86,685	-	-
Driver education	-	-	-	-
ASC Arena	-	-	-	-
Emergency response and industrial training center	-	-	-	-
<b>Total fund balances</b>	<b>381,175</b>	<b>86,685</b>	<b>44,120</b>	<b>2,818,970</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 418,474</b>	<b>\$ 86,685</b>	<b>\$ 44,121</b>	<b>\$ 2,819,219</b>

Community Education Drivers Training (240)	ASC Arena (258)	Emergency Response and Industrial Training Center (270)	Endowment - Avera / WMMC (280)	Total
\$ 74,659	\$ 399,748	\$ 294,150	\$ 1,944,873	\$ 5,902,280
-	1,587	1,158	-	4,925
840	180	-	-	1,108
-	-	-	-	264
-	-	40,500	-	40,500
-	-	-	-	-
-	-	-	-	-
-	-	-	-	167,074
-	16,605	5,371	-	32,019
<u>\$ 75,499</u>	<u>\$ 418,120</u>	<u>\$ 341,179</u>	<u>\$ 1,944,873</u>	<u>\$ 6,148,170</u>
\$ -	\$ 11,851	\$ 1,563	\$ -	\$ 34,822
-	9,735	896	-	10,880
16,894	-	50	-	17,255
-	8,004	1,979	-	25,564
-	810	-	-	810
<u>16,894</u>	<u>30,400</u>	<u>4,488</u>	<u>-</u>	<u>89,331</u>
-	-	40,500	-	40,500
-	16,605	5,371	-	32,019
-	-	-	1,944,873	1,988,993
-	-	-	-	2,818,970
-	-	-	-	134,323
-	-	-	-	129,976
-	-	-	-	106,833
-	-	-	-	86,685
58,605	-	-	-	58,605
-	371,115	-	-	371,115
-	-	290,820	-	290,820
<u>58,605</u>	<u>387,720</u>	<u>296,191</u>	<u>1,944,873</u>	<u>6,018,339</u>
<u>\$ 75,499</u>	<u>\$ 418,120</u>	<u>\$ 341,179</u>	<u>\$ 1,944,873</u>	<u>\$ 6,148,170</u>

**City of Marshall**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Special Revenue Funds**  
**December 31, 2023**

	Marshall - Lyon County Library (211)	Small Cities Development Program (220)	2018 Small Cities Development Program (221)	Tax Increment Financing (230)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ 177,573
Intergovernmental	1,080,925	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	8,488	-	-	-
Investment earnings	15,415	3,365	2,293	-
Other revenues	87,362	-	-	-
Total revenues	<u>1,192,190</u>	<u>3,365</u>	<u>2,293</u>	<u>177,573</u>
<b>Expenditures</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	1,141,868	-	-	-
Economic development	-	-	41,239	140,055
Total expenditures	<u>1,141,868</u>	<u>-</u>	<u>41,239</u>	<u>140,055</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,322</u>	<u>3,365</u>	<u>(38,946)</u>	<u>37,518</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(200,760)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,760)</u>
Net change in fund balances	50,322	3,365	(38,946)	(163,242)
Fund Balances, January 1	<u>330,853</u>	<u>83,320</u>	<u>83,066</u>	<u>2,982,212</u>
Fund Balances, December 31	<u>\$ 381,175</u>	<u>\$ 86,685</u>	<u>\$ 44,120</u>	<u>\$ 2,818,970</u>

Community Education Drivers Training (240)	ASC Arena (258)	Emergency Response and Industrial Training Center (270)	Endowment - Avera / WMMC (280)	Totals
\$ -	\$ -	\$ -	\$ -	\$ 177,573
-	-	-	-	1,080,925
70,520	6,745	-	-	77,265
-	-	-	-	8,488
-	13,261	10,281	101,693	146,308
21	245,501	40,023	-	372,907
<u>70,541</u>	<u>265,507</u>	<u>50,304</u>	<u>101,693</u>	<u>1,863,466</u>
-	-	-	4,762	4,762
-	-	167,813	-	167,813
89,240	780,029	-	-	2,011,137
-	-	-	-	181,294
<u>89,240</u>	<u>780,029</u>	<u>167,813</u>	<u>4,762</u>	<u>2,365,006</u>
<u>(18,699)</u>	<u>(514,522)</u>	<u>(117,509)</u>	<u>96,931</u>	<u>(501,540)</u>
-	643,000	171,500	-	814,500
-	-	-	(29,386)	(230,146)
-	<u>643,000</u>	<u>171,500</u>	<u>(29,386)</u>	<u>584,354</u>
(18,699)	128,478	53,991	67,545	82,814
<u>77,304</u>	<u>259,242</u>	<u>242,200</u>	<u>1,877,328</u>	<u>5,935,525</u>
<u>\$ 58,605</u>	<u>\$ 387,720</u>	<u>\$ 296,191</u>	<u>\$ 1,944,873</u>	<u>\$ 6,018,339</u>

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Marshall - Lyon County Library  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 1,080,925	\$ 1,080,925	\$ 1,080,925	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	7,500	7,500	8,488	988
Investment earnings	750	750	15,415	14,665
Miscellaneous	22,300	22,300	87,362	65,062
Total revenues	1,111,475	1,111,475	1,192,190	80,715
<b>Expenditures</b>				
Current				
Culture and recreation	1,128,638	1,128,638	1,141,868	13,230
Excess of revenues over (under) expenditures	\$ (17,163)	\$ (17,163)	50,322	\$ 67,485
<b>Fund Balance</b>				
Beginning of year			330,853	
End of year			\$ 381,175	

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Tax Increment Financing  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 178,750	\$ 178,750	\$ 177,573	\$ (1,177)
Investment earnings	27,958	27,958	-	(27,958)
Total revenues	206,708	206,708	177,573	(29,135)
<b>Expenditures</b>				
Current				
Economic development	136,273	136,273	140,055	3,782
Excess of revenues over (under) expenditures	70,435	70,435	37,518	(32,917)
<b>Other Financing Uses</b>				
Transfers out	(200,761)	(200,761)	(200,760)	1
Net change in fund balances	<u>\$ (130,326)</u>	<u>\$ (130,326)</u>	(163,242)	<u>\$ (32,916)</u>
<b>Fund Balance</b>				
Beginning of year			2,982,212	
End of year			<u>\$ 2,818,970</u>	



City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Community Education Drivers Training  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 60,000	\$ 60,000	\$ 70,520	\$ 10,520
Investment earnings	702	702	-	(702)
Total revenues	60,702	60,702	70,541	9,839
<b>Expenditures</b>				
Current				
Culture and recreation	60,675	60,675	89,240	28,565
Excess of revenues Over (under) expenditures	\$ 27	\$ 27	(18,699)	\$ (18,726)
<b>Fund Balance</b>				
Beginning of year			77,304	
End of year			\$ 58,605	

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - ASC Arena  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ -	\$ -	\$ 6,745	\$ 6,745
Investment earnings	1,290	1,290	13,261	11,971
Miscellaneous	185,700	185,700	245,501	59,801
Total revenues	186,990	186,990	265,507	78,517
<b>Expenditures</b>				
Current				
Culture and recreation	830,526	830,526	780,029	(50,497)
Excess of revenues over (under) expenditures	(643,536)	(643,536)	(514,522)	129,014
<b>Other Financing Sources</b>				
Transfers in	643,000	643,000	643,000	-
Net change in fund balances	<u>\$ (536)</u>	<u>\$ (536)</u>	128,478	<u>\$ 129,014</u>
<b>Fund Balance</b>				
Beginning of year			<u>259,242</u>	
End of year			<u>\$ 387,720</u>	

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Emergency Response and Industrial Training Center  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Charges for services	10,000	10,000	-	(10,000)
Investment earnings	2,282	2,282	10,281	7,999
Miscellaneous	41,500	41,500	40,023	(1,477)
Total revenues	53,782	53,782	50,304	(3,478)
<b>Expenditures</b>				
Current				
Public safety	225,282	225,282	167,813	(57,469)
Excess of revenues over (under) expenditures	(171,500)	(171,500)	(117,509)	53,991
<b>Other Financing Sources</b>				
Transfers in	171,500	171,500	171,500	-
Net change in fund balances	\$ -	\$ -	53,991	\$ 53,991
<b>Fund Balance</b>				
Beginning of year			242,200	
End of year			\$ 296,191	

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Endowment Avera / WMMC  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Investment earnings	\$ 10,000	\$ 10,000	\$ 101,693	\$ 91,693
<b>Expenditures</b>				
Current				
General government	-	-	4,762	4,762
Excess of revenues over (under) expenditures	10,000	10,000	96,931	86,931
<b>Other Financing Sources (Uses)</b>				
Transfers out	(40,000)	(40,000)	(29,386)	10,614
Net change in fund balances	<u>\$ (30,000)</u>	<u>\$ (30,000)</u>	67,545	<u>\$ 97,545</u>
<b>Fund Balance</b>				
Beginning of year			<u>1,877,328</u>	
End of year			<u>\$ 1,944,873</u>	

City of Marshall  
Combining Balance Sheet -  
Nonmajor Capital Project Funds  
December 31, 2023

	Municipal State Aid (103)	Marshall Industrial Park (260)	Capital Equipment (401)	Park Improvements (423)
<b>Assets</b>				
Cash and temporary investments	\$ 509,281	\$ 1,072,934	\$ 1,421,262	\$ 127,931
Receivables				
Interest	-	-	-	-
Delinquent taxes	-	-	1,503	-
Accounts	-	198,588	4,859	4,562
Special assessments	-	27,192	-	-
Intergovernmental	-	-	1,702	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<u>\$ 509,281</u>	<u>\$ 1,298,714</u>	<u>\$ 1,429,326</u>	<u>\$ 132,493</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 6,532	\$ -
Contracts payable	-	-	134,144	-
Due to other funds	-	-	-	-
Due to component unit	-	107	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	172,150	-
<b>Total liabilities</b>	<u>-</u>	<u>107</u>	<u>312,826</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	-	-	1,503	-
Unavailable revenue - special assessments	-	27,192	-	-
Advanced appropriations - State shared taxes	-	-	117,944	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>27,192</u>	<u>119,447</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted				
Capital projects	101,933	-	131,238	-
Assigned				
Capital projects	407,348	1,271,415	865,815	-
Park improvements	-	-	-	132,493
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>509,281</u>	<u>1,271,415</u>	<u>997,053</u>	<u>132,493</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 509,281</u>	<u>\$ 1,298,714</u>	<u>\$ 1,429,326</u>	<u>\$ 132,493</u>

2020 Public Improvements (476)	2021 Public Improvements (479)	2022 Public Improvements (480)	2024 Public Improvements (482)	Aquatic Center (492)	City Hall Building (494)
\$ 867,197	\$ 54,604	\$ 754,769	\$ -	\$ -	\$ 32,609
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 867,197</u>	<u>\$ 54,604</u>	<u>\$ 754,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,609</u>
\$ -	\$ -	\$ -	\$ -	\$ 246,805	\$ -
-	-	-	-	-	11,822
-	-	-	23,255	61,209	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	23,255	308,014	11,822
-	-	-	-	-	-
-	-	-	-	-	-
1,355,421	39,211	-	-	-	-
<u>1,355,421</u>	<u>39,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	754,769	-	-	-
-	15,393	-	-	-	20,787
-	-	-	-	-	-
(488,224)	-	-	(23,255)	(308,014)	-
<u>(488,224)</u>	<u>15,393</u>	<u>754,769</u>	<u>(23,255)</u>	<u>(308,014)</u>	<u>20,787</u>
<u>\$ 867,197</u>	<u>\$ 54,604</u>	<u>\$ 754,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,609</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

City of Marshall  
Combining Balance Sheet -  
Nonmajor Capital Project Funds  
December 31, 2023

	Public Improvement Revolving (495)	Totals
<b>Assets</b>		
Cash and temporary investments	\$ 898,222	\$ 5,738,809
Receivables		
Interest	3,592	3,592
Delinquent taxes	2,328	3,831
Accounts	-	208,009
Special assessments	308,988	336,180
Intergovernmental	3,485	5,187
Due from other funds	1,200	1,200
Total assets	<u>\$ 1,217,815</u>	<u>\$ 6,296,808</u>
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 253,337
Contracts payable	-	145,966
Due to other funds	-	84,464
Due to component unit	-	107
Due to other governments	-	-
Unearned revenue	-	172,150
Total liabilities	<u>-</u>	<u>656,024</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	2,328	3,831
Unavailable revenue - special assessments	308,988	336,180
Advanced appropriations - State shared taxes	93,015	1,605,591
Total deferred inflows of resources	<u>404,331</u>	<u>1,945,602</u>
<b>Fund Balances</b>		
Restricted		
Capital projects	-	987,940
Assigned		
Capital projects	813,484	3,394,242
Park improvements	-	132,493
Unassigned	-	(819,493)
Total fund balances	<u>813,484</u>	<u>3,695,182</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,217,815</u>	<u>\$ 6,296,808</u>



**City of Marshall**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Capital Project Funds**  
**December 31, 2023**

	Municipal State Aid (103)	Marshall Industrial Park (260)	Capital Equipment (401)	Park Improvements (423)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 177,545	\$ -
Special assessments	-	850	-	-
Intergovernmental	-	-	1,432,850	26,744
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenues	-	8,334	-	74,862
Total revenues	-	9,184	1,610,395	101,606
<b>Expenditures</b>				
Current				
General government	-	18,398	5,379	-
Public works	2,249	-	9,331	-
Culture and recreation	-	-	1,366	3,276
Airport	-	-	6,532	-
Capital outlay				
General government	-	-	67,409	-
Public safety	-	-	32,850	-
Public works	-	-	1,453,711	-
Culture and recreation	-	-	72,298	19,846
Airport	-	-	73,499	-
Total expenditures	2,249	18,398	1,722,375	23,122
Excess (deficiency) of revenues over (under) expenditures	(2,249)	(9,214)	(111,980)	78,484
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	51,255	-
Transfers out	-	-	-	-
Total other financing sources	-	-	51,255	-
Net change in fund balances	(2,249)	(9,214)	(60,725)	78,484
Fund Balances, January 1	511,530	1,280,629	1,057,778	54,009
Fund Balances, December 31	\$ 509,281	\$ 1,271,415	\$ 997,053	\$ 132,493

2018 Public Improvements (475)	2020 Public Improvements (476)	2021 Public Improvements (479)	2022 Public Improvements (480)	2024 Public Improvements (482)	Aquatic Center (492)	City Hall Building (494)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
315,904	482,087	-	32,033	-	468,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>315,904</u>	<u>482,087</u>	<u>-</u>	<u>32,033</u>	<u>-</u>	<u>468,000</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	18,491	23,255	-	7,008
-	-	-	-	-	233,060	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	599,288	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,491</u>	<u>23,255</u>	<u>832,348</u>	<u>7,008</u>
315,904	482,087	-	13,542	(23,255)	(364,348)	(7,008)
-	-	-	-	-	-	-
(178,194)	-	-	-	-	-	-
<u>(178,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
137,710	482,087	-	13,542	(23,255)	(364,348)	(7,008)
<u>(137,710)</u>	<u>(970,311)</u>	<u>15,393</u>	<u>741,227</u>	<u>-</u>	<u>56,334</u>	<u>27,795</u>
<u>\$ -</u>	<u>\$ (488,224)</u>	<u>\$ 15,393</u>	<u>\$ 754,769</u>	<u>\$ (23,255)</u>	<u>\$ (308,014)</u>	<u>\$ 20,787</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

City of Marshall  
Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Capital Project Funds  
December 31, 2023

	Public Improvement Revolving (495)	Totals
<b>Revenues</b>		
Taxes	\$ 350,740	\$ 528,285
Special assessments	14,557	15,407
Intergovernmental	384,200	3,141,818
Charges for services	-	-
Investment earnings	30,375	30,375
Other revenues	74,211	157,407
Total revenues	<u>854,083</u>	<u>3,873,292</u>
<b>Expenditures</b>		
Current		
General government	-	23,777
Public works	4,237	64,571
Culture and recreation	-	237,702
Airport	-	6,532
Capital outlay		
General government	-	67,409
Public safety	-	32,850
Public works	635,145	2,088,856
Culture and recreation	-	691,432
Airport	-	73,499
Total expenditures	<u>639,382</u>	<u>3,286,628</u>
Excess (deficiency) of revenues over (under) expenditures	214,701	586,664
<b>Other Financing Sources (Uses)</b>		
Transfers in	-	51,255
Transfers out	-	(178,194)
Total other financing sources	<u>-</u>	<u>(126,939)</u>
Net change in fund balances	214,701	459,725
Fund Balances, January 1	<u>598,783</u>	<u>3,235,457</u>
Fund Balances, December 31	<u>\$ 813,484</u>	<u>\$ 3,695,182</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Capital Equipment  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 168,140	\$ 168,140	\$ 177,545	\$ 9,405
Intergovernmental	-	-	1,432,850	1,432,850
Investment earnings	12,628	12,628	-	(12,628)
Total revenues	180,768	180,768	1,610,395	1,429,627
<b>Expenditures</b>				
Current				
General government	-	-	5,379	5,379
Public works	-	-	9,331	9,331
Culture and recreation	-	-	1,366	1,366
Airport	8,000	8,000	6,532	(1,468)
Capital outlay				
General government	-	-	67,409	67,409
Public safety	-	-	32,850	32,850
Public works	125,000	125,000	1,453,711	1,328,711
Culture and recreation	142,000	142,000	72,298	(69,702)
Airport	80,000	80,000	73,499	(6,501)
Total expenditures	355,000	355,000	1,722,375	1,367,375
Excess of revenues over (under) expenditures	(174,232)	(174,232)	(111,980)	62,252
<b>Other Financing Sources</b>				
Transfers in	-	-	51,255	51,255
Net change in fund balances	\$ (174,232)	\$ (174,232)	(60,725)	\$ 113,507
<b>Fund Balance</b>				
Beginning of year			1,057,778	
End of year			\$ 997,053	

**City of Marshall**  
**Combining Balance Sheet -**  
**Debt Service Funds**  
**December 31, 2023**

	Marshall - Lyon County Library Debt (321)	2014B MERIT / SMASC (322)	2015A Bond (325)	2021B G.O. State Aid Street Bonds (356)
<b>Assets</b>				
Cash and temporary investments	\$ 140,957	\$ 1,568,003	\$ 62,712	\$ 4,530
Receivables				
Interest	-	-	-	-
Delinquent taxes	347	-	383	-
Special assessments				
Delinquent	-	-	-	-
Deferred	-	-	-	-
Intergovernmental	457	-	502	-
Total assets	<u>141,761</u>	<u>1,568,003</u>	<u>63,597</u>	<u>4,530</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	\$ 347	\$ -	\$ 383	\$ -
Unavailable revenue - special assessments	-	-	-	-
Total deferred inflows of resources	<u>347</u>	<u>-</u>	<u>383</u>	<u>455,000</u>
<b>Fund Balances</b>				
Restricted				
Debt service	<u>141,414</u>	<u>1,568,003</u>	<u>63,214</u>	<u>(450,470)</u>
Total deferred inflows of resources and fund balances	<u>\$ 141,761</u>	<u>\$ 1,568,003</u>	<u>\$ 63,597</u>	<u>\$ 4,530</u>

2015 Public Improvement Bonds (359)	2016B G.O. Various Purpose Bonds (360)	2017A Public Improvement Bonds (362)	2011 Public Improvement Bonds (369)	2011A G.O. Tax Increment Bonds (370)	2012A G.O. Tax Increment Bonds (371)
\$ 24,000	\$ 291,906	\$ 142,309	\$ 50,994	\$ 160,899	\$ 564,152
85	2	-	-	-	411
393	1,015	991	646	-	46
2,081	3,817	-	-	-	2,442
133,872	129,154	-	-	-	-
1,607	1,272	1,266	848	-	5,214
<u>162,038</u>	<u>427,166</u>	<u>144,566</u>	<u>52,488</u>	<u>160,899</u>	<u>572,265</u>
\$ 393	\$ 1,015	\$ 991	\$ 646	\$ -	\$ 46
135,953	132,971	-	-	-	2,442
<u>136,346</u>	<u>133,986</u>	<u>991</u>	<u>646</u>	<u>-</u>	<u>2,488</u>
25,692	293,180	143,575	51,842	160,899	569,777
<u>\$ 162,038</u>	<u>\$ 427,166</u>	<u>\$ 144,566</u>	<u>\$ 52,488</u>	<u>\$ 160,899</u>	<u>\$ 572,265</u>



**City of Marshall**  
**Combining Balance Sheet -**  
**Debt Service Funds**  
**December 31, 2023**

	2013 Public Improvement Bonds (372)	2014 Public Improvement Bonds (373)	23 Pedestrian Bridge (374)	2018A Improvement Bonds (375)
<b>Assets</b>				
Cash and temporary investments	\$ 261,483	\$ 273,590	\$ 733,975	\$ 785,267
Receivables				
Interest	53	-	-	-
Delinquent taxes	94	91	694	839
Special assessments				
Delinquent	-	497	-	4,191
Deferred	53,689	489,051	-	153,562
Intergovernmental	310	75	915	1,100
Total assets	<u>315,629</u>	<u>763,304</u>	<u>735,584</u>	<u>944,959</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	\$ 94	\$ 91	\$ 694	\$ 839
Unavailable revenue - special assessments	53,689	489,548	-	157,753
Total deferred inflows of resources	<u>53,783</u>	<u>489,639</u>	<u>694</u>	<u>158,592</u>
<b>Fund Balances</b>				
Restricted				
Debt service	<u>258,746</u>	<u>273,665</u>	<u>734,890</u>	<u>786,367</u>
Total deferred inflows of resources and fund balances	<u>\$ 315,629</u>	<u>\$ 763,304</u>	<u>\$ 735,584</u>	<u>\$ 944,959</u>

2016C Tax Abatement Bonds (376)	2017B Improvement Bonds (377)	2000B Improvement Bonds (378)	2021A G.O. Bonds (379)	2022A G.O. Bonds (380)	2023A G.O. Bond (381)
\$ 171,365	\$ 420,995	\$ 193,608	\$ 306,176	\$ 346,183	\$ 92,856
-	-	-	-	-	-
1,423	306	794	1,183	1,108	-
-	-	-	2,160	-	-
-	-	55,664	128,612	-	-
1,879	404	1,093	1,733	2,095	-
<u>174,667</u>	<u>421,705</u>	<u>251,159</u>	<u>439,864</u>	<u>349,386</u>	<u>92,856</u>
\$ 1,423	\$ 306	\$ 794	\$ 1,183	\$ 1,108	\$ -
-	-	55,664	130,772	-	-
<u>1,423</u>	<u>306</u>	<u>56,458</u>	<u>131,955</u>	<u>1,108</u>	<u>-</u>
<u>173,244</u>	<u>421,399</u>	<u>194,701</u>	<u>307,909</u>	<u>348,278</u>	<u>92,856</u>
<u>\$ 174,667</u>	<u>\$ 421,705</u>	<u>\$ 251,159</u>	<u>\$ 439,864</u>	<u>\$ 349,386</u>	<u>\$ 92,856</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

City of Marshall  
Combining Balance Sheet -  
Debt Service Funds  
December 31, 2023

	2020A City Hall CIP Bond (394)	Debt Revolving Fund (399)	Totals
<b>Assets</b>			
Cash and temporary investments	\$ 406,541	\$ 263,218	\$ 7,265,719
Receivables			
Interest	-	-	551
Delinquent taxes	1,524	137	12,014
Special assessments			
Delinquent	-	-	15,188
Deferred	-	-	1,143,604
Intergovernmental	2,125	87	22,982
Total assets	<u>410,190</u>	<u>263,442</u>	<u>8,460,058</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	\$ 1,524	\$ 137	\$ 12,014
Unavailable revenue - special assessments	-	-	1,158,792
Total deferred inflows of resources	<u>1,524</u>	<u>137</u>	<u>1,625,806</u>
<b>Fund Balances</b>			
Restricted			
Debt service	<u>408,666</u>	<u>263,305</u>	<u>6,831,152</u>
Total deferred inflows of resources and fund balances	<u>\$ 410,190</u>	<u>\$ 263,442</u>	<u>\$ 8,460,058</u>

City of Marshall  
Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Debt Service Funds  
December 31, 2023

	Marshall - Lyon County Library Debt (321)	2014B MERIT / SMASC (322)	2015A Bond (325)	2021B G.O. State Aid Street Bonds (356)
<b>Revenues</b>				
Taxes	\$ 47,069	\$ -	\$ 51,653	\$ -
Intergovernmental	-	-	-	66,300
Special assessments	-	-	-	-
Investment earnings	-	1	1	-
Total revenues	<u>47,069</u>	<u>1</u>	<u>51,654</u>	<u>66,300</u>
<b>Expenditures</b>				
Debt service				
Principal	70,000	1,170,000	45,000	225,000
Interest and other	9,235	283,414	5,139	67,070
Total expenditures	<u>79,235</u>	<u>1,453,414</u>	<u>50,139</u>	<u>292,070</u>
Excess (deficiency) of revenues over (under) expenditures	(32,166)	(1,453,413)	1,515	(225,770)
<b>Other Financing Sources (Uses)</b>				
Bonds issued	-	-	-	-
Transfers in	29,386	1,453,344	-	5,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>29,386</u>	<u>1,453,344</u>	<u>-</u>	<u>5,000</u>
Net change in fund balances	(2,780)	(69)	1,515	(220,770)
Fund Balances, January 1	<u>144,194</u>	<u>1,568,072</u>	<u>61,699</u>	<u>(229,700)</u>
Fund Balances, December 31	<u>\$ 141,414</u>	<u>\$ 1,568,003</u>	<u>\$ 63,214</u>	<u>\$ (450,470)</u>

2015 Public Improvement Bonds (359)	2016B G.O. Various Purpose Bonds (360)	2017A Public Improvement Bonds (362)	2011 Public Improvement Bonds (369)	2011A G.O. Tax Increment Bonds (370)	2012A G.O. Tax Increment Bonds (371)	2013 Public Improvement Bonds (372)
\$ 54,098	\$ 109,667	\$ 127,738	\$ 87,037	\$ 2	\$ 66	\$ 151
-	-	-	-	-	-	-
6,768	9,462	-	-	-	4,994	4,719
380	875	-	-	-	1,388	1,013
<u>61,246</u>	<u>120,004</u>	<u>127,738</u>	<u>87,037</u>	<u>2</u>	<u>6,448</u>	<u>5,883</u>
110,000	190,000	140,000	70,000	175,000	75,000	385,000
7,306	9,907	22,150	13,946	2,691	10,306	23,795
<u>117,306</u>	<u>199,907</u>	<u>162,150</u>	<u>83,946</u>	<u>177,691</u>	<u>85,306</u>	<u>408,795</u>
(56,060)	(79,903)	(34,412)	3,091	(177,689)	(78,858)	(402,912)
-	-	-	-	-	-	-
-	-	-	-	-	-	200,760
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,760</u>
(56,060)	(79,903)	(34,412)	3,091	(177,689)	(78,858)	(202,152)
81,752	373,083	177,987	48,751	338,588	648,635	460,898
<u>\$ 25,692</u>	<u>\$ 293,180</u>	<u>\$ 143,575</u>	<u>\$ 51,842</u>	<u>\$ 160,899</u>	<u>\$ 569,777</u>	<u>\$ 258,746</u>

City of Marshall  
Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Debt Service Funds  
December 31, 2023

	2014 Public Improvement Bonds (373)	23 Pedestrian Bridge (374)	2018A Improvement Bonds (375)	2016C Tax Abatement Bonds (376)
<b>Revenues</b>				
Taxes	\$ 66	\$ 94,243	\$ 114,445	\$ 194,347
Intergovernmental	-	-	-	-
Special assessments	9,885	-	5,585	-
Investment earnings	417	2	19	1
Total revenues	<u>10,368</u>	<u>94,245</u>	<u>120,049</u>	<u>194,348</u>
<b>Expenditures</b>				
Debt service				
Principal	225,000	65,000	182,896	125,000
Interest and other	11,483	25,344	58,677	56,620
Total expenditures	<u>236,483</u>	<u>90,344</u>	<u>241,573</u>	<u>181,620</u>
Excess (deficiency) of revenues over (under) expenditures	(226,115)	3,901	(121,524)	12,728
<b>Other Financing Sources (Uses)</b>				
Bonds issued	-	-	-	-
Transfers in	-	-	178,194	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>178,194</u>	<u>-</u>
Net change in fund balances	(226,115)	3,901	56,670	12,728
Fund Balances, January 1	<u>499,780</u>	<u>730,989</u>	<u>729,697</u>	<u>160,516</u>
Fund Balances, December 31	<u>\$ 273,665</u>	<u>\$ 734,890</u>	<u>\$ 786,367</u>	<u>\$ 173,244</u>

2017B Improvement Bonds (377)	2000B Improvement Bonds (378)	2021A G.O. Bonds (379)	2022A G.O. Bonds (380)	2023A G.O. Bond (381)	2020A City Hall CIP Bond (394)
\$ 41,489	\$ 120,572	\$ 197,861	\$ 242,549	\$ -	\$ 240,314
-	-	-	-	-	-
-	2,312	12,260	165,224	-	-
1	2	28	-	-	-
<u>41,490</u>	<u>122,886</u>	<u>210,149</u>	<u>407,773</u>	<u>-</u>	<u>240,314</u>
35,000	116,772	188,150	-	-	235,000
58,560	12,472	25,434	139,426	-	176,839
<u>93,560</u>	<u>129,244</u>	<u>213,584</u>	<u>139,426</u>	<u>-</u>	<u>411,839</u>
(52,070)	(6,358)	(3,435)	268,347	-	(171,525)
-	-	-	-	92,856	-
-	-	-	-	-	200,000
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,856</u>	<u>200,000</u>
(52,070)	(6,358)	(3,435)	268,347	92,856	28,475
<u>473,469</u>	<u>201,059</u>	<u>311,344</u>	<u>79,931</u>	<u>-</u>	<u>380,191</u>
<u>\$ 421,399</u>	<u>\$ 194,701</u>	<u>\$ 307,909</u>	<u>\$ 348,278</u>	<u>\$ 92,856</u>	<u>\$ 408,666</u>



(THIS PAGE LEFT BLANK INTENTIONALLY)

City of Marshall  
Combining Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Debt Service Funds  
December 31, 2023

	Debt Revolving Fund (399)	Totals
<b>Revenues</b>		
Taxes	\$ -	\$ 1,723,367
Intergovernmental	-	66,300
Special assessments	-	221,209
Investment earnings	-	4,128
Total revenues	-	2,015,004
<b>Expenditures</b>		
Debt service		
Principal	-	3,827,818
Interest and other	3,747	1,023,561
Total expenditures	3,747	4,851,379
Excess (deficiency) of revenues over (under) expenditures	(3,747)	(2,836,375)
<b>Other Financing Sources (Uses)</b>		
Bonds issued	-	92,856
Transfers in	-	2,066,684
Transfers out	(5,000)	(5,000)
Total other financing sources (uses)	(5,000)	2,154,540
Net change in fund balances	(8,747)	(681,835)
Fund Balances, January 1	272,052	7,512,987
Fund Balances, December 31	\$ 263,305	\$ 6,831,152

**City of Marshall**  
**Combining Balance Sheet**  
**Economic Development Authority Funds**  
**December 31, 2023**

	Economic Development Authority (204/208)	EDA Parkway Housing Fund (205/206/207)	Federal EDA CRIF (213)	EDA Revolving (214)	Totals
<b>Assets</b>					
Cash and temporary investments	\$ 714,918	\$ 567,650	\$ 50,583	\$ 1,259,202	\$ 2,592,353
Receivables					
Interest	9,344	715	200	-	10,259
Delinquent taxes	1,211	-	-	-	1,211
Notes	80,000	177,161	-	-	257,161
Intergovernmental	1,637	-	-	-	1,637
Prepaid items	255	-	-	-	255
Land held for resale	-	832,581	-	-	832,581
<b>Total assets</b>	<b>\$ 807,365</b>	<b>\$ 1,578,107</b>	<b>\$ 50,783</b>	<b>\$ 1,259,202</b>	<b>\$ 3,695,457</b>
<b>Liabilities</b>					
Accounts payable	\$ 3,029	\$ -	\$ -	\$ -	\$ 3,029
Due to primary government	-	167,074	-	-	167,074
Due to other component unts	-	18	-	-	18
Accrued salaries payable	4,972	-	-	-	4,972
Other payable	-	19,769	-	-	19,769
Unearned revenue	-	2,329	-	-	2,329
<b>Total liabilities</b>	<b>8,001</b>	<b>189,190</b>	<b>-</b>	<b>-</b>	<b>197,191</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - taxes	1,211	-	-	-	1,211
<b>Fund Balances</b>					
Nonspendable					
Prepaid items	255	-	-	-	255
Land held for resale	-	832,581	-	-	832,581
Restricted					
Economic development	72,500	-	50,783	-	123,283
Assigned					
Economic development	725,398	556,336	-	1,259,202	2,540,936
<b>Total fund balances</b>	<b>798,153</b>	<b>1,388,917</b>	<b>50,783</b>	<b>1,259,202</b>	<b>3,497,055</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 807,365</b>	<b>\$ 1,578,107</b>	<b>\$ 50,783</b>	<b>\$ 1,259,202</b>	<b>\$ 3,695,457</b>

Reconciliation of balance sheet to the Statement of Net Position

Total fund balances \$ 3,497,055

Capital assets used in EDA activities are not financial  
resources and therefore are not reported as assets in the fund 3,068

Long-term assets are not available to pay current period expenditures and, therefore  
are unavailable in the funds.

    Delinquent property taxes receivable 1,211

Total net position \$ 3,501,334

**City of Marshall**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Economic Development Authority Funds**  
**December 31, 2023**

	Economic Development Authority (204/208)	EDA Parkway Housing Fund (205/206 /207)	Federal EDA CRIF (213)	EDA Revolving (214)	Totals
<b>Revenues</b>					
Taxes	\$ 173,857	\$ -	\$ -	\$ -	\$ 173,857
Charges for services	1,800	2,422	-	-	4,222
Intergovernmental	74,506	-	-	178,551	253,057
Investment earnings	81,892	4,261	1,974	-	88,127
Miscellaneous	1,681	6,186	-	-	7,867
Total Revenues	<u>333,736</u>	<u>12,869</u>	<u>1,974</u>	<u>178,551</u>	<u>527,130</u>
<b>Expenditures</b>					
Current					
Economic development	<u>167,721</u>	<u>5,835</u>	<u>-</u>	<u>20,750</u>	<u>194,306</u>
Excess (deficiency) of revenues over (under) expenditures	166,015	7,034	1,974	157,801	332,824
Fund Balances, January 1	<u>632,138</u>	<u>1,381,883</u>	<u>48,809</u>	<u>1,101,401</u>	<u>3,164,231</u>
Fund Balances, December 31	<u>\$ 798,153</u>	<u>\$ 1,388,917</u>	<u>\$ 50,783</u>	<u>\$ 1,259,202</u>	<u>\$ 3,497,055</u>
Reconciliation of the statement of revenues, expenditures and changes in the fund balance to the statement of activities					
Net Change in Fund Balances					\$ 332,824
EDA funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense.					
Depreciation expense					(646)
Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.					
Property taxes					<u>(224)</u>
Change in Net Position					<u>\$ 331,954</u>

City of Marshall  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance -  
Budget and Actual - Economic Development Authority  
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 173,486	\$ 173,486	\$ 173,857	\$ 371
Charges for services	2,500	2,500	1,800	(700)
Intergovernmental	-	-	74,506	74,506
Investment earnings	5,288	5,288	81,892	76,604
Miscellaneous	-	-	1,681	1,681
Total revenues	181,274	181,274	333,736	152,462
<b>Expenditures</b>				
Current				
Economic development	176,706	176,706	167,721	(8,985)
Excess of revenues over expenditures	<u>\$ 4,568</u>	<u>\$ 4,568</u>	166,015	<u>\$ 161,447</u>
<b>Fund Balance</b>				
Beginning of year			632,138	
End of year			<u>\$ 798,153</u>	

City of Marshall  
Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2023

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Listing Number	Expenditures
<b>U.S. Department of Health</b>		
Passed through the State of Minnesota		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$ 500
<b>U.S. Department of Justice</b>		
Passed through the State of Minnesota		
Missing Children's Assistance	16.543	4,067
<b>U.S. Department of Transportation</b>		
Passed through the State of Minnesota		
Airport Improvement Program	20.106	181,039
State and Community Highway Safety (Cluster)	20.600	2,478
National Priority Safety Programs (Cluster)	20.616	2,843
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	1,927
Total U.S. Department of Transportation		188,287
<b>U.S. Department of Treasury</b>		
Passed through the State of Minnesota		
Coronavirus State and Local Fiscal Recovery Funds	21.027	645,850
<b>U.S. Department of Environmental Protection Agency (EPA)</b>		
Passed through State of Minnesota		
Performance Partnership Grants	66.605	1,040
Total federal expenditures		\$ 839,744

**City of Marshall**  
**Notes to Schedule of Expenditures of Federal Awards**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year-ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 - PASS-THROUGH GRANT NUMBERS**

All pass-through entities listed above use the same Assistance Listing numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

**NOTE 4 - INDIRECT COST RATE**

The City did not elect to use the 10 percent de minimis indirect cost rate, as allowed under the Uniform Guidance.



**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 Members  
of the City Council  
City of Marshall  
Marshall, 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, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Marshall, Minnesota, as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 12, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City'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. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### **Report on 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*.

### **Purpose of this Report**

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

*Bugenkov, Ltd.*

St. Cloud, Minnesota  
June 12, 2024



**Report on Compliance for each Major Federal Program  
and Report on Internal Control over Compliance in Accordance  
with the Uniform Guidance**

**Independent Auditor's Report**

Honorable Mayor and Members  
of the City Council  
City of Marshall  
Marshall, Minnesota

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited the City's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- ◆ Exercise professional judgment and maintain professional skepticism throughout the audit.
- ◆ Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- ◆ Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

### **Report on Internal Control over Compliance (Continued)**

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Bugem Kov, Ltd.*

St. Cloud, Minnesota  
June 12, 2024

**City of Marshall**  
**Schedule of Findings and Questioned Costs**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).
----------------------------------	--

Internal control over financial reporting:	
◆ Material weakness(es) identified?	No
◆ Significant deficiency(ies) identified?	None reported

Noncompliance material to financial statements noted?	No
---	----

**Federal Awards**

Type of auditor's report issued on compliance for major programs:	Unmodified
---	------------

Internal control over major programs:	
◆ Material weakness(es) identified?	No
◆ Significant deficiency(ies) identified?	None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
--	----

**Identification of Major Programs**

Assistance Listing No.:	21.027
Name of Federal Program or Cluster:	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
--	-----------

Auditee qualified as low risk auditee?	No
--	----

**City of Marshall**  
**Schedule of Findings and Questioned Costs**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**SECTION IV - PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

None

(THIS PAGE LEFT BLANK INTENTIONALLY)



## Minnesota Legal Compliance

### Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of Marshall  
Marshall, Minnesota

We have audited, in accordance with 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 the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marshall, Minnesota, as of and for the year ended December 31, 2023, and the related notes to basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 12, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting - bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to *Minnesota Statute § 6.65*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

*BerganKDV, Ltd.*

St. Cloud, Minnesota  
June 12, 2024



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Quentin Brunsvold
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	INFO/ACTION
<b>Subject:</b>	Add a card reader/Key FOB entry system to the 4 apparatus bay doors at the fire station.
<b>Background Information:</b>	<p>The 2024 CIP includes \$15,000 toward the addition of adding a key FOB entry system to the 4 apparatus bay doors to the Marshall Fire Station. To date, there is a mechanical door code punch entry system that is manually adjusted any time there is a resignation, termination, retirement or semi-annual code changes.</p> <p>In the last 10 years, the Marshall Fire station and the former “North Ambulance” building has been added to the city fiber-optic network. This addition to the network makes projects like this possible because we can “piggyback” off current city infrastructure already in place at City Hall and administrated internally. With this addition, each staff member would be issued a FOB, that is dedicated to that staff person only. At the time of resignation, termination or retirement, this key FOB can be turned off, without needing to mechanically change every door on the fire station and would immediately remove access to the building.</p> <p>We’ve solicited 1 bid by the current vendor of this technology, to the city of Marshall, because it isn’t interchangeable with other equipment on the market. We have already added a larger 48 port network switch in the Fire station and the “old”, 24 port switch was added to the former North Ambulance building for the addition of this same entry system in the future. This building is used for storage of the equipment of the Hazardous Materials Response Team (formerly Chemical assessment team), Marshall Fire Department technical rescue team equipment and supplemental storage equipment for the Parks Department.</p> <p>The proposal from Living Connected is for \$21,308.21. If the council approves the low bid from the MFD utility vehicle project (earlier on the agenda), that bid came in \$2,263 (dependent on which bid was accepted) under budget, which I would propose to be utilized toward this project, to leave us with a deficit of \$4,045.21, to be covered by CIP fund balance, according to Director of Administrative services, E.J Moberg.</p>
<b>Fiscal Impact:</b>	\$21,308.21
<b>Alternative/ Variations:</b>	Reject this bid
<b>Recommendations:</b>	Accept the proposal from Living Connected for \$21,308.21 for this project.



902 WEST COLLEGE DRIVE + MARSHALL, MN 56258  
PH. 507-337-0057 + FAX 507-423-5621 + SCOTT@LIVINGCONNECTED.NET

February 7th, 2024

Marshall Fire Hall  
201 Saratoga Street  
Marshall MN 56258

Marshall Fire Hall, City of Marshall

Living Connected is proud to offer you this proposal for to **Add 4 more door at the Fire Hall on Your Door Access System** Installation of this Door system will bring you peace of mind while at work or away, knowing that you're building is secured lock doors.

<b><u>Material</u></b>	<b><u>Cost \$11,588.21</u></b>
<b><u>Labor</u></b>	<b><u>Cost \$9,720.00</u></b>
<b><u>Total</u></b>	<b><u>Sum of \$21,308.21</u></b>

**If you need to order Cards Or Fobs Cost of them**

**Cards 26bit** **Sum of \$5.50 Each**

**Fobs 26bit** **Sum of \$10.00 Each**

This proposal ***DOES NOT include*** The network switch not included and punch down panel **Any work by other trades in association with the Door Access System.**

***Please see reverse side for our Warranty and Terms and Conditions of sale. Terms for this project will be 50% due when the equipment is ordered and 25% due at substantial completion of install. At acceptance of this proposal, please sign and return one copy.***

Proposal Accepted by \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Proposal by Scott Wernimont \_\_\_\_\_ Date \_\_\_\_\_

Living Connected

## Terms and Conditions of Sale

**Offer and Acceptance.** By accepting this proposal, Purchaser agrees to be bound by the following terms and conditions. Seller's acceptance of any offer by Buyer to purchase the products and services is expressly conditional upon the Buyer's assent to all of the terms and conditions herein, including any terms additional to or different from those contained on the offer to purchase.

**Scope of Work.** This proposal is based upon the Buyer allowing five (5) working day's notice for the Seller to commence work and for the use of straight time labor only. Unless otherwise included, plastering, painting, papering etc. are excluded. Buyer agrees to provide Seller with required utilities including electricity, toilet, heat, lighting etc. without charge. Seller agrees to keep the jobsite clean of debris arising out of its own operations. Buyer shall not back charge Seller for any costs or expenses without the written consent of Seller.

**Invoice and Payment.** Unless otherwise provided on the reverse hereof, Buyer shall pay Seller at the time Buyer signs this agreement an advance payment of 10% of the contract price, which advance payment shall be credited against the final payment (but not any progress payment) due hereunder and purchaser agrees to pay Seller additional amounts invoiced upon receipt of the invoice. Waivers of lien will be furnished upon request as the work progresses; to the extent payments are received. Payments shall be due ten days from the date of each invoice, without discount. All payments made after the due date will be subject to a service charge of the maximum allowable by applicable law.

**Warranty.** All components installed into the system will be warranted by their respective manufacturers. Seller will remove and replace any components requiring service by manufactures for a nominal charge unless covered by a service contract or extended warranty. The installation services provided by Seller are warranted for one (1) year from date of installation. These warranties do not extend to equipment or installations which have been altered or repaired by others, abused or misused, or which have not been properly and reasonably maintained. Seller specifically disclaims any other warranties, including the warranties of merchantability and fitness for a particular purpose. There are no other warranties, express or implied.

**Liability.** Seller shall not be liable for any special, indirect, or consequential damages arising in any manner from the equipment or material furnished or the work performed pursuant to this agreement.

**Delays.** Seller shall not be liable for any delay in the performance of the work resulting from or attributed to acts or circumstances beyond Seller's control, including but not limited to acts of God, fire, riots, labor disputes, conditions of the premises, acts or omissions of the Buyer, owner or other contractors or delays caused by suppliers or subcontractors of Seller etc.

**Additional Work.** Any additional work performed by Seller for Buyer, beyond the scope of this contract, shall be performed in accordance with these general terms and conditions, and Buyer shall pay Seller for the same at Seller's then current rate for such services, or as may be otherwise negotiated by the parties.

**Title.** The products furnished under this contract shall remain the property of Seller until paid for, and the Buyer agrees to perform all acts which may be necessary to perfect and assure retention of title to such products by Seller.

The product and services provided by Seller under this contract constitutes improvements to real estate.

*Any person or company supplying labor or materials for this improvement to your (Buyers) property may file a lien against your (Buyers) property if that person or company has not been paid for the contributions.*

*Under Minnesota Law, you (Buyer) have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price or withhold the amounts due them from us (Seller) until 120 days after completion of the improvement unless we (Seller) give you (Buyer) a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you (Buyer) timely notice.*

**Disputes.** All disputes involving more than \$10,000.00 shall be resolved by arbitration in accordance with the rules of the American Arbitration Association. The prevailing party shall recover all legal costs and attorneys fees incurred as a result. Nothing here shall limit any rights under construction lien laws.

**Insurance.** Seller shall supply to Buyer upon request a Certificate of Insurance indicating the level of coverage.

**Governing Law.** The validity, interpretation and performance of the terms and conditions of this contract shall be governed and construed in accordance with the laws of the State of Minnesota.

**Entire Agreement.** This proposal, upon acceptance, shall constitute the entire agreement between parties and supersedes any prior representations or understandings.

**Changes.** No change or modification if any of the terms and conditions stated herein shall be binding upon Seller unless accepted by Seller in writing.

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Sharon Hanson/Preston Stensrud
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval of Amendment #3 between Stockwell Engineers and the City of Marshall for the Marshall Aquatic Center to facilitate donor splash pad enhancements.
<b>Background Information:</b>	<p>Recently, the city of Marshall has been in contact with a potential donor of the proposed Aquatic Center in the amount of \$100,000. The donor has specified that their intention is to sponsor enhancements to the splash pad. The donor wishes to remain anonymous at this time.</p> <p>These donor enhancements, when discussed with Stockwell, meant anticipated costs estimated near \$175,000. The city went back to the donor to discuss reducing the enhancements to align with their donation of \$100,000 and this was agreed upon by the city and the donor.</p> <p>The resulting enhancement means the additional engineering and design considerations must occur. Amendment #3 stipulated design work for these enhancements and is attached.</p>
<b>Fiscal Impact:</b>	\$18,000
<b>Alternative/ Variations:</b>	Do not approve Amendment #3
<b>Recommendations:</b>	Approve Amendment #3 between Stockwell Engineers and the City of Marshall for the Marshall Aquatic Center to facilitate donor splash pad enhancements.

## AMENDMENT TO AGREEMENT

**Project:** Marshall Aquatic Center – Phase 1

**Stockwell Project No.:** 21045

This is an Amendment to the Agreement for Professional Services (hereinafter "Agreement") dated May 21, 2021, by and between **STOCKWELL ENGINEERS, INC.**, 801 North Phillips Avenue, Suite 100, Sioux Falls, SD 57104, (hereinafter "Engineer") and **CITY OF MARSHALL**, (hereinafter "Client"), for the above mentioned project. Revisions to the Agreement are as described below.

**Client** City of Marshall  
344 W Main Street  
Marshall, MN 56258

**Amendment No. 3**

**Attachments:** Rendering of revised design & jet video.

**Scope of Services:** Client hereby agrees to retain Engineer to perform the following Services to create a more dynamic Splash Pad with control sequences for certain jets and other splash play features per direction from donor and Owner after 60% design submittal approval. Jet sequences would create a timed and sequenced pattern throughout the splash pad of variable ground spray heights that give the appearance of moving water throughout the splash pad, similar to destination plaza fountains. Work necessary to complete the design involves adding additional control panels, additional valves, additional valve vault, and redesign of splash pad spray features and patterns to provide space for the variable water jets.

**Compensation:** In consideration of the change in Work, compensation shall be amended as follows:

Original Agreement Amount:	\$193,200.00
Net Previous Amendments (No. 1 thru 2):	\$2,019,100.00
Current Agreement Amount:	\$2,212,300.00
<b>Change this Amendment:</b>	<b>\$18,000.00</b>
New Agreement Amount:	\$2,230,300.00

Client and Stockwell hereby amend the Agreement as set forth within. In all other respects, the original Agreement is to remain unchanged and in full force between the undersigned.

IN WITNESS WHEREOF, this Agreement is accepted on the date last written below, subject to the terms and conditions above stated and the provisions set forth herein.

### CLIENT

Signed: \_\_\_\_\_

Name (printed): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### STOCKWELL ENGINEERS, INC.

Signed: \_\_\_\_\_

Name (printed): Jon Brown, P.E.

Title: President

Date: \_\_\_\_\_



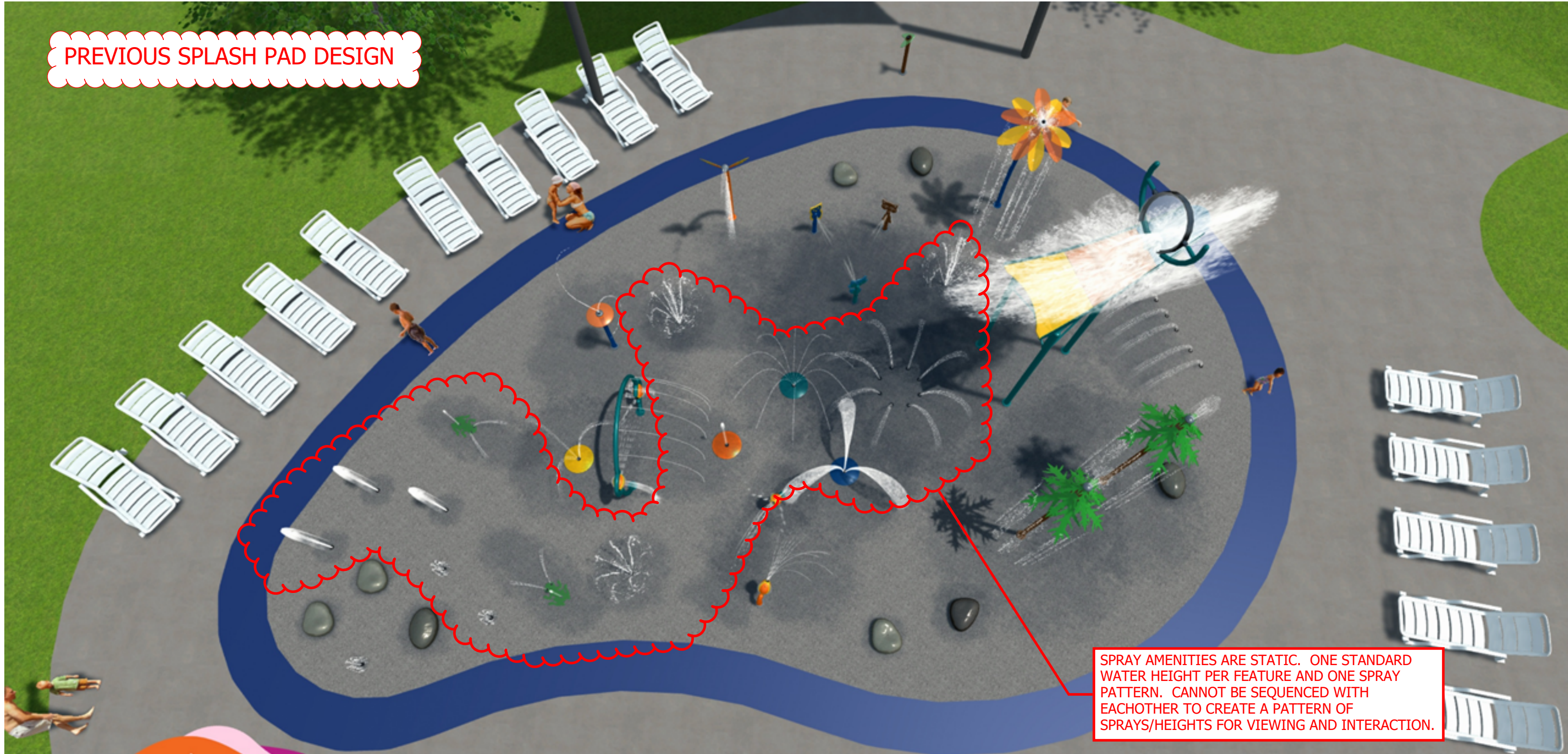
# PROPOSED UPGRADED SPLASH PAD

ADDED VARIABLE  
HEIGHT SEQUENCED  
SPRAY JETS. LIGHTS  
NOT INCLUDED AND  
ARE SHOWN FOR  
CLARITY PURPOSES.

ADDED VARIABLE  
HEIGHT SEQUENCED  
SPRAY JETS. LIGHTS  
NOT INCLUDED AND  
ARE SHOWN FOR  
CLARITY PURPOSES.



## PREVIOUS SPLASH PAD DESIGN



SPRAY AMENITIES ARE STATIC. ONE STANDARD WATER HEIGHT PER FEATURE AND ONE SPRAY PATTERN. CANNOT BE SEQUENCED WITH EACHOTHER TO CREATE A PATTERN OF SPRAYS/HEIGHTS FOR VIEWING AND INTERACTION.



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Adoption of Joint Airport Zoning Ordinance – Chapter 86, Article 86-VII
<b>Background Information:</b>	<p>The Joint Airport Zoning Board (JAZB) last met for a public hearing on the proposed SW MN Regional Airport Zoning Ordinance on September 5, 2023. At that meeting, the JAZB recommended approval of the proposed airport zoning ordinance and authorized the submittal to MnDOT Aeronautics for review.</p> <p>Following this meeting, TKDA staff submitted the ordinance and supporting documents to MnDOT-Aeronautics for their review and consideration. MnDOT agreed that the JAZB made efforts to comply with MN State Statutes and that proper steps were taken, and the Director of MnDOT Aeronautics approved the airport zoning ordinance. Included with the packet is the Commissioner’s Order from MnDOT.</p> <p>The final step and process for the JAZB was to adopt the airport zoning ordinance on 2/6/2024. MnDOT required a formal JAZB resolution, included in the packet, with signatures from the members of the JAZB.</p> <p>City staff believe that it makes sense to include the airport zoning ordinance within the City zoning ordinance. Since the new Airport Zoning Ordinance will become a part of the City Zoning Ordinance (Article 86-VII), State Statutes requires that it goes in front of the Planning Commission, and a recently revised City Ordinance indicates that the Planning Commission conducts a public hearing.</p> <p>In conjunction with the new airport zoning, the main city Zoning Map is also being revised by adding three airport safety zones: A, B, and C, as shown in Exhibit B4 of the new Airport Zoning Ordinance (link on ordinance page 19). After final approval by the Council, all safety zones will be added to the official City zoning map.</p> <p>A public hearing was held before the Planning Commission at their meeting on 06/12/2024. After the close of the public hearing, MUCHLINSKI MADE A MOTION, SECOND BY DEUTZ, to recommend to the City Council adding Article 86-VII Airport Zoning to the Zoning Ordinance and revising zoning map by adding airport safety zones. ALL VOTED IN FAVOR. MOTION PASSED 5:0.</p> <p>The ordinance was introduced at the 06/25/2024 City Council meeting.</p>
<b>Fiscal Impact:</b>	None
<b>Alternative/ Variations:</b>	No alternative actions recommended.
<b>Recommendations:</b>	that the Council adopt ORDINANCE NUMBER 24-013 adding Article 86-VII Airport Zoning Ordinance to the Zoning Ordinance, revising zoning map by adding airport safety zones and authorizing its summary publication.



**CITY OF MARSHALL  
ORDINANCE 24-013**

**AN ORDINANCE AMENDING CHAPTER 86 ADDING ARTICLE VII JOINT  
AIRPORT ZONING**

The Common Council of the City of Marshall, in the State of Minnesota, do ordain as follows:

**SECTION 1:**        **ADOPTION** “ARTICLE 86-VII JOINT AIRPORT ZONING” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

ARTICLE 86-VII JOINT AIRPORT ZONING(*Added*)

**SECTION 2:**        **ADOPTION** “Southwest Minnesota Regional Airport Zoning Ordinance” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Southwest Minnesota Regional Airport Zoning Ordinance(*Added*)

**SECTION 3:**        **ADOPTION** “Title And Introduction” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Title And Introduction(*Added*)

SOUTHWEST MINNESOTA REGIONAL AIRPORT ZONING ORDINANCE  
MARSHALL-LYON COUNTY JOINT AIRPORT ZONING BOARD AN ORDINANCE  
REGULATING AND RESTRICTING THE HEIGHT OF STRUCTURES AND  
OBJECTS OF NATURAL GROWTH, AND OTHERWISE REGULATING THE USE OF  
PROPERTY, IN THE VICINITY OF THE SOUTHWEST MINNESOTA REGIONAL  
AIRPORT BY CREATING THE APPROPRIATE ZONES AND ESTABLISHING THE  
BOUNDARIES THEREOF; PROVIDING FOR CHANGES IN THE RESTRICTIONS  
AND BOUNDARIES OF SUCH ZONES; DEFINING CERTAIN TERMS USED  
HEREIN; REFERRING TO THE SOUTHWEST MINNESOTA REGIONAL AIRPORT

ZONING MAP WHICH IS INCORPORATED IN AND MADE A PART OF THIS ORDINANCE; PROVIDING FOR ENFORCEMENT; ESTABLISHING A BOARD OF ADJUSTMENT; AND IMPOSING PENALTIES. AN ORDINANCE AMENDING AND REPLACING THE MARSHALL MUNICIPAL AIRPORT ZONING ORDINANCE TO INCORPORATE ZONING TO REFLECT THE CURRENT RUNWAY 12-30 CONFIGURATION; TO REFLECT FUTURE PLANS FOR RUNWAY 2-20 PER THE AIRPORT LAYOUT PLAN; TO REVISE PROCEDURAL REQUIREMENTS; AND TO UPDATE OTHER PROVISIONS OF THE AIRPORT SAFETY ZONING ORDINANCE IS NOW IN ORDER. IT IS HEREBY ORDAINED BY THE MARSHALL-LYON COUNTY JOINT AIRPORT ZONING BOARD PURSUANT TO THE AUTHORITY CONFERRED BY MINNESOTA STATUTES SECTION 360.061 THROUGH 360.074, AS FOLLOWS:

**SECTION 4:**        **ADOPTION** “Section I: Purpose And Authority” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section I: Purpose And Authority(*Added*)

The Marshall-Lyon County Joint Airport Zoning Board (JAZB) was created and established by joint action of the City Council of the City of Marshall, in coordination with the City Council of the City of Ghent, the Board of Commissioners of Lyon County, and the Town Board of Grandview Township. The establishment of the JAZB was also closely coordinated with the jurisdictions of The City of Minneota, and the Townships of Amiret, Clifton, Eidsvold, Fairview, Lake Marshall, Lynd, Nordland, Sodus and Westerheim, all of which thereafter declined their right of representation on the JAZB following the request made pursuant to Minn. Stat. 360.063 Subd. 3(c). Pursuant to the provisions and authority of Minnesota Statutes Section 360.063, the Marshall-Lyon County Joint Airport Zoning Board hereby finds and declares that:

- A. An airport hazard endangers the lives and property of the users of the Southwest Minnesota Regional Airport, as well as the property or occupants of land in its vicinity; if of the obstructive type, in effect reduces the size of the area available for the landing, takeoff, and maneuvering of aircraft, thus tending to destroy or impair the utility of said Airport and the public investment therein.
- B. The creation or establishment of an airport hazard is a public nuisance and an injury to the region that is served by the Southwest Minnesota Regional Airport.
- C. For the protection of public health, safety, order, convenience, prosperity, and general welfare, and for the promotion of the most appropriate use of land, it is necessary to prevent the creation or establishment of airport hazards.
- D. The prevention of these airport hazards should be accomplished, to the extent legally

- possible, by the exercise of the police power without compensation.
- E. The prevention of the creation or establishment of airport hazards, and the elimination, removal, alteration, mitigation, or marking and lighting of existing airport hazards are public purposes for which political subdivisions may raise and expend public funds.
- F. The Southwest Minnesota Regional Airport is an essential public facility that serves an important public transportation role and provides a public good.

**SECTION 5:**        **ADOPTION** “Section II: Short Title” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section II: Short Title(*Added*)

This Ordinance shall be known as the “Southwest Minnesota Regional Airport Zoning Ordinance.” Those sections of land affected by this Ordinance are indicated in Exhibit “A”, which is attached to this Ordinance.

**SECTION 6:**        **ADOPTION** “Section III: Definitions” of the Marshall Municipal Code is hereby *added* as follows:

A D O P T I O N

Section III: Definitions(*Added*)

As used in this Ordinance, unless the context otherwise requires:

“AIRPORT” means the Southwest Minnesota Regional Airport located in Section 6, Township 111 North, Range 41 West, 5th Principal Meridian.

“AIRPORT ELEVATION” means the established elevation of the highest point on the usable landing area which elevation is established to be 1182.8 feet above mean sea level.

“AIRPORT HAZARD” means any structure, tree, or use of land which obstructs the air space required for, or is otherwise hazardous to, the flight of aircraft in landing or taking off at the airport; and any use of land which is hazardous to persons or property because of its proximity to the airport.

“COMMISSIONER” means the Commissioner of the Minnesota Department of Transportation.

“CONFORMING USE” means any structure, tree, or object of natural growth, or use of land that complies with all the applicable provisions of this Ordinance or any amendment to this ordinance.

“DWELLING” means any building or portion thereof designed or used as a residence or sleeping place of one or more persons.

“EXISTING LAND USES” means an area which were in existence at the time of the adoption of this ordinance shall be considered a conforming use that shall not be prohibited except as provided below in SECTION V B 5, EXEMPTIONS – EXISTING LAND USES

“HEIGHT,” for the purpose of determining the height limits in all zones set forth in this Ordinance and shown on the zoning map, the datum shall be mean sea level elevation unless otherwise specified.

“LANDING AREA” means the area of the airport used for the landing, taking off, or taxiing of aircraft.

“LOW DENSITY RESIDENTIAL STRUCTURE” means a single-family or two-family home.

“LOW DENSITY RESIDENTIAL LOT” means a single lot located in an area which is zoned for single-family or two-family residences and in which the predominant land use is such type of residences.

“NONCONFORMING USE” means any pre-existing structure, tree, natural growth, or land use which is inconsistent with the provisions of this Ordinance or an amendment hereto.

“NONPRECISION INSTRUMENT RUNWAY” means a runway having an existing or planned straight-in instrument approach procedure utilizing air navigation facilities with only horizontal guidance, and for which no precision approach facilities are planned or indicated on an approved planning document.

“OTHER THAN UTILITY RUNWAY” means a runway that is constructed for and intended to be used by jet aircraft or aircraft of more than 12,500 pounds maximum gross weight; or is 4,900 feet or more in length.

“PERSON” means an individual, firm, partnership, corporation, company, association, joint stock association, or body politic, and includes a trustee, receiver, assignee, administrator, executor, guardian, or other representative.

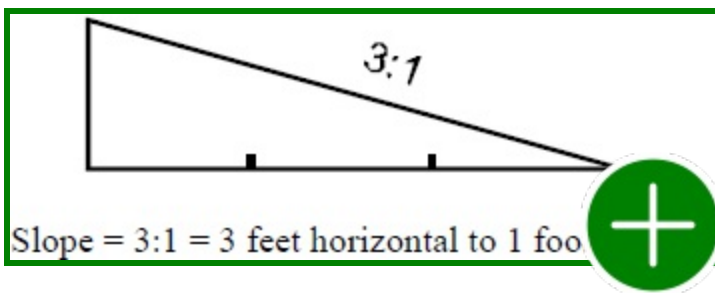
“PLANNED,” as used in this Ordinance, refers only to those proposed future airport developments that are so indicated on a planning document having the approval of the Federal Aviation Administration, Minnesota Department of Transportation Office of Aeronautics, and the City of Marshall.

“PRECISION INSTRUMENT RUNWAY” means a runway having an existing instrument

approach procedure utilizing an Instrument Landing System (ILS), a Microwave Landing System (MLS), or a Precision Approach Radar (PAR), a Transponder Landing System (TLS), or a satellite-based system capable of operating to the same level of precision guidance provided by the other included systems. Also, a runway for which a precision instrument approach system is planned and is so indicated on an approved planning document.

“RUNWAY” means any existing or planned paved surface or turf covered area of the airport which is specifically designated and used or planned to be used for the landing and/or taking off of aircraft.

“SLOPE” means an incline from the horizontal expressed in an arithmetic ratio of horizontal magnitude to vertical magnitude.



“STRUCTURE” means an object constructed or installed by man, including, but without limitations, buildings, towers, smokestacks, earth formations, and overhead transmission lines.

“TRAVERSE WAYS,” for the purpose of determining height limits as set forth in this Ordinance, shall be increased in height by 17 feet for interstate highways; 15 feet for all other public roadways; 10 feet or the height of the highest mobile object that would normally traverse the road, whichever is greater, for private roads; 23 feet for railroads; and for waterways and all other traverse ways not previously mentioned, an amount equal to the height of the highest mobile object that would normally traverse it.

“TREE” means any object of natural growth.

“UTILITY RUNWAY” means a runway that is constructed for, and intended to be used by propeller-driven aircraft of 12,500 pounds maximum gross weight and less; and is less than 4,900 feet in length.

“VISUAL RUNWAY” means a runway intended solely for the operation of aircraft using visual approach procedures, with no straight-in instrument approach procedure and no instrument designation indicated on an approved planning document.

“WATER SURFACES” for the purpose of this ordinance, shall have the same meaning as land for the establishment of protected zones.

“ZONING ADMINISTRATOR” means the City of Marshall Planning and Zoning Administrator

**SECTION 7:            ADOPTION** “Section IV: Air Space Obstruction Zoning” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section IV: Air Space Obstruction Zoning(*Added*)

A. AIR SPACE ZONES: In order to carry out the purpose of this Ordinance, as set forth above, the following air space zones are hereby established: Primary Zone, Horizontal Zone, Conical Zone, Approach Zone, Precision Instrument Approach Zone, and Transitional Zone, and whose locations and dimensions are as follows:

1. PRIMARY ZONE: All that land which lies directly under an imaginary primary surface longitudinally centered on a runway and:
  - a. Extending 200 feet beyond each end of Runway 12/30 and Runway 2/20.
  - b. Coinciding with each end of Runway 12/30 and Runway 2/20. The elevation of any point on the primary surface is the same as the elevation of the nearest point on the runway centerline. The width of the primary surface is:
  - c. 1,000 feet for Runway 12/30.
  - d. 500 feet for Runway 2/20.
2. HORIZONTAL ZONE: All that land which lies directly under an imaginary horizontal surface 150 feet above the established airport elevation, or a height of 1332.8 feet above mean sea level, the perimeter of which is constructed by swinging arcs of specified radii from the center of each end of the primary surface of each runway and connecting the adjacent arcs by lines tangent to those arcs. The radius of each arc is:
  - a. 10,000 feet for Runway 12/30 and Runway 2/20. When a 5,000-foot arc is encompassed by tangents connecting two adjacent 10,000-foot arcs, the 5,000-foot arc shall be disregarded in the construction of the perimeter of the horizontal surface.
3. CONICAL ZONE: All that land which lies directly under an imaginary conical surface extending upward and outward from the periphery of the horizontal surface at a slope of 20:1 for a horizontal distance of 4,000 feet as measured outward from the periphery of the horizontal surface.
4. APPROACH ZONE: All that land which lies directly under an imaginary approach surface longitudinally centered on the extended centerline at each end of a runway. The inner edge of the approach surface is at the same width and elevation as, and coincides with, the end of the primary surface. The approach surface inclines upward and outward at a slope of:
  - a. 50:1 for Runway 12/30, a precision instrument runway
  - b. 34:1 for Runways 2/20, a non-precision runway The approach surface expands uniformly to a width of:

- c. 4,000 feet for Runway 12/30 at a distance of 10,000 feet, then continues at the same rate of divergence for an additional 4,000 feet to the periphery of the conical surface.
    - d. 3,500 feet for Runway 2/20 at a distance of 10,000 feet, then continues at the same rate of divergence to the periphery of the conical surface.
  - 5. PRECISION INSTRUMENT APPROACH ZONE: All that land which lies directly under an imaginary precision instrument approach surface longitudinally centered on the extended centerline at each end of Runway 12/30, a precision instrument runway. The inner edge of the precision instrument approach surface is at the same width and elevation as, and coincides with, the end of the primary surface. The precision instrument approach surface inclines upward and outward at a slope of 50:1 for a horizontal distance of 10,000 feet expanding uniformly to a width of 4,000 feet, then continues upward and outward for an additional horizontal distance of 40,000 feet at a slope of 40:1, expanding uniformly to an ultimate width of 16,000 feet.
  - 6. TRANSITIONAL ZONE: All that land which lies directly under an imaginary surface extending upward and outward at right angles to the runway centerline and centerline extended at a slope of 7:1 from the sides of the primary surfaces and from the sides of the approach surfaces until they intersect the horizontal surface or the conical surface. Transitional surfaces for those portions of the precision instrument approach surface which project through and beyond the limits of the conical surface, extend a distance of 5,000 feet measured horizontally from the edge of the precision instrument approach surface and at right angles to the extended precision instrument runway centerline.
- B. HEIGHT RESTRICTIONS: Except as otherwise provided in this Ordinance, and except as necessary and incidental to airport operations, no structure or tree shall be constructed, altered, maintained, or allowed to grow in any air space zone created in SECTION IV A so as to project above any of the imaginary air space surfaces described in said SECTION IV A hereof. Where an area is covered by more than one height limitation, the more restrictive limitation shall prevail.

**SECTION 8:**            **ADOPTION** “Section V: Land Use Safety Zoning” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section V: Land Use Safety Zoning(*Added*)

A. SAFETY ZONE BOUNDARIES: In order to carry out the purpose of this

Ordinance, as set forth above, to restrict those uses which may be hazardous to the operational safety of aircraft operating to and from the Southwest Minnesota Regional Airport, and, furthermore, to limit population and building density in the runway approach areas, thereby creating sufficient open space to protect life and property in case of an accident, there are hereby created and established the following land use safety zones:

1. SAFETY ZONE A: All land in that portion of the approach zones of a runway, as defined in SECTION IV A hereof, which extends outward from the end of the primary surface a distance equal to two-thirds of the planned length of the runway, which distance shall be:
  - a. 4,814 feet for Runway 12.
  - b. 4,814 feet for Runway 30 with the outer length affixed to the eastern most edge of the right-of-way of Country Club Drive.
  - c. 3,199 feet for Runway 2.
  - d. 3,199 feet for Runway 20.
2. SAFETY ZONE B: All land in that portion of the approach zones of a runway, as defined in SECTION IV A hereof, which extends outward from Safety Zone A a distance equal to one-third of the planned length of the runway, which distance shall be:
  - a. 2,407 feet for Runway 12.
  - b. 2,407 feet for Runway 30 with the inner length affixed to the western most edge of the right-of-way of Country Club Drive.
  - c. 1,599 feet for Runway 2.
  - d. 1,599 feet for Runway 20.
3. SAFETY ZONE C: All land which is enclosed within the perimeter of the horizontal zone, as defined in SUBSECTION IV A hereof, and which is not included in Safety Zone A or Safety Zone B.
4. EXCEPTIONS – EXISTING LAND USES: The following described properties are designated as Existing Land Uses that do not present an airport hazard so severe that public safety considerations outweigh the public interest in continuing the existing land use as outlined by MN Statutes 360.0655 Subd. 2 (Protection of Existing Land Uses). The following existing land uses were in existence at the time of the adoption of this ordinance and are exempt from the USE RESTRICTIONS of SECTIONS V B 2 and V B 3 below, and are subject to the provisions of SECTION V B 5 below.
  - a. [Table 1 : Existing Land Uses - Runway 30 Approach](#) (Maps B7 and B8)
  - b. [Table 2: Existing Land Uses - Runway 20 Approach](#) (Map B9)

B. USE RESTRICTIONS:

1. GENERAL: Subject at all times to the height restrictions set forth in SECTION IV B, no use shall be made of any land in any of the safety zones defined in SECTION V A which creates or causes interference with the operations of radio or electronic facilities on the airport or with radio or electronic communications between the airport and aircraft, make it difficult for pilots to distinguish between airport lights and other lights, results in glare



in the eyes of pilots using the airport, impairs visibility in the vicinity of the airport, or otherwise endangers the landing, taking off, or maneuvering of aircraft.

2. ZONE A: Subject at all times to the height restrictions set forth in Subsection IV B and to the general restrictions contained in Subsection V B 1, areas designated as Zone A shall contain no buildings, temporary structures, exposed transmission lines, or other similar above-ground land use structural hazards, and shall be restricted to those uses which will not create, attract, or bring together an assembly of persons thereon. Permitted uses may include, but are not limited to, such uses as agriculture (seasonal crops), horticulture, animal husbandry, raising of livestock, wildlife habitat, light outdoor recreation (non-spectator), cemeteries, and automobile parking.
3. ZONE B: Subject at all times to the height restrictions set forth in Subsection IV B, and to the general restrictions contained in Subsection V B 1, areas designated as Zone B shall be restricted in use as follows:
  - a. Each use shall be on a site whose area shall not be less than three acres.
  - b. Each use shall not create, attract, or bring together a site population that would exceed 15 times that of the site acreage.
  - c. Each site shall have no more than one building plot upon which any number of structures may be erected.
  - d. A building plot shall be a single, uniform, and non-contrived area, whose shape is uncomplicated and whose area shall not exceed the following minimum ratios with respect to the total site area:
  - e. The following uses are specifically prohibited in Zone B: Churches, hospitals, schools, theaters, stadiums, hotels, motels, trailer courts, campgrounds, and other places of frequent public or semi-public assembly.
4. ZONE C: Zone C is subject only to height restrictions set forth in SECTION V B, and to the general restrictions contained in SECTION V B 1.
5. EXEMPTIONS – EXISTING LAND USES
  - a. Existing Land Uses which existed at the time of the adoption of this ordinance, as set forth in SECTION V A 4 above, and as shown on the zoning map, are subject to the height restrictions of SECTION IV B and the general restrictions of SECTION V B 1. Land uses which come into existence after the adoption of this ordinance, are treated as though they were not an Existing Land Use and are subject to Zone A or Zone B restrictions as the case may be.
  - b. Existing Land Uses which violate any of the following restrictions are prohibited as safety hazards and must be acquired, altered, or removed at public expense. Those conditions are as follows:
    - (1) The following land uses, if they exist in Safety Zones A or B, are considered by the Commissioner to constitute airport safety hazards so severe, either to persons on the ground or to

the air-traveling public, or both, that they must be prohibited under local airport zoning ordinances;

(2) Any structure which a person or persons customarily use as a principal residence and which is located entirely inside Safety Zone A within 1000 feet of the end of the primary zone;

(3) Any structure which a person or persons customarily use as a principal residence and which is located entirely within Safety Zone A or B and which penetrates an imaginary approach surface as defined by SECTION IV A;

c. Any land use in Safety Zone A or B which violates any of the following standards:

(1) the land use must not create or cause interference with the operation of radio or electronic facilities on the airport or with radio or electronic communication between the airport and aircraft;

(2) the land use must not make it difficult for pilots to distinguish between airport lights and other lights;

(3) the land use must not result in glare in the eyes of pilots using the airport or impair visibility in the vicinity of the airport.

d. Any isolated residential building lot zoned for single-family or two-family residences on which any structure, if built, would be prohibited by subparagraphs b.(1)(a), (b) or (c) above. An "isolated" residential building lot is one located in an area in which the predominant land use is single family or two-family residential structures; and

e. Any other land use which presents, in the opinion of the Commissioner, a material danger to the landing, taking off, or maneuvering of aircraft or to the safety of persons on the ground. In making such a determination, the Commissioner shall consider the following factors:

(1) possibility that the land use may contribute to or cause a collision of two or more aircraft or an aircraft and some other object;

(2) possibility that the land use may, in case of an aircraft accident, cause an explosion, fire, or the release of harmful or noxious fumes, gases, or substances;

(3) tendency of the land use to increase the number of persons that would be injured in case of an aircraft accident;

(4) effect of the land use on availability of clear areas for emergency landings;

(5) flight patterns around the airport, the extent of use of the runway in question, the type of aircraft using the airport, whether the runways are lighted, whether the airport is controlled, and other similar factors.

Since the existing land uses are exempted by MN Statutes 360.0655 Subd 2, the properties as identified and alterations thereof shall be exempted from the conditions and restrictions of this zoning ordinance provided the primary land use of the property remains as-is as of the time of adopting this ordinance. It is the opinion of the Marshall-Lyon County Joint Airport Zoning Board that the continued use of the existing subject parcels in the manner that they are currently used does not present an airport hazard so severe that public safety considerations outweigh the public interest in continuing the existing land use, preventing disruption to that land use. Exemption of these parcels from the conditions and restrictions of this zoning ordinance shall remain in effect so long as the primary use and zoning of the parcels remains unchanged.

**SECTION 9:**            **ADOPTION** “Section VI: Airport Map” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section VI: Airport Map(*Added*)

The several zones herein established are shown on the Southwest Minnesota Regional Airport Zoning Map consisting of 9 sheets, prepared by Toltz, King, Duvall, Anderson & Associates, and dated July 2023, attached hereto and made a part hereof, which map, together with such amendments thereto as may from time to time be made, and all notations, references, elevations, data, zone boundaries, and other information thereon, shall be and the same is hereby adopted as part of this Ordinance.

**SECTION 10:**        **ADOPTION** “Section VII: Non-Conforming Uses” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section VII: Non-Conforming Uses(*Added*)

**Regulations not retroactive.** The regulations prescribed by this Ordinance shall not be construed to require the removal, lowering, or other changes or alteration of any structure or tree not conforming to the regulations as of the effective date of this Ordinance, or otherwise interfere with the continuance of any nonconforming use. Nothing herein contained shall require any change in the construction, alteration, or intended use of any structure, the construction or alteration of which was begun prior to the effective date of this Ordinance and is diligently prosecuted and completed within two years thereof.

**SECTION 11:**        **ADOPTION** “Section VIII: Permits” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Section VIII: Permits(*Added*)

- A. FUTURE USES: Except as specifically provided in Paragraphs 1 and 2 hereunder, no material change shall be made in the use of land and no structure shall be erected, altered, or otherwise established in any zone hereby created unless a permit therefore shall have been applied for and granted by the zoning administrator, hereinafter, provided for. Each application for a permit shall indicate the purpose for which the permit is desired, with sufficient particularity to permit it to conform to the regulations herein prescribed. If such determination is in the affirmative, the permit shall be granted.
1. However, a permit for a tree or structure of less than 75 feet of vertical height above the ground shall not be required in the horizontal and conical zones or in any approach and transitional zones beyond a horizontal distance of 4,200 feet from each end of the runway except when such tree or structure, because of terrain, land contour, or topographic features, would extend the height or land use limit prescribed for the respective zone.
  2. Nothing contained in this foregoing exception shall be construed as permitting or intending to permit any construction, alteration, or growth of any structure or tree in excess of any of the height limitations established by this ordinance as set forth in SECTION IV and the land use limitations set forth in SECTION V.
- B. EXISTING USES: Before any existing use or structure may be replaced, substantially altered or repaired, or rebuilt within any zone established herein, a permit must be secured authorizing such replacement, change, or repair. No permit shall be granted that would allow the establishment or creation of an airport hazard or permit a nonconforming use, structure, or tree to become a greater hazard to air navigation than it was on the effective date of this Ordinance or any amendments thereto, or than it is when the application for a permit is made. Except as indicated, all applications for such a permit shall be granted.
- C. NONCONFORMING USES ABANDONED OR DESTROYED: Whenever the zoning administrator determines that a nonconforming structure or tree has been abandoned or more than 80% torn down, deteriorated, or decayed, no permit shall be granted that would allow such structure or tree to exceed the applicable height limit or otherwise deviate from the zoning regulations. Whether application is made for a permit under this paragraph or not, the zoning administrator may order the owner of the abandoned or partially destroyed nonconforming structure, at his own expense, to lower, remove, reconstruct, or equip the same in the manner necessary to conform to the provisions of this Ordinance. In the event the owner of the nonconforming

structure shall neglect or refuse to comply with such order for ten days after receipt of written notice of such order, the zoning administrator may, by appropriate legal action, proceed to have the abandoned or partially destroyed nonconforming structure lowered, removed, reconstructed, or equipped and assess the cost and expense thereof against the land on which the structure is or was located. Unless such an assessment is paid within ninety days from the service of notice thereof on the owner of the land, the sum shall bear interest at the rate of eight percent per annum from the date the cost and expense is incurred until paid and shall be collected in the same manner as are general taxes.

1.

**SECTION 12:**            **ADOPTION** “Section IX: Variances” of the Marshall Municipal Code is hereby *added* as follows:

#### ADOPTION

Section IX: Variances(*Added*)

Any person desiring to erect a structure or increase the height of any existing structure, permit the growth of any tree, or use his property not in accordance with the regulations prescribed in this Ordinance may apply to the Board of Adjustment, hereinafter provided for, for a variance from such regulations. If a person submits an application for a variance by certified mail to the members of the Board and the Board fails to grant or deny the variance within four months after the last member receives the application, the variance shall be deemed to be granted by the Board. When the variance is granted by reason of the failure of the Board to act on the variance, the person receiving the variance shall notify the Board and the Commissioner, by certified mail, that the variance has been granted. The applicant shall include a copy of the original application for the variance with this notice to the Commissioner. The variance shall be effective sixty days after this notice is received by the Commissioner subject to any action taken by the Commissioner pursuant to Minnesota Statutes Section 360.063, Subdivision 6a. Such variances shall be allowed where it is duly found that a literal application or enforcement of the regulations would result in practical difficulty or unnecessary hardship, and relief granted would not be contrary to the public interest but do substantial justice and be in accordance with the spirit of this Ordinance provided any variance so allowed may be subject to any reasonable conditions that the Board or Commissioner may deem necessary to effectuate the purpose of this Ordinance. The Board of Adjustment may request review of a variance application by the Mn/DOT Office of Aeronautics prior to making a decision.

**SECTION 13:**            **ADOPTION** “Section X: Hazard Marking And Lighting” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section X: Hazard Marking And Lighting(*Added*)

- A. NONCONFORMING USES: The owner of any nonconforming structure or tree is hereby required to permit the installation, operation, and maintenance thereon of such markers and lights as shall be deemed necessary by the zoning administrator, to indicate to the operators of aircraft in the vicinity of the airport the presence of such airport hazards. Such markers and lights shall be installed, operated, and maintained at the expense of the Southwest Minnesota Regional Airport.
- B. PERMITS AND VARIANCES: Any permit or variance deemed advisable to effectuate the purpose of this Ordinance and be reasonable in the circumstances, and granted by the zoning administrator or Board, shall require the owner of the structure or tree in question, at his own expense, to install, operate, and maintain thereon such markers and lights as may be necessary to indicate to pilots the presence of an airport hazard.

**SECTION 14:**        **ADOPTION** “Section XI: Airport Zoning Administrator” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section XI: Airport Zoning Administrator(*Added*)

It shall be the duty of the City of Marshall Planning & Zoning Administrator, Lyon County Zoning Administrator, City of Ghent Administrator, and Grandview Township Administrator to serve as the Airport Zoning Administrator to administer and enforce the regulations prescribed herein for lands within their respective municipalities. In the event that one or more of the above-described Airport Zoning Administrators does not administer this Ordinance or enforce its regulations, the Marshall-Lyon County Joint Airport Zoning Board hereby appoints the City of Marshall Planning & Zoning Administrator (or their designee) to administer this Ordinance in the municipality or municipalities. If any official position designated above ceases to exist or to perform or serve its present function, the successor position as designed by the applicable jurisdiction shall become the Airport Zoning Administrator for that entity and shall perform or serve such functions. Applications for permits and variances shall be made to the Airport Zoning Administrator upon a form furnished by the Airport Zoning Administrator and pursuant to their applicable zoning ordinance and Board of Adjustment procedures. Permit or development certificate applications shall be promptly considered and granted or denied by them in accordance with the regulations prescribed herein, in the zoning ordinance for the individual jurisdiction, and all applicable statutes. Variance applications shall be forthwith transmitted by the Airport Zoning Administrator for action by the Board of Adjustment, hereinafter provided for. The Airport Zoning Administrator shall transmit copies of all permits

and variances granted or denied pertaining to the provisions of this Ordinance to the City of Marshall Planning & Zoning Administrator.

**SECTION 15:**        **ADOPTION** “Section XII: Board Of Adjustment” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

Section XII: Board Of Adjustment(*Added*)

- A. ESTABLISHMENT: The City of Marshall Planning Commission shall serve as the Board of Adjustment for the Southwest Minnesota Regional Airport Safety Zoning Ordinance within the City of Marshall. The Lyon County Planning Commission shall serve as the Board of Adjustment for the Southwest Minnesota Regional Airport Safety Zoning Ordinance outside of the City of Marshall.
- B. POWERS: The Board of Adjustment shall have and exercise the following powers:
  - 1. Hear and decide appeals from any order, requirement, decision, or determination made by the administrator in the enforcement of this Ordinance.
  - 2. Hear and decide special exceptions to the terms of this Ordinance upon which such Board of Adjustment under such regulations may be required to pass.
  - 3. Hear and decide specific variances.
- C. PROCEDURES:
  - 1. The Board of Adjustment shall adopt rules for its governance and procedure in harmony with the provisions of this Ordinance. Meetings of the Board of Adjustment shall be held at the call of the chairperson and at such other times as the Board of Adjustment may determine. The chairperson, or in his absence the acting chairperson, may administer oaths and compel the attendance of witnesses. All hearings of the Board of Adjustment shall be public. The Board of Adjustment shall keep minutes of its proceedings showing the vote of each member upon each question or, if absent or failing to vote, indicating such fact, and shall keep records of its examinations and other official actions, all of which shall immediately be filed in the office of the zoning administrator and shall be a public record.
  - 2. The Board of Adjustment shall make written findings of facts and conclusions of law giving the facts upon which it acted and its legal conclusions from such facts in reversing, affirming, or modifying any order, requirement, decision, or determination which comes before it under the provisions of this ordinance.
  - 3. The concurring vote of a majority of the members of the Board of Adjustment shall be sufficient to reverse any order, requirement, decision, or determination of the zoning administrator or to decide in favor of the applicant on any matter upon which it is required to pass under this Ordinance, or to effect any variation in this Ordinance.

**SECTION 16:**            **ADOPTION** “Section XIII: Appeals” of the Marshall Municipal Code is hereby *added* as follows:

**ADOPTION**

Section XIII: Appeals(*Added*)

- A. Any person aggrieved, or any taxpayer affected by any decision of the zoning administrator made in his administration of this Ordinance may appeal to the Board of Adjustment. Such appeals may also be made by any governing body of a municipality, county, or airport zoning board, which is of the opinion that a decision of the zoning administrator is an improper application of this Ordinance as it concerns such governing body or board.
- B. All appeals hereunder must be commenced within 30 days of the zoning administrator’s decision, by filing with the zoning administrator a notice of appeal specifying the grounds thereof. The zoning administrator shall forthwith transmit to the Board of Adjustment all the papers constituting the record upon which the action appealed from was taken. In addition, any person aggrieved, or any taxpayer affected by any decisions of the zoning administrator made in his administration of this Ordinance who desires to appeal such decision shall submit an application for a variance, by certified mail, to the members of the Board of Adjustment in the manner set forth in Minnesota Statutes Section 360.068, Subdivision 2.
- C. An appeal shall stay all proceedings in furtherance of the action appealed from, unless the zoning administrator certifies to the Board of Adjustment after the notice of appeal has been filed with it, that by reason of the facts stated in the certificate a stay would, in his opinion, cause imminent peril to life or property. In such case, proceedings shall not be stayed except by order of the Board of Adjustment on notice to the zoning administrator and on due cause shown.
- D. The Board of Adjustment shall fix a reasonable time for hearing appeals, give public notice and due notice to the parties in interest, and decide the same within a reasonable time. Upon the hearing, any party may appear in person, by agent, or by attorney.
- E. The Board of Adjustment may, in conformity with the provisions of this ordinance, reverse or affirm, in whole or in part, or modify the order, requirement, decision or determination appealed from and may make such order, requirement, decision or determination, as may be appropriate under the circumstances, and to that end shall have all the powers of the zoning administrator.

**SECTION 17:**            **ADOPTION** “Section XIV: Judicial Review” of the Marshall Municipal Code is hereby *added* as follows:



## ADOPTION

### Section XIV: Judicial Review(*Added*)

Any person aggrieved, or taxpayer affected, by any decision of a board of adjustment, or of any action of the commissioner taken under section 360.063, subdivisions 6 or 6a, or any governing body of a municipality or county, or any joint airport zoning board, which believes that a decision of a board of adjustment or action of the commissioner is illegal may appeal in accordance with Minnesota Statutes Chapter 14.

**SECTION 18:**        **ADOPTION** “Section XV: Penalties” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section XV: Penalties(*Added*)

Every person who shall construct, establish, substantially change, alter or repair any existing structure or use, or permit the growth of any tree without having complied with the provision of this Ordinance or who, having been granted a permit or variance under the provisions of this Ordinance, shall construct, establish, substantially change or substantially alter or repair any existing growth or structure or permit the growth of any tree, except as permitted by such permit or variance, shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000 or imprisonment for not more than 90 days or by both. Each day a violation continues to exist shall constitute a separate offense. The airport zoning administrator may enforce all provisions of this Ordinance through such proceedings for injunctive relief and other relief as may be proper under the laws of Minnesota Statutes Section 360.073 and other applicable law.

**SECTION 19:**        **ADOPTION** “Section XVI: Conflicts” of the Marshall Municipal Code is hereby *added* as follows:

## ADOPTION

### Section XVI: Conflicts(*Added*)

Where there exists a conflict between any of the regulations or limitations prescribed in this Ordinance and any other regulations applicable to the same area, whether the conflict be with respect to the height of structures or trees, the use of land, or any other matter, the more stringent limitation or regulation shall govern and prevail.

**SECTION 20:**        **ADOPTION** “Section XVII: Severability” of the Marshall Municipal Code is hereby *added* as follows:

ADOPTION

Section XVII: Severability(*Added*)

- A. In any case in which the provision of this Ordinance, although generally reasonable, is held by a court to interfere with the use or enjoyment of a particular structure or parcel of land to such an extent, or to be so onerous in their application to such a structure or parcel of land, as to constitute a taking or deprivation of that property in violation of the constitution of this state or the constitution of the United States, such holding shall not affect the application of this Ordinance as to other structures and parcels of land, and to this end the provisions of this Ordinance are declared to be severable.
- B. Should any section or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof other than the parts so declared to be unconstitutional or invalid.

**SECTION 21:**        **ADOPTION** “Section XVIII: Effective Date” of the Marshall Municipal Code is hereby *added* as follows:

ADOPTION

Section XVIII: Effective Date(*Added*)

This ordinance shall take effect on the 6th day of February, 2024. Copies thereof shall be filed with the Commissioner through the Office of Aeronautics and the Office of the Lyon County Recorder. Passed and adopted after public hearing by the Marshall-Lyon County Joint Airport Zoning Board this 6th day of February, 2024.

**SECTION 22:**        **ADOPTION** “Exhibit B: Maps” of the Marshall Municipal Code is hereby *added* as follows:

ADOPTION

Exhibit B: Maps(*Added*)

- B1 Airspace Zoning Map

- [B2 Runway 12 Extended Approach](#)
- [B3 Runway 30 Extended Approach](#)
- [B4 Land Use & Zoning Map](#)
- [B5 Runway 12/30 Land Use & Zoning Map](#)
- [B6 Runway 2/20 Land Use & Zoning Map](#)
- [B7 Existing Land Use - Runway 30 Custom Safety Zone A](#)
- [B8 Existing Land Use - Runway 30 Custom Safety Zone](#)
- [B9 Existing Land Use - Runway 20 Safety Zones A & B](#)

**SECTION 23:**            **ADOPTION** “Exhibit A” of the Marshall Municipal Code is hereby *added* as follows:

### ADOPTION

Exhibit A(*Added*)

[This Ordinance affects all or a portion of the following sections of land:](#)

NAME AND NUMBER OF TOWNSHIP	AIR SPACE OBSTRUCTION ZONING: Section IV of Ordinance; Page(s) B1, B2, & B3 of Zoning Map	LAND USE SAFETY ZONING: <a href="#"><u>Section V of Ordinance; Page(s) B4, B5 &amp; B6 of Zoning Map</u></a>
<a href="#"><u>City of Marshall</u></a>	<a href="#"><u>Sections: 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 16, 17</u></a>	<a href="#"><u>Sections: 4, 5, 6, 7, 8, 9, 16, 17, 18</u></a>
<a href="#"><u>City of Ghent</u></a>	<a href="#"><u>Sections: 10, 15, 16</u></a>	<a href="#"><u>Sections: -</u></a>
<a href="#"><u>City of Minneota</u></a>	<a href="#"><u>Sections: 25, 26, 35, 36</u></a>	<a href="#"><u>Sections: -</u></a>
<a href="#"><u>Amiret Township</u></a>	<a href="#"><u>Sections: 4, 5, 6, 7, 8, 9, 17, 18</u></a>	<a href="#"><u>Sections: -</u></a>
<a href="#"><u>Clifton Township</u></a>	<a href="#"><u>Sections: 18, 19, 20, 21, 27, 28, 29, 30, 31, 32, 33, 34</u></a>	<a href="#"><u>Sections: -</u></a>
<a href="#"><u>Eidsvold Township</u></a>	<a href="#"><u>Sections: 36</u></a>	<a href="#"><u>Sections: -</u></a>
<a href="#"><u>Fairview Township</u></a>	<a href="#"><u>Sections: 19, 20, 21, 27, 28, 29, 30, 31, 32, 33, 34</u></a>	<a href="#"><u>Sections: 28, 29, 30, 31, 32, 33</u></a>
	<a href="#"><u>Sections: 4, 5, 6, 7, 8, 9, 10, 14, 15, 16, 17,</u></a>	

<u>Grandview Township</u>	<u>18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 33, 34, 35, 36</u>	<u>Sections: 25, 26, 35, 36</u>
<u>Lake Marshall Township</u>	<u>Sections: 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 34, 35, 36</u>	<u>Sections: 4, 5, 6, 7, 8, 9, 16, 17, 18</u>
<u>Lynd Township</u>	<u>Sections: 1, 2, 3, 10, 11, 12, 13, 14, 24</u>	<u>Sections: 1, 2, 11, 13</u>
<u>Nordland Township</u>	<u>Sections: 1, 2, 11, 12, 13, 14, 23, 24</u>	<u>Sections: -</u>
<u>Sodus Township</u>	<u>Sections: 2, 7, 12</u>	<u>Sections: -</u>
<u>Westerheim Township</u>	<u>Sections: 29, 30, 31, 32, 33</u>	<u>Sections: -</u>

PASSED AND ADOPTED BY THE CITY OF MARSHALL COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Robert Byrnes, Mayor, City of  
Marshall

\_\_\_\_\_  
Steven Anderson, City Clerk, City of  
Marshall

**STATE OF MINNESOTA**  
**DEPARTMENT OF TRANSPORTATION**

---

**IN THE MATTER OF:**

**Docket No. 252**  
**Order No. 645**

The approval of zoning regulations for  
the Southwest Minnesota Regional  
Airport

**FINDINGS, CONCLUSIONS AND  
ORDER**

---

**FINDINGS**

1. The Marshall-Lyon County Joint Airport Zoning Board has drafted the "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE" based upon accepted airport standards and practices and consistent with "AERONAUTICS RULES CHAPTER 8800".
2. A public hearing on the proposed "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE" was held on September 5, 2023, giving parties in interest and citizens an opportunity to be heard. Notice of this hearing was published twice during the period between 15 days and 5 days before the hearing in an official newspaper of the jurisdiction. The joint airport zoning board found no second newspaper of wide circulation in the area affected by the proposed regulations. No notices were published in the legal section of the newspaper.
3. In accordance with the requirements of Minnesota Statutes, Section 360.065, Subd. 1, notice of the hearing was sent by mail to each political subdivision in which property affected by the regulations is located.
4. Notice was sent by mail at least 10 days before the hearing to persons owning land proposed to be included in safety zone A or B as provided in the rules of the Department of Transportation and to persons or municipalities that had previously requested such notice.
5. A copy of the notice and a list of the owners and addresses to which the notice was sent was attested to by the responsible person and made a part of the records of the proceedings.
6. The proposed "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE" was made available for public inspection during regular business hours at the Marshall City Hall as well as on the internet from August 25, 2023 to the date of the hearing.

## **CONCLUSIONS**

1. Adoption of the proposed "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE" is necessary for both the operation of the Airport and the safety of both the public frequenting that airport and the occupants of land in its vicinity.
2. A bona fide effort to comply with the requirements of Minnesota Statutes, Section 360.065, Subd. 1, was made prior to the approval of the proposed "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE".

Based upon the foregoing Findings and Conclusions, the substantial evidence contained in the record, and the applicable law, the Director of the Office of Aeronautics of the Department of Transportation of the State of Minnesota, issues the following:

## **ORDER**

The proposed "SOUTHWEST MINNESOTA REGIONAL AIRPORT SAFETY ZONING ORDINANCE" is hereby approved.

**BY ORDER OF THE DIRECTOR OF  
THE OFFICE OF AERONAUTICS OF THE DEPARTMENT OF  
TRANSPORTATION OF THE STATE OF MINNESOTA**

**Ryan Gaug**

Digitally signed by Ryan  
Gaug  
Date: 2024.01.23 14:45:48  
-06'00'

Ryan E. Gaug  
Director, Office of Aeronautics  
Minnesota Department of Transportation

DATE: January 23, 2024

**RESOLUTION OF THE  
SOUTHWEST MINNESOTA REGIONAL AIRPORT (MML)  
JOINT AIRPORT ZONING BOARD AS TO  
FINAL ADOPTION OF A ZONING ORDINANCE**

At a meeting of the above Board held on February 6, 2024, Member Doom made a motion, seconded by Member Halgerson, introduced the following Resolution and moved its adoption.

WHEREAS, A public hearing has been held on a proposed zoning ordinance on September 5, 2023, pursuant to Minnesota Statutes Section 360.065; and

WHEREAS, No changes in said proposed ordinance are necessary.

NOW, THEREFORE, It is hereby resolved as follows:

1. That the Zoning Ordinance and Map attached thereto are hereby adopted.

**ROLL CALL**

Members voting aye: Doom, Halgerson, Vlaminck, Prellwitz

Members voting nay: \_\_\_\_\_

Members absent: Mortier

Resolution declared passed:   
Jason R. Anderson, P.E. - Chairperson

I hereby certify that the foregoing resolution is a true and correct copy of the original resolution.

  
Jason R. Anderson, P.E. - Chairperson

## **SUMMARY ORDINANCE NUMBER 24-013**

### **AN ORDINANCE AMENDING CHAPTER 86 ZONING ADDING ARTICLE VII JOINT AIRPORT ZONING**

The Common Council of the City of Marshall do ordain as follows:

Section 1: City Code of Ordinances, Chapter 86 Zoning, is amended in summary as follows:

The Joint Airport Zoning was created and established by the Marshall-Lyon County Joint Airport Zoning Board and Article VII would formally incorporate the ordinance that was already in place by the Joint Airport Zoning Board. The ordinance calls out specific airport hazards and preventative measures that can be taken for the protection of public health, safety, and general welfare for the most appropriate use of the Southwest Minnesota Regional Airport.

Section 2: It is hereby determined that publication of this Title and Summary Ordinance will clearly inform the public of the intent and effect of Ordinance No. 24-013.

It is hereby directed that only the above Title and Summary of Ordinance No. 24-013 be published conforming to Minnesota Statutes §331A.01 with the following:

#### **NOTICE**

Persons interested in reviewing a complete copy of the Ordinance may do so online at [ci.marshall.mn.us](http://ci.marshall.mn.us) or at the office of the City Clerk, City Offices, 344 West Main Street, Marshall, Minnesota 56258.

Section 3: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council this 9<sup>th</sup> day of July 2024.

THE COMMON COUNCIL  
Robert Byrnes  
Mayor of the City of Marshall, MN

ATTEST:  
Steven Anderson  
City Clerk



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Jason Anderson
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Project ST-009: W Lyon St. / N 3rd St. Reconstruction Project – Consider Change Order No. 7 (Final) and Acknowledgement of Final Pay Request (No. 12)
<b>Background Information:</b>	<p>This project consisted of: reconstruction and utility replacement on West Lyon Street from East College Drive to North 5<sup>th</sup> Street, and North 3<sup>rd</sup> Street from West Main Street to West Redwood Street. All utilities were replaced, including watermain, sanitary sewer, and storm sewer on West Lyon and North 3<sup>rd</sup> Streets. Other items of work included in this project are pavement removal, aggregate base, concrete surfacing, sidewalks, curb and gutter, streetscaping, and other minor work.</p> <p>The items on the attached Change Order No. 7 (Final Reconciling Change Order) for the above project are the result of final measurements and changes in item quantities during construction.</p> <p>All work has been completed in accordance with the specifications. Attached is a copy of Final Pay Request (No. 12) in the amount of \$39,368.94.</p>
<b>Fiscal Impact:</b>	Change Order No. 7 (Final) results in a contract decrease in the amount of (\$109,011.60). Final Pay request No. 12 in the amount of \$39,368.94 results in a total contract amount of \$3,777,763.22, a net decrease of (\$67,734.09) from the original contract amount of \$3,845,497.31.
<b>Alternative/ Variations:</b>	No alternative actions recommended.
<b>Recommendations:</b>	that the Council approve Change Order No. 7 (Final) resulting in contract decrease in the amount of (\$109,011.60) and acknowledge Final Pay Request No. 12 in the amount of \$39,368.94 for the above-referenced project to R&G Construction Co. of Marshall, Minnesota.

SP/SAP(s)		MN Project No.:	N/A	Change Order No.	7
-----------	--	-----------------	-----	------------------	---

Project Location	W. Lyon Street (College Dr to N 5th) and N 3rd Street (Main St to Redwood St) including Rose and Addison Parking Lots		
Local Agency	City of Marshall Public Works	Local Project No.	ST-009
Contractor	R and G Construction Co.	Contract No.	ST-009
Address/City/State/Zip	2694 County Road 6 / Marshall / MN / 56258		
Total Change Order Amount		(\$109,011.60)	

**Issue:** Final Reconciling Change Order

**Estimate Of Cost:** (Include any increases or decreases in contract items, any negotiated or force account items.)

Group/Funding Category**	Item No.	Description	Unit	Unit Price	+ or – Quantity	+ or – Amount \$
Sanitary Sewer	2503.603	8" PVC PIPE SEWER	LIN FT	\$55.00	-2	(\$110.00)
Sanitary Sewer	2506.603	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 2	LIN FT	\$825.00	-0.2	(\$165.00)
Storm Sewer	2503.503	30" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	\$155.00	5	\$775.00
Storm Sewer	2503.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	\$75.00	-112.5	(\$8,437.50)
Storm Sewer	2503.503	24" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	\$111.00	-22	(\$2,442.00)
Storm Sewer	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$2,500.00	-1	(\$2,500.00)
Storm Sewer	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	LIN FT	\$1,300.00	0.6	\$780.00
Storm Sewer	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020	LIN FT	\$1,450.00	-0.7	(\$1,015.00)
Storm Sewer	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	LIN FT	\$840.00	-5.2	(\$4,368.00)
Storm Sewer	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	\$570.00	-3.6	(\$2,052.00)
Storm Sewer	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 1	LIN FT	\$1,250.00	3.6	\$4,500.00
Street	2101.502	GRUBBING	EACH	\$500.00	1	\$500.00
Street	2104.502	REMOVE STEAM VAULT	EACH	\$6,600.00	0.5	\$3,300.00
Street	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	\$5.50	-116	(\$638.00)
Street	2104.504	REMOVE CONCRETE PAVEMENT	SQ YD	\$8.00	-77	(\$616.00)

SP/SAP(s)		MN Project No.:	N/A	Change Order No.	7
-----------	--	-----------------	-----	------------------	---

Street	2104.601	SALVAGE SIGNS	LUMP SUM	\$700.00	-1	(\$700.00)
Street	2104.603	REMOVE & ABATE ASBESTOS-CONTAINING PIPES	LIN FT	\$15.00	158	\$2,370.00
Street	2106.507	SELECT GRANULAR EMBANKMENT (CV) (P)	CU YD	\$18.00	196	\$3,528.00
Street	2106.607	EXCAVATION - SPECIAL	CU YD	\$6.00	-400	(\$2,400.00)
Street	2106.607	HAUL AND DISPOSE OF CONTAMINATED MATERIAL	CU YD	\$70.00	-400	(\$28,000.00)
Street	2108.504	GEOTEXTILE FABRIC TYPE 7	SQ YD	\$3.50	1220	\$4,270.00
Street	2123.51	3.0 CU YD SHOVEL	HOUR S	\$180.00	-20	(\$3,600.00)
Street	2123.51	COMMON LABORERS	HOUR S	\$65.00	-20	(\$1,300.00)
Street	2123.61	SKID LOADER	HOUR S	\$150.00	-20	(\$3,000.00)
Street	2211.507	AGGREGATE BASE (CV) CLASS 5	CU YD	\$36.00	-12	(\$432.00)
Street	2301.502	DOWEL BAR	EACH	\$15.00	320	\$4,800.00
Street	2301.504	CONCRETE PAVEMENT 6.0"	SQ YD	\$53.00	29	\$1,537.00
Street	2301.504	CONCRETE PAVEMENT 7.0"	SQ YD	\$59.90	-21	(\$1,257.90)
Street	2301.602	DRILL & GROUT REINFORCEMENT BAR (EPOXY COATED)	EACH	\$25.00	41	\$1,025.00
Street	2301.603	PERMANENT HEADER	LIN FT	\$100.00	-13	(\$1,300.00)
Street	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3,C)	TON	\$200.00	26.48	\$5,296.00
Street	2502.503	8" TP PIPE DRAIN	LF	\$28.00	-2	(\$56.00)
Street	2502.503	4" PERF TP PIPE DRAIN	LIN FT	\$15.00	-846	(\$12,690.00)
Street	2502.603	INSTALL 6" TP PIPE DRAIN	LIN FT	\$11.00	-10	(\$110.00)
Street	2503.602	8"x4" PVC WYE	EACH	\$715.00	1	\$715.00
Street	2503.602	8"x6" PVC WYE	EACH	\$750.00	2	\$1,500.00
Street	2503.603	6" PVC SANITARY SERVICE PIPE	LIN FT	\$55.00	24	\$1,320.00
Street	2503.603	4" PVC SANITARY SERVICE PIPE	LIN FT	\$50.00	4	\$200.00
Street	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	LIN FT	\$1,100.00	0.35	\$385.00
Street	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	\$850.00	0.2	\$170.00
Street	2506.602	CASTING ASSEMBLY SPECIAL	EACH	\$550.00	4	\$2,200.00
Street	2521.518	4" CONCRETE WALK	SQ FT	\$5.74	-259	(\$1,486.66)
Street	2521.518	6" CONCRETE WALK	SQ FT	\$8.00	1893	\$15,144.00
Street	2521.518	6" CONCRETE WALK	SQ FT	\$9.00	-129	(\$1,161.00)
Street	2521.618	SPECIAL SURFACE TREATMENT	SQ FT	\$10.00	-69	(\$690.00)

SP/SAP(s)		MN Project No.:	N/A	Change Order No.	7
-----------	--	-----------------	-----	------------------	---

Street	2521.618	6" CONCRETE WALK SPECIAL	SQ FT	\$12.18	-67	(\$816.06)
Street	2531.503	CONCRETE CURB AND GUTTER DESIGN B412	LIN FT	\$40.00	27	\$1,080.00
Street	2531.503	CONCRETE CURB AND GUTTER DESIGN B418	LIN FT	\$29.71	319	\$9,477.49
Street	2531.503	CONCRETE CURB AND GUTTER DESIGN B618	LIN FT	\$23.70	-277	(\$6,564.90)
Street	2531.504	7" CONCRETE DRIVEWAY PAVEMENT	SQ YD	\$73.11	-209	(\$15,279.99)
Street	2545.502	LIGHTING UNIT TYPE E (festoon light and cable)	L F	\$52.00	-500	(\$26,000.00)
Street	2571.525	DECIDUOUS SHRUB NO 5 CONT	EACH	\$80.00	-2	(\$160.00)
Street	2571.527	PERENNIAL BULBS	EACH	\$3.00	30	\$90.00
Street	2571.527	PERENNIAL NO 1 CONT	EACH	\$30.00	-58	(\$1,740.00)
Street	2574.507	BOULEVARD TOPSOIL BORROW (Plantings)	CU YD	\$40.00	-185	(\$7,400.00)
Street	2574.507	COMMON TOPSOIL BORROW (Seed)	CU YD	\$40.00	8	\$320.00
Street	2574.508	FERTILIZER TYPE 3	POUN D	\$2.00	40	\$80.00
Street	2575.505	SEEDING	ACRE S	\$7,500.00	0.1	\$750.00
Street	2575.508	MNDOT SEED MIX 25-131	POUN D	\$4.00	20	\$80.00
Street	2575.508	HYDRAULIC MULCH MATERIAL	POUN D	\$1.25	300	\$375.00
Street	2575.509	RAPID STABILIZATION METHOD 3	M GALL ON	\$250.00	-6	(\$1,500.00)
Street	2582.503	24" SOLID LINE PREFORM THERMO GROUND IN ENHANCED SKID RESISTANCE	LIN FT	\$32.00	4	\$128.00
Street	2582.503	4" BROKEN LINE MULTI-COMPONENT GROUND IN (WR) CONTRAST	LIN FT	\$10.84	-192	(\$2,081.28)
Street	2582.503	4" SOLID LINE PAINT WHITE	LIN FT	\$2.50	-105	(\$262.50)
Street	2582.503	4" SOLID LINE PAINT WHITE	LIN FT	\$2.50	-297	(\$742.50)
Street	2582.518	PAVEMENT MESSAGE PAINT	SQ FT	\$10.00	-3.48	(\$34.80)
Street	2582.518	CROSS WALK PREFORM THERMO GROUND IN CONTRAST ENHANCED SKID RESISTANCE	SQ FT	\$30.00	-224	(\$6,720.00)
Watermain & Electrical-MMU	2504.602	1" CURB STOP	EACH	\$850.00	-7	(\$5,950.00)



STATE AID FOR LOCAL TRANSPORTATION  
CHANGE ORDER

Rev. December 2023

SP/SAP(s)		MN Project No.:	N/A	Change Order No.	7
-----------	--	-----------------	-----	------------------	---

Watermain & Electrical-MMU	2504.602	1" CORPORATION STOP & SADDLE	EACH	\$900.00	-7	(\$6,300.00)
Watermain & Electrical-MMU	2504.603	6" PVC WATERMAIN	LIN FT	\$55.00	-9	(\$495.00)
Watermain & Electrical-MMU	2504.603	8" PVC WATERMAIN	LIN FT	\$60.00	-1	(\$60.00)
Watermain & Electrical-MMU	2504.603	4" PVC WATERMAIN	LIN FT	\$50.00	4	\$200.00
Watermain & Electrical-MMU	2504.603	1" TYPE PE PIPE	LIN FT	\$30.00	-247	(\$7,410.00)
Watermain & Electrical-MMU	2504.604	4" INSULATION	SQ YD	\$125.00	-42	(\$5,250.00)
Watermain & Electrical-MMU	2504.608	WATERMAIN FITTINGS	POUN D	\$14.50	-46	(\$667.00)
Watermain & Electrical-MMU	2545.502	LIGHT UNIT TYPE A FOOTING (Lyon & 3rd Street North of Lyon St.)	EACH	\$1,700.00	9	\$15,300.00
Watermain & Electrical-MMU	2545.502	LIGHT UNIT TYPE B FOOTING + POLE INSTALLATION (3rd Street between Main & Lyon)	EACH	\$2,200.00	-9	(\$19,800.00)
Watermain & Electrical-MMU	2545.503	2" RIGID NON-METALLIC CONDUIT - SCH 40	LIN FT	\$8.00	-495	(\$3,960.00)
Watermain & Electrical-MMU	2545.503	1" RIGID NON-METALLIC CONDUIT - SCH 40	LIN FT	\$6.00	1419	\$8,514.00
Net Change this Change Order						(\$109,011.60)

Project Engineer: Eric R Hanson

Date: 6-26-24

Print Name: ERIC R HANSON

Contractor Signature: Scott Mathiowatz

Date: 7/1/2024

Print Name: Scott Mathiowatz



Contract Number: ST-009  
Pay Request Number: 12

Project Number	Project Description
ST-009	W. Lyon/N. 3rd Reconstruction Project

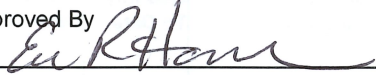
<b>Contractor:</b> R and G Construction Co. 2694 County Road 6 Marshall, MN 56258	<b>Vendor Number:</b> 01-2112 <b>Up To Date:</b> 06/26/2024
---	--


Contract Amount		Funds Encumbered	
Original Contract	\$3,845,497.31	Original	\$3,845,497.31
Contract Changes	(\$67,734.09)	Additional	(\$67,734.09)
Revised Contract	\$3,777,763.22	Total	\$3,777,763.22

Work Certified To Date	
Base Bid Items	\$3,736,485.71
Contract Changes	\$41,277.51
Material On Hand	\$0.00
Total	\$3,777,763.22

Work Certified This Request	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Request	Total Amount Paid To Date
\$1,607.38	\$3,777,763.22	\$0.00	\$3,738,394.28	\$39,368.94	\$3,777,763.22
Percent: Retained: 0%			Percent Complete: 100%		

This is to certify that the items of work shown in this certificate of Pay Estimate have been actually furnished for the work comprising the above-mentioned projects in accordance with the plans and specifications heretofore approved.

Approved By   
County/City/Project Engineer  
6-26-24  
Date

Approved By R and G Construction Co.  
  
Contractor  
7/1/2024  
Date

VENDOR # 2112  
INVOICE # #12 Final - ST-009  
\$ AMOUNT 39,368.94  
DATE 6-26-2024  
ACCT & PROJ # 481-43300-SS170 / ST-009  
DESCRIPTION N 3rd / W Lyon - #12 Final  
SIGNATURE ERT/above

Payment Summary				
No.	Up To Date	Work Certified Per Request	Amount Retained Per Request	Amount Paid Per Request
1	2023-05-09	\$649,098.00	\$32,454.90	\$616,643.10
2	2023-06-06	\$257,517.71	\$12,875.89	\$244,641.82
3	2023-06-29	\$315,290.56	\$15,764.52	\$299,526.04
4	2023-07-26	\$147,814.85	\$7,390.75	\$140,424.10
5	2023-08-22	\$514,956.50	\$25,747.82	\$489,208.68
6	2023-09-19	\$953,255.32	\$47,662.77	\$905,592.55
7	2023-10-17	\$593,075.25	\$29,653.76	\$563,421.49
8	2023-11-13	\$80,236.25	\$4,011.81	\$76,224.44
9	2023-11-29	\$28,673.40	(\$140,163.04)	\$168,836.44
10	2023-12-18	\$13,634.00	\$136.34	\$13,497.66
11	2024-06-03	\$222,604.00	\$2,226.04	\$220,377.96
12	2024-06-26	\$1,607.38	(\$37,761.56)	\$39,368.94

Funding Category Name	Funding Category Number	Work Certified to Date	Less Amount Retained	Less Previous Payments	Amount Paid this Request	Total Amount Paid to Date
Sanitary Sewer		\$112,835.00	\$0.00	\$111,706.65	\$1,128.35	\$112,835.00
Storm Sewer		\$422,639.98	\$0.00	\$418,413.59	\$4,226.39	\$422,639.98
Street		\$2,853,099.24	\$0.00	\$2,822,976.94	\$30,122.30	\$2,853,099.24
Watermain & Electrical-MMU		\$389,189.00	\$0.00	\$385,297.10	\$3,891.90	\$389,189.00

Accounting Number	Funding Source	Amount Paid this Request	Revised Contract Amount	Funds Encumbered to Date	Paid Contractor to Date
481	Local Agency Bonds Applied	\$39,368.94	\$3,777,763.22	\$3,777,763.22	\$3,777,763.22

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	1	2011.501	MOBILIZATION	LUMP SUM	\$310,000.00	1	0	\$0.00	1	\$310,000.00
Base Bid	2	2101.502	CLEARING	EACH	\$500.00	17	0	\$0.00	17	\$8,500.00
Base Bid	3	2101.502	GRUBBING	EACH	\$500.00	18	0	\$0.00	18	\$9,000.00
Base Bid	4	2104.502	REMOVE GATE VALVE	EACH	\$350.00	3	0	\$0.00	3	\$1,050.00
Base Bid	5	2104.502	REMOVE HYDRANT	EACH	\$500.00	1	0	\$0.00	1	\$500.00
Base Bid	6	2104.502	REMOVE DRAINAGE STRUCTURE	EACH	\$350.00	16	0	\$0.00	16	\$5,600.00

Contract Item Status

Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	7	2104.502	REMOVE LIGHT FOUNDATION	EACH	\$225.00	40	0	\$0.00	40	\$9,000.00
Base Bid	8	2104.502	REMOVE PLANTER	EACH	\$150.00	8	0	\$0.00	8	\$1,200.00
Base Bid	9	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	\$5.50	113	0	\$0.00	113	\$621.50
Base Bid	10	2104.503	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	\$2.00	419	0	\$0.00	419	\$838.00
Base Bid	11	2104.502	SALVAGE CASTING	EACH	\$500.00	1	0	\$0.00	1	\$500.00
Base Bid	12	2104.502	SALVAGE GATE VALVE & BOX	EACH	\$1,000.00	1	0	\$0.00	1	\$1,000.00
Base Bid	13	2104.503	REMOVE SEWER PIPE (STORM)	LIN FT	\$12.00	558	0	\$0.00	558	\$6,696.00
Base Bid	14	2104.503	REMOVE CURB AND GUTTER	LIN FT	\$8.00	3770	0	\$0.00	3770	\$30,160.00
Base Bid	15	2104.603	REMOVE & ABATE ASBESTOS-CONTAINING PIPES	LIN FT	\$15.00	408	0	\$0.00	408	\$6,120.00
Base Bid	16	2104.504	REMOVE PAVEMENT	SQ YD	\$10.00	10978	0	\$0.00	10978	\$109,780.00
Base Bid	17	2104.601	SALVAGE SIGNS	LUMP SUM	\$2,300.00	1	0	\$0.00	1	\$2,300.00
Base Bid	18	2104.602	SALVAGE MANHOLE & CASTING	EACH	\$2,500.00	1	0	\$0.00	1	\$2,500.00
Base Bid	19	2104.502	REMOVE STEAM VAULT	EACH	\$6,600.00	1.5	0	\$0.00	1.5	\$9,900.00
Base Bid	20	2105.607	STRUCTURAL SOIL BORROW (CV)	CU YD	\$195.00	120	0	\$0.00	120	\$23,400.00
Base Bid	21	2106.507	EXCAVATION - COMMON (P)	CU YD	\$16.00	5840	0	\$0.00	5840	\$93,440.00



Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	22	2106.507	EXCAVATION - SUBGRADE	CU YD	\$16.00	1200	0	\$0.00	1200	\$19,200.00
Base Bid	23	2106.507	SELECT GRANULAR EMBANKMENT (CV) (P)	CU YD	\$18.00	3913	0	\$0.00	3913	\$70,434.00
Base Bid	24	2106.507	COMMON EMBANKMENT (CV) (P)	CU YD	\$10.00	161	0	\$0.00	161	\$1,610.00
Base Bid	25	2106.607	EXCAVATION - SPECIAL	CU YD	\$6.00	0	0	\$0.00	0	\$0.00
Base Bid	26	2106.607	HAUL AND DISPOSE OF CONTAMINATED MATERIAL	CU YD	\$70.00	0	0	\$0.00	0	\$0.00
Base Bid	27	2108.504	GEOTEXTILE FABRIC TYPE 7	SQ YD	\$3.50	10649	0	\$0.00	10649	\$37,271.50
Base Bid	28	2123.51	COMMON LABORERS	HOURS	\$65.00	0	0	\$0.00	0	\$0.00
Base Bid	29	2123.51	3.0 CU YD SHOVEL	HOURS	\$180.00	0	0	\$0.00	0	\$0.00
Base Bid	30	2123.61	SKID LOADER	HOURS	\$150.00	0	0	\$0.00	0	\$0.00
Base Bid	31	2211.507	AGGREGATE BASE (CV) CLASS 5 (P)	CU YD	\$36.00	2730	0	\$0.00	2730	\$98,280.00
Base Bid	32	2301.502	DOWEL BAR	EACH	\$15.00	1868	0	\$0.00	1868	\$28,020.00
Base Bid	33	2301.602	DRILL & GROUT REINFORCEMENT BAR (EPOXY COATED)	EACH	\$25.00	225	0	\$0.00	225	\$5,625.00
Base Bid	34	2301.603	PERMANENT HEADER	LIN FT	\$100.00	232	0	\$0.00	232	\$23,200.00
Base Bid	35	2301.504	CONCRETE PAVEMENT 7.0"	SQ YD	\$59.90	8959	0	\$0.00	8959	\$536,644.10

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	36	2360.509	TYPE SP 9.5 WEARING COURSE MIXTURE (3,C)	TON	\$200.00	134.48	0	\$0.00	134.48	\$26,896.00
Base Bid	37	2502.503	8" TP PIPE DRAIN	LF	\$28.00	211	0	\$0.00	211	\$5,908.00
Base Bid	38	2502.503	4" PERF TP PIPE DRAIN	LIN FT	\$15.00	2161	0	\$0.00	2161	\$32,415.00
Base Bid	39	2502.603	INSTALL 6" TP PIPE DRAIN	LIN FT	\$11.00	990	0	\$0.00	990	\$10,890.00
Base Bid	40	2503.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	\$75.00	1232.5	0	\$0.00	1232.5	\$92,437.50
Base Bid	41	2503.503	18" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	\$90.00	207	0	\$0.00	207	\$18,630.00
Base Bid	42	2503.503	24" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	\$111.00	199	0	\$0.00	199	\$22,089.00
Base Bid	43	2503.503	30" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	\$155.00	346	0	\$0.00	346	\$53,630.00
Base Bid	44	2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	\$1,500.00	2	0	\$0.00	2	\$3,000.00
Base Bid	45	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	\$2,500.00	2	0	\$0.00	2	\$5,000.00
Base Bid	46	2503.602	8"x4" PVC WYE	EACH	\$715.00	2	0	\$0.00	2	\$1,430.00
Base Bid	47	2503.602	8"x6" PVC WYE	EACH	\$750.00	23	0	\$0.00	23	\$17,250.00
Base Bid	48	2503.603	8" PVC PIPE SEWER	LIN FT	\$55.00	1340	0	\$0.00	1340	\$73,700.00
Base Bid	49	2503.603	4" PVC SANITARY SERVICE PIPE	LIN FT	\$50.00	12	0	\$0.00	12	\$600.00
Base Bid	50	2503.603	6" PVC SANITARY SERVICE PIPE	LIN FT	\$55.00	922	0	\$0.00	922	\$50,710.00

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	51	2504.601	TEMPORARY WATER SERVICE	LUMP SUM	\$7,500.00	1	0	\$0.00	1	\$7,500.00
Base Bid	52	2504.602	CONNECT TO EXISTING WATER MAIN	EACH	\$1,500.00	4	0	\$0.00	4	\$6,000.00
Base Bid	53	2504.602	HYDRANT	EACH	\$6,500.00	2	0	\$0.00	2	\$13,000.00
Base Bid	54	2504.602	1" CORPORATION STOP & SADDLE	EACH	\$900.00	17	0	\$0.00	17	\$15,300.00
Base Bid	55	2504.602	6" GATE VALVE AND BOX	EACH	\$2,550.00	3	0	\$0.00	3	\$7,650.00
Base Bid	56	2504.602	8" GATE VALVE AND BOX	EACH	\$3,370.00	6	0	\$0.00	6	\$20,220.00
Base Bid	57	2504.602	1" CURB STOP	EACH	\$850.00	17	0	\$0.00	17	\$14,450.00
Base Bid	58	2504.603	1" TYPE PE PIPE	LIN FT	\$30.00	737	0	\$0.00	737	\$22,110.00
Base Bid	59	2504.603	4" PVC WATERMAIN	LIN FT	\$50.00	15	0	\$0.00	15	\$750.00
Base Bid	60	2504.603	6" PVC WATERMAIN	LIN FT	\$55.00	53	0	\$0.00	53	\$2,915.00
Base Bid	61	2504.603	8" PVC WATERMAIN	LIN FT	\$60.00	1495	0	\$0.00	1495	\$89,700.00
Base Bid	62	2504.604	4" INSULATION	SQ YD	\$125.00	8	0	\$0.00	8	\$1,000.00
Base Bid	63	2504.608	WATERMAIN FITTINGS	POUND	\$14.50	780	0	\$0.00	780	\$11,310.00
Base Bid	64	2506.502	INSTALL CASTING	EACH	\$500.00	1	0	\$0.00	1	\$500.00

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	65	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	\$570.00	6.9	0	\$0.00	6.9	\$3,933.00
Base Bid	66	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	LIN FT	\$840.00	74.4	0	\$0.00	74.4	\$62,496.00
Base Bid	67	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	LIN FT	\$1,300.00	19.6	0	\$0.00	19.6	\$25,480.00
Base Bid	68	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020	LIN FT	\$1,450.00	16.6	0	\$0.00	16.6	\$24,070.00
Base Bid	69	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 1	LIN FT	\$1,250.00	71.8	0	\$0.00	71.8	\$89,750.00
Base Bid	70	2506.603	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 2	LIN FT	\$825.00	43.8	0	\$0.00	43.8	\$36,135.00
Base Bid	71	2506.602	ADJUST FRAME AND RING CASTING (SPECIAL)	EACH	\$500.00	2	0	\$0.00	2	\$1,000.00
Base Bid	72	2506.602	SAFLE BAFFLE W/BRACING KIT	EACH	\$9,750.00	1	0	\$0.00	1	\$9,750.00
Base Bid	73	2506.602	CONNECT TO EXISTING DRAINAGE STRUCTURE	EACH	\$1,500.00	2	0	\$0.00	2	\$3,000.00
Base Bid	74	2506.602	CASTING ASSEMBLY SPECIAL	EACH	\$550.00	21	0	\$0.00	21	\$11,550.00
Base Bid	75	2521.518	4" CONCRETE WALK	SQ FT	\$5.74	2074	0	\$0.00	2074	\$11,904.76
Base Bid	76	2521.518	6" CONCRETE WALK	SQ FT	\$8.00	36723	0	\$0.00	36723	\$293,784.00
Base Bid	77	2521.618	6" CONCRETE WALK SPECIAL	SQ FT	\$12.18	7608	0	\$0.00	7608	\$92,665.44
Base Bid	78	2521.618	SPECIAL SURFACE TREATMENT	SQ FT	\$10.00	1606	0	\$0.00	1606	\$16,060.00
Base Bid	79	2531.503	CONCRETE CURB AND GUTTER DESIGN B418	LIN FT	\$29.71	1328	0	\$0.00	1328	\$39,454.88

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	80	2531.503	CONCRETE CURB AND GUTTER DESIGN B618	LIN FT	\$23.70	2576	0	\$0.00	2576	\$61,051.20
Base Bid	81	2531.503	CONCRETE CURB AND GUTTER DESIGN D418	LIN FT	\$31.71	145	0	\$0.00	145	\$4,597.95
Base Bid	82	2531.504	7" CONCRETE DRIVEWAY PAVEMENT	SQ YD	\$73.11	411	0	\$0.00	411	\$30,048.21
Base Bid	83	2531.618	TRUNCATED DOMES	SQ FT	\$80.00	319	0	\$0.00	319	\$25,520.00
Base Bid	84	2540.602	GATEWAY MONUMENT COLUMN AND FOOTING	EACH	\$21,000.00	2	0	\$0.00	2	\$42,000.00
Base Bid	85	2540.603	DECORATIVE STONE BLOCK	EACH	\$2,500.00	7	0	\$0.00	7	\$17,500.00
Base Bid	86	2540.602	BENCH TYPE 1	EACH	\$1,990.75	6	0	\$0.00	6	\$11,944.50
Base Bid	87	2540.602	TRASH RECEPTACLE	EACH	\$2,100.00	4	0	\$0.00	4	\$8,400.00
Base Bid	88	2540.602	RECYCLE RECEPTACLE	EACH	\$2,100.00	4	0	\$0.00	4	\$8,400.00
Base Bid	89	2540.602	BIKE RACK	EACH	\$515.00	5	0	\$0.00	5	\$2,575.00
Base Bid	90	2545.501	LIGHTING SYSTEM WIRE & CONNECTIONS - (3rd Street Circuitry Main to Lyon St)	LUMP SUM	\$23,000.00	1	0	\$0.00	1	\$23,000.00
Base Bid	91	2545.502	LIGHT UNIT TYPE A FOOTING (Lyon & 3rd Street North of Lyon St.)	EACH	\$1,700.00	41	0	\$0.00	41	\$69,700.00
Base Bid	92	2545.502	LIGHT UNIT TYPE B FOOTING + POLE INSTALLATION (3rd Street between Main & Lyon)	EACH	\$2,200.00	0	0	\$0.00	0	\$0.00
Base Bid	93	2545.502	LIGHT UNIT TYPE C (Light Bollard)	EACH	\$2,060.00	9	0	\$0.00	9	\$18,540.00

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	94	2545.502	LIGHT UNIT TYPE D (Monument Accent Light)	EACH	\$1,000.00	2	0	\$0.00	2	\$2,000.00
Base Bid	95	2545.602	GFCI DUPLEX PEDESTAL (On Footing)	EACH	\$840.00	12	0	\$0.00	12	\$10,080.00
Base Bid	96	2545.602	20 AMP - EVENT POWER PEDESTAL (On Footing)	EACH	\$10,800.00	1	0	\$0.00	1	\$10,800.00
Base Bid	97	2545.602	50 AMP - EVENT POWER PEDESTAL	EACH	\$2,200.00	3	0	\$0.00	3	\$6,600.00
Base Bid	98	2545.602	BOLLARD - SALVAGE & REINSTALL	EACH	\$500.00	10	0	\$0.00	10	\$5,000.00
Base Bid	99	2545.602	BOLLARD - NEW	EACH	\$1,450.00	12	0	\$0.00	12	\$17,400.00
Base Bid	100	2545.602	INGRADE HANDHOLE	EACH	\$2,700.00	4	0	\$0.00	4	\$10,800.00
Base Bid	101	2545.503	1" RIGID NON-METALLIC CONDUIT - SCH 40	LIN FT	\$6.00	2619	0	\$0.00	2619	\$15,714.00
Base Bid	102	2545.503	2" RIGID NON-METALLIC CONDUIT - SCH 40	LIN FT	\$8.00	1085	0	\$0.00	1085	\$8,680.00
Base Bid	103	2550.602	SERVICE CABINET + DMX CONTROL CABINET	LUMP SUM	\$41,000.00	1	0	\$0.00	1	\$41,000.00
Base Bid	104	2563.601	TRAFFIC CONTROL	LUMP SUM	\$17,000.00	1	0	\$0.00	1	\$17,000.00
Base Bid	105	2563.601	ALTERNATE PEDESTRIAN ROUTE	LUMP SUM	\$10,000.00	1	0	\$0.00	1	\$10,000.00
Base Bid	106	2564.601	INSTALL SIGN	LUMP SUM	\$10,000.00	1	0	\$0.00	1	\$10,000.00
Base Bid	107	2565.616	REVISE SIGNAL SYSTEM	SYSTEM	\$35,000.00	1	0	\$0.00	1	\$35,000.00
Base Bid	108	2571.524	DECIDUOUS TREE 2.5" CAL B&B	EACH	\$800.00	32	0	\$0.00	32	\$25,600.00

Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	109	2571.525	DECIDUOUS SHRUB NO 5 CONT	EACH	\$80.00	80	0	\$0.00	80	\$6,400.00
Base Bid	110	2571.527	PERENNIAL NO 1 CONT	EACH	\$30.00	492	0	\$0.00	492	\$14,760.00
Base Bid	111	2571.527	PERENNIAL BULBS	EACH	\$3.00	450	0	\$0.00	450	\$1,350.00
Base Bid	112	2571.602	TREE GRATE WITH FRAME	EACH	\$3,750.00	12	0	\$0.00	12	\$45,000.00
Base Bid	113	2573.501	STORM DRAIN INLET PROTECTION	LUMP SUM	\$5,000.00	1	0	\$0.00	1	\$5,000.00
Base Bid	114	2573.501	STABILIZED CONSTRUCTION EXIT	LUMP SUM	\$1,000.00	1	0	\$0.00	1	\$1,000.00
Base Bid	115	2574.507	COMMON TOPSOIL BORROW (Seed)	CU YD	\$40.00	138	0	\$0.00	138	\$5,520.00
Base Bid	116	2574.508	FERTILIZER TYPE 3	POUND	\$2.00	100	0	\$0.00	100	\$200.00
Base Bid	117	2574.507	BOULEVARD TOPSOIL BORROW (Plantings)	CU YD	\$40.00	30	0	\$0.00	30	\$1,200.00
Base Bid	118	2575.505	SEEDING	ACRES	\$7,500.00	0.3	0	\$0.00	0.3	\$2,250.00
Base Bid	119	2575.508	MNDOT SEED MIX 25-131	POUND	\$4.00	64	0	\$0.00	64	\$256.00
Base Bid	120	2575.508	HYDRAULIC MULCH MATERIAL	POUND	\$1.25	900	0	\$0.00	900	\$1,125.00
Base Bid	121	2575.509	RAPID STABILIZATION METHOD 3	MGALLON	\$250.00	0	0	\$0.00	0	\$0.00
Base Bid	122	2582.503	4" SOLID LINE PAINT WHITE	LIN FT	\$2.50	2611	0	\$0.00	2611	\$6,527.50

Contract Item Status

Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	123	2582.503	4" BROKEN LINE MULTI-COMPONENT GROUND IN (WR) CONTRAST	LIN FT	\$10.84	408	0	\$0.00	408	\$4,422.72
Base Bid	124	2582.518	PAVEMENT MESSAGE PAINT	SQ FT	\$10.00	14.12	0	\$0.00	14.12	\$141.20
Base Bid	125	2582.503	24" SOLID LINE PREFORM THERMO GROUND IN ENHANCED SKID RESISTANCE	LIN FT	\$32.00	134	0	\$0.00	134	\$4,288.00
Base Bid	125	2582.518	CROSS WALK PREFORM THERMO GROUND IN CONTRAST ENHANCED SKID RESISTANCE	SQ FT	\$30.00	730	0	\$0.00	730	\$21,900.00
Base Bid	126	2545.502	LIGHTING UNIT TYPE E (festoon light and cable)	L F	\$52.00	0	0	\$0.00	0	\$0.00
Base Bid	127	2104.504	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	S Y	\$3.00	521	0	\$0.00	521	\$1,563.00
Base Bid	127	2104.518	REMOVE CONCRETE WALK	S F	\$1.25	31851	0	\$0.00	31851	\$39,813.75
Base Bid	128	2104.502	REMOVE BOLLARD	EACH	\$150.00	20	0	\$0.00	20	\$3,000.00
Base Bid	128	2104.502	REMOVE LIGHT FOUNDATION	EACH	\$225.00	1	0	\$0.00	1	\$225.00
Base Bid	129	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	\$5.50	276	0	\$0.00	276	\$1,518.00
Base Bid	130	2104.504	REMOVE CONCRETE PAVEMENT	SQ YD	\$8.00	2741	0	\$0.00	2741	\$21,928.00
Base Bid	131	2104.601	SALVAGE SIGNS	LUMP SUM	\$700.00	0	0	\$0.00	0	\$0.00
Base Bid	132	2106.507	EXCAVATION - COMMON	CU YD	\$16.00	281	0	\$0.00	281	\$4,496.00
Base Bid	133	2106.507	EXCAVATION - SUBGRADE	CU YD	\$16.00	55	0	\$0.00	55	\$880.00
Base Bid	134	2211.507	AGGREGATE BASE (CV) CLASS 5	CU YD	\$36.00	452	0	\$0.00	452	\$16,272.00



Contract Item Status										
Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	135	2301.504	CONCRETE PAVEMENT 6.0"	SQ YD	\$53.00	2683	0	\$0.00	2683	\$142,199.00
Base Bid	136	2503.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	\$75.00	110	0	\$0.00	110	\$8,250.00
Base Bid	137	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN H	LIN FT	\$850.00	3.7	0	\$0.00	3.7	\$3,145.00
Base Bid	138	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	LIN FT	\$1,100.00	4.25	0	\$0.00	4.25	\$4,675.00
Base Bid	139	2521.518	6" CONCRETE WALK	SQ FT	\$9.00	406	0	\$0.00	406	\$3,654.00
Base Bid	140	2531.503	CONCRETE CURB AND GUTTER DESIGN B412	LIN FT	\$40.00	90	0	\$0.00	90	\$3,600.00
Base Bid	141	2531.503	CONCRETE CURB AND GUTTER DESIGN B612	LIN FT	\$40.00	129	0	\$0.00	129	\$5,160.00
Base Bid	142	2582.503	4" SOLID LINE PAINT WHITE	LIN FT	\$2.50	2108	0	\$0.00	2108	\$5,270.00
Base Bid	143	2582.518	PAVEMENT MESSAGE PAINT	SQ FT	\$10.00	13.2	0	\$0.00	13.2	\$132.00
<b>Base Bid Totals:</b>								<b>\$0.00</b>		<b>\$3,736,485.71</b>

Project Category Totals			
Project	Category	Amount This Request	Amount To Date
ST-009		\$0.00	\$2,559,851.46
ST-009	WW	\$0.00	\$112,835.00
ST-009	SWM	\$0.00	\$419,561.50
ST-009	MMU	\$0.00	\$214,455.00
ST-009	ELEC	\$0.00	\$158,094.00
ST-009	base	\$0.00	\$5,908.00
ST-009	ADDISON LOT	\$0.00	\$224,404.00
ST-009	ADD-03	\$0.00	\$39,813.75
ST-009	ADD-02	\$0.00	\$1,563.00
ST-009	ADD-01	\$0.00	\$0.00

Contract Change Item Status

Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
ST-009	CO1	144	2301.504 CONCRETE PAVEMENT 7" (LUMP SUM)	\$2,500.00	1	\$2,500.00	ITM	\$0.00	\$0.00	1	\$2,500.00
ST-009	CO1	145	2301.602 DRILL & GROUT REINFORCEMENT BAR (EACH)	\$35.00	20	\$700.00	ITM	\$0.00	\$0.00	20	\$700.00
ST-009	CO1	146	2433.601 SAWCUT AND REMOVE CONCRETE (LS)	\$1,500.00	1	\$1,500.00	ITM	\$0.00	\$0.00	1	\$1,500.00
ST-009	CO1	148	2540.601 LOCATE EDGE DRAIN AND INSTALL TILE IN LANDSCAPING (LUMP SUM)	\$1,500.00	1	\$1,500.00	ITM	\$0.00	\$0.00	1	\$1,500.00
ST-009	CO1	149	2531.604 INCREASE PERCENT OF STAIN FOR CONCRETE (LS)	\$2,500.00	1	\$2,500.00	ITM	\$0.00	\$0.00	1	\$2,500.00
ST-009	CO1	150	2563.601 TRAFFIC CONTROL (LS)	\$2,279.95	1	\$2,279.95	ITM	\$0.00	\$0.00	1	\$2,279.95
ST-009	CO2	151	2301.504 CONCRETE PAVEMENT 7" (LUMP SUM)	\$1,250.00	1	\$1,250.00	ITM	\$0.00	\$0.00	1	\$1,250.00
ST-009	CO3	152	2565.602 LOOP DETECTOR (EACH)	\$2,500.00	1	\$2,500.00	ITM	\$0.00	\$0.00	1	\$2,500.00
ST-009	CO3	153	2550.601 SIGNAL CONDUIT AND WIRE REPAIR (LUMP SUM)	\$830.70	1	\$830.70	ITM	\$0.00	\$0.00	1	\$830.70
ST-009	CO3	154	2502.503 4" PERF TP PIPE DRAIN (LIN FT)	\$3.13	790	\$2,472.70	ITM	\$0.00	\$0.00	910	\$2,848.30
ST-009	CO4	154	2502.503 4" PERF TP PIPE DRAIN (LIN FT)	\$3.13	120	\$375.60	ADJ				
ST-009	CO4	155	2564.536 Signs in Concrete Area (EACH)	\$151.62	22	\$3,335.64	ITM	\$0.00	\$0.00	22	\$3,335.64
ST-009	CO4	156	2564.536 Sign in Grass/Landscape Area (EACH)	\$85.47	8	\$683.76	ITM	\$0.00	\$0.00	8	\$683.76
ST-009	CO4	157	2572.602 TREE MOVING (EACH)	\$250.00	2	\$500.00	ITM	\$0.00	\$0.00	2	\$500.00
ST-009	CO4	158	2506.502 INSTALL CASTING (EACH)	\$1,506.48	1	\$1,506.48	ITM	\$0.00	\$0.00	1	\$1,506.48
ST-009	CO4	159	2504.602 1 1/2" CORPORATION STOP & SADDLE (EACH)	\$1,200.00	5	\$6,000.00	ITM	\$0.00	\$0.00	5	\$6,000.00
ST-009	CO4	160	2504.602 1 1/2" CURB STOP (EACH)	\$1,300.00	5	\$6,500.00	ITM	\$0.00	\$0.00	5	\$6,500.00
ST-009	CO4	161	2504.603 1 1/2" TYPE PE PIPE (LIN FT)	\$30.00	138	\$4,140.00	ITM	\$0.00	\$0.00	138	\$4,140.00
ST-009	CO4	162	2104.504 REMOVE CONCRETE PAVEMENT (SQ YD)	\$6.70	899	\$6,023.30	ITM	\$0.00	\$0.00	899	\$6,023.30
ST-009	CO5	163	00001 LIQUIDATED DAMAGES (Lump Sum)	(\$9,000.00)	1	(\$9,000.00)	ITM	\$0.00	\$0.00	1	(\$9,000.00)
ST-009	CO5	164	2104.502 MANHOLE BASE AND BARREL SECTION (Lump Sum)	\$1,572.00	1	\$1,572.00	ITM	\$0.00	\$0.00	1	\$1,572.00
ST-009	CO6	165	2411.607 CONCRETE STEPS (EACH)	\$1,607.38	1	\$1,607.38	ITM	\$1.00	\$1,607.38	1	\$1,607.38

Contract Change Item Status

Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
ST-009	CO7	3	2101.502 GRUBBING (EACH)	\$500.00	1	\$500.00	ADJ				
ST-009	CO7	15	2104.603 REMOVE & ABATE ASBESTOS-CONTAINING PIPES (LIN FT)	\$15.00	158	\$2,370.00	ADJ				
ST-009	CO7	19	2104.502 REMOVE STEAM VAULT (EACH)	\$6,600.00	0.5	\$3,300.00	ADJ				
ST-009	CO7	23	2106.507 SELECT GRANULAR EMBANKMENT (CV) (P) (CU YD)	\$18.00	196	\$3,528.00	ADJ				
ST-009	CO7	25	2106.607 EXCAVATION - SPECIAL (CU YD)	\$6.00	-400	(\$2,400.00)	ADJ				
ST-009	CO7	26	2106.607 HAUL AND DISPOSE OF CONTAMINATED MATERIAL (CU YD)	\$70.00	-400	(\$28,000.00)	ADJ				
ST-009	CO7	27	2108.504 GEOTEXTILE FABRIC TYPE 7 (SQ YD)	\$3.50	1220	\$4,270.00	ADJ				
ST-009	CO7	28	2123.51 COMMON LABORERS (HOURS)	\$65.00	-20	(\$1,300.00)	ADJ				
ST-009	CO7	29	2123.51 3.0 CU YD SHOVEL (HOURS)	\$180.00	-20	(\$3,600.00)	ADJ				
ST-009	CO7	30	2123.61 SKID LOADER (HOURS)	\$150.00	-20	(\$3,000.00)	ADJ				
ST-009	CO7	32	2301.502 DOWEL BAR (EACH)	\$15.00	320	\$4,800.00	ADJ				
ST-009	CO7	33	2301.602 DRILL & GROUT REINFORCEMENT BAR (EPOXY COATED) (EACH)	\$25.00	41	\$1,025.00	ADJ				
ST-009	CO7	34	2301.603 PERMANENT HEADER (LIN FT)	\$100.00	-13	(\$1,300.00)	ADJ				
ST-009	CO7	35	2301.504 CONCRETE PAVEMENT 7.0" (SQ YD)	\$59.90	-21	(\$1,257.90)	ADJ				
ST-009	CO7	36	2360.509 TYPE SP 9.5 WEARING COURSE MIXTURE (3,C) (TON)	\$200.00	26.48	\$5,296.00	ADJ				
ST-009	CO7	37	2502.503 8" TP PIPE DRAIN (LF)	\$28.00	-2	(\$56.00)	ADJ				
ST-009	CO7	38	2502.503 4" PERF TP PIPE DRAIN (LIN FT)	\$15.00	-846	(\$12,690.00)	ADJ				
ST-009	CO7	39	2502.603 INSTALL 6" TP PIPE DRAIN (LIN FT)	\$11.00	-10	(\$110.00)	ADJ				
ST-009	CO7	40	2503.503 15" RC PIPE SEWER DESIGN 3006 CLASS V (LIN FT)	\$75.00	-112.5	(\$8,437.50)	ADJ				
ST-009	CO7	42	2503.503 24" RC PIPE SEWER DESIGN 3006 CLASS III (LIN FT)	\$111.00	-22	(\$2,442.00)	ADJ				
ST-009	CO7	43	2503.503 30" RC PIPE SEWER DESIGN 3006 CLASS III (LIN FT)	\$155.00	5	\$775.00	ADJ				

Contract Change Item Status

Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
ST-009	CO7	45	2503.602 CONNECT TO EXISTING STORM SEWER (EACH)	\$2,500.00	-1	(\$2,500.00)	ADJ				
ST-009	CO7	46	2503.602 8"X4" PVC WYE (EACH)	\$715.00	1	\$715.00	ADJ				
ST-009	CO7	47	2503.602 8"x6" PVC WYE (EACH)	\$750.00	2	\$1,500.00	ADJ				
ST-009	CO7	48	2503.603 8" PVC PIPE SEWER (LIN FT)	\$55.00	-2	(\$110.00)	ADJ				
ST-009	CO7	49	2503.603 4" PVC SANITARY SERVICE PIPE (LIN FT)	\$50.00	4	\$200.00	ADJ				
ST-009	CO7	50	2503.603 6" PVC SANITARY SERVICE PIPE (LIN FT)	\$55.00	24	\$1,320.00	ADJ				
ST-009	CO7	54	2504.602 1" CORPORATION STOP & SADDLE (EACH)	\$900.00	-7	(\$6,300.00)	ADJ				
ST-009	CO7	57	2504.602 1" CURB STOP (EACH)	\$850.00	-7	(\$5,950.00)	ADJ				
ST-009	CO7	58	2504.603 1" TYPE PE PIPE (LIN FT)	\$30.00	-247	(\$7,410.00)	ADJ				
ST-009	CO7	59	2504.603 4" PVC WATERMAIN (LIN FT)	\$50.00	4	\$200.00	ADJ				
ST-009	CO7	60	2504.603 6" PVC WATERMAIN (LIN FT)	\$55.00	-9	(\$495.00)	ADJ				
ST-009	CO7	61	2504.603 8" PVC WATERMAIN (LIN FT)	\$60.00	-1	(\$60.00)	ADJ				
ST-009	CO7	62	2504.604 4" INSULATION (SQ YD)	\$125.00	-42	(\$5,250.00)	ADJ				
ST-009	CO7	63	2504.608 WATERMAIN FITTINGS (POUND)	\$14.50	-46	(\$667.00)	ADJ				
ST-009	CO7	65	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN H (LIN FT)	\$570.00	-3.6	(\$2,052.00)	ADJ				
ST-009	CO7	66	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020 (LIN FT)	\$840.00	-5.2	(\$4,368.00)	ADJ				
ST-009	CO7	67	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020 (LIN FT)	\$1,300.00	0.6	\$780.00	ADJ				
ST-009	CO7	68	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020 (LIN FT)	\$1,450.00	-0.7	(\$1,015.00)	ADJ				
ST-009	CO7	69	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 1 (LIN FT)	\$1,250.00	3.6	\$4,500.00	ADJ				
ST-009	CO7	70	2506.603 CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL 2 (LIN FT)	\$825.00	-0.2	(\$165.00)	ADJ				

Contract Change Item Status

Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
ST-009	CO7	74	2506.602 CASTING ASSEMBLY SPECIAL (EACH)	\$550.00	4	\$2,200.00	ADJ				
ST-009	CO7	75	2521.518 4" CONCRETE WALK (SQ FT)	\$5.74	-259	(\$1,486.66)	ADJ				
ST-009	CO7	76	2521.518 6" CONCRETE WALK (SQ FT)	\$8.00	1893	\$15,144.00	ADJ				
ST-009	CO7	77	2521.618 6" CONCRETE WALK SPECIAL (SQ FT)	\$12.18	-67	(\$816.06)	ADJ				
ST-009	CO7	78	2521.618 SPECIAL SURFACE TREATMENT (SQ FT)	\$10.00	-69	(\$690.00)	ADJ				
ST-009	CO7	79	2531.503 CONCRETE CURB AND GUTTER DESIGN B418 (LIN FT)	\$29.71	319	\$9,477.49	ADJ				
ST-009	CO7	80	2531.503 CONCRETE CURB AND GUTTER DESIGN B618 (LIN FT)	\$23.70	-277	(\$6,564.90)	ADJ				
ST-009	CO7	82	2531.504 7" CONCRETE DRIVEWAY PAVEMENT (SQ YD)	\$73.11	-209	(\$15,279.99)	ADJ				
ST-009	CO7	91	2545.502 LIGHT UNIT TYPE A FOOTING (Lyon & 3rd Street North of Lyon St.) (EACH)	\$1,700.00	9	\$15,300.00	ADJ				
ST-009	CO7	92	2545.502 LIGHT UNIT TYPE B FOOTING + POLE INSTALLATION (3rd Street between Main & Lyon) (EACH)	\$2,200.00	-9	(\$19,800.00)	ADJ				
ST-009	CO7	101	2545.503 1" RIGID NON-METALLIC CONDUIT - SCH 40 (LIN FT)	\$6.00	1419	\$8,514.00	ADJ				
ST-009	CO7	102	2545.503 2" RIGID NON-METALLIC CONDUIT - SCH 40 (LIN FT)	\$8.00	-495	(\$3,960.00)	ADJ				
ST-009	CO7	109	2571.525 DECIDUOUS SHRUB NO 5 CONT (EACH)	\$80.00	-2	(\$160.00)	ADJ				
ST-009	CO7	110	2571.527 PERENNIAL NO 1 CONT (EACH)	\$30.00	-58	(\$1,740.00)	ADJ				
ST-009	CO7	111	2571.527 PERENNIAL BULBS (EACH)	\$3.00	30	\$90.00	ADJ				
ST-009	CO7	115	2574.507 COMMON TOPSOIL BORROW (Seed) (CU YD)	\$40.00	8	\$320.00	ADJ				
ST-009	CO7	116	2574.508 FERTILIZER TYPE 3 (POUND)	\$2.00	40	\$80.00	ADJ				
ST-009	CO7	117	2574.507 BOULEVARD TOPSOIL BORROW (Plantings) (CU YD)	\$40.00	-185	(\$7,400.00)	ADJ				
ST-009	CO7	118	2575.505 SEEDING (ACRES)	\$7,500.00	0.1	\$750.00	ADJ				
ST-009	CO7	119	2575.508 MNDOT SEED MIX 25-131 (POUND)	\$4.00	20	\$80.00	ADJ				
ST-009	CO7	120	2575.508 HYDRAULIC MULCH MATERIAL (POUND)	\$1.25	300	\$375.00	ADJ				

Contract Change Item Status											
Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
ST-009	CO7	121	2575.509 RAPID STABILIZATION METHOD 3 (M GALLON)	\$250.00	-6	(\$1,500.00)	ADJ				
ST-009	CO7	122	2582.503 4" SOLID LINE PAINT WHITE (LIN FT)	\$2.50	-105	(\$262.50)	ADJ				
ST-009	CO7	123	2582.503 4" BROKEN LINE MULTI-COMPONENT GROUND IN (WR) CONTRAST (LIN FT)	\$10.84	-192	(\$2,081.28)	ADJ				
ST-009	CO7	124	2582.518 PAVEMENT MESSAGE PAINT (SQ FT)	\$10.00	-3.48	(\$34.80)	ADJ				
ST-009	CO7	125	2582.503 24" SOLID LINE PREFORM THERMO GROUND IN ENHANCED SKID RESISTANCE (LIN FT)	\$32.00	4	\$128.00	ADJ				
ST-009	CO7	125	2582.518 CROSS WALK PREFORM THERMO GROUND IN CONTRAST ENHANCED SKID RESISTANCE (SQ FT)	\$30.00	-224	(\$6,720.00)	ADJ				
ST-009	CO7	126	2545.502 LIGHTING UNIT TYPE E (festoon light and cable) (L F)	\$52.00	-500	(\$26,000.00)	ADJ				
ST-009	CO7	129	2104.503 SAWING CONCRETE PAVEMENT (FULL DEPTH) (LIN FT)	\$5.50	-116	(\$638.00)	ADJ				
ST-009	CO7	130	2104.504 REMOVE CONCRETE PAVEMENT (SQ YD)	\$8.00	-77	(\$616.00)	ADJ				
ST-009	CO7	131	2104.601 SALVAGE SIGNS (LUMP SUM)	\$700.00	-1	(\$700.00)	ADJ				
ST-009	CO7	134	2211.507 AGGREGATE BASE (CV) CLASS 5 (CU YD)	\$36.00	-12	(\$432.00)	ADJ				
ST-009	CO7	135	2301.504 CONCRETE PAVEMENT 6.0" (SQ YD)	\$53.00	29	\$1,537.00	ADJ				
ST-009	CO7	137	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN H (LIN FT)	\$850.00	0.2	\$170.00	ADJ				
ST-009	CO7	138	2506.503 CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020 (LIN FT)	\$1,100.00	0.35	\$385.00	ADJ				
ST-009	CO7	139	2521.518 6" CONCRETE WALK (SQ FT)	\$9.00	-129	(\$1,161.00)	ADJ				
ST-009	CO7	140	2531.503 CONCRETE CURB AND GUTTER DESIGN B412 (LIN FT)	\$40.00	27	\$1,080.00	ADJ				
ST-009	CO7	142	2582.503 4" SOLID LINE PAINT WHITE (LIN FT)	\$2.50	-297	(\$742.50)	ADJ				
<b>Contract Change Totals:</b>									<b>\$1,607.38</b>		<b>\$41,277.51</b>

Contract Change Totals			
Number	Description	Effective Date	Amount

1	<p>Change Order 1 covers the following items of work and includes the following breakdown of Cost:</p> <p>ADDITIONAL TRAFFIC CONTROL - Lane Closure on Main during ADA work</p> <ul style="list-style-type: none"> <li>- Additional Traffic Control</li> <li>LS \$2,279.95</li> </ul> <p>ALLEYWAY WORK REQUIRED FOR ELECTRIC PAD – This work was to remove and replace the alley paving for the installation so the conduits, pad, and electrical cabinet.</p> <ul style="list-style-type: none"> <li>- Sawcut and Remove Concrete (in Alleyway) LS \$1,500.00</li> <li>- Drill and Grout Reinforcement Bar (20 at \$35 Each) LS \$ 700.00</li> <li>- Concrete Pavement 7" (250 SF)</li> <li>LS \$3,750.00</li> </ul> <p>ADDING EDGEDRAIN INTAKE IN LANDSCAPING – This work was performed to add additional drainage in the landscaped area by the existing controller box.</p> <ul style="list-style-type: none"> <li>- Locate Edge Drain and install Tile in Landscaping</li> <li>LS \$1,500.00</li> </ul> <p>INCREASING STAIN PERCENT IN COLORED CONCRETE – This was to increase the percent of stain per batch of concrete.</p> <ul style="list-style-type: none"> <li>- Increase Percent of Stain for Concrete</li> <li>LS \$2,500.00</li> </ul>	07/17/2023	\$10,979.95
2	<p>Correction for underpayment on Change Order #1 for "ALLEYWAY WORK REQUIRED FOR ELECTRICAL PAD" Concrete Pavement. The LS price was \$3,750 but only \$2,500 was paid. This Change Order will pay the additional \$1,250.00.</p>	08/04/2023	\$1,250.00
3	<p>Change Order #3 covers the following items: 1. Traffic Loop at the intersection of Lyon Street and College Drive. 2. Traffic Loop repair at the intersection of 3rd Street and Main Street 3. Purchase of excess 4" tile and sock. Item #1: Installation of a traffic signal loop at the intersection of Lyon Street and College Drive and the repair of the damaged signal conduit that was hit on 3rd street. During removals on Lyon Street a traffic signal loop was discovered, it had to be removed to install the storm sewer on Lyon Street. This portion of the change order covers the cost of the work to install the traffic signal loop for a total of \$2,500.00. The traffic signal loop repair at 3rd Lyon Street and College Drive includes the following items of work: - Sawcutting and removal of the paving the existing bituminous paving where the new loop will be installed. - Werner installing the loops. - Installing the gravel over the loop. Item #2 - On 5-17-23 - During the removals and construction on 3rd Street the traffic signal conduit was hit and repaired. This is full compensation for repairing the conduit, pulling cables back to the nearest manhole, and splicing the wires. The cost for this item is \$830.70. Items #3 – During the project some 4" edge drain was removed from the project. The City is buying the excess 4" SDR35 PVC and the 4" sock at invoice price. - The established price for the 4" edge drain is \$2.88 /LF. - The established price for the 4" sock is \$0.25/LF We will pay the unit price of \$3.13/LF for this item.</p>	09/08/2023	\$5,803.40
4	<p>Change Order #4 covers the following items: Item 4.1 - This item will cover the cost for changing the Sign Base and Upper post from U-Post to Square Tubing, with a credit for the Galv U-Post for Bid Item "106 – Install Sign". Once the signs are installed a final count will be made. The signs will fit under one of two types: "Signs in Concrete Area" and "Sign in Grass/Landscape Area". The additional cost for each is: Signs in Concrete Area – Additional cost of \$151.62 for each sign. Sign in Grass/Landscape Area – Additional Cost of \$85.47 for each sign. Item 4.2 – This item covers moving 2 trees that have been planted to a new location. The total cost to move these will be a Lump Sum cost of \$500.00. Item 4.3 – This item covers an additional Floating Casting (R-1955-1) for the existing storm sewer structure on 3rd Street at SAT 307+03.69 (LT) that was furnished and installed. The total cost for this casting as shown on invoice DD7713 is</p>	09/28/2023	\$29,064.78

	\$1,506.48. Item 4.4 – This item covers 1 ½" water services that were encountered on Lyon Street. There will be three items bid items covered under this change. - 1 ½" Corporation Stop and Saddle with a unit price of \$1,2000.00 Each. - 1 ½" Curb Stop with a unit price of \$1,3000.00 Each. - 1 ½" Type PE Pipe with a unit price of \$30.00 / Lineal Foot. Item 4.5 - Removal of concrete paving in the parking lanes under the Bituminous paving on both blocks of 3rd Street. Negotiated unit price of \$6.70 / Sq Yd. Item 4.6 - This item will update the final quantity of 4" SDR35 PVC and sock to reflect what was delivered to the City.		
5	Item 5.1 – This item will cover the cost to purchase the base slab and lower barrel of the storm sewer structure 10A that was field adjusted. The total cost for this will be a Lump Sum cost of \$1572.00 as outlined in an email on November 1, 2023. Item 5.2 – As outlined in the Project Manual section S-22.2 all work was to be completed before October 9, 2023. Lyon Street from 3rd to 4th was considered substantially complete on October 13th and Lyon Street from 4th to 5th was considered substantially complete on October 17th. The total deduct for the liquidated damages is calculated to be \$9,000.00 as discussed with R&G in person on November 15, 2023.	11/27/2023	(\$7,428.00)
6	Item 6.1 – This item is for the removal and replacement of the step and handrails in the Addison Parking lot that needed to be modified due to sidewalk work. The total cost for this item is \$1,607.38, this price included the removal of the step and handrail and the construction of a new step.	05/21/2024	\$1,607.38
7	Final Reconciling Change Order #7	06/26/2024	(\$109,011.60)

**Material On Hand Additions**

Line	Item	Description	Date	Added	Comments

**Material On Hand Balance**

Line	Item	Description	Date	Added	Used	Remaining

<b>Contract Total</b>	<b>\$3,777,763.22</b>
-----------------------	-----------------------



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Jason Anderson
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Firm Gas Service Extension Agreement with Great Plains Natural Gas - Airpark East
<b>Background Information:</b>	<p>The City is currently constructing a snow removal equipment and maintenance building (SRE building) in the Airpark East development area at the Southwest Minnesota Regional Airport. City staff has been working with Great Plains Natural Gas (GPNG) to coordinate an extension of gas main into Airpark East to serve the new SRE building. In addition, the gas main will be available to serve the newly constructed private hangar and any future development in Airpark East.</p> <p>To service Airpark East, GPNG intends to extend gas main from existing facilities located at the northwest quadrant of Channel Parkway and MN 19. The extension would run parallel with the Diversion Channel and would be located on Diversion Channel property, before heading into Airpark East at Madrid Circle.</p>
<b>Fiscal Impact:</b>	The preliminary estimate for city participating costs in the gas main extension is \$57,386. Actual cost may vary depending on contractor bids to GPNG. The City has budgeted \$90,000 in SRE project funding for electric and gas infrastructure to serve the building.
<b>Alternative/ Variations:</b>	No alternative actions recommended.
<b>Recommendations:</b>	that the Council authorize the execution of attached Firm Gas Service Extension Agreement with Great Plains Natural Gas.

## Firm Gas Service Extension Agreement

THIS AGREEMENT, made and entered into this 13 day of May, 2024 by and between GREAT PLAINS NATURAL GAS CO., A Division of Montana-Dakota Utilities Co., 705 West Fir Ave, Fergus Falls, Minnesota, hereinafter called "Company," and City of Marshall hereinafter called "Customer" whether one or more.

WHEREAS, Customer has requested that the Company provide natural gas service to Customer at the following location  
Southwest MN Regional Airport Ryan Field Sites 18, 19, 20, 21, 22 and 23. Marshall MN 56258

County of Lyon, State of MN; and

WHEREAS, such service will necessitate the construction by Company of a gas main extension and the installation of the necessary facilities.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is hereby agreed as follows  
where cost participation may be required on gas main extensions over 100 feet or where natural gas is not the primary fuel used for space heating.

Item Nos. one, two and three below may not be applicable where the Customer is not responsible for cost participation where the gas main extension is 100 feet or less, connected within 12 month from the start of construction, and where natural gas is the primary fuel used for space heating:

1. Company agrees to construct and install said natural gas Project in accordance with the Firm Gas Service Extension Policy within the Company's General Terms and Conditions tariff and Customer agrees that, prior to construction of same, Customer will pay to Company the required cost participation of the Project, in the sum of \$57,386.00 to be paid as follows:

check at time of signing

2. It is further agreed that after facilities have been placed in service, Company shall recalculate the Customer's cost participation as outlined below.

Final Actual Cost of Project	_____
Less Maximum Allowable Investment (per Rate 120)	_____
Final Cost Participation	_____
Preliminary Cost Participation	<u>\$57,386.00</u>
Difference to be:	_____
<input type="checkbox"/> Paid to Company	_____
<input type="checkbox"/> Refunded to Customer	_____

3. "Project", as used in this Agreement, shall include the gas main extension(s), valves, service stub(s), or service line(s) complete where applicable, any required payments made by the Company to the transmission pipeline company to accommodate the extension(s), and other costs excluding the distribution meter and regulator.
4. This Agreement applies only to Company-owned facilities and does not apply to Customer-owned facilities. Company shall not be liable for any damages on account of injury to or death of persons, or damage to property, due to the operation, maintenance, repair or replacement of customer-owned piping and equipment. All duties and liabilities in this respect are assumed by the Customer.
5. The following additional terms and conditions shall apply to Company's construction of a gas main and installation of the necessary facilities as follows:
  - \*All lot corners and utility easement boundaries will be placed and/or staked by a licensed surveyor.
  - \*All services installed when only a foundation is present will have gas riser locations marked by Customer on the foundation.
  - \*All trenching will be performed by a Company approved Contractor unless agreed upon otherwise.
  - \*See Attached Addendum A
6. The following documents are attached hereto, and incorporated herein, as part of the Agreement:
  - a. Estimate of construction costs
  - b. Map showing the route of the extension
  - c. Economic analysis of the extension
  - d. Firm Gas Service Extension Policy, effective date: April 1, 2021
7. This Agreement shall be binding upon and inure to the benefit of the parties, their respective successors and assigns; but the assignment of this Agreement by either party shall not relieve such party, without the written consent of the other, from any of the obligations undertaken by this Agreement. Further, this Agreement shall expire on December 1, of the year in which it was signed by the Company, or on the following date, \_\_\_\_\_, whichever is later, if the construction of the extension has not begun. If the Agreement expires, Company will refund any deposit made by Customer and, thereafter, all parties shall be relieved from any and all further liability in connection with this Agreement.
  - a. If, within the five-year period after the extension(s) in service date, the number of active customers and related volumes exceeds the projections used in the economic analysis, the Company shall recompute the participation requirement by recalculating the maximum allowable investment, in accordance with the Firm Gas Service Extension Policy. No refund shall be made by Company to Customer until the new applicants begin taking service from the Company.
  - b. If after the aforementioned five-year period, the Customer's participation amount of \$57,386.00 has not been fully refunded by that time, the obligation of the Company to make refunds shall cease. In no event, shall the total amount of refunds exceed the amount paid to Company hereunder.

**GREAT PLAINS NATURAL GAS CO.**  
A Division of Montana- Dakota Utilities Co.

Customer Signature \_\_\_\_\_ Date \_\_\_\_\_

Company Signature \_\_\_\_\_ Date \_\_\_\_\_

Customer Printed Name \_\_\_\_\_

Company Printed Name \_\_\_\_\_

# Addendum A

## Firm Gas Service Extension Agreement (Rate 120)

- 1) Customer agrees to provide utility easements acceptable to the Company where necessary for the benefit of this project.
- 2) The costs presented herein are estimates only, are subject to be trued-up to actual costs. These estimates do NOT include any unforeseen obstacles or frost charges. Additional costs will be the responsibility of the customer.
- 3) Customers are responsible for locates of customer owned facilities including, but not limited to: sprinkles systems, customer downstream piping, and customer owned electric facilities. Montana-Dakota Utilities Co. will not be responsible for damages to facilities that were not located prior to construction.
- 4) All land in which utilities will be placed must be within six (6) inches of final grade and property pins must be in place.
- 5) All wet utility deep work must be complete and stubbed beyond the utility easement prior to construction.

Terms agreed to and accepted by:

\_\_\_\_\_  
Customer

\_\_\_\_\_  
Date

This addendum accompanies the Firm Gas Service Extension Agreement dated \_\_\_\_\_

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Sharon Hanson, EJ Moberg, See Moua Leske, ABE Director
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval of Amendment to Final Lease Agreement with Adult Basic Education (ABE) Program Extending the Agreement Effective August 1, 2024 through August 31, 2024.
<b>Background Information:</b>	SMSU Social Sciences Building is currently under construction to accommodate alternate education space for Marshall School District that was to begin August 1 <sup>st</sup> . Due to further construction needed, a delay has occurred with final construction occurring through August and it is anticipated that Adult Basic Education (ABE) will be able to occupy SMSU space September 1, 2024.
<b>Fiscal Impact:</b>	\$784 for the additional month of lease.
<b>Alternative/ Variations:</b>	Do not authorize amendment to final lease terms and conditions.
<b>Recommendations:</b>	Adopt Resolution 24-066 that City authorizes the extension of the ABE and city of Marshall Lease Agreement until August 31, 2024 and that the City authorizes the temporary delegation of lease extension authority to the Administrator until January 31, 2025, or until the Lessee no longer wishes to extend the lease, whichever occurs first.

# **MUNICIPAL LEASE** **AGREEMENT**

**THIS LEASE AGREEMENT**, made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between the City, MN, a municipal corporation duly organized under the laws of Minnesota, hereinafter referred to as the “City”, and Marshall Independent School District 413 organized under the laws of Minnesota, hereinafter referred to as either “Lessee”.

## **W I T N E S S E T H:**

**WHEREAS**, the LESSEE is a Minnesota public school district and intends to use the space for a community Adult Basic Education program; and

**WHEREAS**, the City has office space, excess office furniture, and office equipment available within City Hall to house and accommodate the LESSEE’s administrative operations, and the City has offered to lease such space, furniture, and office equipment to the LESSEE, and the LESSEE is agreeable to such offer; and

**WHEREAS**, the parties desire to enter into a formal Lease Agreement to outline their respective rights and obligations with each other respecting the lease and use of the office space within City Hall, and all in accordance with the terms and conditions hereinafter provided.

**NOW, THEREFORE**, in consideration of the rents and covenants hereinafter mentioned, the parties agree as follows:

## **I. LEASED PREMISES**

The City does hereby lease to the Lessee and to permit occupancy and use thereof, and Lessee does hereby agree to take from the City, that portion of City Hall administrative office space described on the diagram marked as Exhibit A attached to this Lease Agreement (hereinafter referred to as the “Leased Premises”). The Leased Premises consists of an approximate 784 square foot area comprising the City’s Economic Development office and the Addison conference room.

To have and to hold the Leased Premises without any liability or obligation by the City of Marshall making any additional alterations, improvements or repairs of any kind or nature on or about the Leased Premises, except as hereinafter provided.

## **II. LEASE TERM**

The City hereby grants to Lessee permission to use the Leased Premises for the purposes set forth herein for a term of 1 years, commencing on August 1, 2023, and terminating on July 31, 2024.

If Lessee wishes to renew the Lease Agreement, it shall express that interest by written notice given to the City at least sixty (60) days prior to the end of the term or period of the Lease Agreement then in effect. The City shall thereafter by resolution of the City Council, renew this Lease Agreement on or before the commencement of the renewal term. During each renewal term, all the terms, conditions, and covenants set forth or otherwise incorporated by reference in

this Lease Agreement, except the amount of annual rent, shall continue and remain in force. City Council consent will not be unreasonably withheld.

### **III. RENT**

As consideration for the Leased Premises, Lessee agrees to pay the City an initial annual rent in the sum of \$9,408, to be paid in monthly installments of \$784 payable on the first day of each month, or, if elected by LESSEE, payable on a quarterly basis in equal installments of \$2,352.

If the Lessee fails to make a rent payment to Lessor by the 10th of any month, then Lessee shall also pay the Lessor a late charge of fifty dollars (\$50). The parties hereto agree that such late charge payment represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Any rent payment made after the 10th of any month shall bear an annual interest rate of five percent (5%). If a rent payment is not made with the applicable late charge and interest payment within 30 days of the first of the month, then Lessor has the option to terminate this Agreement.

### **IV. USE OF PREMISES**

Lessee may use the Leased Premises solely for the purposes of operating and maintaining its business and administrative office for administration of the functions of the Adult Basic Education program, including general office use, storage of supplies and general program support.

Lessee will also have access to and use of excess City furniture and office equipment as the same may become available during the term(s) of this Lease Agreement.

Lessee will use the Leased Premises in compliance with all Federal, State, local laws and regulations. If for any reason Lessee's use of the Leased Premises fails to comply with such laws or regulations, and Lessee fails to bring its use into compliance within sixty (60) days after written notice of such non-compliance, the Lease shall be terminated as provided herein, unless sooner if authorized by such law.

Access to and from the Leased Premises requires use of other City property adjacent to the Leased premises and such use is granted on a non-exclusive basis. For purposes of this Lease Agreement, access, whether specifically defined or not, is included under the definition of the Leased Premises. Lessee understands and agrees that the City shall apply all of the terms of this Lease Agreement to any property adjacent to the Leased Premises which Lessee may occupy just as though the property had been specifically described herein.

### **V. UTILITIES AND REPAIRS**

Lessee shall, at its sole cost and expense, acquire necessary telecommunication services for its operations within the Leased Premises, including internet, or, if mutually agreeable to the parties, to reimburse the City a negotiated fee for use of the City's existing telecommunications network. Lessee's rent payment otherwise includes charges for heat, lighting, janitorial, and refuse disposal during the period of its occupancy of the Lease Agreement. The City will also furnish water and sewer services at no additional cost to the Lessee.

Lessee agrees to keep the Leased Premises in neat and reasonable order. However, the City shall remain solely responsible for upkeep and maintenance of common areas and the exterior grounds of City Hall, including removal of snow from the parking lot area(s) and any other outdoor areas serving the Leased Premises.

The City does not guarantee that the Leased Premises are suited for the Lessee's intended use.

Lessee may install such signs in and about City Hall and the Leased Premises, but only after approval by the City and, in the case of exterior signage, only where consistent with the LESSEE's Sign Ordinance.

Lessee shall have primary responsibility for the security of its equipment, personal property, and any other leasehold improvements, and as part of any improvements.

Lessee shall bear its proportional share, based on square footage, of any special assessments imposed on the property containing the Leased Premises.

## **VI. RIGHT TO ENTER**

The City may enter upon the Leased Premises at any reasonable time for the purpose of inspecting the premises, provided that entry and inspection does not interfere with the Lessee's use and enjoyment of the Leased Premises. In addition, Lessee, at all times, shall allow the City, in particular, the Public Safety Director and Fire Chief or their designees, to enter upon the Leased Premises to ensure Lessee's compliance with the terms and conditions of this Lease Agreement. Should such inspection disclose or should information coming to the attention of the City Administrator disclose, that any of the structure, fixtures or operations of the Lessee on the Leased Premises are unsafe or pose a hazard or danger to the public health or welfare, the City Administrator shall give the Lessee notice of the condition or violation and Lessee shall be required to promptly correct such condition or violation.

Moreover, Lessee's use of the Leased Premises shall not interfere in any way with City's operations or its maintenance and repair activities in or about City Hall generally and including the Leased Premises. The City at all times during this Lease Agreement, reserves the right to take any action it deems necessary, in its sole discretion, to repair, maintain, alter, or improve the City Hall building generally and to temporarily interfere with Lessee's use and leasehold improvements as may be necessary for City to carry out such activities. City shall endeavor to give no less than forty-eight (48) hours prior notice of such activities to Lessee and to reasonably cooperate with Lessee to carry out such activities with a minimum amount of interference with Lessee's use. Except in emergencies, no interference of Lessee's use shall exceed 24 hours unless agreed to in advance by Lessee. In such cases, and to the extent reasonably possible, City agrees to make a good faith effort to provide workspace in another portion of City Hall during any such periods of interferences.

## **VII. SUBLEASING ASSIGNMENT AND MORTGAGE**

Lessee shall not sublet the whole or any part of the Leased Premises, nor assign, transfer, hypothecate, or mortgage the Leased Premises, this Lease Agreement or any or all of its rights hereunder. Any transfer, assignment or sublease to the contrary shall be voidable at the option of the City.

## VIII. INSURANCE AND INDEMNITY

A. **Insurance.** Lessee shall at all times during the term of this Lease Agreement maintain insurance coverage for its operations. Lessee's coverage through \_\_\_\_\_ shall be considered sufficient coverage. The City shall provide Property Insurance Coverage for the Leased Premises; however, Lessee will be responsible for and may procure and receive the benefits of their own contents and personal property insurance.

Lessee shall be required to immediately notify City of any notice of termination, and of any actual termination of its insurance coverage the Lessee may receive. Annually the Lessee agrees to provide the City a copy of a Certificate of Insurance or Binder evidencing the above coverages and conditions.

Further, Lessee shall carry and be responsible for Workers Compensation Coverage and Unemployment Compensation Coverage for itself and its employees as required under the Laws of the State of Minnesota.

B. **Indemnity.** Lessee agrees to fully indemnify and hold harmless the City, its agents and employees, from and against all claims, actions, judgments, cost and expenses arising out of the damage or injuries to third persons or other property, caused by the fault or negligence of Lessee, its agents, and employees in the use, occupancy or maintenance of the Leased Premises, including those claims that might arise under the Unemployment Compensation or the Workers Compensation Act of the State of Minnesota, on behalf of Lessee, employees, or other persons while so engaged in the performance of any services contemplated under this Lease Agreement; provided, however, that Lessee shall not be liable for any injury or damage or loss occasioned by the negligence or willful misconduct of the City, its agents, or employees; and provided further that the Lessee shall give to City prompt and reasonable notice of any such claims or actions and City shall have the right to investigate, comprise and defend the same. Nothing herein shall constitute a waiver by either party of any exclusions or limitations on liability provided by Minnesota Statutes, Chapter 466, or such other law as may apply.

## IX. QUIET ENJOYMENT

City agrees that on payment of the rent and performance of the covenants and agreements on the part of Lessee to be performed hereunder, Lessee shall peaceably have and enjoy the Leased Premises and all the rights granted hereunder without interference by City except as provided in this Lease Agreement.

## X. CANCELLATION/TERMINATION

### A. **By Mutual Consent.**

This Lease Agreement may be terminated at any time by mutual consent of City and Lessee.

### B. **Cancellation by Lessee.**

In addition to any other rights herein given to the Lessee, the Lessee may cancel this Lease Agreement in its entirety and terminate all or any of its obligations hereunder at any time, by sixty (60) days written notice to the City. Notice shall be given as provided in Paragraph XVIII.

### C. **Cancellation by City.**



In addition to any rights of cancellation or any other rights herein given, City may cancel this Lease Agreement in its entirety and terminate all or any of its obligations hereunder as follows:

- i. Upon sixty (60) days written notice to Lessee, as provided in Paragraph XVIII; or
- ii. If any term, covenant or condition of this Lease Agreement on the part of Lessee to be kept and performed shall be violated or neglected and shall not be corrected by the Lessee within thirty (30) days delivery by City to Lessee of written notice of the default, or such longer period as the City may provide in the notice, then the City shall have the right and option to terminate this Lease Agreement; provided, however, that before any such right of termination is exercised, the City Council shall give reasonable notice to the Lessee and extend it an opportunity to appear before and be heard by the City Council. The decision of the City Council shall be final.

## **XI. CIVIL RIGHTS**

Lessee shall not discriminate on the grounds of race, color, creed, religion, national origin, sex, marital status, disability, sexual orientation, age, or status with regard to public assistance against any person in employment at, access to and use of the facilities and services operated or otherwise maintained on the Leased Premises. Lessee shall operate and maintain such facilities and services in compliance with the provisions of the Minnesota Human rights Act, Minnesota Statute Sections Chapter 363A, as the same may be amended from time to time. These statutory provisions are incorporated in this Lease Agreement as if set forth in their entirety.

## **XII. MISCELLANEOUS**

Any alteration, modification or variation of this Lease Agreement shall be reduced to writing as an amendment and signed by each of the parties.

## **XIII. MERGER CLAUSE**

It is understood and agreed that the entire agreement of the parties is contained herein and that this Lease Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items referred to in this Lease Agreement are incorporated or attached and deemed to be part of this Lease Agreement.

## **XIV. SEVERABILITY**

The provisions of this Lease Agreement shall be severable, and the invalidity of any paragraph, sub-paragraph, or sub-division thereof, shall not make void another paragraph, sub-paragraph, sub-division or any other part.

## **XV. WAIVER**

Waiver by the City of any default and performance by Lessee of any of the terms or conditions contained herein, shall not be deemed a continuing waiver of that default or any subsequent default.

## **XVI. LAWS**

Lessee agrees to comply with all Federal, State and local laws, ordinances, and regulations that may pertain or apply to the Leased Premises and Lessee's activities and operations thereon. City agrees to comply with all Federal, State and local laws, ordinances, and regulations that may pertain to its premises and carrying out the provisions of this Lease Agreement.

#### **XVII. SUCCESSORS IN INTEREST**

It is mutually agreed that all the terms and conditions of this Lease Agreement shall extend, apply to and firmly bind all successors in interest of the respective parties.

#### **XVIII. NOTICES**

All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and served personally on the City or Lessee, or deposited in the United States Mail, postage prepaid, and addressed as follows:

City of Marshall	Independent School District 413
City Hall	Adult Basic Education Program
344 W Main St	401 S Saratoga St
Marshall, MN 56258	Marshall, MN 56258
Attn: City Administrator	Attn: See Moua Leske

#### **XIX. SCRIVENER'S CLAUSE**

The parties acknowledge that this Lease Agreement has been openly negotiated between the parties and that no one party has prepared this Lease Agreement, and its construction, therefore, should not be construed against the scrivener.

#### **XX. NO THIRD-PARTY RIGHTS**

The parties to this Lease Agreement do not intend to confer on any third party any rights under this Lease Agreement and no such rights are conferred.

#### **XXI. RELATIONSHIP OF LANDLORD AND TENANT**

This Agreement does not create the relationship of principal and agent or of partnership or of joint venture or of any association between the Lessor and Lessee, the sole relationship between the parties under this Agreement is that of Lessor and Lessee. To the extent a court of competent jurisdiction does, despite this paragraph, find a joint venture or enterprise, the liability limited of the parties shall not be added together and, instead, the total liability for the parties shall not exceed the limits on governmental liability for a single entity consistent with Minnesota Statutes, Section 471.59.

#### **XII. DATA PRACTICES.**

The parties acknowledge that this Agreement is subject to Chapter 13 of Minnesota Statutes, the Minnesota Government Data Practices Law.

#### **XXIII. COUNTERPARTS**

This Lease Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterpart shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties have executed this Lease Agreement on the day and year first above written.

**CITY**

**LESSEE**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_

By: \_\_\_\_\_  
City Administrator

By: \_\_\_\_\_

**STATE OF MINNESOTA**     )  
  ) **ss.**  
**COUNTY OF LYON**             )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20XX, \_\_\_\_\_ and \_\_\_\_\_, the \_\_\_\_\_ and \_\_\_\_\_ of the City of \_\_\_\_\_, a municipal corporation under the laws of Minnesota, on behalf of the corporation.

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

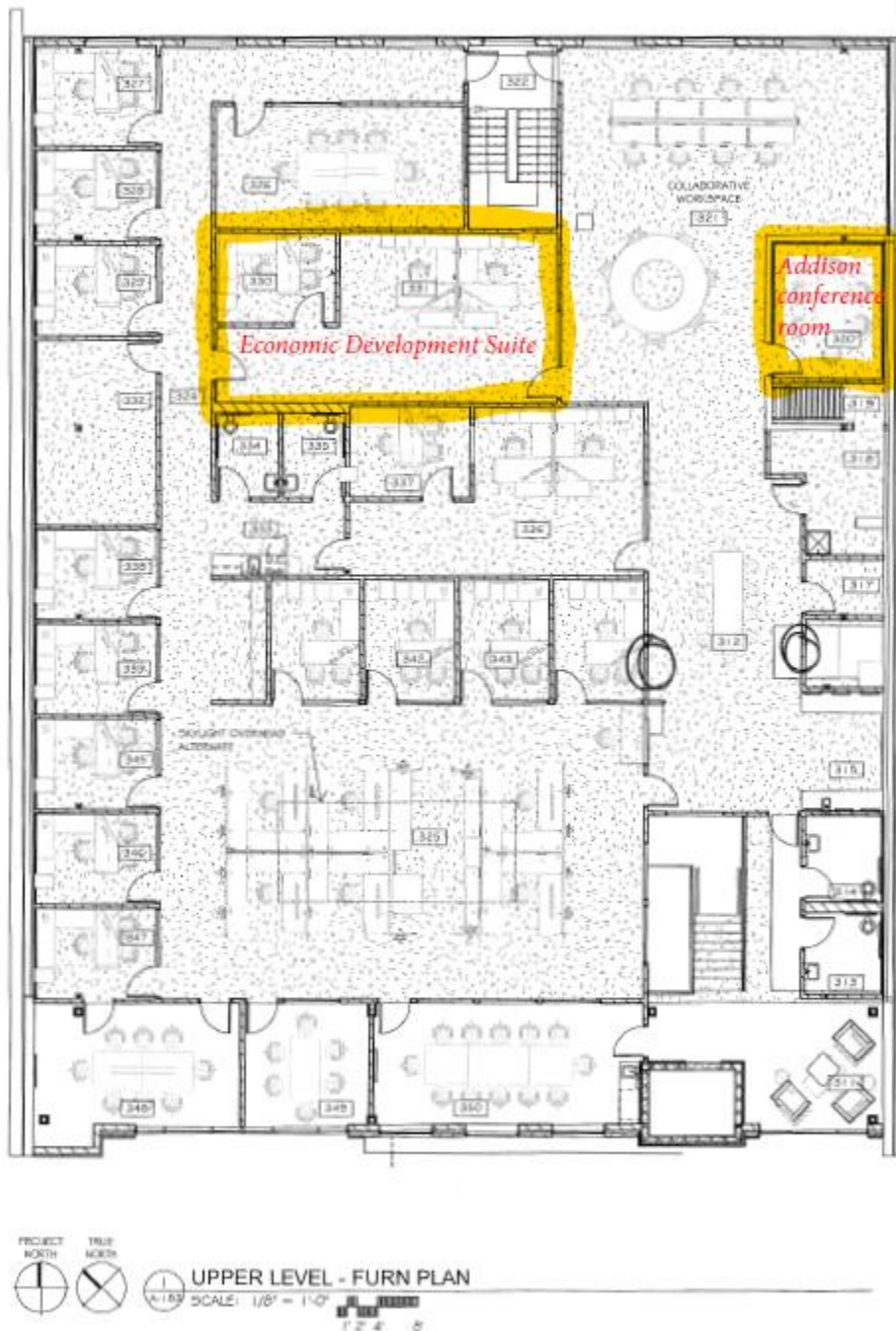
**STATE OF MINNESOTA**     )  
  ) **ss.**  
**COUNTY OF LYON**             )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_ and \_\_\_\_\_, the \_\_\_\_\_ and the \_\_\_\_\_ of the \_\_\_\_\_, a \_\_\_\_\_ entity duly organized under the laws of Minnesota, on behalf of the LESSEE.

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

## EXHIBIT A

### Description of Leased Premises



Economic Development Suite	588 sq ft	\$12/sq ft	\$7,056.00 per year
Addison Conference Room	196 sq ft	\$12/sq ft	2,352.00 per year
			\$9,408.00 per year

## FIRST AMENDMENT TO MUNICIPAL LEASE AGREEMENT

This First Amendment to the Municipal Lease agreement is entered into this \_\_ day of July 2024 (“First Amendment”), by and between the City of Marshall (“City”) and Marshall Independent School District 413 (“Lessee”), collectively “Parties”.

WHEREAS, the City and Lessee entered into a Municipal Lease Agreement, dated August 1, 2023, (“Municipal Lease”), regarding office space in City Hall; and

WHEREAS, the Parties are seeking to extend the Municipal Lease, which currently expires on July 31, 2024; and

WHEREAS, the Parties wish to extend the lease for one month, until August 31, 2024, with the option of future monthly extensions; and

WHEREAS, the City wishes to delegate authority to temporarily extend the lease term to its City Administrator, Sharon Hanson; and

WHEREAS, the Parties agree to the aforementioned amendments to the Municipal Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties agree to amend the Municipal Lease as follows:

1. Lease Term. Paragraph 1 of section II of the Municipal Lease shall be amended so that the new termination date of the lease shall be August 31, 2024, unless the option to extend has been exercised by the Lessee and approved by the Administrator, pursuant to Paragraph 2 of Section II as amended herein.
2. Lease Term. Paragraph 2 of section II of the Municipal Lease shall be amended to delete Paragraph 2 of section II of the Municipal Lease in its entirety and replace Paragraph 2 of section II to read “The City delegates the authority to extend the lease term to its City Administrator, Sharon Hansen (“Administrator”). Upon written request for an extension by the Lessee before the expiration of the term as set forth in Paragraph 1 of section II or, if term had been extended under Paragraph 2 of section II, then before the expiration of the term as extended, the Administrator may extend the term of the lease in one-month increments up until January 31, 2025, at which time her delegated authority to extend the lease will expire. During each renewal time, all the terms, conditions and covenants set forth or otherwise incorporated by reference in this Lease Agreement shall continue and remain in force.”.
3. Miscellaneous. In the event of conflict, the provisions of this Amendment shall control over the Municipal Lease. Except as otherwise specifically provided herein, the Municipal Lease, as amended, remains unchanged and in full force and effect. This First Amendment may be signed in counterparts, which, when combined, shall constitute one instrument and the complete and full agreement of the parties

[The remainder of this page is intentionally left blank.]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first written above.

**Lessor:**

**Lessee:**

By: \_\_\_\_\_  
Mayor, Robert J. Byrnes

By: \_\_\_\_\_

By: \_\_\_\_\_  
Steven Anderson, City Clerk

By: \_\_\_\_\_

**CITY OF MARSHALL, MINNESOTA**

**RESOLUTION NO. 24-066**

**RESOLUTION AUTHORIZING FIRST AMENDMENT TO MUNICIPAL LEASE AGREEMENT**

**WHEREAS**, the City of Marshall (“City”) entered into a Municipal Lease Agreement (“Lease Agreement”) on August 1, 2023, with Marshall Independent School District 413 (“Lessee”) to lease office space in City Hall; and

**WHEREAS**, the Lease Agreement currently expires on July 31, 2024; and

**WHEREAS**, the Lessee has requested, and the City has agreed, to extend the Lease Agreement for an additional month, until August 31, 2024; and

**WHEREAS**, the City further wishes to delegate temporary authority to the Marshall City Administrator, Sharon Hanson, (“Administrator”) to extend the Lease Agreement for one month at a time as requested by the Lessee; and

**WHEREAS**, the Administrator’s authority to extend the lease will expire when Lessee no longer wishes to extend the lease, or on January 31, 2025, whichever comes first; and

**WHEREAS**, the City Attorney has prepared a First Amendment to the Lease Agreement, attached hereto as **Exhibit A**.

**NOW, THEREFORE BE IT RESOLVED**, that the City authorizes the extension of the Lease Agreement until August 31, 2024.

**ALSO, BE IT RESOLVED**, that the City authorizes the temporary delegation of lease extension authority to the Administrator until January 31, 2025, or until the Lessee no longer wishes to extend the lease, whichever occurs first.

**ALSO, BE IT RESOLVED**, that the Mayor and the City Clerk, and other City staff as necessary, are hereby authorized to execute the First Amendment to the Lease Agreement and any other documents required to authorize this agreement.



Approved by the City Council of the City of Marshall, Minnesota this 9<sup>th</sup> day of July 2024

**City of Marshall, Minnesota**

---

Robert J. Byrnes, Mayor

ATTEST:

---

Steven Anderson, City Clerk

Exhibit A

First Amendment to Municipal Lease Agreement

<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Salaries and Compensation of Mayor and Councilpersons
<b>Background Information:</b>	<p>Chapter 2, Sec. 2.07 of the City of Marshall Charter requires salaries of the Councilmembers and Mayor to be discussed as an agenda item at the first council meeting in July of each year. After said discussions, the council shall set and determine said salaries in accordance with the applicable state law.</p> <p>Minnesota State Statute 415.11 allows for the governing body fix their own salaries by ordinance in such amount as they deem reasonable. No change in salary shall take effect until after the next succeeding municipal election.</p> <p>In 2022 City Council adopted Ordinance 22-008 setting council salaries for 2023 and 2024 using a 3% increase.</p> <p>Mayor Salary –  2020: \$10,025.66  2021: \$10,351.50  2022: \$10,687.92  2023: \$11,008.66  2024: \$11,338.87</p> <p>Councilpersons Salary –  2020: \$6,341.42  2021: \$6,547.52  2022: \$6,760.31  2023: \$6,963.32  2024: \$7,172.11</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	No increase in salaries and compensation.
<b>Recommendations:</b>	To approve an increase in salaries and have staff bring a introduction of an ordinance related to the increase to the next regular council meeting.

Ranked by Mayor Salary

2023 Vintage Estimates	City	Mayor	Council
14,091	North Mankato	\$ 23,914	\$ 11,957
21,015	Willmar	\$ 19,250	\$ 12,500
14,214	Fergus Falls	\$ 14,854	\$ 8,982
12,632	Vadnais Heights	\$ 11,400	\$ 8,200
<b>13,906</b>	<b>Marshall</b>	<b>\$ 11,339</b>	<b>\$ 7,172</b>
13,925	New Ulm	\$ 10,500	\$ 8,000
13,614	Worthington	\$ 10,000	\$ 6,000
12,570	Cloquet	\$ 9,600	\$ 7,200
14,701	Hutchinson	\$ 9,247	\$ 6,279
14,563	Brainerd	\$ 7,800	\$ 6,600
12,782	Mounds View	\$ 7,500	\$ 6,750
13,742	Waconia	\$ 7,200	\$ 6,000
14,831	Monticello	\$ 700	\$ 600
	<b>Average</b>	<b>\$ 11,023</b>	

Ranked by Council Salary

2023 Vintage Estimates	City	Mayor	Council
21,015	Willmar	\$ 19,250	\$ 12,500
14,091	North Mankato	\$ 23,914	\$ 11,957
14,214	Fergus Falls	\$ 14,854	\$ 8,982
12,632	Vadnais Heights	\$ 11,400	\$ 8,200
13,925	New Ulm	\$ 10,500	\$ 8,000
12,570	Cloquet	\$ 9,600	\$ 7,200
<b>13,906</b>	<b>Marshall</b>	<b>\$ 11,339</b>	<b>\$ 7,172</b>
12,782	Mounds View	\$ 7,500	\$ 6,750
14,563	Brainerd	\$ 7,800	\$ 6,600
14,701	Hutchinson	\$ 9,247	\$ 6,279
13,614	Worthington	\$ 10,000	\$ 6,000
13,742	Waconia	\$ 7,200	\$ 6,000
14,831	Monticello	\$ 700	\$ 600
	<b>Average</b>		<b>\$ 7,403</b>

Ranked by Population

2023 Vintage Estimates	City	Mayor	Council
21,015	Willmar	\$ 19,250	\$ 12,500
14,831	Monticello	\$ 700	\$ 600
14,701	Hutchinson	\$ 9,247	\$ 6,279
14,563	Brainerd	\$ 7,800	\$ 6,600
14,214	Fergus Falls	\$ 14,854	\$ 8,982
14,091	North Mankato	\$ 23,914	\$ 11,957
13,925	New Ulm	\$ 10,500	\$ 8,000
<b>13,906</b>	<b>Marshall</b>	<b>\$ 11,339</b>	<b>\$ 7,172</b>
13,742	Waconia	\$ 7,200	\$ 6,000
13,614	Worthington	\$ 10,000	\$ 6,000
12,782	Mounds View	\$ 7,500	\$ 6,750
12,632	Vadnais Heights	\$ 11,400	\$ 8,200
12,570	Cloquet	\$ 9,600	\$ 7,200
	<b>Average</b>	<b>\$ 11,023</b>	<b>\$ 7,403</b>

**CITY OF MARSHALL  
ORDINANCE 22-008**

**ORDINANCE AMENDING CHAPTER 2, ARTICLE III, DIVISION 1, SEC. 2-53  
SALARIES AND COMPENSATION OF MAYOR AND COUNCILPERSONS**

**NOW THEREFORE**, be it ordained by the Common Council of the City of Marshall, in the State of Minnesota, as follows:

**SECTION 1:**        **AMENDMENT** “Section 2-53 Salaries And Compensation Of Mayor And Councilpersons” of the Marshall Municipal Code is hereby *amended* as follows:

**A M E N D M E N T**

**Section 2-53 Salaries And Compensation Of Mayor And Councilpersons**

Salaries and compensation of the mayor and councilpersons are hereby fixed as follows, which amounts are deemed reasonable:

- (a) Effective January 1, 2023, the annual salary of the mayor shall be the sum of \$11,008.66, which shall be payable in equal biweekly installments
- (b) Effective January 1, 2024, the annual salary of the mayor shall be the sum of \$11,338.87, which shall be payable in equal biweekly installments.
- (c) Effective January 1, 2023, the annual salary of each councilmember shall be the sum of \$6,963.32, which shall be payable in equal biweekly installments.
- (d) Effective January 1, 2024, the annual salary of each councilmember shall be the sum of \$7,172.11, which shall be payable in equal biweekly installments.
- (e) The mayor and any councilpersons attending any meeting or other business relating to the function of the city shall be entitled to reimbursement for their expenses, provided, that such reimbursement is authorized by the council. The provision shall not apply to attendance at regular and special council meetings or performing routine council business.

(Code 1976, § 2.10; Ord. No. 381 2nd series, § 1, 11-3-1997; Ord. No. 400 2nd series, § 1, 8-3-1998; Ord. No. 419 2nd series, § 1(2.10), 8-16-1999; Ord. No. 438, § 1, 8-7-2000; Ord. No. 465, § 1, 7-16-2001; Ord. No. 478 2nd series, § 1, 7-15-2002; Ord. No. 518 2nd series, § 1, 7-19-2004; Ord. No. 531 2nd series, § 1, 7-18-2005; Ord. No. 555 2nd series, § 1, 7-17-2006; Ord. No. 597 2nd series, § 1, 7-21-2008; Ord. No. 604 2nd series, § 1, 12-15-2008; Ord. No. 625 2nd series, § 1, 7-27-2010; Ord. No. 688, § 1, 7-22-2014; Ord. No. 710 2nd series, § 1, 7-26-2016; Ord. No. 754 2nd series, 7-28-2020)

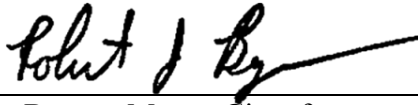
**Charter reference(s)**—Salaries of mayor and council, § 2.07.

**SECTION 2:**        **EFFECTIVE DATE** This Ordinance shall take effect after its passage and publication. Passed and adopted by the Common Council this 26th day of July 2022.

PASSED AND ADOPTED BY THE CITY OF MARSHALL COMMON COUNCIL JULY 26, 2022.

Presiding Officer

Attest

A handwritten signature in black ink, appearing to read "Robert J. Byrnes", written over a horizontal line.

Robert Byrnes, Mayor, City of  
Marshall

A handwritten signature in black ink, appearing to read "Steven Anderson", written over a horizontal line.

Steven Anderson, City Clerk City of  
Marshall

## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Mayor Byrnes
<b>Meeting Date:</b>	Tuesday, July 9, 2024
<b>Category:</b>	COUNCIL REPORTS
<b>Type:</b>	INFO
<b>Subject:</b>	Commission/Board Liaison Reports
<b>Background Information:</b>	<p><b>Byrnes</b> - Fire Relief Association and Regional Development Commission</p> <p><b>Schafer</b> – Airport Commission, Joint LEC Management Committee, MERIT Center Commission, SW Amateur Sports Commission</p> <p><b>Meister</b> – Adult Community Center, Cable Commission, Economic Development Authority</p> <p><b>Schroeder</b> – Economic Development Authority, Planning Commission, Public Housing Commission</p> <p><b>Alcorn</b> – Community Services Advisory Board, MMU Commission</p> <p><b>Moua-Leske</b> – Convention &amp; Visitors Bureau; Diversity, Equity &amp; Inclusion Commission; Library Board</p> <p><b>Lozinski</b> – Marshall Area Transit Committee, Joint LEC Management Committee, Police Advisory Board</p>
<b>Fiscal Impact:</b>	
<b>Alternative/Variations:</b>	
<b>Recommendations:</b>	

TO: Honorable Mayor and Members of the City Council; City Staff

FROM: Sharon Hanson, City Administrator

DATE: July 9, 2024

SUBJECT: Administrative Brief

---

**City Attorney**

Some highlights from the office of City Attorney for the month of June:

- Attended meetings.
- Attended L&O meeting.
- Discussed questions related to BCA documents and BCA email related to data.
- Answer open meeting law questions.
- Answer Juneteenth questions.
- Drafted contracts for staff.
  - ABE lease amendment
  - Laydown agreement
  - Consent to use picture from historical society
  - Agreements with Brau brothers
- Answered questions from Zoning Administrator:
  - Expansion of legal nonconforming use.
  - Requirements for CUP for existing rental property and use as duplexes.
  - Discussion of best practice for using Resolutions to capture findings of facts at Council level incorporating PC findings.
- Work with staff on Helena questions
- Begin discussions with staff regarding Parkland fees
- Answered questions regarding Hemp based products and Cannabis changes in Legislature.
- Answered questions related to insurance.
- Worked on Broadmoor Valley issues that arose related to:
  - Data production to Schierholz attorneys
  - Letter from Schierholz and response
  - Review of deposition summaries.
- Review proposed golf cart ordinance.
- Review Great Plains agreement.
- Assisted with questions related to cooperative purchasing and single source.
- Review spectrum questions.
- Assisted with questions about mowing at ACC and volunteers.
- Assisted with questions about Solugen contract.
- Responded to questions about events in the park.



Work of other K&G Attorneys:

- Attorney Vose assisted with Franchise agreements.
- Sofia assisted with predevelopment agreement.
- Attorneys Devaney and Alsop represented city staff in depositions for Schierholz matter.
- Attorney Tietjen prepared summary of legislative changes which I shared with staff.

**ADMINISTRATION**

- This past month was highlighted by a very successful Juneteenth event with cooperation from the weather as well as great teamwork by our organizing Committee, staff and performers/vendors.
- Spent some time reviewing personnel items with various staff as it relates to future budgets, future retirements, and ideal staffing structures.
- A select committee has begun to discuss DEI future goals and strategies.
- Attended League of MN Cities Annual Conference. During this time connected with many administrators and other city officials on topics important to cities. Was able to tour Rochester Park and Recreation facilities and was good to see their park facilities as well as a fairly new outdoor aquatic center. In addition, inspirational keynote speakers opened and closed the meetings. We were also able to bring the city's administrative intern that included valuable learning opportunities as well as visiting with Rochester City Administration officials.
- The City Council will soon be hearing an update on the aquatic center and considering the action item of going out for bids for this project. Next week, staff will be reviewing nearly complete (95%) design documents, a final major step prior to coming to Council. Assistant Engineer Eric Hansen has served as owner's representative, and Preston Stensrud continues to provide leadership in the planning process.

Here is an updated schedule:

- July 25: Council Considers Advertisement for Bids
- August 8 & 15: Advertise for Bids
- August 29: Open Bids
- September 10: Award Bids
- October: Possible Start to Construction
- January 2026: Substantial Construction
- April 2026: Final Construction
- May 25, 2026: Open Aquatic Center

**Economic Development Authority**

- Construction has started on Les Schwab Tire and Marshalls.
- Staff hosted a Business Leader Roundtable on June 17<sup>th</sup>. 14 business leaders were present and discussed workforce, daycare, and community amenities.
- The first Child Care Strategic Supply meeting was held on June 18<sup>th</sup>. 16 community stakeholders were present to learn about the challenges for daycare operators.
- Tapestry Companies has completed its application for the MN Housing financing program.
- Staff submitted a proposal to MNDEED for RFI on Project Kettle.

**Clerk**

- Gearing up for the August Primary Election on August 13<sup>th</sup>. The normal polling locations for Ward 1 (Red Baron Arena), Ward 2 (Marshall Middle School), and Ward 3 (Marshall Area YMCA) will be utilized.
- Absentee Voting in Lyon County for the Primary has begun.

- Filing for the Mayor and Councilmembers in Ward 1 ,2, & 3 will begin on July 30 and end on August 13. All those interested in filing will need to fill out the required form at the City Clerk's office and pay the \$5 filling fee.
- Met with local representatives of the DFL and REP parties to discuss political sign placement and awareness.
- Attended a webinar with the Minnesota Data Practices Office on interagency data practices and classifications.
- Attended the Equipment Review Committee meeting regarding city vehicle procurement.

#### **Finance**

- 2025 Budget: Staff and leadership continue to work on preliminary budgets (to be returned to Finance by July 10th).
- 2023 Audit: BerganKDV plans to present audit results at the July 9th Council meeting.
- At the Work Session at 4:00 PM on July 23rd Council will hear community organization requests, likely along with a presentation from the Marshall-Lyon County Library.
- The annual reporting form required for each TIF district for 2023 is due by August 1st. Finance has consulted with BakerTilly on those reports and the existing pay-go distributions.

#### **Liquor Store**

- June Financials: Sales 657,302 -5.9%, Customer Count 18332 -6.7%, Ticket Average \$35.86 +.61%. Overall a 'soft' month for sales compared to the our trend for 2024. Beer sales is trending lower for the year at Tall Grass. This follows the National Trend in this category also.
- Manager attended the Beverage Alcohol Retailers Conference June 17th-20<sup>th</sup>. It was a good conference with several National speakers with information about the liquor retailing. Tall Grass Liquor was also presented an award for being one of the top 100 retailers in the United States.

### **COMMUNITY SERVICES**

#### **Parks & Recreation**

- Working diligently to keep up on all the mowing, spraying, and weed trimming
- Working on plans and specifications for Legion Field and Independence Park projects
- Back parking lot of Independence Park is complete and should be striped and open as of end of day today (7/3)
- Assisted with setup of Juneteenth event and takedown, prepping for 4<sup>th</sup> of July, and Crazy Days events
- Working with engineers and architects on new aquatic facility – 95% submittal coming end of next week for review
- Learn to Swim session one private and group lessons were a success with over 80 youth participating in our American Red Cross lessons. Two more sessions are being offered in the month of July.
- Jr. T-Ball, baseball and softball for grades preschool – 2<sup>nd</sup> grade have been practicing and playing games this past month with over 200 ballplayers learning and playing with their peers.
- Fall brochure programs, activities and events which cover the months of September – December have been finalized for the upcoming Fall season.

#### **Community Education**

- We have had a great start to our summer season! SMSU Theater production of The Lion King was a huge success with 70 participants and approximately 1,200 people in attendance for the final productions.
- Juneteenth event was well-attended at both the Lunch Food Truck and the evening event on the park.
- All summer sessions of Driver's Education are full and the last session in 2024 (October) is 90% full. We will be rolling out the online classroom option in the next week.

- Planning for the Fall programming season has begun!

## **Studio 1**

- We have been covering the Marshall Municipal Band concerts on Wednesday nights with good viewership numbers.
- We provided A/V support for the Mega Bingo event at the Red Baron Arena & Expo on June 6<sup>th</sup>.
- We covered the Juneteenth event with still photography, video coverage, and provided our PA system for the evening event at Justice Park.
- We will be installing additional security cameras in several City locations over the next month.
- We will also be installing another web video conferencing system at the MERIT Center; this time in Classroom B. Thanks to the Southwest Healthcare Preparedness Coalition for assisting with the cost for this system.
- We continue to cover sporting and community events throughout town and produce our recurring monthly shows such as Tiger Talk, Community Connect, and Senior Compass.

## **COMMUNITY PLANNING**

### **Building Services / Planning & Zoning**

- Over 240 open permits.
- A new airport hangar, Les Schwab's tires, Marshall's, and Kwik Trip are the largest projects under construction.
- Rental Ordinance is approved and people have been applying for registration. Over 100 have been issued.
- Sign ordinance is being reviewed.

## **PUBLIC WORKS DIVISION**

### **Engineering**

- Project ST-001-2024: Chip Sealing on Various City Streets – Council awarded to Pearson Bros., Inc. of Hanover, Minnesota, at 03/26/2024 City Council.
- Project ST-002-2024: Bituminous Overlay Project - Council awarded to Central Specialties, Inc. of Alexandria, Minnesota. Bituminous paving is taking place the first week of July.
- Project ST-007: UCAP Bus Shelter Installations – Project plans are complete. Staff is waiting on final contract requirements from UCAP Transit for their MnDOT grant. Once received, staff will recommend advertisement for bids.
- Project ST-009: N. 3rd St./W. Lyon St. Reconstruction (R&G Construction Co.) – The construction of the Addison Parking lot has been completed. Final change order and payment scheduled for 07/09/2024 City Council meeting.
- Project ST-010: Lyon Circle Reconstruction Project - The pre-construction meeting was held 6/10/2024. Utility work is anticipated to start in mid-July.
- Project ST-012-2024: South Whitney Street Reconstruction Project (East College Drive to Jean Avenue) – The contractor is on site and construction has started on the first portion of the project (E College Dr. to E Marshall St.). The storm sewer has been installed; the subcut and grading is set to start the second week in July. D&G has ground phase 2 from Marshall to Jean and plan to start underground utilities in Phase 2 on July 8, 2024.
- Project PK-015: Independence Park Parking Lot Project: The concrete paving has been completed, joint sealing, pavement markings and site restorations should take place the first week in July.

### **Wastewater**

- Staff have completed 294 preventative maintenance work orders in the last 30 days.
- Working on summer work projects and grounds keeping at the wastewater facility.

- Summer jetting of the sanitary lines has started.
- Overseeing the Highway 23 Lift Station Project.
- Coordinating with the contractor on the South Whitney project.
- Working on the televising of various sanitary lines.
- Working on the wastewater department's budget and CIP for 2025.
- Working on PFAS information for the Wastewater page on the City's website.

## **PUBLIC SAFETY DIVISION**

### **FIRE DEPARTMENT**

- The Fire Department responded to seventeen (17) calls for service. Total calls for service included:
  - Fire/CO2 Alarm (7)
  - Fire; Structure (7)
  - Medical Assist (0)
  - Vehicle Accident (3)
  - Other – Assist (0)



### **POLICE DEPARTMENT**

- The Marshall Police Department responded to 1062 calls for the month of June. 69 criminal offenses were reported with a total number of 35 adults arrested.

### **OFFICER'S REPORT**

- Alarms (12)
- Accidents (24)
- Alcohol involved incidents (0)
- Assaults (6)
- Domestic Assaults (17)
- Burglaries (3)
- Criminal Sexual Conduct (4)
- Damage to Property (5)
- Keys Locked in Vehicles (28)
- Loud Party (12)/ Public Disturbances (17)
- Thefts (24)
- Traffic Related Complaints (281)
- Vandalism (6)
- Warrant Pickups (9)
- Welfare Checks/Mental Health (52)

### **DETECTIVE REPORT**

- A 42-year-old Pennock, MN man was arrested and charged with 2<sup>nd</sup> and 3<sup>rd</sup> Degree Murder in the death of a 2-month-old baby in Marshall in May of 2016.
- A 58-year-old Marshall man was arrested and charged with Criminal Sexual Conduct at the completion of a sexual assault investigation.

- A 45-year-old Esko, MN man was arrested for OFP Violation and violating release conditions after a domestic violence investigation.
- A missing person report was investigated. The missing person was found safe in another state.
- Four criminal sexual conduct reports, ten theft reports, and three burglary reports were investigated during the month.
- Seven theft by swindle cases involving scams were investigated.
- Eleven child protection reports and seven reports from the Minnesota Adult Abuse Reporting Center were investigated.
- Two pre-employment background investigation for Police Officer positions were completed.
- Detective Sandgren completed Basic Crisis Negotiations training.



#### MERIT Center

- In June, MN West held Basic Rider Motorcycle Courses, EVOC, Fire & EMS Training, Pilot Car Training, First Aid & CPR and is continuing CDL training utilizing the driving track at the MERIT Center.
- From June 4<sup>th</sup> to 6<sup>th</sup> the BCA held Basic Crime Scene Course with 30 attendees each day.
- From June 9<sup>th</sup> to June 13<sup>th</sup> Minnesota North College – Hibbing held EVOC training with 12 attendees each day.
- From June 11<sup>th</sup> to June 13<sup>th</sup> the BCA held an Advanced Narcotics Investigations Course with 25 attendees each day.
- From June 11<sup>th</sup> to June 12<sup>th</sup> ARMOR Training Services held Tower Rescue Training with 2 attendees each day.
- On June 12<sup>th</sup> AFSCME Retirees held their annual meeting with 8 attendees.
- On June 13<sup>th</sup> SW Emergency Communication Board held a training.
- From June 17<sup>th</sup> to June 19<sup>th</sup> ARMOR Training Services held GWO BST Training with 3 attendees each day.
- From June 18<sup>th</sup> to June 19<sup>th</sup> Mankato Department of Public Safety held training with 5 attendees each day.
- On June 20<sup>th</sup> ADM held their monthly Contractor Safety Training with 50 attendees.
- On June 24<sup>th</sup> UCAP held a meeting with 16 attendees.
- On June 24<sup>th</sup> the MN State Patrol held a Meet and Greet.
- On June 25<sup>th</sup> Minnwest Bank held a Business Lunch & Learn event with 24 attendees.
- On June 26<sup>th</sup> the Redwood-Cottonwood Rivers Control Area held Redwood River One Watershed, One Plan.
- From June 26<sup>th</sup> to June 27<sup>th</sup> the American Red Cross hosted a blood drive.
- On June 26<sup>th</sup> North Memorial held training.
- The MERIT Center was utilized 20 out of 31 days with 35 reservations in June. There was a total of 575+ attendees.

**MONTHLY REPORT OF ACTIVITY FOR MARSHALL POLICE For Month and Year ending June 2024 (YTD TOTALS)**

**OFFENSE/ARREST DATA**

	Offenses		Actual	Total Arrests/Excluding traffic	
	Reported	Unfounded	Offenses	Adult	Juvenile
January	75	0	75	33	0
February	93	0	93	19	2
March	66	0	66	33	0
April	98	0	98	36	2
May	115	0	115	48	2
June	69	0	69	35	0
July					
August					
September					
October					
November					
December					

<b>YTD 2024</b>	<b>516</b>	<b>0</b>	<b>516</b>	<b>204</b>	<b>6</b>
-----------------	------------	----------	------------	------------	----------

**Averages for all Activities (Calls for Service)**

	#Calls	Time in Hrs
	Total	Spent
January	762	347
February	809	325
March	1061	378
April	865	350
May	981	435
June	1062	420
July		
August		
September		
October		
November		
December		
<b>YTD 2024</b>	<b>5540</b>	<b>2255</b>

Accidents	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep	Oct.	Nov.	Dec.	YTD
Hit and Run	2	3	7	8	6	6							32
Property Damage	26	15	22	16	17	13							109
Personal Injury	3	3	5	2	4	5							22
Fatalities	1	0	0	0	0	0							1
<b>TOTAL 2024</b>	<b>32</b>	<b>21</b>	<b>34</b>	<b>26</b>	<b>27</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>164</b>

CITATIONS	Jan.	Feb.	Mar	Apr	May	June	July	Aug	Sept	Oct.	Nov.	Dec.	YTD
Citations	17	106	134	70	104	82							513
Parking Tickets	24	30	72	18	2	5							151

**Activities (Calls For Service) \*High Hours Expended**

	Jan.	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct.	Nov.	Dec.	YTD
Alarms	20	14	10	8	8	12							72

Alcohol	1	2	1	1	1	0							6
Animal Bite	2	2	1	1	3	3							12
Animal Complaint	8	0	11	13	16	21							69
Assault	8	3	6	9	4	6							36
Assists	56	49	53	45	52	50							305
Auto Theft	0	3	0	1	2	1							7
Bike Found	1	4	7	6	5	11							34
Bike Theft	0	2	0	0	1	3							6
Burglary	4	3	1	4	3	3							18
Bus Violation	11	2	3	3	2	0							21
Check Forgery	0	1	0	0	0	0							1
Check Fraud	1	1	0	0	0	0							2
Civil Matters	8	8	11	15	18	18							78
Criminal Sex	4	8	6	0	0	4							22
Damage to Prp	1	2	3	2	3	5							16
Death Investigation	3	4	5	2	2	1							17
Domestics	21	12	12	16	17	17							95
Drugs/Narcotics	0	2	2	1	2	0							7
Family Matters	7	8	17	11	9	8							60
Fire Alarm	0	0	0	0	0	0							0
Gas Meal Assist	1	2	3	0	3	2							11
Gun Permits	6	6	18	9	8	8							55
Harassment	9	12	13	9	10	12							65
Intoxicated/Detox	0	1	1	1	1	3							7
Keys Locked In vehicles	26	23	23	21	25	28							146
Mental Health	12	3	11	8	10	14							58
Fraud	0	3	2	3	2	5							15
Parking Complaints	41	75	129	25	23	17							310
Party Loud Party	4	6	7	7	5	12							41
Pred - Sex Offender	0	0	0	2	1	2							5
Property Found	13	4	6	10	16	13							62
Public Disturbance	8	11	15	14	7	17							72
Pursuit	0	0	0	0	0	0							0
Runaway	7	6	2	3	3	6							27
Escort Funeral,other	7	10	8	11	9	13							58
Search Warrant	0	0	0	0	1	0							1
Suspicious Anything	15	12	21	35	43	50							176
Suspicious Vehicle	6	15	7	10	6	7							51
Tobacco Violation	4	9	6	4	1	0							24
Theft	22	16	16	24	18	24							120
Trains	0	0	0	0	0	0							0
Transport (Marshall PD etc)	2	1	4	2	4	4							17
Trespassing	5	8	8	7	7	4							39
Traffic Related Complaints	111	148	289	203	258	281							1290
Unsecured Building	0	0	0	1	4	15							20
Vandalism	4	5	5	7	7	6							34
Violation of OFP	4	4	2	5	6	6							27
Warrant Pickups	8	7	14	5	5	9							48
Welfare Checks	27	18	22	18	22	38							145
Welfare Fraud	0	0	0	0	0	0							0
ERU Activated	0	0	0	1	0	0							1
Weapons Involved	2	2	0	4	0	1							9
YTD 2024	500	537	781	587	653	760	0	0	0	0	0	0	3818

**OFFENSE ACTIVITY BY DAY OF WEEK**

	Mon	Tues	Wed	Thur	Fri	Sat	Sun
January	13	17	13	8	8	5	11
February	9	16	19	13	20	8	8
March	10	15	11	3	9	12	6
April	17	14	10	16	18	7	16
May	13	9	14	11	26	22	20
June	6	13	10	4	9	6	21
July							
August							
September							
October							
November							
December							

<b>YTD 2024</b>	68	84	77	55	90	60	82
-----------------	----	----	----	----	----	----	----

**DETECTIVE / INVESTIGATIONS ACTIVITIES**

	Jan.	Feb.	Mar	Apr	May	June	July	Aug	Sept	Oct.	Nov.	Dec.	YTD
Felonies	28	23	28	22	29	21							151
Gross Misdemeanors	36	28	24	20	19	16							143
Misdemeanors	19	21	18	24	32	23							137





## Permit List - Build/Plumb/HVAC/Sign - For Council

Applicant Name	Location	Description of Work	Valuation	Approved Date
Aaron Thooff	1223 PATRICIA CT	HVAC - Air Conditioning, Furnace	8200.00	06/26/2024
EDEN BUILDERS INC	610 KENDALL ST	Interior Remodeling - ANY Work Inside, Except Fireplace	18000.00	06/26/2024
Eric Mathiowetz	1009 4TH ST N	HVAC - Air Conditioning	4200.00	06/25/2024
Eric Mathiowetz	800 SOUTHVIEW CT E	Both - Fixture replacement AND Air Conditioning, Furnace	95594.00	06/21/2024
GESKE HOME IMPROVEMENT CO	415 4TH Unit B1	Doors	1600.00	06/26/2024
GESKE HOME IMPROVEMENT CO	704 VIKING DR	Doors	1600.00	06/25/2024
GESKE HOME IMPROVEMENT CO	1207 HORIZON DR	Windows	1600.00	06/25/2024
GESKE HOME IMPROVEMENT CO	1401 ALAN AVE	Windows	8000.00	06/26/2024
GRIEBEL/PAUL & ELLEN/JT	1406 WESTWOOD DR	Deck	25000.00	07/02/2024
JAMES LOZINSKI CONSTRUCTION INC	107 GREELEY ST W	Re-Roofing	9900.00	06/24/2024
JAMES LOZINSKI CONSTRUCTION INC	505 CENTRAL AVE	Re-Roofing	16200.00	07/02/2024
JAN 2 LIMITED PARTNERSHIP	1006 PARIS RD	Deck	600.00	07/03/2024
JIM BROCK TRUCKING RE LLC	1501 COLLEGE DR W, 1501 COLLEGE DR W	Re-Roofing, Re-Siding	25000.00	06/24/2024
JPJ BUILDERS INC	1207 HORIZON DR	Doors	2000.00	07/02/2024
Kevin V Goslar	211 DESCHEPPER ST	HVAC - Air Conditioning	4500.00	06/21/2024
Kevin V Goslar	1003 1ST ST S	HVAC - Air Conditioning	4750.00	06/21/2024
Kevin V Goslar	106 FREMONT ST	HVAC - Air Conditioning, Furnace	7250.00	06/21/2024
Leonardo Rodriguez	607 KENDALL ST, 607 KENDALL ST, 607 KENDALL ST, 607 KENDALL ST	Doors, Interior Remodeling - ANY Work Inside, Except Fireplace, Re-Roofing, Windows	10000.00	06/25/2024
MORIAH PROPERTIES LLC	302 REDWOOD ST W	Interior Remodeling - ANY Work Inside, Except Fireplace	20000.00	06/26/2024
Sussner Construction	1501 MADRID CIRCLE	New Building/House	2182250.00	07/03/2024
VANLEEUWE CONSTRUCTION LLC	1215 PATRICIA CT	Re-Roofing	13500.00	07/01/2024
ZOLLNER/ALLISON/&	1101 CHERYL AVE, 1101 CHERYL AVE	Interior Remodeling - ANY Work Inside, Except Fireplace, Windows	10000.00	06/28/2024



## Upcoming Meetings

### July

- 07/09 Work Session, 4:30 PM, City Hall
  - 07/09 Regular Meeting, 5:30 PM, City Hall
  - 07/23 Work Session, 4:00 PM, City Hall
  - 07/23 Regular Meeting, 5:30 PM, City Hall
  - 07/30 City Candidate Filing Begins
- 

### August

- 08/12 Work Session, 4:00 PM, City Hall
- 08/12 Regular Meeting, 5:30 PM, City Hall **\*MONDAY\***
- 08/13 August Primary Election, 6:00 AM – 8:00 PM, Polling Locations
- 08/27 Work Session, 3:00 PM, City Hall
- 08/27 Regular Meeting, 5:30 PM, City Hall

# 2024 Regular Council Meeting Dates

2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month *(Unless otherwise noted)*

5:30 P.M.

City Hall, 344 West Main Street

---

## January

1. January 9, 2024
2. January 23, 2024

## February

1. February 13, 2024
2. February 27, 2024

## March

1. March 12, 2024
2. March 26, 2024

## April

1. April 9, 2024
2. April 23, 2024

## May

1. May 14, 2024
2. May 28, 2024

## June

1. June 11, 2024
2. June 25, 2024

## July

1. July 9, 2024
2. July 23, 2024

## August

1. Monday, August 12, 2024
2. August 27, 2024

## September

1. September 10, 2024
2. September 24, 2024

## October

1. October 8, 2024
2. October 22, 2024

## November

1. November 12, 2024
2. November 26, 2024

## December

1. December 10, 2024
2. December 17, 2024

---

## 2023 Uniform Election Dates

- |                     |                     |
|---------------------|---------------------|
| • February 13, 2024 | • May 14, 2024      |
| • March 05, 2024    | • August 13, 2024   |
| • April 09, 2024    | • November 05, 2024 |

## 204C.03 PUBLIC MEETINGS PROHIBITED ON ELECTION DAY.

Subdivision 1. School districts; counties; municipalities; special taxing districts. No special taxing district governing body, school board, county board of commissioners, city council, or town board of supervisors shall conduct a meeting between 6:00 p.m. and 8:00 p.m. on the day that an election is held within the boundaries of the special taxing district, school district, county, city, or town. As used in this subdivision, "special taxing district" has the meaning given in section 275.066.