

Please call office at 651-560-2053 or email susan.cerwinske.wabashaswcd@gmail.com if you have any questions on attending physically or by phone.

We have call-in capabilities for up to 10 people. Phone# 651-560-1088 Access code # 0147478#.

**Wabasha Soil and Water Conservation
District Regular Board Meeting
December 15, 2022
8:15 am
County Conference
Room
625 Jefferson Ave.**

I. CALL MEETING TO ORDER

II. PLEDGE ALLEGIANCE

III. AGENDA

IV. PUBLIC COMMENTS

Comments limited to 5 minutes per speaker

V. CONSENT AGENDA -Board Action

Items on the Consent Agenda are considered to be routine by the Board and may be enacted through one motion. Any item on the Consent Agenda may be removed by any of the Board members for separate consideration.

- A. Jeremiah Leonhardt voucher payment for Contract# 21-Capacity-8 in the amount of \$900.00 for 340 Cover Crops, First Year of 3.
(Funding source FY21 Capacity)
- B. Huneke Dairy/Paul Huneke voucher payment for Contract# 2022WAGZ-WC-9 in the amount of \$1,600.00 for 340 Cover Crops, First Year of 3.
(Funding source WAGZ Watershed Based)
- C. Mike Rahman voucher payment for Contract# 19-DWP-CC-2 in the amount of \$900.00 for 340 Cover Crops, Final Year of 3.
(Funding source FY19 Capacity)
- D. Huneke Bros. LLP/Micah Huneke voucher payment for Contract# 2022WAGZ-WC-5 in the amount of \$4,000.00 for 340 Cover Crops, First Year of 3.
(Funding source WAGZ Watershed Based)
- E. Patricia Livingston voucher payment for Contract# 2022WAGZ-WC-02 in the amount of \$15,656.72 or 410 Grade Stabilization Structure
(Funding source WAGZ Watershed Based)

VI. SECRETARY'S REPORT

- A. November 17, 2022 Meeting Minutes – **Board Action**

VII. TREASURER'S REPORT – Board Action

- A. November District Financial Statements
- B. November Program Record

VIII. PAYMENT OF MONTHLY BILLS

- A. Monthly Bills in the amount of \$ 40,003.55 - **Board Action**
- B. December employee insurance premiums. December 23rd payroll.
VSP \$64.04 will be paid online. Auditor/Treasurer Wabasha County \$559.85
Check# will need to be cut on December 20th and dated 12/23/2022, please sign
check today – **Board Action**

IX. DISTRICT REPORTS

- A. Chair Report – Lynn Zabel
- B. County Commissioner – Bob Walkes
- C. District Manager Report – Terri Peters
- D. NRCS Report – John Benjamin – (in packet)
- E. District Technician Report- Matt Kempinger (in packet)
- F. Natural Resources Conservation Technician Report – Henry Stelten (in packet)
- G. Bookkeeper/Administrative Assistant -Sue Cerwinske (in packet)
- H. BWSR Report – None
- I. Other agencies – None

X. OLD BUSINESS

- A. Conservation Project – Lynn (open to any Supervisor for ideas)

XI. NEW BUSINESS

- A. Approve FY2021 Regional Safe Drinking Water for Private Well Users Grant
Subagreement Amendment -**Board Action/Signature**
- B. 2023 Tentative Meeting Dates on the Fourth Thursday of the month – with exception
of Thursday's that conflict with a holiday - **Board Action**
- C. Roller Crimper Trailer Rental – **Board Discussion**
- D. SWCD Drone & Tablet – **Board Discussion**
- E. Approve Draft Audit Financial Statements for year ended 12-31-21 -**Board Action**
(Drafts of Internal Control Letter and Governance Letter)
- F. Upcoming Events:
 - i. Oct – Dec Expense Report due to Sue by 12:00 pm, Tuesday, December 20
 - ii. Monday, December 26 office closed, Christmas observed
 - iii. Monday, January 2, 2023 office closed, New Year's observed

XII. Board Reports

- A. Whitewater JPB – Lynn
- B. Zumbro 1W1P – Larry (alternate Dag)
- C. WinLaC 1W1P – Lynn
- D. SE SWCD Technical Support JPB - Larry
- E. County Board Meeting – Larry (alternate Sharleen)
- F. Hiawatha Valley RC&D – Lynn

XIII. Closed Session – Board Action

- A. Personnel Review
 - i. Sue Cerwinske
 - ii. Matt Kempinger
 - iii. Henry Stelten
- B. District Manager – Terri Peters personnel review and discussion
- C. Adoption of 2023 Wage Scale

XIV. Reopen Regular Meeting – Board Action

- A. Adoption of 2023 Wage Scale
- B. Approve Employee Evaluations
- C. Approve 2023 salary recommendations

XV. Adjourn – Board Action

Date _____

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 21-Capacity-8	Other state or non-state funds? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Amendment <input type="checkbox"/> Board Meeting Date(s):	Canceled <input type="checkbox"/> Board Meeting Date(s):
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*If a group contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Jeremiah Leonhardt	Address 60035 Hwy 42	City/State Kellogg, MN	Zip code 55945
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*If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name: Watopa	Township No: 109	Range No.: 10	Section No. 7	1/4,1/4 SE, SW
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Contract Information

I (we), the undersigned, do hereby request cost share assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of all practice(s) applied under this program to ensure that the conservation objectives are met and the effective life, a minimum of N/A years, is achieved. The specific operation and maintenance requirements for the conservation practice(s) listed are described in the Operation and Maintenance plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice(s) during its effective life, the land occupier is liable to the organization for the amount up to 150% of the amount of financial assistance received to complete the practice(s) unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned effective life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the:

NRCS 340 Cover Crops


5. Increases in the practice(s) units or cost must be approved by the organization board through amendment of this contract as a condition to increase the payments.
6. This contract, when approved by the organization board, will remain in effect unless canceled or amended by mutual agreement. If practice(s) covered by this contract have not been completed by 11/1/22, 11/1/23, 11/1/24, this contract will be automatically terminated on that date.
7. Reimbursement requests must be supported by a completed voucher.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel(s) where the conservation practice(s) will be located.
2. Obtain any permits required in conjunction with the completion of the practice(s) prior to starting work on the practice(s).
3. Be responsible for the operation and maintenance of conservation practice(s) applied under this program in accordance with an Operation and Maintenance Plan prepared by the technical assistance provider.
4. Not accept any other state or federal funds for the practice(s) named in this agreement.

Date	Land Occupier
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Date	Landowner, if different from applicant 
Address, if different from applicant information:	

Conservation Practice

The primary practice for which cost-share is requested is **340 Cover Crops**

Practice standard(s) or eligible component 340 Cover Crops	Engineered Practice: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Units 30 acres
	Ecological Practice: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

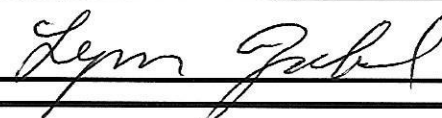
Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date 4-7-22	Technical Assistance Provider 
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Amount Authorized for Financial Assistance

The organization board or council has authorized the following for financial assistance, total not to exceed a rate of: \$30/acre

Date 5-26-2022	Authorized Signature 	Total Amount Authorized \$2,700.00
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Amount	Program Name	Fiscal Year
\$900.00	2021 Capacity	2022
\$900.00	2021 Capacity	2023
\$900.00	2022 Capacity	2024

FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: Huneke Dairy (Paul Huneke)

Address: 25409 Cty 16 Blvd

City, State, Zip: Goodhue, MN 55029

Contract No.: 2022WAGZ-WC-9

Total Amount Authorized: \$4,800.00
(from contract)

Practice	Quantity	Unit	Unit Rate	Total
340 Cover Crops - Single Species	40.000	acres	\$40.00	\$1,600.00

PAYMENT REQUEST: \$1,600.00

I certify that this is an accurate and true summation of the above project, which was completed on:

10-3-22

X Huneke Dairy Inc Paul Huneke
Payee Signature

11-21-22
Date

PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final):

Partial / ~~Final~~

B. Payment amount requested:

\$1,600.00 ~~\$1,150.00~~

C. Total Amount Authorized:

\$4,800.00

D. Total previous partial payments:

E. Amount available (C - D)

\$4,800.00

Amount Approved for This Voucher:
(cannot exceed Total Amount Authorized)

~~\$1,150.00~~ \$1,600.00
115

Technical Certification

I certify that an inspection has been performed and that the items identified under the Practice Information section of this form have been completed and are in accordance with the requested practice standards and specifications.

[Signature]
Technical Assistance Provider

11-21-22
Date

Administrative Certification

I certify that I have reviewed this voucher and all supporting information and that to the best of my knowledge and belief, the quantities and rates are accurate and are in accordance with terms of the contract identified.

[Signature]
Administrative Sign-off

11/22/22
Date

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 2022WAGZ-WC-9	Other state or non-state funds? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Amendment <input type="checkbox"/> Board Meeting Date(s):	Canceled <input type="checkbox"/> Board Meeting Date(s):
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*If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Hunke Dairy Marcus (Paul) Hunke	Address 25409 Cty Rd 16 37001 690th St Blvd	City/State Goodhue MN Lake City, MN	Zip code 55029 55041
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* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name: MT Pleasant Chester	Township No: 05 111	Range No.: 110 13	Section No. 014 21	1/4, 1/4 SW
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Contract Information

I (we), the undersigned, do hereby request cost share assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of all practice(s) applied under this program to ensure that the conservation objectives are met and the effective life, a minimum of 1 years, is achieved. The specific operation and maintenance requirements for the conservation practice(s) listed are described in the Operation and Maintenance plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice(s) during its effective life, the land occupier is liable to the organization for the amount up to 150% of the amount of financial assistance received to complete the practice(s) unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned effective life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the:

NRCS 340 cover crop

5. Increases in the practice(s) units or cost must be approved by the organization board through amendment of this contract as a condition to increase the payments.
6. This contract, when approved by the organization board, will remain in effect unless canceled or amended by mutual agreement. If practice(s) covered by this contract have not been completed by 11/1/2022, 11/1/2023, 11/1/2024, this contract will be automatically terminated on that date.
7. Reimbursement requests must be supported by a-completed voucher.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel(s) where the conservation practice(s) will be located.
2. Obtain any permits required in conjunction with the completion of the practice(s) prior to starting work on the practice(s).
3. Be responsible for the operation and maintenance of conservation practice(s) applied under this program in accordance with an Operation and Maintenance Plan prepared by the technical assistance provider.
4. Not accept any other state or federal funds for the practice(s) named in this agreement.

Date 9-19-22	Land Occupier Hunke Dairy Inc. Paul Hunke
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Date	Landowner, if different from applicant
	Address, if different from applicant information:

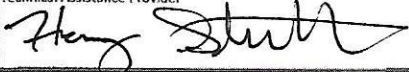
Conservation Practice

The primary practice for which cost-share is requested is **340 cover crops**

Practice standard(s) or eligible component 340 cover crops	Engineered Practice: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Units 40 acres
	Ecological Practice: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	


Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date 9-19-22	Technical Assistance Provider 
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Amount Authorized for Financial Assistance

The organization board or council has authorized the following for financial assistance, total not to exceed a rate of: \$40/acre/year

Date 10-13-2022	Authorized Signature 	Total Amount Authorized \$4,800.00
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FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: Mike Rahman
 Address: 26776 620St
 City, State, Zip: Theilman, MN 55945
 Contract No.: 19-DWP-CC-2

Total Amount Authorized: \$2,700.00
 (from contract)

Practice	Quantity	Unit	Unit Rate	Total
340- payment on 30 acres cover crops	30	acres	\$30.00	\$900.00

PAYMENT REQUEST: \$900.00

I certify that this is an accurate and true summation of the above project.


 Payee Signature

12-10-22
 Date

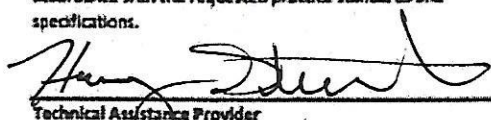
PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final):	Final
B. Payment amount requested:	\$900.00
C. Total Amount Authorized:	\$2,700.00
D. Total previous partial payments:	\$1,800.00
E. Amount available (C - D)	\$900.00

Amount Approved for This Voucher: \$900.00
 (cannot exceed Total Amount Authorized)

Technical Certification

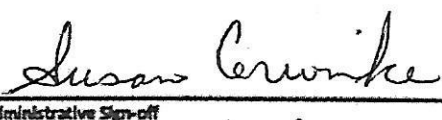
I certify that an inspection has been performed and as-built received and that the items identified under the Practice Information section of this form have been completed and are in accordance with the requested practice standards and specifications.


 Technical Assistance Provider

12-12-22
 Date

Administrative Certification

I certify that I have reviewed this voucher and all supporting information and that to the best of my knowledge and belief, the quantities and rates are accurate and are in accordance with terms of the contract identified.


 Administrative Sign-off

12/12/22
 Date

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 19-DWP-CC-2	Other state or non-state funds? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Amendment <input type="checkbox"/> Board Meeting Date(s):	Canceled <input type="checkbox"/> Board Meeting Date(s):
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* If a contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Mike Rahman	Address 26776 620th St	City/State Theilman	Zip code 55945
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* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name: West Albany/Oakwood	Township No: 110	Range No.: 12	Section No. 35 & 36	1/4, 1/4
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Contract Information

I (we), the undersigned, do hereby request cost share assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of all practices and upland treatment criteria applied under this program to ensure that the conservation objective of the practice is met and the effective life, a minimum of 3 years, is achieved. The specific operation and maintenance requirements for the conservation practice listed are described in the operation and maintenance plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice during its effective life, the land occupier is liable to the State of Minnesota for the amount up to 150% of the amount of financial assistance received to install and establish the practice unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned life, it shall be the responsibility of the land occupier who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the:

340 cover crops on 30 acres for 3 years installed by 11/1/20, 11/1/21, 11/1/22
5. Increases in the practice units or cost must be approved by the organization board through amendment of this contract as a condition to increase the cost-share payments.
6. This contract, when approved by the organization board or council, will remain in effect unless canceled or amended by mutual agreement, except where installations of practices covered by this contract have not been installed by 11/1/20, 11/1/21, 11/1/22, this contract will be automatically terminated on that date.
7. Reimbursement requests must be supported by a completed voucher.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel where the conservation practice will be located.
2. Obtain all permits required in conjunction with the installation and establishment of the practice prior to starting construction of the practice.
3. Be responsible for the operation and maintenance of conservation practices applied under this program in accordance with an operation and maintenance plan prepared by the technical assistance provider.
4. Not accept any other state or federal funds for this practice.

Date 03-09-2020	Land Occupier <i>Michael y. [Signature]</i>
Date 03-09-2020	Landowner, if different from applicant <i>Allen & Rahman</i>
	Address, if different from applicant information:

Conservation Practice

The primary practice for which cost-share is requested is 340 Cover Crops

Eligible Component Standard & Name 340 Cover Crops	Engineered Practice: <input type="checkbox"/> YES <input type="checkbox"/> NO	Total Project Cost Estimate \$2,700.00
	Ecological Practice: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date 3-12-20	Technical Assistance Provider <i>[Signature]</i> JAH 3
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Amount Authorized for Financial Assistance

The organization board or council has authorized the following for financial assistance, total not to exceed a rate of: 30/ac

Amount	Program Name	Fiscal Year
\$2,700.00	SE Drinking Water Protection FY 2019 C19-2811 no 3-26-20	2020 2019
		03-19-20

Board Meeting Date 3/26/2020	Authorized Signature <i>[Signature]</i> vice chair	Total Amount Authorized \$2,700.00
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FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION


Name: **Huneke Bros Dairy - Micah Huneke**
 Address: **24943 County 16 BLVD**
 City, State, Zip: **Goodhue, MN 55027**
 Contract No.: **2022WAGZ-WC-8**

Total Amount Authorized: **\$12,000.00**
 (from contract)

Practice	Quantity	Unit	Unit Rate	Total
340 Cover Crops - Single Species	100.000	acres	\$40.00	\$4,000.00

PAYMENT REQUEST: **\$4,000.00**

I certify that this is an accurate and true summation of the above project, which was completed on:

X 
 Payee Signature

12-11-22
 Date

PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final): **Partial**
 B. Payment amount requested: **\$4,000.00**
 C. Total Amount Authorized: **\$12,000.00**
 D. Total previous partial payments: **\$12,000.00**
 E. Amount available (C - D): **\$12,000.00**

Amount Approved for This Voucher: **\$4,000.00**
 (cannot exceed Total Amount Authorized)

Technical Certification

I certify that an inspection has been performed and that the items identified under the Practice Information section of this form have been completed and are in accordance with the requested practice standards and specifications.


 Technical Assistance Provider

12-12-22
 Date

Administrative Certification

I certify that I have reviewed this voucher and all supporting information and that to the best of my knowledge and belief, the quantities and rates are accurate and are in accordance with terms of the contract identified.


 Administrative Sign-off

12/12/22
 Date

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 2022WAGZ-WC-8	Other state or non-state funds? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Amendment <input type="checkbox"/> Board Meeting Date(s):	Canceled <input type="checkbox"/> Board Meeting Date(s):
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*If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name LLP Huneke Bros Dairy	Address 24943 County 16 Blvd	City/State Goodhue, MN	Zip code 55027
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* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name: Mt Pleasant	Township No: 111	Range No.: 13	Section No.: 31	1/4,1/4 NE
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Contract Information

I (we), the undersigned, do hereby request cost share assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of all practice(s) applied under this program to ensure that the conservation objectives are met and the effective life, a minimum of 1 years, is achieved. The specific operation and maintenance requirements for the conservation practice(s) listed are described in the Operation and Maintenance plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice(s) during its effective life, the land occupier is liable to the organization for the amount up to 150% of the amount of financial assistance received to complete the practice(s) unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned effective life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.

4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the:

NRCS 340 cover crop

5. Increases in the practice(s) units or cost must be approved by the organization board through amendment of this contract as a condition to increase the payments.
6. This contract, when approved by the organization board, will remain in effect unless canceled or amended by mutual agreement. If practice(s) covered by this contract have not been completed by 11/1/2022, 11/1/2023, 11/1/2024, this contract will be automatically terminated on that date.
7. Reimbursement requests must be supported by a completed voucher.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel(s) where the conservation practice(s) will be located.
2. Obtain any permits required in conjunction with the completion of the practice(s) prior to starting work on the practice(s).
3. Be responsible for the operation and maintenance of conservation practice(s) applied under this program in accordance with an Operation and Maintenance Plan prepared by the technical assistance provider.
4. Not accept any other state or federal funds for the practice(s) named in this agreement.

Date 9/13/22	Land Occupier 
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Date	Landowner, if different from applicant <i>Dennis Rabe</i>
	Address, if different from applicant information: <i>16388 No. City Rd. 24 Wabasha Mn. 55981</i>

Conservation Practice

The primary practice for which cost-share is requested is **340 cover crops**

Practice standard(s) or eligible component 340 cover crops	Engineered Practice: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Units 100 acres
	Ecological Practice: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date <i>9/23/22</i>	Technical Assistance Provider <i>[Signature]</i>
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Amount Authorized for Financial Assistance

The organization board or council has authorized the following for financial assistance, total not to exceed a rate of: \$40/acre

Date <i>9/23/22</i>	Authorized Signature <i>[Signature]</i>	Total Amount Authorized \$12,000.00
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as delegated by board

PERCENT BASED - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: Patricia Livingston

Contract No.: 2022WAGZ-WC-02

Address: 31221 570th St

City, State, Zip: Millville, MN

Total Amount

Authorized: \$18,447.49 % Approved: 90% (state) 90% (state & non-state)
(from contract)

Item	Quantity	Unit	Unit Price	Cost
Mobilization	1	Job	\$800.00	\$800.00
Caterpillar D6R XW	90	Hours	\$220.00	\$19,800.00
Cat 312E Excavator	26	Hours	\$130.00	\$3,380.00
Caterpillar 259D3	28	Hours	\$120.00	\$3,360.00
36" Pipe	112	Ft	\$78.4993	\$8,791.92
Pipe Lube	3	Quarts	\$10.00	\$30.00
Pipe Install Labor	1	Job	\$3,928.08	\$3,928.08
Geotextile	1,830	sqft	\$0.0546	\$100.00
Sand	86	Ton	\$17.50	\$1,505.00
Rip Rap	58.42	Ton	\$22.37248	\$1,307.00
Gabion Rock	32.25	Ton	\$38.17054	\$1,231.00
BLM# 4 Seed 50lb bags	2.00	Bags	\$215.00	\$430.00
Winter Rye Seed	2.00	Bags	\$21.00	\$42.00
Seeding Labor	1.00	Hours	\$40.00	\$40.00
Fertilizer	1.00	Total	\$367.80	\$367.80
Straw 3x3x8 ft bales	6.00	Each	\$60.00	\$360.00
Skidloader and mulching labor	3.00	Hours	\$40.00	\$120.00
Tracking Straw	1.2	Acres	\$509.33	\$611.20

PROJECT COST: \$46,204.00

PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final):

Final

B. Total cost of practice to date:

\$46,204.00

C. Eligible amount (total cost x % approved):

\$18,447.49 (state)

\$41,583.60 (state & non-state)

D. Total other state payment amount:

\$0.00

E. Total non-state payment amount:

\$25,926.88

F. Total previous partial payments:

\$0.00

G. Pre-Construction Cover payment amount:

\$0.00

H. Maximum payment amount

\$15,656.72

Pre-Con.Cover Ac.	Rate/Ac.

Amount Approved for This Voucher:

\$15,656.72

(cannot exceed Total Amount Authorized)

PERCENT BASED - VOUCHER AND PRACTICE CERTIFICATION FORM

I certify that this is an accurate and true summation of the actual costs and quantities of material, labor, and equipment used on the above project. In cases where the receipts included items not used on the project, I have corrected them accordingly.

Patricia Livingston

Payee Signature

12/13/2022

Date

I certify that an inspection has been performed and as-built received and that the items identified under the Cost Information section of this form have been completed and are in accordance with the requested practice standards and specifications.

I certify that I have reviewed this voucher and all supporting information, including invoices and paid receipts, and that to the best of my knowledge and belief, the quantities and billed cost or disbursements are accurate and are in accordance with terms of the contract identified.

Technical Assistance Provider NRCS-CPA 1245 (Practice Approval and Payment Worksheet) can be utilized as the certification of practice completion. An attached completed and signed NRCS-CPA-1245 and as-built can be used as the technical certification on the "Voucher and Certification"

Melissa King

Technical Assistance Provider

12-14-2022

Date

Susan Gernicke

Administrative Sign-off

12/14/22

Date

PERCENT BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 2022WAGZ-WC-02	Other state or non-State funds? <input checked="" type="checkbox"/> YES <input type="checkbox"/> No	Amendment <input type="checkbox"/> Board Meeting Date(s):	Canceled <input type="checkbox"/> Board Meeting Date(s):
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*If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Patricia Livingston	Address 31221 570th St	City/State Millville, MN	Zip Code 55957
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* If a group contract, this must be filed and signed by the group spokesperson as designated in the group agreement and the group agreement attached to this form.

Conservation Practice Location

Township Name: Oakwood	Township No: 109	Range No.: 12	Section No. 30	1/4,1/4 SW1/4, NE1/4
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Contract Information

I (we), the undersigned, do hereby request cost share assistance to help defray the cost of installing the following practice(s) listed on the second page of this contract. It is understood that:

1. The land occupier is responsible for full establishment, operation, and maintenance of all practices and upland treatment criteria applied under this program to ensure that the conservation objective of the practice is met and the effective life, a minimum of 15 years, is achieved. The specific operation and maintenance requirements for the conservation practice listed are described in the operation and maintenance plan prepared for this contract by the technical assistance provider.
2. Should the land occupier fail to maintain the practice during its effective life, the land occupier is liable to the State of Minnesota for the amount up to 150% of the amount of financial assistance received to install and establish the practice unless the failure was caused by reasons beyond the land occupier's control, or if conservation practices are applied at the land occupier's expense that provide equivalent protection of the soil and water resources.
3. If title to this land is transferred to another party before expiration of the aforementioned life, it shall be the responsibility of the landowner who signed this contract to advise the new owner that this contract is in force and to notify other parties to the contract of the transfer.
4. Practice(s) must be planned and installed in accordance with technical standards and specifications of the:

NRCS- Field Office Technical Guide - 410 Grade Stabilization Structure

5. Increases in the practice units or cost must be approved by the organization board through amendment of this contract as a condition to increase the cost-share payments.
6. This contract, when approved by the organization board or council, will remain in effect unless canceled or amended by mutual agreement, except where installations of practices covered by this contract have not been installed by 11/30/2022, this contract will be automatically terminated on that date.
7. Items of cost for which reimbursement is claimed are to be supported by invoices/receipts for payments and will be verified by the organization board as practical and reasonable. The invoices must include the name of the vendor; materials, labor or equipment used; the component unit costs and the dates the work was performed. The organization board has the authority to make adjustments to the costs submitted for reimbursement. Pre-Construction Cover is exempt from having the required invoices/receipts.

Applicant Signatures

The land occupier's signature indicates agreement to:

1. Grant the organization's representative(s) access to the parcel where the conservation practice will be located.
2. Obtain all permits required in conjunction with the installation and establishment of the practice prior to starting construction of the practice.
3. Be responsible for the operation and maintenance of conservation practices applied under this program in accordance with an operation and maintenance plan prepared by the technical assistance provider.
4. Not accept cost-share funds, from state sources in excess of 90%, or state and non-state sources that when combined are in excess of 90% of the total cost to establish the conservation practice. Pre-construction Cover is exempt from the percent reimbursement rate limitations when utilizing the flat rate payment option.
5. To provide copies of all forms and contracts pertinent to any other state or non-state programs that are contributing funds toward this project.

Date 5/16/2022	Land Occupier Patricia M. Linton
Date	Landowner, if different from applicant
	Address, if different from applicant information:

Conservation Practice

The primary practice for which cost-share is requested is: 410 Grade Stabilization Structure

Eligible Component Standards & Names 410 Grade Stabilization Structure, 412 Grassed Waterway, 342 Critical Area Planting, 484 Mulching,	Engineered Practice: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Total Project Cost Estimate \$51,016.00
	Ecological Practice: <input type="checkbox"/> YES <input type="checkbox"/> NO	

Technical Assessment and Cost Estimate

I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date 5-12-2022	Technical Assistance Provider Matt Kempinger	NRCS-CPA-1245 (Practice Approval and Payment Worksheet) can be utilized as the certification of practice completion. An attached completed, and signed NRCS-CPA-1245 and the as-built can be used as the Technical Certification on the "Voucher and Certification"
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Pre-Construction Cover

Is allowed when temporary cover is necessary for the future installation of structural conservation practices. A flat rate payment of up to \$150 per acre, not to exceed 10 acres, is allowed as part of a state cost-share contract for the installation of structural practice(s).

Amount / Acre (NTE \$150/acre)	Number of Acres (NTE 10 Acres)	Total Amount

Amount Authorized for Financial Assistance

The organization board or council has authorized the following for financial assistance, total not to exceed 90.0% of the total cost to establish the conservation practice plus the pre-construction cover total amount if utilizing the flat rate payment option.

Amount	Program Name	Fiscal Year
\$18,449.49	Greater Zumbro Watershed Based Funding	2022
\$18,447.49		

MK
12-13-22

Date 5-26-22	Authorized Signature Lynn Zabel	Total Amount Authorized \$18,447.49
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Please call office at 651-560-2053 or email susan.cerwinske.wabashaswcd@gmail.com if you have any questions on attending physically or by phone.

We have call-in capabilities for up to 10 people. Phone# 651-560-1088 Access code # 0147478#.

**Wabasha Soil and Water Conservation
District Regular Board Meeting
November 17, 2022
1:00 pm
County Conference
Room
625 Jefferson Ave.**

I. CALL MEETING TO ORDER

Meeting called to order at 1:00 pm by Lynn Zabel, Chair

Supervisors Present: Chet Ross, Co-Chair, Dag Knudsen, member, Lynn Zabel, Chair and Sharleen Klennert, Treasurer arrived at 1:15 pm (Larry Theismann, absent)

Staff Present: Terri Peters, District Manager

Others Present: John Benjamin, NRCS and Frank Klennert, citizen

Attending by phone: Bob Walkes, County Commissioner, Brian DeVetter, NRCS, Sheila Harmes, Winona County Water Planner, Sue Cerwinske, Bookkeeper/Admin. Assistant

II. PLEDGE ALLEGIANCE

III. AGENDA

Motioned by Ross and seconded by Knudsen to approve the agenda with changes.

Affirmative: Ross, Knudsen, Zabel

Opposed: None

Motion Carried

IV. PUBLIC COMMENTS

Comments limited to 5 minutes per speaker

V. CONSENT AGENDA -Board Action

Items on the Consent Agenda are considered to be routine by the Board and may be enacted through one motion. Any item on the Consent Agenda may be removed by any of the Board members for separate consideration.

- A. Daniel Sell voucher payment for Contract# 22-Capacity-1 in the amount of \$17,546.40 for 412 Grassed Waterway, 340 Critical Area Planting and 484 Mulching.
(Funding source FY22 Capacity)
- B. Chad Schumacher voucher payment for Contract# 2022WAGZ-WC-11 in the amount of \$4,000.00 for 340 Cover Crops – First year payment of 3.
(Funding source WAGZ Watershed Based)
- C. John Miller voucher payment for Contract# 19-DWP-CC-4 in the amount of \$900.00 for 340 Cover Crops – Final Payment (3 of 3).
(Funding source FY19 Drinking Water Protection in SE MN)
- D. Theodore Mehrkens voucher payment for Contract# 1-DWP-CC-7 in the amount of \$900.00 for 340 Cover Crops – Payment year 2 of 3.
(Funding source FY19 Drinking Water Protection in SE MN)
- E. Larry Stromness voucher payment for Contract# 20-CWMA-10 in the amount of \$2,100.00 for 314 Brush Management.
(Funding source FY20 CWMA \$1,541.88, MDA Weed Grant \$558.12)

- F. Scott Sexton voucher payment for Contract# 19-DWP-CC-3 in the amount of \$900.00 for 340 Cover Crops – Final Payment (3 of 3)
(Funding source FY19 Drinking Water Protection in SE MN)
- G. Eugene Betcher voucher payment for Contract# 2022WAGZ-WC012 in the amount of \$2,000.00 for 340 Cover Crops – First year payment of 3.
(Funding source WAGZ Watershed Based)
- H. Bernard Sheehan voucher payment for Contract# 19-Capacity-11 in the amount of \$1,000.00 for 351 Well Decommissioning.
(Funding sources FY19 Capacity \$375.44 and FY22 Capacity \$624.56)
- I. Mulholland Farms voucher payment for Contract# 19-Capacity-9 in the amount of \$900.00 for 340 Cover Crops – Final year payment (3 of 3)
(Funding source FY19 Capacity)
- J. Allan Marking voucher payment for Contract 21-Capacity-7 in the amount of \$540.00 for 340 Cover Crops – First year payment of 3.
(Funding source FY21 Capacity)
- K. Adam Graner voucher payment for Contract# 19-DWP-CC-5 in the amount of \$900.00 for 340 Cover Crops – 2nd payment of 3
(Funding Source FY19 Drinking Water Protection in SE MN)

Motioned by Knudsen and seconded by Ross to approve the Consent Agenda.

Affirmative: Ross, Knudsen, Zabel

Opposed: None

Motion Carried

VI. SECRETARY'S REPORT

A. October 27, 2022 Meeting Minutes – Board Action

Motioned by Knudsen and seconded by Ross to approve the Secretary's Report

Affirmative: Ross, Knudsen, Zabel

Opposed: None

Motion Carried

VII. TREASURER'S REPORT – Board Action

A. October District Financial Statements

B. September & October Program Records

Terri went over Financials, Programs and Program Funding available for cost share.

Discussion on the funding and projects.

Motioned by Ross and seconded by Knudsen to approve the Treasurer's Report

Affirmative: Ross, Knudsen, Zabel

Opposed: None

Motion Carried

VIII. PAYMENT OF MONTHLY BILLS

A. Monthly Bills in the amount of \$85,300.40 - Board Action

(Note: After 11-25 PR is ran, MNPEIP and VSP will be paid online.

Auditor/Treasurer \$559.85 will be paid by check. Please sign check today. (total of all three is \$6,210.31)

Tag would like copies of the invoices for check run in the packet.

Motioned by Knudsen and seconded by Klennert to approve Payment of the

Monthly Bills in the amount of \$85,300.40 and payment for insurances of \$6,210.31 after the 11/25 PR is ran.

Affirmative: Klennert, Ross, Knudsen, Zabel

Opposed: None

Motion Carried

IX. DISTRICT REPORTS

- A. Chair Report – Lynn Zabel
Lynn asked about Health Insurance. Terri and Larry met and went through the health insurance plans. Lynn read through the information. Personnel's decision for employee insurance. Need to confirm insurance decision to the County for approval at their Tuesday meeting.
Discussion: Terri went over each of the four options that employees can pick from.
- B. County Commissioner – Bob Walkes
Working on the budget for next year. Highly concerned on projects with the increased cost of everything. Black top, fuel for moving dirt and building roads. Hard to budget not knowing where the costs will go.
- C. District Manager Report – Terri Peters
Health Care
Attended BWSR Academy
Working on corrections for on the reporting for NFWF final report. Reimbursement request for work done \$36,000.
WinLaC – Planning work group, comments
Training – Working with others on Forestry general training for NRCS and SWCD staff.
Work Plan 2023 BWSR Grants reporting
Gorman – Working on RFB to get bid request out.
Discussion:
Dag had a question on the 2023 work plan associated with BWSR
Terri replied that the funding is there for 2023 Capacity, 2023 State Cost Share and Soil Health Funds. She has to go in and put in activities and divide the budget.
Dag also would like have us look for opportunities for funding for Outreach to show farmers about financial gain or similar to adopt conservation practices.
- D. NRCS Report – John Benjamin – (in packet) *John at meeting went over report.*
- E. District Technician Report- Matt Kempinger (in packet)
- F. Natural Resources Conservation Technician Report – Henry Stelten (in packet)
- G. Bookkeeper/Administrative Assistant -Sue Cerwinske (in packet)
- H. BWSR Report – None
- I. Other agencies – Sheila Harmes, Winona County Water Planner
Sheila reported that in respect to Wabasha County, Whitewater working on the local advisory for groundwater for DWSMA for Elgin. Meeting on 12/13 for landowners operating within that DWSMA (Drinking Water Supply Management Area)

X. OLD BUSINESS

- A. Conservation Project – Lynn (open to any Supervisor for ideas)

XI. NEW BUSINESS

- A. Photos – Board Supervisors. Wear your SWCD shirts, if you have any. Terri will bring camera to take group photo.
Move until end of meeting

- B. Approve Valyn Adler Amendment #1 to Contract# 21-Capacity-4 to change Install Date to 11-30-2023 from 11-30-2022 – **Board Action**
(Unusually dry conditions prevented construction from taking place this year)
Motioned by Klennert and seconded by Ross to Approve Valyn Adler Amendment #1 to Contract# 21-Capacity-4 to change install date to 11-30-2023 from 11-20-2022.
Affirmative: Klennert, Ross, Knudsen, Zabel
Opposed: None
Motion Carried

- C. 2020 SWCD Local Capacity and Buffer Law Implementation - Grant Amendment
Wabasha SWCD requests extension to 12-31-2023 (for the purpose of allowing additional time to implement the grant work plans due to extended staff leave and recent project cancellations.) – **Board Action**
Buffer Law Discussion
Motioned by Klennert and seconded by Ross to approve the 2020 SWCD Local Capacity and Buffer Law Implementation – Grant Amendment for Wabasha SWCD extension to 12-31-2023 for purpose of allowing additional time to implement the grant work plans due to extended staff leave and recent project cancellations.
Affirmative: Klennert, Ross, Knudsen, Zabel
Opposed: None
Motion Carried

- D. Upcoming Events:
 - i. MASWCD 2022 Annual Convention & Trade Show Dec. 12 – 14, 2022
Talked about who was attending.
 - ii. December 15 Board Meeting at 8:15 am

XII. Board Reports

- A. Whitewater JPB – Lynn
Sheila reported that in respect to Wabasha County, Whitewater is working on groundwater for DWSMA for Elgin. Meeting on 12/13 for landowners operating within that DWSMA (Drinking Water Supply Management Area)
- B. Zumbro 1W1P – Larry (alternate Dag)
- C. WinLaC 1W1P – Lynn
Sheila reported that comments have been received and closing date for that is 12/5. Having a public hearing sometime in January. Next WinLaC meeting is 12/12 at the City Council Chambers. Technical Advisory Committee and Policy Committee reviewing comments.
- D. SE SWCD Technical Support JPB - Larry
- E. County Board Meeting – Larry (alternate Sharleen)
- F. Hiawatha Valley RC&D – Lynn

Talked about donating for trees for Terry Helbig Terri will watch for obituary and see what the family wishes

Motioned by Klennert and seconded by Knudsen to recess at 2:35 pm until MASWCD meeting December 13 and 14th

Affirmative: Klennert, Ross, Knudsen, Zabel

Opposed: None

Motion Carried

XIII. Adjourn – Board Action

Respectively Submitted by:

Larry Theismann, Secretary

11:42 AM

12/06/22

Cash Basis

Wabasha Soil and Water Conservation District

Cash Balances

As of November 30, 2022

	Nov 30, 22
ASSETS	
Current Assets	
Checking/Savings	
Money Market- Bank of Alma	28,670.67
Money Market WNB Financial	7,404.14
Peoples State Bank Money Market	318,987.31
Petty Cash	73.90
WNB Financial	13,840.11
Total Checking/Savings	368,976.13
Total Current Assets	368,976.13
TOTAL ASSETS	368,976.13
LIABILITIES & EQUITY	0.00

Wabasha Soil and Water Conservation District

12/06/22

Balance Sheet

Accrual Basis

As of November 30, 2022

	Nov 30, 22
ASSETS	
Current Assets	
Checking/Savings	
Money Market- Bank of Alma	28,670.67
Money Market WNB Financial	7,404.14
Peoples State Bank Money Market	318,987.31
Petty Cash	73.90
WNB Financial	13,840.11
Total Checking/Savings	368,976.13
Accounts Receivable	
11000 · Accounts Receivable	9.00
Total Accounts Receivable	9.00
Other Current Assets	
12000 · Undeposited Funds	776.39
Total Other Current Assets	776.39
Total Current Assets	369,761.52
Fixed Assets	
15000 · Furniture and Equipment	
Computer	8,706.00
Laptops for Distrcit Techs (2)	3,149.22
Samsung Tablets	1,548.69
15000 · Furniture and Equipment - Other	109,828.00
Total 15000 · Furniture and Equipment	123,231.91
17000 · Accumulated Depreciation	-79,335.42
Total Fixed Assets	43,896.49
Other Assets	
Prepaid Items	
Prepaid Rent	920.43
Total Prepaid Items	920.43
Total Other Assets	920.43
TOTAL ASSETS	414,578.44
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	1,183.12
Total Accounts Payable	1,183.12
Other Current Liabilities	
Allowance for Unemployment Reim	1,581.86
Deferred Revenue	
AIS	76,315.06
FY18 Capacity	1,729.56
FY19 Capacity	4,279.45
FY20 Buffer Initiative	1,827.64
FY20 Capacity	2,019.74
FY20 CWMA	1,932.12
FY20 State Cost share	2,336.70
FY21 Buffer Initiative	15,163.00
FY21 Capacity	31,537.75
FY21 State Cost Share	8,705.80
FY22 Buffer Initiative	17,000.00
FY22 Capacity	73,525.66
FY22 State Cost Share	15,401.00

Wabasha Soil and Water Conservation District

12/06/22

Balance Sheet

Accrual Basis

As of November 30, 2022

	Nov 30, 22
FY22 WCA	-1,958.24
FY23 Conservation Delivery	19,619.00
FY23 LWM	14,177.00
FY23 State Cost Share	15,401.00
FY23 WCA	12,118.00
Total Deferred Revenue	311,130.24
Deposit on Tree Sales	674.00
24000 · Payroll Liabilities	1,192.99
25500 · Sales Tax Payable	620.07
Total Other Current Liabilities	315,199.16
Total Current Liabilities	316,382.28
Total Liabilities	316,382.28
Equity	
Fund Balance- Restatement	47,943.10
Fund Balance Designated	31,903.30
Investment in Capital Assets	43,896.49
30000 · Opening Balance Equity	649.89
32000 · Owners Equity	162,483.44
Net Income	-188,680.06
Total Equity	98,196.16
TOTAL LIABILITIES & EQUITY	414,578.44

Wabasha Soil and Water Conservation District

Profit & Loss

November 2022

	Nov 22
Ordinary Income/Expense	
Income	
Charges for Services	
Plat Book Sales	35.00
Total Charges for Services	35.00
Intergovernmental Revenues	
County	
County Regular Allocation	1,108.03
Total County	1,108.03
Federal	
319 Focus Small Wtrshd-W.Indian	612.50
Total Federal	612.50
State	
FY20 Gorman Creek Restoration	12,255.16
FY21 Regnl DW for Private Wells	445.00
FY22 MDA Noxious Weed Grant	310.00
MAWQCP	9,534.41
North Fork Zumbro-Mazeppa	2,626.24
Volunteer Nitrate Monitoring Ne	48.38
Total State	25,219.19
Total Intergovernmental Revenues	26,939.72
MCIT Yearly Dividend	969.00
Miscellaneous	
Other	-2.47
Total Miscellaneous	-2.47
Total Income	27,941.25
Gross Profit	27,941.25
Expense	
District Operations	
Other Services and Charges	
Building Rent	920.43
Conferences and Conventions	2,399.00
Employee Education and Training	-20.02
Fees and Dues	1,025.00
Internet Expense	79.66
Postage	35.98
Professional Expenses	97.50
Vehicle Expenses	
Chevrolet Silverado Vehicle Exp	30.55
Hyundia Tucson Vehicle Expense	17.03
Total Vehicle Expenses	47.58
Total Other Services and Charges	4,585.13
Personnel Services	
Employee Salary Permanent	17,068.18
Employer Life and Health	
66000 · Payroll Expenses	6,211.40
Employer Life and Health - Other	22.00
Total Employer Life and Health	6,233.40
Employer Share FICA	1,123.62
Employer Share Medicare	262.78
Employer Share PERA	1,357.56

Wabasha Soil and Water Conservation District

Profit & Loss

November 2022

	Nov 22
Total Personnel Services	26,045.54
Supplies	
Office Supplies	4.24
Total Supplies	4.24
Total District Operations	30,634.91
Project Expenditures	
District	
Tree Expense	120.00
Total District	120.00
Federal	
319 Feedlot Fix	3,637.25
319 Focus Small Wtrshd-W.Indian	1,943.50
Total Federal	5,580.75
Partners Grants	
FY22 NACD TA Grant	34,210.67
Total Partners Grants	34,210.67
State	
FY19 Capacity	1,275.44
FY19 Regnl Drinking Water Prote	3,600.00
FY20 CWMA	1,541.88
FY21 Capacity	540.00
FY22-23 WAGZ	6,000.00
FY22 Capacity	18,170.96
FY22 MDA Noxious Weed Grant	558.12
LWM NRBG	50.00
MAWQCP Administration	9,534.41
Total State	41,270.81
Total Project Expenditures	81,182.23
Total Expense	111,817.14
Net Ordinary Income	-83,875.89
Other Income/Expense	
Other Income	
Interest Income	
Interest Earnings MM's	442.41
Total Interest Income	442.41
Total Other Income	442.41
Net Other Income	442.41
Net Income	-83,433.48

NRCS Field Office Report

12/15/22

John Benjamin

Current office standing

- The office is open to the public.
- Masks are not required in the building; this could change on a weekly basis dependent on CDC COVID community levels presented the Friday before.

CSP (Conservation Stewardship Program)

- 10 Active contracts
- 17 Applications for CSP FY23 Classic in pending status
- FY23 CSP Classic Signup Deadline; February 10th
- FY24 CSP Renewal application deadline; March 10th

EQIP (Environmental Quality Incentive Program)

- 25 Active EQIP **contracts**
- 26 Applications in pending status
- FY23 signup 1, signup deadline was Nov 18th

RCPP-EQIP (Regional Conservation Partnership Program- EQIP)

- 3 active contracts
- No applications submitted

RCPP18 (Regional Conservation Partnership Program)

Land Management fund through MAWQCP sign up is applicable in this county

- 1 Active contract
- FY23 Sign up deadline, December 16th
- No applications submitted

CRP (Conservation Reserve Program)

- 113 Expiring contract reviews for FY23
- 9 Expiring contracts for FY24
- 32 Continuous offers accepted
- 17 General offers accepted
- 7 CRP establishment checks

Monthly Report – December 2022

Matt Kempinger

Training

- MASWCD Convention

Projects

- Laid out contour strips for 1 landowner
- Host Gorman Creek pre bid contractors meeting
- Answer contractors' questions on Gorman Creek bidding
- Pollution reductions & reporting for 3 projects
- Plan for next year's potential cost share contracts
- Prepared maps of potential contour strips for 2 landowners
- Preliminary design work for 2 waterways
- Preliminary design work for 3 grade stabilization structures
- Survey and geologic investigation for 1 feedlot project
- Voucher processing for 1 grade stabilization structure project

Others

- Processed 1 WCA joint application
- Reviewed 2 tiling requests for WCA
- Onsite monitoring during wetland restoration work
- Informed 1 landowner about MAWQCP program
- Reviewed list of next MAWQCP certifications to work on.
- Provided documentation to MAWQCP specialist for 2 projects
- Answered general resource questions from public and assisted where possible
- Employee evaluation
- Assist other staff with GIS setup and workflows

Work Summary – December 2022

Henry Stelten

Projects

- Feedlot fix preliminary plan & mapping for waste transfer system
- Preliminary rotational grazing, paddock, and water plan
- Cover crop contracts planting certifications and voucher processing
- Site visit for contour strip planning
- Site visits for grade stabilization structures, reduced-till, cover crop & grazing planning
- RFA for feedlot fix and possible program options investigation for two feedlot sites

Others

- Buffer Law compliance imagery checks and communications for end of year BuffCat reporting
- Article for papers/website – erosion & soil resource focus
- Article for Safe Drinking Water & manganese awareness
- Assistance with RCPP & CSP work for NRCS
- West Indian Creek Partner's Meeting & development of coordination and file system for WIC work
- Tree order assistance and tracking, updates/corrections to mailing list

Training

- Ethics in Soil Health

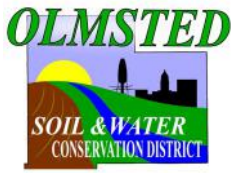
4:53 PM

12/13/22

Cash Basis

Wabasha Soil and Water Conservation District
Monthly Bills Listing
December 15, 2022

Type	Date	Num	Name	Memo	Account	Paid Amount
Dec 15, 22						
Bill Pmt -Check	12/15/2022	11734	Ag Week	1 year subscription to Ag Week for 2023	WNB Financial	-64.00
Bill Pmt -Check	12/15/2022	11735	Forum Communications	Legal Ad for Contractor Bids for Gorman Creek Restoration Project	WNB Financial	-157.78
Bill Pmt -Check	12/15/2022	11736	HBC	Internet 12-02-2022 - 1-01-2023	WNB Financial	-79.66
Bill Pmt -Check	12/15/2022	11737	Huneke Brothers LLP	2022WAGZ-WC-8 1st year Cover Crops	WNB Financial	-4,000.00
Bill Pmt -Check	12/15/2022	11738	Huneke Dairy Inc.	2022WAGZ-WC-9 1st year 340 Cover Crops	WNB Financial	-1,600.00
Bill Pmt -Check	12/15/2022	11739	Jennifer Wahls-C	11-01 to 11-30-2022 Contract Serv. for WIC	WNB Financial	-2,362.50
Bill Pmt -Check	12/15/2022	11740	Jeremiah Leonhardt	21-Capacity-8 340 Cover Crops 1st yr of 3	WNB Financial	-900.00
Bill Pmt -Check	12/15/2022	11741	Michael John Rahman	19-DWP-CC-2 - Final pymr Cover Crops	WNB Financial	-900.00
Bill Pmt -Check	12/15/2022	11742	Mittel Schule, Inc.	January 2023 Rent	WNB Financial	-920.43
Bill Pmt -Check	12/15/2022	11743	Office Depot		WNB Financial	-104.75
Bill Pmt -Check	12/15/2022	11744	Olmsted County Public Works	Mark Root Salary, Benefits, MAWQCP for Nov.	WNB Financial	-9,909.24
Bill Pmt -Check	12/15/2022	11745	Olmsted SWCD	1st Qtr 2022 MAWQCP	WNB Financial	-667.58
Bill Pmt -Check	12/15/2022	11746	Patricia M. Livingston	2022WAGZ-WC-02 410 Grade Stabilization Structure	WNB Financial	-15,656.72
Bill Pmt -Check	12/15/2022	11747	Rockford Map Publishers	100 - 2023 Plat Books	WNB Financial	-2,032.95
Bill Pmt -Check	12/15/2022	11748	Sharleen Klennert-b		WNB Financial	-51.36
Bill Pmt -Check	12/15/2022	11749	Terri Peters (Expenses)	Mileage WIC and MASWCD Convention	WNB Financial	-140.00
Bill Pmt -Check	12/15/2022	11750	Wabasha County Highway Department	Silverado Nov. gas 49.15 gal @ \$ 2.9822	WNB Financial	-146.58
Bill Pmt -Check	12/15/2022	11751	WSB	N.Fork Zumbro - Prof. Svs 10-1 to 10-31-2022	WNB Financial	-310.00
Dec 15, 22						-40,003.55



FY2021 REGIONAL SAFE DRINKING WATER FOR PRIVATE WELL USER SUB-AGREEMENT BETWEEN THE OLMSTED SOIL AND WATER CONSERVATION DISTRICT AND WABASHA SOIL & WATER CONSERVATION DISTRICT

This **AGREEMENT** is between the Olmsted Soil and Water Conservation District (hereinafter referred to as "the District"), 2122 Campus Drive SE Suite 200, Rochester MN 55904 and Wabasha Soil & Water Conservation District (hereinafter referred to as "the Subrecipient").

I. STATEMENT OF PURPOSE

The purpose of this AGREEMENT is to clarify the roles and responsibilities of the parties regarding the project entitled, "SE MN Safe Drinking Water for Private Well Users Program" (hereinafter referred to as "the Project") made possible through a grant received from the Minnesota Department of Health (MDH) Clean Water Fund (CWF)

II. SCOPE OF SERVICES AND SPECIFIC DUTIES

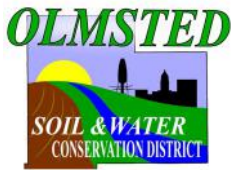
The District has agreed to provide funding to the Subrecipient for implementation of the Project. The Subrecipient will complete the duties described in "Exhibit A" for each recipient. Subject to approval by the authorized representative of the District, the Subrecipient may modify "Exhibit A" through a written addendum to this Agreement which is signed by both parties. Some changes may require approval of the grantor, MDH.

The Subrecipient also agrees to adhere to the provisions of the attached State of Minnesota Grant Agreement, including "Exhibit A" (Project Workplan)

III. PAYMENT TERMS AND REPORTING REQUIREMENTS

A. REPORTING. The Sub-recipient will submit invoices to the District documenting progress toward completion of deliverables/activities outlined in Exhibit A. The sub-recipient will notify the District of their intent to contract with a landowner for well repair, reconstruction, or water treatment installation prior to approval of the contract. This notification should include the dollar amount, so the District can confirm whether or not there are sufficient funds for the proposed project.

B. TERM. The Sub-recipient may expend grant funds toward completion of deliverables/activities in Exhibit A from the final signing of this agreement by all parties to ~~November 30, 2022~~ **March 31, 2023**, or until all work under this Agreement is completed



and payments made, whichever occurs first, unless earlier terminated by law or according to the provisions of this Agreement.

C. AMOUNT. During the term of this agreement, the Sub-recipient may bill the District up to **\$11,600** for work completed as described in Exhibit A for expenses incurred toward completion of their portion of the MDH work plan. This amount will be allocated initially to each sub-recipient equally. Once expended, need for further funds may be reevaluated on a regional basis with consideration to priorities described as the levels of priority in Exhibit A and available funds will be redistributed accordingly.

D. PAYMENT SCHEDULE. All payments will be a quarterly reimbursement. Upon execution of this Agreement the Sub-recipient may present itemized invoices to the District for work actually performed and the supporting documentation. The District will provide a copy of the invoice to be completed for all reimbursement requests, including cost-share for private well owners.

The District will process reimbursement to the Sub-recipient upon receipt of a qualifying invoice. There may be delays in payment from waiting for the District approval and reimbursement requests to MDH. Invoices for payment will be sent to: (or his/her successor)

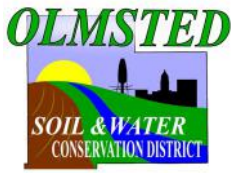
Caitlin Meyer, Water Resources Coordinator
caitlin.meyer@olmstedcounty.gov
2122 Campus Drive SE, Suite 200 Rochester MN 55904

IV. CONTRACT CLAUSES

A. Ownership of Project Materials. All materials prepared or developed by the Subrecipient hereunder, including documents, notes, reports, data, and samples shall become the property of the District when prepared, whether delivered to the District or not, and shall be delivered to the District upon request. The District will be responsible for responding to any data practices requests pertaining to this data.

B. Changes. The District may at any time issue written directions requiring additional work within the Work Plan and any amendments thereto, or directing the addition of, omission of, or variation in Work. If such direction results in a material change in the amount or character of Work, Subrecipient will prepare a scope of Work and cost estimate and forward it to District's representative. District may issue the Subrecipient notice to proceed with this change or request an alteration in the scope of Work, or not authorize the Work.

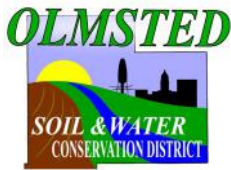
C. Indemnity and Hold Harmless. Subrecipient shall indemnify the District, its directors, officers, employees, and agents against damages, penalties, costs, or expenses incurred in connection with any alleged violation of any federal, state, or



local law or regulation regulating the Work performed hereunder or any part thereof.

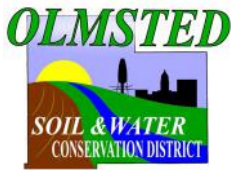
Subrecipient agrees to indemnify and hold harmless the District, its directors, officers, employees, and agents against and from loss, claims, or suits, including costs and attorney's fees, for, or on account of injury, bodily or otherwise, or death, of persons, or damage to or destruction of property belonging to the District or others arising out of the negligent performance of the Work hereunder by the Subrecipient. Subrecipient shall, in no event, be liable for loss or damage attributable to District or its representatives or agents. Subrecipient's liability shall be limited by the provisions of Minnesota Statutes Chapter 466 or other applicable law. Nothing herein shall be construed to limit either party from asserting against third parties any defenses or immunities (including common law, statutory and constitutional) it may have or be construed to create a basis for a claim or suit when none would otherwise exist.

- D. Non-assignment.** Subrecipient shall not assign this Agreement nor delegate or subcontract any of the Work to be performed without the District's written consent. If assignment, delegation, or subcontract is done with such consent, it shall not relieve Subrecipient from its responsibility for the performance of any of its obligations hereunder.
- E. Complete Agreement.** This Agreement constitutes the final expression of the parties' agreement, and the complete and exclusive statement of the terms agreed upon. This Agreement supersedes all prior negotiations, understandings, agreements and representations. There are no oral or written understandings, agreements or representations not specified herein.
- F. Independent Contractor Status.** Subrecipient is an Independent Contractor. Nothing contained in this Agreement is intended or should be construed as creating the relationship of co-partners or joint ventures between the parties. Subrecipient will be responsible for any federal or state taxes applicable to this payment. No tenure or any rights or benefits, including workers' compensation, unemployment insurance, medical care, sick leave, vacation leave, severance pay, Public Employment Retirement Association or other benefits available to Subrecipient employees, shall accrue to the District or its employees performing services under this Agreement.
- G. Worker Health, Safety and Training.** Subrecipient shall be solely responsible for the health and safety of its employees in connection with the work performed under this Contract. Subrecipient shall make arrangements to ensure the health and safety of all subcontractors and other persons who may perform work in connection with this Contract. Subrecipient shall ensure all personnel of Subrecipient and subcontractors are properly trained and supervised and, when applicable, duly licensed or certified appropriate to the tasks engaged in under this Contract.



Subrecipient shall comply with federal, state and local occupational safety and health standards, regulations and rules promulgated pursuant to the Occupational Health and Safety Act which are applicable to the work to be performed by Subrecipient

- H. Legal Compliance.** Subrecipient and the District shall comply with all applicable federal and state statutes and regulations as well as local ordinances now in effect or hereafter adopted.
- I. Data Privacy.** For purposes of this Contract all data created, collected, received, stored, used, maintained, or disseminated by Subrecipient in the performance of this Contract is subject to the requirements of the Minnesota Government Data Practices Act, Minn. Stat. Chapter 13 and the Minnesota Rules implementing the Act now in force or hereafter adopted as well as the federal laws on data privacy.
- J. Business Records.** Subrecipient shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Subrecipient's profession. Subrecipient shall maintain such records for at least 6 years from the date services or payment were last provided or made or longer if any audit in progress requires a longer retention period. All accounting records shall be kept in accordance with generally accepted accounting practices. The District shall have the right to audit and review all such documents and records at any time during Subrecipient's regular business hours or upon reasonable notice. These records are subject to examination, duplication, transcription and audit by the District and either the Legislative or State Auditor of the State of Minnesota pursuant to Minnesota Statute § 16C.05, subd 5. Such evidences are also subject to review by the Comptroller General of the United States, or a duly authorized representative, if federal funds are used for any work under this Contract.
- K. Force Majeure.** Neither party shall be held responsible for delay or failure to perform caused by fire, flood, epidemic, strikes, riot, acts of God, unusually severe weather, terrorism, war, acts of public authorities other than Wabasha County or delays or defaults caused by public carriers which was beyond a party's reasonable control, provided the defaulting party gives notice as soon as possible to the other party of the inability to perform.
- L. Waiver.** The failure of the District or Subrecipient to enforce one or more of the terms or conditions of the Contract or to exercise any of its rights or privileges, or the waiver by either party of any breach of such terms or conditions, shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no waiver had occurred.
- M. Notices.** All official notices, shall be sufficiently given when delivered or mailed, certified mail, postage prepaid, to the parties at their respective places of business as set forth below or at a place designated hereafter in writing by the parties.



For the District: 2122 Campus Drive SE, Suite 200, Rochester MN 55904
For SWCD:

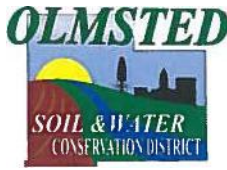
Wabasha County Soil and Water Conservation District
Terri Peters or successor
District Manager
611 Broadway Ave. Suite 10
Wabasha, MN 55981

- N. Interpretation, Jurisdiction and Venue.** All contractual agreements shall be subject to, governed by, and construed and interpreted solely according to the laws of the State of Minnesota. Both parties hereby consent and submit to the jurisdiction of the appropriate courts of Minnesota or of the United States having jurisdiction in Minnesota for adjudication of any suit or cause of action arising under or in connection with the contract documents, or the performance of such contract, and agrees that any such suit or cause of action may be brought in any such court.
- O. Severability.** The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.
- P. Agreement to Mediate Disputes.** In the event that any dispute arises between the parties in relation to this Agreement, or out of this Agreement, and the dispute is not resolved by negotiation, the parties may agree to submit the dispute to mediation. The parties further agree that their participation in mediation is a condition precedent to any party pursuing any other available remedy in relation to the dispute.

Any party to the dispute may give written notice to the other party of his or her desire to commence mediation, and a mediation session must take place within [30] days after the date that such notice is given.

The parties must jointly appoint a mutually acceptable mediator. If the parties are unable to agree upon the appointment of a mediator within [7] days after a party has given notice of a desire to mediate the dispute, any party may apply to any organization or person agreed to by the parties in writing, for appointment of a mediator.

The parties further agree to share equally the costs of the mediation, which costs will not include costs incurred by a party for representation by counsel at the mediation.



and after receipt of written notice from the first party, fails to correct such failures a period of 10 days or such longer period as the first party may authorize in writing after receipt of notice from the first party specifying such failure.

R. Merger Clause. This agreement constitutes the final expression of the parties' agreement, and the complete and exclusive statement of the terms agreed upon. This agreement supersedes all prior negotiations, understanding, agreements, and representations. There are no oral or written understandings, agreements or representations not specified herein. Furthermore, no waiver, consent, modification, or change of terms of this agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.

V. AGREEMENT EFFECTIVE DATE

This agreement is effective upon execution by all parties.

Approved and accepted for:

THE OLMSTED SOIL AND WATER CONSERVATION DISTRICT

Cheryl Winters

Olmsted Soil & Water Conservation District
Board Chair

5-27-2021

Date

FOR THE SUBRECIPIENT

Stan Welch

Name

Board chair person

Title

5/27/21

Date

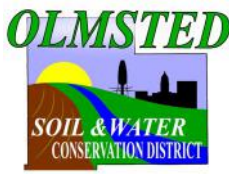


Exhibit A (Work Plan and Funding Eligibility Policy)
SE MN Safe Drinking Water for Private Well Users Program
MDH FY 2021

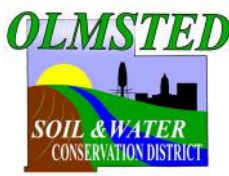
OBJECTIVE:

Drinking water is a concern, especially for private well users in the most vulnerable groundwater areas of the region. The SE MN Safe Drinking Water for Private Well Users Program will provide additional monitoring, education, outreach and financial assistance to address drinking water quality mitigation measures for private well users. Participating counties include: Houston, Fillmore, Winona, Olmsted, Goodhue, and Wabasha.

Total Grant: \$ 100,000.00 Grant Period: March 2021 – ~~December 31, 2022~~ **April 30, 2023**

GUIDELINES:

- I. Administration and Coordination: Olmsted Soil & Water Conservation District will provide all administrative responsibilities on this program including grant reporting, financial responsibilities, and sub-agreement development.
 - A. \$2,000 Total. Olmsted SWCD will use the allowable billable rate for the Water Resources Coordinator who will provide administrative services to manage the Regional SE MN Safe Drinking Water for Private Well Users Grant Program. Billable rate calculated on January 1st annually.
- II. Grant Eligible Items
 - A. The following items are eligible for reimbursement under the Safe Drinking Water for Private Well Users grant.
 - a. Water tests that determine if the well is contaminated (must be completed at a certified laboratory and certified test report must be provided upon request)
 - b. Reconstruction of a contaminated well
 - c. Construction of a new well, including the cost of purchasing and installing a pump if necessary
 - d. Installation of a new pump, including the associated piping for a replaced well
 - e. Equipment and installation to treat and remove contaminants from the water
- III. Grant Ineligible Items
 - a. Costs for any work done before a contract is filed and award is approved by the LGU and Olmsted SWCD.
 - b. Private wells that do not meet the established contamination criteria
 - c. Wells that are not used for a drinking water source
 - d. Dug wells or wells not meeting the requirements of State of MN Well Construction Code (Minnesota Rules Chapter 4725)

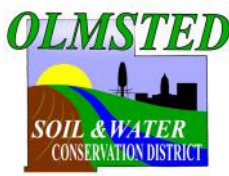


IV. Regional Sub-recipient Guidelines:

- A. Grant Total: \$100,000. Each sub-recipient will be provided a sub-agreement to assist well owners in their county. Each sub-recipient will be allocated \$11,600, on a reimbursement basis initially, to be reevaluated as funds are expended and requested according to priorities outlined below and in the MDH Workplan.
 - 1. \$3,000 for Objective 1 – for reimbursable time and expenses to develop and execute the regional public health messaging campaign and improve public health knowledge and awareness through education, outreach and nitrate screening clinics.
 - 2. \$8,600 for Objective 3 – To provide financial assistance to eligible well owners, through cost-share for well mitigation as outlined above.
- B. Subrecipients will be responsible for prioritizing and providing documentation to the Olmsted SWCD as described below.
- C. Given the shortened time frame of the grant, counties may submit projects as encumbered to Olmsted SWCD as identified on as frequent as a monthly basis for approval based on priorities listed above. In the documentation to Olmsted SWCD, include how the approved contracts meet one of the two priority levels below. This method will allow regional tracking of spending on an ongoing basis and ability to route funds to other partners.
- D. Cost-share contracts with private well owners will be developed through the local SWCD office or designated County department and will require local board approval for contracting and final reimbursements to assure proper documentation of funding occurs and for proof a licensed well driller conducted the work (as described in Section V. G Below).

Documentation must include:

- 1. Completed application and supporting documentation including certification the well meets contamination criteria through a test report from a certified laboratory.
- 2. Invoice detailing work performed
- 3. Proof work was conducted by a licensed well driller or pump installer as described in Section V.G Below. Copy of state-issued license is required.
- 4. Well and boring sealing record from MDH or the delegated well program authority for any applicant receiving funds for new well construction
- 5. Well reconstruction permit from MDH or the delegated well program authority for any applicant receiving funds for well reconstruction.
- 6. Certification that well water conditioning equipment meets the criteria in Section V. H. below.
- 7. Photo documentation of the complete project/installation.



- E. Each sub-recipient must show well repair, water treatment installation, or new well construction received at least 50% of funding from well owner or other non-state sources.
- F. Each sub-recipient should report \$1,600 total non-state match in staff time or allowable expenses to equal \$10,000 total match included in the FY2021 SE MN Regional Safe Drinking Water for Private Well Users Workplan.
- G. The LGU Board can delegate their authority to enter into contracts and provide payment on the contracts to the Manager, Administrator or appropriate Department Head. However, the approval of the expenditure of grant funds must be documented within their board meeting minutes.

V. Private Well Owner Eligibility:

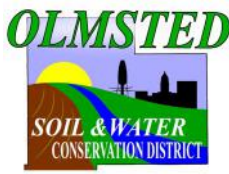
- A. To be eligible for payment under the 2021 Safe Drinking Water for Private Well User grant, an owner or lessee of the property must provide documentation through a certified test report that their water supply has been tested and meets one of the following contamination criteria
 - a. nitrate concentration in the private water supply exceeds 10 parts per million (federal drinking water standard) expressed as nitrate-nitrogen or
 - b. ~~arsenic concentration in the private supply is above the detection limit.~~

Cost Share Rates and Limits for Private Well Owners

- B. Well Repair or reconstruction – each eligible well owner is allowed 50% cost-share up to \$5,000 for well repair or reconstruction, including the cost of new pump or associated piping for a replaced well.
- C. Well Water Treatment Equipment and Installation – each eligible well owner is allowed 50% cost-share up to \$2,000 for certified point-of-use water treatment system
- D. Construction of a new well – each eligible well owner is allowed 50% cost-share up to \$8,500

Cost Share Rates and Limits for Financial Hardship for Private Well Owners

- E. Well owners or renters may be eligible for increased cost-share percentage if they meet certain income guidelines.
 - a. To be eligible for financial hardship funding, an owner or lessee of the property on which the contaminated private well is located must be enrolled in one of the programs outlined in the eligibility section of the program application and provide documentation of enrollment.
 - b. The grant program will provide funding to pay for 90% up to \$5,000 in eligible costs for well reconstruction or repair as described in section B above, and 90% up to



\$2,000 in eligible costs for point-of-use water treatment system installation as outlined in Section C above.

- c. Construction of a new well – each eligible well owner is allowed 90% cost-share up to \$8,500.

The following is an outline of the funding eligibility:

1. 90% Costshare (Priority Level 1) – Private well owner meets both income eligibility guidelines and contamination determination
 2. 50% Costshare (Priority Level 2) – Private well owner meets the contamination determination
- F. Cost-share funds will only be provided to applicants that use a [licensed well driller](#) or licensed pump installer for water treatment installation or well repair/reconstruction. If an applicant is requesting funds for new well installation, any existing well used for drinking water on the property must be sealed by a MDH licensed well contractor and once well is fully sealed, contractor will submit a Well and Boring Sealing Record to MDH. This information must be available by the sub-recipient, as requested, to provide evidence of justifiable spending to this grant to the Olmsted SWCD and/or MDH.
- G. The well owner must comply with all requirements in Minnesota Rules chapter 4725; and a well must be constructed or reconstructed by a well contractor licensed under this chapter.
- H. If a well owner receives funds for installation of a water treatment device, the water treatment device must
- a. Be installed in accordance with State of Minnesota Plumbing Code (MN Rules, chapter 4714), by a water contractor licensed under chapter 326B or a plumber licensed under chapter 326B;
 - b. Comply with MN Rules, on “Water Conditioning Equipment” (part 4714.0611);
 - c. Use appropriate technology to address the contaminant identified in the testing; and
 - d. Be labeled under MN Rules, part 4714.0611, UPS section 611.1.3 as an appropriate technology to address the contaminant identified in the testing.



**Addendum to the Agreement Between
Olmsted Soil & Water Conservation District
and Wabasha Soil & Water Conservation District for the FY 2021 Regional Safe Drinking
Water for Private Well Users Subagreement**

Addendum II

1. This Addendum modifies the agreement dated 8/2/2021 (the "Agreement between the Olmsted Soil and Water Conservation District and the subrecipient, Wabasha Soil & Water Conservation District (SWCD)").
2. The MN Department of Health has extended the Safe Drinking Water Grant through April 30, 2023.
3. This addendum modifies **Section III. Payment terms and reporting Requirements, B. Term** "the sub-recipient may expend grant funds toward completion of deliverable/activities in Exhibit A from the final signing of this agreement by all parties to ***March 31st, 2023*** or until all work under this Agreement is completed and payments made, whichever occurs first, unless earlier terminated by law or according to the provisions of this Agreement.
4. This addendum modifies "Exhibit A – Work Plan and Funding Eligibility Policy" to extend the grant period from March 2021 – April 30, 2023.

This addendum is effective upon certification by all parties.

Approved and accepted:

FOR OLMSTED SOIL & WATER CONSERVATION DISTRICT

Paul Uecker
Olmsted SWCD Board Chair

Date

FOR THE SUBRECIPIENT

Signature

Date

Title



**Addendum to the Agreement Between
Olmsted Soil & Water Conservation District
and Wabasha Soil & Water Conservation District for
the FY 2021 Regional Safe Drinking Water for Private Well Users Sub-agreement**

1. This Addendum modifies the agreement dated 5/27/2021 (the "Agreement between the Olmsted Soil and Water Conservation District and the subrecipient, Wabasha Soil & Water Conservation District (SWCD)").
2. The MN Department of Health has specified that to be eligible for payment under the 2021 Safe Drinking Water for Private Well User Grant, an owner or lessee of the property must meet the nitrate-nitrogen contamination criteria and cannot be eligible for the funding if they have an arsenic contamination issue only.
3. This addendum modifies Exhibit A – Work Plan and Funding Eligibility Policy to remove “b. arsenic concentration in the private supply is above the detection limit” from Section V. A Private Well Owner Eligibility.
4. Section V. A Private Well Owner Eligibility should read as follows:
V. Private Well Owner Eligibility
A. To be eligible for payment under the 2021 Safe Drinking Water for Private Well User grant, an owner or lessee of the property must provide documentation through a certified test report that their water supply has been tested and meets the following contamination criteria:
 - a. nitrate concentration in the private water supply exceeds 10 parts per million (Federal drinking water standard) expressed as nitrate-nitrogen.

This addendum is effective upon certification by all parties.

Approved and accepted:

FOR OLMSTED SOIL & WATER CONSERVATION DISTRICT

DocuSigned by:

Caitlin Brady

Caitlin Brady

Olmsted County Water Resources Coordinator

7/19/2021 | 11:38 AM CDT

Date

FOR THE SUBRECIPIENT

DocuSigned by:

Terri Peters

Terri Peters

District Manager

Title

8/2/2021 | 6:12 AM PDT

Date

2023 TENTATIVE MEETING DATES ON THE FOURTH THURSDAY OF THE MONTH – WITH EXCEPTION OF THURSDAYS THAT CONFLICT WITH A HOLIDAY

TIME: 8:15 AM

JANUARY 26, 2023

FEBRUARY 23, 2023

MARCH 23, 2023

APRIL 27, 2023

MAY 25, 2023

JUNE 22, 2023

JULY 27, 2023

AUGUST 24, 2023

SEPTEMBER 28, 2023

OCTOBER 26, 2023

NOVEMBER 16, 2023 (NOVEMBER 23, 2023 Thanksgiving)

DECEMBER 14, 2023 - (DECEMBER 25, 2023 Christmas -Mon.)

Roller Crimper Trailer Rental

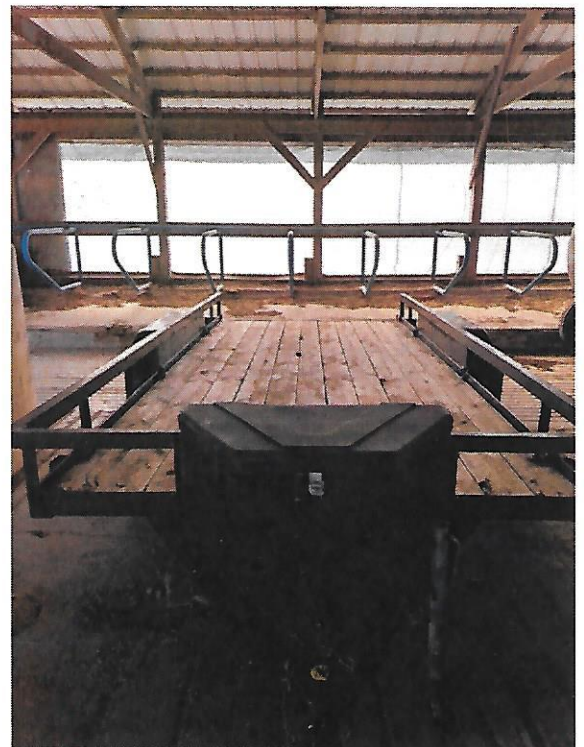
Dennis Shae, whom we rent space from for the roller crimper storage, has raised the prospect of the SWCD renting out a trailer co-owned by Dennis and his father-in-law which the J & J roller crimper could be stored and transported on. Dennis threw out a figure of \$250/year for rental of the trailer.

This would allow for much more efficient transport of the roller crimper by enabling farmers to simply pull into the lot and hook up the trailer, instead of needing to rely on Dennis to be available, especially on short notice, for loading and unloading the crimper.

The additional cost to the SWCD should be offset by streamlining the process, cutting out the need for Dennis to load and unload the crimper will save the planned \$20.00 per rental payment, and there will likely be a reduction, however difficult to estimate, in staff time spent coordinating transfer of the unit from one farm to the next when the process is simplified.

Perhaps the biggest benefit would be the ability this would allow for to have farmers pick up the roller crimper directly from the previous user if they are closer by than Dennis' farm. Another benefit (and perhaps the largest) may be any networking among interested farmers who may share their experience with the unit.

We will need to amend our agreement to include maintenance on the trailer (lights, tires, etc.) to ensure safe and timely transport. Presumably, Dennis would be responsible for this. We may need to consider what happens when any unexpected problems occur with the trailer when it is in use away from Dennis' farm and how that would be resolved.



SWCD Drone & Tablet

The Autel Evo drone owned by the SWCD requires an application run on a device to fully access and utilize the functions of the drone, including safety and drone recovery features which, among other things, returns the drone to takeoff location when signal is lost or weak, or the battery is low. Additional features include but are not limited to the ability to plot out flight routes which results in better quality and more useful imagery, both for technical use and for media that can be used as a communication and outreach tool.

The Autel Evo app requires a 64-bit processor in order to run. Previously, a 32-bit processor worked, but the latest updates to the application to improve function and security have moved the entire app to where it will only function on a 64-bit system.

Below are two relatively inexpensive options for 64-bit Android tablets that should run the Autel Evo application. Other tablets that could run the Autel application get more expensive from these and may cost several hundred dollars.

As of 12/5/22:

1. Dragon Touch Max10 Android 10.1 inch Tablet with 64-bit processor. \$154.58 on Amazon.
2. Microsoft Surface 3 Tablet 10.8 inch Tablet with 64-bit processor. \$228.00 on Amazon.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
TABLE OF CONTENTS**

	<u>PAGE</u>
INTRODUCTORY SECTION	
Elected and appointed Officials	i
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
General Fund Balance Sheet and Statement of Net Position of Government Activities	8
Reconciliation of the Net Position in the District-Wide Financial Statements and Fund Balance in the Fund Basis Financial Statements	9
General Fund Revenues, Expenditures and Changes in Fund Balance and Statement of Activities of Governmental Activities	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	12
Notes to Financial Statements	13
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of District's Pension Contributions - PERA	27
Schedule of District's and Non-Employer Proportionate Share of Net Pension Liability - PERA	28
OTHER REPORT SECTION	
Independent Auditor's Report on Minnesota Legal Compliance	29

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

INTRODUCTORY SECTION

DECEMBER 31, 2021

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2021**

<u>Office</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors		
Chair	Lynn Zabel	January 2023
Vice Chair	Chet Ross	January 2023
Treasurer	Sharleen Klennert	January 2023
Secretary	Larry Theismann	January 2023
Appointed		
District Manager	Terri Peters	Indefinite

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

FINANCIAL SECTION

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Wabasha Soil and Water Conservation District
Wabasha, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Wabasha Soil and Water Conservation District (the District) as of and for the year ended December 31, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Unmodified Opinions on the Governmental Activities and Major Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the District as of December 31, 2021, and the respective changes in financial position and budgetary comparison for the general fund 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 (GAAS). 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 Wabasha Soil and Water Conservation District 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.

Responsibility of Management for the Financial Statements

Wabasha Soil and Water Conservation District's management is responsible for the preparation and fair presentation of these 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 Wabasha Soil and Water Conservation District's ability to continue as a going concern for one year after the date of the financial statements are issued.

Auditor's Responsibility 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 GAAS 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 GAAS, 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 Wabasha Soil and Water Conservation District'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 Wabasha Soil and Water Conservation District'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such 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. 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.

Other Matters (Continued)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The introductory section has not been subjected to the 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.

Red Wing, Minnesota

December 12, 2022

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Wabasha Soil and Water Conservation District's (the District's) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on December 31, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

USING THIS ANNUAL REPORT

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 7. For the General Fund, these statements tell how these services were financed in the short term as well as what remains for future spending. The General Fund statements also report the District's operations in more detail than the government-wide statements by providing information about the District's fund. Since soil and water conservation districts are single-purpose, special-purpose governments, they are generally able to combine the government-wide and fund financial statements into single presentations. The District has elected to present in this format.

DISTRICT-WIDE STATEMENTS

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating.

In the district-wide financial statements the District's activities are shown in one category titled Governmental Activities. All of the District's basic services are included here.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the General Fund, not the District as a whole. The District presents only a General Fund, which is a governmental fund. All of the District's basic services are reported in the General Fund, which focuses on how money flows into and out of that fund and the balances left at year-end that are available for spending. The fund is reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The General Fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's net position from Governmental activities was \$28,892 on December 31, 2021. This was an decrease of \$27,943 from the prior year.

	Total	
	2021	2020
Assets		
Current and other assets	\$ 769,055	\$ 651,102
Capital assets	26,361	43,897
Total assets	795,416	694,999
Deferred Outflows of Resources	75,319	20,416
Liabilities		
Current liabilities	588,507	449,041
Long-Term liabilities	152,802	199,106
Total liabilities	741,309	648,147
Deferred Inflows of Resources	100,534	10,433
Net Position		
Net investment in capital assets	26,361	43,897
Unrestricted	2,531	12,938
Total net position	\$ 28,892	\$ 56,835

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

District's Revenue. The District's total revenues were \$1,154,754 for the year ended December 31, 2021, compared to \$774,686 for the year ended December 31, 2020. This increase of \$380,068 is primarily due to additional grant funding received during 2021 that was not received in 2020.

A condensed version of the Statement of Activities follows:

	Total	
	2021	2020
Revenue		
Intergovernmental	\$ 1,139,170	\$ 748,787
Charges for services	12,221	11,178
Investment earnings	1,685	3,731
Miscellaneous	1,678	10,990
Total revenues	1,154,754	774,686
Expenses		
Conservation	1,182,697	773,368
Change in net position	(27,943)	1,318
Net position, beginning of year	56,835	55,517
Net position, end of year	\$ 28,892	\$ 56,835

The cost of all governmental activities was \$1,182,697 for the year ended December 31, 2021, compared to \$773,368 for the year ended December 31, 2020. This increase of \$409,329 is primarily due to an increase in district project expenditures as a result of the increased funding noted above.

FINANCIAL ANALYSIS OF THE GENERAL FUND

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$180,548, a decrease of \$21,513 from last year's ending fund balance of \$202,061.

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual revenue was \$1,154,754 less than budgeted due to grant funding used and received being less than anticipated. The actual charges to appropriations (expenditures) were \$1,176,267 less than the final budgeted amounts primarily due to the delay of projects. The most significant positive variance of \$545,847 occurred in state project expenditures as a result of project delays. The other significant positive variance of \$66,570 occurred in personnel services. At the start of the year, the projects were delay due to the limited personnel.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2021, the District had \$26,361 of capital assets, net of accumulated depreciation. Total depreciation expense for the year was \$17,536.

	Total	
	2021	2020
Equipment	\$ 119,088	\$ 123,232
Less accumulated depreciation	92,727	79,335
Total	<u>\$ 26,361</u>	<u>\$ 43,897</u>

Long-Term Liabilities

As of December 31, 2021, the District had \$16,148 in accrued compensated absences and \$136,654 in net pension liability. This compares to \$13,247 as of December 31, 2020 for accrued compensated absences and \$185,859 in net pension liability.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Wabasha Soil and Water Conservation District at 611 Broadway Ave., Suite 10, Wabasha, MN 55981. The phone number is 651-565-4673 extension 3.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2021

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WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
GENERAL FUND BALANCE SHEET AND
STATEMENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2021

	General Fund	Reconciliation	Governmental Activities
Assets			
Cash and cash equivalents	\$ 628,102	\$	\$ 628,102
Due from other governmental units	140,033		140,033
Prepaid items	920		920
Capital assets			
Equipment (net of accumulated depreciation)		26,361	26,361
Total Assets	769,055	26,361	795,416
Deferred Outflows of Resources			
Deferred pension outflows		75,319	75,319
Liabilities			
Accounts payable	139,134		139,134
Salaries and wages payable	11,618		11,618
Other accrued liabilities	852		852
Unearned revenue	436,903		436,903
Noncurrent liabilities:			
Net pension liability		136,654	136,654
Compensated absences		16,148	16,148
Total Liabilities	588,507	152,802	741,309
Deferred Inflows of Resources			
Deferred pension inflows		100,534	100,534
Fund Balance / Net Position			
Fund Balance			
Nonspendable	920	(920)	
Unassigned	179,628	(179,628)	
Total Fund Balance	180,548	(180,548)	
Net Position			
Investment in capital assets		26,361	26,361
Unrestricted		2,531	2,531
Total Net Position		28,892	28,892
Total Fund Balance / Net Position	\$ 180,548	\$ (151,656)	\$ 28,892

See Notes to Financial Statements

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
RECONCILIATION OF NET POSITION IN THE
DISTRICT-WIDE FINANCIAL STATEMENTS AND FUND BALANCE
IN THE FUND BASIS FINANCIAL STATEMENTS
December 31, 2021**

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances (page 7)		\$ 180,548
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental funds - capital assets	\$ 119,088	
Less: Accumulated depreciation	<u>92,727</u>	
		26,361
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability, deferred outflows and inflows from pension activity	\$ (161,869)	
Compensated absences	<u>(16,148)</u>	
		<u>(178,017)</u>
Net position of governmental activities (page 7)		<u><u>\$ 28,892</u></u>

WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE AND
STATEMENT OF ACTIVITIES OF GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2021

	General Fund	Reconciliation	Governmental Activities
Revenues			
Intergovernmental revenue	\$ 1,139,170	\$	\$ 1,139,170
Charges for services	12,221		12,221
Investment earnings	1,685		1,685
Miscellaneous	1,678		1,678
Total Revenues	1,154,754		1,154,754
Expenditures			
Conservation:			
Current	1,176,267	6,430	1,182,697
Capital outlay			
Total Expenditures	1,176,267	6,430	1,182,697
Net Change in Fund Balance / Net Position	(21,513)	(6,430)	(27,943)
FUND BALANCE / NET POSITION - BEGINNING	202,061	(145,226)	56,835
FUND BALANCE / NET POSITION - ENDING	\$ 180,548	\$ (151,656)	\$ 28,892

See Notes to Financial Statements

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (page 9)	\$	(21,513)
---	----	----------

Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays - capitalized	\$		
Depreciation expense		(17,536)	(17,536)

In the statement of activities, certain operating expenses - net pension liability, and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Net pension liability	\$	14,007	
Compensated absences		(2,901)	11,106

Change in net position of governmental activities (page 9)	\$	(27,943)
--	----	----------

WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended December 31, 2021

	Budgeted Amounts		2021	Over (Under)
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental				
County	\$ 151,295	\$ 151,295	\$ 126,216	\$ (25,079)
Federal	244,479	244,479	159,261	(85,218)
State	1,380,438	1,380,438	853,693	(526,745)
Total Intergovernmental	1,776,212	1,776,212	1,139,170	(637,042)
Charges for services	9,450	9,450	12,221	2,771
Miscellaneous				
Interest earnings	6,000	6,000	1,685	(4,315)
Other			1,678	1,678
Total Miscellaneous	6,000	6,000	3,363	(2,637)
TOTAL REVENUES	1,791,662	1,791,662	1,154,754	(636,908)
EXPENDITURES				
District Operations				
Personnel services	332,402	332,402	265,832	(66,570)
Other services and charges	143,691	143,691	117,985	(25,706)
Supplies	1,500	1,500	1,265	(235)
Capital outlay				
Total District Operations	477,593	477,593	385,082	(92,511)
Project Expenditures				
District	6,400	6,400	7,689	1,289
Federal	125,500	125,500	147,174	21,674
State	1,182,169	1,182,169	636,322	(545,847)
Total Project Expenditures	1,314,069	1,314,069	791,185	(522,884)
TOTAL EXPENDITURES	1,791,662	1,791,662	1,176,267	(615,395)
NET CHANGE IN FUND BALANCE			(21,513)	(21,513)
FUND BALANCE - BEGINNING	229,057	229,057	202,061	(26,996)
FUND BALANCE - ENDING	\$ 229,057	\$ 229,057	\$ 180,548	\$ (48,509)

See Notes to Financial Statements

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The financial statements of the Wabasha Soil and Water Conservation District (the District) are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Financial Reporting Entity

The District is organized under the provisions of Minnesota Statutes Chapter 103C. The District is governed by a Board of Supervisors composed of five members nominated by voters of the District and elected to four-year terms by the voters of the County.

The purpose of the District is to assist land occupiers in applying practices for the conservation of soil and water resources. These practices are intended to control wind and water erosion, pollution of lakes and streams, and damage to wetlands and wildlife habitats.

The District provides technical and financial assistance to individuals, groups, districts, and governments in reducing costly waste of soil and water resulting from soil erosion, sedimentation, pollution and improper land use.

Each fiscal year the District develops a work plan which is used as a guide in using resources effectively to provide maximum conservation of all lands within its boundaries. The work plan includes guidelines for employees and technicians to follow in order to achieve the District's objectives.

The District is not considered a part of Wabasha County because, even though the County provides a significant amount of the District's revenues in the form of an appropriation, it does not retain any control over the operations of the District.

Generally accepted accounting principles require that the financial reporting entity include the primary government and component units for which the primary government is financially accountable. Under these principles the District does not have any component units.

Government-Wide Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

The District reports the General Fund as its only major governmental fund. The General Fund accounts for all financial resources of the District.

Governmental 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period.

Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures are recorded when a liability is incurred under accrual accounting.

Intergovernmental revenues are reported in conformity with the legal and contractual requirements of the individual programs. Generally, grant revenues are recognized when the corresponding expenditures are incurred.

Investment earnings are recognized when earned. Other revenues are recognized when they are received in cash because they usually are not measurable until then.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

Budget Information

The District adopts an estimated revenues and expenditures budget for the General Fund. Comparisons of estimated revenues and budgeted expenditures to actual are presented in the financial statements in accordance with generally accepted accounting principles. Amendments to the original budget require Board approval. Appropriations lapse at year end. The District does not use encumbrance accounting.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

Cash and Investments

Cash and investments are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value.

Receivables

Receivables are collectible within one year.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets are reported on a net (depreciated) basis. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life greater than one year. General capital assets are valued at historical or estimated historical cost.

The cost of property, plant and equipment is depreciated over the estimated useful lives of the related assets. Leasehold improvements are depreciated over the lesser of the term of the related lease or the estimated useful lives of the assets. Depreciation is computed on the straight-line method. For the purpose of computing depreciation, the useful life for machinery and equipment is five to ten years.

Deferred Outflows of Resources

In addition to assets, the financial statements will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one type and is pension related and is reported on the statement of net position.

Unearned Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned. Unearned revenue as of December 31, 2021 represents unearned advances from the Minnesota Board of Water and Soil Resources (BWSR) for administrative service grants and for the cost-share program. Revenues will be recognized when the related program expenditures are recorded.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

Vacation and Sick Leave

Under the District's personnel policies, employees are granted vacation leave in varying amounts based on their length of service. Vacation leave accrual varies from 8 to 14 hours per month. Sick leave accrual is 12 days per year. The limit on the accumulation of vacation leave is 240 hours and the limit on the accumulation of sick leave is 1,040 hours. Upon termination of employment from the District, employees are only paid accrued vacation leave.

The amount reported as compensated absences benefits consists of unpaid, accumulated vacation and sick balances. The liability has been calculated using the vested method, in which leave amounts are accrued for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination. The liability is reported in governmental funds only if they have mature and is accrued when incurred in the government-wide statements.

Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type and is pension related and reported in the statement of net position.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/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.

Classification of Net Position

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

Investment in Capital Assets – the amount of net position representing capital assets net of accumulated depreciation.

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.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

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

Classifications of Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the General Fund. The classifications are as follows:

Nonspendable – the nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are 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.

Restricted – fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments; or are imposed by law through constitutional provisions or enabling legislation.

Committed – the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board. Those committed amounts cannot be used for any other purposes unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – amounts in the assigned fund balance classification the District 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 established by the Board or the Board Administrator who has been delegated that authority by Board resolution.

Unassigned – unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Cash and Investments

Deposits

Minnesota Statutes 118A.02 and 118A.04 authorize the District to designate a depository for public funds and to invest in certificates of deposit. Minnesota Statute 118A.03 requires that all District deposits be protected by insurance, surety bond, or collateral. When not covered by insurance or surety bonds, the market value of collateral pledged shall be at least ten percent more than the amount on deposit (plus accrued interest) at the close of the financial institution's banking day.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standards letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. 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 that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2021, the District's deposits were not exposed to custodial credit risk.

Fair Value Measurement

Fair value measurements are determined utilizing the framework established by the Governmental Accounting Standards Board. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets
 - Quoted prices for identical assets or liabilities in inactive markets
 - Inputs other than quoted prices that are observable for the asset or liability
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Cash and Investments (Continued)

If the asset or liability has a specific (contractual) term, Level 2 input must be observable for substantially the full term of the asset or liability

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

There were no assets measured at fair value on a recurring basis noted at the District.

3. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental Activities	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 123,232	\$	\$ 4,144	\$ 119,088
Less accumulated depreciation for:				
Equipment	<u>79,335</u>	<u>17,536</u>	<u>4,144</u>	<u>92,727</u>
Governmental activities capital assets, net	<u>\$ 43,897</u>	<u>\$ (17,536)</u>	<u>\$</u>	<u>\$ 26,361</u>

Depreciation for the year ended December 31, 2021 was \$18,265.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Long-Term Liabilities

The following is a summary of changes in long-term obligations for the year ended December 31, 2021.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Compensated Absences	\$ 13,247	\$ 12,836	\$ 9,935	\$ 16,148	\$

5. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; workers' compensation claims; and natural disasters. Property and casualty liabilities and workers' compensation are insured through Minnesota Counties Intergovernmental Trust. The District retains risk for the deductible portion of the insurance. The amounts of these deductibles are considered immaterial to the financial statements.

The Minnesota Counties Intergovernmental Trust is a public entity risk pool currently operated as a common risk management and insurance program for its members. The District pays an annual premium based on its annual payroll. There were no significant increases or reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

6. Operating Leases

The District leases office space on a yearly basis. Under the current agreement total costs for the year ended December 31, 2021 were \$11,045.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide

Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

1. General Employees Retirement Plan

All full-time and certain part-time employees of the District are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

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.

1. General Employees Plan Benefits

General Employees Plan 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 PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. 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 reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2021 and the District was required to contribute 7.50 percent for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended December 31, 2021 were \$17,065. The District's contributions were equal to the required contributions as set by the state statute.

Pension Costs

1. General Employees Fund Pension Costs

At December 31, 2021, the District reported a liability of \$136,654 for its proportionate share of the General Employees Fund's net pension liability. The City'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 City totaled \$4,176.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2021, the District's proportionate share was 0.0032 percent at the end of the measurement period and 0.0031 percent for the beginning of the period.

District's proportionate share of net pension liability	\$	136,654
State of Minnesota's proportionate share of the net pension liability associated with the District		4,176
Total	\$	<u>140,830</u>

For the year ended December 31, 2021, the District recognized pension expense of (\$13,670) for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized an additional \$337 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.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Pension Costs (continued)

At December 31, 2021, the District reported its proportionate share of General Employees Plan's 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>
Difference between expected and actual economic experience	\$ 814	\$ 3,242
Changes in actuarial assumptions	62,578	2,929
Difference between projected and actual investment earnings		92,976
Changes in proportion	3,373	1,387
Contributions paid to PERA subsequent to the measurement date	<u>8,554</u>	
Total	<u>\$ 75,319</u>	<u>\$ 100,534</u>

The \$8,554 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31:</u>	<u>Pension Expense Amount</u>
2022	\$ (6,443)
2023	(1,231)
2024	(272)
2025	(25,823)

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Total Pension Expense

Pension expense recognized by the District for the year ended December 31, 2021 is as follows:

General Employees Fund	<u>\$ (13,670)</u>
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Long-Term Expected Return on Investment

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%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter.

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Actuarial Methods and Assumptions (continued)

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions Assumptions:

- There were no changes in plan provisions since the previous valuation.

Discount Rate

The discount rate used to measure the total pension liability in 2021 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at the rates specified in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, 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.

WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Sensitivity Analysis		
<u>Net Pension Liability (Asset) at Different Discount Rates</u>		
	<u>General Employees Fund</u>	
1% Lower	5.50%	\$ 278,705
Current Discount Rate	6.50%	136,654
1% Higher	7.50%	20,093

Pension Plan Fiduciary Net Position

Detailed information about each 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 on the Internet at www.mnpera.org.

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2021

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

**Schedule of District's and Non-Employer Proportionate Share of Net Pension Liability
PERA General Employees Retirement Fund
Last Ten Years (presented prospectively)**

Fiscal Year Ended June 30	Employer's Proportionate Share (Percentage) of Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability (Asset) (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the District (a+b)	Covered Payroll (c)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0023%	\$ 119,198	\$	\$ 119,198	\$ 170,509	69.91%	78.19%
2016	0.0032%	259,824		259,824	172,136	150.94%	68.90%
2017	0.0028%	178,750	2,276	181,026	176,627	102.49%	75.90%
2018	0.0032%	177,523	1,356	178,879	204,320	87.55%	79.50%
2019	0.0031%	171,392	5,333	176,725	225,280	78.45%	80.20%
2020	0.0031%	185,859	5,739	191,598	222,933	85.94%	79.06%
2021	0.0032%	136,654	4,176	140,830	227,533	61.89%	87.00%
2022							
2023							
2024							

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

**Schedule of District's Pension Contributions
PERA General Employee Retirement Fund
Last Ten Years (presented prospectively)**

Year Ended December 31	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/d)
2015	\$ 12,994	\$ 12,994	\$	\$ 173,249	7.50%
2016	13,099	13,099		174,651	7.50%
2017	13,247	13,247		176,627	7.50%
2018	15,324	15,324		204,320	7.50%
2019	16,896	16,896		225,280	7.50%
2020	16,720	16,720		222,933	7.50%
2021	17,065	17,065		227,533	7.50%
2022					
2023					
2024					

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**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA**

OTHER REPORT SECTION

DECEMBER 31, 2021

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MINNESOTA LEGAL COMPLIANCE

Independent Auditor's Report

To the Board of Supervisors
Wabasha Soil and Water Conservation District
Wabasha, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Wabasha Soil and Water Conservation District, Wabasha, Minnesota, as of and for the year ended December 31, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 12, 2022.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interests, tax increment financing, claims and disbursements, and miscellaneous provisions. Our audit considered all of the listed categories, except that we did not test for compliance with the provisions for tax increment financing public because the District does not administer any tax increment financing districts.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. 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 the District's noncompliance with the above referenced provisions.

This report is intended solely for the information and use of those charged with governance and management of Wabasha Soil and Water Conservation District and the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Red Wing, Minnesota
December 12, 2022

December 12, 2022

Wabasha Soil and Water Conservation District
611 Broadway Avenue
Wabasha, Minnesota 55981

We have audited the financial statements of the governmental activities and the General Fund of Wabasha Soil and Water Conservation District, Minnesota for the year ended December 31, 2021, and have issued our report thereon dated **December 12, 2022**. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated October 31, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Wabasha Soil and Water Conservation District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated **December 12, 2022**.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in the engagement letter dated October 31, 2022.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, and our firm, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Wabasha Soil and Water Conservation District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended December 31, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive estimates affecting the financial statements were:

Depreciation of Capital Assets

Management's estimate of the useful life of purchased, constructed or contributed capital assets is based on the estimated productive life of these assets. We evaluated estimated useful lives assigned to capital assets and determined that these lives were reasonable in relation to the financial statements taken as a whole.

Pension Liabilities

Management's Estimate of the pension liabilities are actuarially determined. We have evaluated the estimates used in the study and determined they were reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant Wabasha Soil and Water Conservation District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated **December 12, 2022**.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with Wabasha Soil and Water Conservation District we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Wabasha Soil and Water Conservation District's auditors.

Other Matters

We applied certain limited procedures to the Schedule of District's Contributions – PERA and Schedule of District's and Non-employer Proportionate Share of Net Pension Liability- PERA, 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.

Restriction on Use

This report is intended solely for the information and use of the city council and management of Wabasha Soil and Water Conservation District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Red Wing, Minnesota

December 12, 2022

Board of Supervisors

Wabasha Soil and Water Conservation District

Wabasha, Minnesota

In planning and performing our audit of the governmental activities and the General Fund of Wabasha Soil and Water Conservation District as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered Wabasha Soil and Water Conservation District'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 the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of Wabasha Soil and Water Conservation District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

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. We consider the following deficiencies in the entity's internal control to be significant deficiencies:

Segregation of Duties

We noted that due to the nature and size of the District, proper segregation of duties is not always maintained. Management should attempt to segregate duties that are incompatible from an internal control standpoint (e.g. cash receipts, preparation of deposits, depositing cash to bank, receiving bank statements, reconciling bank accounts, reviewing reconciliations, disbursing cash, etc.) whenever possible. This will prevent any single individual access to control the entire cash process and help reduce the risk of fraud or embezzlement.

Honorable Mayor and Members
of the City Council
City of Wabasha, Minnesota
Page 2

None of the identified deficiencies in internal control listed above are considered to be material weaknesses.

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Red Wing, Minnesota

Wabasha County SWCD Board
Members and Wabasha County
SWCD staff,

Thank you all for planting a
grove of trees in Terry's memory.
SWCD was a top priority in
Terry's daily life.

Sincerely,

Terry T
