



AGENDA

Tuesday, June 16, 2026 – 4:00pm

Grand Marais City Hall – Council Chambers

15 North Broadway Ave, Grand Marais, MN 55604

Members of the Board may participate in this meeting via electronic means

1. **Call to Order**
2. **Approval of Agenda**
3. **Public Comments**
4. **Approval of Meeting Minutes**
 - a. May 19, 2026 EDA Regular Meeting ([Pages 1-3](#))
5. **Review of Financials**
 - a. Balance Sheet EDA, as of May 31, 2026 ([Pages 4-7](#))
 - b. Bill Approval Status EDA, May 2026 Payments ([Page 8](#))
 - c. Balance Sheet Superior National Golf Course, as of May 31 2026 ([Pages 9-14](#))
 - d. 2025 Business Development Fund Grant Report, information only ([Page 15](#))
 - e. 2026 Business Development Fund Grant Report, information only ([Page 16](#))
6. **New Business**
 - a. **2026-18** RESOLUTION APPROVING BUSINESS DEVELOPMENT FUND GRANT AWARDS AND AUTHORIZING EXECUTION OF GRANT AGREEMENTS ([Pages 17-31](#))
 - b. **2026-19** RESOLUTION APPROVING THE PRELIMINARY 2027 BUDGET REQUEST ([Pages 32-40](#))
 - c. **2026-20** RESOLUTION APPROVING THE 2025 FINANCIAL AUDIT OF THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY ([Pages 41-104](#))
 - d. **2026-21** RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH DREAM SUPERIOR LLC FOR THE SISU + LÖYLY INFRASTRUCTURE IMPROVEMENT PROJECT ([Pages 105-116](#))
 - e. **2026-22** RESOLUTION APPROVING AN AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE FOUR DIRECTIONS DWELLINGS WORKFORCE HOUSING PROJECT ([Pages 117-127](#))
 - f. **2026-23** RESOLUTION AUTHORIZING EXPENDITURE FOR PROFESSIONAL SERVICES WITH TERRA FIRM IN AN AMOUNT NOT TO EXCEED \$9,664. ([Pages 128-130](#))
7. **Taconite Harbor Strategic Plan Presentation – Stantec Consulting** ([Page 131](#))
8. **SBDC Report** ([Page 132](#))
9. **Committee/Commissioner Reports**
 - a. Golf Course Committee
 - b. Taconite Harbor Subcommittee
 - i. Ribbon Cutting New Waste Transfer Station – June 26, 2026 ([Page 133](#))
 - c. Grant Review Committee
 - d. HR Committee Update
 - e. Finance Committee
10. **Executive Directors Report**
11. **Adjourn**

Next Meeting: Tuesday, July 21, 2026



MINUTES

Tuesday, May 19, 2026 – 4:00pm

Grand Marais City Hall – Council Chambers

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Commissioners Present: Peter Clissold, Mark Shackleton, Dave Mills, Alex Beebe-Giudice, Siri Anderson, Pat Eliassen, Tracy Benson

Commissioners Absent: none

Others Present: Lucas Wakefield, Linda Jurek, Jeff Brand, minute taker Maggie Barnard

1. Call to Order

President Clissold called the May 19, 2026 regular meeting of the EDA to order at 4:01 p.m.

2. Approval of Agenda

Clissold asked if there are any additions or revisions to the agenda. None made.

Motion to approve the agenda as presented. (Anderson/Beebe-Giudice) Vote: Passed (7/0).

3. Public Comments

Clissold opened the comment period.

Linda Jurek, Executive Director of the Cook County Chamber of Commerce and Visit Cook County extended an invitation to Commissioners for a reception with Senator Hauschild on Friday, May 22, 2026 from 12-1:30 p.m. tentatively at Voyageur Brewing.

4. Approval of Meeting Minutes

- a. April 21, 2026 EDA Regular Meeting ([Pages 1-3](#))

Motion to approve the April 21, 2026 EDA Regular Meeting minutes. (Mills/Shackleton) Vote: Passed (7/0).

5. Review of Financials

- a. Balance Sheet EDA, as of April 30, 2026 ([Pages 4-7](#))

Shackleton stated the budget is in line with expectations and \$70,000 was transferred to the golf course.

President and Commissioners accepted and forwarded EDA and Superior National financials to audit.

- b. Bill Approval Status EDA, April 2026 Payments ([Page 8](#))

Motion to approve the April 2026 payments (Mills/Benson) Vote: Passed (7/0).

- c. Balance Sheet Superior National Golf Course, as of April 30, 2026 ([Pages 9-13](#))

- d. 2025 Business Development Fund Grant Report, information only ([Page 14](#))

- e. 2026 Business Development Fund Grant Report, information only ([Page 15](#))

6. New Business

- a. **2026-14 RESOLUTION DESIGNATING THE EXECUTIVE DIRECTOR AS SECRETARY AND ASSISTANT TREASURER** ([Pages 16-17](#))



MINUTES

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Clissold introduced the agenda topic.

Wakefield confirmed his acceptance of the officer roles.

Motion to approve RESOLUTION 2026-14 (Anderson/Shackleton) Vote: Passed (7/0).

- b. **2026-15** RESOLUTION APPROVING A COMMERCIAL LEASE AGREEMENT WITH DROSERA HOLDINGS, LLC FOR OFFICE SPACE AT 425 W HIGHWAY 61 ([Pages 18-25](#))

Wakefield said the terms are identical to previous lease with an increase of \$50 per month in rent.

Jeff Brand, Executive Director of Cook County HRA confirmed he will continue sharing office space.

Motion to approve RESOLUTION 2026-15 (Mills/Shackleton) Vote: Passed (7/0).

- c. **2026-16** RESOLUTION REMOVING AUTHORIZED FINANCIAL SIGNATORY AUTHORITY ([Pages 26-27](#))

Wakefield stated that when adding himself to EDA bank accounts he discovered former Commissioner Hedstrom and Executive Director Krampitz were listed as authorized signatories and this would remove them at both Grand Marais State Bank and North Shore Credit Union.

Motion to approve RESOLUTION 2026-16 (Shackleton/Anderson) Vote: Passed (7/0).

- d. **2026-17** RESOLUTION APPROVING A REVISED PROFESSIONAL SERVICES CONTRACT WITH NORTH SHORE DEVELOPMENT CO. ([Pages 28-34](#))

Wakefield said the monthly fee will be reduced to \$2,500 and 20 hours of work. Stated the scope of work is primarily administrative duties with a contract effective date of June 1, 2026 and a 60-day termination notice.

Commissioner discussion.

Motion to approve RESOLUTION 2026-17. (Shackleton/Beebe-Giudice) Vote: Passed (7/0).

- e. **Preliminary 2027 Budget** – *discussion only, no action* ([Page 35](#))

Wakefield walked through the preliminary budget and indicated the current request is \$469,539 which represents a 3% decrease from the 2026 budget. Discussed where reductions were made and welcomed Commissioner discussion. Discussed reducing the Business Development Fund grant program by \$100,000 and proposed changes to the grant program overall such as required grantee match of 25% and a minimum request of \$5,000 with possibility to create community funding for projects less than \$5,000.

Commission discussion.

7. SBDC Report

- a. 2025 Cook County Northland SBDC Report ([Page 36](#))



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Clissold stated Rachele Chrisianson is not present but a scorecard from Northland Foundation was included in the agenda packet and provides SBDC performance data for 2025.

8. Committee/Commissioner Reports

a. Golf Course Committee – Sale Update

Clissold confirmed they are officially at day 50 of the 90 day first right of refusal time period with the Nelson family and actively working on a irrigation system plan at the course.

b. Taconite Harbor Subcommittee – Strategic Plan Update

i. Public Open House, June 15th ([Page 37](#))

Clissold mentioned the Open House that will take place at Schroeder Town Hall on June 15th followed by a presentation from Stantec at the next EDA meeting in June.

c. Grant Review Committee Update

Beebe-Giudice confirmed five applications were received for the 2nd round of grants due early May. Confirmed the Committee is continuing to discuss compliance mechanisms for things like final reports.

d. HR Committee Update

No update.

e. Finance Committee

Clissold confirmed they will continue working on the final budget plan in detail in preparation for County Board.

9. Executive Directors Report

Wakefield said he averaged three meetings per day since joining the EDA and noted specific meetings of interest he has attended. Informed Commissioners he will be attending the EDAM conference on June 3rd through 5th in Brainerd and be available by phone. Shared that Cook County has been invited to be a co- grant applicant with four other counties with MN DEED. Confirmed the EDA received the finalized audit for 2025 from Redpath Welcome to new commissioner Pat Eliassen.

10. Adjourn

Motion to adjourn the meeting at 5:18 p.m. (Shackleton/Beebe-Giudice) Vote: Passed (7/0).

Next Meeting: Tuesday, June 16, 2026

Respectfully submitted by minute taker Maggie Barnard.

Cook County/Grand Marais Economic Development Authority

Balance Sheet As of May 31, 2026

	TOTAL		
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)	% CHANGE (PY)
Assets			
Current Assets			
Bank Accounts			
GMSB Checking Account	183,320.48	6,024.27	2943.03 %
GMSB Money Market	129,834.30	166,675.15	-22.1 %
NSFCU 5162030 Checking	6,355.14	6,353.28	0.03 %
NSFCU Money Market (87)	0.00	0.00	
NSFCU Patronage	37.24	36.95	0.78 %
NSFCU Savings	10.19	10.19	0.0 %
Total for Bank Accounts	\$319,557.35	\$179,099.84	78.42 %
Accounts Receivable			
Accounts Receivable	0.00	0.00	
Total for Accounts Receivable	\$0.00	\$0.00	
Other Current Assets			
Due from Lutsen Recreation	0.00	0.00	
Due from Lutzen Mountainside	8,437.50	9,787.50	-13.79 %
Due from SNL	12,083.33		
Due from Superior National at Lutsen	190,000.00		
Note Payable Gunflint Vue LLC	200,000.00	200,000.00	0.0 %
Prepaid Rent	915.00	915.00	0.0 %
Taxes Receivable - current	35,732.65	16,054.18	122.58 %
Taxes Receivable - delinquent	18,709.00	8,396.00	122.83 %
Undeposited Funds	0.00	0.00	
Total for Other Current Assets	\$465,877.48	\$235,152.68	98.12 %
Total for Current Assets	\$785,434.83	\$414,252.52	89.6 %
Fixed Assets			
Land Held for Resale	2,800.00	114,000.00	-97.54 %
Total for Fixed Assets	\$2,800.00	\$114,000.00	-97.54 %
Other Assets			
Tac Area Bus Relief Note Rec	0.00	0.00	
Total for Other Assets	\$0.00	\$0.00	
Total for Assets	\$788,234.83	\$528,252.52	49.22 %

Cook County/Grand Marais Economic Development Authority

Balance Sheet As of May 31, 2026

	TOTAL		
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)	% CHANGE (PY)
Liabilities and Equity			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	23,071.36	42,913.42	-46.24 %
Total for Accounts Payable	\$23,071.36	\$42,913.42	-46.24 %
Credit Cards			
Visa Credit Card	178.77	727.40	-75.42 %
Total for Credit Cards	\$178.77	\$727.40	-75.42 %
Other Current Liabilities			
Contingent Liability	0.00	0.00	
Deferred Revenue	0.00	0.00	
Due to City of Grand Marais	35,872.50	149,812.55	-76.06 %
Due to Cook County	0.00	28,103.89	-100.0 %
Due to Workforce Recruitment	0.00	0.00	
Note Payable Cook County	200,000.00		
Salaries/Benefits	0.00	0.00	
Total for Other Current Liabilities	\$235,872.50	\$177,916.44	32.57 %
Total for Current Liabilities	\$259,122.63	\$221,557.26	16.96 %
Long-term Liabilities			
Unavailable Rev - Deferred Tax	18,709.00	8,396.00	122.83 %
Total for Long-term Liabilities	\$18,709.00	\$8,396.00	122.83 %
Total for Liabilities	\$277,831.63	\$229,953.26	20.82 %
Equity			
Opening Bal Equity	118,003.47	118,003.47	0.0 %
Retained Earnings	478,944.59	358,699.28	33.52 %
Net Income	-86,544.86	-178,403.49	51.49 %
Total for Equity	\$510,403.20	\$298,299.26	71.1 %
Total for Liabilities and Equity	\$788,234.83	\$528,252.52	49.22 %

Cook County/Grand Marais Economic Development Authority

Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L

January - May, 2026

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Income			
EDA Levy			
Levy County - Operations	31,608.79	452,962.00	6.98 %
Levy County Cedar Grove Pass Thru	4,123.86	60,000.00	6.87 %
Total EDA Levy	35,732.65	512,962.00	6.97 %
Grant Income			
Misc Income	18,328.03		
Total Grant Income	18,328.03		
Interest Income	1,098.10		
Northland SBDC Income	1,059.75	39,000.00	2.72 %
Rent HRA	2,875.00	6,900.00	41.67 %
Total Income	\$59,093.53	\$558,862.00	10.57 %
GROSS PROFIT	\$59,093.53	\$558,862.00	10.57 %
Expenses			
Contingency		24,426.00	
Dues/Memberships	1,583.30	3,500.00	45.24 %
Operating Expenses		0.00	
Advertising/Marketing/Website	2,359.94	3,000.00	78.66 %
Bank Charges	50.00	200.00	25.00 %
Board Member Training		2,000.00	
City Administration		1,000.00	
Insurance		3,600.00	
Meeting Expenses & Per Diem	415.75	4,000.00	10.39 %
Office Expenses	193.87		
Equipment/Computers/Virtual	0.00	3,000.00	0.00 %
Supplies	69.99	3,000.00	2.33 %
Total Office Expenses	263.86	6,000.00	4.40 %
Rent Expense	7,572.41	8,400.00	90.15 %
Superior National pass-thru	5,542.79		
Telephone	385.31	852.00	45.22 %
Total Operating Expenses	16,590.06	29,052.00	57.10 %
Professional Services		0.00	
Accounting Support	1,750.00	8,000.00	21.88 %
Legal	17,072.08	4,000.00	426.80 %
Misc Services	31,250.00	0.00	
Public Financing Consulting		3,000.00	
SBDC Consultant Expense	1,381.25	5,000.00	27.63 %
SBDC Expenses - Other		1,000.00	
State Audit	25,500.00	24,000.00	106.25 %
Total Professional Services	76,953.33	45,000.00	171.01 %
PROJECTS			
Business Development Program	45,892.84	200,000.00	22.95 %

Cook County/Grand Marais Economic Development Authority

Budget vs. Actuals: Budget_FY26_P&L - FY26 P&L

January - May, 2026

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Cedar Grove Business Park Pass Thru	4,123.86	60,000.00	6.87 %
Cedar Grove Special Assessments		3,754.00	
Total PROJECTS	50,016.70	263,754.00	18.96 %
Staff Expenses			
Administration		8,000.00	
Director Salary (w/ benefits)		134,230.00	
Training/Travel/Mileage	495.00	5,000.00	9.90 %
Total Staff Expenses	495.00	147,230.00	0.34 %
Total Expenses	\$145,638.39	\$512,962.00	28.39 %
NET OPERATING INCOME	\$ -86,544.86	\$45,900.00	-188.55 %
NET INCOME	\$ -86,544.86	\$45,900.00	-188.55 %

Cook County/Grand Marais Economic Development Authority

Bill Approval Status

May 12-June 30, 2026

BILL NUMBER	VENDOR	DATE	AMOUNT	PAID STATUS	APPROVAL STATUS	DUE DATE
196824	Hanft Fride	05/12/2026	770.00	Paid		05/22/2026
150507328	RedPath and Company	05/18/2026	13,000.00	Paid		05/28/2026
2605	Maggie Barnard	05/20/2026	50.00	Paid		06/19/2026
260501	Rachelle Christiansen	05/31/2026	585.00	Paid		05/31/2026
4011	North Shore Development Co.	05/31/2026	6,250.00	Paid		06/30/2026
357	Sarena Crowley	05/31/2026	350.00	Paid		06/30/2026
2037	Drosera Holdings	05/31/2026	1,211.36	Paid		06/30/2026

Superior National at Lutsen

Statement of Financial Position

As of May 31, 2026

	TOTAL	
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)
Assets		
Current Assets		
Bank Accounts		
Cash on Hand	1,143.58	1,143.58
NSFCU CD	428.50	201,662.60
NSFCU Checking	0.00	0.00
NSFCU Checking 5162029	142,843.47	109,433.02
NSFCU Money Market	1,832.49	1,832.49
NSFCU Patronage Rebate	2,076.39	1,665.10
NSFCU Savings	10.00	10.00
Total for Bank Accounts	\$148,334.43	\$315,746.79
Accounts Receivable		
Accounts Receivable	17,773.90	25,000.00
Total for Accounts Receivable	\$17,773.90	\$25,000.00
Other Current Assets		
Beer Escrow Account		
Beer Escrow Account	0.00	0.00
Inventory		
Inventory - Beverages	1,200.00	3,814.00
Inventory - Food	828.00	2,500.00
Inventory -Merchandise	48,844.59	117,822.92
Total for Inventory	\$50,872.59	\$124,136.92
Member Accounts Receivable		
Member Accounts Receivable	0.00	0.00
QuickBooks Tax Holding Account		
QuickBooks Tax Holding Account	0.00	0.00
Undeposited Funds		
Undeposited Funds	0.00	0.00
Total for Other Current Assets	\$50,872.59	\$124,136.92
Total for Current Assets	\$216,980.92	\$464,883.71
Fixed Assets		
Accumulated Depreciation		
Accumulated Depreciation	-7,237,213.53	-6,879,182.51
Building - Club House		
Building - Club House	476,180.90	476,180.90
Building - Maintenance		
Building - Maintenance	85,707.03	85,707.03
Capital Items		
Capital Items	0.00	0.00
Club House Equipment		
Club House Equipment	64,827.73	64,827.73
Golf Course Equipment		
Golf Course Equipment	1,143,362.40	1,044,675.03
Golf Course Land		
Golf Course Land	213,685.00	213,685.00
Land Improvements - 1st 18 Hole		
Land Improvements - 1st 18 Hole	2,929,057.25	2,705,805.25
Land Improvements 2013 - 2017		
Land Improvements 2013 - 2017	5,973,887.00	5,973,887.00
Land Improvements - New Nine		
Land Improvements - New Nine	1,966,820.63	1,966,820.63
Loss of disposal of fixed assets		
Loss of disposal of fixed assets	0.00	0.00
Total for Fixed Assets	\$5,616,314.41	\$5,652,406.06
Other Assets		
Accumulated amortization		
Accumulated amortization	-69,715.00	-99,294.00
Deferred Outflow - Pension		
Deferred Outflow - Pension	176,904.00	76,178.00

Superior National at Lutsen

Statement of Financial Position

As of May 31, 2026

	TOTAL	
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)
Right to use leased assets	385,118.00	99,294.00
Total for Other Assets	\$492,307.00	\$76,178.00
Total for Assets	\$6,325,602.33	\$6,193,467.77
Liabilities and Equity		
Liabilities		
Current Liabilities		
Accounts Payable		
*Accounts Payable	41,362.42	145,901.01
Total for Accounts Payable	\$41,362.42	\$145,901.01
Credit Cards		
Capital One Spark Mastercard	0.00	0.00
Total for Credit Cards	\$0.00	\$0.00
Other Current Liabilities		
Capital Reserves	0.00	0.00
Direct Deposit Payable	0.00	0.00
Due to EDA	190,000.00	0.00
Gift Certificates	25,936.61	25,977.22
Minnesota Department of Revenue Payable	0.00	0.00
Payroll Liabilities	\$0.00	\$0.00
Child Support	0.00	0.00
Co. HSA	0.00	0.00
Credit One Garnishment	172.82	25.90
Federal Taxes (941/944)	-34.64	0.00
MN Income Tax	-2.75	0.00
MN Paid Family and Medical Leave	248.32	
MN Paid Family and Medical Leave SUI	515.44	
MN Unemployment Taxes	-5,198.44	12,013.45
PERA Employee	6,061.46	2,998.32
PERA Life	0.00	0.00
Rent	0.00	0.00
Total for Payroll Liabilities	\$1,762.21	\$15,037.67
Sales Tax Payable	1,104.53	6,833.90
Tips Payable	208.69	2,949.65
Total for Other Current Liabilities	\$219,012.04	\$50,798.44
Total for Current Liabilities	\$260,374.46	\$196,699.45
Long-term Liabilities		
Deferred Inflow - Pension	136,974.00	119,899.00
Lease Liability	300,398.00	0.00
Loan Payable - Cook County	2,169,972.00	2,169,972.00
Net Pension Liability	152,686.00	94,504.00
Total for Long-term Liabilities	\$2,760,030.00	\$2,384,375.00
Total for Liabilities	\$3,020,404.46	\$2,581,074.45

Superior National at Lutsen

Statement of Financial Position

As of May 31, 2026

	TOTAL	
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)
Equity		
Change in Net Position	259,219.00	259,219.00
Invested in Capital Assets, net	4,490,259.83	4,490,259.83
Opening Balance Equity	-144,083.30	-144,083.30
Restricted for Debt Service	337,967.70	337,967.70
Retained Earnings	-378,803.61	-378,803.61
Unrestricted	-182,944.00	-182,944.00
Unrestricted Net Assets	-851,112.96	-577,028.89
Net Revenue	-225,304.79	-192,193.41
Total for Equity	\$3,305,197.87	\$3,612,393.32
Total for Liabilities and Equity	\$6,325,602.33	\$6,193,467.77

Superior National at Lutsen

Statement of Activity

January 1-May 31, 2026

	TOTAL	
	JAN 1 - MAY 31 2026	JAN 1 - MAY 31 2025 (PY)
Revenue		
Golfing Related Sales		
Cart Rentals		7,476.00
Club Rentals/Lessons	125.00	163.00
Driving Range Fees		800.00
Greens Fees		31,516.28
Membership Fees		40,000.00
Total for Golfing Related Sales	\$125.00	\$79,955.28
Lutsen 99er	25,000.00	25,000.00
Merchandise, Beverage & Food		
Beverage Sales	16,977.03	29,630.09
Food Sales	21,738.32	44,411.22
Merchandise Sales	1,236.17	12,095.74
Total for Merchandise, Beverage & Food	\$39,951.52	\$86,137.05
Sales - Unallocated	114,983.66	-14,709.05
Total for Revenue	\$180,060.18	\$176,383.28
Cost of Goods Sold		
Beverage CoGS	22,238.55	14,386.49
Food CoGS	25,512.77	21,373.49
Merchandise CoGS	27,675.82	1,294.02
Total for Cost of Goods Sold	\$75,427.14	\$37,054.00
Gross Profit	\$104,633.04	\$139,329.28
Expenditures		
Administrative & General		
Computers/POS	751.82	618.50
Credit Card Fees	1,439.64	1,843.42
Insurance	5,427.96	7,894.03
Licenses/Permits/Dues	2,606.33	1,600.59
Misc Expense	12,735.75	39.83
Office Expense	3,453.72	3,209.28
Total for Administrative & General	\$26,415.22	\$15,205.65
Capital Expenditures		93,343.62
Club House		
Cart Lease	5,898.96	
Cash Over/Short	-53.71	59.95
Repairs and Maintenance	2,869.21	6,261.73
Supplies	2,687.79	544.83

Superior National at Lutsen

Statement of Activity

January 1-May 31, 2026

	TOTAL	
	JAN 1 - MAY 31 2026	JAN 1 - MAY 31 2025 (PY)
Utilities		
Electric - Club House	1,741.62	2,326.56
Internet - Club House	2,018.14	2,276.65
Propane - Club House	1,437.82	1,735.62
Telephone - Club House	1,063.38	1,452.62
Television - Club House	908.40	881.66
Total for Utilities	\$7,169.36	\$8,673.11
Total for Club House	\$18,571.61	\$15,539.62
Grounds Maintenance		
Cart Maintenance		9,300.00
Dues/Memberships		-22.55
Fertilizer & Chemicals		1,761.10
Gas/Lube	575.88	2,963.42
Seed & Soil	10,101.32	31,370.36
Shop Expense	30.24	2,865.14
Small Tools/Parts	16,514.11	17,822.97
Supplies	2,826.83	8,498.78
Utilities		\$2,284.05
Electric	3,856.12	1,715.13
Garbage	787.41	2,308.03
Internet	808.95	127.90
Propane	8,610.42	7,499.46
Septic		1,609.62
Total for Utilities	\$14,062.90	\$15,544.19
Vehicle Maintenance/Gas	666.69	4,241.46
Total for Grounds Maintenance	\$44,777.97	\$94,344.87
Payroll Expenses		\$260.00
Payroll Burden		
Payroll Taxes	17,034.08	30,741.77
Retirement/PERA	13,109.42	14,268.79
Work Comp Insurance		1,247.30
Total for Payroll Burden	\$30,143.50	\$46,257.86
Salaries/Wages		
Grounds	46,688.38	49,901.38
Proshop	14,231.05	22,352.10
Salaried Employees	141,036.64	156,576.88
Total for Salaries/Wages	\$201,956.07	\$228,830.36
Travel Expense		6,177.36
Uniforms	4,031.32	3,150.13

Superior National at Lutsen

Statement of Activity

January 1-May 31, 2026

	TOTAL	
	JAN 1 - MAY 31 2026	JAN 1 - MAY 31 2025 (PY)
Wages	\$125.00	
Sick Pay	1,575.00	
Total for Wages	\$1,700.00	
Total for Payroll Expenses	\$237,830.89	\$284,675.71
Professional Services	\$7,900.00	\$11,730.00
Accounting/Audit	2,500.00	3,106.00
Consulting		6,000.00
Legal	3,116.00	
Marketing and Promotion	2,365.00	27,498.94
Total for Professional Services	\$15,881.00	\$48,334.94
Total for Expenditures	\$343,476.69	\$551,444.41
Net Operating Revenue	-\$238,843.65	-\$412,115.13
Other Revenue		
Interest Income	338.42	2,558.92
Misc Income	13,200.44	217,362.80
Total for Other Revenue	\$13,538.86	\$219,921.72
Net Other Revenue	\$13,538.86	\$219,921.72
Net Revenue	-\$225,304.79	-\$192,193.41

Business Development Fund Grant Awards Approved in 2025

Grantee	Board Approval Date	Contract Executed Date	Contract #	Award	Required Match	Total Project Cost	W9 Received	Grants Issued to Date	Actual Match to Date	Award Balance	Match Balance	Actual Project Costs to Date	Project Deadline	Final Report Received	Description/Progress Notes
Britt Malec, LLC	3/18/2025	5/30/2025	C202506	\$1,000.00	\$0.00	\$946.97	6/6/2025	\$1,000.00	\$193.27	\$0.00	\$0.00	\$1,193.27	3/18/2026	7/22/2025	Printer & Supplies. Final report received
Ruby Loon Graphics, LLC	4/15/2025	7/21/2025	C202507	\$5,852.44	\$585.24	\$6,437.68	5/22/2025	\$5,997.98	\$708.22	-\$145.54	-\$122.98	\$6,706.20	4/15/2026	3/23/2026	Screen Printing/Heat Transfer Equipment. Resolution approved \$6,000 but grant contract approved \$5,582.44 with grantee match of \$585.24. \$5,997.98 was issued to grantee. 7/22/2025 emailed grantee for documentation of 10% match of the grant amount issued to date (\$599.80) and sent final report form.
Unimoose Enterprises	4/15/2025	7/23/2025	C202508	\$24,254.00	\$6,063.56	\$30,317.56	10/1/2024	\$24,254.00	\$6,063.56	\$0.00	\$0.00	\$30,317.56	4/15/2026	7/23/2025	Welding Equipment/Concrete Apron Repair. Original grant for \$25,000; grantee confirmed project complete. No additional grant/match.Final report received.
Scruffy Dog Vintage Emporium, LLC	5/20/2025 & 4/21/2026	8/21/2025 & pending (1st amendment)	C202519 C202519-01	\$25,000.00	\$6,250.00	\$34,069.52	3/3/2026	\$6,000.00	\$2,000.00	\$19,000.00	\$4,250.00	\$8,000.00	7/15/2026	pending	Building Repairs & Signage. 4/21/26 Board approved deadline extension to 7/15/26; pending execution from grantee; reminders sent.
Sydney's Frozen Custard, L.L.C	5/20/2025	8/11/2025	C202526	\$25,000.00	\$6,250.00	\$36,593.00	pending	\$0.00	\$0.00	\$25,000.00	\$6,250.00	\$0.00	7/1/2026	pending	Building Repairs/Create Breezeway/Expand Menu. 8/11/2025 confirmed LLC registered. Reimbursement request pending additional documentation/eligible expenses. 6/1/2026 Executive Director authorized 30 day project completion deadline at request of Grantee.
Fika Coffee, LLC	5/20/2025	5/20/2025	C202505	\$25,000.00	\$6,250.00	\$37,073.10	6/2/2025	\$25,000.00	\$15,033.99	\$0.00	-\$8,783.99	\$40,033.99	5/20/2026	4/14/2026	Roastery Equipment.
Raven Moon Ridge, LLC	5/20/2025	7/17/2025	C202504	\$3,200.00	\$0.00	\$3,196.20	9/30/2025	\$1,943.45	\$0.00	\$0.00	\$0.00	\$1,943.45	12/31/2026	3/22/2026	Solar Panel System/Mobile Charging Unit; original award \$3,196.20; grantee came in under budget. No additional expenses.
Beran's Handcrafted Log Cabins	6/17/2025	7/30/2025	C202520	\$10,000.00	\$1,000.00	\$39,900.00	7/2/2025	\$10,000.00	\$81,360.13	\$0.00	\$0.00	\$91,360.13	6/18/2026	2/4/2026	Excavator.
The Mayhew, LLC	6/17/2025	7/22/2025	C202509	\$25,000.00	\$28,440.00	\$53,440.00	12/22/2025	\$25,000.00	\$43,158.35	\$0.00	-\$14,718.35	\$68,158.35	6/17/2026	pending	Environmental Work. Grant to support future environmental studies; match previously incurred costs Phase I. 5/21/26 2nd and final reimbursement processed. Final report emailed to grantee with 30 day reminder.
CedarSun Electric, LLC	7/15/2025	7/17/2025	C202503	\$10,000.00	\$1,000.00	\$31,304.98	7/17/2025	\$10,000.00	\$6,758.10	\$0.00	-\$5,758.10	\$16,758.10	1/31/2026	1/25/2026	equipment purchase electrical contracting.
Wild Wes Tire and Timber LLC	7/15/2025	7/17/2025	C202502	\$10,000.00	\$1,000.00	\$12,181.35	7/24/2025	\$10,000.00	\$2,181.35	\$0.00	-\$1,181.35	\$12,181.35	12/31/2026	4/22/2026	equipment purchase new auto repair.
Sweetwater Design Studios LLC	7/15/2025	7/18/2025	C202501	\$25,000.00	\$6,250.00	\$78,283.03	7/17/2025	\$25,000.00	\$11,398.22	\$0.00	-\$5,148.22	\$36,398.22	12/31/2026	pending	Grinder pumps for commercial spaces. 3/13/26 emd grantee for final report. 3/18/26 grantee is completing HVAC and electrical work and will send final report early April to account for additional match/work towards the project.
The Beaver House LLC	9/16/2025	7/19/2025	C202527	\$10,693.00	\$1,069.00	\$63,409.75	7/19/2025	\$0.00	\$0.00	\$10,693.00	\$1,069.00	\$0.00	12/31/2026	pending	interior renovation, windows, doors and flooring. Request for reimbursement and project update sent 1/21/26. 1/23/26 encountered several delays and securing additional funding. Anticipate completion by grant deadline.

TOTAL **\$199,999.44** **\$427,153.14** **\$144,195.43** **\$313,050.62**

2025 BDF Allocation **\$200,000.00**
Available Balance (less encumberd/awarded funds) **\$0.56**
Actual Balance (less expended reimbursements) **\$55,804.57**

Business Development Fund Grant Awards Approved in 2026

Grantee	Board Approval Date	Contract Executed Date	Contract #	Award	Required Match	Total Project Cost	W9 Received	Grant Funds Issued to Date	Actual Match to Date	Award Balance	Match Balance	Actual Project Costs to Date	Project Deadline	Final Report Received	Description/Progress Notes
Dream Superior LLC (dba Sisu + Loyly)	3/17/2026	3/18/2026	C202603	\$25,000.00	\$6,250.00	\$31,250.00	3/28/2026	\$0.00		\$25,000.00	\$6,250.00	\$0.00	3/31/2027		Construction support of new bathhouse.
Crosby Bakery LLC	3/17/2026	3/18/2026	C202604	\$21,679.35	\$5,087.77	\$26,767.12	4/11/2026	\$18,318.45	\$4,295.68	\$3,360.90	\$792.09	\$22,614.13	3/31/2027		Purchase 4th oven for bakery. 1st reimbursement processed 4/14/26.
Violence Prevention Center	3/17/2026	4/9/2026	C202605	\$20,500.00	\$4,675.00	\$25,175.00	4/9/2026	\$12,345.34	\$3,068.33	\$8,154.66	\$1,606.67	\$15,413.67	3/31/2027		Remodel/expansion of VPC office. 8 year lease received 4/9/26. 1st Reimbursement processed 5/6/26.
Scaredy Cat LLC	3/17/2026	3/20/2026	C202607	\$5,000.00	\$0.00	\$5,000.00	4/10/2026	\$0.00		\$5,000.00	\$0.00	\$0.00	3/31/2027		Website update and procure original artwork for website.
Common Ground Home Services LLC	3/17/2026	3/19/2026	C202609	\$4,729.05	\$0.00	\$4,729.05	3/19/2026	\$4,729.05	\$494.49	\$0.00	-\$494.49	\$5,223.54	3/31/2027	5/21/2026	Purchase tools for contracting company.1st and final reimbursement processed 3/23/26. 5/21/2026 final report received.
Refugia Designs LLC (dba Taproot Floral)	3/17/2026	3/18/2026	C202610	\$4,500.00	\$0.00	\$4,500.00	3/18/2026	\$4,500.00	\$0.00	\$0.00	\$0.00	\$4,500.00	3/31/2027	5/20/2026	Purchase used flower cooler. 1st and final reimbursement processed 3/23/26. 5/20/26 final report received.
North Road Knits LLC	3/17/2026	3/22/2026	C202611	\$2,691.16	\$0.00	\$2,691.16	pending	\$0.00		\$2,691.16	\$0.00	\$0.00	3/31/2027		Purchase materials/equipment for home yard dying expansion. 4/10/26 email reminder for W9.
Wandering Fern Retreats LLC	3/17/2026	3/23/2026	C202612	\$1,998.90	\$0.00	\$1,998.90	pending	\$0.00		\$1,998.90	\$0.00	\$0.00	3/31/2027		Purchase equipment tor new business startup. 4/10/26 email reminder for W9.

TOTAL **\$86,098.46** **\$102,111.23** **\$39,892.84** **\$47,751.34**

2026 BDF Allocation	\$200,000.00
Available Balance (less encumberd/awarded funds)	\$113,901.54
Actual Balance (less expended reimbursements)	\$160,107.16

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefield, Executive Director

Date: June 10, 2026

Subject: Business Development Fund – Second Round Grant Recommendations (Resolution 2026-18)

Background

Applications for the second round of the 2026 Business Development Fund (BDF) Grant Program were due on May 6, 2026. The EDA received five (5) applications requesting grant assistance.

The Grant Review Committee met to review the applications and determine whether additional materials or clarification were needed. Applicants were provided seven days to submit supplemental information where requested. The Committee reconvened following the receipt of the additional materials and completed a full review of each application.

The 2026 BDF budget is \$200,000. The EDA initially allocated \$100,000 for the first funding round; however, only \$86,098.46 was awarded, leaving an unallocated balance of \$13,901.54. The EDA allocated an additional \$50,000 for the second funding round, resulting in a total of \$63,901.54 available for consideration during this cycle.

Following its review, the Grant Review Committee is recommending three (3) grant awards totaling \$25,125.35. If approved by the EDA Board of Commissioners, this leaves \$88,776.19 available for the third and final funding round of 2026

Grant Contract Language

The attached grant contract template is attached as an exhibit for Board reference. Important provisions include:

1. Reimbursement Documentation Requirements – clear language that requires both receipts and/or paid invoices for eligible project costs, **and** proof of payment (e.g. cleared checks, bank statement).
2. Project Scope Modification – changes to approved project expenses are not permitted unless approved in writing by the EDA. Minor vendor price fluctuations within approved line items remain allowable.
3. Post-Completion Operational Requirements – the grant contract includes clear and standardized post-completion operating requirements based on award size:
 - a. \$10,000 or less: minimum 3 years of continued operation in Cook County
 - b. \$10,001-\$25,000: minimum 5 years of continued operation in Cook County
 - c. If the business ceases operations during the compliance period:
 - i. Equipment purchases: repayment based on straight-line depreciation of the grant-funded portion.
 - ii. Other eligible project expenses: repayment determined at the discretion of the EDA Board (up to the full amount)

- d. Grantees agree to respond to additional requests for information related to the Project and outcome at one and five years after the project completion date to document BDF grant outcomes in Cook County.
 - e. Grantees agree, where feasible, to display an EDA-provided decal or similar recognition at the project location during the project period and throughout any applicable post-completion compliance period.
4. Continued Eligibility Requirement – grantees must maintain eligibility consistent with the BDF program guidelines throughout the project and post-completion compliance period. This includes maintaining:
- a. Active registration and good standing with the Minnesota Secretary of State
 - b. Active business operations in Cook County
 - c. Good standing on property taxes and local utility accounts (where applicable)

Recommended Grant Awards

The Grant Review Committee recommends funding the following three applications.

Dr Steph Vos LLC

Recommended Grant: \$3,027.35

Required Match: \$0

Post-Completion Operational Requirement: 3 years; equipment clause applies.

Business Description: Dr Steph Vos LLC is a chiropractic practice located in Grand Marais providing chiropractic care, bodywork, acupuncture, and related wellness services. The practice opened in 2023 and serves residents and visitors throughout Cook County.

Project Summary: Grant funds will support the purchase of updated chiropractic equipment, therapeutic tools, and patient education materials. The project will improve efficiency, support patient education, and enhance the long-term sustainability of the practice. The Grant Review Committee recommended a reduction in the grant award (original request \$3,736) to exclude office furniture and storage items at a leased space. The project supports retention and continued growth of a locally owned healthcare business providing specialized services within Cook County.

Applicant Representative: Steph Vos

Beran's Handcrafted Log Cabins LLC

Recommended Grant: \$15,000

Required Match: \$2,750

Post-Completion Operational Requirement: 5 years; equipment clause applies.

Business Description: Beran's Handcrafted Log Cabins LLC is a Grand Marais-based business specializing in handcrafted full-scribed log cabins, restoration projects, and custom log construction. Established in 2019, the business serves customers throughout Cook County and beyond while supporting skilled trades employment and local manufacturing activity.

Project Summary: Grant funds will support the purchase and installation of a solar power system at the company's production facility. The project is intended to improve operational efficiency, reduce long-term energy costs, and increase production capacity. The applicant's project budget exceeds the minimum required matching investment and demonstrates private-sector contribution to the project.

The investment is expected to support continued business growth, retention of existing employment, and future workforce expansion.

Applicant Representative: Isaak Beran

Adrea Davina Beres Ceramics LLC (dba Lichen & Ember)

Recommended Grant: \$7,098

Required Match: \$598

Post-Completion Operational Requirement: 3 years; non equipment clause applies.

Business Description: Adrea Davina Beres Ceramics LLC, operating as Lichen & Ember, is launching a health education and wellness coaching business focused on supporting women navigating perimenopause and menopause. The business combines evidence-based education, coaching, and community-based programming to address an identified service gap in Cook County.

Project Summary: Grant funds will support professional certification training, curriculum development, educational resources, website development, and foundational business launch expenses associated with establishing a perimenopause education and coaching program. The project will provide local access to specialized health education services. The Grant Review Committee recommended a reduction in the grant award (original request \$7,392) to exclude promotional pins and stickers. The project is expected to support business creation, expand access to health resources, and create a foundation for future coaching and educational programming in Cook County.

Applicant Representative: Adrea Beres

Recommended Action

Adopt Resolution 2026-18 approving the recommended grand awards and authorizing the Board President to execute grant contracts substantially in the form attached.

Attachments:

- Resolution 2026-18
- Template BDF Grant Contract

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-18

**RESOLUTION APPROVING BUSINESS DEVELOPMENT FUND GRANT AWARDS AND AUTHORIZING
EXECUTION OF GRANT AGREEMENTS**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) administers the Business Development Fund (BDF) grant program to support local business development, economic growth, and job creation within Cook County; and

WHEREAS, applications for the second 2026 funding cycle were due May 6, 2026 and the EDA received five (5) applications requesting BDF support; and

WHEREAS, the EDA Grant Review Committee met to review submitted applications, request additional materials where necessary, and conduct a comprehensive evaluation of proposals; and

WHEREAS, following this review, the Grant Review Committee recommends funding three (3) applications totaling \$25,125.35; and

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approve the following BDF grant awards for the 2026 second funding cycle:

Grantee	Project Description	Grant Award	Required Match
Dr Steph Vos LLC	Chiropractic equipment and patient education materials	\$3,027.35	\$0
Beran’s Handcrafted Log Cabins LLC	Solar power system installation	\$15,000	\$2,750
Adrea Davina Beres Ceramics LLC (dba Lichen & Ember)	Perimenopause coaching certification, curriculum development, and program launch	\$7,098	\$598

BE IT FURTHER RESOLVED, that the EDA Board of Commissioners authorize the Board President to execute grant agreements with recommended grantees, subject to completion of any required documentation.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President

BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
(INSERT GRANTEE NAME)

THIS GRANT AGREEMENT (“Agreement”) entered into this ____ day of _____, 2026 (the “Effective Date”), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, (“EDA”) and (INSERT GRANTEE NAME), a Minnesota Limited Liability Company located in Grand Marais, Minnesota (“grantee”).

WHEREAS, Grantee has requested assistance from the EDA through the Business Development Fund to (INSERT BRIEF PROJECT DESCRIPTION) (the “Project”); and

WHEREAS, the EDA has determined that this Project aligns with the Business Development Grant Program through the (INSERT BRIEF DESCRIPTION OF ALIGNMENT WITH BDF PROGRAM GOALS) provided by (INSERT GRANTEE NAME).

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meany clearly appears from the context:

- A. Act: means Minnesota Statues, Sections 469.090 through 469.1082, as amended to supplemented from time to time.
- B. Agreement: means this Grant Agreement, as originally executed or as it may from time to time be modified, amended or supplemented pursuant to the provisions hereof.
- C. City: means the City of Grand Marais, Minnesota.
- D. County: means Cook County, Minnesota.
- E. EDA: means the Cook County/Grand Marais Joint Economic Development Authority.
- F. Director: means the Executive Director of the EDA or such persons designated in writing by said Director to act on behalf with regard to this Agreement or any portion thereof.
- G. Eligible Project Costs: insert summary of approved project costs.

- H. Funding Amount: means up to \$_____ issued to the Grantee from the EDA's Business Development Fund for Eligible Project Costs if all necessary supporting documentation is provided.
- I. Grantee: means (Insert Grantee Name), a Minnesota Limited Liability Company located at (insert grantee address), in (City), Minnesota.
- J. Indemnified Parties: has the meaning provided in Section 5.3 hereof.
- K. Match: means the required financial contribution of the Grantee toward Eligible Project costs in an amount no less than \$_____. Match must be documented through invoices and/or receipts, and proof of payment. Match expenditures must be incurred prior to or proportionally with grant fund reimbursement. In-kind contributions are not eligible unless expressly approved in writing by the EDA. Failure to substantiate required Match shall constitute a Default of this Agreement.
- L. Project: purchase a (insert project description).
- M. State: means the state of Minnesota.
- N. Unavoidable Delays: means delays, beyond the reasonable control of the party claiming such delay, including but not limited to strikes, labor disputes, material shortages, supply chain disruptions, unusually severe weather, acts of nature, fire, casualty, governmental orders or actions (other than the EDA), third-party litigation resulting in injunction, or other causes beyond reasonable control of the affected party.

ARTICLE II
Representations and Warranties

Section 2.1 Representations, Warranties and Covenants by the EDA. The EDA represents, warrants and covenants that:

- A. The EDA has all the powers of an Economic Development Authority under the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.
- B. No part of this Agreement shall be construed as a representation or warranty of the EDA as to the condition of the Project or as to its suitability for the Grantees purposes and needs.

Section 2.2 Representations, Warranties and Covenants by the Grantee. The Grantee represents, warrants and covenants that:

- A. The Grantee is a duly organized and existing Minnesota Limited Liability Company in good standing under the laws of the State, and is not in violation of any provisions of law or

regulations of the State and has the full power to enter into this Agreement and perform its obligations hereunder.

- B. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any evidence of indebtedness, agreement or instrument of whatever nature to which the Grantee is now a party or by which it is bound, or will constitute a default under any of the foregoing.
- C. The Grantee will promptly advise the EDA in writing of and cooperate with the EDA with respect to any litigation commenced with respect to the Project, except for litigation in which the EDA and the Developer are adverse parties.
- D. The Grantee has not received any notice or communication from local, State or federal officials or any private party that the Grantee's activities respecting the Project may or will be in violation of any law or regulation (including environmental laws and regulations).
- E. The Grantee reasonably believes that the financing commitments which the Grantee has obtained to finance the Project, together with the Grantee's committed resources, will be sufficient to enable the Grantee to successfully complete in accordance with the schedule contemplated in this Agreement. The information provided by the Grantee to lenders in order to secure financing for the Project, if necessary, is identical to the project and financial information provided to the EDA.
- F. The Grantee agrees that there shall be no discrimination in the use of the Project because of race, sex, age, sexual orientation or religious, political or other similar affiliation.

ARTICLE III

Term of Agreement

- A. **Effective date:** The Grantee must not incur eligible project costs until this Agreement is fully executed and the Director has notified the Grantee that work may commence. No payments will be made to the Grantee until this Agreement is executed and a completed W-9 is submitted to Director.
- B. **Expiration date:** (insert expiration date) or until all obligations have been satisfactorily fulfilled whichever occurs first.

- C. Survival of Terms: The following clauses survive the expiration or cancellation of this Agreement: 4. **Grantee's Duties**; 8 Audits.; 9 Data Practices and Intellectual Property; 10 Publicity and Endorsement.; 11 Governing Law, Jurisdiction, and Venue; and 12 Data Disclosure.

ARTICLE IV
Grantee's Duties

The Grantee, who is not an EDA employee, will comply with required grant management policies and procedures set forth below:

- A. Submit to Director of the EDA receipts and/or paid invoices for all Eligible Project Costs for reimbursement prior to expiration date. **Proof of payment must be submitted to support paid invoices or receipts. Reimbursement shall not exceed the approved Funding Amount and shall not exceed the proportion of Eligible Project Costs expended relative to the required Match contribution. The EDA reserves the right to withhold reimbursement if eligibility requirements are not met at the time of the request.**
- B. Submit to Director of the EDA a final report **within 30 days of project completion or grant expiration date of (insert grant expiration date), whichever occurs first, documenting how grant funding supported outcomes defined in the grantee's application.**
- C. Submit to Director of the EDA an executed W-9 for tax purposes.
- D. **Modifications to Eligible Project Costs require written approval from the EDA. The Grantee shall not change the approved Project scope or Eligible Project Costs as Described in Exhibit A without prior written approval from the EDA. Minor vendor pricing fluctuations within an approved line item are permissible, provided the changes do not alter the approved Project scope and do not exceed the total Funding Amount. Any costs incurred for items or activities not included in the approved Eligible Project Costs, or incurred following an unapproved change in Project scope, shall be ineligible for reimbursement.**
- E. **Post-Completion Operational Requirement.**
 - a. **For grants of \$10,000 or less, the Grantee shall maintain active business operations in Cook County for a minimum of three (3) years following Project completion.**
 - b. **For grants between \$10,001 and \$25,000, the Grantee shall maintain active business operations in Cook County for a minimum of five (5) years following Project completion.**
 - c. **If the Grantee ceases operations within the applicable post-completion compliance period, the Grantee shall repay grant funds as follows:**
 - i. **For equipment purchases, repayment of the depreciated value of the grant-funded equipment calculated on a straight-line basis. For purposes of repayment under this Agreement, the depreciated value of grant-funded equipment shall be calculated using a straight-line method over the applicable compliance period required under this Agreement (either three (3) years or five (5) years, depending on the award amount). The depreciated value shall be determined by dividing the total grant-funded portion of the equipment costs by the total number of months in the applicable compliance period and multiplying that amount by the number of months remaining in the compliance**

period at the time the business operations cease. Only the grant-funded portion of the equipment cost shall be subject to depreciation and repayment.

- ii. For other Eligible Project Costs (non-equipment), repayment of funds as determined by the EDA Board at its discretion.

- F. Grantee agrees to respond to the EDA's request for additional information related to the Project and outcome at one (1) and five (5) years after the Project completion date to support the EDA's documentation of Business Development Fund grant outcomes in Cook County.
- G. Grantee shall take and/or cause others to take reasonable precautions for the safety of, and shall provide reasonable protection to prevent damage, injury or loss to, employees and other persons on and off-site where maintenance and construction activities are underway. The Grantee shall take reasonable precautions for the safety and protection of the improvements, materials and equipment to be incorporated therein, whether in storage on or off-site, under case, custody or control of the Grantee or one of the Grantee's contractors or any subordinate contractor.
- H. To acknowledge support provided through the Cook County/Grand Marais Joint Economic Development Authority Business Development Fund, the Grantee is requested, where feasible, to display an EDA-provided decal or similar recognition at the project location during the project period and throughout any applicable post-completion compliance period. This decal will be provided by the EDA and will identify that the project was supported in part by the EDA.

Continued Eligibility

The Grantee shall maintain all eligibility requirements set forth in the Business Development Fund Grant Program Guidelines throughout the Term of this Agreement and throughout any post-completion compliance period required herein. Such requirements include, but are not limited to:

- A. Grantees business must be actively registered and in good standing with the Minnesota Secretary of State.
- B. Grantees business must remain in active operation in Cook County.
- C. Grantee must remain current on Cook County property taxes.
- D. Grantee with project property located within the City of Grand Marais must be current on City of Grand Marais utility payments.
- E. Grantees business must comply with all applicable zoning, permitting, and code requirements.

Failure to maintain eligibility shall constitute an Event of Default.

ARTICLE V

Prohibitions Against Assignment and Transfer; Indemnification; Events of Default

Section 5.1 Representation as to Project. The Grantee represents and agrees that its undertakings with respect to the Project pursuant to this Agreement are and will be used for the purpose of purchasing a **(insert eligible project cost description)**.

Section 5.2 Prohibitions Against Transfer of Project or Property and Assignment of Agreement. The Grantee hereby represents and agrees that prior to completion of the Project:

- A. Except only by way of security for the purposes of obtaining financing necessary to enable the Grantee or any successor in interest to the Project, or any part thereof, to perform its obligations with respect to completing the Project under this Agreement, the Grantee (except as so authorized) has not made or created and will not make or create or suffer to be made or created any Transfer of this Agreement or the real property without the prior written approval of the EDA, which approval shall not be unreasonably withheld. In the event the EDA approves a Transfer, the EDA will complete a written statement indicating whether the Grantee, before or at the time of the Transfer, has been or is in default as to any of the obligations of this Agreement, and stating that this Agreement is in full force and effect between the transferee and the EDA.

Section 5.3 Release and Indemnification Covenants.

- A. The Grantee releases from and covenants and agrees that the EDA and its governing body members, officers, agents, including its independent contractors, consultants and legal counsel, servants and employees (hereinafter, for purposes of this Section, collectively the “Indemnified Parties”) shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person resulting from any defect in the Project.
- B. All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA, and not of any governing body member, officer, agent, servant or employee of the EDA.

Section 5.4 Events of Default Defined. The following are Events of Default under this Agreement:

- A. A petition in bankruptcy is filed naming the Grantee as debtor during the term of this Agreement, and such petition is not dismissed within 90 days of the date of filing thereof.

- B. Failure by the Grantee to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement within 30 days of receiving written notice of default from the EDA.
- C. Failure by the Grantee to maintain eligibility requirements or post-completion operational compliance requirements as required under Article IV of this Agreement.

Section 5.5 Remedies of Default. Whenever any Event of Default occurs, the EDA may take any one or more of the following actions after giving 30 days written notice to the Grantee from the EDA, but only if the Event of Default has not been cured within said 30 days:

- A. The EDA may suspend its performance under this Agreement and until it receives assurances from the Grantee, deemed adequate by the EDA, that the Grantee will cure its default and continue its performance under this Agreement.
- B. The EDA may cancel and rescind this Agreement.
- C. The EDA may require repayment of all, or a prorated portion of grant funds set forth in Article IV.

ARTICLE VI

Authorized Representatives

- A. The EDA's Authorized Representative is Peter Clissold, EDA Board President, 615-840-9993, PeterGClissold@gmail.com, 425 W Hwy 61, Suite B, PO Box 597, Grand Marais, MN 55604.
- B. The Grantee's Authorized Representative is (insert owner name), owner of (insert entity name), (insert phone number), (insert email address), (insert grantee address).

ARTICLE VII

Amendments, and Waiver

- A. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who approved the original Agreement, or their successors in office. Upon written request by the Grantee, Director is authorized to extend the Expiration Date sixty (60) days without formal approval from the EDA Board of Commissioners.
- B. Modifications to Eligible Project Costs must be submitted in writing by Grantee and requires approval by the same parties who approved the original Agreement prior to implementing proposed changes.

- C. If the EDA fails to enforce any provision of this Agreement, that failure does not waive the provision or the EDA's right to enforce it.
- D. This Agreement contains all provisions between EDA and Grantee. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.
- E. Neither party shall be deemed in default of this Agreement to the extent performance is prevented or delayed by Unavoidable Delays as defined in Article I. The affected party shall provide written notice within a reasonable time and shall use reasonable efforts to resume performance as soon as practicable. The EDA may extend deadlines as is deemed appropriate.
- F. The Grantee may submit a written request to terminate this Agreement due to extenuating circumstances. The EDA Board may approve termination with or without repayment obligation in its sole discretion based on the status of Project completion and funds disbursed.

ARTICLE VIII

Audits

The Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Agreement or transaction are subject to the examination by the EDA, State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

ARTICLE IX

Data Practices and Intellectual Property Rights

The Grantee and EDA must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the EDA under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the Grantee under this Agreement.

ARTICLE X

Publicity and Endorsement

- A. Any publicity regarding the subject matter of this Agreement must identify the EDA as a sponsoring agency.
- B. The Grantee must not claim that the EDA endorses its products or services.

ARTICLE XI

Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state court with competent jurisdiction in Cook County, Minnesota.

ARTICLE XII
Data Disclosure

Grantee consents to disclosure of its social security number, business tax identification number and/or Minnesota tax identification number if requested by EDA for disbursement of funds associated with this Agreement. These identification numbers may be used for tax purposes.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

**Cook County/Grand Marais Joint Economic
Development Authority**

By:

Peter Clissold

Its: Board President

Grantee –Insert Grantee Name

By:

Owner Name

Its: Owner

EXHIBIT A - Eligible Project Costs

(Insert Summary of Eligible Project Costs per grant application and awarded project)

**Individual line items are subject to increase/decrease in price based on vendor pricing at time of purchase. The EDA will approve reimbursements that include changes to individual item amounts, but not to exceed the total approved grant award of \$x,000.*

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefiled, Executive Director

Date: June 10, 2026

Subject: Preliminary 2027 Budget Request Approval (Resolution 2026-19)

Background

The EDA is required to submit a preliminary budget request to the Cook County Auditor-Treasurer for consideration as part of Cook County's annual budget and levy process.

The EDA Finance Committee met to discuss the proposed 2027 budget and develop a recommendation for consideration by the full EDA Board. The Board also reviewed the preliminary budget during its regular meeting on May 19, 2026 and provided feedback.

The attached 2027 preliminary budget reflects an overall reduction of approximately 2.2% from the 2026 budget. During discussion of the budget, the Board requested that support for WTIP underwriting continue and requested the Advertising budget category be adjusted accordingly. This expense is reflected in the Dues, Memberships, and Subscriptions budget category thus no increase to the Advertising budget is proposed.

The attached budget and accompany category notes summarize the proposed 2027 budget request.

Recommended Action

Adopt Resolution 2026-19 approving the preliminary 2027 budget request and authorizing submission of the budget to the Cook County Auditor-Treasurer for consideration as part of the County's 2027 budget process.

Attachments:

- Resolution 2026-19
- Preliminary 2027 Budget Request
- Budget Category Notes

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-19

RESOLUTION APPROVING THE PRELIMINARY 2027 BUDGET REQUEST

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) receives operational funding through an annual tax levy provided by Cook County; and

WHEREAS, the EDA is required to submit its preliminary 2027 budget request to the Cook County Auditor-Treasurer for consideration as part of the County’s annual budget process; and

WHEREAS, the EDA Finance Committee developed a recommended preliminary 2027 budget request; and

WHEREAS, the proposed preliminary budget reflects the operational and programmatic needs of the EDA for calendar year 2027.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approve the preliminary 2027 budget request and authorizes submission to the Cook County Auditor-Treasurer.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President

Proposed 2027 EDA Budget			
Category	2027 Budget & Levy Request	Proposed Change from 2026 Budget	2026 Approved Budget & Levy
Operating			
Advertising/Marketing/Website	\$1,000	-67%	\$3,000
Rent/Utilities/Trash	\$8,700	4%	\$8,400
Insurance	\$3,032	-16%	\$3,600
Mobile Phone	\$912	7%	\$852
Board Per Diem/Meeting Expenses	\$4,000	0%	\$4,000
Bank Charges	\$200	0%	\$200
Total Operating	\$17,844	-11%	\$20,052
Professional Services			
Administrative Services	\$36,000	350%	\$8,000
Board Member Training	\$2,000	0%	\$2,000
Accounting	\$4,200	-48%	\$8,000
Audit - Redpath & Company	\$26,500	10%	\$24,000
Legal - Fryberger Law Firm	\$3,000	-25%	\$4,000
Public Finance - Ehlers	\$0	-100%	\$3,000
SBDC Consultant - Northland Foundation	\$0	-100%	\$5,000
SBDC Consultant - Travel/Training	\$1,000	0%	\$1,000
Total Professional Services	\$72,700	32.18%	\$55,000
Office Expenses			
Supplies	\$1,000	-67%	\$3,000
Equipment/IT	\$1,000	-67%	\$3,000
Total Office Expenses	\$2,000	-66.67%	\$6,000
Dues/Memberships/Subscriptions	\$3,750	7%	\$3,500
Staff Expenses			
Executive Director Salary - 2.93% COLA	\$85,000	-13%	\$97,268
Benefits/Payroll Burden - 38% of base salary	\$32,300	-13%	\$36,962
County Accounting Fee	\$1,000	0%	\$1,000
Lodging/Travel/Conferences	\$3,000	-40%	\$5,000
Total Staff Expenses	\$121,300	-13.50%	\$140,230
Financial Obligations			
Cedar Grove Special Assessments	\$0	-100%	\$3,754
Cedar Grove Pass Thru to Grand Marais	\$60,000	0%	\$60,000
Total Financial Obligations	\$60,000	-5.89%	\$63,754
Business Development Fund - Grant Program	\$100,000	-50%	\$200,000
Development and Opportunity Fund	\$100,000	100.00%	\$0
Contingency (5% of subtotal)	\$23,880	-2.24%	\$24,426
Total Levy Request	\$501,474	-2.2%	\$512,962

Operating	Amount	Notes
Advertising/Marketing/Website	\$1,000.00	Wix (website) \$26/month billed every 3rd year (expires April 13, 2028) - so no billing expected in 2027. \$1,000 placeholder for notice of public hearings, advertisements in Boreal, NS News Journal and Cook County Herald
Rent/Utilities/Trash	\$8,700.00	Current contract with sundew is \$1,100 for 7/2025-6/2026; estimating utilities, etc at \$1,300/month for rent = \$15,600. HRA pays \$6,900 annually for rent. Estimate for rent remaining \$8,700
Insurance	\$3,032.00	\$2,834 was 2025 billing it was \$2,652 in 2024 - this is just shy of 7% increase - so applying 7% increase to \$2,834 premium = \$3,032.38
Mobile Phone	\$912.24	ATT \$76.02/month x 12
Board Per Diem/Meeting Expenses	\$4,000.00	6 Commissioners x 13 meetings = \$2,340. Minute taking \$75 x 13 meetings = \$975. Remaining \$685 reserved for recording fees as result of transactions or additional meetings/overages on minute taking services
Bank Charges	\$200.00	Historically have set at \$200.
Professional Services		
Administrative Services	\$36,000.00	NSDC \$2,500/month = \$30,000
Board Member Training	\$2,000.00	consider league of MN Cities training
Accounting	\$4,200.00	Sarena is \$350/month
Audit - Redpath & Company	\$26,500.00	2025 audit was \$25,000 with Redpath
Legal - Fryberger Law Firm	\$3,000.00	Reduced with golf course sale
Public Finance - Ehlers	\$0.00	Have not used this category for multiple years - can always pass thru costs to Developer for any analysis
SBDC Consultant - Northland Foundation	\$0.00	Discuss whether funding any additional services/travel for SBDC
SBDC Consultant - Travel/Training	\$1,000.00	Discuss whether funding any additional services/travel for SBDC
Office Expenses		
Supplies	\$1,000.00	
Equipment/IT	\$1,000.00	
Dues/Memberships/Subscriptions		
	\$3,750.00	\$2,080 WTIP underwriting, \$1,000 Chamber, Northspan IREA \$75, Adobe \$260, Zoom \$165, Herald \$50, PO BOX \$120, \$300 Docusign, Quickbooks \$1,250 (based on 2025 charge)
Staff Expenses		
Executive Director Salary - 2.93% COLA	\$85,000.00	Assumes \$85,000 base salary
Benefits/Payroll Burden - 38% of base salary	\$32,300.00	Assumes 38% of \$85,000
County Accounting Fee	\$1,000.00	to administer payroll
Lodging/Travel/Conferences	\$3,000.00	
Financial Obligations		
Cedar Grove Special Assessments	\$0.00	sold final lots to HRA - payment commitment should be done on special assessments.
Cedar Grove Pass Thru to Grand Marais	\$60,000.00	pass thru amount to City until special assessments paid off (can check with Kim at City for payoff estimate date)
Business Development Fund	\$100,000.00	
Development and Opportunity Fund	\$100,000.00	
Contingency (5% of subtotal)	\$23,879.70	



2027 Cook County/Grand Marais Joint EDA Budget Narrative and Justification

Given the proposed sale of Superior National Golf Course in 2026, recent staffing changes, evolving community opportunities and challenges, as well as an evolving economic and funding environment – the Cook County/Grand Marais Joint Economic Development Authority has undertaken the first steps towards reimagining and refining the role of the EDA in the community.

As part of this strategic pivot, the EDA proposes a 2027 budget reflecting greater adaptability to support a strategic and long-range approach to challenges and opportunities in Cook County.

Respecting the levy burden that any budget increase creates upon Cook County taxpayers, the EDA is pleased to present a 2027 budget that reflects a modest decrease from year 2026. The EDA views its role as both a responsible steward of public resources and a catalyst for long-term economic opportunity. While continuing to support proven programs such as the Business Development Grant Fund, the EDA also believes it is important to build the capacity necessary to respond to emerging opportunities, pursue strategic investments, and leverage outside resources for the benefit of Cook County. We respectfully request the support of the Cook County Board of Commissioners as we work to balance prudent fiscal management with a forward-looking approach to economic development that strengthens the community’s long-term prosperity.

Fiscal Year 2027 Budget Proposal Breakdown

- Operating Funds
- Professional Services
- Office Expenses
- Dues/Memberships/Subscriptions
- Staff Expenses
- Financial Obligations
- Business Development Fund
- Strategic Opportunity and Reserve Fund – New
- Contingency

Operating Funds

The EDA is requesting \$17,844 for Operating Funds in FY2027, compared to \$20,052 in FY2026, representing an 11% decrease.

The reduction is primarily attributable to lower anticipated advertising and technology-related expenses in FY2027. While routine operating costs such as rent and mobile phone services are expected to increase modestly, certain website expenses occur on a multi-year billing cycle and are not anticipated during the 2027 budget year.

Professional Services

The EDA is requesting \$72,700 for Professional Services in FY2027, compared to \$55,000 in FY 2026, representing a 32% increase.

This increase is primarily attributable to expanded administrative support services. In 2026, the EDA entered into a professional services agreement with North Shore Development Co. to provide administrative and operational support that supplements the Executive Director position. These services support broad administration, grant management, project development, and overall organizational capacity. Modest increases in audit expenses are partially offset by anticipated reductions in legal and accounting expenses associated with the proposed sale of Superior National at Lutsen Golf Course. The EDA believes this investment will strengthen organizational capacity and improve its ability to pursue strategic initiatives, external funding opportunities, and enhanced service delivery.

Office Expenses

The EDA is requesting \$2,000 for Office Expenses in FY2027, compared to \$6,000 in FY2026, representing a 66% decrease.

This reduction reflects recent spending trends and the absence of anticipated equipment, software, or IT services during the upcoming budget year. Existing office equipment are expected to adequately support operations through FY2027.

Dues/Memberships/Subscriptions

The EDA is requesting \$3,750 for Dues, Memberships, and Subscriptions in FY2027, compared to \$3,500 in FY2026, representing a 7% increase.

The increase reflects anticipated cost adjustments for software subscriptions and organizational memberships, including services such as QuickBooks, Adobe, Zoom and other operational tools utilized by the EDA.

Staff Expenses

The EDA is requesting \$121,300 for Staff Expenses in FY2027, compared to \$140,230 in FY2026, representing a 13.5% decrease.

The reduction reflects the transition to a new Executive Director at a lower salary level than previously budgeted, along with corresponding reductions in payroll taxes and benefit costs. Additional savings are anticipated through reduced travel, lodging, and training expenses. The proposed budget continues to support professional development while reducing overall personnel costs.

Financial Obligations

The EDA is requesting \$60,000 for financial obligations in FY2027, compared to \$63,754 in FY2026, representing a 5.8% decrease.

The majority of this category consists of a long-standing commitment associated with the development of Cedar Grove Business Park. Through a partnership between the EDA, Cook County, and City of Grand Marais, infrastructure and utility improvements were financed to support business park development. The City of Grand Marais continues to maintain outstanding bond obligations associated with those improvements. The EDA's annual \$60,000 contribution remains unchanged and continues to support repayment of those obligations. Special assessments have been removed from the FY2027 budget as the EDA has sold all business park property, including the most recent sale to the Cook County HRA for housing development.

Business Development Grant Fund

Since its inception in 2020, the Business Development Grant Fund has deployed \$362,381.85 in public dollars, both supplemental and levy, in order to leverage \$1,266,245.59 in private project investment. The fund has served 37 separate projects across Cook County which have ranged

from equipment acquisition to renovations to new construction. The existence of this program within Cook County is a point of pride for the community and has been the source of envious inquiries from other economic development agencies across the state about how they might go about establishing their own versions.

However, the EDA recognizes that no program is perfect and that there can always be room for refinement and improvement. To that end, the EDA has begun the process of re-evaluating the structure of the grants which are awarded as well as seeking to right-size the program to fit the needs of the community. As part of these reforms, the EDA will change the minimum grant size from \$1,000 to \$5,000 for 2027. This decision is informed by a desire to increase the quality of project asks and to remove the portions of the program which did not require private matching dollars for grants under \$5,000 which was a source of some critique.

Alongside these reforms, the EDA has also elected to propose a down-sizing of the grant funds to be deployed for the coming year. This reduction from \$200,000 to \$100,000 will still allow the EDA to fund important projects in the community but will also force us to be even more selective with our awards. This balancing act between supporting entrepreneurship and business expansion and consideration for the burden of levy upon taxpayers will ensure that the best-possible projects are funded while the EDA remains mindful of expense. Over time, the EDA would like to seek out additional public and private champions which can help us re-expand the overall sizing of the grant program without burdening the taxpayer and to potentially recreate a matchless micro-grant program which does not rely solely on tax dollars. While we expect that this may take a few years to fully realize, the EDA believes that this will leave us with a stronger, more effective, and leaner grant program for businesses and entrepreneurs to continue leveraging to grow.

Strategic Opportunity and Reserve Fund

The EDA proposes establishing an Strategic Opportunity and Reserve Fund capitalized through an annual property tax levy contribution of \$100,000 per year for three to five years, creating a target fund balance of \$300,000 to \$500,000. This fund would function as a strategic economic development reserve, providing flexible local matching dollars and seed capital for projects that advance long-term economic resilience, business development, workforce attraction, and tax base growth.

Unlike traditional programmatic funds that are restricted to specific uses, the Opportunity Fund would provide the EDA with the agility necessary to respond quickly when state, federal, philanthropic, or private-sector funding opportunities emerge.

For a rural community, timing often determines whether an opportunity is captured or lost. Many competitive grants require evidence of committed local matching funds before an

application can be submitted. Without an established reserve, communities frequently miss opportunities because they cannot assemble matching dollars within the required timeline.

Examples of state and national grant types which the strategic opportunity fund could be leveraged towards include:

- Entrepreneurial infrastructure
- Workforce attraction/training initiatives
- Agricultural processing and food systems
- Tourism and recreation infrastructure
- Redevelopment and brownfield projects – including those relating to Taconite Harbor

Additionally, there are a number of economic development opportunities which require prompt action but often do not have possible grant funding sources. A Strategic Opportunity and Reserve Fund could allow the EDA to engage in site planning, environmental studies, market analysis, and site preparation in a proactive way. This could include being able to develop sites to meet the Shovel Ready program standard maintained by MN DEED.

Finally, there may be capital expenditure investments for the benefit of the county which could be led by the EDA with a goal towards expanding and diversifying our economic base towards which a strategic fund could provide a funding nucleus around which additional resources could be deployed by partners and other stakeholders. Examples of these expenditures could include agricultural grow facilities, business incubators, co-working spaces, and child care facilities. By empowering the EDA with flexible resources with which we can lead proactive coalitions of community organizations and partners – we believe that a long term, strategic vision can be made manifest in Cook County.

The Opportunity Fund would ensure that Cook County and Grand Marais are prepared to act rather than react. The EDA believes that the community does itself a disservice if it waits until an opportunity appears to begin raising capital. The EDA will endeavor to deploy this capital with community input and oversight towards meritorious projects – and will maintain the highest capital control standards and transparency relating to its deployment.

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefield, Executive Director

Date: June 10, 2026

Subject: Approval of 2025 Financial Audit and (Resolution 2026-20)

Background

Redpath and Company has completed the 2025 financial audit for the Cook County/Grand Marais Joint Economic Development Authority (EDA). The audit includes financial statements for both the EDA and Superior National at Lutsen Golf Course and was conducted in accordance with Government Auditing Standards.

The audit report outlines the EDA's financial position for the year ending December 31, 2025, and includes findings, recommendations, and corrective action plans developed in coordination with the EDA Treasurer and bookkeeper. The full audit report and Resolution 2026-20 are attached for the Board's review and approval.

Summary of Findings from Redpath's Audit Report (page 51-54 audit report)

2025-01 Lack of Ideal Segregation of Duties

Due to the limited number of staff, certain individuals perform multiple aspects of the financial transaction cycle, such as working a cash register at the golf course to preparing a deposit. This condition increases the risk of undetected errors. While complete segregation of duties is not feasible given the EDA's size, safeguards are in place including Treasurer and Board review of all disbursements and monthly financial statements. This has been a re-occurring finding for the EDA, but common for small units of government with limited staff.

2025-02 Financial Statement Corrections

There were five adjusting journal entries for non-routine items identified during the audit (golf course related). As expressed in the audit materials, a new Executive Director was hired in November 2024, and administration of the golf course was excluded from the job description resulting in a lack of additional oversight and delayed accounting corrections and updates. The Treasurer, Executive Director, and bookkeeper will continue to implement more regular reviews to ensure accurate record keeping.

2025-03 Lack of Supporting Documentation

Two of fifteen disbursements tested by Redpath lacked proper supporting documentation (Heider Brothers, LLC – \$1,095; Isak Hansen Home & Hardware – \$4,850.91), both relating to Superior National. Golf course staff have been directed to retain all receipts and invoices to ensure compliance moving forward.

2025-04 Prompt Payment of Bills

Minnesota Statute 471.425, subdivision 2a requires local units of government to pay vendor obligations

according to the term of the contract or within 35 days of receipt. Redpath identified instances where amounts due were not paid timely, including golf course expenses and property tax settlements to the City of Grand Marais for Cedar Grove special assessments. The Executive Director will coordinate with the Treasurer and bookkeeper to ensure invoices are forwarded for payment in a timely manner. Golf course staff are advised to submit receipts in a timely manner to the bookkeeper. Cedar Grove pass-thru obligations to the City of Grand Marais will be processed timely after receipt of levy payments from the County.

Recommended Action

Adopt Resolution 2026-20 approving the 2025 audit of the EDA and Superior National at Lutsen Golf Course.

Attachments:

- Resolution 2026-20
- 2025 Governance Letter, Redpath and Company
- 2025 Financial Audit, Redpath and Company

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-20

**RESOLUTION APPROVING THE 2025 FINANCIAL AUDIT OF THE COOK COUNTY/GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) has completed its annual financial audit for the calendar year ending December 31, 2025, in accordance with Minnesota statutes and the standards of the MN Office of the State Auditor; and

WHEREAS, the audit was completed by Redpath and Company, providing reasonable assurance as to whether the financial statements are free of material misstatement; and

WHEREAS, the results of the audit, including findings, recommendations, and corrective action plans, have been presented to and reviewed by the EDA Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby accept and approve the financial statements and accompanying audit report for the calendar year ending December 31, 2025, as completed by Redpath and Company.

BE IT FURTHER RESOLVED, that the Board President and Treasurer are hereby authorized to sign any necessary documentation related to this approval as recommended by Redpath and Company.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Commissioners
Cook County / Grand Marais Joint
Economic Development Authority
Grand Marais, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of Cook County / Grand Marais Joint Economic Development Authority (the EDA) for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 4, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the EDA are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by the EDA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements are estimates used to calculate the net pension liability, the pension related deferred outflows and inflows of resources, and pension expense. These estimates are based on actuarial studies. We evaluated the methods, assumptions, and data used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the disclosures most likely to be considered sensitive are Note 5 – Long-Term Liabilities and Note 10 – Subsequent Events.



The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements that have an effect on our opinion on the financial statements. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 14, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the EDA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the EDA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Accounts Payable Aging Summary

As of December 31, 2025, the Accounts Payable Aging Summary report for both the EDA and Superior National listed amounts due in the “91 and Over” column which were no longer owed to the respective vendors. We recommend adjusting the reports to clear these balances.

Cedar Grove Business Park Tax Levy Payments

A portion of the EDA’s property taxes received from the county are passed through to the City of Grand Marais to cover costs related to the Cedar Grove Business Park. Payments to the city have not been made timely. We recommend procedures be implemented to track and promptly pay the Cedar Grove Business Park portion of the EDA’s property tax levy. This is a repeat recommendation from the 2024 audit.

Other Matters

We applied certain limited procedures to the budgetary comparison schedule and the schedules of pension information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on introductory section, which accompany the financial statements but are not RSI. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reports

Various reports on compliance and internal controls are contained in the Other Required Reports section of the audited financial statement document.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the EDA and is not intended to be, and should not be, used by anyone other than these specified parties.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2026

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY**

ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2025

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COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
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INTRODUCTORY SECTION

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COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

ORGANIZATION

December 31, 2025

		<u>Term Expires</u>
Commissioners:		
President	Peter Clissold	December 2028
Vice President	Howard Hedstrom	December 2025
Treasurer	Mark Shackleton	December 2026
Secretary	Siri Anderson	December 2028
Commissioner	Tracy Benson	December 2026
Commissioner	David Mills	December 2026
Commissioner	Alex Beebe-Giudice	December 2028

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Cook County / Grand Marais Joint
Economic Development Authority
Grand Marais, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Cook County / Grand Marais Joint Economic Development Authority, a component unit of Cook County, Minnesota, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Cook County / Grand Marais Joint Economic Development Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of Cook County / Grand Marais Joint Economic Development Authority, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cook County / Grand Marais Joint Economic Development Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cook County / Grand Marais Joint Economic Development Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2026, on our consideration of Cook County / Grand Marais Joint Economic Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Cook County / Grand Marais Joint Economic Development Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cook County / Grand Marais Joint Economic Development Authority's internal control over financial reporting and compliance.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2026

BASIC FINANCIAL STATEMENTS

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COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

Statement 1

December 31, 2025

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$389,024	\$146,493	\$535,517
Accounts receivable	-	17,774	17,774
Property taxes receivable	54,442	-	54,442
Prepaid expenses	915	-	915
Internal balances	12,083	(12,083)	-
Inventory	-	64,811	64,811
Land held for resale	2,800	-	2,800
Loans receivable	208,438	-	208,438
Capital assets:			
Nondepreciable	-	213,685	213,685
Depreciable - net	-	5,718,032	5,718,032
Total assets	<u>667,702</u>	<u>6,148,712</u>	<u>6,816,414</u>
Deferred outflows of resources related to pensions	-	176,904	176,904
Liabilities:			
Accounts payable	8,454	10,118	18,572
Due to City of Grand Marais	35,873	-	35,873
Due to Cook County	7,718	-	7,718
Gift certificates	-	25,362	25,362
Lease liability - due within one year	-	62,215	62,215
Long-term liabilities due in more than one year:			
Lease liability - noncurrent portion	-	238,183	238,183
Loan payable to Cook County	-	2,169,972	2,169,972
Net pension liability	-	152,686	152,686
Total liabilities	<u>52,045</u>	<u>2,658,536</u>	<u>2,710,581</u>
Deferred inflows of resources related to pensions	-	136,974	136,974
Net position:			
Net investment in capital assets	-	3,461,347	3,461,347
Unrestricted	615,657	68,759	684,416
Total net position	<u>\$615,657</u>	<u>\$3,530,106</u>	<u>\$4,145,763</u>

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2025

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<u>Functions/Programs:</u>			
Governmental activities:			
Economic development	\$1,319,260	\$10,600	\$882,778
Business-type activities:			
Golf course	<u>1,955,615</u>	<u>1,452,783</u>	<u>-</u>
Total	<u><u>\$3,274,875</u></u>	<u><u>\$1,463,383</u></u>	<u><u>\$882,778</u></u>

The accompanying notes are an integral part of these financial statements.

Program Revenues	Net (Expense) Revenue and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ -	(\$425,882)	\$ -	(\$425,882)
<u>221,711</u>	<u>-</u>	<u>(281,121)</u>	<u>(281,121)</u>
<u>\$221,711</u>	<u>(425,882)</u>	<u>(281,121)</u>	<u>(707,003)</u>
General revenues:			
Property taxes	519,828	-	519,828
Unrestricted interest earnings	4,013	4,593	8,606
Total general revenues	<u>523,841</u>	<u>4,593</u>	<u>528,434</u>
Change in net position	97,959	(276,528)	(178,569)
Net position - beginning	<u>517,698</u>	<u>3,806,634</u>	<u>4,324,332</u>
Net position - ending	<u>\$615,657</u>	<u>\$3,530,106</u>	<u>\$4,145,763</u>

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

BALANCE SHEET - GOVERNMENTAL FUNDS

Statement 3

GENERAL FUND

December 31, 2025

Assets:

Cash and cash equivalents	\$389,024
Due from other funds	12,083
Property taxes receivable	54,442
Prepaid expenses	915
Land held for resale	2,800
Loans receivable	208,438
	<hr/>
Total assets	\$667,702

Liabilities:

Accounts payable	\$8,454
Due to City of Grand Marais	35,873
Due to Cook County	7,718
Total liabilities	52,045

Deferred inflows of resources:

Unavailable revenue - taxes	18,709
-----------------------------	--------

Fund balance:

Nonspendable - prepaid items	915
Unassigned	596,033
Total fund balance	596,948

Total liabilities, deferred inflows of resources, and fund balance	\$667,702
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Fund balance reported above	\$596,948
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Long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds	18,709
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Net position of governmental activities (Statement 1)	\$615,657
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The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE -
GOVERNMENTAL FUNDS
GENERAL FUND
For The Year Ended December 31, 2025

Statement 4

Revenues:	
Property taxes	\$515,347
IRRR grants	850,000
SBDC Consultant reimbursements	32,778
Miscellaneous	14,613
Total revenues	<u>1,412,738</u>
Expenditures:	
Operations:	
Accounting	5,142
Advertising/marketing/website	4,735
Audit	24,360
Dues and memberships	786
Insurance	2,834
Legal	5,925
Meeting expense and per diems	3,325
Office expense	3,349
Rent	14,026
Staffing:	
Director salary, taxes, benefits	71,588
General consultant expense	38,343
SBDC consultant expense	32,498
Training/travel/dues/memberships	3,852
Programs and projects:	
Business development & housing projects	195,034
Papa Charlie's demolition	400,000
Waste transfer system	450,000
Cedar Grove Business Park	63,463
Total expenditures	<u>1,319,260</u>
Change in fund balance	93,478
Fund balance - January 1	<u>503,470</u>
Fund balance - December 31	<u><u>\$596,948</u></u>

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For The Year Ended December 31, 2025

Statement 5

Change in fund balance - governmental funds (Statement 4)		\$93,478
Amounts reported for governmental activities in the statement of activities are different because:		
<p>In the funds, under the modified accrual basis, receivables not available for expenditure are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment to revenue between the fund statements and the statement of activities is the increase or decrease in revenue deferred as unavailable:</p>		
Unavailable property tax revenue - January 1	(14,228)	
Unavailable property tax revenue - December 31	18,709	4,481
Change in net position of governmental activities (Statement 2)		\$97,959

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
GOLF COURSE ENTERPRISE FUND
December 31, 2025

Statement 6

Assets:	
Cash and cash equivalents	\$146,493
Accounts receivable	17,774
Inventory	64,811
Total current assets	<u>229,078</u>
Noncurrent assets:	
Capital assets:	
Nondepreciable	213,685
Depreciable - net of accumulated depreciation / amortization	5,718,032
Total noncurrent assets	<u>5,931,717</u>
 Total assets	 <u>6,160,795</u>
 Deferred outflows of resources related to pensions	 <u>176,904</u>
Liabilities:	
Current liabilities:	
Accounts payable	10,118
Due to other funds	12,083
Gift certificates	25,362
Lease liability - due within one year	62,215
Total current liabilities	<u>109,778</u>
Noncurrent liabilities:	
Lease liability - due in more than one year	238,183
Loan payable to Cook County	2,169,972
Net pension liability	152,686
Total noncurrent liabilities	<u>2,560,841</u>
 Total liabilities	 <u>2,670,619</u>
 Deferred inflows of resources related to pensions	 <u>136,974</u>
Net position:	
Net investment in capital assets	3,461,347
Unrestricted	68,759
 Total net position	 <u><u>\$3,530,106</u></u>

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN FUND NET POSITION -
PROPRIETARY FUNDS
GOLF COURSE ENTERPRISE FUND
For The Year Ended December 31, 2025

Statement 7

Operating revenues:	
Sales:	
Food and beverage	\$336,242
Merchandise	209,709
Less: cost of goods sold	<u>(287,340)</u>
Net sales	258,611
Green fees	858,211
Cart rental fees	202,488
Other	<u>133,473</u>
Total operating revenues	<u>1,452,783</u>
Operating expenses:	
Salaries and wages	823,914
Payroll taxes and benefits	112,951
Administrative and general:	
Credit card fees	44,090
Insurance	35,877
Marketing and promotion	93,999
Other	107,885
Clubhouse:	
Repairs and maintenance	9,976
Supplies	17,619
Utilities	16,376
Cash (over) short	(294)
Grounds maintenance:	
Fertilizer and chemicals	3,414
Irrigation	5,472
Repairs and maintenance	28,525
Seed and soil	69,505
Supplies	64,641
Utilities	82,288
Depreciation / amortization	<u>427,746</u>
Total operating expenses	<u>1,943,984</u>
Operating income (loss)	<u>(491,201)</u>
Nonoperating revenues (expenses):	
Intergovernmental	221,711
Interest income	4,593
Interest expense	<u>(11,631)</u>
Total nonoperating revenues (expenses)	<u>214,673</u>
Change in net position	(276,528)
Net position - January 1	<u>3,806,634</u>
Net position - December 31	<u><u>\$3,530,106</u></u>

The accompanying notes are an integral part of these financial statements.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
GOLF COURSE ENTERPRISE FUND
For The Year Ended December 31, 2025

Statement 8

Cash flows provided by operating activities:	
Receipts from customers	\$1,752,121
Payments to suppliers	(872,784)
Payments to employees	(962,334)
Net cash flows provided by operating activities	<u>(82,997)</u>
Cash flows used for capital and related financing activities:	
Intergovernmental revenue	221,711
Acquisition of capital assets	(350,662)
Principal paid on leases	(84,720)
Interest charges	(11,631)
Net cash flows used for capital and related financing activities	<u>(225,302)</u>
Cash flows from investment activities:	
Interest earnings	<u>4,593</u>
Net increase (decrease) in cash and cash equivalents	(303,706)
Cash and cash equivalents - January 1	<u>450,199</u>
Cash and cash equivalents - December 31	<u><u>\$146,493</u></u>
Reconciliation of operating income (loss) to net cash from operating activities:	
Operating income (loss)	(\$491,201)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:	
Depreciation / amortization expense	427,746
(Increase) decrease in accounts receivable	11,998
(Increase) decrease in inventories	(11,602)
(Increase) decrease in deferred outflows related to pensions	(100,726)
Increase (decrease) in payables	5,531
Increase (decrease) in deferred inflows related to pensions	17,075
Increase (decrease) in pension liability	58,182
Net cash flows from operating activities	<u><u>(\$82,997)</u></u>
Noncash investing, capital and financing activities:	
Capital assets acquired via lease	<u><u>\$385,118</u></u>

The accompanying notes are an integral part of these financial statements.

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Note 1 SUMMARY OF SIGNIFIANT ACCOUNTING POLICIES

The Cook County / Grand Marais Joint Economic Development Authority's (the EDA) financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the EDA are discussed below.

A. FINANCIAL REPORTING ENTITY

The EDA was established June 14, 1988, pursuant to 1988 Minnesota Laws, Chapter 516, having all the powers and duties of an economic development authority under Minnesota Statutes §§ 469.090 to 469.1081. As required by accounting principles generally accepted in the United States of America, these financial statements present the EDA (primary government) and its component unit for which the EDA is financially accountable. The EDA is governed by a seven-member Board, of which four members are appointed by the Cook County Board of Commissioners and three members are appointed by the Grand Marais City Council. The Board is organized with a chair, vice chair, treasurer, and secretary, elected annually. The EDA is a component unit of Cook County, Minnesota and is included in Cook County's annual financial report.

BLENDED COMPONENT UNIT

Blended component units are legally separate organizations but are so intertwined with a primary government that they are, in substance, the same as the primary government. Therefore, blended component units are reported as part of a primary government's operations. The EDA has one blended component unit, the CRMGC, LLC.

The EDA Commissioners comprise the governing board of the CRMGC, LLC, and EDA management has operational responsibility for the CRMGC, LLC. CRMGC, LLC did not report any financial activity in 2025 and separate financial statements are not prepared.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government wide financial statements (the statement of net position and the statement of activities) display information about the primary government and its component unit. Eliminations have been made to minimize the double counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties for support.

In the government-wide statement of net position, both the governmental and business-type activities columns are reported on a full accrual, economic resource basis that recognizes all long-term assets and receivables as well as long-term debt and obligations. The EDA's net position is reported in three parts: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of each function of the EDA's governmental activities and business-type activities are offset by program revenues. Direct expenses are those clearly identifiable with a specific function or activity. Program revenues include (1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity; and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or activity. Revenues not classified as program revenues, including all taxes, are presented as general revenues. The fund financial statements provide information about the EDA's individual funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis of governmental and proprietary fund financial statements is on major individual governmental and enterprise funds, with each displayed as separate columns in the fund financial statements.

The EDA reports the following major governmental fund:

The General Fund is the EDA's primary operating fund. It accounts for all financial resources of the general government not accounted for in other funds.

The EDA reports the following major enterprise fund:

The Golf Course Fund is used to account for the operations of the Superior National at Lutsen Golf Course.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The EDA considers all revenues as available if collected within 90 days after the end of the current period, except for taxes, which have a 60-day accrual period. Property and other taxes, licenses, and interest are all considered susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds from long-term debt acquisitions are reported as other financial sources.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or incidental activities.

D. BUDGET

During or before July of each year, the EDA is required to annually send its non-appropriated budget to the Cook County Board of Commissioners and the Grand Marais City Council. The proposed budget is presented to the County Board and City Council for review. The Board and Council hold public hearings, and a final budget must be prepared and adopted no later than December 31.

The budget is prepared by function and includes a written estimate of the amount of money needed by the EDA from the County and City in order for the EDA to conduct business during the upcoming fiscal year. The annual budget is adopted on a basis consistent with generally accepted accounting principles for the General Fund. All annual appropriations lapse at fiscal year-end.

For the year ended December 31, 2025, actual expenditures of the General Fund exceeded budgeted appropriations by \$824,136. The overage was covered by IRRR grants.

E. PROPERTY TAXES

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due May 15 and the second half payment due October 15. The EDA approves an annual levy for operating purposes. Property taxes are collected by Cook County and are distributed to the EDA three times each year. Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as taxes receivable. No allowance for uncollectible receivables has been provided because such amounts are not expected to be material.

F. INTERFUND BALANCES

Outstanding balances between funds are reported as “due from/to other funds” in the fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

As of December 31, 2025, the Golf Course Fund owed the General Fund \$12,083 as a reimbursement for a golf course expense originally paid by the General Fund.

G. INVENTORY

Inventory consists primarily of golf course merchandise held for resale. All inventories are valued at lower of cost or market using the first in/first out method. Inventories are recorded as expenses when consumed.

H. LAND HELD FOR RESALE

Land held for resale comprises the business lots for sale in the Cedar Grove Business Park. The EDA constructed the Cedar Grove Business Park within the City of Grand Marais to provide land sites for new or existing businesses. The lots are valued at the lower of historical cost or fair market value.

I. CAPITAL ASSETS

Capital assets, which include land and land improvements, construction in progress, buildings and structures, clubhouse and course equipment, and right to use lease assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary fund statement of net position. Capital assets are defined by the EDA as assets with an initial, individual cost of more than \$1,000. Such assets are recorded at historical cost, except for land which was donated. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset’s life are not capitalized.

Land improvements, buildings and structures, and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	30
Buildings and structures	20
Equipment	3 - 20
Right-to-use lease assets	3 - 5

J. UNEARNED REVENUE

Unearned revenue is reported in connection with resources that have been received but not yet earned. Outstanding gift certificates and rain checks of the golf course are considered a form of unearned revenue.

K. COMPENSATED ABSENCES

Certain full-time employees of the EDA and the golf course are entitled to vacation and sick leave. Vacation and sick leave for golf course employees must be used in the year it is earned. Unused vacation at year-end is not material and therefore, is not reported as a liability. Unused sick leave is not compensated.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The EDA has one item that qualifies for reporting in this category. It is the pension related deferred outflows of resources reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to a future period and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The EDA has pension related deferred inflows of resources reported in the government-wide statement of net position. The EDA also has a type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues relating to taxes.

M. DEFINED BENEFIT PENSION PLAN

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

N. NET POSITION

Net position in the government-wide and proprietary fund financial statements is classified in the following categories:

Net investment in capital assets – the amount of net position representing capital assets, net of accumulated depreciation, and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws, or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation. The EDA has no restricted net position as of December 31, 2025.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the EDA's policy to use restricted resources first and then unrestricted resources as needed.

O. FUND BALANCE

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the EDA is bound to observe constraints imposed upon the use of the resources of the governmental funds. These classifications are as follows:

Nonspendable – amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as noncurrent loans, inventories, and prepaid items.

Restricted – amounts subject to external constraints imposed by creditors, grantors, contributors, laws, or regulations of other governments, or constraints imposed by law through constitutional provisions and enabling legislation.

Committed – amounts that can be used only for specific purposes as imposed by formal action (resolution) of the Board of Commissioners. Those committed amounts cannot be used for other purposes unless the Board of Commissioners remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – amounts the EDA intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses as determined by the Board of Commissioners or by the Executive Director.

Unassigned – the residual classification in the General Fund; it includes all spendable amounts not contained in the other fund balance classifications.

When both restricted and unrestricted resources are available for use, it is the EDA’s policy to use restricted resources first and then unrestricted resources as needed.

When committed, assigned or unassigned resources are available for use, it is the EDA’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements during the reporting period. Actual results could differ from the estimates.

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

The EDA is authorized by Minnesota Statutes 118A.02 and 118A.04 to designate a depository for public funds and to invest in certificates of deposit. The EDA is required by Minnesota Statute 118A.03 to protect deposits with insurance, surety bond, or collateral. Minnesota Statute 118A.03 identifies allowable forms of collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit at the close of the financial institution’s banking day, not covered by insurance or bonds.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk – Deposits – the risk that in the event of a bank failure, an entity’s deposits may not be returned to it. The EDA does not have a deposit policy that is more restrictive than Minnesota Statutes.

As of December 31, 2025, the bank balance of the EDA’s deposits with financial institutions was \$557,514 and the carrying amount was \$534,373. The EDA also had \$1,144 of cash on hand. All deposits were covered by federal depository insurance or by collateral pledged and held in the EDA’s name.

B. INVESTMENTS

The EDA may invest its funds in investments authorized by Minnesota Statutes 118A.04 and 118A.05. During 2025, the EDA did not have any such investments.

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Note 3 RECEIVABLES

As of December 31, 2025, receivables of the EDA are as follows:

	Total Receivables	Amounts Not Expected to be Collected Within One Year
Governmental activities:		
General Fund:		
Taxes	\$54,442	\$8,400
Loans receivable	208,438	207,088
Business-type activities:		
Golf course fund:		
Accounts receivable	17,774	-
 Total receivables	<u>\$280,654</u>	<u>\$215,488</u>

Loans receivable represent amounts loaned to area businesses as follows:

During 2021, the EDA issued sixteen loans totaling \$194,850 as part of the Taconite Area Business Relief Program. One outstanding loan exists under this program. The loan requires quarterly payments based on a 10-year amortization schedule at a 0% interest rate. As of December 31, 2025, the remaining loan balance was \$8,438.

During 2024, the EDA issued a deferred loan to a local developer in the amount of \$200,000 at an annual rate of 2% for a term not to exceed three years. Loan repayment will be deferred until the end of the three-year term or when the developer closes on permanent funding. There were no payments made on the loan during 2025. As of December 31, 2025, the remaining loan balance was \$200,000.

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Note 4 CAPITAL ASSETS

Capital assets of governmental activities are immaterial and are not reported. Capital asset activity of business-type activities for the year ended December 31, 2025, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$213,685	\$ -	\$ -	\$213,685
Capital assets being depreciated:				
Land improvements	10,646,513	223,252	-	10,869,765
Buildings and structures	538,584	23,304	-	561,888
Clubhouse and course equipment	1,104,084	104,106	-	1,208,190
Right to use lease assets	99,294	385,118	99,294	385,118
Total capital assets being depreciated	12,388,475	735,780	99,294	13,024,961
Less accumulated depreciation for:				
Land improvements	5,598,123	284,794	-	5,882,917
Buildings and structures	414,985	12,261	-	427,246
Clubhouse and course equipment	866,075	60,976	-	927,051
Right to use lease assets	99,294	69,715	99,294	69,715
Total accumulated depreciation	6,978,477	427,746	99,294	7,306,929
Total capital assets being depreciated, net	5,409,998	308,034	-	5,718,032
Total capital assets, net	\$5,623,683	\$308,034	\$ -	\$5,931,717

All depreciation and amortization expense was charged to the golf course function during 2025.

Note 5 LONG-TERM LIABILITIES

GOVERNMENTAL ACTIVITIES

The EDA constructed the Cedar Grove Business Park within the City of Grand Marais to provide land sites for new or existing businesses. The project was funded by the Minnesota Department of Employment and Economic Development, Iron Range Resources grants obtained by the city, and a city issued bond. The city has an agreement with the EDA whereby proceeds from lot sales are to be remitted to the city at the time of the sale to be used to help repay the city issued bond that financed the improvement. Unsold lots are recorded based on the lower of historical cost or fair value as land held for the resale and due to other governments on the balance sheet and statement of net position.

The EDA owes the City of Grand Marais proceeds for land held for resale after lots are sold. The estimated value of unsold lots as of December 31, 2025 was \$2,800.

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BUSINESS-TYPE ACTIVITIES

In October 2014, Cook County issued General Obligation Tax Abatement Bonds, Series 2014A, on behalf of the EDA. The bonds had an original issue amount of \$2,410,000 and mature on February 1, 2037. Proceeds from the bonds were used to help finance improvements to the Superior National at Lutsen Golf Course. The EDA entered into a loan agreement with Cook County to repay the County for the debt issued. The outstanding balance of the loan as of December 31, 2025 was \$2,169,972. No amounts were repaid during 2025.

CHANGE IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Land held for resale	\$17,000	\$ -	\$14,200	\$2,800
Business-type activities:				
Golf course loan	2,169,972	-	-	2,169,972
Total long-term liabilities	<u>\$2,186,972</u>	<u>\$ -</u>	<u>\$14,200</u>	<u>\$2,172,772</u>

Note 6 LEASE LIABILITY

During 2025, the EDA had two leases associated with Superior National at Lutsen Golf Course (SNL).

Golf cart lease

SNL leases 30 golf carts. Five seasonal lease payments of \$5,899 are required each year through 2029, plus a final payment of \$60,000 is due November 1, 2029. After all lease payments are made, SNL has the option to purchase the golf carts for \$1. The lease liability is measured at a discount rate of 6.25%. The lease liability as of December 31, 2025, excluding interest, was \$150,329.

GPS video display lease

SNL leases 102 GPS video display units for its golf carts. Five seasonal lease payments of \$11,143 are required each year through 2028. The lease liability is measured at a discount rate of 6.25%. The lease liability as of December 31, 2025, excluding interest, was \$150,069.

Lease liability activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Golf cart lease	\$ -	\$174,000	\$23,671	\$150,329
GPS video display lease	-	211,118	61,049	150,069
Total lease liability	<u>\$ -</u>	<u>\$385,118</u>	<u>\$84,720</u>	<u>\$300,398</u>

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For 2025, interest expense incurred relating to the leases was \$11,631. Future lease payments are as follows:

Year Ending December 31	Business-Type Activities	
	Lease Liability	
	Principal	Interest
2026	\$62,215	\$11,851
2027	75,207	10,001
2028	78,014	7,195
2029	84,962	4,532
Total	<u>\$300,398</u>	<u>\$33,579</u>

Note 7 DEFINED BENEFIT PENSION PLAN

A. PLAN DESCRIPTION

The EDA participates in the General Employees Retirement Plan (General Plan), which is a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). Plan provisions are established and administered according to Minnesota Statutes Chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes Chapter 356 defines each plan’s financial reporting requirements. PERA’s defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

B. BENEFITS PROVIDED

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is “vested,” they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

The General Employees Plan requires three years of service to vest. Benefits are based on a member’s highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989 receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first ten years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at

age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2025 annual increase was 1.25%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

C. CONTRIBUTIONS

Minnesota Statutes Chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 and the EDA was required to contribute 7.50% for General Plan members. The EDA’s contributions to the General Employees Fund for the year ended December 31, 2025, were \$39,135. The EDA’s contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

At December 31, 2025, the EDA reported a liability of \$152,686 for its proportionate share of the General Employees Fund’s net pension liability. The EDA’s net pension liability reflected a reduction due to the State of Minnesota’s contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state’s contribution meets the definition of a special funding situation. The State of Minnesota’s proportionate share of the net pension liability associated with the EDA totaled \$3,683.

EDA’s proportionate share of the net pension liability	\$152,686
State of Minnesota’s proportionate share of the net pension liability associated with the EDA	<u>3,683</u>
Total	<u><u>\$156,369</u></u>

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The EDA’s proportion of the net pension liability was based on the EDA’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA’s participating employers. The EDA’s proportionate share was 0.0046% at the end of the measurement period and 0.0026% for the beginning of the period.

For the year ended December 31, 2025, the EDA recognized pension expense of \$13,666 for its proportionate share of the General Plan’s pension expense. In addition, the EDA recognized an additional (\$565) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s contribution of \$16 million to the General Employees Fund.

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At December 31, 2025, the EDA reported General Employees Fund deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$15,023	\$ -
Changes in actuarial assumptions	3,681	40,287
Net difference between projected and actual earnings on pension plan investments	-	45,631
Changes in proportion	137,523	51,056
Employer contributions subsequent to the measurement date	<u>20,677</u>	<u>-</u>
Total	<u>\$176,904</u>	<u>\$136,974</u>

The \$20,677 reported as deferred outflows of resources related to pensions resulting from EDA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense</u>
2026	(\$639)
2027	26,690
2028	4,061
2029	(10,859)
2030	-
Thereafter	-

The net pension liability will be liquidated by the golf course fund.

E. ACTUARIAL METHODS AND ASSUMPTIONS

The total pension liability for the cost-sharing defined benefit plan was determined by an actuarial valuation as of June 30, 2025, using the entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Investment Rate of Return	7.00%

The long-term investment rate of return is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.00% is within that range.

Benefit increases after retirement are assumed to be 1.50% for the General Plan.

Salary growth assumptions in the General Plan range in annual increments from 11.50% after one year of service to 3.00% after 27 years of service.

Mortality rates for the General Plan are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Plan are reviewed every four years. The General Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.50%.

Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1.00% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.50%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1.00% and 1.50%.
- The 1.00% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Fixed income	25%	0.75%
Private markets	25%	5.90%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2025 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Plan was projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. PENSION LIABILITY SENSITIVITY

The following presents the EDA’s proportionate share of the net pension liability, calculated using the discount rate disclosed in the preceding paragraph, as well as what the EDA’s proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Proportionate share of the General Plan net pension liability	\$370,851	\$152,686	(\$24,294)

H. PENSION PLAN FIDUCIARY NET POSITION

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

Note 8 RISK MANAGEMENT

The EDA is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The EDA purchases commercial insurance for these risks of loss but retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements.

There were no significant reductions in insurance coverage from the prior year. Settlements did not exceed insurance coverage for the past three fiscal years.

Note 9 RELATED PARTY TRANSACTIONS

As of and for the year ended December 31, 2025, the EDA reported the following transactions with related parties:

- A portion of the EDA’s tax levy is passed through to the City of Grand Marais to help fund costs of the Cedar Grove Business Park. \$33,073 of property tax revenue was owed to the City of Grand Marais at year-end. Pass through expenditures totaling \$59,484 are reported in 2025 relating to the Cedar Grove Business Park.
- \$2,800 was owed to the City of Grand Marais relating to unsold lots in the Cedar Grove Business Park. See Note 5 for further details.
- Cook County pays the wages, payroll taxes and benefits of the EDA Director. \$7,718 was owed to Cook County to reimburse the County for these expenditures.
- \$3,979 of property taxes were paid to Cook County relating to EDA owned lots in the Cedar Grove Business Park.
- As described in Note 5, the balance of the golf course loan owed to Cook County was \$2,169,972.
- Mike Larson, a board member of CRMGC, LLC, was paid \$42,250 for management and consulting services relating to the golf course.

Note 10 SUBSEQUENT EVENTS

On March 16, 2026, the Board of Commissioners adopted a resolution authorizing the sale of all real and personal property assets of Superior National Golf Course at Lutsen. The Board has a signed purchase agreement with a buyer and negotiations are currently in a 90-day right of first refusal period.

On March 16, 2026, the Board of Commissioners adopted a resolution authorizing a loan agreement with Cook County. In April 2026, the EDA borrowed \$200,000 from Cook County to help finance septic and irrigation costs necessary to sell the golf course.

REQUIRED SUPPLEMENTARY INFORMATION

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit A-1

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For The Year Ended December 31, 2025

	Budgeted Amount		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$519,800	\$519,800	\$515,347	(\$4,453)
IRRR grants	-	-	850,000	850,000
SBDC Consultant reimbursements	49,980	49,980	32,778	(17,202)
Miscellaneous	-	-	14,613	14,613
Total revenues	<u>569,780</u>	<u>569,780</u>	<u>1,412,738</u>	<u>842,958</u>
Expenditures:				
Operations:				
Accounting	5,000	5,000	5,142	(142)
Advertising/marketing/website	2,000	2,000	4,735	(2,735)
Audit	23,000	23,000	24,360	(1,360)
Dues and memberships	7,000	7,000	786	6,214
Insurance	3,392	3,392	2,834	558
Legal	10,000	10,000	5,925	4,075
Meeting expense and per diems	4,000	4,000	3,325	675
Office expense	8,760	8,760	3,349	5,411
Rent	15,600	15,600	14,026	1,574
Staffing:				
Director salary, taxes, benefits	120,115	120,115	71,588	48,527
General consultant expense	2,000	2,000	38,343	(36,343)
SBDC consultant expense	23,000	23,000	32,498	(9,498)
Training/travel/dues/memberships	5,000	5,000	3,852	1,148
Programs and projects:				
Business development & housing projects	200,000	200,000	195,034	4,966
Papa Charlie's demolition	-	-	400,000	(400,000)
Waste transfer system	-	-	450,000	(450,000)
Cedar Grove Business Park	66,257	66,257	63,463	2,794
Total expenditures	<u>495,124</u>	<u>495,124</u>	<u>1,319,260</u>	<u>(824,136)</u>
Change in fund balance	<u>\$74,656</u>	<u>\$74,656</u>	93,478	<u>\$18,822</u>
Fund balance - January 1			<u>503,470</u>	
Fund balance - December 31			<u>\$596,948</u>	

See accompanying notes to the required supplementary information.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -
 GENERAL EMPLOYEES RETIREMENT FUND
 For the Last Ten Years

Exhibit A-2

Measurement Date June 30,	EDA's Proportion Of the Net Pension Liability	EDA's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the EDA (b)	EDA's Proportionate Share and the State's Related Share of the Net Pension Liability (a + b)	Covered Payroll (c)	EDA's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.0046%	\$152,686	\$3,683	\$156,369	\$417,293	36.6%	90.8%
2024	0.0026%	94,504	2,444	96,948	150,707	62.7%	89.1%
2023	0.0016%	89,470	2,550	92,020	127,640	70.1%	83.1%
2022	0.0025%	198,001	5,865	203,866	189,000	104.8%	76.7%
2021	0.0036%	153,736	4,682	158,418	260,909	58.9%	87.0%
2020	0.0034%	203,846	6,277	210,123	242,187	84.2%	79.1%
2019	0.0033%	182,451	5,666	188,117	230,867	79.0%	80.2%
2018	0.0036%	199,715	6,519	206,234	235,613	84.8%	79.5%
2017	0.0034%	217,055	2,766	219,821	222,000	97.8%	75.9%
2016	0.0028%	227,348	3,036	230,384	174,653	130.2%	68.9%

See accompanying notes to the required supplementary information.

COOK COUNTY / GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS -
GENERAL EMPLOYEES RETIREMENT FUND
For the Last Ten Years

Exhibit A-3

Year Ending December 31,	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (b - a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2025	\$39,135	\$39,135	\$ -	\$521,800	7.50%
2024	19,355	19,355	-	258,067	7.50%
2023	10,056	10,056	-	134,080	7.50%
2022	9,369	9,369	-	124,920	7.50%
2021	18,394	18,394	-	245,255	7.50%
2020	19,778	19,778	-	263,707	7.50%
2019	17,154	17,154	-	228,720	7.50%
2018	18,051	18,051	-	240,680	7.50%
2017	15,832	15,832	-	211,093	7.50%
2016	15,808	15,808	-	210,773	7.50%

See accompanying notes to the required supplementary information.

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
DECEMBER 31, 2025**

Note A LEGAL COMPLIANCE – BUDGETS

The General Fund budget is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level.

Note B PENSION INFORMATION

PERA – General Employees Retirement Fund

2025 Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.50%.

2025 Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1.00% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.50%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1.00% and 1.50%.
- The 1.00% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

2024 Changes in Plan Provisions:

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.50% to 7.00%.

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.50% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
DECEMBER 31, 2025**

2022 Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

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

2020 Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.00% for the period July 1, 2020, through December 31, 2023, and 0.00% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes in Actuarial Assumptions:

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

2019 Changes in Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31 million to \$21 million per year. The State's special funding contribution was changed prospectively, requiring \$16 million due per year through 2031.

2018 Changes in Actuarial Assumptions:

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

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
DECEMBER 31, 2025**

2018 Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Annual increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90% funding ratio to 50% of the Social Security Cost-of-Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes in Actuarial Assumptions:

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

2017 Changes in Plan Provisions:

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

2016 Changes in Actuarial Assumptions:

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

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OTHER REQUIRED REPORTS

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

To the Board of Commissioners
Cook County / Grand Marais Joint
Economic Development Authority
Grand Marais, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of Cook County / Grand Marais Joint Economic Development Authority as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Cook County / Grand Marais Joint Economic Development Authority's basic financial statements, and have issued our report thereon dated May 14, 2026.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant



deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2025-01, 2025-02 and 2025-03 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cook County / Grand Marais Joint Economic Development Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2025-04.

Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Cook County / Grand Marais Joint Economic Development Authority's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. Cook County / Grand Marais Joint Economic Development Authority's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2026

MINNESOTA LEGAL COMPLIANCE REPORT

To the Board of Commissioners
Cook County / Grand Marais Joint
Economic Development Authority
Grand Marais, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of Cook County / Grand Marais Joint Economic Development Authority as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Cook County / Grand Marais Joint Economic Development Authority's basic financial statements, and have issued our report thereon dated May 14, 2026.

In connection with our audit, we noted that Cook County / Grand Marais Joint Economic Development Authority failed to comply with provisions of the claims and disbursements section of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Responses as item 2025-04. Also, in connection with our audit, nothing came to our attention that caused us to believe that Cook County / Grand Marais Joint Economic Development Authority failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Cook County / Grand Marais Joint Economic Development Authority's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

Government Auditing Standards requires the auditor to perform limited procedures on Cook County / Grand Marais Joint Economic Development Authority's response to the legal compliance finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.



The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

May 14, 2026

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2025**

2025-01 Lack of Ideal Segregation of Duties

Criteria: Generally, a system of internal control contemplates segregation of duties such that no individual has responsibility to execute a transaction, has physical access to the related assets, and has responsibility or authority to record the transaction.

Condition: Due to the limited number of personnel, certain individuals perform multiple aspects of a financial transaction cycle. For example, at the golf course the same employee will sometimes work the cash registers, process daily closing reports, and prepare deposits.

Cause: This condition is common to organizations of this size due to a limited number of staff.

Effect: The lack of ideal segregation of duties subjects the EDA to a higher risk that errors or fraud could occur and not be detected in a timely manner.

Recommendation: Any modifications of internal controls in this area must be viewed from a cost/benefit perspective.

Views of Responsible Officials and Corrective Action Plan: Due to limited number of employees it is not possible to provide for the complete segregation of duties. The EDA has established other safeguards to compensate for this, such as Board review of all disbursements and monthly financial statements.

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2025**

2025-02 Financial Statement Corrections

Criteria: An entity's system of internal controls should allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Condition: In addition to normal year-end closing entries which are recorded as part of the audit, we identified five adjusting journal entries for non-routine items. Details of these entries are as follows:

- \$12,083 adjustment to eliminate a consulting expense in the General Fund which was also recorded in the Golf Course Fund.
- \$2,499 credit to sales tax payable in the Golf Course Fund.
- \$5,543 adjustment to recognize additional FEMA grant funds in the Golf Course Fund (originally recorded as 2026 revenue).
- \$12,231 adjustment to reduce cost of goods sold expenses in the Golf Course Fund for merchandise returned in 2025 (originally recorded as a 2026 adjustment).

Cause: The complexity of governmental accounting contributed to these adjustments.

Effect: Inadequate controls over the year-end closing process results in an increased risk that financial statement misstatements may occur and not be detected on a timely basis.

Recommendation: We recommend the EDA continue its efforts to appropriately account for transactions and account balances.

Views of Responsible Officials and Corrective Action Plan: The EDA hired a new Executive Director in November of 2024. The new director job description excluded administration of the golf course and the Executive Director was not familiar with the financials related to the golf course. This lack of oversight contributed to the delayed accounting corrections and updates. The EDA will implement more regular review by the Executive Director, Board Treasurer and bookkeeper to ensure accurate transactions and record keeping, while detecting any misstatements in a timely manner. This includes improved record keeping policies and procedures and more detailed chart of income and expense accounts for record keeping purposes.

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2025**

2025-03 Lack of Supporting Documentation

Criteria: Expenditures should be supported by a receipt or invoice which should be maintained on file in accordance with an entity's record retention policies.

Condition: 15 payments were selected for a disbursements test. A supporting receipt or invoice was not provided or sufficient for 2 out of the 15 items tested as follows:

- Heider Brothers, LLC - \$1,095.00 (no invoice was provided)
- Isak Hansen Home & Hardware - \$4,850.91 (support provided substantiated \$2,080.96 of the total payment)

Cause: Unknown.

Effect: A lack of sufficient supporting documentation impedes an entity's ability to adequately review and approve its expenditures.

Recommendation: We recommend all payments be supported by an approved receipt or invoice.

Views of Responsible Officials and Corrective Action Plan: The EDA will make every effort to save all invoices. The two invoices identified above relate to Superior National purchases. Golf course employees will follow the recommendation to retain all receipts and invoices.

**COOK COUNTY / GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2025**

2025-04 Prompt Payment of Bills

Criteria: Minnesota Statute 471.425, subdivision 2a reads as follows:

Subd. 2. **Payment required.** A municipality must pay each vendor obligation according to the terms of the contract or, if no contract terms apply, within the standard payment period unless the municipality in good faith disputes the obligation. Standard payment period is defined as follows:

(a) For municipalities who have governing boards which have regularly scheduled meetings at least once a month, the standard payment period is defined as within 35 days of the date of receipt.

As clarified by the Office of the State Auditor, 471.425 applies to all political subdivisions.

Condition: We noted instances where amounts due were not paid timely, such as the following:

- An invoice from IMT Insurance Company for premiums effective May 4, 2025 was marked past due. The amount was paid on August 4, 2025.
- An invoice from The Tessman Company for an order on October 20, 2025 contained a due date of November 19, 2025. Payment was made on January 12, 2026.
- Invoices from The Proactive Sports Group with due dates of May 17, 2025 and August 31, 2025 were paid February 4, 2026.
- Property tax settlements totaling \$28,948.64 relating to the 2024 Cedar Grove tax levy have not been remitted to the City of Grand Marais as of December 31, 2025.

Cause: Unknown.

Effect: The EDA may incur finance charges and late fees as a result of late payments, although no such charges were incurred relating to these items.

Recommendation: We recommend the EDA establish processes to ensure all payments are made timely.

Views of Responsible Officials and Corrective Action Plan: The EDA has implemented additional procedures to ensure invoices are forwarded for payment in a timely manner.

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefield, Executive Director

Date: June 10, 2026

Subject: Development Agreement – Dream Superior LLC (Sisu + Löyly) IRRR Public Works Grant Project (Resolution 2026-21)

Background

In December 2025, the EDA approved Resolution 2025-52 authorizing application to the Department of Iron Range Resources and Rehabilitation (IRRR) Public Works Program to support infrastructure improvements associated with the expansion of Sisu + Löyly in Grand Marais. The EDA subsequently submitted an application requesting up to \$145,000 in grant funding.

On May 27, 2026, the IRRR Board approved a Public Works Grant award of \$125,000 to support eligible water and sanitary sewer infrastructure improvements necessary to accommodate the project.

As the grant recipient, the EDA will serve as the pass-through entity and fiscal agent for the grant award. The attached Development Agreement establishes the responsibilities of Dream Superior LLC and the EDA, including compliance with applicable bidding and prevailing wage requirements, project reporting obligations, reimbursement procedures, grant acknowledgement requirements, and project completion dates.

The agreement also clarifies that no grant-funded work may commence until the EDA has executed a grant agreement with IRRR and written notice has been provided to the Developer.

Recommended Action

Adopt Resolution 2026-21 approving the Development Agreement between the EDA and Dream Superior LLC and authorizing the Board President to execute the agreement and any related documents necessary to administer the IRRR Public Works Grant.

Attachments:

- Resolution 2026-21
- Development Agreement – Dream Superior LLC

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-21

**RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH DREAM SUPERIOR LLC FOR THE SISU +
LÖYLY INFRASTRUCTURE IMPROVEMENT PROJECT**

WHEREAS, on December 16, 2025, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) approved Resolution 2025-52 authorizing application for and acceptance of grant funding through the Department of Iron Range Resources and Rehabilitation (“IRRR”) Public Works Program to support infrastructure improvements associated with the Sisu + Löyly expansion project; and

WHEREAS, on May 27, 2026, the IRRR Board approved a Public Works Grant award in the amount of \$125,000 for eligible infrastructure improvements associated with the project; and

WHEREAS, the EDA will serve as the grant recipient, fiscal agent, and pass-through entity for the grant award; and

WHEREAS, the EDA and Dream Superior LLC desire to enter into a Development Agreement establishing the terms and conditions governing administration of the grant funds and completion of the project.

NOW, THEREFORE, BE IT RESOLVED, that the Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby approve the Development Agreement between the EDA and Dream Superior LLC, substantially in the form presented to the Board.

BE IT FURTHER RESOLVED, that the Board President and Executive Director are authorized to execute the Development Agreement and any related documents necessary to administer the IRRR Public Works Grant and carry out the intent of this resolution.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President

DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT
AUTHORITY
DREAM SUPERIOR LLC (DBA SISU + LÖYLY
SISU INFRASTRUCTURE UPGRADES AND EXPANSION PROJECT

THIS DEVELOPMENT AGREEMENT (“Agreement”) entered into this _____ day of _____, 2026 (the “Effective Date”), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, (“EDA”) and DREAM SUPERIOR LLC (DBA SISU + LÖYLY), a domestic limited liability company created and existing under the laws of the State of Minnesota (“Developer”)

WHEREAS, Developer is the owner of property located in Grand Marais, Minnesota, legally described in Exhibit A attached hereto (the “Property”); and

WHEREAS, the Developer proposes to undertake infrastructure improvements on the Property, including water and sanitary sewer utility improvements necessary to support the expansion of Sisu + Löyly and construction of an expanded wellness facility (the “Project”); and

WHEREAS, the Department of Iron Range Resources and Rehabilitation (“IRRR”) awarded the EDA a Public Works Grant in the amount of \$125,000 on May 26, 2026 to assist with eligible infrastructure costs associated with the Project; and

WHEREAS, the EDA has agreed to serve as the applicant, grant recipient, and fiscal agent for the IRRR Public Works Grant; and

WHEREAS, the parties desire to establish the terms and conditions under which the IRRR Public Works Grant funds will be administered and disbursed for the benefit of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
Definitions

For the purpose of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

- A. Developer means Dream Superior LLC (dba Sisu + Löyly), a domestic limited liability company created and existing under the laws of the State of Minnesota.
- B. Eligible Project Costs means costs associated with eligible infrastructure expenses incurred by the Developer in construction of the Project which may be legally funded with IRRR grant funding, including required new construction costs pledged as project match as described in attached Exhibit B. The eligible reimbursable amount is \$125,000.
- C. Executive Director means the Executive Director of the EDA or such person or persons designated in writing by said Executive Director to act on behalf of him/her with regard to this Agreement or any portion thereof.
- D. Grant Award means the \$125,000 Public Works grant, award number _____, awarded to the EDA from the Department of Iron Range Resources and Rehabilitation on May 27, 2026.
- E. IRRR means the Department of Iron Range Resources and Rehabilitation.
- F. Project means the construction of water and sanitary sewer infrastructure improvements necessary to support expansion of Sisu + Löyly, together with construction of an expanded wellness facility and related site improvements on the Property. The Project includes the infrastructure improvements funded through the IRRR Public Works Grant as well as the privately financed vertical construction serving as project match and leverage.
- G. Property means that Property located in Cook County, Minnesota, described in Exhibit A

ARTICLE II

Preconditions to Project Construction

- A. Uniform Municipal Contracting Law and Prevailing Wage. Per Minn. Stat. Sec. 471.345, Developer understands that for projects that include construction work, prevailing wage rates must be paid pursuant to Minn. Stat. Sec. 177.41-177.44 and per the IRRR Board Resolution No. FY96-005. Consequently, the bid request must state the Project is subject to the payment of prevailing wages. These rules require that the wage of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals. The Developer must not contract with vendors who are suspended or debarred in the state of MN: <https://mn.gov/admin/osp/government/suspended-debarred/>. Developer understands that all work for this Project must comply with Uniform Municipal Contracting Law, per Minn. Stat. Sec. 471.345: (i) for contract or cost of service \$25,000-\$175,000 at least two quotes or cost estimates must be secured; (ii) for contracts over \$175,000 sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing contracts by Economic Development Authorities and local units of government in the State of Minnesota. Developer shall submit to Executive Director all

necessary documentation demonstrating compliance with contracting law and prevailing wage.

- B. Construction Contract. Developer will provide Executive Director with a copy of the executed contract between Developer and general contractor necessary to complete construction of the Project.
- C. Building Permits. Developer will provide Executive Director with a copy of any required building permits from Cook County and the City of Grand Marais for construction of the Project, demonstrating conformance to required state and local zoning, land use and building code(s).
- D. IRRR Acknowledgement. Developer agrees to acknowledgement of the grant award from IRRR by displaying signage that is clearly visible to the public on the Project site. Signage will be provided by the IRRR through coordination with the Executive Director. Developer will provide Executive Director with a photograph of the acknowledgement sign once installed.
- E. IRRR Grant Agreement. Developer acknowledges that the EDA must first execute a grant agreement with IRRR before grant-funded work may commence. Developer shall not commence any work intended for reimbursement under this Agreement until notified in writing by the Executive Director that the IRRR grant agreement has been fully executed and all conditions precedent to reimbursement have been satisfied.

ARTICLE III

Construction

- A. Construction. Upon the fulfillment of the preconditions to construction provided for in Article II above, but in no event later than August 31, 2026, Developer shall commence with construction of the Project. Construction of the Project shall be completed no later than February 28, 2027.
- B. Developer to Bear All Costs. Except for payments by EDA provided for in Article IV, Developer specifically agrees to bear all costs related to the construction of the Project.
- C. Progress Reports. Until construction of the entire Project has been completed, Developer shall work with Executive Director to submit required progress report to IRRR annually. Developer shall work with Executive Director to submit required final report to IRRR at Project completion and prior to final disbursement of grant funds.
- D. Publicity. Developer agrees that any publicity regarding the Project must identify the Department of Iron Range Resources and Rehabilitation (IRRR) as sponsoring agency and must not be released without prior written approval from the Executive Director. The Executive Director will coordinate required written approval from IRRR staff. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the

Developer individually or jointly with others, or any subcontractors, with respect to the Project or services provided resulting from the IRRR grant award.

ARTICLE IV
Payment Obligations

The total obligation of the EDA for all compensation and reimbursement to Developer under this Development Agreement will not exceed \$125,000 (one hundred twenty-five thousand dollars). The IRRR will promptly pay the EDA after the EDA presents itemized invoices for the services performed. Developer understands that IRRR requires a 1:1 match for all agency funded work. Developer agrees to submit to Executive Director all invoices and prevailing wage reports timely upon completion of stages of work on the project and/or completion of the entire project done in accordance with this Agreement. Project costs eligible for reimbursement under IRRR grant award are identified in attached Exhibit B. Developer understands that the EDA's obligation to reimburse eligible project costs is contingent upon receipt of grant proceeds from IRRR. The EDA shall have no obligation to advance funds, reimburse costs determined ineligible by IRRR, or reimburse costs incurred prior to execution of the IRRR grant agreement.

ARTICLE V
Representations by the EDA

The EDA makes the following representations as the basis for the undertaking on its part herein contained:

- A. It is a lawfully constituted economic development authority under the laws of the State of Minnesota, it is not in material violation of any provisions of State law, all actions of EDA have been taken to secure IRRR grant funding, and it has full power and authority to enter into this Agreement and perform all of its obligations hereunder.
- B. There are not actions, suits or proceedings pending, or to the knowledge of EDA, threatened against EDA or any property of EDA in any court or before any federal, state, municipal or governmental agency which, if decided adversely to EDA, would have a material adverse effect upon EDA or any business or property of EDA and EDA is not in default with respect to any order of any court or government agency.
- C. EDA will perform all its obligations under this Agreement

ARTICLE VI
Developer's Representations and Warranties

Developer represents and warrants that:

- A. The Developer is a domestic limited liability company duly organized and authorized to transact business in the State of Minnesota, it is the owner of the Property and is fully competent to construct the Project thereon, it is not in violation of any provisions of its

articles of organization, member control agreement, or the laws of the State of Minnesota, it has the power to enter into this Agreement, and it has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

- B. Developer will perform all its obligations under this Agreement. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of the terms, conditions, or provisions of any agreement or instrument of whatever nature to which the Developer is now a party or by which Developer is bound, or constitutes a default under the foregoing.
- C. No actions, suits, or proceedings are pending or, to the knowledge of Developer, threatened against Developer or any property of Developer in any court or before any federal, state, or municipal or other governmental agency that, if decided adversely to Developer, would have a material adverse effect upon Developer, the Property, or the Project, and Developer is not in default of any order of any court or governmental agency which, if decided adversely to Developer, would have a material adverse effect upon the Property or the Project.
- D. The Developer shall be responsible for constructing the Project in accordance with the terms of this Agreement and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations, and living and prevailing wages). The Developer will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.
- E. Developer is not in default on the payment of principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement pursuant to which the indebtedness has been incurred.
- F. Developer shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement delivered to EDA or any third party under this Agreement to be true, correct, and complete in all material respects.

ARTICLE VII

Notices

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently delivered if it is dispatched by registered or certified mail, postage prepaid to:

In the case of the EDA:

Cook County/Grand Marais Joint Economic Development Authority
Attn: Executive Director
PO Box 597
Grand Marais, MN 55604

In the case of Developer:

Dream Superior LLC
Attn: Katie Usem
110 2nd Ave E (PO Box 1383)
Grand Marais, MN 55604

ARTICLE VIII

Government Data Practices and State Audits

- A. Under Minn. Stat. Sec. 16B.98, Subd. 8, the Developer’s books, records, documents, and accounting procedures and practices of the Developer or other party relevant to this Agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all EDA, State, and IRRR program retention requirements, whichever is later.
- B. The Developer and EDA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13 as it applies to all data provided to the State under the IRRR grant contract and this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Developer and EDA as it relates to this Project and the IRRR grant award. The civil remedies of Minn. Stat. Ch.13.08 apply to the release of the data referred to in this clause by either the Developer, EDA or the State. If the Developer receives a request to release the data referred to in this Clause, the Developer must immediately notify the EDA who will notify the State. The State will give the EDA instructions concerning the release of the data to the requesting party before the data is released. The Developer’s response to the request shall comply with applicable law.

ARTICLE IX

Unavoidable Delays and Amendments

- A. Neither party shall be held responsible for, and neither party shall be in default of this Agreement as a result of, delay or default caused by fire, riot, acts of God, war, government actions, judicial actions by third parties, labor disputes, or adverse weather

conditions, except for delays caused by government and judicial actions which could have been avoided by compliance with laws, rules and regulations of which either party had knowledge or should have reasonably had knowledge.

- B. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

ARTICLE X

Liability and Applicable Law

The Developer must indemnify, save, and hold the EDA, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the EDA, arising from the performance of this Agreement by the Developer or the Developers agents or employees. This clause will not be construed to bar any legal remedies the Developer may have for the EDA's failure to fulfill its obligations under this grant contract. This Agreement together with all of its Articles, paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Cook County, Minnesota.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation show below.

**Cook County/Grand Marais Joint Economic
Development Authority**

By:

Peter Clissold, Its Board President

Date: _____

Dream Superior LLC

By:

Katie Usem, Its Owner

Date: _____

EXHIBIT A
Property Description

LOTS 12-13, BLK 13 & W 1/2 VACATED ALLEY 113 VILLAGE PLAT, Section 21,
Township 61, Range 1E, ID: 80-113-0120

LOTS 8-9-10-11, BLK 12 AND LOT 7 BLK 13 AND W 1/2 VACATED ALLEY, 113
VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-113-0080

Grand Marais, Cook County, Minnesota

EXHIBIT B
Eligible Project Expenses

Use of Funds	IRRR Public Works Grant	EDA BDF Grant	Private Equity/Developer Financing	Total Category Amount
Infrastructure	\$125,000	\$0.00	\$85,000	\$210,000
Building Construction	\$0.00	\$25,000	\$1,273,455	\$1,298,455
Design, Architectural, Engineering Fees	\$0.00	\$0.00	\$339,893	\$339,893
Furniture, Fixtures, Equipment	\$0.00	\$0.00	\$112,000	\$112,000
Contingency	\$0.00	\$0.00	\$150,846	\$150,846
Total	\$125,000	\$25,000	\$1,961,194	\$2,111,194

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefield, Executive Director

Date: June 10, 2026

Subject: Amended and Restated Declaration of Covenants, Conditions, and Restrictions – Four Directions Dwellings Workforce Housing Project (Resolution 2026-22)

Background

One Roof Community Housing operates Four Directions Dwellings (West End Quad Pod LLC) in Lutsen, Minnesota, a 16-unit workforce housing development constructed in partnership with the EDA and Cook County.

The project remains subject to a Declaration of Covenants, Conditions, and Restrictions that establishes occupancy requirements intended to ensure the development serves Cook County's workforce housing needs. The declaration has been amended, most recently in connection with the release of a vacant portion of original property approved by the EDA in October 2025.

Proposed Amendment

One Roof has requested approval of an Amended and Restated Declaration to provide additional flexibility in leasing units while maintaining the project's workforce housing purpose. Under the current declaration, a qualifying tenant generally must be a full-time employee working in Cook County or an individual with a bona fide offer of full-time employment in Cook County.

The proposed amendment makes two primary changes:

- Expand the definition of Qualified Member to allow a local employer to lease a unit for the purpose of housing an employee who works in Cook County. This change recognizes that some employers actively assist employees securing housing and provides additional flexibility in meeting workforce housing needs.
- Clarify and revise provisions allowing units to be leased to non-Cook County based employers housing temporary or seasonal workers employed in Cook County when no qualified workforce housing applicant is available. The declaration continues to limit this use to a maximum of four (4) of the sixteen (16) units within the development.

Discussion

One Roof has indicated that the current occupancy requirements have created challenges in maintaining full occupancy of the development. The proposed amendments are intended to provide additional leasing flexibility while preserving the original intent of the project.

Importantly, the declaration continues to require that the development primarily serve individuals working in Cook County. The amendments do not convert the project to unrestricted rental housing, nor do they eliminate the workforce housing requirements that were a condition of public investment in the project.

The amendments also provide additional clarity by establishing a definition for “Local Employer” and “Non-Local Employer.” Local employers may lease units for qualifying employees working in Cook County, while the existing provision allowing occupancy by temporary or seasonal workers employed in Cook County remains subject to specific conditions and is limited to a maximum of four (4) of the sixteen (16) units within the development. This limitation is unchanged from the current declaration.

Overall, the proposed amendments are intended to improve occupancy and support workforce recruitment and retention efforts while maintaining the project’s primary purpose as workforce housing serving Cook County.

The proposed Amended and Restated Declaration has been prepared by the EDA’s legal counsel.

Recommended Action

Adopt Resolution 2026-22 authorizing execution of the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for the Four Directions Dwellings workforce housing project and authorize the EDA President to execute all documents necessary to implement and record the amended declaration.

Attachments:

- Resolution 2026-22
- Amended and Restated Declaration of Covenants, Conditions, Restrictions – redline version

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-22

**RESOLUTION APPROVING AN AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR THE FOUR DIRECTIONS DWELLINGS WORKFORCE HOUSING PROJECT**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) participated in the financing and development of the Four Directions Dwellings workforce housing project located in Lutsen, Minnesota (the “Project”); and

WHEREAS, the Project is subject to a Declaration of Covenants, Conditions, and Restrictions establishing workforce housing occupancy requirements for the Project; and

WHEREAS, West End Quad Pod, LLC (One Roof Community Housing) has requested approval of an Amended and Restated Declaration of Covenants, Conditions, and Restrictions to provide additional flexibility in leasing units while maintaining the workforce housing purpose of the Project; and

WHEREAS, the proposed amendments expand the definition of Qualified Member to include certain employer-sponsored housing arrangements and clarify provisions related to temporary and seasonal workforce occupancy; and

WHEREAS, the proposed amendments continue to require that the development primarily serve individuals working in Cook County and maintain limitations on non-traditional workforce housing arrangements; and

WHEREAS, the EDA finds that the proposed amendments remain consistent with the original intent and public purpose of the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Commissioners of the Cook County/Grand Marais Joint Economic Development Authority:

1. Approve the Amended and Restated Declaration of Covenants, Conditions, and Restrictions substantially in the form presented to the Board.
2. Authorize the Board President to execute the Amended and Restated Declaration of Covenants, Conditions, and Restrictions and any related documents necessary to implement and record the amendment.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention: None

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION was originally made on the 7th day of June, 2018, recorded in the Cook County Recorder's Office on June 8, 2018, as Document No. A000127323, as amended by that First Amendment to Declaration of Covenants, Conditions and Restrictions Four Directions Dwellings, Lutsen, MN dated March 10, 2020, recorded in the Cook County Recorder's Office on May 27, 2021, as Document No. 133186, (together, the "Original Declaration") by West End Quad Pod, LLC, a Minnesota limited liability company (the "Declarant"), for the purpose of creating covenants, conditions and restrictions that relate to property in Cook County, Minnesota.

A portion of the Property subject to the Original Declaration was released from the covenants, conditions and restrictions pursuant to that Partial Release of Declaration of Covenants, Conditions and Restrictions dated _____, 2025, and recorded in the Office of the County Recorder in and for the County of Cook, Minnesota, on _____, 2025, as Document No. _____.

The Declarant and Authority hereby amend and restate in its entirety the Original Declaration, which shall constitute the complete Declaration of Covenants, Conditions and Restrictions (the "Declaration") as follows:

RECITALS

Declarant desires to establish for the Property (defined below) a plan for its use as Workforce Housing (defined below); and

Declarant declares that this Declaration shall constitute covenants to run with the Property, and that the Property shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, all of which

shall be binding upon all Persons owning or acquiring any right, title or interest therein, and their heirs, personal representatives, successors and assigns.

SECTION 1-DEFINITIONS

The following words when used in the Governing Documents shall have the following meanings (unless the context indicates otherwise):

1.1 "Authority" means the Cook County/Grand Marais Joint Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota.

1.2 "Declarant" means West End Quad Pod, LLC, which has been created pursuant to Minnesota Statutes Chapter 322C.

1.3 "Development Agreement" means the Amended and Restated Development Agreement, dated as of April 10, 2018, among the Authority, One Roof Community Housing and the Declarant, as amended.

1.4 "Full-Time" means a permanent resident of Cook County who works at least 32 hours per week.

1.5 "Governing Documents" means this Declaration and the Development Agreement, and a Memorandum of Development Agreement recorded on June 8, 2018, with the County Recorder of Cook County as Document No. A000127322.

1.6 "Housing Units" means the 16 rental units located on the Property.

1.7 "Owner" means the Declarant and any other permitted person or entity that is the owner of the Property.

1.8 "Property" means all of the real property subject to this Declaration, including the real property located in Cook County, Minnesota, legally described on Exhibit A, the Housing Units and all other structures and improvements located thereon now or in the future.

1.9 "Term of this Declaration" means the period of twenty (20) years from October 1, 2018.

1.10 "Workforce Housing" means housing for a person who meets the following eligibility requirements:

(a) At least one adult, non-dependent member of the household occupying the workforce housing unit lives and works Full-Time in Cook County, Minnesota (the "County"), or has a bona fide offer of full-time employment within the County commencing within three months of the time of application to rent the workforce housing unit and will live and work Full-Time in the County (~~the "Qualified Member"~~); a "Qualified Individual Member" or a Local Employer who will rent the unit from Owner solely for the purpose of subletting the unit to an adult, non-dependent member of the household who will work in Cook County on a temporary or seasonal basis (a "Qualified Local Employer Member"). Each Qualified Individual Member or Qualified Local Employer Member is a "Qualified Member";

(b) The workforce housing unit must be occupied by ~~the~~ a Qualified Individual Member on a permanent, year-round basis;

(c) The ~~tenant~~ Qualified Individual Member may not sublet the unit on a short or long-term basis, without the Owner's consent, and the sub-lessee must meet all the criteria as a Qualified Individual Member;

(d) The ~~tenant~~ Qualified Member may not charge a fee for any guests (other than a lessee or sub-lessee) in the unit and may not operate a Vacation Rental By Owner, Airbnb or any short-term rental in the unit;

(e) If there is no Qualified Individual Member residing in the workforce housing unit, the lease of such housing unit may be terminated by the Owner on 90 days' notice to the tenant, or;

(f) If the Owner or its rental management agent has advertised a Workforce Housing unit available for rent and no Qualified Member comes forward, the Owner may allow ~~an employer~~ a Non-Local Employer to rent the unit solely for temporary or seasonal workers the purpose of subletting the unit to an adult, non-dependent member of the household who will work in Cook County on a temporary or seasonal basis; provided that for such Non-Local Employer such lease does not exceed one year and ~~upon termination~~ at the end of the term of the one year lease, the Owner or its rental management agent must again advertise as a Workforce Housing unit available for rent to a Qualified Member prior to leasing again to ~~an employer~~ a Non-Local Employer to rent for temporary or seasonal workers who will work in Cook County. ~~The employer~~ Upon readvertising the unit as

a Workforce Housing, if a Qualified Member applies to rent such unit, the Qualified Member will be given preference to rent the unit. This use by Non-Local Employer shall not exceed 25% (4 of 16) of the Workforce Housing units.

For purposes of this Section 1.10, the following definitions apply: i) "Local Employer" shall mean a business which has a physical place of business located within Cook County, Minnesota providing goods or services, or derives greater than 15% of its revenues from sales within Cook County, Minnesota; and ii) "Non-Local Employer" shall mean a business which does not have within Cook County, Minnesota a physical place of business providing goods or services or does not derive greater than 15% of its revenues from sales within Cook County, Minnesota. The Local Employer or Non-Local Employer will guarantee the lease, collect and remit monthly rent. Density of occupants is not to exceed two persons per bedroom. ~~This use shall not exceed 25% (4 of 16) of the Workforce Housing units.~~

SECTION 2—RESTRICTION ON USE, RENT AND SALE OF PROPERTY

2.1 Use of Property. The Owner and all occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy, covenant and agree that, in addition to any other restrictions which may be imposed by the Governing Documents, the occupancy, use, operation, alienation and conveyance of the Property shall be subject to the restrictions that it be used as Workforce Housing for the Term of this Declaration.

2.2 Rent Restrictions. Rents on the Housing Units will not be increased by more than 3% per year, unless the Owner is able to provide evidence to the Authority of costs increasing by an amount where a 3% annual increase will not maintain the net operating income projected in Exhibit M attached to the Development Agreement and the Authority Board provides written approval of such increase; such rent restriction shall be for the Term of this Declaration.

2.3 Restrictions on Sale. The Owner may not assign, convey, transfer or sell the Property or the Housing Units without the prior written consent of the Authority, which consent shall not be unreasonably withheld; such restriction on the sale shall be for the Term of this Declaration.

SECTION 3—COMPLIANCE AND REMEDIES

3.1 Entitlement to Relief. The Authority may commence legal action to recover sums due, for damages, or injunctive relief if a violation hereof is alleged and no cure accomplished in 60 days from notice of same, or any combination thereof, or an action for any other relief authorized by the Governing Documents or available at law or in equity. Legal relief may be sought by the Authority against any Owner, its successors or assigns to enforce compliance with the Governing Documents.

3.2 Costs of Proceeding and Attorneys' Fees. With respect to any collection measures, or any measures or action, legal administrative, or otherwise, which the Authority takes to enforce the provisions of the Governing Documents whether or not finally determined by a court, the court may assess the violator with any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the court, reasonable attorneys' fees, and interest (at the highest rate allowed by law) on the delinquent amounts.

SECTION 4—AMENDMENTS

This Declaration may be amended by Agreement of Declarant and the Authority.

SECTION 5—MISCELLANEOUS

5.1 Severability. If any term, covenant, or provision of this instrument or any exhibit attached hereto is held to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect or impair in any manner whatsoever any other portion of this instrument or exhibits.

5.2 Consent by the Authority. The Authority agrees not to withhold consent to a waiver or modification of the Workforce Housing restrictions upon a showing by Owner of three (3) months of vacancy despite commercially reasonable advertising efforts to rent the Workforce Housing units. Such consent shall be provided by the Executive Director of the Authority. Subject to Section 1.10(f), upon lease-up of any unit which receives a waiver or modification, the Workforce Housing restriction is reinstated and applies to leasing of the unit to a subsequent tenant.

5.3 Conflicts Among Documents. In the event of any conflict among the provisions of the Declaration and the Governing Documents, the Governing Documents shall control.

5.4 Governance. This Declaration shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year set forth below.

WEST END QUAD POD, LLC
By One Roof Community Housing, a
Minnesota nonprofit corporation, its Sole
Member

By: _____
Jeff Corey, its Deputy Director

STATE OF MINNESOTA)
)
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Jeff Corey, the Deputy Director of One Roof Community Housing, a Minnesota nonprofit corporation, the Sole Member of West End Quad Pod, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

Notary Public

By: _____

Peter Clissold, its Board President

STATE OF MINNESOTA)

)

COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Peter Clissold, the President of the Cook County/Grand Marais Joint Economic Development Authority, public body corporate and politic and political subdivision, on behalf of the Authority.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Fryberger, Buchanan, Smith & Frederick, P.A.
302 West Superior Street, Suite 700
Duluth, MN 55802
(218) 722-0861
MET

06077\000024\1EB404503.DOCX

EXHIBIT A
to
Declaration of Covenants, Conditions and Restrictions

That part of the Southeast Quarter of the Southeast Quarter, Section 27, Township 60 North, Range 3 West of the Fourth Principal Meridian, Cook County, Minnesota, described as follows:

COMMENCING at the Northwest Corner of the Southeast Quarter of the Southeast Quarter of said Section 27, marked by a ½" yellow capped rebar license number 19095; thence South 00 degrees 53 minutes 48 seconds West, assumed bearing, along the west line of said Southeast Quarter of the Southeast Quarter a distance of 1316.37 feet to the Northerly right of way line of Minnesota Trunk Highway No. 61, said line being 150 feet distant Northerly of an parallel with the traveled centerline of said highway and POINT OF BEGINNING of the parcel to be herein described; thence North 72 degrees 40 minutes 46 seconds East along said right of way, a distance of 401.58 feet; thence North 09 degrees 17 minutes 24 seconds West 47.16 feet; thence North 00 degrees 12 minutes 29 seconds East 309.29 feet; thence North 25 degrees 00 minutes 46 seconds West 109.73 feet; thence North 53 degrees 07 minutes 42 seconds East 332.32 feet; thence South 36 degrees 52 minutes 18 seconds East 369.23 feet; thence South 00 degrees 41 minutes 05 seconds West 382.36 feet to the traveled centerline of Minnesota Trunk Highway No. 61; thence South 72 degrees 40 minutes 46 seconds West along said centerline, a distance of 382.47 feet to the south line of said Southeast Quarter of the Southeast Quarter; thence North 87 degrees 49 minutes 40 seconds West along the south line of said Southeast Quarter of the Southeast Quarter, a distance of 448.52 feet to the Southwest Corner of said Southeast Quarter of the Southeast Quarter; thence North 00 degrees 53 minutes 48 seconds East along the west line of said Southeast Quarter of the Southeast Quarter, a distance of 0.35 feet to the POINT OF BEGINNING.

TOGETHER WITH AND SUBJECT TO that certain 50-foot shared driveway easement contained in that certain Warranty Deed recorded June 8, 2018, in the office of the Cook County Recorder as Document No. A000127319, Exhibit B.

MEMO

To: EDA Board of Commissioners

From: Lucas Wakefield, Executive Director

Date: June 15, 2026

Subject: Authorization of Professional Services Expenditure– Septic System Design Services for Superior National at Lutsen Golf Course (Resolution 2026-23)

Background

As part of the pending sale of Superior National at Lutsen Golf Course, the EDA remains responsible for completion of certain infrastructure improvements, including installation of a new septic system serving the golf course facilities.

Preliminary site investigation work has been completed, including test hole analysis and evaluation of potential septic system locations. Based on those findings, the next step is preparation of a septic system design that will establish system specifications, support permitting and regulatory review, and provide the information necessary of future construction procurement.

Terra Firma has submitted a proposal to complete septic system site evaluation, sampling, design, permit application materials and related professional services to advance the project toward construction. The total cost of the proposal is \$9,664.00.

Completion of the design work will allow the EDA to advance the project toward construction, obtain contractor pricing, and determine whether the project will be procured through direct contractor solicitation or formal bidding requirements based on the estimated construction cost.

Recommended Action

Adopt Resolution 2026-23 authorizing expenditure for professional services with Terra Firma in an amount not to exceed \$9,664.00.

Attachments:

- Resolution 2026-23
- Scott Robinson Proposal

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2026-23

**RESOLUTION AUTHORIZING EXPENDITURE FOR PROFESSIONAL SERVICES WITH TERRA FIRMA IN AN
AMOUNT NOT TO EXCEED \$9,664.00**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) owns Superior National at Lutsen Golf Course (“Superior National”) and is responsible for completion of certain infrastructure improvements associated with the pending sale of the property; and

WHEREAS, those improvements include development and installation of a new septic system serving golf course facilities; and

WHEREAS, preliminary site investigation and soil testing activities have been completed, and the project is ready to advance into the design phase; and

WHEREAS, Terra Firma has submitted a proposal to provide septic system design services necessary to support permitting, project development, and future construction procurement in an amount not to exceed \$9,664.00; and

WHEREAS, completion of the design work will allow the EDA to advance the project toward construction and obtain necessary cost estimates necessary to determine the appropriate procurement method for installation of the system.

NOW, THEREFORE, BE IT RESOLVED, that the Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby authorizes an expenditure for professional services with Terra Firma in an amount not to exceed \$9,664.00.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 16th day of June 2026.

ATTEST: _____

Peter Clissold – Board President



QUOTE

DATE: **06/15/2026**
 EXP. DATE: **07/15/2026**
 QUOTE # 28

Terra Firma
 www.terrafirma-mn.com
 6769 Leskinen
 Finland, MN 55603
 Phone: (218) 353-7669
 Email: scott@terrafirma-mn.com

BILL TO:

Superior National
 5731 W Hwy 61
 Lutsen MN 55612

SERVICE TO:

Superior National Golf Course
 Superior National
 5731 W Hwy 61
 Lutsen MN 55612

ITEM	DESCRIPTION	QTY	PRICE PER	UNIT	AMOUNT	TAX
Advanced Design - HSW	High Strength Waste	1.00	\$5,000.00	Item	\$5,000.00	N
Terra Firma Hourly Rate - SA	Site work, effluent sampling, design forms, permit application, etc.	20.00	\$225.00	Item	\$4,500.00	N
Waste Sampling - BOD	Biochemical Oxygen Demand (5-day)	1.00	\$51.00	Item	\$51.00	N
Waste Sampling - TSS	Solids, Total Suspended (TSS)	1.00	\$29.00	Item	\$29.00	N
Waste Sampling - FOG	Fats, Oils, Grease (Aqueous)	1.00	\$84.00	Item	\$84.00	N

SUBTOTAL **\$9,664.00**
 TAX RATE*
 TAX **\$0.00**
 OTHER -

 TOTAL **\$9,664.00**

MEMO

Septic system site evaluation for soils, septic tank effluent sampling, design

TERMS & CONDITIONS

This quote will be honored for 30 days from the date sent.

We strive to provide accurate quotes but reserve the right to adjust for market fluctuations and/or errors.

Acceptance of quote will require 1/3 of the estimated cost as a retainer. An additional 1/3 of the estimated cost will be due at the onset of the project. The final 1/3 of the estimated cost will be due on completion.

Taconite Harbor Advisory Committee – Summary Presentation for Cook County/Grand Marais Joint EDA

Date: June 16th, 4pm

1. Introduction and Opening Comments
2. Advisory Committee Process Overview
3. Educational Sessions
 - Physical Characteristics
 - Environmental Context
 - Economic and Market Context
4. Vision A & B
5. Implementation Roadmap

For more information visit the EDA website: [Taconite Harbor | Cook County EDA](#)

Name: Cook Co. 2026 Northland SBDC Reporting Scorecard
Layout: *External Partners Northland SBDC Reporting Scorecard
Cumulative Period Start: 1/1/2026
Current Period Start: 1/1/2026
Scorecard End: 12/31/2026
Funding Source(s): All
Sub-Funding Source(s): ALL
Center(s): 7

Line No	Data Elements	5/1/2026 to 5/31/2026
1.	DEED Report Categories	0
2.	# Unique Individual Entrepreneurs and/or Businesses Served	9
4.	# of New Clients - Based on Initial Session	3
5.	# Hours of Business Assistance Services Provided	12
6.	Total Capital Accessed by Clients Served	\$0.00
7.	Number of Jobs Created (Full Time and Part-Time)	0
8.	Number of Jobs Retained	23
9.	Total Jobs Supported (Created and Retained)	23
10.	Average Wages of Jobs Reported	\$0.00
11.	# of New Businesses Starts/Bought Businesses	0
14.	# Veteran-Owned Businesses/Entrepreneurs Served	0

Join us!

RIBBON CUTTING



to CELEBRATE the NEW
Grand Marais Transfer Station!

Friday, June 26
10 AM - 1 PM



Open to the public
Food & drinks provided
Tour the new facility

**GRAND MARAIS
TRANSFER STATION**
75 Eliasen Mill Road
Grand Marais, MN