



MORRISON COUNTY BOARD OF COMMISSIONERS OFFICIAL MINUTES

SEPTEMBER 19, 2017

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The meeting was held in the County Board Room, Government Center, Little Falls MN, and was called to order at 9:00a.m. by Chairman Wilson.

Members present: Commissioners Randy Winscher, Duane Johnson, Mike Wilson, Jeff Jelinski, and Mike LeMieur.

Staff present: Deb Gruber, Tabitha Maher, Beth Hamlin, Brad Vold, Steve Backowski, Becky Moe and Steve Messerschmidt.

Others present: Mark Slupe, Tyler Jensen, Herb Broschofsky, Chuck Storkamp, John Korsman, Ron Wieber, Mitchell McCollson, Brenda Rudolph, Everett Rudolph, Vivian Rudolph, Kathy Blonigen, Katie Orth, Jaycee Hegg, Maizee Kathrein.

APPROVAL OF COUNTY BOARD MINUTES

A motion was made by Commissioner Johnson, seconded by Commissioner LeMieur and carried unanimously to approve the Morrison County Board of Commissioner Minutes for September 5, 2017.

AGENDA CHANGES

A motion was made by Commissioner Jelinski, seconded by Commissioner Winscher and carried unanimously to adopt the agenda as presented.

EXTENSION PROCLAMATION

A motion was made by Commissioner Johnson, seconded by Commissioner LeMieur and carried unanimously to approve the week of October 1 - 7 2017 to be National 4-H Week in Morrison County.

EXTENSION

Becky Moe, Director, presented the County Report for the month of August 2017.

SOCIAL SERVICES REPORT

A motion was made by Commissioner LeMieur, seconded by Commissioner Winscher and carried unanimously to approve a new social worker for the Juvenile Justice Program and Morrison County Interagency Coordinator. This position has been funded by LCTS dollars, County Levy Dollars and Grant Dollars.

PUBLIC HEALTH REPORT

A motion was made by Commissioner Winscher, seconded by Commissioner Johnson and carried unanimously to approve the following Licenses:

Harding Bar & Grill: the liquor license held by Robert Litke was approved by the City of Harding on July 10, 2017 and was sent to the State of MN.

Herbies Bar LLC: the liquor license held by Jason Gorka was approved by the City of Flensburg on September 13, 2017 and was sent to the State of MN.



**MORRISON COUNTY BOARD OF COMMISSIONERS
OFFICIAL MINUTES**

SEPTEMBER 19, 2017
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| | | |
|---------|--|-------------------------|
| Dist. 4 | RJ Litke Corp dba Harding Bar & Grill, Owner Robert Litke | Pierz(Harding) \$475.50 |
| Dist. 5 | Herbies Bar LLC, Owner Jason Gorka | Flensburg \$171.75 |

RICH PRAIRIE SEWER AND WATER REPORT

Herb Broschofsky, and Chuck Storkamp presented the Audited Financial Statements from December 31, 2016 and 2015 for Rich Prairie Sewer and Water District in Pierz, MN.

LAKE ALEXANDER IMPROVEMENT DISTRICT REPORT

Ron Wieber, representative of the Lake Alexander Lake Improvement District presented the District Budget for 2018. A motion was made by Commissioner LeMieur, seconded by Commissioner Johnson to approve the 2018 District Budget for the Lake Alexander Improvement District with a levy of \$200.00 per parcel. The motion carried on a roll call vote with all Commissioners voting "aye".

SULLIVAN LAKE IMPROVEMENT DISTRICT REPORT

John Korsman presented the District Budget for the three period beginning 2018 and ending 2020. A motion was made by Commissioner Winscher, seconded by Commissioner Jelinski to approve the 2018 District Budget for the Lake Sullivan Lake Improvement District at \$22,000.00, \$40,00 per parcel. The motion carried on a roll call vote with all Commissioners voting "aye".

COUNTY BOARD WARRANTS

A motion was made by Commissioner Johnson, seconded by Commissioner Jelinski to approve the following Resolution:

WHEREAS, the Morrison County Board of Commissioners have reviewed the list of County Board Warrants;

NOW THEREFORE, BE IT RESOLVED, that the list of County Board Warrants on file in the Auditor/Treasurer's Office for September 19, 2017 be approved for payment:

| | | |
|---------------------|----|------------|
| REVENUE | \$ | 97,445.32 |
| PUBLIC WORKS | \$ | 77,438.56 |
| SOCIAL SERVICE | \$ | 304,667.83 |
| SOLID WASTE | \$ | 46,542.39 |
| | | |
| PARKS FUND | \$ | 9,069.00 |
| | | |
| LOCAL COLLABORATIVE | \$ | 200.00 |
| BUILDING FUND | \$ | 4,087.59 |
| | | |
| TOTAL | \$ | 539,450.69 |



MORRISON COUNTY BOARD OF COMMISSIONERS OFFICIAL MINUTES

SEPTEMBER 19, 2017

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| | | |
|-------------|----|-----------|
| MEALS | \$ | 138.55 |
| CREDIT CARD | \$ | 12,482.74 |

Motion carried on a roll call vote with all Commissioners voting "aye".

A motion was made by Commissioner Johnson, seconded by Commissioner Jelinski to approve the Commissioners Expense Reports as presented. Motion carried on a roll call vote with all Commissioners voting "aye".

AUDITOR/TREASURER

A motion was made by Commissioner Jelinski, seconded by Commissioner LeMieur to approve the Preliminary Final Levy/Budget for Morrison County. The motion carried on a roll call vote with all Commissioners voting aye.

A motion was made by Commissioner Johnson, seconded by Commissioner Winscher to approve the 2016 Budget for Morrison County. The motion carried on a roll call vote with all Commissioners voting 'aye'.

A motion was made by Commissioner Johnson, seconded by Commissioner Winscher and carried unanimously to set to set the Truth in Taxation meeting for December 11, 2017 at 7:00 p.m. in the County Board Room at the Government Center in Little Falls, MN.

PUBLIC WORKS

A motion was made by Commissioner Jelinski, seconded by Commissioner Johnson and carried unanimously establish a date to hear public input prior to authorizing the design concept of the Camp Ripley Veterans State Trail in the existing right of way of County State Aid Highway 52.

COUNTY BOARD REPORTS AND SCHEDULE

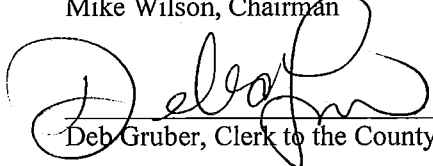
Members of the County Board reported on various meetings they have attended and on their upcoming schedule of meetings with various organizations.

ADJOURNMENT

A motion was made by Commissioner Johnson, seconded by Commissioner Jelinski and carried unanimously to adjourn the meeting at 11:34 a.m.



Mike Wilson, Chairman



Deb Gruber, Clerk to the County Board



WHEREAS, 4-H is America's largest youth development organization, having supported almost six million youth across the country thus far; and

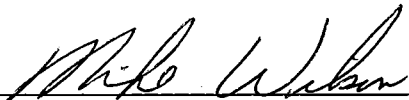
WHEREAS, 4-H has helped over 200 youth in Morrison County to become confident, independent, resilient and compassionate leaders; and

WHEREAS, 4-H is delivered by Cooperative Extension – a community of more than 100 public universities across the nation that provides experiences where young people learn by doing in hands-on projects in areas including health, science, agriculture and citizenship; and

WHEREAS, National 4-H Week showcases the incredible experiences that 4-H offers young people, and highlights the remarkable 4-H youth in Morrison County who work each day to make a positive impact on those around them; and

WHEREAS, 4-H's network of 600,000 volunteers and 3,500 professionals provides caring and supportive mentoring to all 4-H'ers, helping them to grow into true leaders, entrepreneurs and visionaries;

NOW, THEREFORE, I, Mike Wilson, do hereby proclaim October 1–7 2017 as NATIONAL 4-H WEEK throughout Morrison County and encourage all of our citizens to recognize 4-H for the significant impact they have made and continue to make by empowering youth with the skills they need to lead for a lifetime.



Mike Wilson, Chairman
Morrison County Board of Commissioners

9/19/17

Date



Position Vacancy and Request to Hire Analysis: Child and Family Diversion Services Social Worker

1. Core Functions:

- **Truancy Diversion/Juvenile Justice: .5 FTE**

The primary responsibility for this position is to divert children before they enter the Social Services or Corrections system as a Truant or Delinquent. This includes individual client meetings and group intervention to provide support, education, skill building and mental health screening for adolescents referred for intervention by Community Corrections, Social Services, Schools, and Community Agency partners. Contacts with school, community and parents is needed on a regular basis to assist with determining progress and interventions needed.

Juvenile Justice Group Intervention:

There are 4 group meetings per week on average- 2 nights per week as 430pm and 630 pm. The meetings are held at the Morrison County Social Services house and involve the child and at least one parent/guardian.

Groups are offered based on client needs and include:

A Better Choice, Alcohol Education, Sexting, Bullying, Juvenile Justice Intervention Program (serious crimes), & Truancy intervention (over 7 unexcused absences). Children will also have 1 individual meeting at a minimum to assess needs and screen for MH needs. Collateral contacts are maintained at least monthly to ascertain progress. Last year there were --- clients served and only---- were referred for placement.

AIM-Attendance Intervention Meetings:

Individual Meetings are held with children and at least one parent/guardian when children ages 12-18 have 3 or more unexcused absences from school. Meetings provide education on the law, problem solving regarding barriers, referrals, and screening for mental health or other support services. Last year there were 108 clients referred to AIM and only 15 were referred to Social Services for intervention.

- **Morrison County Interagency Coordination Services: .5 FTE**

The primary responsibilities of this position is to coordinate the interagency early intervention teams of Morrison County, coordinate the Local County Time Study (LCTS), and support Community Parenting Resources.

The interagency teams include the Morrison County Interagency Council (MCICC), Children's Mental Health Local Coordinating Council (LCC), Community Transitional Interagency Council (CTIC), Early Childhood Planning Committee. These teams support local services and assist in sharing resources/initiatives across Morrison County agencies. Funding for these teams and its initiatives is supported by the LCTS. The LCTS requires training of partners, maintenance of the participants, and reporting to the state.

The Community Parenting Resources include Love and Logic Parenting classes, Morrison County Families Program, MCICC Website, Love and Logic Jail Program, and the Morrison County Child Protection Team. These programs are offered as early intervention services to divert families for the need for mandated services of Child Protection or Community Corrections. Most of these services are supported by LCTS funding.

2. Funding:

The cost of mid-level Social Worker with benefits is \$75,000. MCICC will fund approximately 50% of this position through LCTS Dollars. 50% will be covered by County and grant dollars as we have done previously. The current contract is for \$40,500.

Morrison County has been funding the Juvenile Justice Program for almost 30 years as a contract. A county social worker providing this service allows CWTCM billing as a source revenue and will evaluate the revenue moving forward. CWTCM revenue from specified clients in the Diversion Program is conservatively estimated at \$5,000

3. Evolution:

We have reached out to Lutheran Social Services who staffs half the program to see if they could hire another staff to work with their current staff to provide the service. They were not able to hire. It is a program that needs two staff working as a full time team. They work with challenging children and families and are able to support each other and co facilitate groups.

4. Similar Work:

This is a unique program that was created almost 30 years ago and helps us divert children from more costly services.

5. Skills and Education required:

A college degree in Social Work, Psychology, or related field and registered with the MN Merit System.

6. Work Load:

7. Outside factors:

8. Open positions of the same capacity: 0

**RICH PRAIRIE SEWER AND WATER DISTRICT
PIERZ, MINNESOTA**

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

**SCHLENNER WENNER & CO.
Certified Public Accountants
& Business Consultants**

**RICH PRAIRIE SEWER AND WATER DISTRICT
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**INTRODUCTORY
SECTION**

**RICH PRAIRIE SEWER AND WATER DISTRICT
DISTRICT OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| <u>Name</u> | <u>Title</u> | <u>Term Expires</u> |
|---------------------|------------------|---------------------|
| Charles Storkamp | Chairperson | December 31, 2018 |
| Herbert Broschofsky | Vice Chairperson | December 31, 2018 |
| Larry Korf | Treasurer | December 31, 2017 |
| George Dehler | Secretary | December 31, 2018 |
| Dave Fischer | Board Member | December 31, 2017 |
| Mark Fyten | Board Member | December 31, 2017 |
| Greg Gangl | Board Member | December 31, 2017 |

**FINANCIAL
SECTION**

INDEPENDENT AUDITORS' REPORT

August 7, 2017

Board of Directors
Rich Prairie Sewer and Water District
Pierz, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of Rich Prairie Sewer and Water District of Pierz, Minnesota, as of and for the years ended December 31, 2016 and 2015, 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 District'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 District'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 opinion.

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St. Cloud
320.251.0286

Little Falls
320.632.6311

Albany
320.845.2940

Maple Lake
320.963.5414

Monticello
763.295.5070

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund of Rich Prairie Sewer and Water District as of December 31, 2016 and 2015, and the respective changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedules of District's Proportionate Share of the Net Pension Liability and District Contributions, as shown 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Rich Prairie Sewer and Water District's basic financial statements. The introductory section is presented for the purpose 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2017, on our consideration of the Rich Prairie Sewer and Water District's internal control of financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Rich Prairie Sewer and Water District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Minnesota Statutes, we have also issued our report dated August 7, 2017, on our consideration of the Rich Prairie Sewer and Water District's compliance with provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute Section 6.65. The purpose of the report is to determine if the District has complied with Minnesota laws and regulations. That report is an integral part of an audit performed in the State of Minnesota.

Schlenner Wenner & Co.

SCHLENNER WENNER & CO.
St. Cloud, Minnesota

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board. In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**RICH PRAIRIE SEWER AND WATER DISTRICT
STATEMENTS OF NET POSITION**

| | December 31, | |
|--|--------------|--------------|
| | 2016 | 2015 |
| ASSETS | | |
| Current Assets | | |
| Cash and Investments | \$ 1,245,332 | \$ 1,024,639 |
| Accounts Receivable | 103,339 | 119,630 |
| Assessments Receivable | 18,092 | 18,853 |
| Total Current Assets | 1,366,763 | 1,163,122 |
| Noncurrent Assets | | |
| Assessments Receivable | 70,599 | 91,261 |
| Capital Assets not Being Depreciated | 130,388 | 130,388 |
| Capital Assets Being Depreciated (Net) | 6,117,431 | 6,420,734 |
| Total Noncurrent Assets | 6,318,418 | 6,642,383 |
| TOTAL ASSETS | 7,685,181 | 7,805,505 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pensions | 68,516 | 10,847 |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts Payable | 11,031 | 11,750 |
| Payroll Taxes Payable | 3,705 | 3,259 |
| Compensated Absences | 7,522 | 8,743 |
| Sales Tax Payable | 869 | 883 |
| Current Portion of Bonds Payable | 175,000 | 170,000 |
| Total Current Liabilities | 198,127 | 194,635 |
| Noncurrent Liabilities | | |
| Net Pension Liability | 138,032 | 72,555 |
| Long-Term Portion of Bonds Payable | 3,620,000 | 3,795,000 |
| Total Noncurrent Liabilities | 3,758,032 | 3,867,555 |
| TOTAL LIABILITIES | 3,956,159 | 4,062,190 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pensions | 18,259 | 14,227 |
| NET POSITION | | |
| Net Investment in Capital Assets | 2,452,819 | 2,586,122 |
| Unrestricted | 1,326,460 | 1,153,813 |
| TOTAL NET POSITION | \$ 3,779,279 | \$ 3,739,935 |

RICH PRAIRIE SEWER AND WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

| | Year Ended December 31, | |
|---|-------------------------|--------------|
| | 2016 | 2015 |
| OPERATING REVENUES | | |
| Sewer Revenue | \$ 458,409 | \$ 440,149 |
| Water Revenue | 406,300 | 391,623 |
| Hook-Up Fees | 13,500 | 11,100 |
| Assessments | - | 15,000 |
| Non-Service Charges Revenue | 23,824 | 28,211 |
| Other Revenue | 1,514 | 1,423 |
| TOTAL OPERATING REVENUES | 903,547 | 887,506 |
| OPERATING EXPENSES | | |
| Wages and Payroll Taxes | 139,374 | 109,061 |
| Employee Benefits | 20,103 | 21,310 |
| Refunds and Adjustments | 45,278 | 40,815 |
| Advertising Expense | 424 | 419 |
| Telephone | 3,621 | 4,881 |
| Natural Gas | 1,012 | 1,295 |
| Electric | 38,060 | 35,910 |
| Supplies | 22,688 | 18,108 |
| Licenses and Permits | 9,036 | 9,896 |
| Professional Fees | 29,676 | 28,889 |
| Insurance | 28,785 | 20,395 |
| Dues and Publications | 2,192 | 1,875 |
| Repairs and Maintenance | 55,753 | 62,809 |
| Chemicals | 6,153 | 5,895 |
| Other Administrative Expenses | 2,412 | 2,225 |
| Bad Debt Expense | 521 | - |
| Depreciation Expense | 313,152 | 314,515 |
| TOTAL OPERATING EXPENSES | 718,240 | 678,298 |
| NET OPERATING INCOME | 185,307 | 209,208 |
| NONOPERATING REVENUE (EXPENSE) | | |
| Loss on Sale of Asset | - | (1,492) |
| Interest Income | 10,445 | 9,629 |
| Interest Expense | (156,408) | (161,083) |
| TOTAL NONOPERATING REVENUE (EXPENSE) | (145,963) | (152,946) |
| CHANGE IN NET POSITION | 39,344 | 56,262 |
| NET POSITION - BEGINNING OF YEAR | 3,739,935 | 3,760,557 |
| CHANGE IN ACCOUNTING PRINCIPLE | - | (76,884) |
| NET POSITION - END OF YEAR | \$ 3,779,279 | \$ 3,739,935 |

See accompanying notes.

**RICH PRAIRIE SEWER AND WATER DISTRICT
STATEMENTS OF CASH FLOWS**

| | Year Ended December 31, | |
|---|-------------------------|--------------|
| | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash Received from Customers | \$ 940,740 | \$ 917,165 |
| Cash Paid to Suppliers | (245,823) | (226,497) |
| Cash Paid to Employees | (148,412) | (131,046) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 546,505 | 559,622 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchases of Capital Assets | (9,849) | (187,959) |
| Interest Paid on Capital Debt | (156,408) | (161,083) |
| Payment of Capital Debt | (170,000) | (170,000) |
| NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES | (336,257) | (519,042) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Income | 7,844 | 6,970 |
| Net Increase in Cash and Cash Equivalents | 218,092 | 47,550 |
| Cash and Cash Equivalents - Beginning of the Year | 517,326 | 469,776 |
| Cash and Cash Equivalents - End of the Year | 735,418 | 517,326 |
| Investments | 509,914 | 507,313 |
| Total Cash and Investments | \$ 1,245,332 | \$ 1,024,639 |

RICH PRAIRIE SEWER AND WATER DISTRICT
STATEMENTS OF CASH FLOWS (Continued)

| | Year Ended December 31, | |
|--|-------------------------|-------------------|
| | 2016 | 2015 |
| RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Net Operating Income | \$ 185,307 | \$ 209,208 |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | |
| Cash Flows Reported in Other Categories: | | |
| Depreciation Expense | 313,152 | 314,515 |
| Change in Assets and Liabilities: | | |
| Accounts Receivable | 16,291 | 6,913 |
| Assessments Receivable | 21,423 | 22,746 |
| Accounts Payable | (719) | 6,952 |
| Payroll Taxes Payable | 446 | 233 |
| Compensated Absences | (1,221) | 41 |
| Sales Tax Payable | (14) | (37) |
| Deferred Outflows of Resources - Pensions | (57,669) | (7,874) |
| Net Pension Liability | 65,477 | (7,302) |
| Deferred Inflows of Resources - Pensions | 4,032 | 14,227 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | \$ 546,505 | \$ 559,622 |
| SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchase of Capital Assets on Account | \$ - | \$ 47,289 |

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Rich Prairie Sewer and Water District (the District), have been prepared in conformity with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

1.A. FINANCIAL REPORTING ENTITY

The District's financial reporting entity is comprised of the enterprise fund for the combined water and sewer district. The District is a business-type only proprietary fund which requires the fund financial statements to be presented along with the Management Discussion and Analysis and the Notes to the financial statements. However, the District's management has not presented the Management's Discussion and Analysis for the years ended December 31, 2016 and 2015.

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, and includes all component units of which the District appointed a voting majority of the units' board; the District is either able to impose its will on the unit or a financial benefit or burden relationship exists.

1.B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded, regardless of the measurement focus applied.

Measurement Focus

The District utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflow of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Equity for the District is classified as net position.

Basis of Accounting

The financial statements are presented using the "accrual basis" of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflow of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

1.C. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Estimates also affect reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1.D. ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES, AND EQUITY

Cash and Cash Equivalents

For the purpose of the Statements of Net Position, "cash and cash equivalents" includes all checking and savings accounts and non-brokered certificates of deposit. For purposes of the Statements of Cash Flows, "cash and cash equivalents" include all checking and savings accounts and non-brokered certificates of deposit.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**1.D. ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES, AND EQUITY
(Continued)**

Investments

Investments are stated at their fair value as determined by quoted market prices. Short-term investments are reported at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Brokered certificates of deposit are stated at cost, plus accrued interest, which approximates fair market value.

Net appreciation (depreciation) in fair value of investments includes net unrealized and realized gains and losses. Purchases and sales of securities are recorded on a trade-date basis.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All of the District's investments are valued using quoted market prices (level 1).

From time to time, the District may be required to record at fair value other assets and liabilities on a nonrecurring basis in accordance with guidance in the broad transactions standard regarding fair value measurements and disclosures. These adjustments to fair value usually results from the application of the lower-of-cost-or-market accounting or write down of individual assets. Nonfinancial assets measured at fair value on a nonrecurring basis included property held for sale.

See Note 3.A. for additional information related to Cash, Cash Equivalents, and Investments.

Receivables

Receivables consist of revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Utility charges and assessments are the major receivables for the District. No allowance for uncollectible accounts is deemed necessary at December 31, 2016 and 2015.

Capital Assets

Capital assets are valued at historical cost. Deprecation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Revenues, Expenses and Changes in Net Position, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the estimated useful lives of the assets using the straight-line method of depreciation. The District has a capitalization threshold of \$3,500. The range of estimated useful lives by type of asset is as follows:

| | |
|----------------------|-------------|
| Equipment | 3-10 years |
| Improvements | 15-39 years |
| Plant/Infrastructure | 20-39 years |

Accounts Payable

Payables are composed almost entirely of payables to vendors.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**1.D. ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, LIABILITIES, AND EQUITY
(Continued)**

Compensated Absences

The District compensates full-time employees who resign or retire for their unused vacation and sick time. Compensated absences amount to \$7,522 and \$8,743 as of December 31, 2016 and 2015, respectively.

Net Pension Liability

The net pension liability represents the District's allocation of their pro-rata share of the statewide pension plans net pension liability.

Long-Term Debt

All long-term debt to be repaid is reported as liabilities in the Statement of Net Position. The debt proceeds are reported as other financing sources and payment of principle and interest are reported as expenditures. The long-term debt consists primarily of bonded indebtedness.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to future periods, and therefore, will not be recognized as an outflow of resources (expense) until that time. The District reports deferred outflows of resources in the proprietary fund Statement of Net Position in relation to the activity of the pension funds in which District employees participate.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This element represents an acquisition of net position that applies to future periods, and therefore, will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources in the proprietary fund Statement of Net Position in relation to the activity of the pension funds in which District employees participate. Accordingly, such amounts are deferred and recognized as inflows of resources in that period that they become available.

See Note 4.A. for additional information pertaining to the deferred outflows and deferred inflows recorded to account for pension activities.

Equity Classifications

Equity is classified as net position and displayed in three components:

- a. Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted - The portion of net position for which use is constrained by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation. The District does not have any restricted net position at December 31, 2016 and 2015.
- c. Unrestricted - Remaining balance of net position that does not meet the definition of "restricted" or "net investment in capital assets." Designated amounts represent those revenues which the Board has set aside for a particular purpose. At December 31, 2016 and 2015, the Board designated net position that amounts to \$82,111 and \$81,988, respectively. Such amounts are designated for future capital improvements.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. OPERATING REVENUES AND EXPENSES

Operating Revenues and Expenses

Operating revenues and expenses result from exchange transactions associated with the principal activity of the District, the sale of water and sewer services. Operating expenses are defined as expenses directly related to, or incurred in support of, the services provided to the members of the District. All other expenses are classified as non-operating expenses.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2.A. FUND ACCOUNTING REQUIREMENTS AND DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

By its nature as a local government unit, the District is subject to various Federal, State, and local laws and contractual regulations. The District complies with all State and local laws and regulations requiring the use of separate funds.

In accordance with State law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Minnesota Statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC or FSLIC insurance (100% if collateral pledged is irrevocable standby letters of credit issued by the Federal Home Loan Bank). The District complies with such laws.

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenses.

3.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the District's Board of Directors.

Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds (100% if collateral pledged is irrevocable standby letters of credit issued by the Federal Home Loan Bank). Authorized collateral in lieu of a corporate surety bond includes:

- United States Government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- A general obligation of a state or local government, with taxing powers, rated "A" or better;
- A revenue obligation of a state or local government, with taxing powers, rated "AA" or better;
- Unrated general obligation securities of a local government, with taxing powers, pledged as collateral against funds deposited by that same local government entity;

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Deposits (Continued)

- Irrevocable standby letter of credit issued by a Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard and Poor's; or
- Time deposits insured by any federal agency.

Minnesota Statutes require that all collateral shall be placed in safekeeping in a restricted account at a 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.

At December 31, 2016 and 2015, the District's deposits, including certificates of deposit, were not exposed to custodial credit risk. The District's deposits were sufficiently covered by federal depository insurance or by collateral held by the District's agent in the District's name.

Investments

The District may also invest idle funds as authorized by Minnesota Statutes as follows: direct obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that received the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The District does not have any investment policies that would further limit investment choices.

Investment balances at December 31, 2016 are as follows:

| <u>Investment</u> | <u>Interest Rate</u> | <u>Maturity</u> | <u>Fair Value</u> | <u>Credit Rating</u> | <u>Percent of Total</u> |
|----------------------------------|--------------------------|-----------------|-----------------------|--------------------------|-----------------------------|
| Brokered Certificates of Deposit | 0.45 -0.55 | <1 year | \$ 509,914 | N/A | 100.00 |

The investments of the District are subject to the following risks:

- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk as indicated in the table above. Minnesota Statutes limit the District's investments.
- Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District does not have a formal investment policy to address custodial credit risk but typically limits its exposure by purchasing insured or registered investments. At December 31, 2016, none of the underlying securities held by the District are subject to custodial credit risk because they are insured by the Securities Investor Protection Corporation (SIPC).

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3.A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Investments (Continued)

- Concentration risk is the risk associated with investing a significant portion of the District's investments (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District has no formal policy limiting the amounts that may be invested in any one issuer.
- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment and is disclosed above by presenting maturity information. The District has no formal policy to address interest rate risk.

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3.B. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016 is as follows:

| | Balance 01/01/16 | Additions | Disposals | Balance 12/31/16 |
|---|---------------------|--------------|-----------|---------------------|
| Capital Assets not Being Depreciated | | | | |
| Land | \$ 130,388 | \$ - | \$ - | \$ 130,388 |
| Capital Assets Being Depreciated | | | | |
| Equipment | 468,796 | - | - | 468,796 |
| Plant | 9,906,476 | - | - | 9,906,476 |
| Improvements | 721,415 | 9,849 | - | 731,264 |
| Total Capital Assets Being Depreciated | 11,096,687 | 9,849 | - | 11,106,536 |
| Less: Accumulated Depreciation | | | | |
| Equipment | 287,801 | 37,316 | - | 325,117 |
| Plant | 4,316,638 | 254,009 | - | 4,570,647 |
| Improvements | 71,514 | 21,827 | - | 93,341 |
| Total Accumulated Depreciation | 4,675,953 | 313,152 | - | 4,989,105 |
| Total Capital Assets Being Depreciated, Net | 6,420,734 | (303,303) | - | 6,117,431 |
| Capital Assets, Net | \$ 6,551,122 | \$ (303,303) | \$ - | \$ 6,247,819 |

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3.B. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended December 31, 2015 is as follows:

| | Balance 1/1/15 | Additions | Disposals | Balance 12/31/15 |
|---|-------------------|--------------|-----------|---------------------|
| Capital Assets not Being Depreciated | | | | |
| Land | \$ 130,388 | \$ - | \$ - | \$ 130,388 |
| Capital Assets Being Depreciated | | | | |
| Equipment | 457,844 | 60,982 | 50,028 | 468,796 |
| Plant | 9,906,476 | - | - | 9,906,476 |
| Improvements | 641,725 | 79,690 | - | 721,415 |
| Total Capital Assets Being Depreciated | 11,006,045 | 140,672 | 50,028 | 11,096,687 |
| Less: Accumulated Depreciation | | | | |
| Equipment | 293,984 | 42,353 | 48,536 | 287,801 |
| Plant | 4,062,625 | 254,013 | - | 4,316,638 |
| Improvements | 53,365 | 18,149 | - | 71,514 |
| Total Accumulated Depreciation | 4,409,974 | 314,515 | 48,536 | 4,675,953 |
| Total Capital Assets Being Depreciated, Net | 6,596,071 | (173,843) | 1,492 | 6,420,734 |
| Capital Assets, Net | \$ 6,726,459 | \$ (173,843) | \$ 1,492 | \$ 6,551,122 |

Depreciation expense amounts to \$313,152 and \$314,515 for the years ended December 31, 2016 and 2015, respectively.

3.C. COMPENSATED ABSENCES

Full-time employees earn vacation and sick time based on length of service. Employees must use at least one week of vacation leave per calendar year unless the District Board, before the end of the calendar year, approves another vacation plan. Employees are compensated for any unused vacation and sick time upon termination. Changes in compensated absences during the year ended December 31, 2016 are as follows.

| | Balance 01/01/16 | Earned | Used | Balance 12/31/16 | Due Within One Year |
|----------------------|---------------------|----------|------------|---------------------|------------------------|
| Compensated Absences | \$ 8,743 | \$ 4,105 | \$ (5,326) | \$ 7,522 | \$ 7,522 |

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 3 DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

3.D. NONCURRENT LIABILITIES

All bonds are direct obligations of the District and pledge the full faith and credit of the District.

As of December 31, 2016, the long-term debt of the financial reporting entity consists of the following:

| General Obligation Bonds | | | | | |
|--------------------------|--------------------|-----------------------|---------------------|------------------|--|
| Issue Date | Original Amount | Annual Payment | Interest Rate(s) | Maturity Date | Remaining Amount |
| 2/10 | \$ 4,930,000 | \$325,483 - \$331,083 | 2.00% - 4.45% | 12/32 | \$ 3,795,000 |
| | | | | | Debt Due Within One Year (175,000) |
| | | | | | Debt Due After One Year <u>\$ 3,620,000</u> |

Changes in Noncurrent Liabilities

The following is a summary of changes in noncurrent liabilities for the year ended December 31, 2016:

| | Balance 01/01/16 | Additions | Deductions | Balance 12/31/16 | Due Within One Year |
|--------------------------|---------------------|------------------|---------------------|---------------------|------------------------|
| General Obligation Bonds | \$ 3,965,000 | \$ - | \$ (170,000) | \$ 3,795,000 | \$ 175,000 |
| Net Pension Liability | <u>72,555</u> | <u>65,477</u> | <u>-</u> | <u>138,032</u> | <u>-</u> |
| Total | <u>\$ 4,037,555</u> | <u>\$ 65,477</u> | <u>\$ (170,000)</u> | <u>\$ 3,933,032</u> | <u>\$ 175,000</u> |

Annual Debt Service Requirements

At December 31, 2016, the estimated annual debt service requirements to maturity, including principal and interest, excluding net pension liability, are as follows:

| Years Ending December 31, | Principal | Interest | Total |
|------------------------------|---------------------|---------------------|---------------------|
| 2017 | \$ 175,000 | \$ 151,308 | \$ 144,308 |
| 2018 | 185,000 | 144,308 | 329,308 |
| 2019 | 190,000 | 136,908 | 326,908 |
| 2020 | 200,000 | 130,733 | 330,733 |
| 2021 | 205,000 | 123,933 | 328,933 |
| 2022-2026 | 1,140,000 | 501,268 | 1,641,268 |
| 2027-2031 | 1,385,000 | 252,415 | 1,637,415 |
| 2032 | <u>315,000</u> | <u>14,018</u> | <u>329,018</u> |
| Totals | <u>\$ 3,795,000</u> | <u>\$ 1,454,891</u> | <u>\$ 5,067,891</u> |

Interest expense totals \$156,408 and \$161,083 in the Statements of Revenues, Expenses, and Changes in Net Position for the years ended December 31, 2016 and 2015, respectively.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 OTHER NOTES

4.A. DEFINED BENEFIT PENSION PLANS - STATEWIDE

Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plans 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.

General Employees Retirement Fund (General Employees Plan (account for in the General Employees Fund))

All full-time and certain part-time employees of the Rich Prairie Water and Sewer District are covered by the General Employees Plan. General Employees Plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

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.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive years are given 2.5 percent increases. Members in plans that have not exceeded 90 percent funded, or have fallen below 80 percent, are given one percent increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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.

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 and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.20 percent of average salary for each of the first ten years of service and 2.70 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.20 percent of average salary for each of the first ten years and 1.70 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.70 percent of average salary for Basic Plan members and 1.70 percent for Coordinated Plan members for each year 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.

Contributions

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

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 OTHER NOTES (Continued)

4.A. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Continued)

Contributions (Continued)

General Employees Fund Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.50 percent, respectively, of their annual covered salary in calendar year 2016. The District was required to contribute 11.78 percent of pay for Basic Plan members and 7.50 percent for Coordinated Plan members in calendar year 2016. The District's contributions to the General Employees Fund for the year ended December 31, 2016, total \$8,104. The District's contributions were equal to the required contributions as set by State Statute.

Pension Costs

General Employees Fund Pension Costs

At December 31, 2016, the District reported a liability of \$138,032 for its proportionate share of the General Employees Fund's net pension liability. The Rich Prairie Water and Sewer District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$6 million to the fund in 2016. 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 Rich Prairie Water and Sewer District totaled \$1,780. The net pension liability was measured as of June 30, 2016, 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, 2015, through June 30, 2016, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2016, the District's proportion share was 0.0017% which was an increase of 0.0003% from its proportion measured as of June 30, 2015.

For the year ended December 31, 2016, the District recognized pension expense of \$23,019 for its proportionate share of the General Employee Plan's pension expense. In addition, the Rich Prairie Water and Sewer District recognized an additional \$531 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$6 million to the General Employees Fund.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 OTHER NOTES (Continued)

4.A. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Continued)

Pension Costs (Continued)

At December 31, 2016, the District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual economic experience | \$ - | \$ 11,213 |
| Changes in Actuarial Assumptions | 27,027 | - |
| Difference between projected and actual investment earnings | 26,199 | - |
| Net pension liability changes in proportion | 11,145 | 7,046 |
| Contributions paid to PERA subsequent to the measurement date | 4,145 | - |
| Total Deferred Outflows/Inflows | \$ 68,516 | \$ 18,259 |

A total of \$4,145 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, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31 | Pension Expense |
|---------------------------|-----------------|
| 2017 | \$ 12,041 |
| 2018 | 12,041 |
| 2019 | 17,044 |
| 2020 | 4,986 |

Actuarial Assumptions

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions:

| Assumptions | Rates |
|------------------------------|----------------|
| Inflation | 2.50% per year |
| Active Member Payroll 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 were based on RP 2014 for the General Employees Plan. Cost of living benefit increases for retirees are assumed to be: 1 percent for all future years for the General Employees Plan.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 OTHER NOTES (Continued)

4.A. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Continued)

Actuarial Assumptions (Continued)

Actuarial assumptions used in the June 30, 2016, valuation were based on the results of actuarial experience studies. The experience study in the General Employees Plan was completed in 2015.

The following changes in actuarial assumptions occurred in 2016.

General Employees Fund

- The assumed post-retirement benefit increase rate was changed from one percent per year through 2035 and 2.50 percent per year thereafter to one percent for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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 arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------|-------------------|---|
| Domestic Stocks | 45% | 5.50% |
| International Stocks | 15% | 6.00% |
| Bonds | 18% | 1.45% |
| Alternative Assets | 20% | 6.40% |
| Cash | 2% | 0.50% |
| Total | 100% | |

Discount Rate

The discount rate used to measure the total pension liability in 2016 was 7.50 percent, a reduction from the 7.90 percent used in 2015. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at the rate set in Minnesota Statutes. Based on that assumption, each of the pension plan's fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

**RICH PRAIRIE SEWER AND WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 OTHER NOTES (Continued)

4.A. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Continued)

Pension Liability Sensitivity

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

| | <u>1% Decrease in Discount Rate (6.50%)</u> | <u>Discount Rate (7.50%)</u> | <u>1% Increase in Discount Rate (8.50%)</u> |
|-----------------------|---|------------------------------|---|
| Net Pension Liability | \$ 196,046 | \$ 138,032 | \$ 90,244 |

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.

4.B. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To manage these risks, the District purchases commercial insurance. The District retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year settlements in excess of insurance for any of the past two years.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements.

**RICH PRAIRIE WATER AND SEWER DISTRICT
 SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
 OF NET PENSION LIABILITY
 LAST TEN YEARS (Presented Prospectively)**

| For the Measurement Year Ended June 30 | Employer's Proportion of the Net Pension Liability (Asset) | Employer's Proportionate Share of the Net Pension Liability | | Employer's Proportionate Share of the Net Pension Liability Associated with the City (a) | State's Proportionate Share of the Net Pension Liability Associated with the City (b) | Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City (a+b) | | Employer's Covered-Employee Payroll (c) | Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll ((a+b)/c) | Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---|--|---|--|--|---|---|--|---|---|---|
| | | Employer's Proportionate Share of the Net Pension Liability | State's Proportionate Share of the Net Pension Liability | | | Employer's Proportionate Share of the Net Pension Liability | State's Proportionate Share of the Net Pension Liability | | | |
| General Employees Retirement Fund Pension Plan | | | | | | | | | | |
| 2016 | 0.0017% | \$ | 138,032 | \$ | 1,780 | \$ | 139,812 | \$ | 105,845 | 68.9% |
| 2015 | 0.0014% | \$ | 72,555 | \$ | - | \$ | 72,555 | \$ | 82,553 | 78.2% |

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS
 LAST TEN YEARS (Presented Prospectively)**

| For the Calendar Year Ended December 31 | Statutorily Required Contribution | Contributions in Relation to the Statutorily Required Contribution | | District's Covered-Employee Payroll | Contributions as a Percentage of Covered-Employee Payroll |
|---|-----------------------------------|--|----------------------------------|-------------------------------------|---|
| | | Statutorily Required Contribution | Contribution Deficiency (Excess) | | |
| General Employees Retirement Fund Pension Plan | | | | | |
| 2016 | \$ 8,104 | \$ 8,104 | \$ - | \$ 108,053 | 7.5% |
| 2015 | \$ 7,197 | \$ 7,197 | \$ - | \$ 95,954 | 7.5% |

OTHER REQUIRED REPORTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

August 7, 2017

Board of Directors
Rich Prairie Sewer and Water District
Pierz, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Rich Prairie Sewer and Water District of Pierz, Minnesota (the District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 7, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

An Independently Owned Member, RSM US Alliance

www.swcpcpas.com

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St. Cloud
320.251.0286

Little Falls
320.632.6311

Albany
320.845.2940

Maple Lake
320.963.5414

Monticello
763.295.5070

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Schlenner Wenner & Co.

SCHLENNER WENNER & CO.
St. Cloud, Minnesota

**INDEPENDENT AUDITORS' REPORT ON
MINNESOTA LEGAL COMPLIANCE**

August 7, 2017

Board of Directors
Rich Prairie Sewer and Water District
Pierz, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Rich Prairie Sewer and Water District of Pierz, Minnesota (the District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, and have issued our report thereon dated August 7, 2017.

The *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute Section 6.65, contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories, except tax increment financing because the District has none.

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 Other 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 for the information and use of the Board of Directors and management of the Rich Prairie Sewer and Water District and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

Schlenner Wenner & Co.

SCHLENNER WENNER & CO.
St. Cloud, Minnesota

2017

Lake Alexander LID

Treasurer's Report

June 24, 2017

January 1, 2017 checking account balance

\$ 158,838.22

REVENUE:

January interest paid to acct. 20.24

2016 Morrison tax settlement 1,663.39

February interest paid to acct. 18.27

March interest paid to acct. 20.17

April interest paid to acct. 19.51

May interest paid to acct. 20.15

Actual Receipts \$ 1,761.73 \$ 160,599.95

EXPENSES:

Administrative Service 300.00

MCIT insurance 1,466.00

Office Supplies 172.08

MN Waters membership/web 300.00

USPO Box Rent 101.00

ECM legal ad 150' setback 130.20

ECM legal ad annual meeting 32.55

Refund 2 years @ \$200 tax 400.00 (county verified Felcia Busch paid twice)

LRI - curly leaf pondweed 45,465.60 (91.3 acres @ averaging \$ 497.98)

Actual Expenses <\$ 48,367.43> \$112,232.52

2017 Tentative Projections

2017 Tentative Obligations

LRI - Eurasian water milfoil 25,000 (40 acres @ averaging \$ 625)

Bog Budget 25,000

Administrative 200

Insurance pre-pay 2018 1,500

Legal Notices 200

Miscellaneous 200

Total 2017 future out flow <\$52,100> \$60,132.52

2017 Tentative Receipts

460 \$200 Property Owners LID tax revenue \$92,000

DNR grant 0

Bank interest earned 7 months @ \$20 \$140

Total 2017 future in flow \$92,140 \$152,272.52

2018

Lake Alexander - Lake Improvement District Projected 2018 BUDGET – June 24, 2017

Projected ending balance on 12/31/17 ESTIMATE \$152,272.52

2018 PROJECTED REVENUES

| | | |
|---|------------------------|-----------------|
| 460 Property Owners LID assessment <u>\$200</u> = | \$ 92,000 (status quo) | |
| DNR Grant | 0 | |
| Interest expected from Randall Sate Bank | \$ 200 | |
| <hr/> | | |
| 2018 PROJECTED REVENUES | | \$92,200 |

2018 PROJECTED EXPENSE/DISBURSEMENTS

| | | |
|--|------------|------------|
| Administrative Budget | \$500 | |
| Bogs | \$20,000 | |
| Insurance MCIT pre-pay 2019 | 2,000 | |
| Legal Notices | 400 | |
| Membership/web site host | 300 | |
| Miscellaneous | 200 | |
| <u>Postal Services (box rent & stamps)</u> | <u>100</u> | |
| SUB-TOTAL | | <\$23,500> |

Weed Control Budget:

| | | | |
|--------------------------|--------------------|----------|------------|
| EWM Aquathol K | 56 acres @ \$625 = | \$35,000 | |
| CLP 2,4D | 90 acres @ \$500 = | \$45,000 | |
| Lake Restoration Company | 146 acres | | <\$80,000> |

2018 PROJECTED EXPENSES <\$103,500>

| | |
|--------------------------------------|----------------------|
| Anticipated bank balance at EOY 2018 | \$ 140,972.52 |
|--------------------------------------|----------------------|



***Sullivan
Lake
Improvement
District***

P.O. Box 52
Hillman MN 56338

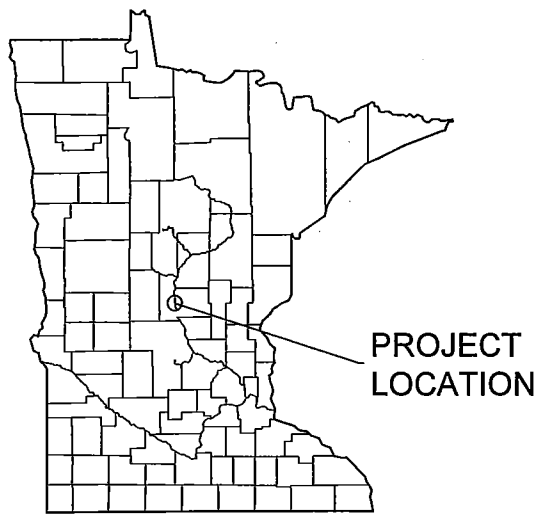
2018 Budget

| <u>Income</u> | 2018 | 2019 | 2020 |
|--|-----------|-----------|-------------|
| Bank Balance Unity Bank, Pierz, MN | 23,300.00 | 22,000.00 | 4800.00 |
| Second Half assessment Morrison County | 4,300.00 | | |
| Balance Forward: | 27,600.00 | 22,000.00 | 4800.00 |
| Contribution Lake Sullivan Association (2018) | 8,000.00 | | |
| Morrison Co. Grant (2017) Request for assessment, year 2018 (\$40) | 10,400.00 | 10,400.00 | 10,400.00 |
| Total: | 50,000.00 | 32,400.00 | 15,200.00 |
| <u>Expenses</u> | | | |
| Survey (\$2,400 every other year) | 1,200.00 | 1,200.00 | 1,200.00 |
| Insurance | 1,600.00 | 1,700.00 | 1,800.00 |
| Consultation & professional fees | 24,500.00 | 24,000.00 | 25,000.00 |
| Misc. Expenses | 700.00 | 700.00 | 700.00 |
| Total: | 28,000.00 | 27,600.00 | 28,700.00 |
| Balance | 22,000.00 | 4,800.00 | (13,500.00) |

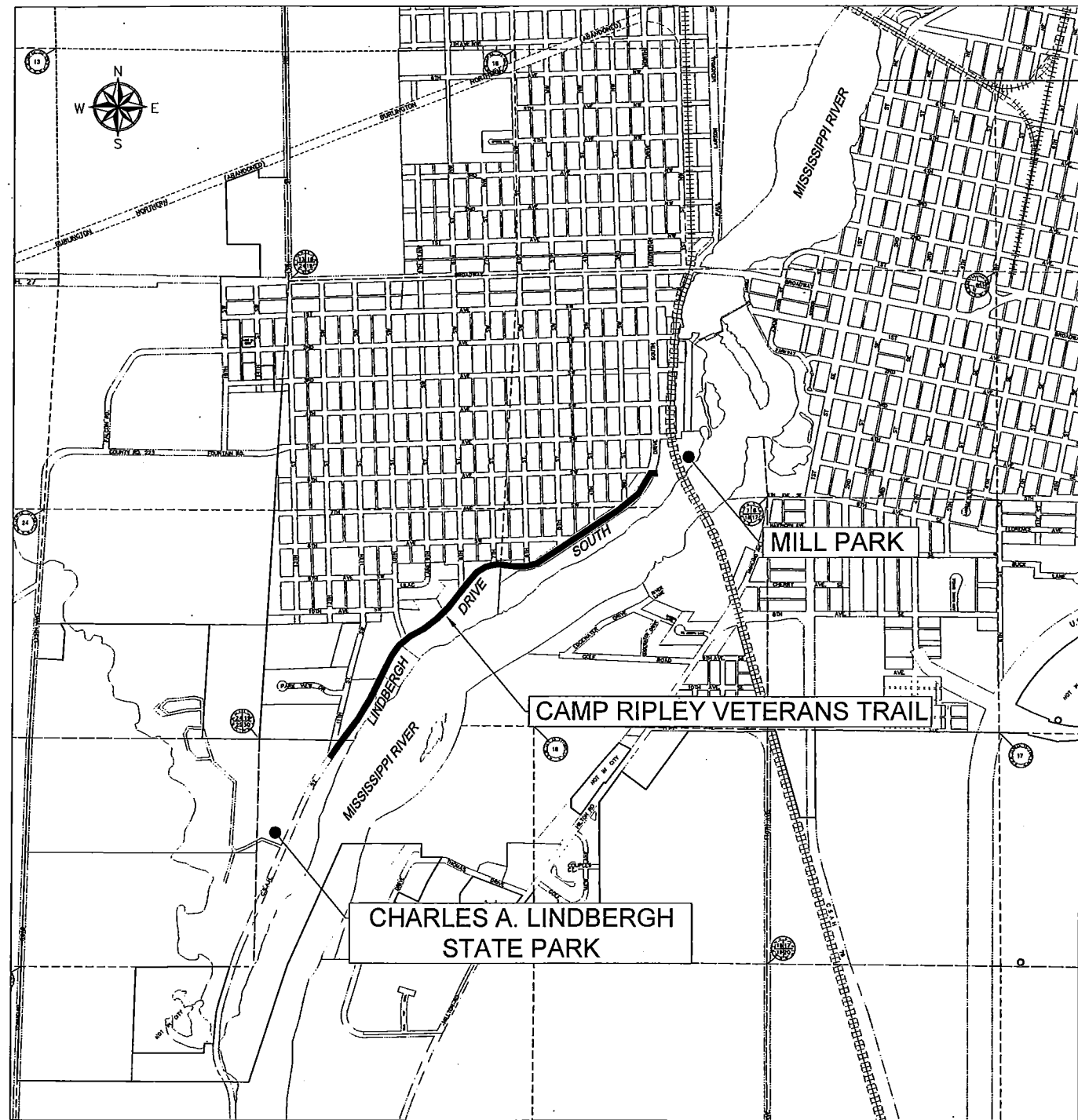
Approved by SLID board 8-26-17

CAMP RIPLEY VETERANS TRAIL LITTLE FALLS, MINNESOTA

DRAFT



PROJECT
LOCATION



LEGEND

- EXISTING**
- RIGHT OF WAY
 - - - PERMANENT EASEMENT
 - - - PROPERTY LINE
 - SANITARY SEWER MANHOLE
 - FORCEMAIN
 - SANITARY SEWER SERVICE AND C/O
 - WATERMAIN, HYDRANT AND VALVE
 - WATER SERVICE AND CURB STOP
 - STORM SEWER, APRON, AND CATCH BASIN
 - CULVERT
 - BULKHEAD
 - FOC — FOC BURIED FIBER OPTIC CABLE
 - TBUR — TBUR BURIED PHONE CABLE AND PEDESTAL
 - CAB — CAB BURIED TV CABLE AND PEDESTAL
 - PBUR — PBUR BURIED ELECTRIC CABLE
 - OVE OVERHEAD ELECTRIC, POLE, AND ANCHOR
 - LIGHT POLE
 - GAS MAIN
 - SOIL BORING
 - CONCRETE CURB AND GUTTER
 - EXISTING SIDEWALK OR BIT
 - SIGN
 - STREET NAME SIGN
 - RAILROAD TRACKS
 - CHAIN LINK FENCE
 - DECIDUOUS AND CONIFEROUS TREE
 - BUSH-SHRUB
 - WOODED AREA
- PROPOSED**
- NEW RIGHT OF WAY
 - - - PERMANENT EASEMENT
 - - - TEMPORARY EASEMENT
 - SANITARY SEWER AND MANHOLE
 - SANITARY SEWER SERVICE AND CLEANOUT
 - WATERMAIN, HYDRANT AND VALVE
 - WATER SERVICE AND CURB STOP BOX
 - STORM SEWER, MANHOLE, AND CATCH BASIN
 - CULVERT
 - BULKHEAD
 - CONCRETE CURB AND GUTTER
 - INSULATION

GOVERNING SPECIFICATIONS

THE 2016 EDITION OF THE MINNESOTA DEPARTMENT OF TRANSPORTATION "STANDARD SPECIFICATIONS FOR CONSTRUCTION" SHALL GOVERN EXCEPT AS MODIFIED BY THE SPECIFICATIONS OF THIS PROJECT.

ALL TRAFFIC CONTROL DEVICES AND SIGNING SHALL CONFORM TO THE MMUTCD, INCLUDING "FIELD MANUAL FOR TEMPORARY TRAFFIC CONTROL ZONE LAYOUTS", - CURRENT EDITION.

THE SUBSURFACE UTILITY INFORMATION IN THIS PLAN IS QUALITY LEVEL D. THIS QUALITY LEVEL WAS DETERMINED ACCORDING TO THE GUIDELINES OF CIASCE 38-02, ENTITLED "STANDARD GUIDELINES FOR THE COLLECTION AND DEPICTION OF EXISTING SUBSURFACE UTILITY DATA."

CITY OFFICIALS

- | | |
|--------------------|-------------------|
| MAYOR | GREG ZYLKA |
| COUNCIL PRESIDENT | JEREMY HANFLER |
| CITY ADMINISTRATOR | JON RADERMACHER |
| CITY ATTORNEY | ANTOINETTE WETZEL |
| CITY ENGINEER | GREGORY G. KIMMAN |

INDEX TO DRAWINGS

| SHEET NO. | DESCRIPTION |
|-----------|---|
| 1 | TITLE SHEET |
| 2 - 3 | ESTIMATED QUANTITIES |
| 4 | STANDARD PLATES AND NOTES |
| 5 - 8 | TYPICAL SECTIONS |
| 9 - 11 | TRAFFIC CONTROL PLAN |
| 13 - 16 | DETAILS |
| 17 - 23 | REMOVALS |
| 24 - 25 | STORM SEWER SCHEDULE |
| 26 - 32 | STORM SEWER PROFILES |
| 33 - 41 | PEDESTRIAN RAMP DETAILS |
| 42 - 43 | CAMP RIPLEY VETERANS TRAIL PLAN / PROFILE |
| 44 | SWPPP |
| 45 | STRIPING AND SIGNING PLAN AND TABULATIONS |
| 46 | CROSS SECTIONS - CAMP RIPLEY VETERANS TRAIL |

THIS PLAN CONTAINS XX SHEETS

THE CONTRACTOR SHALL CALL THE GOPHER STATE ONE CALL SYSTEM AT 811 BEFORE COMMENCING EXCAVATION.



Know what's below.
Call before you dig.



I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

Gregory G. Kimman GREGORY G. KIMMAN, P.E.
Date: 2/6/17 Lic. No. 45042

| DATE | REVISION DESCRIPTION | BY |
|------|----------------------|----|
| | | |
| | | |
| | | |

JOB NUMBER: 15-00
SCALE: 1"=50'
DRAWN BY: B.D.R.
CHECKED BY: G.G.K.
PLOTTED: 7/18/2017 2:04 PM

CAMP RIPLEY VETERANS TRAIL
CITY OF LITTLE FALLS
LITTLE FALLS, MINNESOTA

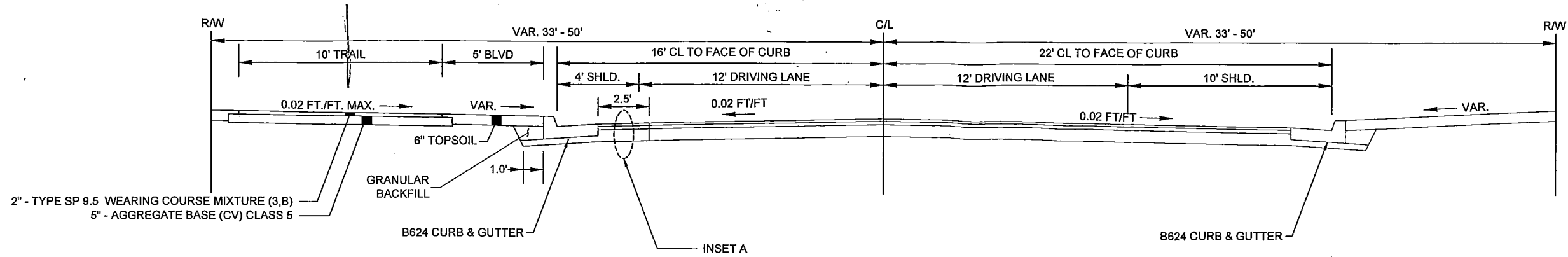
TITLE SHEET

SHEET NO. 1 OF 119

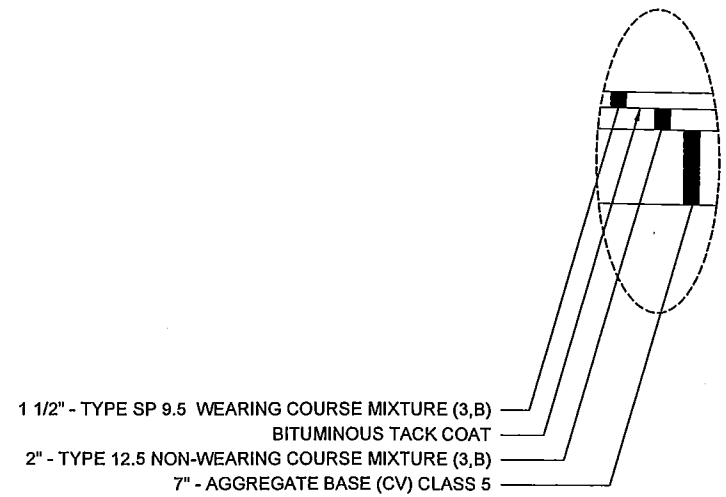
N:\2016 CRVT TRAIL\DWG\TITLE SHEET.DWG

TYPICAL SECTION NO. 1

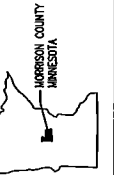
LINDBERGH DRIVE SOUTH



INSET A



ALL CROSS SLOPES IN FT/FT



| DATE | REVISION DESCRIPTION | BY |
|------|----------------------|----|
| | | |
| | | |
| | | |

JOB NUMBER: N/A
 SCALE: N/A
 DRAWN BY: B.D.R.
 CHECKED BY: G.G.K.
 PLOTTED: 7/18/2017 2:08 PM

CAMP RIPLEY VETERANS TRAIL
 CITY OF LITTLE FALLS
 LITTLE FALLS, MINNESOTA
 TYPICAL SECTIONS

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

Gregory G. Kimman GREGORY G. KIMMAN, P.E.
 Date: 2/6/17 Lic. No. 45042

SHEET NO.
 1
 OF
 1



Morrison County will provide cost effective, high quality services to County residents in a friendly and respectful manner.

County Engineer
Public Works Director
STEVEN C. BACKOWSKI
Public Works Department
213 SE 1st Avenue
Little Falls, MN 56345-3196
320-632-0120
Toll Free: 1-866-401-1111
Fax: 320-632-9510

September 18, 2017

To: The Morrison County Ditch Authority
From: Steven C. Backowski, P.E.
Re: Drainage Inspection Report for Public Ditch 1

Location: Public Ditch Number 1 begins at a point just south of Mud Lake in section 7 of Green Prairie Township. It then runs south paralleling CSAH 13 for approximately three miles. The ditch turns easterly at its intersection with CSAH 13 and then runs approximately one mile to its confluence with the Mississippi River.

All stationing are approximate.

Station 0+00 to 25+00 (Mississippi River to one half mile west): The ditch has a substantial amount of fall in this segment. There are dead falls across the ditch but with the amount of fall there is little impediment to the flow. In the past Sentenced-To-Service has walked the ditch and removed the dead falls. I would recommend that maintenance of this segment continue as it has been in the past...

Station 25+00 to 52+00 (One half mile west of the Mississippi River to CSAH 13): This segment has a larger area carrying flow than the rest of the ditch to the north. The ditch bottom is relatively clean with some minor snags across the bottom... The side slope has become over grown with brush and trees. This segment will require the trees and brush to be cleared before general cleaning of the ditch bottom can take place.

Station 52+00 to 80+00 (CSAH 13 to CR 211): This segment was cleaned in 2011 at a cost of \$ 2700. It currently has silt and organic matter deposited on the ditch bottom. Vegetative growth has reestablished itself in the bottom and side slopes of the ditch. Parts of this segment continue to be pastured and I would expect that the efficiency of the ditch has been reduced in these areas. Even though this segment was cleaned in 2011, I would recommend that the segment be cleaned at this time in order to maximize the efficiency of the entire ditch.

Station 80+00 to 93+00 (CR211 to a 1/4 mile north): This segment was cleaned in 2007 by a private permit process. Since that time silt and organic matter have deposited on the bottom of the ditch. Fencing collects vegetation and snags and should be readjusted along with cleaning the inlet to the pipes on CR 211 to improve efficiency. I would recommend that the segment be cleaned at this time in order to maximize the efficiency of the entire ditch..

Station 93+00 to 132+00 (1/4 mile north of CR 211 to CR 212): This segment has vegetative and willow growth throughout its length. There is silt and organic matter deposited on the ditch bottom since its last cleaning in 1995. I would recommend that this segment be cleaned at this time in order to return the ditch to its normal efficiency.

Station 132+00 to 184+00 (CR 212 to State Highway 115): This segment has vegetative and willow growth throughout its length. There is silt and organic matter deposited on the ditch bottom since its last cleaning in 1995. I would recommend that this segment be cleaned at this time in order to return the ditch to its normal efficiency.

Station 184+00 to 199+00 (State Highway 115 to just short of Mud Lake): This segment also has not been cleaned since 1995. There is silt and organic matter deposited on the ditch bottom and vegetative material established in the ditch and on the side slopes. I would recommend that this segment be cleaned along with the rest of the ditch at this time in order to return the ditch to its normal efficiency.

Recommendation: Many of the owners of Public Ditch System Number 1 have stated that the system is not functioning the way it should. Based on my inspection of the ditch I find that most of it is out of repair and in need of a maintenance cleaning. The ditch from ½ mile east of CR 213 to 300 feet south of Mud Lake needs to be cleaned in order for it to function as originally intended. The cleaning will need to be conducted so that when the project is completed the ditch will meet its original design or subsequent improvement. The work would consist of re-establishing the grade by removing silt and organic matter for the ditch length described above. Removal of vegetation, snags, brush and trees from the channel side slopes will improve the efficiency of the overall ditch system.

The length of the maintenance repair proposed is 17,700 feet. There are areas that will require tree removal in order to access the ditch for cleaning. I anticipate several ditch crossings will need to be replaced on this project. My estimate of probable cost to conduct the work as described is \$ 30,000 and includes administration and inspection.