



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, March 26, 2024
<b>Category:</b>	INFORMATION ONLY
<b>Type:</b>	INFO
<b>Subject:</b>	Marshall Capstone Endowment Fund Annual Review
<b>Information:</b>	<p>The Marshall Capstone Endowment Fund was created to preserve the principal contributions of the fund in perpetuity with interest earnings to support city projects determined to enhance the city. The fund can be used for projects that contribute to the betterment of the city and to provide funding for special projects that may not otherwise be determined necessary or available for funding from other revenue sources.</p> <p>The adopted spending policy dedicated funds toward the bond payment for the library, which is scheduled through 2026. The Council has identified other projects throughout the years as appropriate spending of the available funds.</p> <p>Due to contributions toward payment on the library bonds and the market value change, the overall fund is currently at \$1,912,367. The largest impact was in 2022 when the estimated market value decreased by \$157,416 due to increased interest rates (investments held at lower interest rates impact market value). The fund recovering to the dedicated level will heavily rely on the markets in the upcoming months.</p> <p>The charter and policy require review of this fund by the Ways and Means Committee with an update to Council. The Ways and Means Committee met on February 27, 2024.</p>

CITY OF MARSHALL, MINNESOTA  
 ENDOWMENT FUND  
 12/31/2023

YEAR	INCOME EARNED	MARKET CHANGE	EXPENSES /FEES	TOTAL RETURN	CONTRIBUTIONS	WITHDRAWALS	BEGINNING/ENDING MARKET VALUE
Initial Deposit (9/1/10)					2,007,841.29		2,007,841.29
2010	1,267.37	(73,995.27)	(1,322.51)	(74,050.41)			1,933,790.88
2011	13,007.53	160,801.80	(5,853.54)	167,955.79			2,101,746.67
2012	51,938.75	18,216.62	(5,604.68)	64,550.69		(31,952.00)	2,134,345.36
2013	55,985.21	(93,209.72)	(5,380.94)	(42,605.45)		(44,841.28)	2,046,898.63
2014	53,210.55	38,664.59	(5,328.99)	86,546.15		(37,953.20)	2,095,491.58
2015	53,940.33	(19,537.74)	(4,827.57)	29,575.02		(63,343.17)	2,061,723.43
2016	52,969.03	(6,564.10)	(4,638.76)	41,766.17		(36,834.57)	2,066,655.03
2017	46,978.10	(26,789.14)	(4,570.45)	15,618.51		(36,247.70)	2,046,025.84
2018	56,173.60	(20,657.65)	(4,487.82)	31,028.13		(44,737.81)	2,032,316.16
2019	59,769.91	27,809.03	(4,641.32)	82,937.62		(63,764.34)	2,051,489.44
2020	57,169.97	18,414.11	(4,685.99)	70,898.09		(41,346.44)	2,081,041.09
2021	48,286.04	(57,018.09)	(4,674.05)	(13,406.10)		(39,362.99)	2,028,272.00
2022	43,807.31	(157,416.19)	(4,625.77)	(118,234.65)		(32,708.99)	1,877,328.36
2023	53,145.03	48,547.88	(4,761.79)	96,931.12		(29,386.16)	1,944,873.32
2024	1,672.06	2,514.23	(405.56)	3,780.73		(36,287.43)	1,912,366.62
2025				-			1,912,366.62
	649,320.79	(140,219.64)	(65,809.74)	443,291.41	2,007,841.29	(538,766.08)	1,912,366.62

\*In those years that the Market Value is below the \$2,000,000 mark is due to the unrealized loss. This is a loss that won't be recognized as the city holds all investments to maturity. In 2023, the markets recovered but, not enough after the bond payment per spending policy was paid out. The same is for 2024, however, staff expect with current interest rates that the fund will be fully restored to the \$2,000,000.00 per Charter.

CITY OF MARSHALL, MINNESOTA  
 ENDOWMENT FUND PROJECT AWARDS  
 12/31/2023

YEAR AWARDED	AMOUNT AWARDED	COMPLETE (Y/N)	TITLE	DESCRIPTION
2013	5,500.00	Y	Liberty Park Irrigation	Lawn and Landscaping Irrigation for Mrs. Whitney Statue and Bandshell Area.
2013	1,705.73	Y	Adult Community Center Ipads	Ipads (3) for the adult community center for intergenerational socialization programming and social media for seniors connecting with friends and family.
2013	2,885.00	Y	Sounds of Summer Banners	Banners for Downtown and Liberty Park on display after 4th of July banners for Sounds of Summer
2014	3,001.00	Y	Traveling Vietnam Memorial	Traveling wall on display at Independence Park July 2014
2015	24,431.00	Y	Mobile Stage	Mobile stage to be used throughout the city and also available for rent
2017	12,932.07	Y	Playground Equipment	Liberty Park playground equipment replacement - Firetruck
2018	25,000.00	Y	Lyon County Historical Society	Legacy Grant Matching Funds - City Contribution
2018	30,000.00	N	Veteran Memorial	City Memorial Park, Veteran Memorial ( <b>NOT NEEDED DUE TO DONATIONS AMOUNTS</b> )

Subtotal                    \$ 105,454.80