

Canton City Council
October 11, 2023 – 6 pm
Regular Meeting Agenda

1. Call to order
2. Pledge of Allegiance
3. Approval of agenda
4. Consent agenda
 - a) Approval of September 13, 2023 Regular Meeting Minutes
 - b) Approval of October Disbursements
5. Public comments
6. Reports
 - a) Mayor
 - b) Clerk & Deputy Clerk
 - c) Public Works
 - d) Fire Department
 - e) Police
 - f) Planning Commission
 - g) Other
7. Old business
 - a) Discussion on 2024 preliminary budgets
 - b) Discussion on Utility Rates for 2024
8. New business
 - a) Consider approval of Ordinance 2023-05 adopting MN Basic Code of Ordinances 2023 Edition
 - b) Consider approval of publication of Ordinance 2023-05 in Fillmore County Journal
 - c) Consider selection of Audit firm
9. Adjourn

Upcoming Dates:

Regular City Council Meeting at 6 p.m.

November 8

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Canton City Council Regular Meeting Minutes September 13, 2023

Members present: Josh Nordsving, Jason Magnuson, Kristy Ziegler, Jen Dowling

Members absent: Randy Gossman

City staff present: Anne Koliha, Barb Kerns, Jon Nordsving

City staff absent: Jim Davis

Visitor(s) present: Melissa Vanderplas (FC Journal)

Mayor Nordsving called the regular meeting to order at 6:00 p.m.

Motion by Ziegler, seconded by Dowling to approve the agenda, motion carried.

Consent Agenda

Motion by Ziegler, seconded by Dowling to approve the consent agenda:

- a) Approval of August 9, 2023 Regular Meeting Minutes
- b) Approval of September Disbursement
- c) Approval to waive Town Hall rental fee for American Red Cross Blood Drive on October 10

Public comments: None

Reports:

Mayor Nordsving: Mayor Nordsving would like to have the Streets Committee take a look at updating the city streets map of dead ends and alleys

Deputy Clerk: Kerns gave a reminder to all residents to get current with utility bills

Clerk: Clerk Koliha reported continued work on the 2024 budget, worked with Utility committee on utility rates, Koliha gave update on Arlin Falck grant application for ballfield improvements and thanked Amanda Jansen and Mason Huerkamp for getting project costs put together, Koliha reported on the City receiving a letter from Hawkins Ash CPAs in regards to auditor leaving and changes in the company that they would no longer be able to provide the city with audit services, Koliha stated she has begun to reach out to other audit firms for quotes.

Public Works: Jon Nordsving reported that sewer lines cleaned and received the report of the lines, Nordsving reported on the replacement and installation of a new back door to the Town Hall.

Fire Department: None

Police: None

Planning Commission: None

Old Business

- a) Mitson House: Estimates for repair work of windows and doors

No estimates were able to be obtained, Greg Turner spoke with Bill Tate whom said that he would fix the NE storm window at no charge. Further discussion on future plans and repairs for the house with no action taken.

- b) Consider approval of amended Ordinance 2023-03: Amending Section 70.06 U-Turns Restricted Motion by Magnuson, seconded by Dowling to approve amended Ordinance 2023-03: Amending Section 70.06 U-Turns Restricted, motion carried.
- c) Consider approval of amended Ordinance 2023-04: Amending Section 71.09 (D) Prohibiting Parking Areas In Front Yards In Residential Zones Motion by Ziegler, seconded by Dowling to approve amended Ordinance 2023-04: Amending Section 71.09 (D) Prohibiting Parking Areas In Front Yards In Residential Zones, motion carried.
- d) Publish Ordinances 2023-03 and 2023-04 in the Fillmore County Journal Motion by Ziegler, seconded by Magnuson to publish Ordinances 2023-03 and 2023-04 in the Fillmore County Journal, motion carried.
- e) Discussion on 2024 Preliminary Budget Extensive discussion occurred with the council looking to set the preliminary tax levy at a rate to have the preliminary budget balanced.

New Business

- a) Discussion on Utility Rates for 2024 Councilmember Ziegler presented options for possible utility rate increases to the sewer and garbage. Extensive discussion occurred with no action taken at this time since a public hearing will be needed for utility rate increases. Council decided to set the public hearing for utility rate increases for November 8.
- b) Consider Resolution 2023-10: Establishing the 2024 Preliminary Tax Levy Motion by Ziegler, seconded by Dowling to approve Resolution 2023-10: Establishing the 2024 Preliminary Tax Levy at \$188,150 which is a 11% increase, motion carried.
- c) Consider approval of temporary liquor license application for the Canton Community Association for October 28, 2023 Motion by Magnuson, seconded by Ziegler to approve temporary liquor license application for the Canton Community Association for October 28, 2023, motion carried.
- d) Consider approval of temporary liquor license application for the Canton American Legion for October 7, 2023 Motion by Magnuson, seconded by Ziegler to approve temporary liquor license application for the Canton American Legion for October 7, 2023, motion carried.
- e) Consider approval of fireworks display following Lighted Parade on Dec. 9 Motion by Ziegler, seconded by Dowling for approval of fireworks display following Lighted Parade on December 9, motion carried.
- f) Consider temporary closure of Main Street and Veterans Drive on December 9 for Santa Days Lighted Parade Motion by Ziegler, seconded by Magnuson to approve temporary closure of Main Street and Veterans Drive on December 9 for Santa Days Lighted Parade, motion carried.

Motion by Dowling, seconded by Magnuson to adjourn the meeting at 7:25 p.m.; motion carried.

October 2023 Disbursements

General Fund

Acentek	\$	222.31	Phone & Internet Services (City Hall/Town Hall)
Canon Financial*	\$	44.00	Copier monthly lease contract
MiEnergy	\$	67.85	Electric: City Hall
MiEnergy	\$	75.10	Electric: Town Hall
MiEnergy	\$	32.81	Electric: Bus Shed
MiEnergy	\$	483.19	Electric: Street Lights
MiEnergy	\$	61.57	Electric: Welcome Sign
MiEnergy	\$	32.21	Electric: Ball Field
MN Energy Resources	\$	25.67	Gas: City Hall
MN Energy Resources	\$	25.67	Gas: Maintenance Shop
MN Energy Resources	\$	66.49	Gas: Town Hall
Nordsving, Jon	\$	50.00	Cell phone stipend
Tri-State Business Machines	\$	39.00	Copier monthly contract
Wright Way Computers	\$	41.57	Monthly computer services
Banyon Data Systems	\$	560.00	Annual Support Fee
Fillmore County Journal	\$	86.39	Publication of Ordinance updates
Fillmore County Journal	\$	39.00	Emergency Response Ad
Bruening Rock Products	\$	92.56	Road Rock
Nethercut Schieber Attorneys	\$	37.50	September Attorney fees
Kingsley Mercantile	\$	47.43	Cleaning Supplies
Fillmore County Auditor-Treasurer	\$	6,000.00	3rd Quarter Police Contracted Services
Amazon*	\$	215.22	3 ton Floor Jack & Mechanic creeper
Isaac's Repair	\$	237.67	Streets Truck: front shocks
Village Farm & Home	\$	113.49	Supplies
Total General Fund Disbursements	\$	8,696.70	

Mitson Fund

MiEnergy	\$	32.33	Electric: Mitson House
Total Mitson Disbursements	\$	32.33	

Water Fund

Acentek	\$	40.23	Phone dialer system
Gopher State One Call	\$	5.40	Locates
MiEnergy	\$	587.53	Electric: Pump House
Banyon Data Systems	\$	1,025.00	Annual Support Fee
Village Farm & Home	\$	7.98	Supplies: couplers
Total Water Disbursements	\$	1,666.14	

Sewer Fund

Acentek	\$	40.23	Phone: WWTF
MiEnergy	\$	812.49	Electric: WWTF
Utility Consultants	\$	982.89	Samples
Banyon Data Systems	\$	1,025.00	Annual Support Fee
Total Sewer Disbursements	\$	2,860.61	

Garbage Fund

Richard's Sanitation	\$	2,576.73	Monthly service charge
Total Garbage Disbursements	\$	2,576.73	

Fire Department

Acentek	\$	64.95	Internet services
MiEnergy	\$	79.20	Electric: Fire Hall
MiEnergy	\$	33.17	Electric: Cooler
MN Energy Resources	\$	25.67	Gas: Fire Hall
Isaac's Repair	\$	648.31	Truck repairs (Water Truck & '86 Chevy)
Amazon*	\$	52.02	Address labels & envelopes
Consolidated Energy	\$	85.06	Fuel: Grass Rig
Total Fire Department Disbursements	\$	988.38	

Ballfield & Park

Ness Pumping Service	\$	570.00	Port-a-potty rental
Total Ballfield & Park Disbursements	\$	570.00	

Total Monthly Disbursements **\$ 17,390.89**

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**Office of the
FILLMORE COUNTY SHERIFF**

JOHN DEGEORGE Sheriff
LANCE BOYUM Chief Deputy
901 Houston St. NW
PRESTON, MN 55965-1080

Tel: 507-765-3874
Emergency Dial 911
Fax: 507-765-2703

Date: October 1, 2023
To: Canton City Council
From: Jason Harmening, Deputy Sheriff
John DeGeorge, Fillmore County Sheriff
Re: Quarter 3, 2023 Council Report

Calls for Service / Patrol Activity:

Reported Date	Title	Street Name
2023-07-03	Noise Complaint	MAIN ST
2023-07-05	Trespass Complaint	Fillmore Ave
2023-07-06	Traffic	HWY 52
2023-07-07	Traffic	COUNTY 21
2023-07-17	Traffic	HWY 52
2023-07-17	Information	
2023-07-18	Ambulance	PRAIRIE AVE
2023-07-18	Permit to Purchase	N 3rd St
2023-07-19	Traffic	HWY 52
2023-07-19	Traffic	HWY 52
2023-07-20	911 Hang Up	MAIN ST
2023-07-20	Traffic	HWY 52
2023-07-21	Assist	Main St
2023-07-24	Traffic	HWY 52
2023-07-25	Driving Complaint	MAIN ST
2023-07-26	Information	FIRST ST
2023-07-27	Traffic	HWY 52
2023-07-27	Traffic	HWY 52
2023-07-27	Alarm	MAIN ST



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Fax: 507-765-2703

2023-07-31	Juvenile Complaint	1st St
2023-08-01	Civil	HUDSON AVE
2023-08-03	Welfare Check	HUDSON AVE
2023-08-04	Civil	OAK ST
2023-08-12	Traffic	HWY 52
2023-08-15	Information	MAIN ST
2023-08-23	Theft	Hwy 52
2023-08-26	Funeral Escort	MAIN ST
2023-08-28	Civil	OAK ST
2023-09-04	Traffic	HWY 52
2023-09-10	Welfare Check	ASH ST
2023-09-10	Traffic	HWY 52
2023-09-11	Fraud/Scam	Main St
2023-09-15	Traffic	HWY 52
2023-09-20	Ambulance	CANTON AVE
2023-09-20	Animal Complaint	HWY 52
2023-09-22	Traffic	Highway 52
2023-09-23	MAARC	ASH ST
2023-09-24	Traffic	HWY 52
2023-09-28	Ambulance	MAIN ST

GENERAL FUND

EXPENDITURES	2023 Budget	2023 YTD (Jan-Sept)	2024 Budget	Budget Change	
Wages: Admin Staff	\$ 35,000.00	\$ 27,136.95	\$ 39,000.00	\$ 4,000.00	*COLA 3% + insurance stipend (insurance stipend not in 2023 budget)
Wages: Maintenance Staff	\$ 51,000.00	\$ 39,813.04	\$ 56,000.00	\$ 5,000.00	
Council Wages	\$ 4,300.00	\$ -	\$ 4,300.00	\$ -	
PERA	\$ 6,200.00	\$ 4,831.92	\$ 6,300.00	\$ 100.00	
FICA	\$ 6,600.00	\$ 5,121.66	\$ 6,700.00	\$ 100.00	
Insurance	\$ 19,000.00	\$ 17,876.00	\$ 19,000.00	\$ -	
Office Supplies	\$ 4,000.00	\$ 1,753.67	\$ 2,000.00	\$ (2,000.00)	
Operating Supplies	\$ 8,000.00	\$ 4,321.38	\$ 6,000.00	\$ (2,000.00)	
Repair/Maint: Buildings	\$ 21,000.00	\$ 18,575.72	\$ 10,000.00	\$ (11,000.00)	
Repair/Maint: Streets	\$ 7,000.00	\$ -	\$ 5,000.00	\$ (2,000.00)	
Street Maint Materials	\$ 8,000.00	\$ 1,991.04	\$ 5,000.00	\$ (3,000.00)	
Equipment (sm tools/machinery)	\$ 16,000.00	\$ -	\$ 60,000.00	\$ 44,000.00	*plow truck, TH stove & exhaust fan
Professional Services	\$ 21,000.00	\$ 18,093.55	\$ 18,000.00	\$ (3,000.00)	
Communications	\$ 5,500.00	\$ 3,441.16	\$ 5,500.00	\$ -	
Transportation/Travel	\$ 500.00	\$ 131.00	\$ 200.00	\$ (300.00)	
Miscellaneous	\$ 1,500.00	\$ 173.00	\$ 500.00	\$ (1,000.00)	
Donations	\$ 500.00	\$ 100.00	\$ 300.00	\$ (200.00)	
Awards & Recognition	\$ 1,000.00	\$ 345.99	\$ 500.00	\$ (500.00)	
Summer Rec	\$ 3,220.00	\$ 3,220.00	\$ 3,220.00	\$ -	
City Fire Protection	\$ 5,270.00	\$ 5,270.00	\$ 7,440.00	\$ 2,170.00	
Ambulance	\$ 3,410.00	\$ 3,410.00	\$ 4,030.00	\$ 620.00	
Police Department	\$ 24,960.00	\$ 23,760.00	\$ 44,530.00	\$ 19,570.00	
Electric Utilities	\$ 11,000.00	\$ 7,091.91	\$ 10,000.00	\$ (1,000.00)	
Gas Utilities	\$ 6,000.00	\$ 4,487.40	\$ 8,300.00	\$ 2,300.00	
TOTAL EXPENDITURES	\$ 269,960.00	\$ 190,945.39	\$ 321,820.00		
REVENUE	2023 Budget	2023 YTD (Jan-Sept)	2024 Budget	Budget Change	
Property Taxes	\$ 169,505.04	\$ 116,096.35	\$ 188,150.00	\$ 18,644.96	11% Levy increase
Local Government Aid	\$ 97,566.00	\$ 48,783.00	\$ 105,250.00	\$ 7,684.00	
Other Aid	\$ 8,000.00	\$ -	\$ 8,000.00	\$ -	
Fines/Forefeits	\$ 500.00	\$ 357.60	\$ 500.00	\$ -	
Licenses/Permit	\$ 2,000.00	\$ 754.95	\$ 1,000.00	\$ (1,000.00)	
Rentals	\$ 1,800.00	\$ 2,020.00	\$ 1,800.00	\$ -	
Reimbursements	\$ 1,400.00	\$ 2,145.07	\$ 2,500.00	\$ 1,100.00	
Miscellaneous		\$ 1,788.09			
Interest Earnings		\$ 3,094.21	\$ 1,000.00		
Public Safety Aid			\$ 13,653.00		One-time Aid for cities
TOTAL REVENUES	\$ 280,771.04	\$ 175,039.27	\$ 321,853.00		
GAIN/(LOSS)			\$ 33.00		

2024 Proposed Utility Options

SEWER RATES

		OPTION 1	
Sewer Base Charge	12 Mo Revenue*		
\$38.00	\$72,048	Add \$3 Base and \$2 / 1000 GAL	
Sewer / 1000 GAL		2024 Budget Expendit	\$91,800.00
\$5.00	\$21,000	Total Revenue	\$93,048
Total	\$93,048	GAIN	\$1,248

		OPTION 2	
Sewer Base Charge	12 Mo Revenue*		
\$40.00	\$75,840	Add \$5 Base and \$2 / 1000 GAL	
Sewer / 1000 GAL		2024 Budget Expendit	\$91,800.00
\$5.00	\$21,000	Total Operating Rever	\$96,840.00
Total	\$96,840	GAIN	\$5,040.00

		OPTION 3	
Sewer Base Charge	12 Mo Revenue*		
\$35.00	\$66,360	Add \$0 Base and \$4.50 / 1000 GAL	
Sewer / 1000 GAL		2024 Budget Expendit	\$91,800.00
\$7.50	\$31,500	Total Operating Rever	\$97,860.00
Total	\$97,860	GAIN	\$6,060.00

*based off 158 meters and 350,000 gallons sold a month

	Total monthly cost for 2,000 gallons				
	Current Rates	OPTION 1	OPTION 2	OPTION 3	
Water base	\$38.00	\$38.00	\$38.00	\$38.00	\$38.00
Water per 1000	\$5.00	\$10.00	\$10.00	\$10.00	\$10.00
Sewer base	\$35.00	\$35.00	\$38.00	\$40.00	\$35.00
Sewer per 1000	\$3.00	\$6.00	\$10.00	\$10.00	\$15.00
		\$89.00	\$96.00	\$98.00	\$98.00

GARBAGE RATES

		OPTION 1	OPTION 2	OPTION 3			
		\$0.50 fuel addon*	No fuel addon	3 Year 3% Annual Increase with \$0.50 fuel addon*			
		Current City Rates	\$0.50 increase	\$0.75 increase	Year 1	Year 2	Year 3
Garbage (32G)	49 totes	\$10.70	\$11.20	\$11.45	\$11.02	\$11.35	\$11.69
Garbage (64G)	78 totes	\$12.22	\$12.72	\$12.97	\$12.59	\$12.96	\$13.35
Garbage (96G)	17 totes	\$13.71	\$14.21	\$14.46	\$14.12	\$14.54	\$14.98
Recycling	150 totes	\$4.00	\$4.50	\$4.75	\$4.12	\$4.24	\$4.37

* Fuel addon applied when Diesel reaches \$4.50 or more a gallon

Richards Current Charges w/o waste tax
\$2,281.80

Total costs charged on utility bills	\$2,310.53	\$2,457.53	\$2,531.03	\$2,380.04	\$2,450.21	\$2,524.27
Gain/Loss	\$28.73	\$175.73	\$249.23	\$98.24	\$168.41	\$242.47
No fuel surcharges included						

City of Canton

ORDINANCE #2023-05

AN ORDINANCE ENACTING THE CODE OF ORDINANCES FOR THE CITY OF CANTON, MINNESOTA, ADOPTING THE MINNESOTA BASIC CODE OF ORDINANCES, 2023 EDITION AND AMENDING, RESTATING, REVISING, UPDATING, CODIFYING AND COMPILING CERTAIN ORDINANCES OF THE CITY DEALING WITH THE SUBJECTS EMBRACED IN THE CODE OF ORDINANCES, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE CODE OF ORDINANCES.

WHEREAS Minnesota Statutes Section 471.62 authorizes the city to adopt the Minnesota Basic Code of Ordinances by reference, and Sections 415.02 and 415.021 authorize the city to cause its ordinances to be codified and printed in a book,

NOW THEREFORE the City Council of the City of Canton, Minnesota, ordains:

Section 1. The Minnesota Basic Code of Ordinances, 2023 Edition, together with amendments and supplements contained therein, is hereby adopted and shall constitute the "Code of Ordinances of the City of Canton." This Code of Ordinances also adopts by reference certain statutes and administrative rules of the State of Minnesota as named in the Code of Ordinances. It is the intention of the City Council that, when adopting the Minnesota Basic Code of Ordinances, all future amendments and supplements are hereby adopted as if they had been in existence at the time this Ordinance was enacted, unless there is clear intention expressed in the Code to the contrary.

Section 2. The Code of Ordinances as adopted in Section 1 shall consist of the following titles and those existing city ordinances also listed in Section 3:

TITLE I: GENERAL PROVISIONS

10. General Provisions

TITLE III: ADMINISTRATION

30. General Provisions

31. Departments, Boards and Commissions

32. Emergency Management

TITLE V: PUBLIC WORKS

50. Garbage and Rubbish

51. Sewer Regulations
52. Water Regulations
53. Storm Water Drainage Utility
54. Rates and Charges

TITLE VII: TRAFFIC CODE

70. Traffic Regulations
72. Snowmobiles
73. Recreational Vehicles
74. Bicycles, Roller Blades, Roller Skates, Roller Skis and Skateboards

TITLE IX: GENERAL REGULATIONS

90. Abandoned Property
91. Animals
92. Health and Safety; Nuisances
93. Streets and Sidewalks

TITLE XI: BUSINESS REGULATIONS

110. General Licensing Provisions
111. Commercial Amusements
112. Liquor Regulations
113. Peddlers and Solicitors
114. Reserved
115. Reserved
116. Regulating Lawful Gambling
117. Garage and Rummage Sales
118. Regulation of Public Dances and Special Events
119. Sexually Oriented Businesses

TITLE XIII: GENERAL OFFENSES

130. General Offenses

TITLE XV: LAND USAGE

150. General Provisions
152. Subdivision Control
153. Anti-Blight Regulations

Section 3. All prior ordinances shall be deemed repealed from and after the effective date of this ordinance, except as they are listed in this section; provided, this repeal shall not affect any offense committed or penalty incurred or any right established prior to the effective date of this ordinance, nor shall this repeal affect the provisions of ordinances levying taxes,

appropriating money, annexing or detaching territory, establishing franchises, or granting special rights to certain persons, authorizing public improvements, authorizing the issuance of bonds or borrowing of money, authorizing the purchase or sale of real or personal property, granting or accepting easements, plat or dedication of land to public use, vacating or setting the boundaries of streets or other public places; nor shall this repeal affect any other ordinance of a temporary or special nature or pertaining to subjects not contained in or covered by the Code of Ordinances. All fees and charges established in ordinances or resolutions adopted prior to the adoption of this city code shall remain in effect unless amended in this code or until an ordinance adopting a schedule of fees and charges is adopted or amended.

These are the prior ordinances that shall remain in effect:

31.45 – 31.48 Planning Commission

52.25 Supply from One Service

70.06 U-Turns Restricted

Chapter 71. Parking Regulations

91.041 Chickens

Chapter 151. City of Canton Zoning Ordinance

Section 4. This ordinance adopting the Minnesota Basic Code of Ordinances shall be a sufficient publication of any ordinance included in it and not previously published in the city's official newspaper. The Clerk of the city shall cause a substantial quantity of the Code to be printed for general distribution to the public at actual cost and shall furnish a copy of the Code to the County Law Library or its designated depository. The official copy of this Code shall be marked and kept in the office of the City Clerk.

Section 5. It is the intention of the City Council that, when adopting the Minnesota Basic Code of Ordinances and any supplements or additions to it, that all existing and future amendments to any state or federal rules and statues adopted by reference or referenced in the Minnesota Basic Code of Ordinances and any supplements or additions to it are hereby adopted by reference or referenced as if they had been in existence at the time the Minnesota Basic Code of Ordinances and any supplements or additions to it was, are or may be in the future adopted, unless there is clear intention expressed in the Code to the contrary.

Section 6. The Minnesota Basic Code of Ordinances is declared to be prima facie evidence of the law of the city and shall be received in evidence as provided by Minnesota Statutes by the Courts of the State of Minnesota. A copy of the Code marked "Official Copy" shall be filed as part of the official records of the city in the office of City Clerk. The City Clerk shall provide a copy of the Code to any person who requests a copy and shall charge that person the cost to the city of the copy of the Code.

Section 7. This ordinance adopting the Minnesota Basic Code of Ordinances, and the Code itself, shall take effect upon publication of this ordinance in the city's official newspaper.

Section 8. Any amendments to a statute or rule adopted in this Code or any former code or ordinance which continues to be in effect, shall be included by reference as if the amended statute or rule had been in existence at the time the Code or ordinance was adopted.

PASSED BY THE CITY COUNCIL OF THE CITY OF CANTON, MINNESOTA THIS 11th DAY OF OCTOBER 2023.

APPROVED:

_____ MAYOR

ATTEST:

_____ CITY CLERK

September 2023

Anne Koliha
City of Canton
106 N Main St
P.O. Box 92
Canton, MN 55922

Dear Anne:

At your request, we have prepared the following proposal for the audit for the City of Canton, Minnesota for the year ending December 31, 2023.

Firm Experience and Qualifications

Smith Schafer and Associates, Ltd was founded in Rochester in 1971, and currently operates out of offices in Rochester, Twin Cities, and Red Wing. The firm's employees specialize in the areas of auditing, taxation, retirement plan administration and management consulting services. Smith Schafer is a client-first, community-oriented public accounting and business consulting firm, offering a thoughtful advisory relationship to governmental clients. Our experience in providing, governmental accounting services in Minnesota over the last 50 years provides us with a solid understanding of your Organization environment and needs.

Smith Schafer is a member of PrimeGlobal, the third largest association of independent accounting firms in the world, giving us access to a wide range of specialists with governmental accounting experience and affording our staff the opportunity to provide these skills to other member firms within the PrimeGlobal network.

Our proposed engagement team would consist of the following members of our staff, all full-time staff employed out of the Rochester office:

Andrew R. Forliti, CPA
Riley Knutson, CPA

Principal
Audit Supervisor

Mr. Forliti holds a Bachelor of Arts degree in Accounting from St. John's University and has been with the firm since 2010. Mr. Forliti is a member of the AICPA, MNCPA, Rochester Youth Hockey Board of Directors, Treasurer for SPARK Children's Museum, past member SEMCIL Board of Directors and Channel One Finance Committee member. Mr. Forliti's current governmental clients include the City of Caledonia, City of Stewartville, City of Houston, City of Rose Creek, City of Kellogg, City of Fountain, City of Lanesboro, City of Rollingstone, City of Lake City, City of Madison Lake, and the City of Ostrander.

Mr. Knutson holds a Bachelor of Science degree in Accounting from Minnesota State University at Mankato and has worked in our audit practice for the last 4 years. Mr. Knutson's current clients include the City of Rose Creek, City of Ostrander, City of Hokah, and City of Kasson.

Our proposed professional fees for the audit for the City of Canton are as follows:

Single Year	2023
Audit of Financial Statements	\$13,000

3-Year Period	2023	2024	2025
Audit of Financial Statements	\$12,000	\$13,000	\$14,000

The above schedule/fee quote is for the audit and the preparation of the financial statements. All out of pocket expenses are included in the above schedule/fee quote. Miscellaneous other assistance related to the audit and telephone inquiries requiring minimum amount of time are also included in the above schedule/fee quote.

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

Very truly yours,

SMITH, SCHAFFER AND ASSOCIATES, LTD.



Andrew R. Forliti CPA
Principal

a.forliti@smithschafer.com



CliftonLarsonAllen LLP
 2689 Commerce Drive Northwest, Suite 201
 Rochester, MN 55901-2263

phone 507-280-2300 fax 507-280-2339
claconnect.com

October 2, 2023

Anne Koliha, City Clerk
 City of Canton
 106 N Main Street
 PO Box 92
 Canton, MN 55922

Thank you for the opportunity to provide a quote for our services to the City of Canton (the City). Our fee quote is as follows:

Professional Services	2023	2024	2025
Financial statement audit (assuming we can review the prior auditor's files and can rely on December 31, 2022 balances)	\$15,000	\$16,000	\$17,000
Implementing new auditing standards (one-time fee for 2023)	2,500	--	--
Technology fee	875	800	850
Expenses (not to exceed)	500	500	500
Total (not to exceed)	\$18,875	\$17,300	\$18,350

Our fee for compliance audits under federal Uniform Grant Guidance is \$4,000 to \$5,000 per federal program needing to be audited, depending on the program's compliance requirements. This type of compliance audit is only required in fiscal years where expenditures of federal grants or loans exceed \$750,000.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

October 2, 2023
City of Canton
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If you have any questions about our offerings, please do not hesitate to contact me via phone 507-280-2327 or email craig.popenhagen@claconnect.com.

Sincerely,

CliftonLarsonAllen LLP

A handwritten signature in black ink, appearing to read "Craig Popenhagen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Craig Popenhagen
Principal
507-280-2327
craig.popenhagen@claconnect.com