



Lake of the Woods Watershed
Joint Powers Board
PO Box 217
Baudette, MN 56623
(218) 634-1842 ext. 4
www.lowwjpb.org

AGENDA
Regular Board Meeting
October 17, 2022 @ 9:30 AM

Location: Warroad Public Safety Building in Warroad (cafeteria room).

- 1) Call Meeting to Order.
- 2) Motion to Approve Agenda
- 3) Motion to Approve July 11, 2022 Minutes **pp. 2-3**
- 4) Motion to Approve August 17, 2022 Minutes **pp. 4**
- 5) Review Treasurer Report **pp. 5-10**

New Business

- 6) Warroad Watershed District request to shift funds **pp. 11**

Partner / Project Reports

- 7) Projects Update

General Information and Discussion

- 8) Minor shifts in funds - flexibility
- 9) BWSR 50/40/10 payment structure - (float expenditures)
- 10) Auditor engagement letter/request for bids
- 11) Advisory Committee Meeting

Upcoming Meetings

- Regular Meeting - January 9, 2023 @ 9:30 a.m.
- Winter Advisory Committee Meeting



MINUTES
Regular Meeting
July 11, 2022

The meeting of the Lake of the Woods Watershed Joint Powers Board was held at the Warroad Public Safety Building and remotely by Zoom. The meeting was called to order by JPB Chair, Jan Miller at 9:30 a.m.

JOINT POWERS BOARD MEMBERS PRESENT: Nancy Dunnell, Ed Arnesen, Jan Miller, Bill Thompson, and Russell Walker

OTHERS PRESENT: Mike Hirst, Janine Lovold, Jeff Hrubes (Zoom), Josh Stromlund (Zoom), Corryn Trask (Zoom), Stephen Slick (Zoom), Roger Falk, Anthony Pirkil, Jade Estling, five ag producers with Mr. Estling

AGENDA

The motion was made by Walker with a second by Dunnell to approve the agenda.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

SECRETARIES REPORT: APRIL 11, 2022 MINUTES

The motion was made by Dunnell with a second by Thompson to approve the April 11, 2022 Minutes.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

TREASURER'S REPORT

The financial reports were reviewed and discussed. Notes regarding the reports were provided in a handout.

SECOND QUARTER BUDGET VS ACTUAL REPORT

A handout of the Budget vs Actual Report was provided. The information was reviewed and discussed.

OLD BUSINESS

OFFICE OF STATE AUDITOR REPORT

The Report was reviewed and discussed.

The motion was made by Dunnell with a second by Walker to approve the Report.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

NEW BUSINESS

FUNDING EXCHANGE IN ADMINISTRATION CATEGORY

A motion was made by Dunnell with a second by Arnesen to approve the funding adjustment in Administration.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

AG-SPECIALIST - AGREEMENT

Hirst gave background information regarding the Ag-BMP Outreach Specialist position from the beginning up to the proposal as seen today. Mr. Estling and most of the meeting attendees provided feedback on keeping the position within the watershed area businesses to work with local ag producers along with other concerns. A motion was made to table the Sustainable Farming Association (SFA) proposal and review and approve a new Request for Proposal (RFP) at an August/September Special Meeting was made by Thompson with a second by Walker.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

The approved RFP will be advertised locally for additional offers by local area crop consultants and agronomists.

GENERAL INFORMATION AND DISCUSSION

Tour

After the meeting, a tour was conducted to observe the CD 10 repaired sites and CD 1 sloughing sites. Roseau County Highway Department and Lake of the Woods Public Works Department Engineers spoke about the ditch projects onsite.

NEXT MEETING

- Special meeting: August/September TBD
- Regular meeting: October 17, 2022

ADJOURNMENT

The meeting adjourned at 10:50 a.m. on a motion by Walker with a second by Arnesen.

Affirmative: Dunnell, Walker, Thompson, Miller, Arnesen Opposed: None Motion carried.

Secretary

Date

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MINUTES
Special Board Meeting
August 17, 2022

The meeting of the Lake of the Woods Watershed Joint Powers Board was held at the Warroad Public Safety Building. The meeting was called to order by JPB Chair, Jan Miller at 9:06 a.m.

JOINT POWERS BOARD MEMBERS PRESENT: Nancy Dunnell, Jan Miller, Bill Thompson, and Russell Walker

OTHERS PRESENT: Mike Hirst, Janine Lovold, Josh Stromlund, Scott Johnson, Jade Estling, Kent Solberg (SFA), Doug Voss (SFA)

AGENDA

The motion was made by Dunnell with a second by Thompson to approve agenda.

Affirmative: Dunnell, Walker, Thompson, Miller Opposed: None Motion carried.

SUSTAINABLE FARMING ASSOCIATION

Hirst introduced Solberg and Voss to the Board. Roundtable introductions was done. Kent and Doug answered questions and provided background on what SFA can provide. Application of soil health principles, especially context, is fundamental for sustainable ag to suitably function on a specific farm.

OLD BUSINESS

AG SPECIALIST AGREEMENT

Dunnell made motion to move forward with the Ag Specialist Agreement with SFA. The motion was seconded by Walker.

Affirmative: Dunnell, Walker, Thompson, Miller Opposed: None Motion carried.

NEW BUSINESS

AMENDMENT TO THE AG PRACTICES AGREEMENT

The non-structural funding has been fully allocated. To fulfill interested contracts with landowners, there is a request to move \$1,500 from Structural Ag Practices to Non-Structural Ag practices within Agreement #22-10. A motion was made by Walker with a second by Dunnell to approve the funding move.

Affirmative: Dunnell, Walker, Thompson, Miller Opposed: None Motion carried.

GENERAL

NEXT MEETING

- Regular meeting: October 17, 2022

ADJOURNMENT

The meeting adjourned at 10:10 a.m. on a motion by Thompson with a second by Dunnell.

Affirmative: Dunnell, Walker, Thompson, Miller Opposed: None Motion carried.

Secretary

Date

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Notes to the Treasurer's Report

Balance Sheet

The Balance Sheet tells the board how much money the JPB has (assets), how much it owes (liabilities), and what is left (equity) when you net the two together.

Assets:

Total, cash on hand, in the Checking and Savings account is \$461,631.79

Note: some of these funds may be spent. See deferred revenue for actual available grant funds.

Liabilities:

The JPB has \$13,887.72 in accounts payable.

These are invoices that have come in from Roseau SWCD and LOW SWCD.

Deferred Revenue, WBIF FY20, \$155,768.39 is what remains from the first grant allocation of 90%. This amount is set aside for projects.

Deferred Revenue, WBIF FY22, \$291,591.82 is what remains from the second grant allocation of 50%. This amount is set aside for projects.

Total Equity:

\$242.72 is the interest the JPB has received on the money in the savings account and a MCIT dividend.

Profit/Loss Budget vs Actual

This statement shows the grant budget and actual income and expenditures

The current overall grant balance for FY20 is \$217,885.39 (from Intergovernmental Revenue>State, \$ over budget)

Current unallocated grant funding for FY20 is approximately \$0

The current overall grant balance for FY22 is \$602,177.82 (from Intergovernmental Revenue>State, \$ over budget)

Current unallocated grant funding for FY22 is approximately \$13,913.94

Lake of the Woods Watershed Joint Powers Board
Balance Sheet
As of September 30, 2022

Sep 30, 22

ASSETS

Current Assets

Checking/Savings

Border Bank Checking Account 7,689.01

Border Bank Savings Account 453,942.78

Total Checking/Savings 461,631.79

Total Current Assets 461,631.79

TOTAL ASSETS 461,631.79

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable 13,887.72

Total Accounts Payable 13,887.72

Other Current Liabilities

Accrued Interest 141.14

Total Other Current Liabilities 141.14

Total Current Liabilities 14,028.86

Long Term Liabilities

Deferred Revenue

WBIF FY22 291,591.82

WBIF FY20 155,768.39

Total Deferred Revenue 447,360.21

Total Long Term Liabilities 447,360.21

Total Liabilities 461,389.07

Equity

Operating Funds - Unassigned 242.72

Total Equity 242.72

TOTAL LIABILITIES & EQUITY 461,631.79

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Lake of the Woods Watershed Joint Powers Board
Profit & Loss Budget vs. Actual WBIF FY20
January 2020 through September 2022

	Budget	Jan '20 - Sep 22	\$ Over Budget	% of Budget
Income				
Intergovernmental Revenue				
State	621,173.00	403,287.61	-217,885.39	64.92%
Total Intergovernmental Revenue	621,173.00	403,287.61	-217,885.39	64.92%
Miscellaneous Revenue				
Interest	0.00	200.72	200.72	100.0%
Other		42.00		
Total Miscellaneous Revenue	0.00	242.72	242.72	100.0%
Total Income	621,173.00	403,530.33	-217,642.67	64.96%
Gross Profit	621,173.00	403,530.33	-217,642.67	64.96%
Expense				
Operations				
Professional Services	425.00	425.00	0.00	100.0%
Board Member Expenses	4,896.30	4,896.30	0.00	100.0%
Insurance	4,460.00	4,460.00	0.00	100.0%
Postage	118.00	118.00	0.00	100.0%
Supplies	600.70	600.70	0.00	100.0%
Total Operations	10,500.00	10,500.00	0.00	100.0%
Program Expenses				
Admin/Coordination	52,476.00	52,476.00	0.00	100.0%
Education/Information	20,594.04	20,594.04	0.00	100.0%
Inventory/Mapping	25,000.00	25,000.00	0.00	100.0%
Planning/Assessment	2,380.00	2,380.00	0.00	100.0%
Project Development	22,634.64	20,595.24	-2,039.40	90.99%
Special Projects	2,605.96	2,605.96	0.00	100.0%
Streambank/Shoreline Protection	269,879.93	69,410.15	-200,469.78	25.72%
SSTS	13,351.73	13,351.73	0.00	100.0%
Technical/Engineering	201,750.70	186,374.49	-15,376.21	92.38%
Total Program Expenses	610,673.00	392,787.61	-217,885.39	64.32%
Total Expense	621,173.00	403,287.61	-217,885.39	64.92%
Net Income	0.00	242.72	242.72	100.0%

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Lake of the Woods Watershed Joint Powers Board
Profit & Loss Budget vs. Actual WBIF FY22
January 2020 through September 2022

	Budget	Jan '20 - Sep 22	\$ Over Budget	% of Budget
Income				
Intergovernmental Revenue				
State	621,173.00	18,995.18	-602,177.82	3.06%
Total Intergovernmental Revenue	621,173.00	18,995.18	-602,177.82	3.06%
Total Income	621,173.00	18,995.18	-602,177.82	3.06%
Gross Profit	621,173.00	18,995.18	-602,177.82	3.06%
Expense				
Operations				
Professional Services	5,000.00	0.00	-5,000.00	0.0%
Board Member Expenses	11,000.00	1,662.79	-9,337.21	15.12%
Insurance	6,000.00	0.00	-6,000.00	0.0%
Postage	250.00	60.00	-190.00	24.0%
Supplies	7,250.00	0.00	-7,250.00	0.0%
Total Operations	29,500.00	1,722.79	-27,777.21	5.84%
Program Expenses				
Admin/Coordination	27,000.00	4,717.92	-22,282.08	17.47%
Ag Practices Non-structural	25,000.00	2,500.00	-22,500.00	10.0%
Ag Practices Structural	20,000.00	0.00	-20,000.00	0.0%
Education/Information	29,000.00	3,768.18	-25,231.82	12.99%
Planning/Assessment	20,000.00	1,830.45	-18,169.55	9.15%
Project Development	50,000.00	0.00	-50,000.00	0.0%
Streambank/Shoreline Protection	335,673.00	0.00	-335,673.00	0.0%
SSTS	15,000.00	0.00	-15,000.00	0.0%
Technical/Engineering	70,000.00	4,455.84	-65,544.16	6.37%
Total Program Expenses	591,673.00	17,272.39	-574,400.61	2.92%
Total Expense	621,173.00	18,995.18	-602,177.82	3.06%
Net Income	0.00	0.00	0.00	0.0%

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Lake of the Woods Watershed Joint Powers Board
Transaction Detail by Bank Account
July through September 2022

Type	Date	Num	Name	Memo	Paid Amount
Border Bank Checking Account					
Check	07/05/2022	1094	Postmaster	Postage	-7.80
Bill Pmt -Check	07/12/2022	1095	Bemidji Custom Accounting	Invoice 2589	-150.00
Bill Pmt -Check	07/12/2022	1096	Roseau SWCD -v	Invoice 2022-250	-3,640.66
Bill Pmt -Check	07/12/2022	1097	Houston Engineering, Inc.	Invoices 59882, 59883	-1,329.30
Bill Pmt -Check	07/12/2022	1098	LOW Soil & Water Conservation District	Invoice 8913	-8,888.02
Check	07/12/2022	1099	William Ray Thompson	Board Member Expense Report	-153.75
Check	07/12/2022	1100	Nancy Dunnell	Board Member Expense Report	-156.25
Check	07/12/2022	1101	Jan Miller	Board Member Expense Report	-178.75
Transfer	07/12/2022			July Funds Transfer	15,000.00
Check	07/22/2022	1102	Edward Arnesen	Board Member Expense Report	-152.50
Bill Pmt -Check	08/10/2022	1103	LOW Soil & Water Conservation District	Invoice 83937	-5,271.16
Check	08/18/2022	1104	Nancy Dunnell	Board Member Expense Report	-156.25
Check	08/18/2022	1105	William Ray Thompson	Board Member Expense Report	-137.50
Check	08/18/2022	1106	Jan Miller	Board member expense report	-675.00
Check	08/18/2022	1107	Russell Walker	Board member expense report	-134.38
Check	08/18/2022	1109	Postmaster	stamps	-60.00
Transfer	08/18/2022			August Funds Transfer	15,000.00
Bill Pmt -Check	08/29/2022	1110	Houston Engineering, Inc.	Invoices 60366, 60944	-1,014.30
Bill Pmt -Check	09/08/2022	1111	Jason Eichenberger	Final payment on contract LOWW22-03	-2,500.00
Bill Pmt -Check	09/29/2022	1112	Houston Engineering, Inc.	Invoices 61437, 61438	-2,929.05
Total Border Bank Checking Account					<u>2,465.33</u>
Border Bank Savings Account					
Transfer	07/12/2022			July Funds Transfer	-15,000.00
Deposit	07/31/2022			Interest	20.14
Transfer	08/18/2022			August Funds Transfer	-15,000.00
Deposit	08/31/2022			Interest	19.63
Deposit	09/30/2022			Interest	18.65
Total Border Bank Savings Account					<u>-29,941.58</u>
TOTAL					<u><u>-27,476.25</u></u>

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Lake of the Woods Watershed Joint Powers Board
Transaction Detail by Vendor
July through September 2022

Type	Date	Num	Name	Source Name	Memo	Account	Debit
LOTW Joint Powers Board							
Check	07/05/2022	1094	WBIF FY20 Postmaster		board packet postage	Postage	7.80
Check	07/12/2022	1099	WBIF FY20 William Ray Thompson		Board member expense report	Board Member Expenses	153.75
Check	07/12/2022	1100	WBIF FY22 Nancy Dunnell		Board member expense report	Board Member Expenses	156.25
Check	07/12/2022	1101	WBIF FY20 Jan Miller		Board member expense report	Board Member Expenses	3.16
Check	07/12/2022	1101	WBIF FY22 Jan Miller		Board member expense report	Board Member Expenses	175.59
Check	07/22/2022	1102	WBIF FY22 Edward Arnesen		Board member expense report	Board Member Expenses	152.50
Check	08/18/2022	1104	WBIF FY22 Nancy Dunnell		Board member expense report	Board Member Expenses	156.25
Check	08/18/2022	1105	WBIF FY22 William Ray Thompson		Board member expense report	Board Member Expenses	137.50
Check	08/18/2022	1106	WBIF FY22 Jan Miller		Board member expense report	Board Member Expenses	675.00
Check	08/18/2022	1107	WBIF FY22 Russell Walker		Board member expense report	Board Member Expenses	134.38
Check	08/18/2022	1108	WBIF FY22 Postmaster		stamps	Postage	0.00
Check	08/18/2022	1109	WBIF FY22 Postmaster		stamps	Postage	60.00
Bill	09/30/2022	2022-270	WBIF FY22 Roseau SWCD -v		Invoice 2022-270	Board Member Expenses	<u>75.32</u>
Total LOTW Joint Powers Board							1,887.50
LOW SWCD							
Coordination/Fiscal FY20-01							
Bill	08/04/2022	83937	WBIF FY20 LOW Soil & Water Conservation District		Invoice 83937 FY20-01	Admin/Coordination	<u>2,000.00</u>
Total Coordination/Fiscal FY20-01							2,000.00
Shoreline Projects FY20-03							
Bill	08/04/2022	83937	WBIF FY20 LOW Soil & Water Conservation District		Invoice 83937 FY20-03	Streambank/Shoreline Protection	<u>3,271.16</u>
Total Shoreline Projects FY20-03							3,271.16
Coordination/Fiscal FY22-03							
Bill	09/30/2022	83977	WBIF FY22 LOW Soil & Water Conservation District		Invoice 83977	Admin/Coordination	<u>2,394.64</u>
Total Coordination/Fiscal FY22-03							2,394.64
Forest Management Plans FY22-04							
Bill	09/30/2022	83977	WBIF FY22 LOW Soil & Water Conservation District		Invoice 83977	Planning/Assessment	<u>1,830.45</u>
Total Forest Management Plans FY22-04							1,830.45
Keep it Clean Program FY22-05							
Bill	09/30/2022	83977	WBIF FY22 LOW Soil & Water Conservation District		Invoice 83977	Education/Information	<u>2,494.06</u>
Total Keep it Clean Program FY22-05							2,494.06
Shoreline Protection FY22-06							
Bill	09/30/2022	83977	WBIF FY22 LOW Soil & Water Conservation District		Invoice 83977	Technical/Engineering	<u>4,455.84</u>
Total Shoreline Protection FY22-06							4,455.84
Total LOW SWCD							16,446.15
LOW/Roseau SWCDs							
Ag Practices Cost Share FY22-10							
Bill	09/08/2022	LOWW22-0	WBIF FY22 Jason Eichenberger		Final payment on contract LOWW22-03	Ag Practices Non-structural	<u>2,500.00</u>
Total Ag Practices Cost Share FY22-10							2,500.00
Total LOW/Roseau SWCDs							2,500.00
Roseau SWCD							
Coordination FY20-04							
Bill	09/30/2022	2022-270	WBIF FY20 Roseau SWCD -v		Invoice 2022-270	Admin/Coordination	<u>1,013.88</u>
Total Coordination FY20-04							1,013.88
Well Verification FY20-08							
Bill	09/30/2022	2022-270	WBIF FY20 Roseau SWCD -v		Invoice 2022-270	Inventory/Mapping	<u>398.49</u>
Total Well Verification FY20-08							398.49
Coordination FY22-09							
Bill	09/30/2022	2022-270	WBIF FY22 Roseau SWCD -v		Invoice 2022-270	Admin/Coordination	<u>1,225.04</u>
Total Coordination FY22-09							1,225.04
Total Roseau SWCD							2,837.41
Warroad Watershed District							
PH 2a Peatland Project FY20-15							
Bill	08/29/2022	60366	WBIF FY20 Houston Engineering, Inc.		Invoice 60366	Project Development	407.70
Bill	08/29/2022	60944	WBIF FY20 Houston Engineering, Inc.		Invoice 60944	Project Development	606.60
Bill	09/28/2022	61437	WBIF FY20 Houston Engineering, Inc.		Invoice 61437	Project Development	<u>126.00</u>
Total PH 2a Peatland Project FY20-15							1,140.30
Streambank Proj #2 FY20-16							
Bill	09/28/2022	61438	WBIF FY20 Houston Engineering, Inc.		Invoice 61438	Technical/Engineering	<u>2,803.05</u>
Total Streambank Proj #2 FY20-16							2,803.05
Total Warroad Watershed District							3,943.35
TOTAL							<u>27,414.41</u>

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Agenda Item: Warroad Watershed District request to shift funds

Background:

The BWSR FY20 grant expires December 31, 2022. There are some funds remaining in this grant that must be spent or the funds will be forfeited. The following change is recommended by the Implementation Committee:

Warroad Watershed District has requested to release \$5,606.66 from their FY20-15 Peatland Project agreement and increase their FY22-11 Phase 2 Peatland Project by the equivalent amount.

This can be accomplished by shifting these FY20 funds to the LW County Ditch 1 FY20/22-02 contract. The Ditch 1 contract is the only open FY20 Contract that can utilize these funds within the required timeframe.

The exchange will be a no-net gain or loss to either partner. The LW County Ditch 1 project is complete and waiting on payment. Therefore, the FY20 funds will be spent out by the grant deadline.

The activity budgets for the FY20 and FY22 work plans for BWSR will be impacted less than the 10% threshold. With changes less than 10%, no BWSR BC approval is required.

Action Requested:

Authorize the exchange of funds between the partners and their respective grant agreements in the amount of \$5,606.66.