Chatfield MINNESOTA
"THE CHOSEN VALLEY"

CITY OF CHATFIELD PERSONNEL / BUDGET COMMITTEE
AGENDA
City Council Chambers, 21 SE Second Street, Chatfield, MN 55923
September 14, 2026, 4:30 P.M.

Notice is hereby given that some members may be participating in the meeting by interactive technology.

A. Minutes

1. August 10, 2026 Meeting Minutes
   Review minutes from the previous meeting.

B. Financial Report

1. August 2026 Monthly Financial Report

C. Continued Business

1. Police Department Staffing
   Review financial information and potential schedule.

D. New Business

1. 2027 Preliminary Budget
2. 2027 Water and Sewer Rates
3. 2027 Fee Schedule
   Review draft, offer recommendations.
4. 2026 Audit Quote
   Consider for recommendation for approval.
5. Managed IT - Breach Readiness & Vulnerability Remediation Services
   Review for recommendation of approval.
6. 8.02 Direct Deposit Policy Update
   Consider recommended changes.
7. Public Works Expenses
   Consider input from Director.
8. LELS Local 290 - Initial Negotiations Proposal
   Review proposal.

E. Committee Member Input

MINNESOTA
THE CHOSEN VALLEY

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: August 10, 2026 Meeting Minutes

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Review minutes from the previous meeting.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

2026.08.10 Personnel Budget Meeting Notes.pdf

CITY OF CHATFIELD PERSONNEL / BUDGET COMMITTEE

City Council Chambers, 21 SE Second Street, Chatfield, MN 55923

August 10, 2026, 4:30 P.M.

Members Present: Councilors Mike Urban and Paul Novotny

Members Absent: None

Others Present: Brian Burkholder, Kay Wangen, Scott Keigley, Craig Britton, and Michele Peterson

A. **Minutes:** The minutes of the July 13, 2026, committee meeting were reviewed, with no suggested amendments.

B. **Financial Report**
   a. **July 2026 financial Report:** The report was reviewed by Kay Wangen. Members questioned the low fund balance for the Center for the Arts, it was noted that there have been significant repairs, which has caused the low fund balance. There may be a need to consider transferring funds from the capital account to cover the operations balance, this has already been done once before.

C. **Continued Business**
   a. **Residential Utility Billing Policy Suggested Revision:** Members reviewed the language in the draft policy. A request to make sure we are notifying new customers about the option of having a second meter installed during construction. Community Development Director Alison Bentley will be consulted for input on this, as well to consider if there should be a requirement in ordinance to install a second meter. The policy will be brought forward to the City Council at the next meeting.
   b. **Police Department Staffing:** Chief Keigley recommends the appointment of Ryan Gilbertson to the full-time position. Members approved of that recommendation and will share this with the Council at this evening's meeting. There is one application for a part-time position, Chief Keigley will set up an interview with the applicant. Finally, a brief discussion was had regarding the possibility of adding a fifth full-time patrol officer position. Chief Keigley will work on a potential schedule, and the discussion will be brought back next month.

D. **New Business**
   a. **Police Department – Wellness Policy:** Members reviewed the draft policy which would allow for officers to meet with someone once a year to ensure mental health. Members recommended moving forward with the policy adoption, the policy will be presented to City Council at the next meeting.

E. **Other**

a. **Union Negotiations:** Negotiations for the 2027-2028 contract have begun. Currently they are asking for an increase in wages, as well as an increase in uniform allowances. We have requested additional information from other cities regarding the uniform allowances from the union.

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: August 2026 Monthly Financial Report

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion:

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

Monthly Finance Cash & Investment Report.2026 08.pdf

FINANCE DEPARTMENT
Chatfield MINNESOTA
"THE CHOSEN VALLEY"
21 Second Street SE | Chatfield, MN 55923 | 507-867-3810 | www.ci.chatfield.mn.us

Monthly Finance Cash & Investment Report

Fund	Description	Aug-26	Aug-26	Aug-26	Aug-26	Aug-26 / Aug-26 / Aug-26 / Aug-26
100	100 GENERAL FUND	$ 1,651,815.24	$ 122,232.64	$ 334,580.05	$ 1,439,467.83	ME 51% - In 40-60% Range | Avg12MO 47% - In 40-60% | 50% GF Expense Budget but BELOW $2million wchvr >
211	211 LIBRARY	$ 117,762.47	$ 1,750.30	$ 24,257.07	$ 95,255.70	ME 27% - In 20-40% Range | Avg12MO 26% - In 20-40% expense bdgt Range.
212	212 LIBRARY ENDOWMENT FUND	$ 316,893.27	$ 100,145.00	$ 100,000.00	$ 317,038.27	Cash Balance 189% Collection Value | Annual Funding Rate 50%
220	220 FIRE - OPERATIONS FUND	$ 65,951.02	$ 665.83	$ 4,378.45	$ 62,238.40	ME 39% - In 20-40% Range | Avg12MO 44% Slghtly Abv 20-40% NY expense bdgt
221	221 FIRE - CAPITAL FUND	$ 1,162,914.10	$ -	$ -	$ 1,162,914.10	Cash Balance = 26% of Capital Goods Collection Value | Annual Funding Rate 53%
230	230 AMBULANCE - OPERATIONS FUND	$ 237,109.68	$ 123,450.26	$ 136,601.92	$ 223,958.02	ME 48% - Slghtly Abv 20-40%% | Avg 12MO 44% - Slghtly Abv 20-40% expense bdgt | Annl Twnshp | Slightly High Balance | No Actic
231	231 AMBULANCE - CAPITAL FUND	$ 133,590.01	$ -	$ 22,079.34	$ 111,510.67	Cash Balance = 11% of Capital Goods Collection Value | Funding Rate 74%
240	240 COMMUNITY DEV - OPERATIONS	$ 38,951.78	$ 464.55	$ 9,606.68	$ 29,809.65	ME -17% -Slghtly below 20-40% Range | Avg12MO 13% - Slghtly Low | Target 20-40% expense bdgt |
242	242 COMMUNITY DEV - CPTL | 358 DG OFFSET	$ 612,003.88	$ -	$ 4,300.00	$ 607,703.88	$ 318,590.42 Actual | 358 Family Dollar Interfund Loan Offset
250	250 CCA - OPERATIONS FUND	$ 29,237.45	$ -	$ 4,245.21	$ 24,992.24	ME 28% - In 20-40% Range | Avg12MO 11% - Slghtly Low | Target 20-40% of expense buget| $25,000 trans
251	251 CCA - CAPITAL FUND	$ 77,644.19	$ -	$ -	$ 77,644.19	
323	323 2023A GR&PR |623wtrDS| 1MoRsv	$ 123,987.34	$ -	$ -	$ 123,987.34	
325	325 2025A 2026 STRT PRJCT	$ (12,414.12)	$ -	$ -	$ (12,414.12)	
332	332 2012A-WATER TOWER GO REF 200	$ 110,510.35	$ -	$ -	$ 110,510.35	
335	335 2016A REF10A&11A|20%GF|1MoR	$ 316,768.30	$ -	$ -	$ 316,768.30	
336	336 2016B (WTR) 425K GO REV|337SW	$ 36,422.65	$ -	$ -	$ 36,422.65	
339	339 2017B (WTR) GO UTIL REV (IND)	$ 489.48	$ -	$ -	$ 489.48	
340	340 2018A GO POOL BOND	$ 176,126.82	$ -	$ -	$ 176,126.82	
342	342 2019A GO TAX ABTMNT. ST LIGHT	$ 36,108.71	$ -	$ -	$ 36,108.71	
343	343 2022A StrmGF 18% (wtr82%303)	$ 72,272.99	$ -	$ -	$ 72,272.99	
344	344 2022B TXGO CIP PWFAC	$ 19,375.12	$ -	$ -	$ 19,375.12	
355	355 TIF DIST 2-7 GJERE ADDITION	$ 4,797.09	$ -	$ -	$ 4,797.09	
356	356 TIF DIST 3-6 GRNDST APT RDV	$ 137.32	$ -	$ -	$ 137.32	
358	358 TIF DIST 2-5 FAMILY DLLR | 242	$ (289,113.46)	$ -	$ -	$ (289,113.46)	Interfund Loan from 242
359	359 TIF DIST 2-6 CABIN COFFEE REDE	$ 258.55	$ -	$ -	$ 258.55	
360	360 REV LOAN FUND - FED/ORIG	$ 153,140.71	$ 3,244.40	$ -	$ 156,385.11	
361	361 REV LOAN FUND - STATE	$ 97,703.67	$ -	$ -	$ 97,703.67	
425	425 2025A 2026 STRT PRJCT-CLOSED 03/2026	$ -	$ -	$ -	$ -	Rsltn 2026-23 Closed 03/2026
456	456 WHDP GRND ST APT DVLPMNT	$ -	$ -	$ -	$ -	Rsltn 2026-32 Close 04/27/2026
601	601 WATER FUND	$ 154,393.06	$ 157,128.76	$ 132,525.93	$ 178,995.89	ME34% - In Range | Avg12MO 19% - Slghtly Low | T $150,000 IFL frm 602 12/2024 | Project #601WT
602	602 SEWER FUND	$ 294,621.95	$ 77,660.65	$ 34,714.21	$ 337,568.39	ME 31% - In Range | Avg12MO 27% - In Range | Target 20-40% expense bdgt
603	603 REFUSE (GARBAGE) FUND	$ 29,720.14	$ 22,439.55	$ 21,640.46	$ 30,519.23	
611	611 WATER-Cptl	$ 8,939.82	$ -	$ 21,974.25	$ (13,034.43)	Cash Balance = 0% of Capital Goods Collection Value | Funding Rate 0%
612	612 WASTEWATER-Cptl	$ 12,332.76	$ -	$ -	$ 12,332.76	Cash Balance = 1% of Capital Goods Collection Value | Funding Rate 0%
801	801 CAPITAL GOODS FUND	$ 1,206,654.90	$ 500.00	$ 60,845.08	$ 1,146,309.82	
803	803 ATV TRAIL	$ -	$ -	$ -	$ -	
807	807 SE MN TMO-III	$ -	$ -	$ -	$ -	807 Added 09/2025
900	900 MEMO FUND	$ 26,547.91	$ 15,822.20	$ -	$ 42,370.11	
910	910 PAYROLL PASSTHROUGH	$ (11,214.23)	$ 113,391.60	$ 115,839.20	$ (13,661.83)	
BANYON	Banyon Monthly Fund Cash Balance | Combin	$7,012,440.92	$738,895.74	$1,027,587.85	$6,723,748.81	

General Fund Key
YE FndCshBlncRvwKey
FndBlnc in Range 40-60%
SlightVrnce <=10% (30-39% | 61-70%)
SgnfcntVrnce > 10% (<30%|>70%)

SpecialRev|Ent Key
YEFndCshBlncRvwKey
FndBlnc in Range 20-40%
SlightVrnce <=10% (10-19% | 41-50%)
SgnfcntVrnce > 10% (<10%|>50%)

Holdings | Valuations | Yields - *Calculated BB accomodates balance changes due to deposits & withdrawals*

Cash & Money Fund Accts	Description	BB | OrigVl	(+)	(-)	End Bal MV	Cash & MM Accts	*ClcltBB based on EB | Face|Par|Shares	Monthly Yield |NAV	Int% |	CurValue
10200	Petty Cash	$ 400.00			$ 400.00	Petty Cash	$ 400.00			$ 400.00
10100 | 4100078	RRSB CB STMNT BLNC	$ 565,715.71	$ 605,843.97	$ 558,181.24	$ 613,378.44	RRSB CB STMNT BLNC	$ 612,360.94	APY Yield Earned %	2.02%	$ 613,378.44
10101 | 4000008	F&M MM	$ 149,270.16	$ 152.13		$ 149,422.29	F&M MM	$ 149,273.76	APY Yield Earned %	1.21%	$ 149,422.29
10102 | 76T-154947	Northland MM	$ 194,671.22	$ 590.28		$ 195,261.50	Northland MM	$ 194,682.32	30 Day Yield	3.57%	$ 195,261.50
10104 |35529-101	4M -Liquid 4M 4MP & LTD Class	$ 4,957,948.17	$ 14,258.74	$ 400,000.00	$ 4,572,206.91	4,572,206.91	$ -			
	4MP					4MP - Average Monthly Rate	$ 2,454,547.34	DNY |Annl Dvd/CrrntPr Per Share	3.65%	$ 2,544,187.41
LTD Est. 02/2026	$2,000,000 | 174034.11 shares @ $11.492 Share					LTD-11.653 NAV	$ 1,953,964.25	DNY |Annl Dvd/CrrntPr Per Share	3.79%	$ 2,028,019.50
Subtotal	***Institution Liquid Cash Total***	***$ 5,868,005.26***	***$ 620,845.12***	***$ 958,181.24***	***$ 5,530,669.14***		$ 5,365,228.62	***Institution Liquid Cash Total***		$ 5,530,669.14

CD's | Bonds #	Description	BB | OrigVl	(+)	(-)	End Bal | OrigVl	CD's | Bonds #	Mat Date	Market Value	Est Yld	Est Crrnt Vlue BsdonFullMtrty
10401 | 702127	F&M CD 60Mo-Mtrd 03/03/2026	$ -				10401 | 702127	3/3/2026	$ -		$ -
10401 | 702128	F&M CD 60Mo-Mtrd 03/03/2026	$ -				10401 | 702128	3/3/2026	$ -		$ -
10402 | 300185-LM-5	EVGRN BK GRP OAK BOOK IL - 42Mo	$ -			$ -	10402 | 300185-LM-5	7/27/2026			$ -
10402 | 564759-RS-9	MNFCTRS&TRDRS CO - 48Mo	$ 245,000.00			$ 245,000.00	10402 | 564759-RS-9	1/20/2027	$ 244,951.00	4.00%	$ 281,975
10402 | T-FN-2	CPTL ONE BK USA NTL - 60Mo	$ 100,000.00			$ 100,000.00	10402 | T-FN-2	4/20/2027	$ 99,237.00	2.80%	$ 112,761
10402 | 61768E-JR-5	MRGN STNLY PRVT BK NATL ASSN - 60Mo	$ 113,000.00			$ 113,000.00	10402 | 61768E-JR-5	5/19/2027	$ 112,361.55	3.25%	$ 129,493
10402 | 254673L38	DSCVR BK GRNWD - 60Mo	$ 100,000.00			$ 100,000.00	10402 | 254673L38	7/6/2027	$ 99,442.00	3.40%	$ 114,803
10402 | 3130ASN96	APY FDRL HM LN BKS - 84 Mo	$ 200,000.00			$ 200,000.00	10402 | 3130ASN96	7/27/2029	$ 198,030.00	4.20%	$ 236,632
10404 | 71768-1 33682	State Bank of India, 856288EQ4 -24MO	$ 245,000.00			$ 245,000.00	10404 | 71768-1 33682	3/9/2028	$ 243,298.35	3.80%	$ 248,691
10404 | 71767-1 33124	Goldman Sachs Bank USA - 36MO	$ 245,000.00			$ 245,000.00	10404 | 71767-1 33124	3/12/2029	$ 241,717.12	3.75%	$ 248,629
Subtotal	***Institution Fixed Income Total***	***$ 1,248,000.00***	***$ -***	***$ -***	***$ 1,248,000.00***	**CDs | Bonds | EB/OrgVl**	$ 1,248,000.00	***$ 754,021.55***	***EstCVBsdFllMtrty***	$ 1,372,983.32
TOTAL	**Institution Combined Cash | Money Fund &**	**$ 7,116,005.26**	**$ 620,845.12**	**$ 958,181.24**	**$ 6,778,669.14**					
					Bnyn Cmbnd BankRec EB|$ Above					

Monthly Reconciliation

Monthly Reconciliation	Beg	(+)	(-)	End Bal	CD|BONDS MV Summary	EB Original $	Market Value	MV + (-)	EstCurValue | BsdOnFullMtrty
DEPOSITS IN TRANSIT (BEG.) +bb/+ex	$ -		$ -	0.00	RRSB-10400	$ -	$ -	$ -	
DEPOSITS IN TRANSIT (END.) +rev/+eb		$ -		0.00	F&M 10401	$ -	$ -	$ -	$ -
OUTSTANDING CHECKS (BEG) -bb/-ex	$ (103,564.34)		$ (103,564.34)	0.00	Northland 10402	$ 758,000.00	$ 754,021.55	$ (3,978.45)	$ 875,663.09
OUTSTANDING CHECKS (END) +ex/-eb			$ 54,920.33	-54,920.33	4M Fixed Income 10404	$ 490,000.00	$ 485,015.47	$ (4,984.53)	$ 497,320.24
MONTHLY RECONCILIATION TOTALS	7,012,440.92	620,845.12	909,537.23	6,723,748.81	**TOTAL MV INVSTMNTS**	$ 1,248,000.00	$ 1,239,037.02	$ (8,962.98)	$ 1,372,983.32
OUT OF BALANCE AMOUNT	$ (0.00)	$ 118,050.62	$ 118,050.62	$ (0.00)	6,723,748.81		**TTLHldngs(CashMMCD&BndEstCrntVltoMat**		$ 6,903,652.46
ACTL OpsCB BLNC | *nmm Blnc Gdln $750,000 (3yr avg mnthly ops wd)*			112%	$ 558,458.11					

CB Blnc Frmt Key: *ME Slightly High >110% | 12mo Avg High 133%*

CB Blnce Frmt Key: In Range 90-110% | High >110% | Low <90%

Reserve Fund "Bucket" Detail

Prj# Dept	Reserve Fund "Bucket" Detail	Beg	(+)	(-)	End Bal	CV-CllctnVlu | AF-AnnlFndng
801AM3	AMCO 3rd Escrw | R 32214 | E 310	$ 2,168.46			$ 2,168.46	
801CHP | 801SMN.1of4	Chip Sealing 39214 | Crckfllng 801-43100-406	$ 77,353.24			$ 77,353.24	1of4SMN 14% CllctnVlu | 115% AnnlFndng
801CLK 41500	Administration *use $7,000 for MN DOT Prprty	$ 53,109.26			$ 53,109.26	32% CllctnVlu | 66% AnnlFndng
801HS 41200	Historical Society R 34030 |frm 100-41200-450	$ -			$ -	Rsltn 2026-49 to 801MB
801HT4 43100	Hilltop 4th Escrw | R 32214 | E 310	$ (1,055.37)			$ (1,055.37)	
801IT 49950	IT Shared Tech 39204 | 435 500 (Server / Comp / L	$ 78,663.56		$ 4,950.40	$ 73,713.16	34% CllctnVlu | 72% AnnlFndng
801MB 41940	Municipal Building 39220 (Inc SNR CTZNS RES 202	$ 204,907.28		$ 4,745.00	$ 200,162.28	15% CllctnVlu | 51% AnnlFndng
801OVR | 801SMN.2of4	Overlay 39215 (Incl Small Cities Assist)	$ 38,463.80		$ 8,500.00	$ 29,963.80	1of4SMN 14% CllctnVlu | 115% AnnlFndng
801PD 42110	Police 39206 Vehicls & Cmptr Equip / Sftwr	$ 187,448.93		$ 42,649.68	$ 144,799.25	78% CllctnVlu | 42% AnnlFndng
801PRK 45200	Park Imp & Ded. Fees 39219 | 37252 | 500 (inc BND	$ 204,009.45			$ 204,009.45	12% CllctnVlu | 40% AnnlFndng
ES-OS		$ (199.81)			$ (199.81)	
801SEQ 43100	Street Equip 39221 | 550 / Signs 240 | 39260 / Trees	$ 133,056.98			$ 133,056.98	8% CllctnVlu | 44% AnnlFndng
801SP 45124	Swimming Pool 39201 | 500	$ 131,442.70			$ 131,442.70	16% CllctnVlu | 25% AnnlFndng
801SS | 801SMN.3of4	Storm Sewer 39227 | 408 763 765 E&J	$ 22,244.26	$ 500.00		$ 22,744.26	1of4SMN 14% CllctnVlu | 115%
801SWK | 801SMN.4of4	SDWLK 39213 SIDEWALK | CROSSWALK	$ (10,698.25)			$ (10,698.25)	1of4SMN 14% CllctnVlu | 115% AnnlFndng
801UND 41100	Legislative Undesignated | 39201 | 500	$ 85,740.41			$ 85,740.41	
PDBRDG 45200	Pedestrian Bridge 45200)	$ -			$ -	Rsltn 2025-83 Closed to Parks
801 CAPITAL GOODS FUND		$ 1,206,654.90	$ 500.00	$ 60,845.08	$ 1,146,309.82	$ 1,146,309.82

% of Portfolio by Institution		EB | Est. Crrnt Value
9%	RRSB	$ 613,778.44
2%	F&M	$ 149,422.29
16%	Northland	$ 1,070,924.59
73%	4M	$ 5,069,527.15
100%	**TTL Holdings**	$ 6,903,652.46

Portfolio Est Value Yield (Bsd on Fll Mtrty) Compared to 3 Mo Treasury Bill

Est BB | Face Value	$ 6,613,228.62	
EB | Est. Crrnt Value	$ 6,903,652.46	
Est Yield	4.39%	
3Mo Daily Trsry Par Yield Curve Rate | Monthly Avg	3.88%	08/01-08/31
Above	0.51%	

https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type

RRSB CB STMNT BLNC	APY Yield Earned %	2.02%
F&M MM	APY Yield Earned %	1.21%
Northland MM	30 Day Yield	3.57%
4MP - Average Monthly Rate	DNY |Annl Dvd/CrrntPr Pe	3.65%
LTD-11.653 NAV	DNY |Annl Dvd/CrrntPr Pe	3.79%

General Fomat Key			
	Input	Note	Total
	Linked Cell	Calculation	Check Cell
	Good	Neutral	Bad

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: Police Department Staffing

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Review financial information and potential schedule.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

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Attachments:

Chatfield MINNESOTA THE CHOSEN VALLEY

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: 2027 Preliminary Budget

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion:

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

Budget at a Glance 2027.MASTER.2026 0902 4.93%.pdf

2027 Preliminary Budget Dashboard.2026 0908.pdf

Chatfield MINNESOTA

Includes:

Budget At A Glance	2027.2 Budget Prep.Personnel Budget 09/14 Budget at a Glance - - Based on Preliminary PRISM Abstract Assessment				2027	
GENERAL FUND	**Revenues**	**Expenses**	**Fund Balance +Inc(low) | -Dec(High) Cash Flow Policy Adj.**	**Levy**	**% Change 2026 to 2027**	**Comments**
LGA / PERA Aid-41000-33401 | 33405	$ 954,546			$ (954,546)	0.25%	**MnRev Cnfrmd 2026 0730*
General Revenue 41000 | Intrst Income | Lvy Stblztn	$ 175,750	$ 240,000		$ 64,250	357.00%	*Includes WW Repayment & Lvy Stblztn*
41100- Legislative Dept.		$ 72,900		$ 72,900	5.67%	*Includes $3,828 DS Offset*
41410- Elections		$ -		$ -	-100.00%	? 2027 Elections
41500- Administration/Finance	$ 182,610	$ 772,630		$ 590,020	8.52%	*Includes General Service Charge Rev*
41940- Municipal Building	$ -	$ 75,975		$ 75,975	-7.72%	
42110- Police Department	$ 68,628	$ 783,289		$ 714,661	-2.32%	?Police State Aid
43100- Street Maintenance	$ 6,577	$ 611,839		$ 605,262	-2.02%	
45124- Swimming Pool	$ 102,156	$ 211,928		$ 109,772	-8.73%	
45200- Parks	$ 164	$ 280,616		$ 280,452	-3.93%	
General Fund Total Rev | Exp	**$ 1,490,431**	**$ 3,049,177**		**$ 1,558,746**		
GENERAL GOVERMNENT LEVY-31010			$ -	**$ 1,558,746**	**5.09%**	
Services	**Revenues**	**Expenses**		**Levy**		
211-31010 Library Levy	$ 106,011	$ 358,549		$ 252,538	4.26%	*OC + $20k?*
220-31010 Fire Department Levy	$ 87,720	$ 169,276		$ 81,556	10.21%	*2026 Held Flat*
230-31010 Ambulance Levy	$ 323,322	$ 529,614		$ 153,911	3.00%	*2026 Levy +3% | Bdgt -59,047 2026 2027 Grants*
240-31010 Community Development Levy	$ 5,900	$ 191,603		$ 185,703	8.31%	*2027 Includes $10k Widseth*
250-31010 Center for the Arts Levy	$ -	$ 91,035		$ 91,035	3.56%	
TOTAL SERVICES LEVY				**$ 764,743**	**5.48%**	
Debt Service				**Levy**		
2016A | 335-WWTP (2028)	28			$ -	-100.00%	*2026 Final Levy | Final WW 2027 | Final Pay Feb 20*
2018A | 340-Pool (2039)				$ 298,500	42.52%	
2019A | 342-Street Lights (2027)				$ -	-100.00%	*2026 Final*
2022A | 343-Wtr Storm (2043)				$ 18,086	424.54%	
2022B | 344-PW Facility (2043)				$ 65,000	5.03%	
2023A | 323-Grand Prospect St				$ 198,503	-0.20%	
2025A | 325 Mill & Overlay Street Prjct				$ 124,417	30.08%	
DEBT SERVICE LEVY				**$ 704,506**	**4.01%**	
Levy Total				**$ 3,027,995**		
Increase in Tax Levy				**$ 142,355**		
Percent Increase over Prior Year					**4.933%**	

NET TAX CAPACITY		
Fillmore County NTC	based on 09/01/2026 AA	$ 2,162,157
Olmsted County NTC		$ 1,317,822
Net Taxable Tax Capacity		$ 3,479,979
Increase in Tax Capacity		$ 256,727
% Increase in Tax Capacity		7.97%
Certified Final Levy	Preliminary Levy	$ 3,027,995
City Tax Rate		87.01%
Goal: Maintain a steady, predictable local tax rate.~90		
Debt Per Capita		$ 3,340
Goal: Reduce the debt per capita to $3,500 or less		

2027 Preliminary Budget Dashboard

Guiding Principles

Deliver vital municipal services, protecting resources, and ensuring safety through responsible public stewardship.

- Maintain public safety and public works programming that reasonably assures the public of their safety, convenience, and maintenance of property value.
- Develop and maintain technology, communication and administrative services that allows interested parties to be well informed while protecting city data and operating systems.
- Sustain the city's strong bond rating and financial position.
  - *The city's AA bond rating ranks Chatfield among the upper tier of cities in the state relative to its credit rating.*

Critical Succes Factors

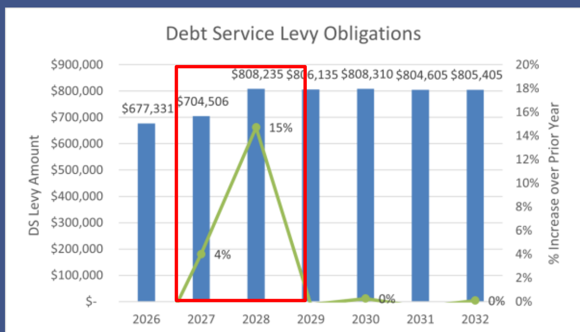
Steady, predictable local tax rate ~ 90%	Debt Per Capita < = $3,500	Maintaining operational stability & strong reserves	Goal directed, outcome focused budgeting	Compliant IT management and data security	Sustain strong bond rating

Budget Cost Drivers

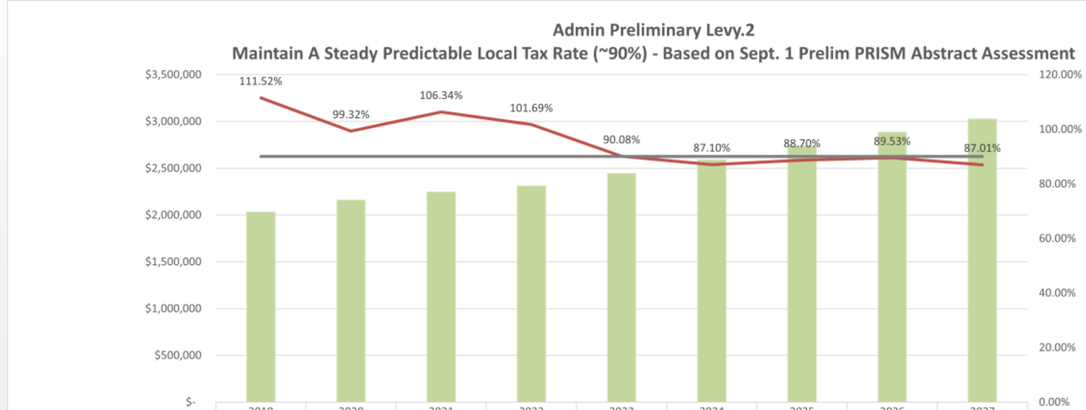
Public Safety operations & staffing	Employee wages, benefits & paid leave requirements	Public works, parks & facilty maintenance	Increases in equipment, supplies & services costs	Ongoing debt obligations & infrastructure projects	Increasing costs to secure data & combat fraud

2027 Preliminary Budget Dashboard

Tracking Results

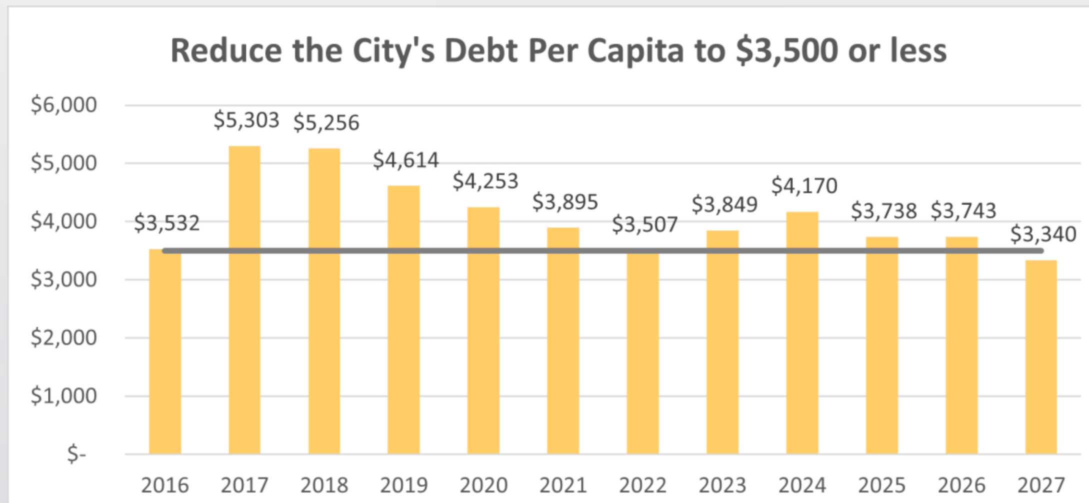


*Note: Existing Debt service levy obligation increases significantly in 2028 which will challenges the goal of maintaining a steady predictable local tax rate.



	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total Levy	$2,032,036	$2,161,688	$2,247,789	$2,310,879	$2,444,756	$2,588,325	$2,738,363	$2,885,640	$3,027,995
Est. Tax Rate - PRISM Prlmnry	111.52%	99.32%	106.34%	101.69%	90.08%	87.10%	88.70%	89.53%	87.01%
Target Rate	90%	90%	90%	90%	90%	90%	90%	90%	90%

Total Levy   Est. Tax Rate - PRISM Prlmnry   Target Rate

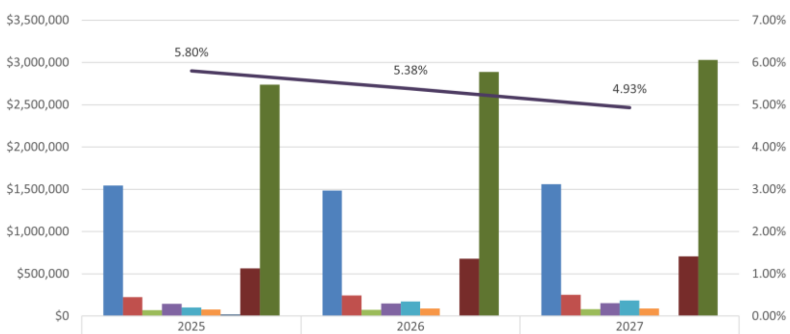


2027 Preliminary Budget Dashboard

Budgets Based on Services

- **General Fund | Administration | 100-41500**
  Continue to evaluate & refresh business practices | Continue implementing updated capital plans, fund balances, budgeting cycles
- **General Fund | Municipal Building | 100-41940**
  Update windows
- **General Fund | Police Department | 100-42110**
  Review staffing & scheduling | Ensure a successful transition to new leadership
- **General Fund | Streets| 100-43100**
  Update dump truck | Review street maintenance schedule
- **General Fund | Swimming Pool| 100-45124**
- **General Fund | Parks| 100-45200**
  Update City Park restrooms
- **Library | 211**
  Increase part-time staffing hours to support services & programming | Expand programming to meet community interests and needs | Ensure a successful transition to new library leadership
- **Ambulance | 230**
  Continue to evaluate grant supported staffing model
- **Community Development| 240**
  Promote & Expand housing and business development | Pursue grant funding opportunities
- **Water| 601**
  Continue lead & copper regulation implementation | Continue to define water tank replacement project | Enhance fund balance levels to reestablish reserve funding
- **Wastewater| 602**
  Continue to define facility plan project| Enhance fund balance levels to reestablish reserve funding

3 Year Levy Detail | % Change from Prior Year - Admin Prelim



	2025	2026	2027
General Fund | 100	$1,544,092	$1,483,285	$1,558,746
Library Fund | 211	$224,597	$242,231	$252,538
Fire Dept Fund | 220	$70,000	$74,000	$81,556
Ambulance Fund | 230	$143,043	$149,428	$153,911
Community Development | 240	$100,380	$171,458	$185,703
CCA Fund | 250	$75,700	$87,907	$91,035
CCTV Fund | 614	$17,000	$0	$0
Debt Service	$563,551	$677,331	$704,506
Total Levy	$2,738,363	$2,885,640	$3,027,995
Ttl Lvy % Chng Prr Yr|Crnt Yr	5.80%	5.38%	4.93%

2027 Preliminary Budget Cost Drivers &Notes

- 3% Salary Grid update
- Updated Water & Wastewater Rate Revenue
- Public Works & & Police Department scheduled at 2,184 hr/yr
- IT Vulnerability Remediation / Breach Readiness Services
- Levy Stabilization / Unassigned Fund Balance Ratio for next years existing debt service obligations for tax rate stabilization

2027 Preliminary Budget Dashboard

1. Debt Levy | 2. CFP Future Projects

1. Current Debt Service | Bond Revenue Schedules -| 2. 2025 Capital Financial Planning (CFP) Session Projects | 3. Capital Goods Scheduled Replacements (Cash Reserves) - September 2026

Key: Levy | Water | WasteWtr | Cash Rsrv

1. CURRENT DEBT

			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
2016B	Water Meters	Levy	$ -																								
		Water	$ 24,678																								
		WW	$ 24,678																								
2012A	Water Tower- Hillside (Levy=ISD&FC Abtmnt)	Levy (Abatement)	$ 45,077																								
		Water	$ 74,000																								
		WW	$ -																								
2017B	Enterprise Drive	Levy	$ -	$ -																							
		Water	$ 15,000	$ 7,500																							
		WW	$ 15,000	$ 7,500																							
2016A	WW and Refund 2010A & 2011A	Levy	$ 98,000																								
		Water	$ -	$ -																							
		WW	$ 500,000	$ 495,000																							
2023A	Grand & Prospect	Levy	$ 198,902	$ 198,503	$ 197,904	$ 197,106	$ 201,096	$ 194,712	$ 198,303	$ 196,508	$ 199,500	$ 197,106															
		Water	$ 3,904	$ 25,112	$ 34,115	$ 33,117	$ 32,120	$ 36,110	$ 34,913	$ 33,716	$ 32,519	$ 36,309															
		WW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -															
2018A	Swimming Pool	Levy	$ 209,450	$ 298,452	$ 302,293	$ 300,846	$ 299,250	$ 302,492	$ 300,447	$ 303,240	$ 305,111	$ 306,656	$ 307,879	$ 308,777	$ 309,349												
		Water	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -												
		WW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -												
2019A	Street Lights	Levy	$ 10,000																								
		Water	$ -																								
		WW	$ -																								
2022A	Water & Storm	Levy	$ 3,448	$ 18,086	$ 17,918	$ 17,927	$ 17,924	$ 17,909	$ 18,065	$ 18,022	$ 17,966	$ 18,081	$ 17,997	$ 18,083	$ 17,969	$ 18,026	$ 18,065	$ 18,088	$ 17,909								
		Water	$ 36,769	$ 67,000	$ 79,924	$ 79,963	$ 79,951	$ 79,886	$ 80,583	$ 80,387	$ 80,140	$ 80,655	$ 80,277	$ 80,662	$ 80,152	$ 80,407	$ 80,583	$ 80,681	$ 79,886								
		WW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -								
2022B	Public Works Facility	Levy	$ 61,886	$ 65,000	$ 69,207	$ 69,466	$ 68,608	$ 68,688	$ 68,648	$ 69,486	$ 69,147	$ 69,684	$ 69,047	$ 69,286	$ 69,346	$ 69,227	$ 68,927	$ 69,446	$ 68,728								
		Water	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -								
		WW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -								
2025A	Mill & Overlay	Levy	$ -	$ 124,417	$ 220,913	$ 220,790	$ 221,432	$ 220,804	$ 219,942	$ 220,842	$ 220,432	$ 220,749	$ 220,753														
		Water	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -														
		WW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -														
Total Levy Revenue			**$ 581,686**	**$ 704,458**	**$ 808,235**	**$ 806,135**	**$ 808,310**	**$ 804,605**	**$ 805,405**	**$ 808,098**	**$ 812,156**	**$ 812,276**	**$ 615,676**	**$ 396,146**	**$ 396,664**	**$ 87,253**	**$ 86,992**	**$ 87,534**	**$ 86,637**								
Levy Change from Prior Year Increase (Decrease)			$ 18,135	$ 122,772	$ 103,777	$ (2,100)	$ 2,175	$ (3,705)	$ 800	$ 2,693	$ 4,058	$ 120	$ (196,600)	$ (219,530)	$ 518	$ (309,411)	$ (261)	$ 542	$ (897)								
Total Water Revenue			**$ 154,351**	**$ 99,612**	**$ 114,039**	**$ 113,080**	**$ 112,071**	**$ 115,996**	**$ 115,496**	**$ 114,103**	**$ 112,659**	**$ 116,964**	**$ 80,277**	**$ 80,662**	**$ 80,152**	**$ 80,407**	**$ 80,583**	**$ 80,681**	**$ 79,886**								
Total WW Revenue			**$ 539,678**	**$ 502,500**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**								
Total - Combined Debt Service Revenue			$ 1,275,715	$ 1,306,570	$ 922,274	$ 919,215	$ 920,381	$ 920,601	$ 920,901	$ 922,201	$ 924,815	$ 929,240	$ 695,953	$ 476,808	$ 476,816	$ 167,660	$ 167,575	$ 168,215	$ 166,523								

2. 2025 CFP PLANNING SESSION PROJECTS

			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
2025 CFP Planning Session	Future PW Bldg	Review 2026 CFP Session										20 Year Bond															
2025 CFP Planning Session	2029 Road Project	Review 2026 CFP Session			Construction	10 Year Bond																					
2025 CFP Planning Session	OTR Water Storage	Review 2026 CFP Session				Construction	20 Year Bond						20 Year Bond														
2025 CFP Planning Session	2035 Road Project	Review 2026 CFP Session													10 Year Bond												
2025 CFP Planning Session	2038 Road Project	Review 2026 CFP Session												Construction			10 Year Bond										
2026 CFP Topic	2038 Hillside Water Tower Paint & Refurbish																										
2026 CFP Topic	2047 South Water Reservoir																										
2026 CFP Topic	WWTP Upgrade Place TBD																										

2027 Preliminary Budget Dashboard

3. Capital Goods Scheduled Replacements

3. DEPARTMENTAL CAPITAL GOODS | CASH PURCHASES **Restated Plans 2026*

		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
221 FD Fire Department	Annual Expenses	$ 38,445	$ 1,307,335	$ 58,812	$ 61,759	$ 72,113	$ 3,939	$ 36,722	$ 270,906	$ 24,978	$ 260,727	$ 2,509,304
		Extrication Tools	Pumper #2 Computer Ovhrd Doors	Firewall & Wrksttn Pagers (30) Thermal	Airbags	Tuckpointing Pickup-Grass Rig DriFlex Suits	Computer	PPV Fans Radios Rescue Struts	Lighting System Truck Radios Tanker #1	Firewall & Workstation Infrared Heaters	Computer Roof Section A Roof Section B	Brush Truck Extricaiton Tools Pumper /
	Prjctd EOY Fund Balance	$ 1,187,773	$ 46,594	$ 158,923	$ 303,439	$ 412,889	$ 595,960	$ 751,858	$ 679,351	$ 858,724	$ 808,479	$ (1,484,029)
231Amb Ambulance	Annual Expenses	$ 44,125	$ 7,000	$ -	$ 308,094	$ 63,064	$ 40,164	$ -	$ -	$ 366,641	$ 34,475	$ 48,476
		Cot Stair Chairs	Computers		Ambulance Radios	AED 2 Radio Rig 1	Computers Lucas Wireless Headsets			Ambulance Radio	Computers Lucas II	Cot
	Prjctd EOY Fund Balance	$ 122,572	$ 218,970	$ 285,460	$ 45,851	$ 53,326	$ 85,818	$ 160,653	$ 237,733	$ (49,515)	$ (2,216)	$ 33,535
251CCA Center for the Arts	Annual Expenses	$ -	$ 26,400	$ -	$ -	$ -	$ 41,948	$ 49,159	$ 26,064	$ 6,906	$ -	$ 17,700
			Drapes				Bldng - Infrstrctr Contents	Kitchen & Potter Frntr & Fixtures	Blinds Floors Doors	Gym Floor		Furniture & Fixtures
	Prjctd EOY Fund Balance	$ 106,242	$ 89,842	$ 99,842	$ 109,842	$ 119,842	$ 87,893	$ 48,734	$ 32,670	$ 35,764	$ 45,764	$ 38,064
611WTR Water	Annual Expenses	$ 25,371	$ 40,075	$ 22,552	$ 6,099	$ 63,742	$ 4,567	$ 60,788	$ 55,695	$ 27,234	$ 36,512	$ 16,627
		Booster Station Pump New Booster Station Pump Rebuild	Booster Station 1 VFD Computer pick Up Truck	Booster Station 2 VFD Booster Station Pump 2 Rebuild	Hillside Water Tower Pump	Well #3 Pump & Motor Service Roof	Computer	Fixed Network Collectors (4) Pick Up Truck	Well Pump & Motor Service Well #2 VFD	Water Resevoir Mixer Hillside Water	Hillside Mixer Computer Booster Station 1 VFD	Booster Station 2 VFD Pump 1 of 2 Rebuild
	Prjctd EOY Fund Balance	$ (19,871)	$ (29,446)	$ (20,748)	$ 5,175	$ (25,748)	$ 3,323	$ (22,983)	$ (43,327)	$ (30,918)	$ (30,261)	$ (8,769)
612WW Wastewater	Annual Expenses	$ 17,318	$ 74,331	$ 179,390	$ 305,519	$ 181,235	$ 743,758	$ 160,000	$ 177,721	$ 294,417	$ 185,767	$ 380,499
		2 Pumps Lift Station 1	Automated Valve Maint Computer Influent Sampler 2 SCADA Computers	2 Influent Pumps Internet Computer	Influent Lift Pump Pick Up 2 RAS Pumps GF Repayment Roof Section	SCADA Software GF Repayment	Computer DO Probe Effluent Sampler Scump Pump WAS Pumps Processing	Automated Valves Maint GF Repayment	Internet Computer Cellular Dialers - Lift Stations GF Repayment	Pick Up SCADA Computers GF Repayment	Computer Reed Bed Pump Roof Section GF Repayment	Oxidation Ditch Gears 4 GF Repayment Roof Section
	Prjctd EOY Fund Balance	$ (12,168)	$ (206,144)	$ (353,964)	$ (626,650)	$ (773,738)	$ (1,481,984)	$ (1,605,051)	$ (1,744,362)	$ (1,998,833)	$ (2,143,056)	$ (2,480,349)

2027 Preliminary Budget Dashboard

3. Capital Goods Scheduled Replacements

Fund		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
801CLK Administration	Annual Expenses	$ 21,000	$ 26,000	$ -	$ 69,650	$ 12,020	$ 24,761	$ 5,796	$ 14,507	$ -	$ 29,136	$ 26,095
		Furniture - Administrators Suite Furniture - CD Suite Printer	Computers 6 Ipads 3 Printers 2		Finance Frntr Printer Software	Folding Machine Printer	Computers 6 Printer	Ipads Printer	Office Chairs Printer		Computers 6 Printers 2	Furniture - Administrator & CD
	Prjctd EOY Fund Balance	$ 39,966	$ 21,575	$ 32,502	$ (25,893)	$ (26,320)	$ (39,141)	$ (32,638)	$ (34,478)	$ (21,430)	$ (37,126)	$ (49,380)
801IT Information Technology Shared Components	Annual Expenses	$ 16,120	$ 41,331	$ 75,154	$ 5,328	$ 52,779	$ 5,738	$ 28,820	$ 72,702	$ 33,427	$ 72,321	$ 29,274
		Ipads 6 Cisco Licenses UPS - Srvr Rm	Firewall WAP GCC Lic Network Config Licenses	Switches WAP Barracuda Hrdwr Server	Licenses	WAP Ipads 6 Licenses Website Refresh	Firewalls WAP UPS Srvr Room	Firewalls WAP Network Config	Encoder Barracuda Hrdwr Licenses Server	Switches WAP Ipads 6	Firewall WAP Telephone System Website	WAP Server License UPS Srvr Room
	Prjctd EOY Fund Balance	$ 88,647	$ 73,654	$ 25,627	$ 48,240	$ 24,240	$ 48,145	$ 49,857	$ 8,603	$ 7,568	$ (31,390)	$ (26,300)
801MB Municipal Building	Annual Expenses	$ 12,000	$ 303,386	$ 165,129	$ -	$ 25,901	$ 159,334	$ 303,247	$ 157,973	$ 2,165	$ 26,225	$ 15,657
		Camera System	Carpet Chairs Furnaces 2 Windows UL	HVAC - Sr. Room Painting Furniture Roof - B & C Sctn		HVAC - RTU #1 Boiler - Garage Flr Furnace #3	Tuckpointing	Windows -GL Garage Doors & Openers Council Room Furniture	Roof Section A	Roof Section D	Reception Counter Bathroom Remodel	Camera System
	Prjctd EOY Fund Balance	$ 177,003	$ (94,323)	$ (226,429)	$ (192,415)	$ (183,282)	$ (306,531)	$ (572,611)	$ (692,302)	$ (655,036)	$ (640,647)	$ (614,472)
801PD Police Department	Annual Expenses	$ 29,981	$ 24,567	$ 16,230	$ -	$ 189,649	$ 47,763	$ 38,810	$ -	$ 19,380	$ 165,816	$ 35,799
		Squad 873	Computers Furniture	Squad 874 - Chief		Body Cameras Radios Speed Limit Sign Squad 872	Computers Squad 873	Repeater		Squad 874	Body Cameras Computers Squad 872	Squad 873
	Prjctd EOY Fund Balance	$ 175,976	$ 172,009	$ 176,997	$ 198,851	$ 31,712	$ 7,135	$ (7,794)	$ 16,803	$ 22,759	$ (116,962)	$ (125,883)
801PRK Parks	Annual Expenses	$ 53,100	$ 168,744	$ 95,137	$ 67,039	$ 142,487	$ 76,376	$ 253,901	$ 16,223	$ 229,098	$ 458,328	$ 268,244
		Hockey Boards JD Ztrack Ferris Mower	Vstr Cntr Rmdl Computer Point of Entry Signs Seal Coating Shady Oak	Ventrac Baseball Diamond	JD Ztrack Ground Cover Skate Park Equip	Baseball Diamond MC Playground MC Scoreboard MC Walking Path	Ferris Mower Seal Coating Ground Cover Basketball Court Lights	PU Truck Ventrac JD Z Track Groen Park Parking Lot	MC Parking Lot	City Park Playground Groen Park Pavillion Ground cover	City Park Bandshell JD Z Track Sealcoating Groen Park Walking Path	Picnic tables Ventrac Ferris Ground Cover Fishing Pier
	Prjctd EOY Fund Balance	$ 142,327	$ 27,225	$ (12,662)	$ (22,792)	$ (106,664)	$ (122,666)	$ (314,382)	$ (266,554)	$ (429,680)	$ (820,057)	$ (1,018,311)
801SEQ Street Equipment	Annual Expenses	$ 466,600	$ 330,999	$ 399,631	$ 163,332	$ 24,769	$ 564,695	$ 87,490	$ -	$ 502,814	$ 73,230	$ 3,425
	Appears Underfunded	Dumptruck Sno-Go Snoblast Toolcat VPlow	Banners Computer Dump Truck Pickup	Bucket Truck Front End Loader Sirens Toolcat	Salt & Sand Shelter City Car Flusher	Durapatcher Toolcat Sander Trailer	Bulk fuel Tank Computer Front End Loader Paint Striper Plow Street Sweeper	Crosswalk Flasher Pickup		City Car Front end Loader Gator SnowPusher Toolcat	Computer Flusher Trailer	Toolcat Sander
	Prjctd EOY Fund Balance	$ (258,885)	$ (467,680)	$ (740,219)	$ (771,375)	$ (658,681)	$ (1,080,415)	$ (1,019,225)	$ (864,598)	$ (1,206,599)	$ (1,112,584)	$ (942,075)
801SMN Chip Sealing | Overlay | Storm Sewer | Sidewalk	Annual Expenses	$ 206,630	$ 126,630	$ 48,029	$ 134,342	$ 94,663	$ 198,799	$ 100,428	$ 198,965	$ 106,544	$ 109,740	$ 152,176
	Appears Overfunded	Sidewalk Sctn 13 of 14 Haven Wall Maint Historic Markers Retaining Wall Ave B Storm Sewer Gr5of5 Trigger	Sidewalk Sctn 14 of 14 ChipSlng Crckfilling Storm Sewer Gr1of5	Sidwalk Sctn 1of14 Storm Sewer Gr 2of5	Sidewalk Sctn 2of14 Chipslng crackfilling Storm Swr G3of5	Sidewalk Sct3of14 Alley M&O Storm Swr Gr4of5	Sidewalk Sctn 4of 14 Alley M&O ChipSealing & CrackFillling StrmSwr G5of5 Trigger	Sidewalk Sctn5of14 Alley M&O Storm Sewer Gr1of5	Sidewalk Sctn 6of14 Alley M&O Chpslng & Crackfilling Storm Swr Gr 2of5	Sdwalk Sctn 7of14 Alley M&O Storm Sewer Gr3of5	Sdwalk Sct 8of14 Alley M&O Storm Swr Gr 4of5	Sidewalk Sctn 9of14 Alley M&O Storm Swr Gr 5of 5
	Prjctd EOY Fund Balance	$ 95,709	$ 172,367	$ 335,757	$ 421,291	$ 555,300	$ 594,319	$ 741,222	$ 799,481	$ 960,449	$ 1,128,922	$ 1,266,089
801SP Swimming Pool	Annual Expenses	$ -	$ -	$ 43,093	$ 47,502	$ 11,984	$ -	$ 65,740	$ 117,476	$ -	$ -	$ 131,114
				Diving Board Sand Filter Freezer Refrigerator Zip Line	Chemical Tank & Pumps Lockers / Umbrellas Butterfly	Canera & Network		Heater (Boiler) Robotic Cleaner	Electronics Irrigation Ladders Pumps Shade			Plaster & Tile Pump & Motor
	Prjctd EOY Fund Balance	$ 136,129	$ 150,292	$ 121,785	$ 89,308	$ 92,800	$ 108,740	$ 59,418	$ (41,147)	$ (23,729)	$ (5,789)	$ (118,424)

2027 Preliminary Budget Dashboard

Water & Wastewater Rates

Gallons Per Month:		2000	4000	6000	8000	10000	25000
Proposed Water Base Rate	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00
Proposed Water Per Gallon Charge							
0-2000	$ 0.00100	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
2000-6000	$ 0.00746		$ 14.92	$ 29.84	$ 41.03	$ 41.03	$ 41.03
6000 and Above	$ 0.00800	$ -	$ -	$ -	$ 4.00	$ 20.00	$ 124.00
Proposed Total Bill		**$ 23.00**	**$ 37.92**	**$ 52.84**	**$ 68.03**	**$ 84.03**	**$ 188.03**
Difference to Current Bill		**$ 2.00**	**$ 2.42**	**$ 2.84**	**$ 3.16**	**$ 3.16**	**$ 3.16**
Proposed Sewer Base Rate	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00
Proposed Sewer Per Gallon Charge							
0-2000	$ 0.00100	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
2000-6000	$ 0.00885	$ -	$ 17.70	$ 35.40	$ 35.40	$ 35.40	$ 35.40
6000 and Above	$ 0.01120	$ -	$ -	$ -	$ 22.40	$ 44.80	$ 212.80
Proposed Total Bill		$ 57.00	$ 74.70	$ 92.40	$ 114.80	$ 137.20	$ 305.20
Difference to Current Bill		**$ 4.75**	**$ 5.25**	**$ 5.75**	**$ 6.05**	**$ 6.35**	**$ 8.60**
Key:	2027 Update						

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: 2027 Water and Sewer Rates

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion:

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

2027 Utility Rate Study.pdf

2027 Proposed Utility Rates

Gallons Per Month:		2000	4000	6000	8000	10000	25000
Proposed Water Base Rate	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00	$ 21.00
Proposed Water Per Gallon Charge							
0-2000	$ 0.00100	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
2000-6000	$ 0.00746		$ 14.92	$ 29.84	$ 41.03	$ 41.03	$ 41.03
6000 and Above	$ 0.00800	$ -	$ -	$ -	$ 4.00	$ 20.00	$ 124.00
Proposed Total Bill		**$ 23.00**	**$ 37.92**	**$ 52.84**	**$ 68.03**	**$ 84.03**	**$ 188.03**
Difference to Current Bill		**$ 2.00**	**$ 2.42**	**$ 2.84**	**$ 3.16**	**$ 3.16**	**$ 3.16**
Proposed Sewer Base Rate	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00	$ 55.00
Proposed Sewer Per Gallon Charge							
0-2000	$ 0.00100	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
2000-6000	$ 0.00885	$ -	$ 17.70	$ 35.40	$ 35.40	$ 35.40	$ 35.40
6000 and Above	$ 0.01120	$ -	$ -	$ -	$ 22.40	$ 44.80	$ 212.80
Proposed Total Bill		$ 57.00	$ 74.70	$ 92.40	$ 114.80	$ 137.20	$ 305.20
Difference to Current Bill		**$ 4.75**	**$ 5.25**	**$ 5.75**	**$ 6.05**	**$ 6.35**	**$ 8.60**

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: 2027 Fee Schedule

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Review draft, offer recommendations.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

xxx 2027 Fee Schedule.pdf

ORDINANCE NO. 483

AN ORDINANCE RELATING TO FEES CHARGED BY THE CITY OF CHATFIELD FOR VARIOUS PURPOSES, LICENSES OR SERVICES, AMENDING SUBPART A, CHAPTER 11, SECTION 11-1 OF THE CHATFIELD CITY CODE.
THE COUNCIL OF THE CITY OF CHATFIELD, MINNESOTA, DOES ORDAIN:

Section 1. The provisions of the Chatfield City Code, Subpart A, Chapter 11, Section 11-1, are amended to read:

Section 11-1. Particular Fees, Fines and Charges

City of Chatfield Fee Schedule - 2026

Item	Fee
Administrative	
Returned Check / Payment Fee / etc.	$30.00
Surcharge Fees for RevTrak payments.	3.70%
Transient Merchant Fee	$20.00
Copying / Printing:	
Printing Base Charge for projects more than 10 pages, per page fee additional as listed below:	$20.00
8.5 x 11 (one sided) Black & White *if customer provides paper	$1.50 / .75* per page
8.5 x 11 (one sided) Color *if customer provides paper	$1.75 / 1.00* per page
11 x 17 (one sided) Black & White *Customer must provide paper	$2.00 per page
11 x 17 (one sided) Color *Customer must provide paper	$2.50 per page
Fax (Receive)	$.50 per page
Fax (Send)	$1.00 flat
Folding pages and stuffing in envelopes *if customer provides envelopes	$1.00 per page
Licenses:	
Golf Cart	$10.00
Special Vehicle	$10.00
Adult Entertainment Business	$750.00
Pet License:	Consider repealing Pet Licensing?
Neutered/Spayed	~~$15.00~~
Non-Neutered/Spayed	~~$25.00~~
Impound / Release Fee (Minimum)	$15.00
Penalty for Late Licensure per Application	$10.00
Pound Fee (Daily, after the first 24 hours)	$3.00
Alcohol License:	
3.2 Beer License (Annual)	$150.00
Intoxicating Liquor License Investigation Fee (Individual)	$50.00
Intoxicating Liquor License Investigation Fee (Corporation)	$100.00
Off-Sale License	$150.00
Club License	$300.00
Wine License On-Sale	$150.00
Temporary On-Sale License	$75.00
consecutive months prior to making application.	$900.00
Renewal Fee for establishments with liquor sales between $0 - $19,999.99.	$900.00
Renewal Fee for establishments with liquor sales between $20,000 - $39,999.99.	$1,100.00
Renewal Fee for establishments with liquor sales between $40,000 - $59,999.99.	$1,300.00
Renewal Fee for establishments with liquor sales between $60,000 - $79,999.99.	$1,500.00
Renewal Fee for establishments with liquor sales between $80,000 - $99,999.99.	$1,700.00
Renewal Fee for establishments with liquor sales between $100,000 - $119,999.99.	$1,900.00
Renewal Fee for establishments with liquor sales between $120,000 - $139,999.99.	$2,100.00
Renewal Fee for establishments with liquor sales between $140,000 - $159,999.99.	$2,300.00
Renewal Fee for establishments with liquor sales between $160,000 - $179,999.99.	$2,500.00
Renewal Fee for establishments with liquor sales between $180,000 - $199,999.99.	$2,700.00
Renewal Fee for establishments with liquor sales greater than $200,000.00.	$2,900.00
Sunday Liquor Surcharge	$0.00
Public Works	
Street Excavation Deposit to ensure restoration of street surface	$3,000.00
Hourly rate for cleaning streets related to private contractor/construction	$150.00
Utility Disconnection Fee	$75.00
Utility Reconnection Fee	$450.00
Solid Waste Discontinuation of Service Fee	$100.00
Electric Vehicle Charge per kwh	~~$0.3~~ $.035
Water:	
Base Monthly Fee	$21.00
0-2000 Gallons Per one thousand	~~$0~~ $1.00
2001-6000 Gallons Per one thousand	~~$7.25~~ $7.46
6001 and above Gallons per one thousand	$8.00

Bulk Water per 1,000 gallons	~~$11~~ $15
Hook-up Fee.	$1,600.00
Water Access Charge/Acre	$3,000.00
Sanitary Sewer:	
Base Monthly Fee	~~$52.25~~ $55.00
0-2000 Gallons Per one thousand	~~$0~~ $1.00
2001-6000 Gallons Per one thousand	~~$8.60~~ $8.85
6001 and above Gallons per one thousand	~~$11.05~~ $11.20
Non-Metered Monthly Fee based on 3,500 gallons	~~$70.50~~ $76.10
Hook-up Fee.	$2,600.00
Sewer Access Charge/Acre	$2,000.00
Multi-Family Combined Water and Sewer Hook-up:	
2 Unit Building	$4,200.00
3 – 4 Unit Building	$6,300.00
5 – 8 Unit Building	$8,400.00
9 – 12 Unit Building	$10,500.00
13 – 16 Unit Building	$12,600.00
17 – 20 Unit Building	$14,700.00
21 – 24 Unit Building	$16,800.00
Swimming Pool (Taxes will be added as applicable):	
Family Membership	$170.00
Individual Membership	$120.00
Afternoon Daily Fee	$7.00
Evening Daily	$5.00
Swimming Lessons – Members	$50.00
Swimming Lessons – Non-Members	$60.00
same swimming level, with a maximum of 2 individuals.	$100.00
Toddler Time – Members	$25.00
Toddler Time – Non-Members	$30.00
Lap Swim – Season	$60.00
Lap Swim – Per Session	$6.00
Water Aerobics – Season	$50.00
Water Aerobics per Session	$6.00
One hour rental of entire facility, up to 25 swimmers plus $2.00 for additional swimmers.	$200.00
Two-hour rental of entire facility, up to 25 swimmers plus $4.00 for additional swimmers.	$250.00
Non-Refundable Deposit for Pool Rental, with exception for inclement weather.	$100.00
Fire Department	
Fire Call + Cost of Supplies	$500.00 +
Fire Call	Cost of Supplies +
Fire Call	$250/hr. after 1st hr.
Fire Department response to an auto accident	$500.00
Ambulance Department	
BLS Transport	$1,200.00
Per Loaded Mile	$20.00
ALS Transport	$1,500.00
EMT Class (Test Not Included)	$1,200.00
EMT Refresher Class (Test Not Included)	$300.00
Practical Test	$100.00
First Aid for Daycare (Includes CPR)	$50.00
CPR or First Aid Class / Both	$45.00/ 75.00
Zoning	
General Development Plan Filing	$370 + $20 per lot
Preliminary Plat Filing	$470 + $20 per lot
Final Plat Filing	$220 + $20 per lot
whichever is chosen by the city.	1/10th acre per Unit
Variance Application	$375.00
Conditional Use Permit Application (Including Planned Unit Development)	$425.00
Zoning District Amendment Application	$375.00
Land Use Plan Amendment	$450.00
Temporary Use Permit	$250.00
Permit Application for use of a semi-trailer for storage	$10.00
permits, fence permits, accessory structures < 200 sf, signs not requiring a building permit,	$98.00
Residential, Commercial, Mechanical, Plumbing, and Sign Permit Applications	By Total Valuation + Zoning Certificate
Plan Review Fee	By Appl.
Demolition Permits	$186 + Zoning Certificate
Reinspection/Special Inspection	$125.00
Valuation of Project	Fee
Residential Building Permit Fee:	

$1.00 to $5,000	$84.00
$5,001 to $100,000	$84.00 for the first $5,000 plus $4.90 per additional $1,000
$100,001 and Up	$549.50 for the first $100,000 plus $3.00 per additional $1,000
Commercial Building Permit Fee:	
$1.00 to $5,000	$84.00
$5,001 to $25,000	$84.00 for the first $5000 plus $11.00 per additional $1,000
$25,001 to $50,000	$304.00 for the first $25,000 plus $8.30 per additional $1,000
$50,001 to $100,000	$511.50 for the first $50,000 plus $6.70 per additional $1,000
$100,001 to $500,000	$846.50 for the first $100,000 plus $4.80 per additional $1,000
$500,001 to $1,000,000	$2,766.50 for the first $500,000 plus $2.50 per additional $1,000
$1,000,001 and up	$4,016.50 for the first $1,000,000 plus $1.00 per additional $1,000
Plumbing and Mechanical Fee:	
$1.00 to $5,000	$84.00
$5,001 to $25,000	$84.00 for the first $5,000 plus $16.30 per additional $1,000
$25,001 to $100,000	$410.00 for the first $25,000 plus $9.90 per additional $1,000
$100,001 to $500,000	$1,152.50 for the first $100,000 plus $6.70 per additional $1,000
$500,001 to $1,000,000	$3,832.50 for the first $500,000 plus $3.50 per additional $1,000
$1,000,001 and up	$5,582.50 for the first $500,000 plus $2.30 per additional $1,000
Police Department	
Fingerprinting Applicant Card (Includes up to 2 cards for fee)	$10.00
Standard Tow and Impound	$150.00
Extra Tow charge (any tow beyond standard)	Actual Cost
Impound Fee (for any extra tow)	$20.00
Storage-per day (after 1st 24 hours)	$10.00
Copy of Reports: Less than 10 pages	No Charge
Copy of Reports: 10 – 100 pages	$.25 per page
Copy of Reports: More than 100 pages (per statute)	Actual Cost
Copy of Video Tape	$20.00
Copy of DVD	$15.00
Copy of Video Recording	$10.00
Administrative Fines:	
Various described animal violations	$50.00
Various described nuisances	$100.00
Various street, sidewalk, and vehicle violations	$50.00
Any other violation of the Code not othewise specified	$50.00

Section 2. This ordinance shall be effective 30 days following its publication. Passed and adopted by the City Council of the City of Chatfield, Minnesota, this 10th day of November, 2025

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: 2026 Audit Quote

Subject | Summary: CohnRezick (previously Smith Schafer) has submitted a quote for 2026 Financial Audit services. The quoted amount is $36,900 (plus 5% technology fee - $1,845).

The total cost of services for the 2025 audit was $35,910 ($34,200 base charge + $1,710 technology fee).

- The increase is ~7.89%

Auditing services are a professional service which entail specialized knowledge of regulations. Our relationship with CohnReznick and Smith Schafer has been positive and professional. Staff recommendation is to recommend approval of the quote.

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Consider for recommendation for approval.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

Quote - City of Chatfield 2026 Audit $36,900.pdf

CohnReznick

August 7, 2026

Ms. Michele Peterson
City of Chatfield
21 Second Street SE
Chatfield, MN 55923

Dear Michele:

We appreciate the opportunity to continue to provide professional services for the City of Chatfield and have prepared a quote for the audit. Our professional fees for the audit and preparation of the financial statements will be as follows exclusive of a 5% technology fee:

December 31, 2026	
Annual Audit	$ 36,900

Please call me if you have any questions regarding this information.

Very truly yours,

Andrew Forliti, CPA
Partner
CohnReznick

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: Managed IT - Breach Readiness & Vulnerability Remediation Services

Subject | Summary: In an effort to safeguard our computer network and data, as well as to comply with insurance and BCA requirements, staff recommends adding breach and vulnerability services to our existing Managed IT services contract.

Agenda Category: New Business

Submitted By: Michele Peterson

Recommended Motion: Review for recommendation of approval.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount: $650.00 / mo 01/01/2027 through 2029. This aligns with the end of existing MIT agreement (01/01/2025 through 2029).

Ongoing Cost : $650.00 / mo | $23,400 for 36 months

One-Time Cost :

Included in Current Budget?: Has been included in proposed 2027 budget.

FISCAL DETAILS:

Fund Name(s) (Operations | Capital): Allocated across departments;

- 15% Administration
- 15% Police
- 5% Street
- 5% Fire
- 5% Ambulance
- 5% Community Development
- 20% Water
- 20% Wastewater
- 10% Garbage

Account Code: XXX-XXXXX-403 Preventative Maintenance Agreement

Background:

Attachments:

Quosal Quote - 229668 - BrchVlnrblty Rmd.pdf

Marco Vulnerability Remediation - Overview Compressed.pdf marco

August 17, 2026

PROPOSAL FOR

CITY OF CHATFIELD

KAY WANGEN

Prepared By:

Christina Welke
Senior Technology Advisor
507-273-9350
christina.welke@marconet.com

Quote Number: 229668

Managed Services

Copiers & Printers

Audio Visual

Business IT Services

IT - Breach Readiness & Vulnerability Remediation -- CITY OF CHATFIELD

Prepared by:

Marco - St. Cloud

Christina Welke
507-273-9350
christina.welke@marconet.com

Prepared for:

CITY OF CHATFIELD

21 SE 2ND ST
CHATFIELD, MN 55923-1204
KAY Wangen
507.867.1514
kwangen@cityofchatfieldmn.gov

Quote Information:

Quote #: 229668

Version: 1
Date Issued: 08/17/2026
Expiration Date: 09/16/2026

Renewal Overview

ENGAGEMENT OVERVIEW - DESIRED GOALS AND OUTCOMES - CURRENT SITUATION

Effective **1/01/2027** CITY OF CHATFIELD will adjust the agreement with the following features:

- **Vulnerability Remediation**
- **Breach Readiness**

SERVICES ASSUMPTIONS, EXCLUSIONS, AND NOTES

Please list any Assumptions, Exclusions, and Important Notes for the purposes of this engagement:

- The quantity of users on this Schedule of Products defines the number of users contracted for the term of the agreement.
- Marco will audit the users quarterly to identify additional users and adjust the billing appropriately.

SOP Effective Date

The "SOP Effective Date" is January 1, 2027

Vulnerability Remediation and ACE Add-Ons

Description	Recurring	Qty	Ext. Recurring
Marco Vulnerability Remediation	$24.00	50	$1,200.00
- Total estimated hours included for vulnerability remediation is 8.75 per month.			
Marco's Vulnerability Remediation tool is included in the Managed IT offering. Base bundle includes up to 50 users.			
Cybersecurity - Breach Readiness	$900.00	1	$900.00
Recurring Term Promotional Discount	($45.00)	1	($45.00)

- Pricing includes up to 300 users.(Business Start) --- Additional users will be billed at $3.00/user/month.		1	

Subtotal: **$2,055.00**

Discounts

Description	Recurring	Qty	Ext. Recurring
Recurring Services Discount	($1,405.00)	1	($1,405.00)

Subtotal: **($1,405.00)**

Quote Summary - Expenses

Description	Amount
Vulnerability Remediation and ACE Add-Ons	$2,055.00
Discounts	($1,405.00)
Total:	**$650.00**

Payment Options

Description	Payments	Interval	Amount
Recurring Payments			
36 Months - Monthly Payments	**36**	**Monthly**	**$650.00**

Summary of Selected Payment Options

Description	Amount
Recurring Payments: 36 Months - Monthly Payments	
Selected Recurring Payment	$650.00

Approval

- Client represents that it has reviewed and agrees to be legally bound by this Schedule of Products.
- Client represents that it has reviewed and agrees to be legally bound by the Relationship Agreement, any Product Agreement(s) referred to herein, and applicable policy(ies) ("Terms and Conditions") which are located at www.marconet.com/legal for the Products it is obtaining as identified in this Schedule of Products.
- If the parties have negotiated changes to the Terms and Conditions that have been reduced to writing and signed by both parties, the modified version(s) of such Terms and Conditions, that have not expired or been terminated, shall replace the online version(s).
- Client agrees to use electronic signatures, electronic communications, and electronic records to transact business under the above documents.
- The pricing above does not include taxes. Taxes, fees and surcharges shall be paid by Client and will be shown on invoices to Client.
- Payments made via credit card are subject to a 3% surcharge.
- A $30 fee will be assessed for any returned payment.
- Price availability is subject to change without notice at any point during or after the quotation, ordering, and fulfillment process.

Marco Technologies, LLC

Signature: ____________________

Name: ____________________

Title: ____________________

Date: ____________________

CITY OF CHATFIELD

Prepared for: KAY Wangen

Signature: ____________________

Signed by: ____________________

Title: ____________________

Date: ____________________

PO Number: ____________________

Email Address: ____________________

BREACH READINESS & VULNERABILITY REMEDIATION SERVICE

NEW SERVICE OVERVIEW

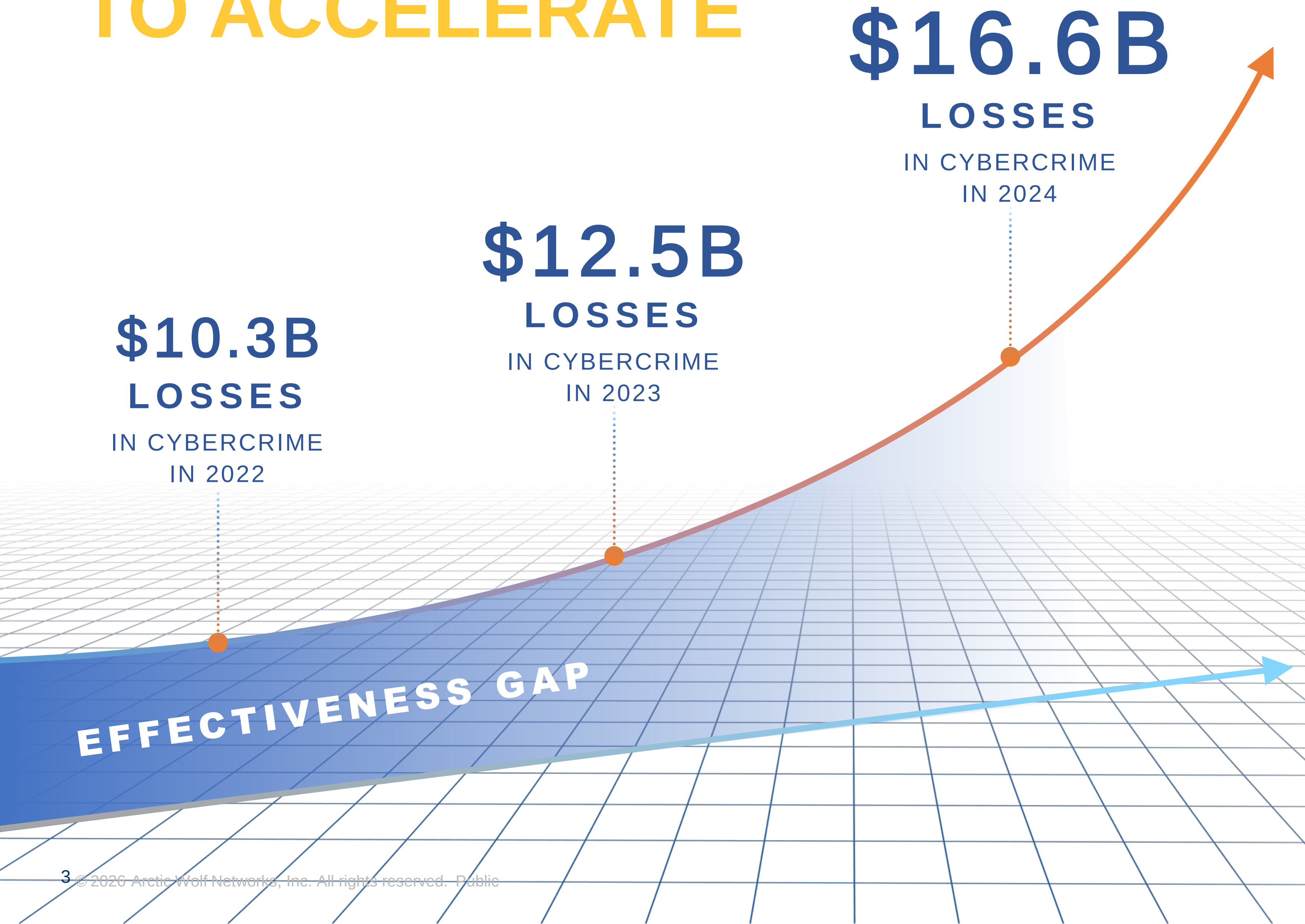
AVAILABLE FOR ACE & AIT CUSTOMERS

277 DAYS

On average to identify and contain a breach (IBM)

204 to Identify and 73 to Contain

CYBER RISK CONTINUES TO ACCELERATE



2022 → 2023
21% Increase

2023 → 2024
33% Increase

TOTAL SECURITY COMPANIES IN 2024:
4,000+

TOTAL SECURITY SPEND:
183B

YOY SPEND INCREASE:
13%

Sources: IC3, Gartner, It-Harvest

QUANTIFYING THE CHALLENGE

$4.44 million	The global average cost of a data breach dropped to in 2025
$10.22 million	In contrast to the global trend, the United States saw a 9% increase.
60% of Breaches	Caused by unpatched and known vulnerabilities.
21,528	New vulnerabilities reported as of June 2025 (up 18% YoY).
30% Increase	Q2 2024 saw a 30% increase in global cyberattacks.
> 38%	Reported vulnerabilities in 2025 classified as critical or high-severity

ENGAGING CYBER INSURANCE

Evolving Approaches to Incident Response

PREVIOUS METHODOLOGY

1. Contact Cyber Insurance First
   - Notify provider immediately
   - Follow their guidance for next steps
2. Incident Response Activation
   - Engage internal response team
   - Begin containment and mitigation
3. Legal and Regulatory Compliance
   - Consult with legal counsel
   - Address regulatory requirements
4. Communication Strategy
   - Coordinate with insurance-provided PR
   - Inform stakeholders as advised

UPDATED METHODOLOGY

1. Immediate Incident Response
   - Activate internal response plan
   - Contain breach, preserve evidence
2. Legal and Regulatory Considerations
   - Consult legal counsel
   - Ensure compliance with data protection laws
3. Engage Cyber Insurance
   - Notify provider after initial steps
   - Access resources: forensic experts, legal advisors
4. Communication Strategy
   - Develop plan for stakeholders
   - Manage reputation impact

MANAGED SERVICES REVIEW

NIST Cyber Security Framework | Marco Resources

The NIST Cybersecurity Framework consists of standards, guidelines, and best practices to manage cybersecurity-related risk

Governance

IDENTIFY

- Asset Discovery & Inventory
- Vulnerability Management
- Risk Assessments
- Data Classification & Mapping
- Security Architecture Reviews

PROTECT

- Endpoint Protection & EDR
- Patch Management
- Identity & Access Management (IAM
- Email & Web Security
- Security Awareness Training

DETECT

- Security Information & Event Management (SIEM)
- Managed Detection & Response (MDR)
- Network Traffic Analysis
- Threat Intelligence Services
- Deception Technologies

RESPOND

- Incident Response Retainer
- Forensics & Root Cause Analysis
- SOAR Integration
- Communication & Reporting
- Tabletop Exercises

RECOVER

- Backup & Disaster Recovery
- Business Continuity Planning
- Post-Incident Reviews
- Resilience Engineering
- Customer & Stakeholder Communication

MANAGED SERVICES REVIEW

NIST Cyber Security Framework | Marco Resources

LEFT OF BOOM

RIGHT OF BOOM

IDENTIFY

- Asset Discovery & Inventory
- Vulnerability Management
- Risk Assessments
- Data Classification & Mapping
- Security Architecture Reviews

PROTECT

- Endpoint Protection & EDR
- Patch Management
- Identity & Access Management (IAM
- Email & Web Security
- Security Awareness Training

BOOM

DETECT

- Security Information & Event Management (SIEM)
- Managed Detection & Response (MDR)
- Network Traffic Analysis
- Threat Intelligence Services
- Deception Technologies

RESPOND

- Incident Response Retainer
- Forensics & Root Cause Analysis
- SOAR Integration
- Communication & Reporting
- Tabletop Exercises

RECOVER

- Backup & Disaster Recovery
- Business Continuity Planning
- Post-Incident Reviews
- Resilience Engineering
- Customer & Stakeholder Communication

Governance

PREVENTION ACTIVITIES

RECOVERY ACTIVITIES

ACE

Accelerate Your Client Experience with Breach Readiness

BREACH READINESS

Plan. Test. Respond.

PEOPLE

Customer

Solutions designed to meet customers where they are on their security journey

Marco

Your guide on your journey. Security Experts paired with ongoing proactive insights

Strategic Partners

Industry leading solutions paired with flexible engagement models.

Incident Response

24x7 access to an insurer-approved incident response teams and expertise

PROCESS

- Incident Response Plan, Built with Experts
- Governance, Risk & Compliance Portal Access
- Annual Tabletop Exercise
- Preferred IR Team Access (24/7)
- *Preferred CISO Consulting Access*

TECHNOLOGY

Governance, Risk & Compliance

Software to centrally manage your cybersecurity program

Vulnerability Scanning

Continuously identify internal and external weaknesses

Tailored Reporting

Tailored reporting on vulnerability and compliance program performance

COMPLIANCE / FRAMEWORK TRACKING

- Dashboards, assessment and reporting
- Schedule and assign tasks
- Documentation and evidence collection
- Provides auditor access and self auditing
- Over 50 Compliance Frameworks including:
  - NIST CSF, 800-53, 800-171, AI
  - SOC 2 Type I and Type II
  - PCI-DSS
  - HIPAA
  - FTC GLBA
  - ISO27001
  - CIS
  - GDPR
  - Fedramp

Your Dedicated Software

Proactive Risk Management
Identify, assess, and mitigate risks before they impact your business.

Audit-Ready at All Times
Maintain compliance documentation in a structured and accessible manner, ensuring smooth audits and minimal disruption.

Enhanced Security Posture
Protect sensitive data and customer information through improved compliance with cybersecurity best practices.

Cost and Time Savings
Automation reduces the time and resources required for compliance, allowing businesses to allocate these savings elsewhere.

What's Included?

Our ACE cybersecurity services are designed to protect and prepare small to mid-sized businesses as they navigate an evolving threat landscape. Not sure which plan is right for you? Just ask! Our experts are always happy to have an in-depth conversation about how we can reduce your risk on a budget.

Jumpstart: Breach Readiness

Your jumpstart package includes:

- Incident Response Plan- guided development
- Annual IRP tabletop exercise
- GRC tracking software
- 24x7 access to incident response team services
- ~~Continuous vulnerability scanner~~

- *Preferred rates for IR and vCISO services*

ACE

Accelerate Your Client Experience with Vulnerability Remdiation

THE EVOLVING LANDSCAPE

- Exploit Chaining: Combining multiple vulnerabilities to achieve unauthenticated remote code execution (RCE).
- Living-off-the-Land: Abuse of legitimate features for stealthy exploitation.
- Perimeter Device Targeting: Firewalls are being heavily targeted using chained CVEs.
- Perimeter Attacks: 30% of 2024 incident responses involved public-facing applications.
- Hybrid Attacks: Phishing campaigns increasingly used to deliver payloads targeting known vulnerabilities.

WHAT IS THE DIFFERENCE

TWO INTERDEPENDENT AND INTERTWINED PRACTICES

PATCH MANAGEMENT	FEATURE	VULNERABILITY MANAGEMENT
FOCUSED ON APPLYING SOFTWARE PATCHES	SCOPE	ALL WEAKNESSES (I.E. SYSTEM MISCONFIGS)
FIX KNOWN ISSUES THROUGH UPDATES	GOAL	IDENTIFY, ASSESS, AND REDUCE OVERALL RISK
OFTEN REACTIVE AND AUTOMATED	PROCESS TYPE	PROACTIVE, CONTINUOUS, RISK-BASED
RMM TOOLS, WINDOWS UPDATE SERVICE	TOOLS USED	VULNERABILITY SCANNERS, SIEMs
APPLY PATCHES TO REDUCE EXPOSURE	RISK STRATEGY	PRIORITIZE & MITIGATE BASED ON BUSINESS RISK
ONLY PATCHABLE SYSTEMS & SOFTWARE	COVERAGE	ALL ASSETS, CONFIGURATIONS, ZERO-DAYS
TOTALLY OWNED BY IT TEAMS	RESPONSIBILITY	JOINTLY OWNED BY IT, SECURITY, COMPLIANCE

VULNERABILITY PRIORITIZATION

A RISK-BASED APPROACH TO REMEDIATION

CISA NOTIFIED VULNERABILITIES

Vulnerabilities classified by the Cybersecurity and Infrastructure Security Agency (CISA) as being actively exploited by threat actors

HIGH EPSS (8.0 AND ABOVE)

Vulnerabilities classified with a high EPSS Rating, which indicates a higher likelihood (probability) of a vulnerability being exploited.

HIGHEST BASE SCORE

Vulnerabilities with a high base score, which exclude score modifiers indicating the likelihood (probability) a vulnerability will be exploited.

ALL OTHER PRIORITIES

Any other covered vulnerabilities or system misconfigurations that may not fall within the Exploit Prediction Scoring System (EPSS).

VULNERABILITY REMEDIATION

AN OVERVIEW OF THE REMEDIATION PROCESS

SCANNING
Identify vulnerabilities, system misconfigurations, and unsupported security and communication protocols (e.g., SMB, TLS) using vulnerability scanning and management tools.

COMMUNICATION
Communicate and implement proposed remediation actions, coordinating with you to minimize disruption.

CONFIGURATION
Marco upgrades or disables unsupported security and communication protocols. Deploys patches for 3rd party software, where applicable. Ensure updates and system configurations are applied successfully.

LIMIT EXPOSURE
Removal of applications and system tools not regularly utilized by customer or supported by the vendor, where vulnerabilities are detected, to reduce overall attack surface and potential exposure.

VALIDATION
Verify that applications are functioning properly after updates. Communicate security posture through ongoing progress reporting.

VULNERABILITY MANAGEMENT LIFECYCLE

IMPROVE OVERALL SERVICE TO EFFECTIVELY DELIVER ON ALL LIFECYCLE STAGES

Previous Service Scope

A — Discover

Discovery assets and vulnerabilities. Continuously scan endpoints and networks, internally and externally.

B — Prioritize

Prioritize vulnerabilities based on severity, exploitability, and asset criticality.

C — Remediate

Resolve vulnerabilities using combination of NOC, hands-on managed services, and project-based work.

D — Reassess

Continuously rescan, measure against established baselines, and communicate performance through reporting. and dashboards.

E — Improve

Continuously assess overall program performance and integrate lessons learned. Improve overall service delivery.

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D

Improve

Continuously assess overall program performance and integrate lessons learned. Improve overall service delivery.

E

SERVICE COLLABORATION

EXPECTATIONS AND RESPONSIBILITIES

MARCO

- Implementation, configuration and deployment
- Continual scanning and monthly report delivery
- Ticket creation and remediation of:
  - Supported OS & 3rd Party App Patching
  - 3rd Party Apps outside standard Managed IT policy
- Assist with upgrading or disablement of:
  - In-scope networking device patching.
  - Unsupported security protocols / configurations.
- Perform monthly vulnerability touch points

CUSTOMER

- Provide access and approve recommended remediation activities
- Ensure devices are online and plugged-in during remediation
- Verify post-remediation functionality and report any issues
- Participate in monthly vulnerability touch point discussion.
- Work with 3rd Party Vendors, where appropriate, to mitigate vulnerabilities.

VULNERABILITY REMEDIATION

SCANNING VERSUS REMEDIATION – WHAT'S THE DIFFERENCE?

Vulnerability Scanning

- Continuous identification
- Internal and external scans of networks, web applications, and cloud environments
- Benefits:
  - Expertise: Leverages specialized knowledge and tools.
  - Efficiency: Frees up internal resources.
  - Comprehensive Coverage: Ensures thorough and continuous monitoring.
- Key Features:
  - Asset discovery and inventory.
  - Regular and automated scans.
  - Detailed vulnerability reports.
  - Compliance support.

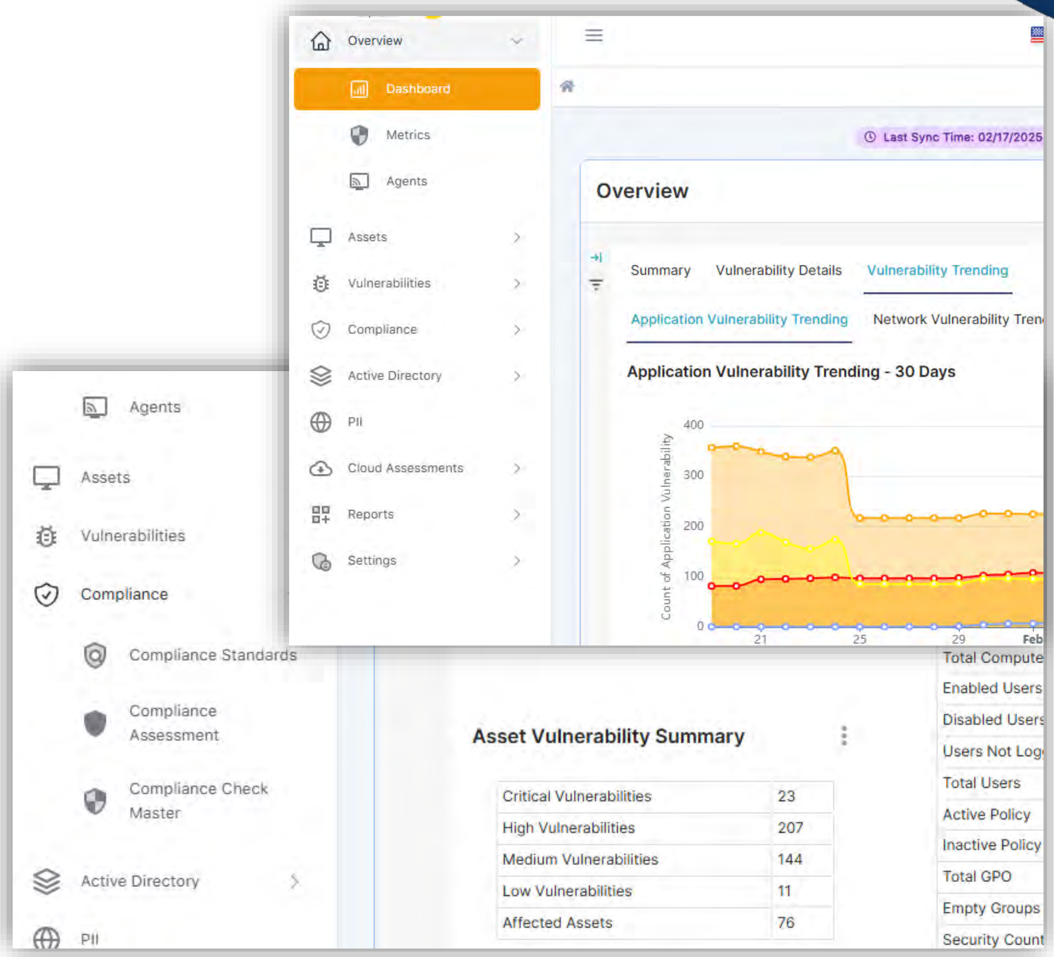
Vulnerability Remediation

- Addressing, fixing and remediating
- Prioritize, patch deployment, configuration changes, and other corrective actions
- Benefits:
  - Risk Reduction: Minimizes the attack surface.
  - Improved Security Posture: Enhances overall security.
  - Compliance: Helps meet regulatory requirements and performance benchmarks.
- Key Features:
  - Prioritization of vulnerabilities based on risk.
  - Guided remediation steps.
  - Verification of fixes.
  - Continuous improvement through regular reviews.

***Exclusions**: Remediation of major operating system upgrades (Win 10 to 11, etc.), application versions (Apache 2.2 to 2.3, etc.) and vendor-maintained line-of-business applications.*

CUSTOMER ENGAGEMENT

- Commitment Variables
  - Volume of vulnerabilities and risk appetite
  - Desired engagement and remediation velocity
- Average Minimal Expectation
  - Estimate of 3-5 Hours / Month
  - Monthly touch point with assigned engineer
  - Reviewing of monthly progress reports
  - Ad-hoc visibility within dashboard (as desired)
- Excluded Activity:
  - Major OS version upgrades (i.e. Win 10 to 11)
  - Major app version upgrades (i.e. Apache 2.2 to 2.3)
  - Vendor-maintained line-of-business applications



	(Current Agreement)	Adding Vulnerability Remediation	Adding Vulnerability Remediation & Breach Readiness
Support Coverage	**Up to 28 Users** Unlimited Support 8x5	**Up to 28 Users** Unlimited Support 8x5	**Up to 28 Users** Unlimited Support 8x5
Services	24x7x365 Alert Monitoring Microsoft and 3rd Party Patching 8x5 Helpdesk Support Email Security & Email Filtering Web Content Filtering Vulnerability Scanning Threat Detection & Monitoring DUO MFA Barracuda Email Security w/Advanced Threat Protection	24x7x365 Alert Monitoring Microsoft and 3rd Party Patching 8x5 Helpdesk Support Email Security & Email Filtering Web Content Filtering Vulnerability Scanning **+ Remediation** Threat Detection & Monitoring DUO MFA Barracuda Email Security w/Advanced Threat Protection	24x7x365 Alert Monitoring Microsoft and 3rd Party Patching 8x5 Helpdesk Support Email Security & Email Filtering Web Content Filtering Vulnerability Scanning **+ Remediation** **Incident Response Planning (Breach Readiness)** Threat Detection & Monitoring DUO MFA Barracuda Email Security w/Advanced Threat Protection
Managed Tools Included	Barracuda Complete Barracuda Sentinel Cisco Umbrella Cyber CNS DUO MFA CrowdStrike EDR Arctic Wolf MDR with Sensors KnowBe4	Barracuda Complete Barracuda Sentinel Cisco Umbrella Cyber CNS DUO MFA CrowdStrike EDR Arctic Wolf MDR with Sensors KnowBe4	Barracuda Complete Barracuda Sentinel Cisco Umbrella Cyber CNS DUO MFA CrowdStrike EDR Arctic Wolf MDR with Sensors KnowBe4
Monthly Recurring Price	$4,635 /month	$5,035 /month (+$400)	$5,285 /month (+650)

QUESTIONS?

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: 8.02 Direct Deposit Policy Update

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Consider recommended changes.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

8.02 Personnel Policy Update.pdf

Article VIII. DIRECT DEPOSIT

Section 8.02 Direct Deposit

As provided for in Minnesota law, all employees are required to participate in direct deposit. Employees are responsible for notifying the city ~~administrator~~ clerk of any change in status, including changes in address, phone number, names of beneficiaries, marital status, etc.

Employees shall be paid every two weeks, on the Thursday following the end of the scheduled pay period. When payday falls on a holiday, employees shall receive their pay the preceding workday.

The city is required by law to make ~~four~~ deductions from paychecks for Federal and State payroll deductions- ~~Social Security, PERA, Federal income tax and State income tax~~. Temporary, seasonal, and intern positions may not be eligible for PERA. Eligibility is determined on a case-by-case basis and generally depends on length of service and earnings.

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: Public Works Expenses

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Consider input from Director.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: September 14, 2026

Agenda Item: LELS Local 290 - Initial Negotiations Proposal

Subject | Summary:

Agenda Category: **Submitted By:** Michele Peterson

Recommended Motion: Review proposal.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments: