*This opinion is nonprecedential except as provided by Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA**
**IN COURT OF APPEALS**
**A24-0603**

In re the Marriage of:

Mary Ellen Rice (FKA) Block, petitioner,
Respondent,

vs.

William Ray Block,
Appellant.

**Filed February 10, 2025**
**Affirmed**
**Halbrooks, Judge***

Ramsey County District Court
File No. 62-FA-10-2043

Jack W. Hicks, Hellmuth & Johnson, PLLC, Edina, Minnesota (for respondent)

Dennis B. Johnson, Chestnut Cambronne PA, Minneapolis, Minnesota (for appellant)

Considered and decided by Wheelock, Presiding Judge; Bjorkman, Judge; and Halbrooks, Judge.

## NONPRECEDENTIAL OPINION

**HALBROOKS**, Judge

Appellant-husband challenges a post-dissolution-judgment order, arguing the district court abused its discretion when it denied his motion (1) for reimbursement of an

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* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

alleged overpayment to respondent-wife with respect to the property division determined in the dissolution judgment and (2) to terminate his spousal-maintenance obligation.[1] We affirm.

## FACTS

Appellant William Ray Block (husband) and respondent Mary Ellen Rice (wife) married in October 1985 and share two adult daughters. During their marriage, husband worked as a successful businessman, owning and co-owning multiple real-estate enterprises collectively worth more than $30 million. Wife maintained the marital home and raised their two daughters. The parties' marriage was terminated, and their property was divided in a dissolution judgment that was entered in February 2013 (the original judgment) and amended in July that same year (the amended judgment).[2]

Among husband's extensive business portfolio at the time of the dissolution were three companies wholly owned by husband: White Eagle GC LLC, Preservation Development LLC, and MH Mortgage Corp. As was typical in husband's business practice, he personally loaned these companies funds. White Eagle—a golf course located in Wisconsin, across the St. Croix River from Stillwater, Minnesota—owed husband

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[1] In his brief to this court, husband describes his spousal-maintenance motion as "a motion for termination and/or modification." But review of the record reveals that he solely characterized his motion as a "motion to terminate" before the district court. Because we consider "only those issues that the record shows were presented and considered by the [district] court," we construe his spousal-maintenance motion as a motion to terminate. *Thiele v. Stich*, 425 N.W.2d 580, 582 (Minn. 1988).

[2] This case spans more than a decade and involves extensive posttrial motion proceedings that have involved multiple judges. Here, we focus only on the facts relevant to the issues presented on appeal.

$4,079,091 but lacked sufficient cash flow to meet its operating expenses. Preservation Development, which owns residential golf course lots surrounding White Eagle, owed husband $2,014,239. Finally, MH Mortgage is a pass-through company whose "sole significant asset" was an additional $2.6 million note from White Eagle. Together, the three companies formed an interrelated business plan designed to capitalize on the then-unrealized construction of a new bridge between Stillwater and Wisconsin.

The White Eagle, Preservation Development, and MH Mortgage interests (collectively "the receivables") were found to be "speculative" in nature by the district court. Because it was unclear whether these receivables would ever be repaid, the district court determined that the "fair and equitable resolution" was to divide them equally between husband and wife. That way, both parties would have "incentive to collect" and would "bear equally the substantial risk associated with these assets." Accordingly, the amended judgment awarded husband and wife a one-half interest in the debts owed by White Eagle and Preservation Development and equal shares in MH Mortgage, to be distributed pro rata as payments on the receivables are made.[3]

In addition to dividing the receivables, the amended judgment required husband to pay wife a $1,273,111 cash equalizer. Notably, the value of the cash equalizer was

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[3] The district court divided only the notes owed by White Eagle and Preservation Development—not the businesses themselves—equally between husband and wife. Ownership of White Eagle and Preservation Development was awarded solely to husband because the district court believed such a division would "most assuredly" allow for continued cash flow, given husband's demonstrated business acumen. In contrast, husband and wife were each awarded a one-half interest in the business entity of MH Mortgage.

significantly reduced from the $3,310,946 payment required in the original judgment. This change was the result of a reduction in the district court's overall valuation of the marital estate in the amended judgment.

In light of the reduced cash equalizer, wife filed a motion seeking spousal maintenance—a matter that the amended judgment had reserved for determination. In May 2014, the district court filed an order (the spousal-maintenance order), finding that the cash-equalizer reduction had "render[ed] the reservation of spousal maintenance unreasonable and unfair" because wife could no longer meet her needs through her earnings and interest on her share of the marital estate. The district court then ordered husband to

> pay temporary spousal maintenance to [wife] of $8,000 per month . . . until such time that this matter is further reviewed following final payment of the property equalizer, realization of [wife's] share of MH Mortgage, Preservation Development, LLC, and White Eagle G[C], LLC, or both.

In 2015, this court affirmed both the district court's award of spousal maintenance and the division of the parties' property—including the division of the receivables—in a nonprecedential opinion. *Block v. Block*, No. A14-1096, 2015 WL 4611907, at *2-6 (Minn. App. Aug. 2, 2015).

Since this court's opinion, the parties have been locked in a repetitive cycle of litigation in which husband fails to meet his obligations, leading wife to seek judicial enforcement. Over the last five years, wife has filed multiple contempt motions due to husband's refusal to pay spousal maintenance and, as a result, the district court has twice found husband in constructive civil contempt. Indeed, husband has spent time in jail for failure to pay maintenance despite having the means to do so.

Similarly, husband has evaded paying wife her share of the property division, necessitating the appointment of a special master/receiver to ensure that the receivables are divided as outlined in the amended judgment. The special master/receiver's role has largely been to ensure that wife receives her pro rata share of the proceeds from the sale of Preservation Development lots, which have begun to sell more readily following the opening of the St. Croix River bridge in 2017.

In October 2023, wife filed yet another contempt motion asserting that husband has failed to pay her spousal maintenance since July 2022, accruing $120,000 in arrears. Husband filed a responsive motion asking the district court to deny wife's motion for contempt. He moved the district court to (1) find that wife was overpaid for her interest in the Preservation Development receivable and to apply that overpayment to any spousal maintenance arrearage, returning the remaining amount to husband and (2) terminate wife's spousal maintenance on the basis of her receipt of the cash equalizer and her interest in Preservation Development.

After holding a hearing where it heard extensively from both parties' counsel, the district court issued an order denying husband's motions for reimbursement and spousal-maintenance termination, granting wife's motion related to the enforcement of the maintenance obligation, and reserving wife's motion for contempt.

This appeal by husband follows.

## DECISION

**I. The district court did not abuse its discretion when it denied husband's motion for reimbursement related to the Preservation Development receivable.**

Absent fraud or mistake, property divisions are final and may not be modified. *Graff v. Graff*, 472 N.W.2d 882, 883-84 (Minn. App. 1991), *rev. denied* (Minn. Sept. 13, 1991). "While a district court may not modify a final property division, it may issue orders to implement, enforce, or clarify the provisions of a decree, so long as it does not change the parties' substantive rights." *Nelson v. Nelson*, 806 N.W.2d 870, 871 (Minn. App. 2011) (quotation omitted). An order does not affect the parties' substantive rights when the original division of marital property is not increased or decreased. *Id.* We will not disturb a such an order absent an abuse of discretion. *Id.*

"A court has jurisdiction to interpret and clarify a judgment which is ambiguous or uncertain on its face, even after the time for appeal has passed." *Halverson v. Halverson*, 381 N.W.2d 69, 71 (Minn. App. 1986). Whether a provision in a judgment is clear or ambiguous is a legal question, which we review de novo. *Suleski v. Rupe*, 855 N.W.2d 330, 339 (Minn. 2014); *Stewart v. Stewart*, 400 N.W.2d 157, 158-59 (Minn. App. 1987). And "[a] district court's determination of the meaning of an ambiguous [judgment] provision is a fact question," which we review for clear error. *Suleski*, 855 N.W.2d at 339.

Husband contends that the amended judgment unambiguously allocates wife a one-half interest in the $2,014,239 receivable from Preservation Development, meaning that wife is owed $1,007,119.50 of Preservation Development proceeds—and no more. Similarly, he asserts that the amended judgment unambiguously states that the White Eagle and MH Mortgage receivables are only to be paid to wife after they have been collected, which has not occurred. It is undisputed that the special master/receiver has paid wife $1,430,164.60 in proceeds from Preservation Development lot sales. Accordingly, husband maintains that wife's share of the Preservation Development receivable has been overpaid by $423,045.10. He argues that the district court's denial of his motion for the reimbursement of this amount (less any spousal-support arrearage) is a modification of the parties' marital-property division because it effectively pre-pays wife a portion of her speculative interests in the White Eagle and MH Mortgage receivables, thereby assigning more of the risk to him.

Wife presents an alternate interpretation of the amended judgment's property division. She argues that Preservation Development, White Eagle, and MH Mortgage were considered "part[s] of a whole." In short, wife contends that the amended judgment aggregated the value of the receivables. Under the aggregation theory, there can be no overpayment until wife's interest in all three receivables is satisfied.

The district court accepted the parties' invitation to engage in what it characterized as a "historical review and interpretation" of the amended judgment and, after a very thorough examination of the record, agreed with wife's interpretation. We read the district court's order as regarding the receivables as a single, aggregate value. In its order, the district court noted that while it is in dispute whether wife has received her share of Preservation Development, husband "has not demonstrated that [wife] has realized her share of MH Mortgage, or White Eagle." Accordingly, the district court found "that there has been no overpayment to [wife]."

After our own careful review of the amended judgment, we conclude that its provision addressing the division of the receivables is ambiguous but discern no error in the district court's resulting factual determination that the amended judgment related the receivables in the aggregate. Although the language of the amended judgment does not expressly state whether the receivables should be considered in the aggregate, it consistently refers to them in a joint manner. First, the division of all three assets are handled in a single conclusion of law, which states, "[t]he parties are each awarded a one-half interest in the following business entity and receivables," and then lists MH Mortgage, Preservation Development, and White Eagle. Following this allocation, every reference made to the receivables is made to all three in list format: "MH Mortgage, Preservation Development, LLC, and White Eagle G[C], LLC." The consistent grouping of all three receivables supports the district court's interpretation that the amended judgment intended the receivables to be aggregated.

Because the district court did not clearly err in its interpretation of the amended judgment, its order did not modify the property division between the parties. And because husband has not demonstrated that wife has received more than her pro rata share of the Preservation Development proceeds, he has failed to prove that she has been overpaid. Therefore, we conclude the district court did not abuse its discretion in denying husband's motion for reimbursement related to the Preservation Development receivable.

## II. The district court did not abuse its discretion by denying husband's motion to terminate spousal maintenance.

A district court has broad discretion in matters related to spousal maintenance, and we will reverse only upon a clear abuse of discretion. *Sinda v. Sinda*, 949 N.W.2d 170, 174 (Minn. App. 2020). A district court abuses its discretion when it "makes findings of fact that are not supported by the record, misapplies the law, or resolves the matter in a manner that is contrary to logic and the facts on the record." *Madden v. Madden*, 923 N.W.2d 688, 696 (Minn. App. 2019). When a spousal-maintenance decision rests on factual determinations, this court applies a clear-error standard of review to those findings of fact. *Id.*

Spousal maintenance may be modified when a substantial change in circumstances has occurred, making the existing award "unreasonable and unfair." Minn. Stat. § 518A.39, subd. 2(a) (Supp. 2023). A substantial change may include an increase or decrease in the gross income or need of the obligor or the obligee. *Id.*, subd. 2(a)(1), (2). The party moving for the modification bears the burden of demonstrating that (1) a substantial change has occurred which (2) renders the original spousal-maintenance award unreasonable and unfair. *Hemmingsen v. Hemmingsen*, 767 N.W.2d 711, 716-17 (Minn. App. 2009).

Husband argues that the district court abused its discretion when it denied his motion to terminate spousal maintenance because it "ignore[d]" wife's ability to realize additional income from her receipt of the cash equalizer and payments for the Preservation Development receivable. He submits that the thrust of the spousal-maintenance order was to permit maintenance until wife gained the ability to meet her needs by generating income from her share of the marital estate—something that he contends she is currently able to do. In support of his claim, husband offered an affidavit of a certified financial planner that provided expected rates of return.

Contrary to husband's assertions, the district court directly addressed his contention that wife can support herself from the share of the marital estate that she has received. But the district court determined that husband had failed to provide any evidence of wife's actual "liquid assets" and, instead, was asking it to "*presume* that [wife] has sufficient potential income." Without evidence establishing wife's ability to generate income, the district court concluded that husband had failed to meet his burden of demonstrating a substantial change of circumstances sufficient to warrant spousal-maintenance termination.

Our examination of the record supports the district court's determination. Husband offered no documentation of wife's financial circumstances. Instead, his primary source of support for the status of wife's wealth appears to be his own affidavit, in which he lists payments he has made to her, speculates as to the cash value she obtained from selling her home, and suggests that she may have received an inheritance from her parents. And, although husband provided documentation of a few email exchanges between his attorney and the special master/receiver detailing payments made to wife, we recognize that these payments do not necessarily reflect the liquid assets currently available to her—particularly when those assets have very likely been diminished due to husband's consistent refusal to pay spousal maintenance. Because we conclude that husband has failed to provide evidence demonstrating a substantial change in circumstances, we discern no abuse of discretion in the district court’s denial of his motion to terminate spousal maintenance.

**Affirmed.**