



CITY OF MARSHALL
Work Session
A g e n d a
Tuesday, August 10, 2021 at 4:00 PM
City Hall, 344 West Main Street

CALL TO ORDER

NEW BUSINESS

- [1.](#) 2022 Lyon County Historical Society Community Contribution Request
- [2.](#) 2022 United Community Action Partnership Community Contribution Request
- [3.](#) 2022 Sounds of Summer Community Contribution Request
- [4.](#) 2022 Marshall-Lyon County Library Community Contribution Request

ADJOURNMENT

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

Meeting Date:	Tuesday, August 10, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	2022 Lyon County Historical Society Community Contribution Request
Background Information:	<p>In 2021, Council approved a contribution to the Lyon County Historical Society of \$24,000.</p> <p>The 2022 requested contribution to the Lyon County Historical Society is for \$24,552 (an increase of 2%).</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	


LYON COUNTY
HISTORICAL SOCIETY


301 West Lyon St
Marshall, MN 56258
507-537-6580
director@lyoncomuseum.org
www.lyoncomuseum.org

City of Marshall
344 W Main St.
Marshall, MN 56258

Dear City of Marshall,

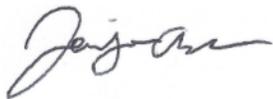
The Lyon County Historical Society requests \$24,552 for the fiscal year of 2022. As a non-profit organization, LCHS receives income from Lyon County, the City of Marshall, museum memberships, donations, and grants. Your support for LCHS allows us to fulfill our Mission Statement:

“The purpose of the society shall be the collection, preservation and dissemination of knowledge about the history of Lyon County and to relate it to the history of the region and the state of Minnesota.”

The Lyon County Historical Society is excited to continue promoting the Lyon County Museum to residents of Marshall, Lyon County, and visitors to learn and appreciate the history of the city of Marshall and Lyon County. Thank you for your support.

Enclosed is LCHS’s 2020 year-end financial statement and 2020 Annual Report.

Sincerely,



Jennifer Andries
Lyon County Historical Society
Executive Director

“The purpose of the society shall be the collection, preservation and dissemination of knowledge about the history of Lyon County and to relate it to the history of the region and the state of Minnesota.”

**LYON COUNTY
HISTORICAL SOCIETY**

301 West Lyon Street, Marshall, MN 56258
www.lyoncomuseum.org • 507-537-6580



2020 Annual Report

3 guided school & group museum tours with activities

740
museum visitors signed the guestbook

768
volunteer hours

Grants

MN Historical & Cultural Heritage Program

- Collective Access Data Conversion (\$9,500)

Traveling and Temporary Exhibits

- Heritage Room Snowmen and Father Time Collection
- Heritage Room It's a Woman's World Collection
- How To Talk Minnesotan Collection
- Lyon County Stamp Club Display
- Marshall City Hall Time Capsule Display
- Heritage Room Christmas Room Display
- Temporary displays at the Marshall-Lyon County Library, Lyon County Government Center, and Patzer's Hardware Hank



Due to the COVID-19 pandemic and state mandates, the Lyon County Museum was closed to the public March 17—June 28 and November 20—January 10, 2021

ACTIVITIES

Presentations:

Jennifer Andries: "Early Pioneers of Lyon County" (Marshall Adult Community Center February 18)

Jennifer Andries: "Lyon County History Through the Decades" (Marshall Adult Community Center March 11)

Jennifer Andries: "Greetings from Lyon County: 150 Years of County Establishment" (SMSU Gold College Virtual October 7, 14, 21, and 28)

Events and Programs:

Time Travelers Monthly Program (January 25 and February 8)

Member/Volunteer Appreciation Hotdish Dinner (January 18)

Lyon County 150th Anniversary Kickoff Event at Garvin Park (February 22)

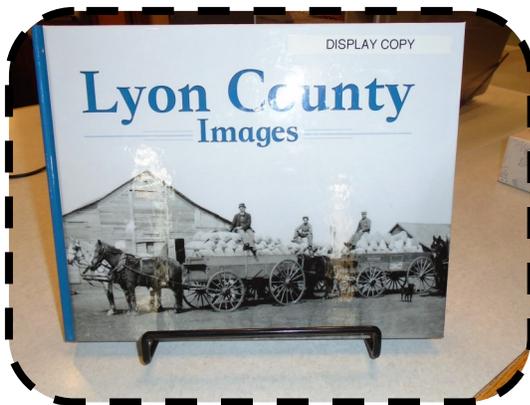
Hearts of Hope Video (May)

Time Travelers Video Series (June, July, August, September, and December)

Lyon County 150th Anniversary Banner Flyover (August 15)

Pumpkin Walk (October 29-October 31)

Christmas Tree Walk (Virtual November 21-January 10, In person January 11, 2021 -January 30, 2021)



Item 1.

Lyon County Historical Society
Comparative Analysis of Revenue & Expense
2020 Actual vs 2020 Budget

Operations: General Administration
 Programs: Exhibits, Preservation, and Programs (Unrestricted)
 Enterprise: Ice Cream Shop and Gift Shop
 Restricted: Grants for Specific Projects and Donor Restricted Projects

	2020 Actual					2020 Budget					Year-over-Year Variance \$							
	Operations	Programs	Enterprise	Restricted	Investments	2020 Actual	Operations	Programs	Enterprise	Restricted	Investments	2020 Budget	Operations	Programs	Enterprise	Restricted	Investments	Y-o-Y \$
INCOME																		
Local Government Funding																		
Lyon County																		
Lyon County Appropriation	75,900.00	0.00	0.00	0.00	0.00	75,900.00	75,974.00	0.00	0.00	0.00	0.00	75,974.00	(74.00)	0.00	0.00	0.00	0.00	(74.00)
Lyon County CARES Act Grant	10,000.00	0.00	0.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00	10,000.00
Lyon County 2nd Floor Restrooms Remodel Reimbursement	997.72	0.00	0.00	0.00	0.00	997.72	0.00	0.00	0.00	0.00	0.00	0.00	997.72	0.00	0.00	0.00	0.00	997.72
Marshall																		
City of Marshall Appropriation	24,000.00	0.00	0.00	0.00	0.00	24,000.00	24,000.00	0.00	0.00	0.00	0.00	24,000.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Marshall CARES Act Grant	2,213.69	0.00	0.00	0.00	0.00	2,213.69	0.00	0.00	0.00	0.00	0.00	0.00	2,213.69	0.00	0.00	0.00	0.00	2,213.69
Other Communities																		
City of Minnesota	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Cottonwood	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Tracy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Balaton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Lynd	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Ghent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Russell	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Garvin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Taunton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City of Florence	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lyon County Townships	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	255.00	0.00	255.00	0.00	0.00	0.00	(255.00)	0.00	(255.00)
Total Local Government Funding	113,111.41	0.00	0.00	0.00	0.00	113,111.41	99,974.00	0.00	0.00	255.00	0.00	100,229.00	13,137.41	0.00	0.00	(255.00)	0.00	12,882.41
Grants																		
Minnesota Historical Society	0.00	0.00	0.00	115,734.00	0.00	115,734.00	0.00	0.00	0.00	116,234.00	0.00	116,234.00	0.00	0.00	0.00	(500.00)	0.00	(500.00)
Other Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,350.00	0.00	2,350.00	0.00	0.00	0.00	(2,350.00)	0.00	(2,350.00)
Total Grants	0.00	0.00	0.00	115,734.00	0.00	115,734.00	0.00	0.00	0.00	118,584.00	0.00	118,584.00	0.00	0.00	0.00	(2,850.00)	0.00	(2,850.00)
Memberships																		
Individuals	0.00	7,885.00	0.00	0.00	0.00	7,885.00	0.00	8,000.00	0.00	0.00	0.00	8,000.00	0.00	(115.00)	0.00	0.00	0.00	(115.00)
Businesses	0.00	3,800.00	0.00	0.00	0.00	3,800.00	0.00	2,000.00	0.00	0.00	0.00	2,000.00	0.00	1,800.00	0.00	0.00	0.00	1,800.00
Total Memberships	0.00	11,685.00	0.00	0.00	0.00	11,685.00	0.00	10,000.00	0.00	0.00	0.00	10,000.00	0.00	1,685.00	0.00	0.00	0.00	1,685.00
Other Contributions																		
Donation Box	0.00	460.79	0.00	0.00	0.00	460.79	0.00	1,800.00	0.00	0.00	0.00	1,800.00	0.00	(1,339.21)	0.00	0.00	0.00	(1,339.21)
Memorials	0.00	420.00	0.00	100.00	0.00	520.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	(80.00)	0.00	100.00	0.00	20.00
Other Donations	270.00	1,481.44	(0.20)	775.20	0.00	2,526.44	0.00	1,000.00	0.00	0.00	0.00	1,000.00	270.00	481.44	(0.20)	775.20	0.00	1,526.44
Total Other Contributions	270.00	2,362.23	(0.20)	875.20	0.00	3,507.23	0.00	3,300.00	0.00	0.00	0.00	3,300.00	270.00	(937.77)	(0.20)	875.20	0.00	207.23
Other Income																		
Fundraising Events	0.00	975.00	0.00	2,000.00	0.00	2,975.00	0.00	4,000.00	0.00	30,000.00	0.00	34,000.00	0.00	(3,025.00)	0.00	(28,000.00)	0.00	(31,025.00)
Program Fees	0.00	335.00	0.00	0.00	0.00	335.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	(165.00)	0.00	0.00	0.00	(165.00)
Research Services	0.00	103.70	0.00	0.00	0.00	103.70	0.00	150.00	0.00	0.00	0.00	150.00	0.00	(46.30)	0.00	0.00	0.00	(46.30)
Space Rental																		
Events	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	500.00	0.00	0.00	(500.00)	0.00	0.00	(500.00)
PrairieLand Genealogical Society	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income	0.00	1,413.70	0.00	2,000.00	0.00	3,413.70	0.00	4,650.00	500.00	30,000.00	0.00	35,150.00	0.00	(3,236.30)	(500.00)	(28,000.00)	0.00	(31,736.30)
INCOME BEFORE RETAIL OPERATIONS AND INVESTMENTS	113,381.41	15,460.93	(0.20)	118,609.20	0.00	247,451.34	99,974.00	17,950.00	500.00	148,839.00	0.00	267,263.00	13,407.41	(2,489.07)	(500.20)	(30,229.80)	0.00	(19,811.66)
RETAIL SALES																		
Gift Shop	0.00	0.00	8,619.37	0.00	0.00	8,619.37	0.00	0.00	2,000.00	0.00	0.00	2,000.00	0.00	0.00	6,619.37	0.00	0.00	6,619.37
Ice Cream Shop	0.00	0.00	505.24	0.00	0.00	505.24	0.00	0.00	2,500.00	0.00	0.00	2,500.00	0.00	(1,994.76)	0.00	0.00	0.00	(1,994.76)
Sales Tax (Payable to MN-DOR)	0.00	0.00	517.57	0.00	0.00	517.57	0.00	0.00	326.25	0.00	0.00	326.25	0.00	0.00	191.32	0.00	0.00	191.32
Total Retail Sales (Including Sales Tax Payable to MN-DOR)	0.00	0.00	9,642.18	0.00	0.00	9,642.18	0.00	0.00	4,826.25	0.00	0.00	4,826.25	0.00	0.00	4,815.93	0.00	0.00	4,815.93
COST OF GOODS SOLD																		
Gift Shop	0.00	0.00	3,481.97	0.00	0.00	3,481.97	0.00	0.00	1,482.50	0.00	0.00	1,482.50	0.00	0.00	1,999.47	0.00	0.00	1,999.47
Ice Cream Shop	0.00	0.00	376.66	0.00	0.00	376.66	0.00	0.00	1,694.79	0.00	0.00	1,694.79	0.00	(1,318.13)	0.00	0.00	0.00	(1,318.13)
Total Cost of Goods Sold	0.00	0.00	3,858.63	0.00	0.00	3,858.63	0.00	0.00	3,177.29	0.00	0.00	3,177.29	0.00	0.00	681.34	0.00	0.00	681.34
NET INCOME FROM RETAIL OPERATIONS	0.00	0.00	5,783.55	0.00	0.00	5,783.55	0.00	0.00	1,648.96	0.00	0.00	1,648.96	0.00	0.00	4,134.59	0.00	0.00	4,134.59
NET OPERATING INCOME	113,381.41	15,460.93	5,783.35	118,609.20	0.00	253,234.89	99,974.00	17,950.00	2,148.96	148,839.00	0.00	268,911.96	13,407.41	(2,489.07)	3,634.39	(30,229.80)	0.00	(15,677.07)
Investment Income or (Loss) - Endowment Fund																		
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain/(Loss) on Sale of Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90	1.90	0.00	0.00	0.00	0.00	0.00	(1.90)
Unrealized Gain/(Loss)	0.00	0.00	0.00															

Lyon County Historical Society
Comparative Analysis of Revenue & Expense
2020 Actual vs 2020 Budget

Operations: General Administration
 Programs: Exhibits, Preservation, and Programs (Unrestricted)
 Enterprise: Ice Cream Shop and Gift Shop
 Restricted: Grants for Specific Projects and Donor Restricted Projects

	2020 Actual					2020 Budget						Year-over-Year Variance \$						
	Operations	Programs	Enterprise	Restricted	Investments	2020 Actual	Operations	Programs	Enterprise	Restricted	Investments	2020 Budget	Operations	Programs	Enterprise	Restricted	Investments	Y-o-Y \$
NET INCOME BEFORE EXPENSES	113,382.30	15,460.93	5,783.35	118,609.20	1,133.26	254,369.04	99,974.60	17,950.00	2,148.96	148,839.00	745.25	269,657.81	13,407.70	(2,489.07)	3,634.39	(30,229.80)	388.01	(15,288.77)
OPERATING EXPENSE																		
Payroll-Related Expenses																		
Salaries and Wages	56,126.50	0.00	0.00	0.00	0.00	56,126.50	56,616.14	0.00	0.00	0.00	0.00	56,616.14	(489.64)	0.00	0.00	0.00	0.00	(489.64)
Employee Benefits													0.00	0.00	0.00	0.00	0.00	0.00
Health Stipend	2,600.00	0.00	0.00	0.00	0.00	2,600.00	2,600.00	0.00	0.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
PERA	4,209.60	0.00	0.00	0.00	0.00	4,209.60	4,214.02	0.00	0.00	0.00	0.00	4,214.02	(4.42)	0.00	0.00	0.00	0.00	(4.42)
Payroll Taxes	4,492.57	0.00	0.00	0.00	0.00	4,492.57	4,533.34	0.00	0.00	0.00	0.00	4,533.34	(40.77)	0.00	0.00	0.00	0.00	(40.77)
Unemployment Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Payroll-Related Expenses	67,428.67	0.00	0.00	0.00	0.00	67,428.67	67,963.50	0.00	0.00	0.00	0.00	67,963.50	(534.83)	0.00	0.00	0.00	0.00	(534.83)
Non-Payroll Expenses																		
Contracted Services (Museology)	0.00	0.00	0.00	136,650.00	0.00	136,650.00	0.00	0.00	0.00	0.00	139,928.48	139,928.48	0.00	0.00	0.00	(3,278.48)	0.00	(3,278.48)
Utilities	13,000.02	0.00	0.00	0.00	0.00	13,000.02	15,000.00	0.00	0.00	0.00	0.00	15,000.00	(1,999.98)	0.00	0.00	0.00	0.00	(1,999.98)
Supplies	4,367.16	5,244.55	384.69	0.00	0.00	9,996.40	2,300.00	9,500.00	600.00	0.00	0.00	12,400.00	2,067.16	(4,255.45)	(215.31)	0.00	0.00	(2,403.60)
2nd Floor Lighting Project	0.00	0.00	0.00	9,662.00	0.00	9,662.00	0.00	0.00	0.00	9,329.08	0.00	9,329.08	0.00	0.00	0.00	332.92	0.00	332.92
Printing	2,321.55	869.70	0.00	235.31	0.00	3,426.56	1,600.00	3,000.00	250.00	0.00	0.00	4,850.00	721.55	(2,130.30)	(250.00)	235.31	0.00	(1,423.44)
Other Restricted Projects	0.00	0.00	0.00	9,500.00	0.00	9,500.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00	0.00	0.00	0.00	(500.00)	0.00	(500.00)
Insurance	3,575.69	0.00	0.00	0.00	0.00	3,575.69	3,600.00	0.00	0.00	0.00	0.00	3,600.00	(24.31)	0.00	0.00	0.00	0.00	(24.31)
Travel	293.82	0.00	0.00	0.00	0.00	293.82	2,000.00	1,500.00	0.00	0.00	0.00	3,500.00	(1,706.18)	(1,500.00)	0.00	0.00	0.00	(3,206.18)
Advertising	0.00	2,576.38	0.00	0.00	0.00	2,576.38	0.00	3,000.00	300.00	0.00	0.00	3,300.00	(423.62)	(300.00)	0.00	0.00	0.00	(723.62)
Dues/Subscriptions	1,237.64	499.00	300.00	0.00	0.00	2,036.64	900.00	700.00	0.00	0.00	0.00	1,600.00	337.64	(201.00)	300.00	0.00	0.00	436.64
Misc 2nd Floor Project Spending	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage	980.39	0.00	467.01	0.00	0.00	1,447.40	970.00	0.00	30.00	0.00	0.00	1,000.00	10.39	0.00	437.01	0.00	0.00	447.40
Telephone	959.76	0.00	0.00	0.00	0.00	959.76	1,000.00	0.00	0.00	0.00	0.00	1,000.00	(40.24)	0.00	0.00	0.00	0.00	(40.24)
Professional Development	419.00	0.00	0.00	0.00	0.00	419.00	1,200.00	0.00	0.00	0.00	0.00	1,200.00	(781.00)	0.00	0.00	0.00	0.00	(781.00)
Internet	956.87	0.00	0.00	0.00	0.00	956.87	900.00	0.00	0.00	0.00	0.00	900.00	56.87	0.00	0.00	0.00	0.00	56.87
Technology Spending (Non-Capitalized)	1,189.80	0.00	0.00	0.00	0.00	1,189.80	1,000.00	0.00	0.00	0.00	0.00	1,000.00	189.80	0.00	0.00	0.00	0.00	189.80
Building Maintenance	1,339.08	0.00	0.00	0.00	0.00	1,339.08	500.00	0.00	0.00	0.00	0.00	500.00	839.08	0.00	0.00	0.00	0.00	839.08
Professional Services (CPA firm)	400.00	0.00	0.00	0.00	0.00	400.00	400.00	0.00	0.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
Business Licenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	221.00	0.00	0.00	221.00	0.00	0.00	(221.00)	0.00	0.00	(221.00)
Credit Card Fees	0.00	22.20	172.17	0.00	0.00	194.37	0.00	10.00	50.00	0.00	0.00	60.00	0.00	12.20	122.17	0.00	0.00	134.37
Rental Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sites	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Expense	200.16	536.51	0.00	340.34	0.00	1,077.01	150.00	350.00	0.00	0.00	0.00	500.00	50.16	186.51	0.00	340.34	0.00	577.01
Total Non-Payroll Expenses	31,240.94	9,748.34	1,323.87	156,387.65	0.00	198,700.80	31,520.00	18,060.00	1,451.00	159,257.56	0.00	210,288.56	(279.06)	(8,311.66)	(127.13)	(2,869.91)	0.00	(11,587.76)
TOTAL OPERATING EXPENSE	98,669.61	9,748.34	1,323.87	156,387.65	0.00	266,129.47	99,483.50	18,060.00	1,451.00	159,257.56	0.00	278,252.06	(813.89)	(8,311.66)	(127.13)	(2,869.91)	0.00	(12,122.59)
Investment-Related Fees	0.00	0.00	0.00	0.00	491.61	491.61	0.00	0.00	0.00	227.39	227.39	0.00	0.00	0.00	0.00	0.00	264.22	264.22
NET GAIN/(LOSS)	14,712.69	5,712.59	4,459.48	(37,778.45)	641.65	(12,252.04)	491.10	(110.00)	697.96	(10,418.56)	517.86	(8,821.64)	14,221.59	5,822.59	3,761.52	(27,359.89)	123.79	(3,430.40)



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 10, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	2022 United Community Action Partnership Community Contribution Request
Background Information:	<p>In 2021, there was no formal request of contribution from United Community Action Partnership as it was an off year for their bus schedule.</p> <p>The 2022 requested contribution for their bus replacement schedule is up to \$39,200 (for the purchase of 2 buses).</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	



Helping People. Changing Lives.

1400 S Saratoga St. Marshall, MN 56258
[p] (507) 537-1416 [f] (507) 537-1849

July 22, 2021

Sharon Hanson
City Administrator
344 West Main Street
Marshall, MN 56258

RE: Funding Request for 2022 Bus Replacements

Dear Mrs. Hanson and City Council Members:

The Community Transit Program of United Community Action Partnership is requesting the City of Marshall to budget and approve funding up to 20% of the local share cost for replacement buses in 2022 in the amount of up to \$39,200.

As per the Statewide Transportation Improvement Plan (STIP), our 2016 Ford Elkhart and 2017 Chevrolet Elkhart passenger buses have been approved for capital replacement funding. Total cost of each vehicle is estimated to be \$98,000. If funded, MNDOT's share will be approved at 80% of the estimated total cost, which is \$156,800.

Thank you for your continued support. If you have questions regarding this request, please feel free to contact me at 507-537-1416 ext. 1127 or nick.leske@unitedcapmn.org.

Best Regards,

A handwritten signature in black ink, appearing to read "Nick Leske", with a stylized flourish at the end.

Nick Leske
United Community Action Partnership
Interim Transportation Director

United Community Action Partnership, Inc.

Financial Statements

Year Ended September 30, 2020

United Community Action Partnership, Inc.
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Independent Auditor's Report

To the Board of Directors
United Community Action Partnership, Inc.
Marshall, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of United Community Action Partnership, Inc. ("the Agency") which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements 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 Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of United Community Action Partnership, Inc. as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Other Information – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the table of contents, including the schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the 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 February 25, 2021, on our consideration of United Community Action Partnership, Inc.'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 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 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 Agency's internal control over financial reporting and compliance.

BergankDV, Ltd.

St. Cloud, Minnesota
February 25, 2021

FINANCIAL STATEMENTS

United Community Action Partnership, Inc.
Statement of Financial Position
As of September 30, 2020

	2020
Assets	
Current assets	
Cash and cash equivalents	\$ 2,475,761
Restricted cash - unemployment insurance	139,469
Restricted cash - construction draw account	588,642
Certificates of deposit, at cost	179,575
Short-term investments	9,350
Accounts receivable	115,572
Grants receivable	2,597,305
Current portion of land contracts receivable	73,466
MURL home inventory, net	228,600
Thrift store inventory	27,462
Donated vehicle inventory	26,221
Donated food inventory	21,181
Single-family homes inventory	32,203
Prepaid expenses	410,010
Total current assets	6,924,817
Property and equipment, net	8,593,895
Noncurrent assets	
Land contracts receivable, net	734,651
Total assets	\$ 16,253,363
Liabilities and Net Assets	
Current liabilities	
Current portion of notes payable	205,165
Accounts payable and other liabilities	1,212,436
Funds held for other agencies - fiscal agent	47,471
Accrued payroll and related expenses	689,262
Accrued vacation	826,616
Refundable advances	571,177
Total current liabilities	3,552,127
Long-term liabilities	
Notes payable, net	1,488,888
Total liabilities	5,041,015
Net assets	
Net assets without donor restrictions	7,560,134
Net assets with donor restrictions	3,652,214
Total net assets	11,212,348
Total liabilities and net assets	\$ 16,253,363

See notes to financial statements.

United Community Action Partnership, Inc.
Statement of Activities
Year Ended September 30, 2020

	Donor Restrictions	With Donor Restrictions	Total
Revenue			
Grant revenue	\$ 21,008,685	\$ 1,546,193	22,554,878
Contributions	17,556	311,530	329,086
In-kind contributions	692,863	491,004	1,183,867
Capital purchase revenue	-	360,149	360,149
Program income	516,232	-	516,232
Contract revenue	609,671	-	609,671
Sale of single-family homes	983,469	-	983,469
Interest income	10,528	-	10,528
Gain on sale of property and equipment	6,181	25,756	31,937
Other revenue	13,750	1,020	14,770
Net assets released from restriction	2,332,843	(2,332,843)	-
	<u>26,191,778</u>	<u>402,809</u>	<u>26,594,587</u>
Expenses			
Program services			
Head Start	6,981,087	-	6,981,087
Transportation	4,309,911	-	4,309,911
Community Service and Family Development	4,004,934	-	4,004,934
Housing and Rehabilitation	2,872,655	-	2,872,655
Weatherization and Energy Assistance	1,844,175	-	1,844,175
Food Programs	789,601	-	789,601
Other Programs	295,279	-	295,279
Supporting services			
Management and general	1,555,583	-	1,555,583
Fundraising	6,550	-	6,550
	<u>22,659,775</u>	<u>-</u>	<u>22,659,775</u>
Change in net assets	3,532,003	402,809	3,934,812
Net Assets			
Beginning of the year	6,884,996	392,540	7,277,536
Reclassifications	(2,856,865)	2,856,865	-
End of the year	<u>\$ 7,560,134</u>	<u>\$ 3,652,214</u>	<u>\$ 11,212,348</u>

See notes to financial statements.

United Community Action Partnership, Inc.
Statement of Functional Expense
Year Ended September 30, 2020

	Program Services							Support Services			
	Head Start	Transportation	Community Service and Family Development	Housing and Rehabilitation	Weatherization and Energy Assistance	Food Programs	Other Programs	Total	Management and General	Fundraising	Total
Expenses											
Salaries and wages	\$ 4,900,644	\$ 2,755,434	\$ 1,660,508	\$ 273,881	\$ 593,262	\$ 71,801	\$ 159,318	\$ 10,414,848	\$ 1,218,242	\$ 3,553	\$ 11,636,643
Contracted services	171,028	93,964	103,743	8,690	61,829	822	72	440,148	155,976	-	596,124
Space rent and utilities	359,001	130,411	86,004	23,633	27,311	39,074	68,042	733,476	24,606	-	758,082
Training, meeting, and travel	128,853	16,714	51,052	15,885	13,865	1,221	46	227,636	34,508	38	262,182
Depreciation	119,601	426,304	15,574	19,052	22,162	39,285	11,784	653,762	5,648	-	659,410
Supplies and communication	430,003	120,704	138,279	13,414	52,541	13,193	27,341	795,475	63,425	2,339	861,239
Vehicle expenses	46,143	413,672	13,178	14,131	4,743	2,463	12,090	506,420	39	-	506,459
Direct participant benefits	188,846	301,226	1,904,125	2,504,926	1,051,777	591,334	800	6,543,034	-	620	6,543,654
In-kind expenses	593,986	6,151	-	-	-	-	-	600,137	-	-	600,137
Other expenses	42,982	45,331	32,471	(957)	16,685	30,408	15,786	182,706	53,139	-	235,845
Total expenses	\$ 6,981,087	\$ 4,309,911	\$ 4,004,934	\$ 2,872,655	\$ 1,844,175	\$ 789,601	\$ 295,279	\$ 21,097,642	\$ 1,555,583	\$ 6,550	\$ 22,659,775

United Community Action Partnership, Inc.
Statement of Cash Flows
Year Ended September 30, 2020

	2020
Cash Flows - Operating Activities	
Change in net assets	\$ 3,934,812
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	659,410
Amortization of debt issuance costs	10,128
Net gain of sale of property and equipment	(8,152)
Donated vehicle inventory	(13,954)
Donated food inventory	(1,171)
Change in discount on land contracts receivable	61,980
Bad debt expense	35,106
Write down of MURL home inventory	16,194
Changes in operating assets and liabilities	
Accounts receivable	28,325
Grants receivable	(709,001)
Thrift store inventory	(4,610)
MURL home inventory	17,420
Single family home inventory	(105,606)
Prepaid expenses	(164,279)
Accounts payable and other liabilities	(292,445)
Funds held for other agencies - fiscal agent	(3,722)
Accrued payroll and related expenses	122,837
Accrued vacation	161,488
Refundable advances	158,566
Net cash - operating activities	3,903,326
Cash Flows - Investing Activities	
Purchases of property and equipment	(4,967,481)
Purchase of and reinvested earnings on investments and certificates of deposit	(2,142)
Payments received on land contracts receivable	65,666
Proceeds from sale of property and equipment	19,174
Net cash - investing activities	(4,884,783)
Cash Flows - Financing Activities	
Principal payments on notes payable	(99,971)
Debt issuance costs	(1,600)
Proceeds on notes payable	171,397
Net cash - financing activities	69,826
Net change in cash and cash equivalents and restricted cash	(911,631)
Cash and Cash Equivalents and Restricted Cash	
Beginning of the year	4,115,503
End of the year	\$ 3,203,872
Reconciliation to Statement of Financial Position	
Cash and cash equivalents	\$ 2,475,761
Restricted cash - unemployment insurance	139,469
Restricted cash - construction draw account	588,642
Total cash and cash equivalents and restricted cash	\$ 3,203,872
Supplemental Cash Flow Information	
Interest paid	\$ 89,405

See notes to financial statements.

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United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

United Community Action Partnership, Inc. is a nonprofit organization established under the Federal Economic Opportunity Act of 1964 (the "Agency"). The Act empowers community action agencies to address the causes and conditions of poverty at the local level. The Agency serves nine Minnesota Counties (Cottonwood, Jackson, Kandiyohi, Lincoln, Lyon, McLeod, Meeker, Redwood and Renville). The Agency offers innovative programs and services to address meeting basic needs, education, employment training, transportation services, housing counseling, affordable housing solutions, emergency services, transportation, community economic development projects, after-school programs, weatherization, energy efficiency, asset-building, financial literacy, child development, and services and opportunities for returning military veterans, home-bound seniors and people with disabilities. The Agency operates with a combination of federal, state, and local funding.

Basis of Presentation

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Agency considers cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Restricted Cash – Construction Draw Account

The Agency has established a FDIC insured (which is secured by pledged securities) depository account as a separate, special, segregated and irrevocable cash collateral account which will be maintained at all times until termination of the related agreements.

Certificates of Deposit

Certificates of deposit is carried at cost.

Short-Term Investments

The Agency records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances for program services provided. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. Management determined no allowance was needed as of September 30, 2020.

Grants Receivable

Grants receivable are government and pass-through grants received subsequent to September 30, 2020 and specifically allocated to the Agency's operations for 2020. No allowance is deemed necessary due to the nature of the government grants.

Land Contracts Receivable and MURL Home Inventory

The Agency received funding from the Minnesota Housing Finance Agency (MHFA) for the Minnesota Urban and Rural Housing Program (MURL). The program provides funding for the acquisition and rehabilitation of single-family homes. The purchase and rehabilitation of homes are recorded as inventory. The homes are sold on the basis of no-interest installment loans, and revenue is recognized for the sale price of the home.

The inventory of homes not sold, if any, is recorded at the lower of cost or market. Any loans repaid are a reduction in land contracts receivable. The land contracts receivable has been discounted at the prevailing market rate at the inception of the mortgage. There is no allowance provided on these loans, since any uncollectible loan would be secured by the property (see Note 5 for further details).

Thrift Store Inventory

The inventory of the thrift stores consists of donated items that have been recorded at management's estimate of fair value.

Donated Vehicle Inventory

The donated vehicle inventory has been recorded at management's estimate of fair value based on blue book values.

Donated Food Inventory

The inventory of the food shelves consists of donated items that have been recorded at management's estimate of fair value.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Single-Family Homes Inventory

The Agency constructs quality affordable housing for income eligible homebuyers using funds financed with Minnesota Housing Finance Agency. Single-family homes inventory is held for sale and is stated at the lower of cost or net realizable value. Cost is determined using the first in first out method. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

Property and Equipment

Property and equipment are capitalized at cost. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets of 2 to 40 years. The Agency considers items with a cost greater than \$5,000 and a useful greater than one year to be property and equipment.

Property and equipment purchased with grant funds are owned by the Agency while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The property and equipment purchased with grant funds are normally restricted for use in specific programs operated by the Agency.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets is based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell. Management has determined that no impairment existed at September 30, 2020.

Paycheck Protection Program Loan

The Agency follows the Financial Accounting Standards Board's Topic 470-*Debt* in accounting for its Paycheck Protection Program (PPP) loan. The loan is accounted for as a financial liability and interest is accrued at the specified rate of 1.00%. The proceeds from the loan remain as a liability until either (1) the loan is, in part or wholly, forgiven and the Agency has been legally released or (2) the Agency pays off the loan to the creditor. Once the loan is (in part or wholly) forgiven and legal release is received, the Agency will reduce the liability by the amount forgiven and record a gain on extinguishment.

Debt Issuance Costs

The Agency amortizes debt issuance costs over the term of the related debt instruments and follows ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*, which requires the Agency to present debt issuance costs in the statement of financial position as a direct deduction from the related debt liability rather than as an asset and the amortization of debt issuance costs is included in interest expense. Charges to interest expense related to amortization of debt issuance costs was \$10,128 for 2020.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

Net assets and revenue are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

Net assets without donor restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition

A significant portion of the Agency's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Agency has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Agency received cost-reimbursable grants of \$18,258,450 that have not been recognized at September 30, 2020 because qualifying expenditures have not yet been incurred.

Other grants and contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. There were no other conditional grants and contributions at September 30, 2020.

Program income consists mainly of public transit farebox revenue and thrift store revenue and is recorded in the accounting period that the service is performed.

Contract revenue is from the Agency providing public transportation services under a contract. Contract revenues are recorded in the accounting period the service is provided.

Sale of single-family homes revenue is recorded in the year the Agency sells the home.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Contributions

The Agency has recorded in-kind contributions for space, donated materials, and professional services in the statement of activities in accordance with U.S. GAAP, which require that only contributions of services received which create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. U.S. GAAP requirements are different than the in-kind requirements of several of the Agency's grant awards. The Agency recognized \$22,517 of contributed services for the Head Start program in 2020. The Agency received contributions of nonprofessional volunteers during the period with an estimated value of \$244,312 primarily for its Head Start program, which are not recorded in the statement of activities.

The Agency recognized \$609,477 of donated goods which includes food shelve donations as well as donated space in the amount of \$551,873.

Presentation of Sales Tax

The Agency collects sales tax from customers and remits the entire amount to the appropriate state for thrift store sales. The Agency's accounting policy is to exclude the tax collected and remitted from revenues and cost of sales.

Advertising Costs

The Agency's policy is to expense advertising costs as they are incurred. For 2020, the Agency incurred advertising costs totaling \$22,658.

Unemployment Insurance and Restricted Cash

The Agency reimburses the State of Minnesota for unemployment payments as allowed by the State of Minnesota statute. The Agency utilizes an outside vendor to manage claims and reimburse the State of Minnesota for actual unemployment claims paid. The Agency makes estimated quarterly payments from corporate funds to the outside vendor to cover estimated claims and to build a reserve for future unemployment claims. The amount of funds held by the outside vendor as of September 30, 2020 was \$139,469 and are shown as restricted cash.

Unemployment Insurance Expense and Payable

The State of Minnesota provided an estimate for the amount of the Agency's unemployment insurance claims for the time period of March 29, 2020 through September 30, 2020 that is anticipated to be reimbursed through provisions of the CARES Act; as of September 30, 2020, the estimated reimbursement amount was \$88,215. The Agency reduced its unemployment insurance expense and payable amounts by this amount.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost Allocation

The Agency follows a cost allocation plan to allocate joint costs not directly attributable to specific programs. Joint costs are those costs incurred for the common benefit of all Agency programs that cannot be readily identified with a final cost objective. Joint costs are allocated to benefiting programs using the direct method allocation. The direct method allocates joint costs to each program based on its share of the allocation base.

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expense presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited and based on an estimate of staff time spent on each function.

Tax Status

The Agency is a Minnesota nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. The Agency is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Agency is subject to income tax on net income that is derived from business activities unrelated to the exempt purposes. Management has determined that the Agency is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Recently Adopted Accounting Pronouncement

Clarifying Guidance for Contributions Received and Contributions Made

On October 1, 2019, FASB ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* became effective. This update clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The update resulted in a net asset reclassification of \$2,856,865 as of October 1, 2019.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09 (Topic 606) - Revenue from Contracts with Customers ("ASU No. 2014-09" or "Topic 606"), which provides guidance for revenue recognition that superseded the revenue recognition requirements in Accounting Standards Codification "ASC" Topic 605, Revenue Recognition ("Topic 605") and most industry specific guidance. Under ASU 2014-09, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In June 2020, the FASB issued ASU No. 2020-05 which defers the effective date one year making it effective for annual reporting periods beginning after December 15, 2019. Early adoption is permitted. The provisions of this ASU are to be applied using either the retrospective approach or modified retrospective approach. The Agency is currently evaluating the impact this standard will have on its financial statements.

Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU No. 2020-07 Not-for-Profit Entities (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. In addition to enhanced disclosures for contributed nonfinancial assets, this ASU requires not-for-profit organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The amendments in this ASU should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Early adoption is permitted. The Agency is currently evaluating the impact this standard will have on its financial statements.

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). The new guidance will require all leases to be recorded as assets and liabilities on the statement of financial position. This update would require capitalization of the "right to use" an asset and recognition of an obligation for future lease payments for most leases currently classified as operating leases. Other leases currently classified as capital leases will be referred to as financing leases and will continue to be recorded as assets and liabilities in a similar manner. In June 2020, the FASB issued ASU No. 2020-05 which defers the effective date one year making it effective for annual reporting periods beginning after December 15, 2021. Early adoption is permitted. The provisions of this ASU are to be applied using either the retrospective approach or modified retrospective approach. The Agency is currently evaluating the impact this standard will have on its financial statements.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

	2020
Cash and cash equivalents	\$ 2,475,761
Certificate of deposit, at cost	179,575
Short-term investment	9,350
Accounts receivable	115,572
Grants receivable	2,597,305
Less funds held for other agencies - fiscal agent	(47,471)
Less refundable advances	(571,177)
Less net assets with donor restrictions	(3,652,214)
Total financial assets available for general expenditures	\$ 1,106,701

The Agency does not have a formal policy however it structures its financial assets to be available as its general expenditures, liabilities and other obligations as they come due. In addition, as part of its liquidity management, the Agency would invest cash in excess of daily requirements in various short-term investments, including certificates of deposit and short-term treasury instruments. Net assets with donor restrictions includes \$1,271,297 related to MURL home inventory and land contracts receivable. The Agency also has access to a line of credit if needed (see Note 7).

NOTE 3 – FAIR VALUE MEASUREMENTS

The fair value measurements and disclosures topic of FASB ASC establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Agency has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted market prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability. agreement whereby the Agency owns a secured interest in securities sold by the bank. The securities, which consist of government bonds, had a fair value of \$3,044,423 at September 30, 2020.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2020.

Investments – Valued using quoted market prices.

Thrift store inventory – Valued using the market approach based on historical sale prices for similar items sold in the thrift store.

Donated vehicle inventory – Valued using the market approach based on the Blue Book values of similar vehicles.

Donated food inventory – Valued using the market approach based on the valuation guide obtained from Second Harvest.

Fair values of assets measured on a recurring basis are as follows:

	Level 1	Level 2	Level 3	Total
Investment - growth and income	\$ 9,350	\$ -	\$ -	\$ 9,350
	\$ 9,350	\$ -	\$ -	\$ 9,350

Fair values of assets measured on a non-recurring basis are as follows:

	Level 1	Level 2	Level 3	Total
Thrift store inventory	\$ -	\$ 27,462	\$ -	\$ 27,462
Donated vehicle inventory	-	26,221	-	26,221
Donated food inventory	-	21,181	-	21,181
	\$ -	\$ 74,864	\$ -	\$ 74,864

NOTE 4 – GRANTS RECEIVABLE

Federal programs	\$ 1,871,377
State programs	430,888
Other programs	295,040
	\$ 2,597,305
Total grants receivable	\$ 2,597,305

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 5 – LAND CONTRACTS RECEIVABLE

The Agency received funding from the MHFA for the MURL program as disclosed in Note 1. The program provides funding for the acquisition and rehabilitation of single-family homes. The rehabilitated homes are sold by the Agency to eligible homebuyers under a no-interest, installment loan basis. The monthly loan payment is set at the greatest of 10% of homebuyer’s gross monthly income or 25% of their adjusted gross monthly income. The loan payment covers real estate tax and insurance escrow and the repayment of the loan. The duration of loans varies according to the amount of the loan and the amount of the monthly payments.

The Agency records land contracts receivable and other income from the sale of inventory upon the sale of the homes. The land contracts receivable at September 30, 2020, are as follows:

Land contracts receivable	\$ 1,139,423
Discounted at 5%	<u>(331,306)</u>
Land contracts receivable, net	808,117
Current position	<u>(73,466)</u>
Long-term portion	<u><u>\$ 734,651</u></u>

The unamortized discount is the difference between the face amount of the land contract and its present value discounted at a compound interest rate. The discount is amortized over the life of the land contract.

NOTE 6 – PROPERTY AND EQUIPMENT

Land	\$ 343,581
Buildings and building improvements	8,551,363
Equipment	<u>5,095,154</u>
Total	13,990,098
Accumulated depreciation	<u>(5,396,203)</u>
Property and equipment, net	<u><u>\$ 8,593,895</u></u>

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 7 – LINE OF CREDIT

The Agency has a \$200,000 line of credit with a bank which expires August 2021. The line of credit is collateralized by the Agency's assets and interest is payable monthly on outstanding balances at an interest rate of 1.0% over the reference rate set by the lender and under no circumstances will the interest rate be less than 5%. At September 30, 2020, the effective rate on the line of credit was 6%. There were no outstanding borrowings on the line of credit at September 30, 2020.

NOTE 8 – NOTES PAYABLE

Note payable to Home State Bank at 4.0% annual interest, with monthly payments of \$2,422 (principal and interest). Interest rate is adjusted every five years starting December 2013. The loan matures in November 2023. The note is secured by real estate. \$ 86,078

Note payable to Bremer Bank at a 5.5% interest with a monthly payment of \$1,763. The loan matures in September 2023. The note is secured by real estate. 58,807

Note payable to Southwest Minnesota Housing Partnership at 0% interest with a one-time payment due upon maturity on August 2049. The note is secured by real estate. 13,598

Note payable to Old National Bank (Senior Lender) at 3.11% interest with interest only monthly payments through March 1, 2020, then monthly payments of \$5,620. The loan matures on September 2039 with a balloon payment. The interest rate will be adjusted October 1, 2029, and October 1, 2034. The note is secured by real estate. 1,145,754
 Less debt issuance costs (107,082)

Note payable to Propel Nonprofits (Subordinate Lender) at 5.5% interest with interest only monthly payments through February 29, 2020, then monthly payments of \$5,714. The loan matures September 2024 with a balloon payment. The note is secured by real estate. 269,423
 Less debt issuance costs (8,802)

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 8 – NOTES PAYABLE (CONTINUED)

Note payable to First Children's Finance (Subordinate Lender) at 8.5% interest with monthly payments of \$1,187. The loan matures October 2026. The note is secured by real estate.	\$ 67,151
Less debt issuance costs	(1,674)
Paycheck Protection Program (PPP) loan with Old National Bank that calls for monthly installments of \$9,612 including interest at 1.00%, beginning February 2021 through April 2022, with loan proceeds potentially being forgiven if funds are used in accordance with program guidance (A).	<u>170,800</u>
Total	1,694,053
Current portion	<u>(205,165)</u>
Long-term note payable	<u><u>\$ 1,488,888</u></u>

(A) The Agency applied for and obtained the loan, administered by the U.S. Small Business Administration, established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the terms of the loan, the Agency can apply for and be granted forgiveness for a portion or all of the loan. Forgiveness will be determined, if during a specified period after the loan origination, the Agency maintains certain employee levels and uses the proceeds on eligible expenses including payroll, benefits, rent, and utilities. In December 2020, the Agency's PPP loan was forgiven by the SBA. The Agency must retain all records relating to the loan for six years from the date of forgiveness and must permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request.

In connection with the some of the Agency's note payable agreements, the Agency has agreed to certain covenants. For 2020, the Agency violated some of these covenants; however, those violations have been waived by the lenders.

The notes payable with Propel Nonprofits and First Children's Finance are subordinate loans and are included in a *Pari Passu* Intercreditor Agreement with the Agency.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 8 – NOTES PAYABLE (CONTINUED)

	<u>Principal</u>	<u>Deferred Debt Issuance Costs</u>	<u>Net</u>
2021	\$ 215,293	\$ (10,128)	\$ 205,165
2022	244,034	(10,128)	233,906
2023	155,981	(10,128)	145,853
2024	143,334	(10,128)	133,206
2025	48,441	(7,928)	40,513
Thereafter	<u>1,004,528</u>	<u>(69,118)</u>	<u>935,410</u>
Total	<u>\$ 1,811,611</u>	<u>\$ (117,558)</u>	<u>\$ 1,694,053</u>

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes.

Head Start	\$ 7,811
Transportation	1,115,058
Community Service and Family Development	849,207
Housing and Rehabilitation	1,300,673
Weatherization and Energy Assistance	135,822
Food Programs	<u>243,643</u>
Total net assets with donor restrictions	<u>\$ 3,652,214</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors as follows for 2020.

Head Start	\$ 76,188
Transportation	634,587
Community Service and Family Development	476,424
Housing and Rehabilitation	240,541
Weatherization and Energy Assistance	222,609
Food Programs	<u>682,494</u>
Total net assets released from donor restrictions	<u>\$ 2,332,843</u>

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 10 – OPERATING LEASES

The Agency leases various facilities and equipment for operation of its programs. The operating lease payments for 2020 amounted to \$453,825.

Future binding commitments on non-cancelable operating leases are as follows:

2021	\$ 435,399
2022	403,304
2023	331,331
2024	303,386
Thereafter	<u>1,428,026</u>
Total minimum future lease payments	<u>\$ 2,901,446</u>

NOTE 11 – RETIREMENT PLAN

The Agency has a savings plan for its employees under IRS Code Section 401(k). Eligible employees may contribute a portion of their wages to the plan up to the maximum allowed per IRS regulations. The Agency matches up to 5% of the employee's compensation. The employer's pension expense for 2020 was \$233,314.

NOTE 12 – PROGRAM OPERATIONS

The Agency has a grant with the State of Minnesota, Department of Commerce for outreach, intake, eligibility, and certification of Low-Income Home Energy Assistance Program (LIHEAP)-eligible participants. Client benefits for LIHEAP-eligible participants are subsequently paid directly by the State of Minnesota. Client benefits in the amount of \$3,141,186 paid by the State of Minnesota are not included in the statement of activities because they were not part of the grant award.

NOTE 13 – MATCHING FUNDS

Certain grants require securing matching funds from other sources. The Agency has met the matching fund requirements through September 30, 2020.

NOTE 14 – FISCAL AGENT AGREEMENTS

The Agency acts as the fiscal agent for the Cinco de Mayo Committee, Meeker Family & Friends Circles of Support, Meeker County Domestic Violence and HOMES. The Agency collected \$18,002 and disbursed \$21,724 on behalf of these entities during 2020.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 15 – SUPPLEMENTARY CASH FLOW INFORMATION

Noncash investing and financing activities:

At September 30, 2020, the Agency had \$444,152 of capitalized building costs included in accounts payable.

During 2020, the Agency paid off notes payable totaling \$500,000 with funds received from the sales of constructed single-family homes.

NOTE 16 – COMMITMENT

The Agency contracted for the construction of a Head Start building in Marshall, Minnesota. At year-end the total outstanding commitment consisted of the following.

	Project Authorization	Work Expended	9/30/2020 Commitment
Contractor	\$ 4,400,636	\$ 4,380,636	\$ 20,000

NOTE 17 – CONCENTRATIONS

Cash and Cash Equivalents

The Agency maintains cash balances at seven banks. The Agency's bank accounts are sometimes in excess of Federal Deposit Insurance Corporation (FDIC) coverage. Bank account balances are insured by the FDIC up to \$250,000. To minimize the risk of cash balances, the Agency has elected to participate in a sweep account with two banks. The Agency sweeps cash daily into a repurchase agreement whereby the Agency owns a secured interest in securities sold by the bank. The securities, which consist of government bonds, had a fair value of \$3,044,423 at September 30, 2020.

Union Employees

Approximately 41% of the Agency's employees are members of the Minnesota Council 65, of the American Federation of State, County and Municipal Employees, AFL-CIO, Union #3444. The Agency's contract with the union was subject to renegotiation during 2020. The Agency's other employees are not represented by a union.

Revenue

Federal grant revenue from the U.S. Department of Health and Human Services for the Head Start program was approximately 33% of total revenue for the Agency during 2020.

United Community Action Partnership, Inc.
Notes to Financial Statements

NOTE 18 – RISKS AND UNCERTAINTIES

On March 13, 2020, a national emergency was declared for COVID-19 outbreak in the United States of America. This event affects the economy and financial markets. The extent of the impact on the Agency may be both direct and indirect and will vary based on the duration of the outbreak and various other factors. An estimate of the financial effect on the Agency's financial statements cannot be determined at this time.

NOTE 19 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 25, 2021, which is the date the financial statements were available to be issued.

The Agency's negotiated contract with the AFCSME Council 65 Union effective August 1, 2020 received final approval from all parties as of December 9, 2020.

The Agency received notification from the Small Business Administration on December 8, 2020 of the forgiveness of the Agency's Paycheck Protection Program loan received through Old National Bank. The full loan amount of \$170,800 and interest of \$1,081 were forgiven.

In February 2021, the Agency was awarded an additional \$2,534,059 from Minnesota Finance Housing Authority for CARES Housing Assistance Program (CHAP) funding.

In February 2021, the Agency was awarded an additional \$805,000 from the State of Minnesota Department of Human Services for Emergency Solutions Grant CARES Act - Rapid Rehousing funding.

SUPPLEMENTARY INFORMATION

**United Community Action Partnership, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020**

Federal Grantors/Program or Cluster Title/Project Name/Pass- Through Identification Number	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
U.S. Department of Agriculture					
Child and Adult Care Food Program N/A	10.558	MN Dept. of Education	10/01/19-09/30/20	\$ 152,014	\$ -
SNAP Cluster					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Outreach 2020 GRK%163844/3000071867	10.561	MN Dept. of Human Services	10/01/19-09/30/20	184,636	-
Food Distribution Cluster:					
TEFAP - Donated Food N/A	10.569	Second Harverst - St Paul Food Bank	10/01/19-09/30/20	92,727	-
Total U.S. Department of Agriculture				429,377	-
U.S. Department of Housing and Urban Development					
Supportive Housing for Persons with Disabilities					
Country View Willmar HRA Supportive Housing 20-21, N/A	14.181	Kandiyohi County, MN HRA	04/01/20-03/31/21	9,103	-
Country View Willmar HRA Supportive Housing 19-20, N/A	14.181	Kandiyohi County, MN HRA	04/01/19-03/31/20	7,815	-
HUD Supportive Housing - Westwinds Townhomes - MN0185L5K111807	14.181	U.S. Dept. of Housing and Urban Development	11/01/19-10/31/20	81,624	-
HUD Supportive Housing - Westwinds Townhomes - MN0185L5K111706	14.181	U.S. Dept. of Housing and Urban Development	11/01/18-10/31/19	2,209	-
HUD Supportive Housing - Safe At Home MN0187L5K111807	14.181	U.S. Dept. of Housing and Urban Development	07/01/19-06/30/20	62,794	-
HUD Supportive Housing - Kandiyohi, Meeker, McLeod - MN0146L5K111811	14.181	U.S. Dept. of Housing and Urban Development	07/01/19-06/30/20	109,558	-
Total Federal Expenditures CFDA 14.181				273,103	-
Community Development Block Grants					
Small Cities - Marshall CDAP-17-0052-O-FY18	14.228	MN Dept. of Employment and Economic Development - City of Marshall, MN	06/27/18-9/30/21	125,202	-
Small Cities - Marshall CDAP-17-0052-O-FY18	14.228	MN Dept. of Employment and Economic Development - City of Marshall, MN	06/27/18-9/30/21	480,799	-
Small Cities - Raymond CDAP-17-0053-O-FY18	14.228	MN Dept. of Employment and Economic Development	06/27/18-9/30/21	83,942	-
Small Cities - Maynard N/A	14.228	City of Maynard, MN	06/27/18-9/30/21	1,000	-
Small Cities - Fairfax CDAP-15-0040-O-FY18	14.228	MN Dept. of Employment and Economic Development	10/01/16-10/31/19	3,706	-
Small Cities - Tracy CDAP-18-0023-O-FY-19	14.228	MN Dept. of Employment and Economic Development	05/24/19-09/30/22	74,822	-
Small Cities - Vesta, Lucan, Morton CDAP-16-0022-O-FY18	14.228	MN Dept. of Employment and Economic Development	06/29/17-09/30/20	252,049	-
Small Cities - Jackson CDAP-16-0023-O-FY18	14.228	MN Dept. of Employment and Economic Development	06/29/17-12/30/20	185,778	-
Total Federal Expenditures CFDA 14.228				1,207,298	-
Emergency Solutions Grant Program					
Emergency Solutions Grant Re-housing GRK%126831	14.231	MN Dept. of Human Services	07/01/17-06/30/21	125,634	-
Emergency Solutions Grant - Shelter GRK%119802	14.231	MN Dept. of Human Services	07/01/17-06/30/21	154,965	-
Total Federal Expenditures CFDA 14.231				280,599	-
Supportive Housing Program					
HUD Supportive Housing Program Consolidated MN0143L5K111808	14.235	U.S. Dept. of Housing and Urban Development	04/01/19-03/31/20	155,449	-
HUD Supportive Housing Program - Cottonwood MN0392L5K111701	14.235	U.S. Dept. of Housing and Urban Development	11/01/18-10/31/19	1,086	-
HUD Supportive Housing Program - Lyon County MN0416L5K111700	14.235	U.S. Dept. of Housing and Urban Development	11/01/18-10/31/19	4,349	-
Total Federal Expenditures CFDA 14.235				160,884	-

United Community Action Partnership, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020

Federal Grantors/Program or Cluster Title/Project Name/Pass- Through Identification Number	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
U.S. Department of Housing and Urban Development (Continued)					
Continuum of Care Program					
HUD Supportive Housing Program Consolidated MN0143L5K111909	14.267	U.S. Dept. of Housing and Urban Development	04/01/20-03/31/21	146,961	-
HUD Supportive Housing - Safe At Home MN0187L5K111908	14.267	U.S. Dept. of Housing and Urban Development	07/01/20-06/30/21	23,445	-
HUD Supportive Housing - Kandiyohi, Meeker, McLeod - MN0146L5K111912	14.267	U.S. Dept. of Housing and Urban Development	07/01/20-06/30/21	19,761	-
HUD Domestic Violence Rapid Re-housing MN043D5K111800	14.267	U.S. Dept. of Housing and Urban Development	10/01/19-09/30/20	77,838	-
Total Federal Expenditures CFDA 14.267				268,005	-
Total U.S. Department of Housing and Urban Development				2,189,889	-
U.S. Department of State					
Refugee Admissions Program N/A	19.510	U.S. Conference of Catholic Bishops (USCCB)	10/01/18-12/31/19	6,317	-
Refugee Admissions Program N/A	19.510	U.S. Conference of Catholic Bishops (USCCB)	10/01/19-09/30/20	43,033	-
Total Federal Expenditures CFDA 19.510				49,350	-
Total U.S. Department of State				49,350	-
U.S. Department of Transportation					
Formula Grants for Rural Areas and Tribal Transit Program					
Transit Operating Assistance #1032539	20.509	MN Dept. of Transportation	01/01/19-12/31/19	170,119	-
Transit Operating Assistance #1035604	20.509	MN Dept. of Transportation	01/01/20-12/31/21	136,497	-
COVID 19 Transit Operating Assistance #1035604 Amend	20.509	MN Dept. of Transportation	03/01/20-02/28/21	1,148,074	-
Total Federal Expenditures CFDA 20.509				1,454,690	-
Transit Services Program Cluster:					
Transportation Coordination Assistance Grant #1027006 Amend #1	20.513	MN Dept. of Transportation	01/01/17-12/31/19	18,847	-
Total U.S. Department of Transportation				1,473,537	-
U.S. Department of Treasury					
Coronavirus Relief Fund					
COVID 19 Coronavirus Relief Funds - CARES N/A	21.019	City of Marshall, MN; County of Lyon, MN	07/01/20-12/31/20	28,905	-
COVID 19 Housing Assistance Program N/A	21.019	State of Minnesota, Minnesota Housing Finance Agency	08/19/20-12/30/20	593,125	-
COVID-19 Public Health Childcare Funds N/A	21.019	MN Dept. of Human Services	07/01/20-6/30/20	6,352	-
Total Federal Expenditures CFDA 20.019				628,382	-
Total U.S. Department of Treasury				628,382	-
U.S. Department of Energy					
Weatherization Assitance of Low-Income Persons					
WAP DOE A2500 #177170/13328 - DE-EE0007928	81.042	MN Dept. of Commerce	07/01/20-06/30/21	91,495	-
WAP DOE A2500 #157652/12161 - DE-EE0007928	81.042	MN Dept. of Commerce	07/01/19-06/30/20	428,665	-
Total Federal Expenditures CFDA 81.042				520,160	-
Total U.S. Department of Energy				520,160	-
U.S. Department of Health and Human Services					
Aging Cluster					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Title III-B #316-20-003B-068-008	93.044	Minnesota River Area Agency on Aging	01/01/20-12/31/20	38,875	-
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchange					
MNSure Consumer Assistance Partner N/A	93.525	MN Dept. of Human Services	10/01/19-09/30/20	1,190	-

United Community Action Partnership, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020

Federal Grantors/Program or Cluster Title/Project Name/Pass- Through Identification Number	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
U.S. Department of Health and Human Services (Continued)					
Low-Income Home Energy Assistance					
2019 Low-Income Home Energy Assistance Program #165641/12679-1563	93.568	MN Dept. of Commerce	10/01/19-09/30/20	828,715	-
2019 LIHEAP Direct Payments Program #165641/12679-1563	93.568	MN Dept. of Commerce	10/01/19-09/30/20	3,141,186	-
EAPWX A2111 #177170/13328 - 20B1MNLIEA	93.568	MN Dept. of Commerce	07/01/20-06/30/21	56,738	-
EAPWX A2110 #177170/13328 - 19B1MNLIEA	93.568	MN Dept. of Commerce	07/01/20-09/30/20	34,703	-
EAPWX A2110 #157652/12161 - 19B1MNLIEA	93.568	MN Dept. of Commerce	07/01/19-06/30/20	258,477	-
Total Federal Expenditures CFDA 93.568				<u>4,319,819</u>	<u>-</u>
Community Services Block Grant					
2018-2019 Community Service Block Grant GRK% 127540	93.569	MN Dept. of Human Services	10/01/17-12/31/19	1,454	-
2020-2021 Community Services Block Grant GRK% 160097	93.569	MN Dept. of Human Services	10/01/19-12/31/21	116,261	-
COVID 19 - Community Services Block Grant GRK% 179882	93.569	MN Dept. of Human Services	07/21/20-09/30/22	22,011	-
Discretionary Community Services Block Grant GRK% 160362	93.569	MN Dept. of Human Services	07/01/19-12/31/20	1,054	-
Total Federal Expenditures CFDA 93.569				<u>140,780</u>	<u>-</u>
CCDF Cluster					
Child Care and Development Block Grant					
2018-2019 Child Care Aware Baseline Grant #131099	93.575	MN Dept. of Human Services	07/01/20-06/30/21	64,263	-
2018-2021 Child Care Aware Baseline Grant #131099	93.575	MN Dept. of Human Services	07/01/19-06/30/20	186,134	-
Total Federal Expenditures CFDA 93.575				<u>250,397</u>	<u>-</u>
Head Start Cluster					
Head Start\Early Head Start 05CH01146801	93.600	U.S. Dept. of Health and Human Services	05/01/20-04/30/21	950,097	-
COVID 19 Head Start\Early Head Start 05CH01146801C3	93.600	U.S. Dept. of Health and Human Services	05/01/20-04/30/21	25,430	-
Head Start\Early Head Start 05CH840205	93.600	U.S. Dept. of Health and Human Services	05/01/19-04/30/20	1,788,413	-
Head Start\Early Head Start 05CH1036005	93.600	U.S. Dept. of Health and Human Services	05/01/20-4/30/21	716,258	-
COVID 19 Head Start\Early Head Start 05CH1036005C3	93.600	U.S. Dept. of Health and Human Services	05/01/20-4/30/21	27,105	-
Head Start\Early Head Start 05CH1036004	93.600	U.S. Dept. of Health and Human Services	05/01/19-4/30/20	3,645,049	-
Head Start\Early Head Start 05HP00017302	93.600	U.S. Dept. of Health and Human Services	03/01/20-2/28/21	650,663	-
COVID 19 Head Start\Early Head Start 05HP00017302C3	93.600	U.S. Dept. of Health and Human Services	03/01/20-2/28/21	12,163	-
Head Start\Early Head Start 05HP00017301	93.600	U.S. Dept. of Health and Human Services	03/01/19-2/29/20	998,486	-
Total Federal Expenditures for Head Start Cluster / CFDA 93.600				<u>8,813,664</u>	<u>-</u>
Medicaid Cluster:					
MNSure Consumer Assistance Partner N/A	93.778	MN Dept. of Human Services	10/01/19-09/30/20	30,940	-
Total U.S. Department of Health and Human Services				<u>13,595,665</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 18,886,360</u>	<u>\$ -</u>

United Community Action Partnership, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Agency under programs of the federal government for the year ended September 30, 2020. 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 Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which conform to accounting principles generally accepted in the United States of America. 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The Agency has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – ENERGY ASSISTANCE PAYMENTS

Included in CFDA 93.568 are client benefits paid directly by the State of Minnesota of \$3,141,186. These expenditures are not included in the statement of activities.

NOTE 5 – PASS-THROUGH ENTITY IDENTIFICATION NUMBERS

Several of the programs, grants and/or awards included in the schedule are missing the pass-through entity identification numbers. The missing numbers are due to the pass-through entities not providing the pass-through identification numbers.

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**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

To the Board of Directors
United Community Action Partnership, Inc.
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 United Community Action Partnership, Inc., which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements and have issued our report thereon dated February 25, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of 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 determination of financial statement amounts. 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 results of that testing, and not to provide an opinion on the effectiveness of the Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BerganKDV, Ltd.

St. Cloud, Minnesota
February 25, 2021

**Report on Compliance for Each Major Federal
Program and on Internal Control Over
Compliance Required by Uniform Guidance**

Independent Auditor's Report

To the Board of Directors
United Community Action Partnership, Inc.
Marshall, Minnesota

Report on Compliance for Each Major Federal Program

We have audited United Community Action Partnership, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended September 30, 2020. The Agency's major federal programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, United Community Action Partnership, Inc. complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to in the first paragraph. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

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.

BergankDV, Ltd.

St. Cloud, Minnesota
February 25, 2021

**United Community Action Partnership, Inc.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2020**

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? None
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? None
- Significant deficiency(ies) identified? None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of Major Federal Programs

CFDA No.: 81.042
Name of Federal Program Weatherization
Assistance for Low-
Income Persons

CFDA No.: 14.228
Name of Federal Program Community
Development
Block Grant

CFDA No.: 93.600
Name of Federal Program Head Start

Dollar threshold used to distinguish between type A and type B programs? \$750,000

Auditee qualified as low-risk auditee Yes

**United Community Action Partnership, Inc.
Schedule of Findings and Questioned Costs
Year Ended September 30, 2020**

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 10, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	2022 Sounds of Summer Community Contribution Request
Background Information:	In 2021, Council approved a contribution to the Sounds of Summer of \$10,000. The 2022 requested contribution to the Sounds of Summer is for \$25,000 (an increase of 150%).
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	



July 27, 2021

Ms. Sharon Hanson
City Administrator
City of Marshall
344 W. Main St.
Marshall, MN 56258

Dear Sharon:

Sounds of summer 2022 will be a special year for the community, as the City of Marshall will be celebrating its 150 year anniversary. The dates for the community celebration this year will be Thursday August 18th through Sunday, August 21st. The sounds of summer committee are working with the 150 committee to make this a special year. This letter is requesting the funding of \$25,000 from the City of Marshall in support of our city celebration.

The check can be made payable to Marshall Festivals Inc, and mailed to PO Box 1310, Marshall, MN 56258.

On behalf of the committee members I would like to thank you for your support.

Sincerely,

Brock Klaith
President/Chair
Marshall Festivals Inc.
SOS

MARSHALL FESTIVALS, INC.
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Cash	\$ <u>34,207.74</u>	\$ <u>25,874.74</u>
Total Assets	\$ <u><u>34,207.74</u></u>	\$ <u><u>25,874.74</u></u>
Liabilities		
Total Liabilities	\$ -	\$ -
Net Assets, without donor restrictions	<u>34,207.74</u>	<u>25,874.74</u>
Total Liabilities and Net Assets	\$ <u><u>34,207.74</u></u>	\$ <u><u>25,874.74</u></u>

2019 Revenues	
beginning bal.	1/1/2020
	\$25,874.74
2020 Revenues	
3/30/2020	Deposit Business City of Marshall
6/19/2020	Deposit Ray Fox
8/4/2020	Deposit From Band paid in 2019
Total Deposits	\$38,674.74

Date	Check No.	Amount	Expense
3/10/2020	1635	\$850.00	Over 60 Band
3/14/2020	1636	\$165.00	Independent ad in Community Guide
4/4/2020	1638	\$500.00	Hoffman Brobst Audit professional fees
4/4/2020	1639	\$25.00	State of Minnesota dues
6/30/2020	1640	\$599.00	Rachel Sanow Secretary Pay
<u>6/30/2020</u>	1641	\$599.00	Jarred Sanow maintenance of web site
8/24/2020	1642	\$238.00	Hitching Post meal for committee members end of year meeting
9/3/2020	1643	\$500.00	Deposit for Band for 2021 Larry Lein
9/15/2020	1645	\$106.00	USPS Post Office Box postage
10/2/2020	1646	\$185.00	Chamber Dues
10/5/2020	1647	\$200.00	City of Marshall Community Services Best in Snowmen
11/23/2020	1648	\$500.00	Light up the night sponsorship

Total	\$4,467.00
In Kind	
Marshall Mini Storage	\$540.00

Marshall Festivals
Revenue / Gross Receipts Trend

	Average	2020	2019	2018
Contributions	\$ 24,784	\$ 12,800	\$ 33,043	\$ 28,508
In Kind	\$ 8,683	\$ 540	\$ 13,534	\$ 11,975
Total	\$ 33,467	\$ 13,340	\$ 46,577	\$ 40,483

Eligible for postcard filing (990N)? **YES**

*Gross receipts three year average must be less than \$50k.
Only consider cash contributions, not in kind contributions.*



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 10, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	2022 Marshall-Lyon County Library Community Contribution Request
Background Information:	<p>In 2021, the Council approved an appropriation to the Marshall-Lyon County Library in the amount of \$669,799.</p> <p>The 2022 requested appropriation is \$747,332 (an increase of 11.8%).</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	

MARSHALL-LYON COUNTY LIBRARY
2022 BUDGET - DRAFT - 3.5% COLA

	REVENUE	2019		2020		2021		2022		
		Budget	Actuals	Budget	Actuals	2021 Budget	As of 6/30/2021	Request With 3.5% COLA	Increase/ Decrease	% Increase
33316	City of Marshall	625,072	625,072	655,134	655,134	669,799	334,896	747,332	77,533	11.8%
	CARES			0	6,302					
33314	Lyon County	312,491	312,491	327,522	327,552	334,854	167,427	373,620	38,766	11.8%
	Total	937,563	937,563	982,656	988,988	1,004,653	502,323	1,120,952	116,299	11.8%
	Miscellaneous									
36125	Interest	500	4,924	750	2,512	750	(380)	750	0	0.0%
34110	Community Room Renta/Equipment	1,500	1,827	1,500	271	1,500		1,500	0	0.0%
35110	Fines, Fees, Miscellaneous,	7,000	8,871	7,500	4,254	7,500	2,692	7,500	0	0.0%
34135	Copies	4,000	4,344	4,800	2,420	4,800	1,010	4,800	0	0.0%
36130	Grants/Donations	15,000	34,122	15,000	31,200	15,000	4,158	15,000	0	0.0%
	<i>Donations</i>		1,610	0	1,939		897			
	<i>Wish Tree</i>		634		152		105			
	<i>Scholarships</i>		860		210		65			
	<i>Friends</i>		28,118		9,319		3,091			
	<i>Grants</i>		2,900		19,579					
	Sub Total Miscellaneous	28,000	54,088	29,550	42,597	29,550	7,480	29,550	0	0.0%
	Other									
36135	Refunds & Reimbursements	1,000	309	1,000	3,354	1,000	0	1,000	0	
39121	Sale of Fixed Assets (Surplus Equip.)				0			0	0	
37185	Cash Long (Short)	0	17		0		6	0	0	
	Reserves	11,710		10,160	0	10,160	0	10,160	0	
	Sub Total-Others	12,710	326	11,160	3,354	11,160	6	11,160	0	
							0			
	TOTAL REVENUES	\$ 978,273	\$ 991,977	\$ 1,023,366	\$ 1,034,939	\$ 1,045,363	\$ 509,809	\$ 1,161,662	\$ 116,299	11.2%

		2019 Budget	2019 Actuals	Budget	2020 Actuals	2021 Budget	As of 6/30/2021	2022 Request With 3.5% COLA	Increase/ Decrease	% Increase
Personnel Expenses										
51110	Salaries - Fulltime	406,198	405,792	421,949	424,028	421,949	182,693	476,315	54,366	12.9%
51120	Salaries - Parttime	204,247	193,742	217,133	170,030	222,662	92,692	191,465	(31,197)	-14.0%
51130	Severance Salaries/Benefits (from designated reserves)						17,101			
52120	FICA Contributions	47,012	43,759	48,890	44,504	49,313	21,366	51,085	1,772	3.6%
52110	PERA Contributions	46,090	42,593	47,931	44,879	48,346	19,099	50,084	1,738	3.6%
52210	Health Insurance	59,302	49,866	58,206	47,026	59,689	23,219	94,988	35,299	59.1%
52215	Health Insurance Benefit Allotment	5,450	8,292	8,500	8,264	9,500	3,737	12,500	3,000	31.6%
52220	Dental Insurance	4,424	4,176	4,424	4,724	4,424	1,515	6,204	1,780	40.2%
52230	Life Insurance/LTD	976	943	1,060	930	1,060	372	1,225	165	15.6%
52410	Unemployment Benefits Pmt.		52	0	218	0	0	0	0	
52420	Worker's Compensation	4,732	2,507	4,921	2,533	4,964	1,753	5,142	178	3.6%
	Sub Total - Personnel Expenses	\$ 778,431	\$ 751,722	\$ 813,014	\$ 747,136	\$ 821,907	\$ 363,547	\$ 889,008	\$ 67,101	8.2%
Operating Expenses										
Administration										
54110	Supplies - General Office	2,000	2,621	2,500	1,536	2,500	462	2,500	0	0%
54120	Motor Fuels, Lubricants/Van Maintenance	500	2,139	700	1,030	1,000	828	1,500	500	50%
53110	Professional Services	1,500	2,709	2,000	2,685	2,000	1,974	2,800	800	40%
53140	Telecommunications	2,000	3,387	3,700	3,315	4,600	3,497	7,100	2,500	54%
53145	Postage	750	606	750	622	750	0	750	0	0%
53165	Travel & Conference/CE	1,000	734	1,000	677	1,000	170	1,000	0	0%
54430	Mileage Reimbursement	500	599	500	219	700	42	700	0	0%
53130	Marketing	1,500	2,385	4,300	3,039	4,300	0	4,300	0	0%
53215	Automotive Insurance	135	177	135	170	180	82	180	0	0%
53410	Maintenace Agreements	5,000	4,705	5,000	4,611	5,000	2,565	5,000	0	0%
54450	Advertising					0	457			
58145	Dues & Subscriptions	1,275	967	1,275	1,148	1,275	552	1,275	0	0%
58155	Licenses & Taxes	500	578	500	372	500	206	500	0	0%
58115	Bank Charges (Credit Card Fee)			0	177	0	93	300	300	
	Sub Total - Administration	16,660	21,607	22,360	19,601	23,805	10,928	27,905	4,100	17.2%
Building										
54210	Supplies - Building	2,000	2,612	2,500	2,306	2,500	529	2,500	0	0.0%
53420	Repair & Maintenance of Bldg.	5,000	8,360	5,000	25,412	10,000	10,549	15,000	5,000	50.0%
53210	Insurance General/Liability	6,000	6,122	6,000	6,415	6,000	3,294	6,500	500	8.3%
53310	Electric Utilities	37,750	33,611	37,750	29,935	37,750	11,343	37,750	0	0.0%
53315	Water Utilities	850	794	850	525	850	429	700	(150)	-17.6%
53325	Refuse Disposal	1,300	1,531	1,300	1,227	1,300	469	1,300	0	0.0%
533	Utilities	525	564	525	419	525	308	525	0	0.0%
534	Insurance Agreements	23,000	29,037	7,000	11,763	7,000	2,144	36,500	29,500	421.4%
	Sub Total - Building	76,425	82,631	60,925	78,002	65,925	29,065	100,775	34,850	52.9%

		2019 Budget	2019 Actuals	2020 Budget	2020 Actuals	2021 Budget	As of 6/30/2021	2022 Request With 3.5% COLA	Increase/ Decrease	% Increase
	Public Services									
54215	Supplies - Processing	3,000	3,346	3,000	2,851	3,500	2,551	3,600	100	3%
58175	Programming	500	117	500	603	500	0	500	0	0%
53170	Delivery Services - Plum Creek	5,505	5,505	5,505	5,505	5,505	5,505	5,760	255	5%
53170	Automation Fees - Plum Creek	23,133	23,133	25,646	25,146	26,650	26,650	28,700	2,050	8%
54220	Books	30,000	30,753	45,000	42,103	45,900	19,996	46,800	900	2%
54225	Lyon County - Digital Library	16,873	16,369	17,873	21,387	19,800	8,000	19,800	0	0%
	Hoopla /Kanopy								0	
53170	Plum Creek - Digital Library	7,127	7,127	7,924	7,924	7,924	8,502	8,505	581	7%
54230	Periodicals/Newspapers	5,000	4,174	5,000	2,787	5,000	682	5,000	0	0%
54235	A-V Materials	5,000	5,565	5,000	5,917	5,000	871	5,355	355	7%
	Sub Total - Public Services	96,138	96,089	115,448	114,223	119,779	72,757	124,020	4,241	4%
	Tech & Equipment									
54410	Computer Software Support/Agreements	6,619	8,020	7,619	7,806	7,619	5,787	8,119	500	7%
53415	Repair & Maintenance of Equip.	2,000	779	2,000	921	2,000	0	2,000	0	0%
54150	Machinery/Equip. up to \$5000.	2,000	6,617	2,000	15,303	3,000	1,292	9,835	6,835	342%
	Security Cameras		5,728						0	
	Sub Total - Tech & Equipment	10,619	21,144	11,619	24,030	12,619	7,079	19,954	7,335	31%
	TOTAL OPERATING EXPENSES	\$ 199,842	\$ 221,471	\$ 210,352	\$ 235,856	\$ 222,128	\$ 483,376	\$ 272,654	\$ 50,526	21.4%
		2019 Budget	2019 Actuals	2020 Budget	2020 Actuals	2021 Budget	As of 6/30/2021	2022 Request With 3.5% COLA	Increase/ Decrease	% Increase
36130	Grant/Donation Expenses				-					
	Donations		428	-	408		1,358	-	0	0%
	Scholarship		1,060		65		-	-	0	0%
	WT		817		135		632	-	0	0%
	Friends		30,270		8,413		4,446	-	0	0%
	Grants		7,589		31,268		295	-	0	0%
	TOTAL GIFT/DONATION EXPENSES	\$ -	\$ 40,164	\$ -	\$ 40,289		\$ 6,731	\$ -	\$ -	0%

Lyon County Libraries										
Revenue	2019 Budget	2019 Actuals								
Lyon County Libraries Digital/Large Print	5,000	5,000								
Total Revenue	\$ 5,000	\$ 5,000								
Expenses										
Digital	5,000	5,000								
Large Print	-	612								
Total Lyon County Libraries Expenses	\$ 5,000	\$ 5,612								
TOTAL EXPENSES	\$ 978,273	\$ 1,013,969	\$ 1,023,366	\$ 1,023,281	\$ 1,044,035	\$ 490,107	\$ 1,161,662	\$ 117,627	11.3%	