

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#
If you plan on attending in person and are not fully vaccinated, wearing a mask and social distancing will be required.

**Wabasha Soil and Water Conservation District
District Regular Board Meeting
November 18, 2021
8:15 a.m.
County Board 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**
 - A. Lars Polson AgBMP Loan Application for Bedding Chopper in the amount of \$27,200.00
(replaces prior loan application for \$20,750.00)
- VI. **SECRETARY’S REPORT**
 - A. October 28, 2021 Meeting Minutes-**Board Action**
- VII. **TREASURER’S REPORT:**
 - A. District Financial Statements-**Board Action**
- VIII. **PAYMENT OF MONTHLY BILLS**
 - A. Monthly Bills in the amount of **\$18,038.89 -Board Action**
 - i. **Note: Second payroll of the month is 11/26.**
Will need to pay County benefits \$442.09, VSP (vision) \$64.04 & MNPEIP (health insurance) \$5,110.00 after payroll is ran on Mon. 11/22. The County benefit check will need two signers. The other two are paid online. Total of \$5,616.13 – 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 – **Report in Packet**
 - E. District Technician Report- Matt Kempinger – **Report in Packet**
 - F. Ecological Technician Report – Henry Stelten – **Report in Packet**
 - G. Bookkeeper/Administrative Assistant -Sue Cerwinske – Report in Packet

X. OLD BUSINESS

- A. Conservation Project – Lynn Zabel
- B. MASWCD 2021 Annual Convention & Trade Show Dec. 12-14 – Attendees – **Board Action**

XI. NEW BUSINESS

- A. Approve Balow Farms cancelation of Contract# 19-DWP-CC-6 in the amount of \$2,700.00 for cover crops (planting homegrown rye that may not pass the policy for purity and germination) – **Board Action**
- B. Approve Bruce Wood Amendment for Contract# 19-Capacity-4 for cover crops. Changing Installation date from 11/01/2021 to 11/01/2022 (land ownership change)– **Board Action**
(funding source FY19 Capacity)
- C. Approve Peter Wood voucher payment for Contract# 19-Capacity-5 in the amount of \$600.00 for final year practice 340 cover crops – **Board Action**
(funding source FY19 Capacity)
- D. Approve John Miller voucher payment for Contract# 19-DWP-CC-4 in the amount of \$900.00 for 2nd year for practice 340 cover crops – **Board Action**
(funding source FY19 Drinking Water Protection SE MN)
- E. Approve Adam Graner voucher payment for Contract# 19-DWP-CC-5 in the amount of \$900.00 for 1st year for practice 340 cover crops – **Board Action**
(funding source FY19 Drinking Water Protection SE MN)
- F. Approve Resolution 11182021-1. Resolution to Adopt and Implement the Greater Zumbro Comprehensive Watershed Management Plan – **Board Action**
- G. COVID Staffing – **Board Discussion Options**
- H. Schedule Employee Evaluations – **Personnel Committee**
- I. Draft Audit Financial Statements for year ended 12-31-20
- J. Approve Scott Sexton voucher payment for Contract# 19-DWP-CC-3 in the amount of \$900.00 for 2nd year cover crops - practice 340 – **Board Action**
(funding source FY19 Drinking Water Protection SE MN)
- K. Approve Stacy Miller voucher payment for Contract# 20-Capacity-4 in the amount of \$900.00 for 2nd year cover crops - practice 340 – **Board Action**
(funding sources FY20 Capacity)
- L. Upcoming Events:

XII. Board Reports

- A. Whitewater JPB – Lynn
- B. Zumbro 1W1P – Larry
- 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. Adjourn – Board Action

Peters, Terri - NRCS-CD, Wabasha, MN

From: Peters, Terri - NRCS-CD, Wabasha, MN
Sent: Friday, November 5, 2021 10:33 AM
To: 'Dan Schmitz'
Cc: 'milkncooki3s@gmail.com'
Subject: Lars Polson_AgBMP_11-5-2021 (replace previous app from 10-18).pdf
Attachments: Lars Polson_AgBMP_11-5-2021 (replace previous app from 10-18)

Hi Dan,

The new AgBMP application for Lars Polson is attached. I've signed approval. As we discussed, this should replace the previous application for the bale bedding processor and you should use the new loan funds to pay off the other one in your repayment schedule.

If you have questions, Richard Gruenes at MDA is aware of what is happening and he was letting Diane in his office know about the situation, as well.

Thank you.

Terri Peters, District Manager



611 Broadway Ave., Suite 10
Wabasha, MN 55981
(651) 560 – 2044

"Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has. Margaret Mead



Minnesota Department of Agriculture
625 Robert St. N., St. Paul, MN 55155-6120
www.mda.state.mn.us/agbmp/apply

Submit Form

Agricultural Best Management Practices Loan Program 651-201-6618 Fax 651-201-6109 email: AgBMP.Loans@state.mn.us

AgBMP LOAN APPLICATION

Required for all applications:
Borrower Information: Name: **LARS**

(One)
Last Name: **POLSON**

County: **Wabasha**

(Optional)
Company:

Street Address: **30533 580th St.**

City: **Millville**

State: **MN**

Zip: **55954**

Telephone: **(507) 798-2380**

Project Information: On a Farm: ☒ Non-Farm: ☐

If using PLS, write in TFRS and mark where the project or practice is on the Section Map.
By filling a Latitude and Longitude of a point on the property near the project or practice.
(Please get us within a few acres of where the project or practice resides if you can.)

Brief description of what will be purchased or constructed and how it helps water quality:
Large Bale Bedding Processor -It will chop and blow bedding material onto Bedded Pack in dairy barn. Pack will hold nutrients and organic matter until spread and incorporated into soil spring and fall.

Well: Does this project implement Drinking Water Standards? ☐
Eligibility: Does this project eliminate Groundwater Pollution? ☐

☐ Is this application for a city, town, or other municipality?
☐ Is this application for a facility with an Industrial Waste Permit?

PLS
Township # **109**
Range **12**
Section: **29**
Latitude: _____ OR _____ Longitude: _____
Pin or Parcel #: _____

LOCAL GOVERNMENT APPROVAL

(If Pin or Parcel # is used no punctuation marks, county code, or spaces allowed.)

Approved Loan Amount	\$	
Estimated Total Project Cost (all sources)	\$	27200
Animal Units (Feedlot improvements or manure handling equipment for facilities > 1000 AU that are not in the Mississippi watershed are ineligible)	Beginning:	280
	Ending:	285
Primary Livestock	<input checked="" type="checkbox"/> Dairy <input type="checkbox"/> Beef <input type="checkbox"/> Swine <input type="checkbox"/> Other:	
Cross: Corn	Forage	
Conservation Tillage	Acreage AFTER Project:	564
Approval Expiration and Other Restrictions	Total Acres Farmed:	564

Project Approved by: **Jeri Hepler** Date: **11/05/2014**

Project Completion Certified by (OPTIONAL): _____ Date: _____

(USFS Please email this fillable PDF form to the borrower's chosen lender.)

(Most lender contact e-mails address can be found on the AgBMP mapping tool; click LENDER CONTACTS LIST to find your lender email)

LENDER INFORMATION & LOAN TERMS

AgBMP Loan Request	\$		Check if Local Revolving Funds are used: <input type="checkbox"/>
(Optional) Additional Request #	\$		Funds will not be disbursed if checked
Number of payments per year:		Initials:	Date:
Total Number of Payments:			
Interest rate (if other 3%):	%	(Optional) Section Payment Date	
Lender Organization Name	Foresight Bank Plainview		
Lender Address			
Lender Signature:		Date	

Teagle

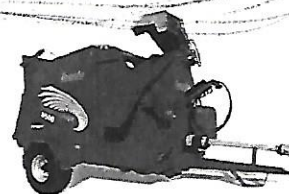
Tomahawk 8500 CHIEF

Description

- Spread bales of straw for bedding or shred silage for feeding applications.
Wide body for easier loading and greater performance
- 6ft. Diameter x 5ft width Round Bales
 - 4ft. x 4ft. x 8ft Rectangular Bales
 - Suitable for Straw, Hay and Silage
 - Max. Spreading distance 80ft.
 - Wear Resistant Steel Fan Housing

Specifications

- Trailed Machine
- Slip & Overrun Clutch PTO
- Rear Tailgate Switch
- Bluetooth Electric Controls
- 2 speed Gearbox - 540 RPM PTO
- PTO req. min. 80hp
- Weight 4586 / 4970lbs.
- Standard wheels 12.5/75-15



Additional Information is available on the Teagle website

Item	Part Number	Description	Price
Base machine	T8500 CHIEF	T8500 Side chute incl. lights/mudguards/extension sides/12.5 wheels	\$40,345.00
	T8500SC CHIEF	T8500SC Swivel chute incl. lights/mudguards/extension sides/12.5 wheels	\$40,995.00
PTO Options			
6 Spline WAJ PTO - in lieu	PTO8085	6 Spline Tractor End, WAJ at Machine end	\$1,165.00
Highway / Trailed Options			
Road Lights	SC4250	LED Road Light Kit + EC1123	Std.
Wheels	WE1121	Tires and Rims 12.5/75 -15in .	Std.
Jack	SC4069	Drawbar Jack	Std.
Clevis Hitch	SC5051	Clevis Hitch and Jack in Lieu of Standard Ring Hitch	Std.
Crossbeater Options			
Extra Blade Kit	SC3768	For Standard Straw / Silage Crossbeater (Additional 48 blades)	\$430.00
Hook Ripper Kit	SC4218	Increased Feed Rate Less chopping Standard Straw/ Silage Crossbeater Only	\$275.00
Hardox Tips	SC4702	Crossbeater wear Tips - triangular between knife rings	\$390.00
Miscellaneous Options			
Dust Sppression Kit	T.B.A.	5 Nozzle Water Spray Kit, 13 USG Capacity	\$3,115.00
Hyd. Oil Filter	SC4309	In Line Hydraulic Pressure Filter	Std.
Automatic Chain Oiler	SC5340	Automatically lubricates crossbeater drive chain	\$1,265.00
Side Extensions	SC4594	Increase bale chamber capacity	Std.
Tailgate Extension	SC4710	Extension for Increased Length +24"	\$1,125.00
Loading Arm	SC4736 Optional	In Lieu of Tailgate Controlled Via Bluetooth	\$7,025.00
Power Fly Lead	SC3598	Power Fly Lead with Female Socket	Std.
Rear Tailgate Switch	SC5241	Tailgate and Bed Control at Ground Level	Std.

Carry over model
on hand. \$27,200.00

Valid from July 1 2021 : All prices are in GB Pounds Sterling; Net Ex-works: Terms 60 Days.

The company's policy is one of continuous improvement and development; therefore specifications are subject to change without prior notice. Product improvements will apply as production schedules permit. All dimensions are approximate.

**DEPARTMENT OF
AGRICULTURE**

Minnesota Department of Agriculture
625 Robert St. N., St. Paul, MN 55155-6120
www.mda.state.mn.us/agbmploans

Agricultural Best Management Practices Loan Program 651-201-6618 Fax: 651-201-6109 email: AgBMP.Loans@state.mn.us

AgBMP LOAN APPLICATION**County:** Wabasha

(Required for all applications)

Borrower Information:(One)
First Name:

LARS

(One)
Last Name:

POLSON

(optional)
Company:

Street Address:

30533 580th St

City:

Millville

State:

MN.

Zip:

55957

Telephone:

507-798-2388

Project Information: On a Farm: ☒ Non-Farm: ☐

If using PLS, write in T/R/S and mark where the project or practice is on the Section Map.
Or fill in a Latitude and Longitude of a point on the property near the project or practice.
(Please get us within a few acres of where the project or practice resides if you can.)

Brief description of what will be purchased or constructed and how it helps water quality:

Bedding Chopper for bedded pack, chapt evenly
distributed Round Bale Bedding in back barn
Environmentally advantages to keep manure covered
Hauled out 2x a year - Soil life benefit + pollution abatement

Well

EligibilityDoes this project implement Drinking Water Standards? ☐Does this project eliminate Groundwater Pollution? ☐☐ Is this application for a city, town, or other municipality?☐ Is this application for a facility with an Industrial Waste Permit?

PLS

Township #:

109 N

Range:

12 W

Section:

29

Latitude:

Longitude:

OR

Pin or Parcel #:

LOCAL GOVERNMENT APPROVAL

(If Pin or Parcel # is used no punctuation marks, county code, or spaces allowed.)

Approved Loan Amount	\$ 38,000	20,750 Loan amt
Estimated Total Project Cost (all sources)	\$ 38,000	20,750
Animal Units (Feedlot improvements or manure handling equipment for facilities > 1000 AU that are not in the Mississippi watershed are ineligible)	Beginning:	Ending:
Primary Livestock	<input checked="" type="checkbox"/> Dairy <input type="checkbox"/> Beef <input type="checkbox"/> Swine <input type="checkbox"/> Other:	
Primary Crops: Selection 1 Selection 2	Conservation Tillage Acres AFTER Project: 560	Total Acres Farmed: 728
Approval Expiration and Other Restrictions		

Project Approved by:

Jeri Peters

Date:

10/18/2024

Project Completion Certified by (OPTIONAL):

Date:

(LGU's please email this fillable PDF form to the borrowers chosen lender.)

(Most lender contact e-mails address can be found on the AgBMP mapping tool; click LENDER CONTACTS LIST to find your lender email)

LENDER INFORMATION & LOAN TERMS

AgBMP Loan Request	\$	Check if Local Revolving Funds are used: <input type="checkbox"/>
(Optional) Additional Request #	\$	Initials: Date:
Number of payments per year:		
Total Number of Payments:		
Interest rate (if other 3%):	%	(Optional) Balloon Payment Date:
Lender Organization Name	Peoples State Bank Of Plainview FORESIGHT BANK PLAINVIEW	
Lender Address		
Lender Signature:	Date:	

Attach copies of the invoices provided by the borrower that support the request for disbursement.

Please Email fillable PDF and Attachments to: AgBMP.Loans@state.mn.us

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#
If you plan on attending in person and are not fully vaccinated, wearing a mask and social distancing will be required.

**Wabasha Soil and Water Conservation District
District Regular Board Meeting
October 28, 2021
8:15 a.m.
County Board Room
625 Jefferson Ave.**

- I. **CALL MEETING TO ORDER** – *Lynn Zabel, Chair called meeting to order at 8:15 am*
Supervisors present: Lynn Zabel, Chair, Chet Ross, Co-chair, Larry Theismann, Secretary, Sharleen Klennert, Treasurer
Staff Present: Terri Peters, District Manager
Attending by phone: Brian DeVetter, NRCS, Sue Cerwinske, Bookkeeper/Admin. Asst.
Others present: Bob Walkes, County Commissioner
- II. **PLEDGE ALLEGIANCE**
- III. **AGENDA**

Add to agenda under new business letter L: FY 2022 State of MN BWSR Clean Water Fund SWCD Capacity Program & Buffer Law Implementation Program Grant Agreement
Motioned by Ross and seconded by Klennert to approve the agenda with addition of letter L under new business for FY 2022 State of MN BWSR Grant Agreement
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- IV. **PUBLIC COMMENTS**
Comments limited to 5 minutes per speaker
- V. **CONSENT AGENDA -Board Action**
 - A. Lars Polson AgBMP Loan for a Bedding Chopper in the amount of \$20,750.00
 - B. Lars Polson AgBMP Loan for a Used Skid Steer in the amount of \$11,000.00
 - C. Conservation Corps MN & IA Invoice# 12864 in the amount of \$1,102.50 for Bohemian Knotweed Management at Hammond Creek 9/1 – 9/30/2021.
Funding from FY21 MDA Knotweed Grant
Motioned by Klennert and seconded by Ross to approve the consent agenda.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried

VI. SECRETARY'S REPORT

A. September 23, 2021 Meeting Minutes-Board Action

Motioned by Klennert and seconded by Ross to approve the September 23, 2021 Meeting Minutes

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

VII. TREASURER'S REPORT:

A. District Financial Statements-Board Action

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

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

VIII. PAYMENT OF MONTHLY BILLS

A. Monthly Bills in the amount of \$88,038.01-Board Action

Motioned by Theismann and seconded by Ross to approve payment of the monthly bills in the amount of \$88,038.01

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

IX. DISTRICT REPORTS

A. Chair Report – Lynn Zabel – ***No Report***

B. County Commissioner – Bob Walkes - ***No Report***

C. District Manager Report – Terri Peters

Revising Personnel Policy

Staff update cost share policy for entering workplan for state grants

Working on budget/workplan for 319 program. Trying to get partners match.

MRBI grant was approved/funded. Special money for EQIP. Thanks to NRCS staff for helping to get the request in.

1W1P, BWSR approved the Greater Zumbro. Moving forward with scoring and decisions on how to setup implementation.

WinLac moving ahead, working on prioritizations. Meeting coming up to talk about prioritizations and policy committee meeting

D. NRCS Report – John Benjamin – Report in Packet

E. District Technician Report- Matt Kempinger – Report in Packet

F. Ecological Technician Report – Henry Stelten – Report in Packet

G. Bookkeeper/Administrative Assistant -Sue Cerwinske – Report in Packet

X. OLD BUSINESS

A. Conservation Project – Lynn Zabel –

Planted Rye in Sept. Severe case of army worms. Unusually warm fall weather, they didn't die out. Cover crops fresh food supply, needed to spray pesticide to kill.

- B. Change Meeting Dates for November and December to the third Thursday of the month instead of fourth. November 18, 2021 and December 16, 2021 – **Board Action**
Motioned by Klennert and seconded by Ross to approve changing meeting dates to the third Thursday of the month, November 18, 2021 and December 16, 2021.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- C. MASWCD 2021 Resolutions -**Board Discussion**
- D. SWCD Board Vacancy Update. Candidates? Application period open until November 15th – **Board Discussion**

XI. NEW BUSINESS

- A. National Association of Conservation Districts dues for 2022 – Recommend at least Bronze Level (\$101 - \$500.00) – **Board Action**
(\$350.00 paid for 2021)
Motioned by Theismann and seconded by Klennert to pay NACD \$400.00 bronze level for 2022 dues.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- B. Cancel Bob Sloan Contract# 20-WWDWP-1 for cover crops in the amount of \$2,700.00 (Timing does not work for him) – **Board Action**
Motioned by Ross and seconded by Klennert to cancel Bob Sloan contract# 20-WWDWP-1 for cover crops in the amount of \$2,700.00
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- C. Approve Grant Amendment for Grant ID# P18-7145, 2018 SWCD Local Capacity Services to change expiration date to 12-31-2022 and reporting date to 2-21-2023 - **Board Action**
(FY 2018 State of MN BWSR 2018/2019 SWCD Programs and Operations Grants - Wabasha SWCD Grant Amendment)
Motioned by Theismann and seconded by Ross to approve grant amendment for Grant ID# P18-7145, 2018 SWCD Local Capacity Services to change expiration date to 12-31-2022 and reporting date to 2-21-2023
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried

- D. MASWCD 2021 Annual Convention & Trade Show Dec. 12 – 14, 2021 at the The Doubletree Hotel, Bloomington, MN. Who will be attending? Silent Auction donations – **Board Discussion/Action**
Motioned by Theismann and seconded by Ross to have Terri and Lynn attend he MASWCD Convention for Sun., two days and two nights. Terri 's discretion on if staff attendance for Monday and whether to stay overnight. Also approve Tuesday luncheon up to 5 people.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- E. Approve Mike Rahman voucher payment for Contract# 19-DWP-CC-2 in the amount of \$900.00 for practice 340 cover crops 2nd year – **Board Action**
(Funding source FY19 Drinking Water Protection in SE MN)
Motioned by Klennert and seconded by Ross to approve Mike Rahman voucher payment for Contract# 19-DWP-CC-2 in the amount of \$900.00 for practice 340 cover crops 2nd year.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- F. Approve White Barn Acres LLC voucher payment for Contract# 21-Capacity-3 in the amount of \$961.47 for practice 578 stream crossing – **Board Action**
(Funding source FY21 Capacity)
Motioned by Theismann and seconded by Ross to approve White Barn Acres LLC voucher payment for Contract# 21-Capacity-3 in the amount of \$961.47 for practice 578 stream crossing
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- G. Approve Rachel Walkes Contract# 21-Capacity-5 in the amount of \$2,700.00 for practice 340 Cover Crops – **Board Action**
Funding source FY21 Capacity
Motioned by Theismann and seconded by Klennert to approve Rachel Walkes Contract# 21-Capacity-5 in the amount of \$2,700.00 for practice 340 cover crops.
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried

- H. Approve Eugene Schnell Amendment for Contract# 20-Capacity-5 to change expiration date to 6/30/22, contingent on approval of amendment of P18-7145 SWCD Local Capacity Services to extend expiration date to 12/31/22 – **Board Action**
Motioned by Theismann and seconded by Ross to approve Eugene Schnell amendment for Contract# 20-Capacity-5 to change expiration date to 6/30/22, contingent on approval of amendment of P18-7145 SWCD Local Capacity Services To extend expiration date to 12/31/22
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- I. District State Cost Share Policy for Approval – **Board Action**
Motioned by Theismann and seconded by Klennert to approve the District State Cost Share Policy
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- J. Personnel Policy – **Board Discussion**
Discussed policy and board member said that it looked good. Spells out in black and white the personnel policy. Policy applicable for the District. No vote. More input will go into final policy.
- K. Approve Steve McNallan voucher payment for Contract# 17-CAP-WS-13 in the amount of \$1,000.00 for Well Decommissioning -**Board Action**
(Funding source FY18 Capacity)
Motioned by Klennert and seconded by Theismann to approve Steve McNallan voucher payment for Contract# 17-CAP-WS-13 in the amount of \$1,000.00 for Well Decommissioning
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried
- L. FY 2022 State of MN BWSR Clean Water Fund SWCD Capacity Program & Buffer Law Implementation Program Grant Agreement - **Board Action/Signature**
Motioned by Theismann and seconded by Ross to approve the FY 2022 State of MN BWSR Clean Water Fund SWCD Capacity Program & Buffer Law Implementation Program Grant Agreement
Affirmative: Ross, Klennert, Theismann, Zabel
Opposed: None
Motion Carried

N. Upcoming Events:

- i. MASWCD resolution ballot deadline for submittal is November 1, 2021

XII. Board Reports

A. Whitewater JPB – Lynn

Interesting discussion on contract with State of MN JPB working with fertilizer management – problem supporting regulation. Took paragraph out and then contract was approved.

B. Zumbro 1W1P – Larry

Meeting next week 11/4, but Larry has jury duty.

Sharleen volunteered to be alternate. Meetings are every other month.

Meetings held in person at Rochester Campus building.

C. WinLac 1W1P – Lynn

Lynn participated by zoom. Using \$10,980.00 of contingency fund to do more modeling, to completed watershed plan, water flows. More graphing.

Forestry presentation.

D. SE SWCD Technical Support JPB – Larry

No report. Meet only 2 times a year.

E. County Board Meeting – Larry (alternate Sharleen)

Sharleen filled in for Larry at meeting. Presented Terri's report

She was asked about water testing, if it is random.

F. Hiawatha Valley RC&D – Lynn

No meeting. Richard Harris promised report. He sent an update by email.

Busy looking into the carbon management program.

XIII. Adjourn Regular Board Meeting to go into Closed Session – Board Action

Motioned by Theismann and seconded by Ross to adjourn Regular Board Meeting to go into Closed Session at 10:30 am

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

XIV. Open Session for Health Insurance Discussion – Board Discussion

Discussed

Motioned by Theismann and seconded by Ross to Open Session for Health Insurance

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

XV. Closed Session – Board Action

Motioned by Larry and seconded by Ross to go into Closed Session

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

XVI. Open Regular Meeting – Board Action

Motioned by Theismann and seconded by Ross to Reopen Regular Meeting

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

M. MN PEIP Health Insurance renewal and County Benefits – Dental, Life and Long-term disability –Board Action on Closed Session Meeting Decisions

Motioned by Theismann and seconded by Ross approved to keep the Health Insurance HSA Advantage Coverage option with district paying 90% of premium and employee paying 10%; and approve dental coverage through the County with Single covered by district, amount over that for family the employee pays. HSA contributions to employees will stay the same. \$1,500.00 Single and \$3,000.00 for Family for the year.

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

XVII. Adjourn – Board Action

Motioned by Ross and seconded by Klennert to adjourn meeting at 10:34 am

Affirmative: Ross, Klennert, Theismann, Zabel

Opposed: None

Motion Carried

Respectively Submitted By:

Larry Theismann, Secretary

Wabasha Soil and Water Conservation District
Cash Balances
As of October 31, 2021

	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Money Market- Bank of Alma	23,352.32
Money Market WNB Financial	7,396.86
Peoples State Bank Money Market	357,197.50
Petty Cash	122.62
WNB Financial	5,418.55
Total Checking/Savings	393,487.85
Total Current Assets	393,487.85
TOTAL ASSETS	393,487.85
LIABILITIES & EQUITY	0.00

Wabasha Soil and Water Conservation District

Balance Sheet

As of October 31, 2021

Oct 31, 21

ASSETS

Current Assets

Checking/Savings

Money Market- Bank of Alma

23,352.32

Money Market WNB Financial

7,396.86

Peoples State Bank Money Market

357,197.50

Petty Cash

122.62

WNB Financial

5,418.55

Total Checking/Savings

393,487.85

Accounts Receivable

11000 · Accounts Receivable

14,565.85

Total Accounts Receivable

14,565.85

Total Current Assets

408,053.70

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

452,870.62

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 · Accounts Payable

3,401.05

Total Accounts Payable

3,401.05

Other Current Liabilities

Allowance for Unemployment Reim

1,581.86

Deferred Revenue

AIS

76,315.06

FY18 Capacity

18,175.00

FY19 Capacity

14,165.39

FY19 Well Seal Grant

14,576.30

FY20 Buffer Initiative

14,118.56

FY20 Capacity

9,555.51

FY20 CWMA

7,813.92

FY20 State Cost share

5,517.29

FY21 Buffer Initiative

16,903.00

FY21 Capacity

105,888.06

FY21 Conservation Delivery

6,020.65

FY21 LWM

12,480.99

FY21 State Cost Share

15,401.00

FY21 WCA

10,112.76

Total Deferred Revenue

327,043.49

Employee Benefits Liabilities

1,842.00

2110 · Direct Deposit Liabilities

-1,377.95

24000 · Payroll Liabilities

7,735.99

25500 · Sales Tax Payable

581.57

Balance SheetAs of October 31, 2021

	Oct 31, 21
Total Other Current Liabilities	337,406.96
Total Current Liabilities	340,808.01
Total Liabilities	340,808.01
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	121,565.95
Net Income	-133,896.12
Total Equity	112,062.61
TOTAL LIABILITIES & EQUITY	<u>452,870.62</u>

Wabasha Soil and Water Conservation District

Profit & Loss

October 2021

	Oct 21
Ordinary Income/Expense	
Income	
Intergovernmental Revenues	
Federal	
319	1,000.00
Total Federal	1,000.00
State	
FY19 Regnl Drinking Water Prote	773.81
FY20 Gorman Creek Restoration	21,885.13
FY20 MPCA SWAG MWL	1,802.39
FY20 Whitewater Drinking Water	1,325.11
Lwr Mississippi FeedIt Mgmt RCPP	2,424.51
MAWQCP	10,683.82
North Fork Zumbro-Mazeppa	13,956.40
Total State	52,851.17
Total Intergovernmental Revenues	53,851.17
Total Income	53,851.17
Gross Profit	53,851.17
Expense	
District Operations	
Other Services and Charges	
Building Rent	920.43
Conferences and Conventions	-270.00
Employee Education and Training	629.12
Fees and Dues	400.00
Internet Expense	88.07
Supervisor's Expenses	0.00
Supervisor's Mileage	420.76
Vehicle Expenses	
Chevrolet Silverado Vehicle Exp	112.49
Hyundia Tucson Vehicle Expense	79.53
Total Vehicle Expenses	192.02
Total Other Services and Charges	2,380.40
Personnel Services	
Employee Salary Permanent	26,209.99
Employer HSA contributions	0.00
Employer Life and Health	
66000 - Payroll Expenses	5,940.55
Employer Life and Health - Other	22.00
Total Employer Life and Health	5,962.55
Employer Share FICA	1,700.80
Employer Share Medicare	397.77
Employer Share PERA	1,873.90
Total Personnel Services	36,145.01
Total District Operations	38,525.41
Project Expenditures	
Partners Grants	
FY20 NACD TA Grant	31,557.17
Total Partners Grants	31,557.17
State	
FY18 Capacity Funding	1,000.00
FY19 Regnl Drinking Water Prote	900.00
FY20 Gorman Creek Restoration	16,550.24
FY21 Capacity	961.47
FY21 MDA Knotweed Grant	1,102.50
Lwr Mississippi FeedIt Mgt RCPP	1,535.33
MAWQCP Administration	22,599.35

Wabasha Soil and Water Conservation District
Profit & Loss
October 2021

	Oct 21
North Fork Zumbro-Mazeppa	4,297.50
Total State	48,946.39
Total Project Expenditures	80,503.56
Total Expense	119,028.97
Net Ordinary Income	-65,177.80
Other Income/Expense	
Other Income	
Interest Income	
Interest Earnings MM's	140.04
Total Interest Income	140.04
Total Other Income	140.04
Net Other Income	140.04
Net Income	<u>-65,037.76</u>

NRCS Field Office Report

11/18/21

John Benjamin

Current office standing

- Bill and I are on a rotation for covering the office on an every other day basis.
- All non-duty stationed employees have decided not to resume working from the office on occasion until COVID restrictions are eased. This is Brian DeVetter, Dean Thomas, etc.
- We are not to meet producers in the hall any longer. We can do business over the phone or by email or we must go to the producer's place of business.
- FPAC policy is, masks required for all employees and visitors. All employees and contractors need to be vaccinated by Nov. 22nd.
- Office staffing is reduced to 25% capacity and maximum telework is encouraged.

CSP (Conservation Stewardship Program)

- FY22 renewal applications, Assessment & Ranking deadline, Nov. 5th
- 6 Renewal applications, All prioritized high
- None of the applications were chosen for funding
- 11 Active contracts
- FY22 classic Application Deadline Feb. 4th
- FY22 MRBI-West Indian Creek application deadline Feb. 4th
- FY23 renewal application deadline March 25th

EQIP (Environmental Quality Incentive Program)

- 33 EQIP applications for FY22 signup period (sign up deadline date Nov. 19th, Tomorrow)
- There is no prioritization tool for this sign up.
- Application deadline of March 4th
- 14 Active EQIP contracts, 3 contracts about to be paid on and completed
- 8 applications for MRBI-West Indian Creek fund pool available

RCPP-EQIP (Regional Conservation Partnership Program- EQIP)

- 5 RCPP-EQIP active contracts 1 about to be paid on and completed
- No applications submitted currently

RCPP (Regional Conservation Partnership Program)

Land Management fund through MAWQCP sign up announced

- Application deadline is Dec. 17, 2021
- 1 application submitted

CRP (Conservation Reserve Program)

113 Expiring contract reviews for FY23
36 reviews completed so far.

Monthly Report – November 2021

Matt Kempinger

Projects

- Stream restoration drafting and preparation of bid items and permitting
- Construction monitoring for 2 Grade Stabilization Structures
- Construction monitoring for 1 feedlot fix
- Invoice processing for 2 well sealing projects
- Invoice processing for 1 grade stabilization project
- Invoice processing for one feedlot fix
- Investigated 3 future grade stabilization structure sites
- Surveyed 2 future grade stabilization structure sites
- Processing of 5 WCA Joint Applications
- Stream restoration, drafting, permitting, and landowner discussion
- Investigated 2 problematic sinkhole sites
- Followed up with various landowners that have ongoing projects

Others

- Assisted 2 landowner in applying for MAWQCP certification
- Informed 6 landowners about MAWQCP program
- Assisted 8 Landowners with EQIP applications
- Answered general resource questions from public and assisted where possible
- Aided and advised citizens regarding WCA concerns
- Provided technical assistance for wetland considerations
- Helped in planning for WinLac 1w1p chloride monitoring
- 3 WCA TEP reviews
- Buffer Compliance Monitoring

Work Summary November 2021

Henry Stelten

- Cover crop contract site visits, planting verification, seeding plan and voucher processing
- NF Zumbro at Mazeppa phase 2 communications and re-planting willows and dogwood
- Outreach for West Indian Creek, EQIP apps, site visits, phone calls, letters
- WIC landowner outreach for spring mapping
- Sinkhole site visit and assistance provided to NRCS geologist
- Finishing touches on tree order (forms ready to be mailed!)

Sue:

Coordinate MAWQCP tracker with MDA to make sure we are on same page with budget.

Employee Insurance Packets

Storage Space Lease for Roller Crimper

Draft Audit Financial Statements. Entered 2 yearend entries. Went through matched up our Balance Sheet and Profit & Loss Statements.

Tree Order – Went through list of names for mailing and added from last years sales. Proofread Tree Order and uploaded to Website on 11/4. Stuffed envelopes with tree order forms, put on address and return labels and postage for 222

Shared Outlook Calendar – Added all 2022 Holidays and entered regular Fridays off and time of requests

Normal monthly duties: Payroll, Bank Deposits/transfers, Checks, board minutes, get board agenda/packet ready for current meeting

**DEPARTMENT OF AGRICULTURE**

Minnesota Department of Agriculture
625 Robert St. N., St. Paul, MN 55155-6120
www.mda.state.mn.us/agbmploans

Agricultural Best Management Practices Loan Program 651-201-6618 Fax: 651-201-6109 email: AgBMP.Loans@state.mn.us

AgBMP LOAN APPLICATION**County:** Wabasha

(Required for all applications)

Borrower Information:(One)
First Name:

LARS

(One)
Last Name:

POLSON

(optional)
Company:

Street Address:

30533 580th St

City:

Millville

State:

MN

Zip:

55957

Telephone:

507-798-2388

Project Information: On a Farm: ☒ Non-Farm: ☐

If using PLS, write in T/R/S and mark where the project or practice is on the Section Map.
Or fill in a Latitude and Longitude of a point on the property near the project or practice.
(Please get us within a few acres of where the project or practice resides if you can.)

Brief description of what will be purchased or constructed and how it helps water quality:

Bedding Chopper for bedded pack, chapt evenly
distributed Round Bale Bedding in back barn
Environmentally advantages to keep manure covered
Hauled out 2x a year - Soil life benefit + pollution abatement

EligibilityDoes this project implement Drinking Water Standards? ☐
Does this project eliminate Groundwater Pollution? ☐

- ☐ Is this application for a city, town, or other municipality?
☐ Is this application for a facility with an Industrial Waste Permit?

PLS

Township #:

109 N

Range:

12 W

Section:

29

Latitude:

Longitude:

Pin or Parcel #:

LOCAL GOVERNMENT APPROVAL

(If Pin or Parcel # is used no punctuation marks, county code, or spaces allowed.)

Approved Loan Amount	\$ 38,000	20,750 Loan amt
Estimated Total Project Cost (all sources)	\$ 38,000	20,750
Animal Units (Feedlot improvements or manure handling equipment for facilities > 1000 AU that are not in the Mississippi watershed are ineligible)	Beginning:	Ending:
Primary Livestock	<input checked="" type="checkbox"/> Dairy <input type="checkbox"/> Beef <input type="checkbox"/> Swine <input type="checkbox"/> Other:	
Primary Crops: Selection 1 Selection 2	Conservation Tillage Acres AFTER Project: 560	Total Acres Farmed: 728
Approval Expiration and Other Restrictions		

Project Approved by:

Jeri Peters

Date:

10/18/2024

Project Completion Certified by (OPTIONAL):

Date:

(LGU's please email this fillable PDF form to the borrowers chosen lender.)

(Most lender contact e-mails address can be found on the AgBMP mapping tool; click LENDER CONTACTS LIST to find your lender email)

LENDER INFORMATION & LOAN TERMS

AgBMP Loan Request	\$	Check if Local Revolving Funds are used: <input type="checkbox"/> Funds will not be disbursed if checked.
(Optional) Additional Request #	\$	Initials: Date:
Number of payments per year:		
Total Number of Payments:		
Interest rate (if other 3%):	%	(Optional) Balloon Payment Date:
Lender Organization Name	Peoples State Bank Of Plainview FORESIGHT BANK PLAINVIEW	
Lender Address		
Lender Signature:	Date:	

Attach copies of the invoices provided by the borrower that support the request for disbursement.

Please Email fillable PDF and Attachments to: AgBMP.Loans@state.mn.us

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 19-DWP-CC-6	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 checked="" type="checkbox"/> Board Meeting Date(s): 11-18-21
--------------------------------------	--	---	--	---

* If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Balow Farms (David and Laurie Balow)	Address 65878 Cty Rd 2	City/State Lake City, MN	Zip code 55041
---	----------------------------------	------------------------------------	--------------------------

* 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: Lake	Township No.: 111N	Range No.: 12W	Section No.: 20	1/4, 1/4 SE, SE
-------------------------------	------------------------------	--------------------------	---------------------------	----------------------------------

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 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 EFOTG 340-Cover Crops

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 , 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 11/16/2020 11/16/2020	Land Occupier: Balow Farms (David and Laurie Balow) by David E. Balow by Laurie J. Balow
Date 11/16/2020 11/16/2020	Landowner, if different from applicant: Trust David E & Laurie J Balow Trust David Balow Trustee Laurie J Balow, trustee
Address, if different from applicant information: Trust Address	

Conservation Practice

The primary practice for which cost-share is requested is NRCS EFOTG 340- Cover Crops, Single Species

Eligible Component Standard & Name NRCS EFOTG 340 Cover Crop	Engineered Practice: <input type="checkbox"/> YES <input checked="" 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

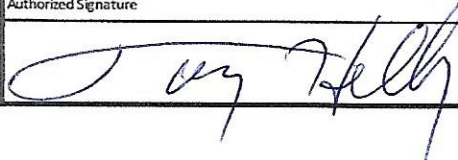
I have the appropriate technical expertise and have reviewed the site where the above-listed practice is to be installed and find it is needed and that the estimated quantities and costs are practical and reasonable.

Date 11-17-2020	Technical Assistance Provider 
--------------------	---

Amount Authorized for Financial Assistance

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

Amount	Program Name	Fiscal Year
\$ 900.00	FY 2019 Drinking Water Protection in SE MN	2021
\$ 900.00	FY 2019 Drinking Water Protection in SE MN	2022
\$ 900.00	FY 2019 Drinking Water Protection in SE MN	2023

Date 3/25/21	Authorized Signature 	Total Amount Authorized \$2,700.00
-----------------	---	---



Henry Stelten <henrystelten.wabashaswcd@gmail.com>

Re: Wabasha SWCD Cover Crops

1 message

David & Laurie Balow <dlbalow@gmail.com>

Wed, Nov 3, 2021 at 8:36 AM

To: Henry Stelten <henrystelten.wabashaswcd@gmail.com>

If you need more than this, please let us know. Dave was concerned that the cost of the testing may be a wash for the reimbursement and then we would have more expense, instead of reimbursement.

Thanks.

Laurie

On Tue, Nov 2, 2021 at 8:02 PM David & Laurie Balow <dlbalow@gmail.com> wrote:

Henry,

We have decided to withdraw our rye covercrop reimbursement from your program as we are planting our home grown rye, which quite possibly would not pass the policy for purity and germination.

We do appreciate the opportunity to have been accepted into the program.

Thank you.

David and Laurie Balow

On Tue, Nov 2, 2021 at 8:56 PM David & Laurie Balow <dlbalow@gmail.com> wrote:

On Tue, Nov 2, 2021 at 12:33 PM Henry Stelten <henrystelten.wabashaswcd@gmail.com> wrote:
Laurie & David,

I tried calling twice this morning, but the line was busy both times. I hope everything is okay! Guessing you're probably just quite busy. It's that time of year.

After looking into options for your contract, it sounds like we will likely need to cancel it since we are unable to certify the planting and the deadline on our end for the funding source dictates that an extension of one year will not be possible in this case.

The good news is that because we haven't paid on a prior year planting yet for your contract, it makes the cancellation pretty quick and simple. All I will need from you is a short, signed statement describing why we needed to cancel the contract. If you prefer to email this to me, or mail it, either will be just fine. Ideally, it would be nice to have this prior to the board meeting coming up on November 17th.

If you have any questions, please don't hesitate to call or email. I'm happy to assist more with this or anything else you need.

Henry

On Tue, Nov 2, 2021 at 9:56 AM David & Laurie Balow <dlbalow@gmail.com> wrote:

Thank you for your response. I guess we should have checked in with you earlier. It is all applied and we don't have scale tickets for purity and germination proof..

Laurie

On Tue, Nov 2, 2021 at 9:44 AM Henry Stelten <henrystelten.wabashaswcd@gmail.com> wrote:

For bin run seed we need certified scale tickets and a test which shows purity and germination. If we cannot calculate PLS planted per acre, we cannot certify the planting. If you're able to provide those, we may be able

to process a payment. If you wish, give me a call and we can discuss further. I should be in the office most of the day.

Thanks!
Henry

On Mon, Nov 1, 2021 at 2:58 PM David & Laurie Balow <dlbalow@gmail.com> wrote:

Hi Henry,

Hope you have a good fall so far, we are still harvesting, but moving right along.

We planted all home grown rye, so we don't have any seed tags. Not sure if that will qualify for the program?

Please let us know.
Thanks.

Laurie

On Thu, Sep 30, 2021 at 10:11 AM David & Laurie Balow <dlbalow@gmail.com> wrote:

Sounds good. Thanks

On Tue, Sep 28, 2021 at 8:40 AM Henry Stelten <henrystelten.wabashaswcd@gmail.com> wrote:
David & Laurie,

I hope you had a good summer. It went by so fast for me I still don't know what happened.

Just checking in with a reminder on your cover crop contract that you were set to plant Rye this fall. The planting deadline on that contract is set for Nov 1st. Hang on to receipts and seed tags so that I can get copies of those in order to process the payment on the contract. Once you've got the seed planted, please let me know and we can go from there.

If you have any questions for me at all, please let me know!

Henry

--

Henry Stelten, Natural Resources Conservation Technician



611 Broadway Ave., Suite 10

Wabasha, MN 55981

(651) 565-4673

--

Henry Stelten, Natural Resources Conservation Technician

Contract Amendment Form

Organization: <div style="text-align: center;">Wabasha SWCD</div>	Contract Number: <div style="text-align: center;">19-Capacity-4</div>	Amendment Number: <div style="text-align: center;">#1</div>	Amendment Type Date <input checked="" type="checkbox"/> Amount <input type="checkbox"/> Land Occupier <input type="checkbox"/> Practice <input type="checkbox"/> Other <input type="checkbox"/>
		Board Meeting Date: <div style="text-align: center;">11/18/2021</div>	

Amendment requests that are received outside the executed State grant agreement date, outside the contract practice install date, or grant program policies BWSR staff must be consulted and a grant agreement amendment may be required.

State Grant Agreement Expiration Date: 12/31/2022 Original Contract Install Date: 11/1/21

Amended Contract Install Date (If applicable): 11/1/2022


Original Total Amount Authorized: \$2,250.00 Amended Total Amount Authorized: \$2,250.00

The Parties whose names are signed below hereby agree that the above-referenced Conservation Practice Assistance Contract is amended as follows:

Due to land ownership transition, crop was not able to be planted by November 1st, 2021 and will instead be planted according to a seeding plan by November 1st, 2022.

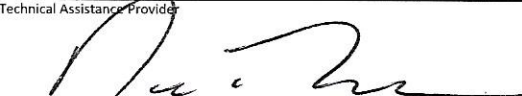
The original contract, as numbered, shall remain in full force and effect, except for those changes made necessary by the amendment.

This Amendment is to take affect on the date of the last signature hereto.

Date	Land Occupier 
Date	Landowner, if different from applicant

Technical Assessment and Cost Estimate

I have viewed the site where the above listed are to be installed and find that they are needed, and that the amended estimated quantities, costs, or completion date described above are practical and reasonable.

Date <div style="text-align: center;">11-8-21</div>	Technical Assistance Provider 
---	--

Organizational Approval

Date	Authorized Signature
------	----------------------

*Attach this form to the Conservation Practice Assistance Contract

FLAT RATE BASED CONSERVATION PRACTICE ASSISTANCE CONTRACT

General Information

Organization: Wabasha SWCD	Contract Number: 19-Capacity-4	Other state or non-state funds? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Amendment <input type="checkbox"/> Board Meeting Date(s): 9-26-19	Canceled <input type="checkbox"/> Board Meeting Date(s):
--------------------------------------	--	---	--	---

*If contract amended, attach amendment form(s) to this contract.

Applicant

Land Occupier Name Bruce Wood	Address 22062 Cty Rd 27	City/State Plainview/MN	Zip code 55964
---	-----------------------------------	-----------------------------------	--------------------------

* 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: Plainview	Township No: 108	Range No.: 11	Section No. 2	1/4,1/4
------------------------------------	----------------------------	-------------------------	-------------------------	----------------

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 20 acres for 3 years installed by 11/1/19, 11/1/20, 11/1/21
25 to 9-4-19

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 11/1/19, 11/1/20, 11/1/21, 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 9-20-17	Land Occupier <i>Richard Wood</i>
Date 9-20-19	Landowner, if different from applicant <i>Richard Wood</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 <i>2,250</i> <i>9-4-19</i> \$1,800.00
	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 9-20-19	Technical Assistance Provider <i>Deanne</i>
-----------------	--

Amount Authorized for Financial Assistance

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

Amount	Program Name	Fiscal Year
<i>2250</i> \$600.00 <i>750</i>	Capacity 2019	2019
<i>9-4-19</i> \$600.00 <i>750</i>	Capacity 2019	2020
<i>4-7-20</i> \$600.00 <i>750</i>	Capacity 2019	2020

Board Meeting Date 9/26/2019	Authorized Signature <i>Stan Kelly</i>	Total Amount Authorized \$1,800.00 <i>2,250.00</i> <i>20 9-4-19</i>
--	---	---

FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: **Peter Wood**
Address: **56272 225th Ave**
City, State, Zip: **Plainview/MN**
Contract No.: **19-Capacity-5**

55964


Total Amount Authorized: **\$1,800.00**
(from contract)

Practice	Quantity	Unit	Unit Rate	Total
payment for planting 2 species cover crops	20	ac	\$30.00	\$600.00

PAYMENT REQUEST:

\$600.00

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



Payee Signature

11-5-21

Date

PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final):

Final

B. Payment amount requested:

\$600.00

C. Total Amount Authorized:

\$1,800.00

D. Total previous partial payments:

\$1,200.00

E. Amount available (C - D)

\$600.00

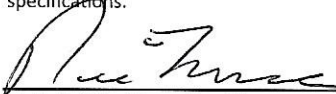
Amount Approved for This Voucher:

\$600.00

(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

11-8-21

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

11/8/21

Date

FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: **John Miller**

Address: **22219 Cty Rd 8**

City, State, Zip: **Plainview, MN**

55964

Contract No.: **19-DWP-CC-4**

Total Amount Authorized:

\$2,700.00


(from contract)

Practice	Quantity	Unit	Unit Rate	Total
Cover Crop (340), single species on 30 acres	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

11-8-21
Date

PAYMENT AND CERTIFICATION INFORMATION

A. Type of request (partial or final):

Partial

B. Payment amount requested:

\$900.00

C. Total Amount Authorized:

\$2,700.00

D. Total previous partial payments:

\$900.00

E. Amount available (C - D)

\$1,800.00

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

Date

11-8-21

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

Date

11/8/21

FLAT RATE - VOUCHER AND PRACTICE CERTIFICATION FORM

PAYEE AND COST INFORMATION

Name: **Adam Graner**
Address: **63031 W Cty Rd 19**
City, State, Zip: **Kellogg/MN**
Contract No.: **19-DWP-CC-5**

55945

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

Practice	Quantity	Unit	Unit Rate	Total
340 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

11-8-21
Date

PAYMENT AND CERTIFICATION INFORMATION

- A. Type of request (partial or final):
B. Payment amount requested:
C. Total Amount Authorized:
D. Total previous partial payments:
E. Amount available (C - D)

Partial

\$900.00

\$2,700.00

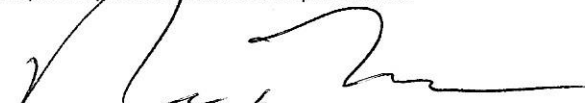
\$2,700.00

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

\$900.00

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

11-8-21
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

11/8/21
Date

Resolution 11182021-1
Resolution to Adopt and Implement
the Greater Zumbro
Comprehensive Watershed Management Plan

WHEREAS, the Wabasha Soil and Water Conservation District has been notified by the Minnesota Board of Water and Soil Resources that the Greater Zumbro Comprehensive Watershed Management Plan (Plan) has been approved according to Minnesota Statutes §103B.101, Subdivision 14 and Board Resolution #18-14.

Whereas, Minnesota Statutes §103B.101, subd. 14 allows a comprehensive plan {or local water management plan}, developed or amended, approved and adopted, according to chapter 103C {or 103B} to be replaced with a comprehensive watershed management plan but only to the geographic area of the Plan and consistent with the One Watershed, One Plan suggested boundary map.

Now; Therefore, Be it Resolved, the Wabasha Soil & Water Conservation District hereby adopts and will begin implementation of the approved Plan for the area of the county identified within the Plan and the Plan replaces the comprehensive plan {or local water management plan} the geographic area of the Plan for the duration of the state approved Plan.

CERTIFICATION

STATE OF MINNESOTA

Wabasha Soil & Water Conservation District

I do hereby certify that the foregoing resolution is a true and correct copy of a resolution presented to and adopted by Wabasha Soil & Water Conservation District at a duly authorized meeting thereof held on the 18th of November, 2021.

Lynn Zabel, Chair



Watershed Alliance for the Greater Zumbro

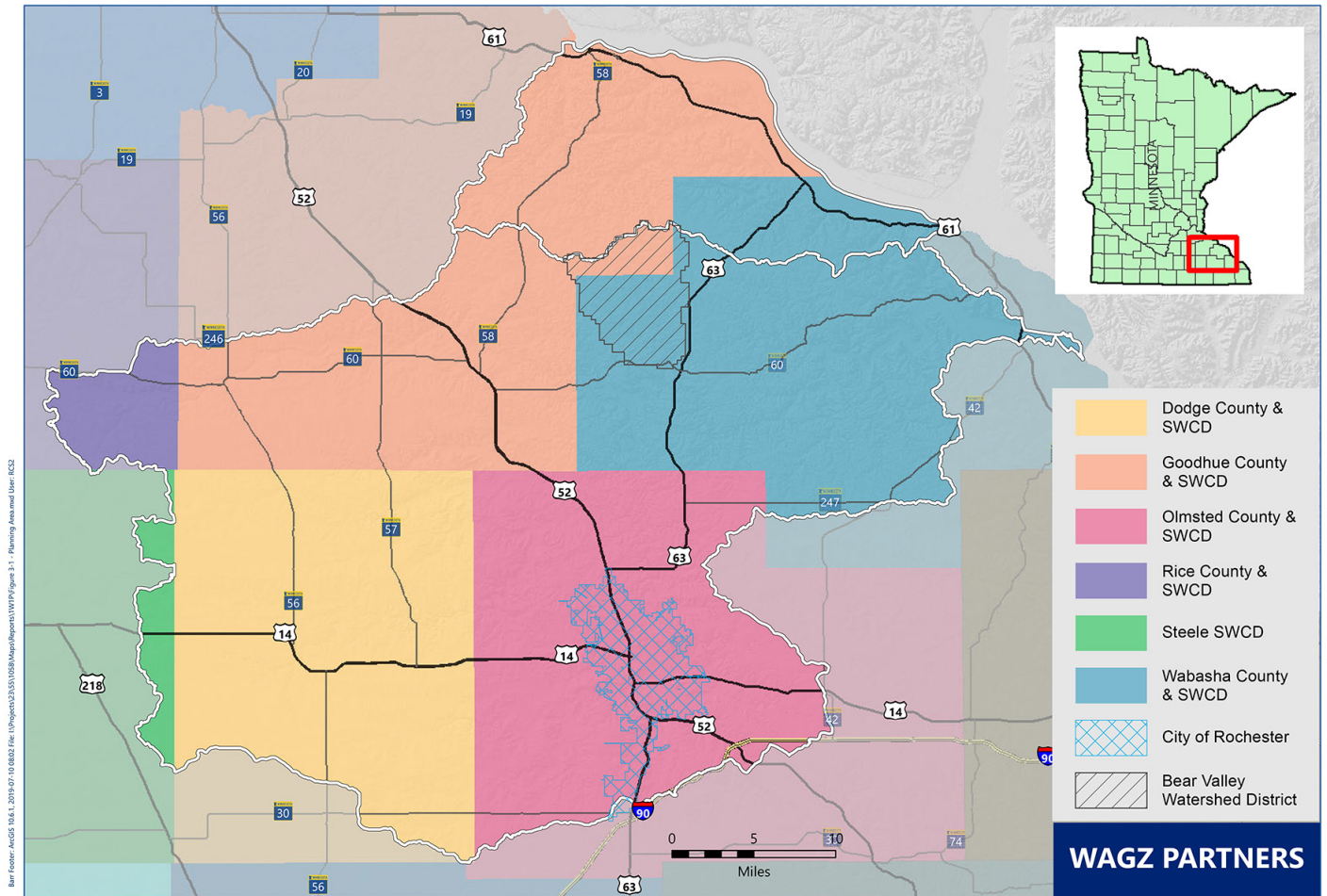


**2022-2031 Comprehensive Watershed
Management Plan Summary**

Published November 2021

ABOUT US

The Watershed Alliance for the Greater Zumbro (WAGZ) is a partnership of Dodge, Goodhue, Olmsted, Rice, and Wabasha Counties, their respective Soil and Water Conservation Districts (SWCDs), Steele SWCD, the Bear Valley Watershed District, and the City of Rochester. Together, WAGZ will collaborate to achieve shared goals focused on the protection and restoration of water and natural resources within a 1,650 square-mile planning area that includes the Zumbro River watershed and drainages to Lake Pepin and the Mississippi River.



Geographic extent of partner entities within the WAGZ planning area

ABOUT THIS PLAN

WAGZ developed a Comprehensive Watershed Management Plan (Plan) through the State of Minnesota's One Watershed, One Plan (1W1P) program. This Plan outlines a cooperative and coordinated strategy by which WAGZ will work together to protect, maintain, and restore the water and natural resources within the planning area over a 10-year period. Through prioritized and targeted actions, the partners will make progress towards measurable, common goals. The Plan provides a framework for the partners to operate as a coordinated, regional force while effectively leveraging the resources of each local entity with support from State and Federal organizations.

The Plan was developed through the efforts of:

- **Planning Work Group**—comprised of technical staff of the Partners organizations
- **Advisory Committee**—including staff from state and local cooperators and invited stakeholders
- **Policy Committee**—comprised of elected officials representing the Partner organizations

FOCUS ON LOCAL INPUT

WAGZ carried out extensive stakeholder engagement activities during Plan development to ensure that the Plan is a local plan emphasizing the interests of local water managers, policy makers, and residents who live, work, and recreate within the planning area. Engagement activities included:

- **Kickoff!**—In 2018, the Zumbro River watershed was awarded a planning grant by the Minnesota Board of Water and Soil Resources, with the goal of aligning local water planning with state strategies. To kickoff the planning effort the public was invited to come together and provide input and learn about the watershed.
- **Waterside Chats**—In 2019, the public was invited to gather for conversations located throughout the watershed planning area to provide input and communicate concerns, providing the planning process with valuable input leading to prioritizing issues to be outlined in the plan.
- **Resident Surveys**—Surveys were sent out to a randomized list of residents throughout the watershed in order to gauge priorities and concerns. Over 250 responses were received.
- **Story Map**—In 2021, WAGZ hosted an online collection of maps and images to visually summarize Plan development, present the primary watershed issues and resource concerns, and seek feedback on the actions the Partnership seeks to implement.



Residents and visitors enjoy a canoe trip along the Zumbro River and its many tributaries.



Streambank erosion on Mazeppa Creek near the confluence with the North Fork of the Zumbro River



Lake Pepin at the outlet of Wells Creek



Streambank restoration projects reduce nutrient and sediment loading from the landscape and improve habitat.



The planning area is home to a broad diversity of birds, fish, and other animals.



Water flows over the spillway of Lake Zumbro Dam.

PRIORITY ISSUES AND RESOURCES—WHAT'S THE PROBLEM?

Decades of studies have given us a clear picture of the problems facing the water and natural resources within the planning area. During Plan development, WAGZ considered stakeholder input, existing studies, geospatial data, advisory group input, and local experience to articulate 9 key issues to be addressed by the Plan. Although categorized by importance, many of these issues are interrelated and actions taken to address one issue will benefit others.

LEVEL 1 ISSUES

- **Groundwater/Drinking Water Contamination**—Groundwater quality and drinking water safety is threatened by contamination, including high levels of nitrate. Karst terrain (explained below) across much of the area makes our groundwater susceptible to pollution.
- **Degraded Surface Water Quality**—Surface water quality is impaired or threatened by pollutants like excess nutrients and bacteria as well as changes to the natural drainage patterns. Changing the flow allows water to rush into streams faster, carrying more pollutants and increasing erosion.
- **Accelerated Erosion & Sedimentation**—Excessive erosion and sedimentation reduces agricultural productivity, damages streambanks and stream habitats, and pollutes surface water with excess sediment.
- **Excessive Flooding**—Excessive flooding threatens public safety, property, and plant and animal communities that depend on shoreline and floodplain areas for their habitat.



LEVEL 2 ISSUES

- **Degraded Soil Health**—Poor soil health reduces agricultural productivity and limits the beneficial ecological functions of soil.
- **Landscape Resiliency & Altered Hydrology**—Changing the landscape and water movement disrupts the natural water cycle. It further limits the ability of the landscape to recover from negative impacts stemming from a changing climate and increased precipitation.
- **Threats to fish, wildlife & habitat**—Natural areas, forests, prairies, and wetlands providing habitat and other ecological benefits, and the species that inhabit them, are threatened by human activity.



LEVEL 3 ISSUES

- **Threatened Groundwater Supply**—Groundwater sustainability is at risk. As population growth continues in the watershed, groundwater withdrawals are increasing. The watershed has lost important recharge areas like wetlands that filter out pollutants before the water enters our aquifers.
- **Reduced Livability & Recreation**—Outdoor recreation and overall quality of life are affected by polluted water and lack of access to our natural resources through public access points, trails, and parks.



CONNECTING GROUNDWATER AND SURFACE WATER ISSUES

The Greater Zumbro watershed is characterized by an unusual type of geography called **karst**. It features rolling hills, hollows, caves, sinkholes, and dramatic bluffs and valleys.

These features, formed primarily of limestone, make the landscape “porous,” which makes the planning area’s water resources more challenging to protect. Contaminants carried in runoff can quickly find routes from the surface into groundwater where they are more difficult to remove. Excessive nutrients from fertilizer, pesticides, manure, and other chemicals quickly move into groundwater. Chemicals used on the landscape can reappear at unexpected times and in unexpected locations, including area trout streams that are fed by groundwater sources.

MEASURABLE GOALS—WHAT CAN WE ACHIEVE?

WAGZ established measurable goals to address each of the 9 key issues prioritized during Plan development with emphasis given to goals that address level 1 issues. The Plan includes long-term goals that describe desired future conditions in the watershed, as well as 10-year goals that measure the progress expected within the 10-year planning period.

Some goals are applicable watershed-wide while some focus on specific spatial areas, natural resources, or target audiences (including watershed-specific pollutant reduction goals for nitrogen, phosphorus, and sediment). Goals include fixing existing problems that have developed over time and preventing future water and natural resource problems from occurring.

GOAL EXAMPLES AND RELATED ISSUES



Provide all private well owners in groundwater priority areas access to well testing programs
(Groundwater/Drinking Water Quality)



Implement projects and practices to reduce total nitrogen loading by up to 40,000 lbs/year in the South Fork Zumbro River (Surface Water Quality)



Stabilize degraded and eroded streambank areas through 10 projects covering 5,000 feet of channel
(Erosion and Sedimentation)



Manage and restore floodplains to reduce flood risk to structures and critical infrastructure
(Flooding)



Increase the use of cover crops, perennial vegetation, and conservation tillage strategies by 3,000 acres
(Soil Health)

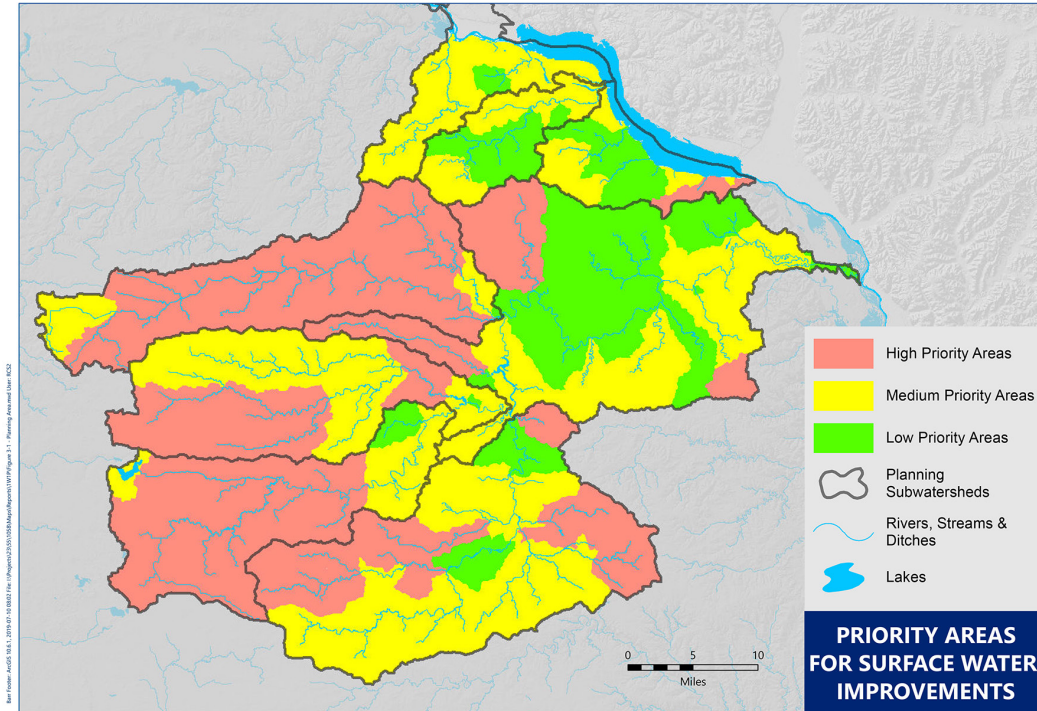


Protect and increase forest cover through climate appropriate plantings on 1,000 acres
(Landscape Resiliency and Altered Hydrology)

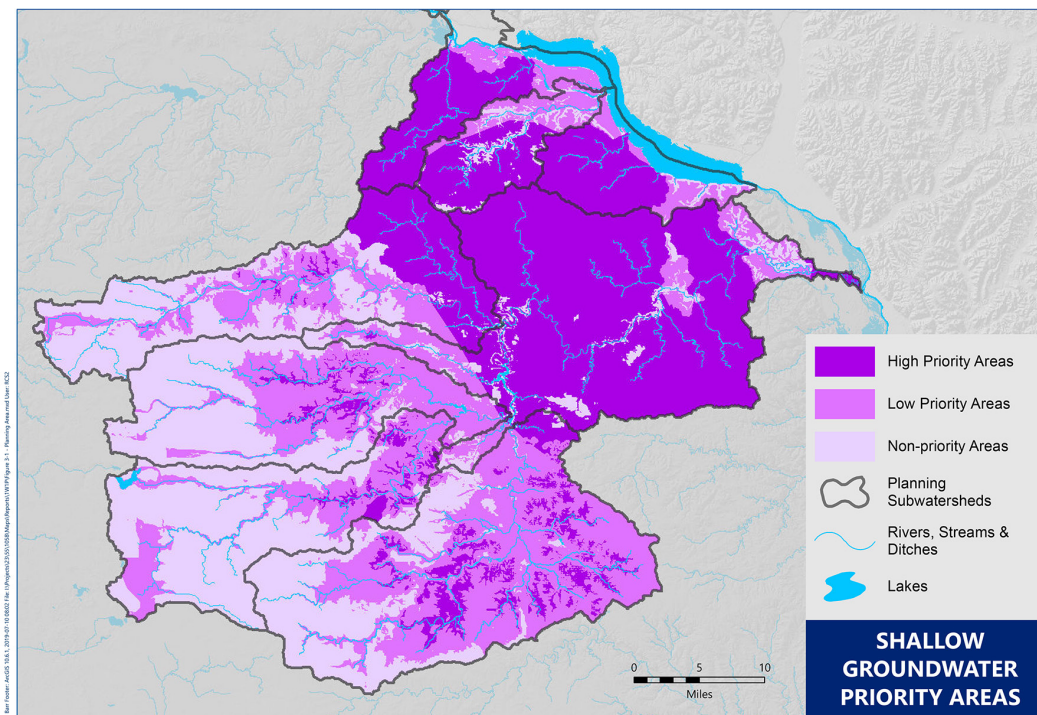


PRIORITIZING AREAS FOR PROTECTION AND RESTORATION

With the high diversity of land use and geological landscapes within such a large watershed, prioritizing areas for protection and restoration action is an important piece of the puzzle. We used models, monitoring data, and input received during planning to prioritize subwatersheds where we can achieve the greatest impact for our efforts to protect and improve surface water and groundwater quality.



Smaller watersheds within the planning area were classified as high, medium, or low priority with respect to surface water quality issues based on a combination of nutrient and sediment loading from the landscape, water quality impairments, and areas identified for protection by the Minnesota Pollution Control Agency and Minnesota Department of Natural Resources. These classifications help the Partners prioritize the implementation of projects to reduce pollutant loading and improve the water quality of lakes and streams.



The Partners established priority areas for groundwater based on geologic sensitivity to contamination, landscape and geologic characteristics that protect groundwater recharge areas, connectivity to trout streams, and areas with known contamination of groundwater nitrogen above the federal limit (10 parts per million). The Partners use these classifications to target and prioritize activities with direct and indirect benefits for groundwater quality.

IMPROVEMENT THROUGH TARGETED ACTIONS

WAGZ developed a plan for action that includes projects, studies, monitoring, and education and outreach. Within each subwatershed, we analyzed the landscape to identify likely project locations for field practices to reduce pollutant loading, minimize erosion, and slow or retain runoff.

Example implementation activities organized by (Level 1) key issue:



Groundwater/Drinking Water Contamination

- We will implement practices on the landscape to limit nitrogen movement to groundwater such as planting cover crops and restoring wetlands. Hosting field days and site visits to promote these practices is a priority initiative.
- We will provide financial assistance to seal abandoned/unused private wells and repair/replace failing septic systems.
- We will utilize our existing monitoring data, and expand on data gaps, to analyze trends and communicate issues to private well users and the public.



Degraded Surface Water Quality

- We will implement practices to reduce erosion and filter pollutants in rural priority areas by providing technical and financial assistance to landowners to reduce runoff of pollutants like nitrogen that enter our waterbodies.
- We will implement projects that filter out sediment and other nutrients like nitrates and phosphorus from stormwater runoff before they reach our waterbodies.



Accelerated Erosion & Sedimentation

- We will implement projects that will stabilize streambank areas.
- We will provide support for landowners to maintain buffers and expand cost share assistance programs focused on soil health like planting cover crops and no-till practices.



Excessive Flooding

- We will reconnect and restore floodplains to slow the flow and increase the ability for water bodies to withstand the impacts of flooding
- We will use existing modeling to identify the most important locations for storing water on the land and implement projects in priority headwater areas to store water and slow the flow.

SOIL HEALTH PRACTICES



Practices such as rotational grazing, cover cropping, perennial cropping and no-till systems maintain and improve soil health. These practices promote habitat for wildlife, reduce erosion, and improve water quality while retaining nutrients, moisture and organic matter in our soil. The Plan includes technical and financial support to increase the adoption and continued use of soil health practices—like hosting field days to demonstrate practices for local producers.



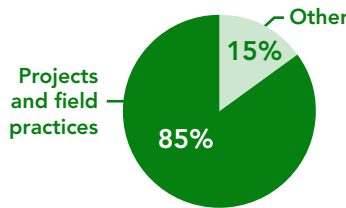
STREAMBANK RESTORATION

Streambank restoration projects like the one performed along Cascade Creek in Rochester mimic natural conditions, reduce sediment and nutrients, improve fish habitat, and reconnect adjacent floodplain to reduce flood risk and increase landscape resiliency. The Plan seeks to use grant funding for additional stream restoration projects performed in cooperation with the Minnesota Department of Natural Resources and other partners.

HOW WE CARRY-OUT THE PLAN

While about 85% of WAGZ resources are directed towards projects and field practices, the Plan includes other activities that support the Plan goals, including:

- Monitoring and studies
- Education and public involvement
- Regulatory oversight
- Administration of the partnership



The Plan carries an estimated price-tag of approximately \$17 million over 10 years. This cost is split between local government partners and State and Federal grant funding, including dedicated grant funding via Minnesota's Clean Water Land and Legacy legislation.

The WAGZ Comprehensive Watershed Management Plan does not create a new unit of government. Instead, the WAGZ partner organizations pledge to cooperatively carry out the implementation Plan—which has been designed to leverage the existing programs, capacities, and expertise of the Partners while providing a framework for expanded and collaborative roles.

OPPORTUNITIES TO GET INVOLVED

Contact your local partner organization to get more information about ways you can protect and restore the water and natural resources in your community, including cost-share grant opportunities.



More information about the WAGZ Comprehensive Watershed Management Plan is available at:

<https://www.olmstedcounty.gov/residents/soil-water-resources/water-resources>

Additional information about water and natural resource planning is available from the following Minnesota state agencies:

<https://bwsr.state.mn.us/>

<https://www.dnr.state.mn.us/ewr/index.html>

<https://www.pca.state.mn.us/water>

<https://www.health.state.mn.us/communities/environment/water/>

<https://www.mda.state.mn.us/>



COST SHARE DETAILS

The WAGZ partners plan to use much of the funding available for implementation to support field practices constructed in cooperation with local landowners through a cost-share program similar to the traditional SWCD service model.

Project cost-share funding amounts will be based on estimated project benefits, location within priority watersheds, and other factors. Eligible practices include traditional conservation practices, both structural and non-structural, that retain and control runoff to improve water quality, reduce erosion, and protect groundwater. Structural practices that may be eligible include sediment control structures or controlled drainage practices. Nonstructural practices that may be eligible include implementing cover crops or nutrient management practices.

The Partners anticipate that many of the projects will provide multiple benefits in addition to improving surface water quality. The specific practices implemented at project locations identified in the Plan will depend on local landscape considerations, landowner willingness, and potential for multiple benefits.

Draft - 11/1/2021

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

**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	3
Basic Financial Statements	
General Fund Balance Sheet and Statement of Net Position of Government Activities	7
Reconciliation of the Net Position in the District-Wide Financial Statements and Fund Balance in the Fund Basis Financial Statements	8
General Fund Revenues, Expenditures and Changes in Fund Balance and Statement of Activities of Governmental Activities	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	11
Notes to Financial Statements	12
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of District's Pension Contributions - PERA	26
Schedule of District's and Non-Employer Proportionate Share of Net Pension Liability - PERA	27
OTHER REPORT SECTION	
Independent Auditor's Report on Minnesota Legal Compliance	28

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

INTRODUCTORY SECTION

DECEMBER 31, 2020

**WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2020**

<u>Office</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors		
Chair	Terry Helbig	January 2021
Vice Chair	Lynn Zabel	January 2023
Treasurer	Chuck Fick	January 2021
Secretary	Larry Theismann	January 2023
Member	Nate Arendt	January 2021
Appointed		
District Manager	Terri Peters	Indefinite

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

FINANCIAL SECTION

DECEMBER 31, 2020

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2020, 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.

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 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.

Smith, Schafu and Associates, Ltd.

Red Wing, Minnesota
October 21, 2021

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

Draft - 11/1/2021

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, 2020. 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 liabilities, 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**

Draft - 11/1/2021

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 \$56,835 on December 31, 2020. This was an increase of \$1,318 from the prior year.

	Total	
	2020	2019
Assets		
Current and other assets	\$ 651,102	\$ 653,071
Capital assets	43,897	27,867
Total assets	694,999	680,938
Deferred Outflows of Resources	20,417	25,938
Liabilities		
Current liabilities	449,041	424,014
Long-Term liabilities	199,106	186,301
Total liabilities	648,147	610,315
Deferred Inflows of Resources	10,434	41,044
Net Position		
Net investment in capital assets	43,897	27,867
Unrestricted	12,938	27,650
Total net position	\$ 56,835	\$ 55,517

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

Draft - 11/1/2021

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

District's Revenue. The District's total revenues were \$774,686 for the year ended December 31, 2020, compared to \$703,746 for the year ended December 31, 2019. This increase of \$70,940 is primarily due to additional grant funding received during 2020 that was not received in 2019.

A condensed version of the Statement of Activities follows:

	Total	
	2020	2019
Revenue		
Intergovernmental	\$ 748,787	\$ 678,459
Charges for services	11,178	15,100
Investment earnings	3,731	8,890
Miscellaneous	10,990	1,297
Total revenues	774,686	703,746
Expenses		
Conservation	773,368	737,782
Change in net position	1,318	(34,036)
Net position, beginning of year	55,517	89,553
Net position, end of year	\$ 56,835	\$ 55,517

The cost of all governmental activities was \$773,368 for the year ended December 31, 2020, compared to \$737,782 for the year ended December 31, 2019. This increase of \$35,586 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 \$202,061, a decrease of \$26,996 from last year's ending fund balance of \$229,057.

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual revenue was \$933,768 less than budgeted due to grant funding being less than anticipated. The actual charges to appropriations (expenditures) were \$906,772 less than the final budgeted amounts primarily due to the delay of projects. The most significant positive variance of \$953,536 occurred in state project expenditures as a result of the project delay. The other significant positive variance of \$124,678 occurred in personnel services. At the start of the year, the projects were delay due to the limited personnel. Two employees were hired during 3rd quarter of 2020.

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

Draft - 11/1/2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2020, the District had \$43,897 of capital assets, net of accumulated depreciation. Total depreciation expense for the year was \$18,265.

	Total	
	2020	2019
Equipment	\$ 123,232	\$ 113,390
Less accumulated depreciation	79,335	85,523
Total	<u>\$ 43,897</u>	<u>\$ 27,867</u>

Long-Term Liabilities

As of December 31, 2020, the District had \$13,247 in accrued compensated absences and \$185,859 in net pension liability. This compares to \$14,909 as of December 31, 2019 for accrued compensated absences and \$171,392 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, 2020

WABASHA SOIL AND WATER CONSERVATION DISTRICT
WABASHA, MINNESOTA
GENERAL FUND BALANCE SHEET AND
STATEMENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2020

	General Fund	Reconciliation	Governmental Activities
Assets			
Cash and cash equivalents	\$ 535,055	\$	\$ 535,055
Due from other governmental units	115,127		115,127
Prepaid expenses	920		920
Capital assets			
Equipment (net of accumulated depreciation)		43,897	43,897
Total Assets	651,102	43,897	694,999
Deferred Outflows of Resources			
Deferred pension outflows		20,417	20,417
Liabilities			
Accounts payable	81,614		81,614
Salaries and wages payable	11,160		11,160
Other accrued liabilities	756		756
Unearned revenue	355,511		355,511
Noncurrent liabilities:			
Net pension liability		185,859	185,859
Compensated absences		13,247	13,247
Total Liabilities	449,041	199,106	648,147
Deferred Inflows of Resources			
Deferred pension inflows		10,434	10,434
Fund Balance / Net Position			
Fund Balance			
Nonspendable	920	(920)	
Unassigned	201,141	(201,141)	
Total Fund Balance	202,061	(202,061)	
Net Position			
Investment in capital assets		43,897	43,897
Unrestricted		12,938	12,938
Total Net Position		56,835	56,835
Total Fund Balance / Net Position	\$ 202,061	\$ (145,226)	\$ 56,835

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, 2020**

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

Total governmental fund balances (page 7)		\$ 202,061
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental funds - capital assets	\$ 123,232	
Less: Accumulated depreciation	<u>79,335</u>	
		43,897
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	\$ (175,876)	
Compensated absences	<u>(13,247)</u>	
		<u>(189,123)</u>
Net position of governmental activities (page 7)		<u><u>\$ 56,835</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, 2020

	General Fund	Reconciliation	Governmental Activities
Revenues			
Intergovernmental revenue	\$ 748,787	\$	\$ 748,787
Charges for services	11,178		11,178
Investment earnings	3,731		3,731
Miscellaneous	1,214	9,776	10,990
Total Revenues	764,910	9,776	774,686
Expenditures			
Conservation:			
Current	767,387	5,981	773,368
Capital outlay	24,519	(24,519)	
Total Expenditures	791,906	(18,538)	773,368
Net Change in Fund Balance / Net Position	(26,996)	28,314	1,318
FUND BALANCE / NET POSITION - BEGINNING	229,057	(173,540)	55,517
FUND BALANCE / NET POSITION - ENDING	\$ 202,061	\$ (145,226)	\$ 56,835

**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, 2020**

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

Net change in fund balances - total governmental funds (page 9)	\$	(26,996)
---	----	----------

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	\$	34,295	
Depreciation expense		(18,265)	
			16,030

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	\$	10,622	
Compensated absences		1,662	
			12,284

Change in net position of governmental activities (page 9)	\$	1,318
--	----	-------

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, 2020

	Budgeted Amounts		2020	Over (Under)
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental				
County	\$ 146,295	\$ 146,295	\$ 267,624	\$ 121,329
Federal	127,651	127,651	20,094	(107,557)
State	1,406,782	1,406,782	461,069	(945,713)
Total Intergovernmental	1,680,728	1,680,728	748,787	(931,941)
Charges for services	9,450	9,450	11,178	1,728
Miscellaneous				
Interest earnings	8,500	8,500	3,731	(4,769)
Other			1,214	1,214
Total Miscellaneous	8,500	8,500	4,945	(3,555)
TOTAL REVENUES	1,698,678	1,698,678	764,910	(933,768)
EXPENDITURES				
District Operations				
Personnel services	380,578	380,578	255,900	(124,678)
Other services and charges	109,835	109,835	117,495	7,660
Supplies			7,115	7,115
Capital outlay			24,519	24,519
Total District Operations	490,413	490,413	405,029	(85,384)
Project Expenditures				
District	6,400	6,400	128,983	122,583
Federal			9,565	9,565
State	1,201,865	1,201,865	248,329	(953,536)
Total Project Expenditures	1,208,265	1,208,265	386,877	(821,388)
TOTAL EXPENDITURES	1,698,678	1,698,678	791,906	(906,772)
NET CHANGE IN FUND BALANCE			(26,996)	(26,996)
FUND BALANCE - BEGINNING	229,057	229,057	229,057	
FUND BALANCE - ENDING	\$ 229,057	\$ 229,057	\$ 202,061	\$ (26,996)

See Notes to Financial Statements

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

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

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.

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.

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 Expenses

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, 2020 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.

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 recognized two types. The first type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available under the modified accrual basis of accounting. The second type 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.

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.

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, 2020, 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

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, 2020 was as follows:

Governmental Activities	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 113,390	\$ 34,295	\$ 24,453	\$ 123,232
Less accumulated depreciation for:				
Equipment	<u>85,523</u>	<u>18,265</u>	<u>24,453</u>	<u>79,335</u>
Governmental activities capital assets, net	<u>\$ 27,867</u>	<u>\$ 16,030</u>	<u>\$</u>	<u>\$ 43,897</u>

Depreciation for the year ended December 31, 2020 was \$18,265.

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, 2020.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Compensated Absences	\$ 14,909	\$ 9,520	\$ 11,182	\$ 13,247	\$

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, 2020 were \$10,820.

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

The General Employees Retirement Plan covers certain full time and part-time employees of the District. 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.

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 2020 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, 2020 were \$16,720. 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, 2020, the District reported a liability of \$185,859 for its proportionate share of the General Employees Fund's net pension liability. The District'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 District totaled \$5,739. The net pension liability was measured as of June 30, 2020, 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, 2019 through June 30, 2020 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2020, the District's proportionate share was 0.000031 at the end of the measurement period and 0.000031 percent for the beginning of the period.

District's proportionate share of net pension liability	\$	185,859
State of Minnesota's proportionate share of the net pension liability associated with the District		5,739

For the year ended December 31, 2020, the District recognized pension expense of (\$10,622) for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized an additional \$499 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Pension Costs (continued)

At December 31, 2020, 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	\$ 1,697	\$ 703
Changes in actuarial assumptions		6,956
Difference between projected and actual investment earnings	3,792	
Changes in proportion	6,384	2,774
Contributions paid to PERA subsequent to the measurement date	<u>8,543</u>	
Total	<u>\$ 20,416</u>	<u>\$ 10,433</u>

The \$8,543 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, 2021. 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>
2021	\$ (4,908)
2022	(1,678)
2023	3,534
2024	4,492

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, 2020 is as follows:

General Employees Fund	\$ (10,123)
------------------------	-------------

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions:

	General Employees Plan
Inflation	2.50% per year
Salary Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Actuarial Assumptions (continued)

The following changes in actuarial assumptions and plan provisions occurred in 2020:

1. General Employees Fund

Changes in Actuarial Assumptions

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

Changes in Plan Provisions Assumptions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

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:

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Defined Benefit Pension Plans – Statewide (Continued)

Actuarial Assumptions (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	35.5%	5.10%
International Stocks	17.5%	5.30%
Bonds (Fixed Income)	20.0%	0.75%
Alternative Assets (Private Markets)	25.0%	5.90%
Cash	2.0%	0.00%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability in 2020 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.

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 at Different Discount Rates</u>		
	<u>General Employees Fund</u>	
1% Lower	6.50%	\$ 297,868
Current Discount Rate	7.50%	185,859
1% Higher	8.50%	93,461

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.

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

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2020

**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							
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					
2022					
2023					
2024					

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

OTHER REPORT SECTION

DECEMBER 31, 2020

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, 2020, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 21, 2021.

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.

Smith, Schaffer and Associates, Ltd.

Red Wing, Minnesota
October 21, 2021

11/17/21

Date

