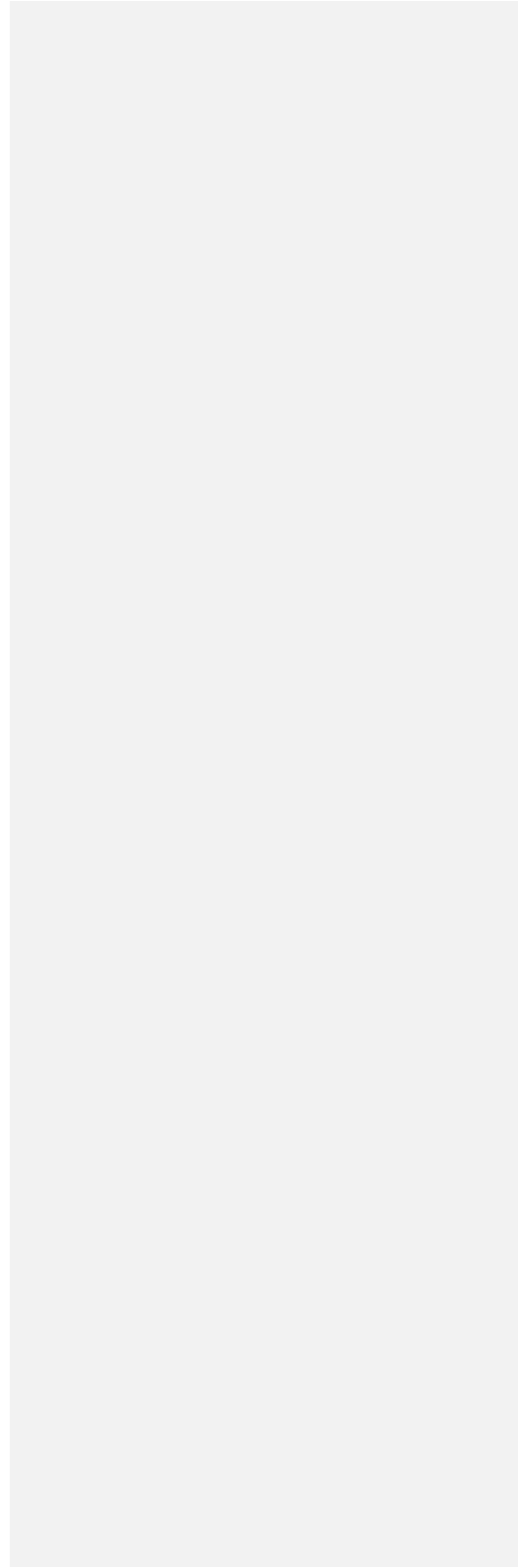


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RILEY-PURGATORY-BLUFF CREEK WATERSHED DISTRICT

GOVERNANCE MANUAL

Adopted as amended [Date of Adoption]



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**Riley-Purgatory-Bluff Creek Watershed District
Governance Manual – Introduction**

The Riley-Purgatory-Bluff Creek Watershed District is a special purpose unit of government established under Minnesota Statutes (Minn. Stat.) chapters 103B and 103D. The Riley-Purgatory-Bluff Creek Watershed District (the “District”), is governed by a five-member board of managers (the “Board”) four of whom are appointed to staggered terms by the Hennepin County Commissioners and one by the Carver County Boards of Commissioners. In 2012, the Riley-Purgatory-Bluff Creek Watershed District hired an administrator (the “District Administrator”) to oversee and direct day-to-day activities and to carry out the Water Management Plan under the direction of the Board.

On July 2, 2014, the Board adopted the **Riley-Purgatory-Bluff Creek Watershed District Governance Manual** which was amended February 4, 2015 and [amendment date] (herein after referred to as amended as the “Governance Manual”). This Governance Manual establishes written policies, procedures and instructions for the management of District activities and accounts, recordkeeping and records management, and allocation of duties among the District’s staff and contractors. This Governance Manual is intended to help to ensure that: similar transactions are treated consistently; that accounting principles used are appropriate and proper; and that records and reports are produced in forms desired by the Board and state review entities, including: the Legislature, the Office of the State Auditor; and the Board of Water and Soil Resources.

Content: This Governance Manual consists of this document, along with the following bylaws, policies and protocols duly adopted by the Board:

- Appendix [1] - **General Governance Policies.**
- Appendix [2] - **Bylaws,**
- **Appendix [3] - Code of Conduct Policy** per Minnesota Statutes (Minn. Stat.) § 103D.315, subdivision 11.
- Appendix [4] - **Policies and Procedures for Public Access to Documents** intended to fulfill the requirements of the Minnesota Data Practices Act applicable to the District. The following auxiliary documents are intended to fulfill specific requirements of the Data Practices Act, as noted:
 - Appendix [4.1]- Security of Not-Public Data and procedures to ensure accuracy and security of data on individuals and to notify data subjects of their rights under the DPA, along with the accompanying Inventory of Not-Public Data on Individuals.
 - Appendix [4.2] - Private and Confidential Data – Rights of Data Subjects Procedures to ensure accuracy and security of data on individuals (Minn. Stat. § 13.05, subd. 5) and to notify data subjects of their rights under the DPA (Minn. Stat. § 13.025, subd. 3).
 - Appendix [4.2.1] - Data Practices Advisory / Tennessee Warning Tennessee notices and consent forms, created when needed and tailored for specific circumstances where private or confidential data is collected from individuals,

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1 such as new employees, or distributed (Minn. Stat. § 13.04, subd. 2). (The
2 manual includes some of the District's basic templates.)

- 3 ○ Appendix [4.3] - **Records Retention Schedule** allows the District to efficiently
4 manage and, when appropriate, archive its files, and fulfills the requirement of
5 Minn. Stat. § 138.17, subdivision 7, as well as the Data Practices Act
6 requirement that the District maintain a list of private and confidential data on
7 individuals maintained by the District (Minn. Stat. § 13.05, subdivision 1).
8 The schedule also includes indication of whether the District stores
9 information electronically or in hard copy form, in compliance with the
10 Uniform Electronic Transactions Act, Minn. Stat. § 325L.17. See

- 11 • **Appendix [5] - Policy for Management of Permit Fees, Financial Assurances and**
12 **Abandoned Property** provides protocols to manage assurances collected by the
13 District from permittees and ensures that funds submitted are managed in accordance
14 with the state unclaimed property law (Minn. Stat. chapter 345 generally and Minn.
15 Stat. § 345.38 specifically), accompanied by an:
 - 16 ○ Appendix [5.1] - **CASH ESCROW AGREEMENT**. Escrow agreement
17 template, for escrow of funds submitted by permittees in fulfillment of the
18 financial performance-assurance requirements in the District rules.
 - 19 ○ Appendix [5.2] - **ESCROW PROVIDER ACKNOWLEDGEMENT &**
20 **RELEASE**
 - 21 ○
- 22 • **Appendix [6] - Public Purposes Expenditures Policy** includes protocols and
23 requirements to ensure that the District complies with the requirement in the state
24 constitution (Article X, section 1) that expenditures by government bodies must serve
25 a public purpose;
- 26 • **Appendix [8] - Fund Balance Policy** adopted to bring District fund-classification
27 and -naming practices into compliance with general accounting standards.
- 28 • **Appendix [9] - Internal Controls and Procedures for Financial Management**
29 provides terms for the management and administration of District finances.

30
31 **Review.** Every two (2) years, and more frequently as they deem appropriate, the District's
32 Governance Committee shall review this manual and all of the policies of the District, solicit
33 comments and proposed changes to the manual and all policies of the District, prepare and
34 submit a report of any proposed changes received and any recommended changes to the manual
35 and its policies. The manual and the report and recommendations of the Governance Committee
36 will be reviewed at the managers January business meeting or at such other time as set by the
37 Board and the managers shall approve such changes to this Governance Manual as they deem
38 necessary or appropriate. Any revisions to this Governance Manual shall be submitted within 60
39 days of adoption to the Office of the State Auditor in compliance with Minn. Stat. § 6.756, as
40 will any revisions and additional policies when adopted, copies of which shall be attached hereto
41 and the Secretary is authorized to amend the index as necessary to reflect such additional
42 policies. This manual may be amended only by compliance with the same terms and conditions
43 applicable to the amendment of the District's By-laws, i. e., by a four-fifths majority vote of the
44 Board with thirty (30) days' advance written notice of the proposed change(s), unless such notice

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1 is waived by all the managers. Notice of any proposed amendment to this manual shall be
2 expressly set ~~forth~~ in the notice of the meeting at which the proposed amendment is to be
3 considered and such notice shall include specific instructions or links to obtain a copy of such
4 proposed amendments. Inclusion of the proposed amendment in the agenda to the meeting alone
5 does not satisfy this requirement.

6
7 Managers, District staff and contractors shall conduct District business in accordance with the
8 manual subject only to applicable law and resolutions duly adopted by the managers. Manager,
9 staff, contractors and other constituents of the District are encouraged to alert the Governance
10 Committee and the Board to improvements and additions to this manual and its content.

11

Riley-Purgatory-Bluff Creek Watershed District
Appendix [1] - General Governance Policies

Adopted []

The following general governance policies help ensure sound administration of District business and continued focus of District resources on protection and improvement of the water resources in the Riley-Purgatory-Bluff Creek watershed.

I. Contracting

- a. All contracts shall be authorized by the Board, and shall be reviewed by the District's legal counsel prior to submission to the Board for consideration, unless the contract conforms to the template(s) prepared by the District's legal counsel.
- b. All amendments to any approved contract shall be authorized by the Board, except that the Board delegates to the administrator the authority to approve work-change directives and change orders for District projects that will result in an aggregate increase of the cost of a project by no more than the lesser of (i) \$10,000 or (ii) twenty percent (20%) of the original contract amount.
- c. The administrator may require a District contractor to secure additional or replacement payment and/or performance bonds to cover any increased price of a District project resulting from a change order approved by the District's administrator (hereinafter referred to as the "administrator").
- d. A change order approved by the administrator will be presented to the Board at its next meeting.
- e. All contracts with the District shall provide that the District shall have not less than 60 days after receipt of an invoice for payment pursuant to the terms of the contract in which to make such payment without payment of any interest or penalty.

II. Per diems

- a. Managers shall receive one per diem for participation in a meeting of the Board.
- b. A manager shall receive one per diem for preparation for each meeting of the Board.
- c. A manager shall be entitled to one day per diem for preparation for and attendance at a meeting of the Citizen's Advisory Committee as the Board's designated representative.
- d. A manager shall be entitled to one day per diem for attendance at a scheduled presentation by the District on District activities to any city or County within the District approved by the President or the administrator which approvals shall be issued on a consistent basis among managers.
- e. A manager shall be entitled to one day per diem for attendance at a presentation on District activities to any city or County within the District approved by the President or the administrator which approvals shall be issued on a consistent basis among managers.

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- f. A manager shall be entitled to one day for each day of attendance at the annual meeting of the Minnesota Association of Watershed Districts (MAWD), the MAWD legislative conference, the MAWD summer tour, and a meeting of the Metro chapter of MAWD.
- g. A manager shall be entitled to one day per diem for any activity authorized or requested by the Board or if requested by the administrator and reasonably necessary for the manager to fulfil his/her duties as a manager. The Board and the administrator shall authorize any activity requested by a manager which reasonably relates to the duties of the manager as a manager of the District.
- h. Managers will prepare claim forms for per diem and expenses in substantially the form attached hereto as Exhibit [II.hH.hH.g]. The claim form shall be submitted to the administrator to be processed and approved in the same manner as other claims against the District. Claims for expenses should be submitted quarterly, and under any circumstances all claims for expenses in any given year must be submitted prior to January 15 of the following year. Claims for per diem shall be processed in the same manner as any other invoice or expense of the District.
- i. A manager may receive only one per diem per day of service to the District.
- j. The per diem rate shall be the maximum rate specified in Minn. Stat. § 103D.315, subdivision 8 as in effect from time to time unless the Board sets a lower per diem rate.
- k. No manager shall be paid a per diem for the attendance at or conduct of any activity for which the manager is entitled to compensation from any other person or entity.

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III. Records management and retention

- a. The managers shall keep efficient records of all proceedings, minutes, certificates, contracts, bonds of the board's employees, and all other business transacted or action taken by the managers as required by Minn. Stat. § 103D, Subd. 5.
- b. The records must be open to inspection by the property owners within the watershed district and all other interested parties at all reasonable times unless otherwise prohibited by law.
- c. The District will make and preserve all records necessary to ensure the availability of a full and accurate accounting of the District's official activities, in fulfillment of Minn. Stat. §§ 15.17, subdivision 1, and 138.17.
- d. The District will adopt and maintain a records retention schedule, to be approved by the State Archives Office, governing the retention and/or disposal of records created by the District, a copy of which will be included in this Governance Manual as Exhibit [III.e].
- e. The District shall maintain a journal of votes as permitted by Minn. Stat. § 13D.01, Subd. 4. which journal shall consist of written resolutions voted upon by the Board and signed by the District's Secretary.
- f. In keeping with the direction of the Uniform Electronic Transactions Act, the District has determined that it will create and retain its records in electronic form to the greatest extent possible. The District's records retention schedule includes indication of records that may be retained in hard copy form, but District policy is to retain all records in electronic form. This policy is prospective as of November

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2012, and the District does not intend to convert historic records from hard copy to electronic form.

- g. The administrator is the responsible authority for purposes of District compliance with the Data Practices Act, Minn. Stat. Chapter 13. The administrator shall comply with all requirements set forth in said chapter. Each year, the administrator shall provide to the Board a report documenting compliance with the Data Practices Act.
- h. The administrator is the data practices compliance official for purposes of District's compliance with the Data Practices Act.
- i. The District shall maintain a website and shall endeavor to make as many of its records available through the District's website as practicable, including but not limited to:
 - i. A calendar for each calendar year of District events, including known events scheduled to occur during the next twelve (12) months, which schedule is subject to change;
 - ii. The agenda and meeting packet of information provided to the managers prior to and at a meeting of the managers;
 - iii. The officially approved minutes of meetings of the Board;
 - iv. The District's annual reports;
 - v. The District's audit and audited financial statements as required by law;
 - vi. The District's annual communications;
 - vii. The District's Journal of Votes;
 - viii. The District's signed approved minutes of each meeting of the managers
 - ix. The "board packet" and any other information submitted or made available at a meeting of the managers;
 - x. The District's permitting rules;
 - xi. This Governance Manual, including all appendices and attachments;
 - xii. The District's approved annual budgets;
 - xiii. Minutes and other pertinent information concerning the District's Governance Committee, Personnel Committee, Citizens Advisory Committee, Technical Advisory Committee and such other committees of the District in existence from time to time;
- j. The District shall maintain a database and complete records of:
 - i. Permit applications and permits issued and activities pertaining thereto;
 - ii. Cost share applications, approved cost share grants, and related staff reports or compilations and activities pertaining thereto;

IV. Delegated authority

- a. No employee of the District may exercise authority beyond that which is allocated to the administrator by the District bylaws, and the policies and resolutions duly adopted by the Board.
- b. Authority delegated to the administrator may not be delegated to other employees or contractors of the District.
- c. Duties assigned to the administrator may be delegated to other employees or contractors by the administrator, however the administrator will remain responsible to the Board for the proper execution of all delegated duties.

-
- 1 d. All consultants to the District work under the direction of the administrator,
2 except for auditors and legal counsel. The auditor's and legal counsel's primary
3 responsibility is to the Board.
4 e. Except as otherwise specifically provided for herein, the administrator may not
5 commit funds of the District without the approval of the Board.

6 **V. Managers' authority**

- 7 a. No manager may speak on behalf of the District unless authorized to do so by the
8 Board. This provision does not prevent any manager from giving his or her
9 opinion on any matter as long as he/she makes clear that he/she does not speak for
10 the District or the Board. Managers are encouraged to withhold individual
11 opinions on a subject pertaining to the District until the next regularly scheduled
12 meeting of the Board or a special meeting on such matter, if sooner.
13 b. No individual manager may provide direction, instructions or authorization to the
14 administrator unless specifically authorized to do so by the Board.
15 c. A manager shall be given timely access to all information upon request by the
16 manager subject to all applicable laws. A manager should endeavor to limit
17 his/her requests for information so as not to unreasonably interfere with the
18 administrator's other duties. Nothing contained herein shall restrict a manager's
19 rights under any applicable law.
20 d. A manager's request for information in the possession of the District, including
21 information from consultants to the District, other than auditors or legal counsel,
22 shall be directed through the administrator. Manager requests for information to
23 auditors and legal counsel may be directed to the auditor and legal counsel.
24 Except in the case of allegations of wrongdoing, auditors and legal counsel shall
25 inform the administrator of such requests for information.
26 e. Individual managers cannot bind the District to agreements or expenditures unless
27 specifically authorized to do so by the Board. An agreement shall be binding on
28 the District only if such agreement has been signed on behalf of the District by a
29 person authorized to do so pursuant to action by the Board.
30

31 **VI. Schedule of Regular Activities**

32
33 The District will observe the following schedule of required activities to ensure continued
34 compliance with laws and regulations:

- 35 • Each January, the Board conducts its annual business meeting in January. At that
36 meeting the Board shall:
- 37 ○ Approve a schedule of regular meetings of the Board for the ensuing year.
 - 38 ○ Review insurance needs and current coverage.
 - 39 ○ If an odd-numbered year, authorize the solicitation of engineering, legal,
40 auditing, accounting and other professional services proposals, per Minn. Stat.
41 § 103B.227, subdivision 5.
 - 42 ○ Designate:
 - 43 ■ one or more depositories for the District's funds, and cash escrows
44 received as security from permittees,

- a repository for permit assurance bonds, and letters of credit received as security from permittees, and
- one or more official newspapers for publication of District notices.

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- individuals to serve on the District's Citizens Advisory Committee, in compliance with Minn. Stat. § 103D.331, and
- individuals to serve on the District's technical advisory committee in compliance with Minn. Stat. § 103D.337.
- managers to serve on standing committees of the District.
- Review the District's fee and permit security schedules and authorize such revisions as the Board deems appropriate.
- Review and, as necessary, direct the preparation of updates to its Governance Manual.
- Elect from among its members the following officers: president, vice president, secretary and treasurer.
- Not later than [] the District shall prepare and publish an annual newsletter or other watershed-wide communication that explains the District's programs, lists the members of the Board and notes District contact information, and other information required by ~~Minn.~~by Minn. Stat. § 103B.227, subdivision 4 and applicable rules and regulations. The District will also maintain this information on its website.
- During the first fiscal quarter, the District will engage a duly qualified audit firm to audit the District's books and accounts as required by Minn. Stat. § 103D.355, subd. 1.
- Not later than June 30 of each year the District shall have prepared and submit to the Board of Water and Soil Resources a financial activity and audit report for the preceding ~~year-year~~ per Minn. Stat. §103B.231, subdivision 14, and Minnesota Rules 8410.0150, subpart 1
- Not later than June 30 of each year, the District shall submit to the Office of the State Auditor an audit report n per Minnesota Rules 8410.0150, subpart 1.
- Each February, the administrator, Treasurer and accountants shall prepare and submit to the Board of Managers an end-of-year report on the financial condition of the District for the preceding year as required by and in accordance with generally accepted governmental accounting principles and applicable Minnesota law, including but not limited to the following which shall be in substantially the form set forth in Appendix [] hereto:
 - Statement of net Position, Statement of Activities,
 - Balance sheet for Governmental Funds,
 - Reconciliation of the Balance Sheet to the Statement of Net Position Governmental Funds
 - Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds
 - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities, Governmental Funds
 - Statement of Revenues, Expenditures and Changes in Fund Balances -Budget and Actual 509 Plan Implementation Fund

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○ Notes to the Financial Statements

- Each July, the administrator shall prepare, a report on the status of fund balances in relation to the Fund Balance Policy as of December 31 of the preceding calendar year and shall submit such report to the Board at the Board’s August meeting.
- Each July, the administrator, as the Data Practices Act (DPA) “responsible authority,” shall review the District’s DPA policy and associated protocols to ensure compliance in accordance with Minn. Stat. §13.05, subd. 1 and shall deliver such report to the Board at its August meeting.
- Each July, the administrator shall assess whether the District has abandoned property and returns abandoned property, if any, in accordance with the schedule in the Policy for Management of Permit Fees, Permit Securities and Abandoned Property included as an [Appendix \[\]](#) hereto and shall submit such reports to the Board at the Board’s August meeting for the Board’s review.
- Each June, the administrator shall prepare a proposed budget for the following calendar year substantially in the form attached hereto as [Appendix \[xx\]](#) and shall submit such proposed budget at the Board at the Board’s July meeting.
- At the July meeting of the Board, the Board shall set the tentative amount of ad valorem real estate taxes to be levied for the purposes of providing funds to cover the tentative budget approved by the Board at such meeting and the Board shall order a public hearing on such tentative budget and levy at its August meeting.
- Each August, the Board shall hold a public hearing on the tentative budget and the proposed levy after proper notice of such public hearing has been provided as required by law.
- On or before September 15 of each year, the District shall, after holding a public hearing as required by law, adopt a budget for the next calendar year and set the total amount to be raised through the levy of ad valorem taxes on real property located within the District.
- Each November, the administrator shall arrange for the review of and report on the District’s information technology systems by a reputable information technology consultant and shall provide such report to the Board for review at the Board’s December meeting along with any recommend changes. Such report shall include but not be limited to a review and report on the security of the District’s information technology systems as well as any recommendations for the improvement of the District’s information technology systems.
- [Each November, the BOM shall direct the solicitation of candidates for appointment to the CAC for the following calendar year.](#)
- Each December, pursuant to the Truth in Taxation law, hold a further public informational meeting on its budget and levy at which the public will be allowed to speak and the Board may but need not decrease (but may not increase) the amount of the levy adopted in September prior to finalization by the county auditors at the end of December.
- Each December, the administrator shall review the District’s disaster preparedness plan (including provisions regarding pandemics) and provide a summary of such review along with any recommend changes to the Board for its review at the Board’s January meeting.

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Riley-Purgatory-Bluff Creek Watershed District

Appendix [2] - Bylaws

4 These bylaws establish governing rules for the Riley-Purgatory-Bluff Creek Watershed District
5 (District) Board (Board), in compliance with Minn. Stat. § 103D.315, subdivision 11.¹

6 I. **Office.** The District will maintain its principal place of business and its official records at
7 an office located within the watershed, presently 18681 Lake Drive East, Chanhassen
8 MN 55346. The Board may change the location of its principal place of business in
9 accordance with Minn. Stat. § 103D.321, subdivision 2.

10 II. **Board.** The Board consists of four managers appointed by the commissioners of
11 Hennepin County and one manager appointed by the commissioners of Carver County.
12 Managers serve staggered three-year terms. A manager serves until his or her
13 replacement is appointed.

14 a. *Vacancy.* A manager who is unable to fulfill his or her term will notify his or her
15 county board of commissioners to allow the commissioners to appoint a
16 replacement in a timely manner.

17 b. *Compensation.* The managers shall be compensated for attending meetings and
18 performing other duties necessary to properly manage the District and reimburse
19 managers for expenses incurred in performing official duties. Compensation will
20 be at the rate established by Minn. Stat. § 103D.315, subdivision 8, unless a lower
21 rate is established by the Board.

22 c. *Bonding.* Before a manager assumes his or her duties, the District, at the
23 District's expense, will obtain and file a bond for the manager in accordance with
24 Minn. Stat. § 103D.315, subdivision 2.

25 d. *Insurance.* The District will provide insurance for the managers insuring the
26 managers against liability arising out of or in connection with their actions as
27 managers of the District and the operation of the District on such terms and in
28 such amounts as the Board determines.

29 e. *Attendance.* Managers are expected to attend meetings of the Board. At the
30 Board's discretion, a manager's failure to attend three consecutive regular
31 meetings of the District may be reported to that manager's county board of
32 commissioners.

33 III. **Officers.** The Board annually, at its January meeting, will elect from among its members
34 the following officers: president, vice president, secretary and treasurer. If any officer
35 resigns or cannot complete his or her term of office, the Board shall promptly elect from
36 among its members an individual to complete the unexpired term. An officer's term as

¹ All references in these bylaws to statutes are to the section or sections as they may be amended.

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1 officer continues until a successor is elected or the officer resigns. The Board, by action
2 at an official meeting, may appoint a manager as an officer *pro tem* in the event an officer
3 is absent or unable to act, and action by that officer is required.

4 a. President. The president shall:

5 i. preside at all meetings as chair of the Board at which he/she is present.

6 ii. sign and deliver in the name of the District contracts, deeds,
7 correspondence or other instruments pertaining to the business of the
8 District which have been approved by the Board;

9 iii. be a signatory to the District accounts;

10 iv. be a signatory to District documents if the treasurer or secretary is absent
11 or disabled, to the same extent as the treasurer or secretary; and

12 iv.v. meet with CAC Chair and Administrator in accordance with the BOM-
13 CAC Communications Process attached as Appendix [xx].

14 b. Vice President. The vice president shall:

15 i. preside at meetings as chair in the absence of the president;

16 ii. be a signatory to the District accounts; and

17 iii. be a signatory to District instruments and accounts if the president is
18 absent or unable to be a signatory, to the same extent as the president.

19 c. Secretary. The secretary shall:

20 i. be a signatory to resolutions and other documents certifying and
21 memorializing the proceedings of the District;

22 ii. be a signatory on all of the District financial accounts;

23 iii. maintain the records of the District;

24 iv. issue the required public and Board notice of all meetings in accordance
25 with Minn. Stat. chapter 13D and other applicable laws including but not
26 limited to Minn. Stat. § 103D.315 Subd. 10, provided that the notice
27 required by Minn. Stat. § 103D.315 Subd. 10 may be waived by all voting
28 members of the committee;

29 v. ensure that minutes of all Board meetings are recorded and made available
30 to the Board in a timely manner not less than seven days after the date of
31 the meeting and maintain a physical and electronic record book of all of
32 the minutes of each meeting of the Board as approved by the Board
33 including all votes of the members of the Board and

34 vi. maintain a physical or electronic file for each meeting consisting of all
35 notice of such meeting, the agenda therefor, all materials provided to the
36 managers prior to and at the meeting, all materials made available to the
37 public for such meeting as required by law

38 vii. comply with Minn. Stat. § 13D.01, Subd. 4.

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- 1 viii. where feasible, cause an audio recording to be made of each Board
2 meeting;
- 3 ix. Cause an audio recording to be made of each meeting which is closed to
4 the public **as required by law**; and
- 5 x. prepare and maintain a Governance Manual which shall include these
6 Bylaws and the policies and procedures adopted by the Board.
- 7 d. *Treasurer.* The treasurer shall:
- 8 i. be a signatory on all of the District financial accounts and financial
9 records;
- 10 ii. Prepare or have prepared each month an “Accountants Compilation
11 Report” substantially in the form attached hereto to as **Exhibit** [III.d.ii]
12 which report shall be made available upon request by any manager at the
13 time that the Board packet is prepared and sent to the managers.
- 14 iii. At each regularly scheduled meeting of the Board:
- 15 1. Present a report that includes:
- 16 a. a Cash Disbursements statement substantially in the form
17 attached hereto as **Exhibit** [III.d.iii.1.a-1]
- 18 b. a Fund Performance Analysis substantially in the form
19 attached hereto as **Exhibit** [III.d.iii.1.b-2],
- 20 c. a “Multi-Year Project Performance Analysis substantially
21 in the form attached hereto as **Exhibit** [III.d.iii.1.c-3],
- 22 d. a balance sheet substantially in the form attached hereto as
23 **Exhibit** [III.d.iii.1.d-4],
- 24 e. a table of credit card activity substantially in the form
25 attached hereto as **Exhibit** [III.d.iii.1.e-5],
- 26 f. a comparative budget substantially in the form attached as
27 **Exhibit** [III.d.iii.1.f-6], and
- 28 2. Certify orally, or in writing that the treasurer has reviewed all
29 invoices for payments and determined that the invoices to be paid
30 are proper, due and payable in accordance with applicable law and
31 the procedures and policies regarding the payment of invoices and
32 any contract to which they pertain;
- 33 iv. Provide such other records as are necessary or customary to inform the
34 Board of the financial condition of the District.
- 35 v. Supervise with the administrator, the preparation of the annual audit for
36 consistency with and accurate reflection of the District’s fiscal policies;

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1 vi. Prepare with the administrator any management report to be included in
2 the audit and present the same to the Board for approval for inclusion in
3 the audit report;

4 vii. Review and discuss any issues raised in the annual auditor's report and
5 provide the Board with any comments regarding the annual audit and a
6 recommendation as to whether the audit report should be accepted as well
7 as any changes to the District's fiscal or other policies as they may pertain
8 to the fiscal reporting and record keeping of the District.

9 ~~vii.~~ viii. Cause the monthly Accountant's Compilation Report to be posted on
10 District website not later than three (3) business days prior to the second
11 monthly meeting of the managers following the end of the month to which
12 the report pertains.

13 IV. **Committees.** All standing and special committees of the Board will be appointed by
14 majority vote of the managers. Membership on standing committees of the Board (e.g.,
15 Governance, Personnel, Audit and Finance) will be determined during the January
16 meeting of the managers. Other special committees may include persons who are not
17 managers, but no member of a committee who is not a manager may offer a motion or
18 vote on a matter put before the committee. It is the duty of a committee to act promptly
19 and faithfully in all matters referred to it and to prepare minutes of any votes taken by the
20 committee on recommendations to the Board of Managers, and otherwise to make reports
21 as directed on the date established by the chair or Board. No committee may provide
22 direction, instructions or authorization to the administrator unless specifically authorized
23 to do so by the Board of Managers. A complete and accurate copy of committee minutes
24 of votes and written reports will be made by the secretary and filed and recorded in the
25 records of the District and shall be presented to the Board at the next regular monthly
26 meeting of the Board. ~~Unless otherwise agreed by all of the voting members of the~~
27 ~~committee, the committee shall follow Roberts Rules of Order.~~ Any member of the
28 committee may call a meeting of the committee, upon not less than seven days advance
29 written notice by mail or email unless such notice is waived by all members of the
30 committee. The notice of all committee meetings shall comply with the same laws
31 applicable to notices of meetings of the Board. Unless waived, each manager must be
32 provided written notice of a meeting of the committee not less than 7 days prior to the
33 meeting prior Reports may include majority and/or minority positions.

34 a. *Governance Committee.* There shall be ~~a~~ ~~isa~~ ~~is~~ a standing committee of the
35 Board known as the Governance Committee and which shall consist of two
36 managers, with support from the administrator and the District's legal counsel.
37 The committee shall review annually the Governance Manual and all other
38 policies pertaining to the governance and operation of the District, and make such
39 reports and such recommendations for revisions to the Board as the committee
40 shall deem appropriate. All meetings of the committee shall be noticed and open
41 to the public as required by the Open Meeting Law, except for meetings which are
42 required to be closed pursuant to the Open Meeting Law or which may be closed
43 pursuant to the Open Meeting Law and which the committee votes to close. And
44 audio recording shall be made of any portion of a closed ~~meeting--meeting.~~

-
- 1 b. *Personnel Committee.* There shall be a is a standing committee of the Board
2 known as the Personnel Committee. Such ~~committee shall~~committee shall
3 consist of two managers, with support from the administrator and the District’s
4 legal counsel. The committee shall make reports and recommendations to the
5 Board on personnel and human resources matters as the committee shall deem
6 appropriate. All meetings of the committee shall be noticed and open to the
7 public as required by the Open Meeting Law, except for meetings which are
8 required to be closed pursuant to the Open Meeting Law or which may be closed
9 pursuant to the Open Meeting Law and which the committee votes to close. And
10 audio recording shall be made of any portion of a closed meeting.
- 11 c. *Citizens Advisory Committee.* In accordance with Minn. Stat. § 103D.331, there
12 is established a District citizens’ advisory committee. The committee is known as
13 the Citizens Advisory Committee (CAC). The CAC shall perform the duties set
14 forth in Minn. Stat. § 103D.331. The CAC will meet according to a schedule set
15 by its members each year and at such other times as the members of the CAC may
16 determine. All meetings of the CAC are open to the public.
- 17 d. *Technical Advisory Committee.* In accordance with Minn. Stat. § 103D.337, there
18 is established a technical advisory committee (TAC) to the Board. Meetings of
19 the TAC shall be convened as necessary and appropriate to advise the Board on
20 regulatory, watershed planning and other technical matters.
- 21 e. *Audit and Finance Committee.* There shall be a standing committee of the Board
22 known as the Audit and Finance Committee. Such committee shall consist of two
23 managers appointed by the Board. The purpose of the committee shall be to
24 review monthly the financial condition of the District, to assist in the preparation
25 for and review of the results of the annual audit of the District’s financial
26 statements, review and comment upon the district’s compliance with all laws and
27 policies pertaining to the fiscal operations of the district, review and comment
28 upon the performance of the District’s staff, accountant and auditor, and to make
29 such reports and recommendations to the Board with respect to the District’s
30 fiscal matters as the committee shall deem appropriate. All meetings of the
31 committee shall be noticed and open to the public as required by the Open
32 Meeting Law, except for meetings which are required to be closed pursuant to the
33 Open Meeting Law or which may be closed pursuant to the Open Meeting Law
34 and which the committee votes to close. And audio recording shall be made of
35 any portion of a closed meeting.
- 36 f. The Board shall not delegate supervision of the administrator or any District
37 employee to a committee.

38 V. **Meetings.**

- 39 a. *Regular meetings.* In January each year the Board will set a schedule of regular
40 meetings for the coming year. Adjourned and special sessions may be held at
41 such times as the Board deems necessary and proper.

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1 b. *Special Meetings and Emergency Meetings.* Special meetings and emergency
2 meetings may be called by the chair or any manager. Notice of a special or
3 emergency meeting will be issued and published by the secretary or the
4 secretary's designee in accordance with the Open Meeting Law and Minn. Stat.
5 103D.315 Subd. 10. The secretary of the District must mail a notice of the
6 meeting to each member at least eight days before the meeting in accordance with
7 Minn. with Minn. Stat. chapter 13D, and Minn. Stat. § 103D.315, subd. 10. The
8 person calling the special meeting may cancel such meeting at any time prior to
9 its commencement by written notice to the President or the Secretary.

10 b.c. *Meeting Location, Video Access, Recording.* Except as authorized by law, all
11 meetings of the Board and all committees shall be in person and held at the
12 District's principal offices. Except for a meeting allowed to be closed pursuant to
13 the Open Meeting Law, all meetings shall be made available for simultaneous
14 viewing and participation by the public via video technology such as Zoom. Each
15 notice of a meeting shall include a link for viewing the meeting via video
16 technology such as Zoom. Each meeting shall be recorded and such recording
17 shall be preserved in accordance with applicable law and made available to the
18 public as required under the Minnesota Data Practices Act.

19 e.d. *Open and Closed Meetings.* All meetings of the Board will be open to the public,
20 except that a meeting or portion of a meeting that are required to be closed
21 pursuant to the Open Meeting Law or which may be closed pursuant to the Open
22 Meeting Law and which the Board votes to close. A recording shall be made of
23 any portion of a closed meeting.

24 e.e. *Quorum.* At all meetings of the Board, a majority of the members appointed will
25 constitute a quorum necessary to do business, but a minority may adjourn from
26 day to day.

27 e.f. *Action.* The Board shall take action only by the adoption of a written resolution
28 properly before the Board by a majority vote of the managers present at a duly
29 called meeting at which a quorum is present. Staff and legal counsel shall provide
30 the Board with a proposed resolution for each action item on the agenda along
31 with a memorandum explaining the proposed action and the basis if any for
32 recommending the proposed action.

33 f.g. *Agenda.* The agenda for the meetings of the Board will generally follow the order
34 and format set forth in Exhibit [V.g.V.fV.e-1], subject to revisions by the Board as
35 provided herein. Managers, staff and the public may submit items to be
36 considered for inclusion in the proposed agenda. Items submitted for inclusion
37 will be included in a tentative agenda if received prior to the date which is three
38 business days immediately preceding the date of the meeting for which the item is
39 to be included in the agenda for the meeting. Subject to the foregoing, the
40 administrator, in consultation with the President, will prepare a tentative agenda
41 in the form and format set forth in Exhibit [V.g.V.fV.e-2] and will include the
42 items timely submitted for inclusion. The tentative agenda shall be distributed
43 with the meeting packet and posted on the District's website. The meeting agenda

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<https://www.dummies.com/careers/business-skills/roberts-rules-for-setting-an-agenda/>78

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shall be set at the meeting by a majority vote of the Board. In the interests of time, any report and any minutes of a committee on the agenda may be received and accepted by including such report and minutes under a consent agenda resolution; such inclusion of such reports and minutes in a consent resolution does not preclude questions regarding the report or minutes during any discussion item on the agenda on the same topic as the report or minutes. Acceptance of receipt does not preclude questions and comments regarding the subject matter of such reports and minutes during discussion items of the same topic.

g.h. *Board Meeting Packet.* No later than 5:00 p.m. of the third business day preceding a meeting of the Board, the administrator shall prepare a copy of all materials which are to be presented or discussed at the upcoming meeting, and post these materials to the District website. Other than materials classified by law as other than public as defined in Minnesota Statutes chapter 13, or to materials relating to the agenda items of a closed meeting held in accordance with the procedures in Minn. Stat. § 13D.03 or other law permitting the closing of meetings, at least one copy of any printed materials relating to the agenda items of the meeting prepared or distributed by or at the direction of the governing body or its employees and distributed at the meeting, before the meeting, or available in the meeting room to all members of the Board shall be available in the meeting room for inspection by the public as required by the Open Meeting Law, or in the case of a virtual meeting, shall be available on the District's website during the virtual meeting.

h.i. *Conduct of meetings.* At the time appointed for a meeting, the members will be called to order by the chair or, in his or her absence, the temporary chair. The chair shall note the managers in attendance and declare for the record whether or not a quorum of the managers is present. **On determination of a quorum, the Board will proceed with the approval of the tentative agenda, as may be amended and approved by the Board.** Upon approval of the agenda, the Board will proceed in accordance with the approved agenda.

- i. The chair will preserve order and decide questions of order etc. in accordance with Roberts Rules of ~~Order.~~Order. The chair may make motions, second motions, or speak on any question. The chair will be entitled to vote in the same manner as other members of the Board.
- ii. The order of business for a meeting may be varied by the Board.
- iii. No public hearing convened by the Board will be closed before the time specified for the hearing in the notice.
- iv. Every member before speaking will address the chair and will not proceed until recognized by the chair. Each member wishing to be heard on any matter shall be entitled to be heard at least once and at least as many times and for as long as any other member. A member called to order will immediately suspend his or her remarks until the point of order is decided by the chair.

Commented [klf112]: Add provisions for putting items on the agenda, as per DW, put all on and another way of handling an item is to lay-over, or table

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v. Any person may address the Board on a matter properly before the Board. The chair may limit the time allowed for a manager or other person addressing the Board to speak provided that such limitations shall be consistently applied to all addressing the Board.

vi. Every regular meeting shall provide an opportunity for any person to address a matter not otherwise before the Board. The chair may limit the time allowed for a manager or other person addressing the Board to speak which limitations shall be consistently applied to all speakers. The chair of the meeting may limit the time each presenter has to present to no less than 3 minutes, which limitations shall be consistently applied to all presenters.

vii. Any person may request that a matter be heard by the Board. The Board will consider such request and determine whether and, if approved, when to take up the matter or to defer the matter pending receipt of additional information thereon and direct the administrator to obtain such information.

viii. Every person in attendance shall use reasonable efforts to act with courtesy, civility and respect in all interactions as a member of the Board, maintaining an open mind, and participating in open communication; members should refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members, staff or any member of the public.

i.i. *Appeal of a chair ruling.* A manager may appeal to the Board from a ruling of the chair. If the appeal is seconded, the manager may speak once solely on the question involved and the chair may explain his or her ruling, but no other manager will participate in the discussion. The appeal will be sustained if it is approved by a majority of the managers present, exclusive of the chair.

j.k. *Meeting rules.* In all points not covered by these rules, the conduct of a meeting of the Board will be governed by the current edition of *Robert's Rules of Order*. *Robert's Rules* may be temporarily suspended by consent of all of the managers present at the meeting.

k.l. *Resolutions.* Other than procedural motions, the Board shall take action only by the adoption of a resolution properly before the Board by a majority vote of the managers present at a duly called meeting at which a quorum is present. The proponent of any action to be taken by the Board shall prepare and submit a written draft resolution for such proposed action for consideration by the Board. For actions not proposed by a member of the public or an individual manager, the administrator shall prepare and include in the Board meeting packet for each action item on the tentative agenda a proposed written resolution for consideration by the Board and a memorandum discussing the issue covered by the proposed resolutions, pros and cons of adopting the resolution and the administrator's recommendation and the reasons for the recommendation. The Board may order that staff prepare a resolution reflecting action taken by the Board on any item for

1 which there is not a written resolution. The material terms of a resolution must be
2 stated in the motion to adopt. Each resolution passed by the Board will numbered
3 consecutively and shall be signed by the secretary and set forth in or attached to
4 the official minutes of the meeting during which it was adopted, recorded in the
5 journal of votes and filed in the official minutes and records of the District
6 maintained at the District office ~~but by~~ the ~~S~~secretary.

7 ~~h.m.~~ *Minutes and Records.* Minutes of all meetings of the Board and committees will
8 be made by the secretary or, with respect to a committee meeting, the Board
9 member responsible for making the minutes. Not more than one week after the
10 meeting a draft of the minutes of the meeting in Word format shall be sent to the
11 managers and the administrator for review. Managers and the administrator shall
12 make a good faith effort to provide any corrections to the minutes in word format
13 to the secretary and the administrator. The secretary and the administrator in the
14 board packet for the next meeting. When approved and signed, the minutes will
15 constitute the official record and journal of the Board proceedings. Except in
16 extenuating circumstances, at the regular meeting of the Board, draft minutes of
17 the preceding Board meeting will be reviewed by the Board and adopted as they
18 may be amended. A copy of the adopted minutes as amended shall be reduced to
19 writing showing the changes made to the draft minutes and a copy of the adopted
20 minutes without designation of changes will be presented to the Board at the next
21 meeting and unless further corrected by a majority vote of the Board, shall be
22 signed by the secretary of the meeting at which the minutes are approved. The
23 signed copy of the adopted minutes shall be kept at the District office in physical
24 or electronic form and compiled in a physical or electronic minute book and
25 posted to or made available via the District's website. All written
26 communications addressed to the Board, other materials included in a Board
27 meeting packet, and all documents and materials submitted to the record in the
28 course of a Board meeting will be filed in the District office with the minutes of
29 the meeting in the meeting folder, including in electronic form. The Secretary is
30 authorized to certify actions taken at a meeting of the Board as reflected in the
31 final approved minutes of a meeting of the Board.

32 ~~m.n.~~ *Voting.* When the chair puts a question to the Board, every manager present will
33 vote, unless the manager elects to abstain. The manner of voting on any business
34 coming before the Board may be by voice vote unless such vote is during a
35 telephonic or other virtual meeting as permitted by law, in which event such vote
36 shall be taken by roll call of the members. An affirmative or negative vote by any
37 member will be entered in the minutes on his or her request. Affirmative and
38 negative votes will be recorded on any motion at the request of a manager and the
39 results entered in the minutes. Unless provided otherwise by law, any vote or
40 ballot completed by a manager, whether binding or not, will be disclosed at the
41 meeting at which it is taken; ~~a survey of managers shall be presented at the next~~
42 ~~scheduled meeting at which the relevant item of business is considered, including~~
43 ~~the vote results and vote of each member.~~ All resolutions of the Board shall be
44 assigned a number which notes the year of the action and a sequential number
45 based on the order of action.

1 VI. **Conflict of Interest.** The Board seeks to operate in accordance with high ethical
2 standards and wishes to establish clear guidelines for the ethical conduct of District
3 business. Ensuring that conflicts of interest do not affect District proceedings is an
4 essential element of maintaining high ethical standards. Therefore, to specify and
5 supplement its commitment to compliance with the Ethics in Government Act, Minn.
6 Stat. § 10A.07, the Board adopts the following conflict of interest policy:

- 7 a. *Disclosure of conflicts.* A manager who has a personal financial interest, or other
8 private interest or relationship that limits the manager’s ability objectively to
9 consider, deliberate or vote, in a matter scheduled to come before the Board must
10 prepare a written statement describing the matter requiring action and the nature
11 of the potential conflict. The manager affected will deliver the statement to the
12 president of the Board before the Board considers or takes action on the matter. If
13 a potential conflict arises and a manager does not have sufficient time to prepare a
14 written statement, the manager must orally inform the Board before the matter is
15 discussed.
- 16 b. *Abstention.* A manager must abstain from chairing any meeting, participating in
17 any vote, offering any motion, or participating in any discussion on any matter
18 that may substantially affect the manager’s financial interests or those of an
19 associated business or family member, unless the effect on the manager is no
20 more than on any other member of the manager’s business classification,
21 profession or occupation. A manager also must abstain from chairing any
22 meeting, participating in any discussion, offering any motion, or voting on any
23 matter in which a private interest or relationship of the manager limits the
24 manager’s ability objectively to consider, deliberate or vote. The manager’s
25 nonparticipation in the matter will be recorded in the minutes.

26 VII. **Bylaws compliance, suspension and amendment.** These bylaws are adopted to
27 facilitate the transaction of Board business. They should not be permitted to divert or
28 hinder the expressed intent and desire of the Board. Informal compliance and substantial
29 performance will be sufficient under the foregoing provisions in the absence of an
30 objection thereto is made not later than the close of business of the meeting of the
31 managers held immediately after the meeting of the managers at with the minutes of the
32 meeting to which the objection pertains are read, seasonably taken. An objection will be
33 deemed not seasonably taken as to any procedural matter provided for herein if a
34 manager present at the meeting fails to object and request compliance with these bylaws
35 during the meeting. To be seasonably taken by an absent member, an objection must be
36 taken at the next regular meeting of the Board. For purposes of this section VII, the term
37 bylaws, includes the Governance Manual as that term has historically been used by the
38 Board and the **Exhibits** thereto.

- 39 a. Any provision of these bylaws may be suspended temporarily by a vote of all
40 members of the Board present at the meeting, except a provision that preserves
41 the rights of an absent manager.
- 42 b. These bylaws may be amended by a four-fifths (4/5) majority of the Board on 30
43 days written notice of the proposed change(s), unless such notice is waived by all

Commented [k1f113]: Possible change “not later than the close of business of the meeting of the managers held immediately after the meeting of the managers at with the minutes of the meeting to which the objection pertains.”

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1 managers. Notice of any amendment is to be contained in the notice of the
2 meeting at which the proposed amendment is to be considered. An amendment to
3 these bylaws must be approved by a four-fifths (4/5) majority of the Board.

- 4 c. Interpretation of the bylaws and any amendment thereto will rest with the Board.
5 The bylaws are to be interpreted as consistent with the state watershed laws,
6 Minn. Stat. Chapters 103B and 103D, and other governing laws. In the event of a
7 conflict, the governing laws control.
- 8 d. These bylaws will be reviewed by the Board at least once every three years.
- 9 e. These bylaws govern internal conduct of the business of the District and neither
10 create nor elucidate any right in any third party.

11
12 I, [Secretary], secretary of the Riley-Purgatory-Bluff Creek Watershed District
13 Board, certify that the attached are true and correct copies of the bylaws of the Riley-Purgatory-
14 Bluff Creek Watershed District, which were properly adopted by the Board October 14, 2020.

15
16
17
18 Date: _____

19 [Dorothy Pederson Secretary], Secretary

1

2 **Riley-Purgatory-Bluff Creek Watershed District**

3 **Appendix [3] Code of Conduct Policy**

4 **Adopted [Date of Adoption]**

Commented [k1f114]: This is a "policy" - it needs to be tempered by freedom of speech, assembly, petition.

5

6

7 **A. DECLARATION OF POLICY**

8 The proper operation of democratic government requires that the public officials and
9 employees be independent, impartial and responsible to the people; that government
10 decisions and policy be made in the proper channels of the government structure; that
11 public office not is used for personal gain; and that the public have confidence in the
12 integrity of its government.

13 In recognition of these goals, the Board (the "Board") of the Riley Purgatory Bluff Creek
14 Watershed District (the "District") has established this Code of Conduct for all public
15 officials and employees of the District.

16 Public officials hold office on behalf of the public. They are bound to uphold the
17 Constitution of the United States and the Constitution of the State of Minnesota. Public
18 officials must carry out impartially the laws of the nation, state and District in fostering
19 respect for all government and otherwise faithfully discharge the duties of their office,
20 including but not limited to Minnesota's Open Meeting Law, Minnesota's Data Practices
21 Act, and Chapters 103B and 103D of the Minnesota Statutes.

22 Public officials shall be dedicated to fulfilling their responsibilities of office. They shall
23 be dedicated to the public purpose and all programs developed by them shall be in the
24 community interest. Public officials shall not exceed their authority or breach the law or
25 ask others to do so. They shall work in full cooperation with other public officials and
26 employees unless prohibited from doing so by the law.

27 **B. BOARD CONDUCT WITH DISTRICT STAFF**

28 1. Board authority. The Board of Managers member's statutory duties are generally
29 to be performed by the Board as a whole. The Board, and not individual members,
30 supervises the administrator, and the administrator supervises staff. As individuals,
31 Board members have no administrative authority. They cannot give orders or otherwise
32 supervise District employees, unless specifically directed to do so by the Board of
33 Managers. The full Board, holds the ultimate authority over all administrative affairs in
34 the District.

35
36 Clear, honest communication that respects the abilities, experience, and dignity of each
37 individual is expected. Disrespectful behavior, conduct that does not respect abilities,
38 experience, and dignity toward staff is not accepted.

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1 2. Limitations on contact with District staff.

2
3 (a) Questions of District staff and requests for information shall be directed to the
4 administrator. Materials supplied to a Board member in response to a request will be
5 made available to all members of the Board.

6
7 (b) Board members are encouraged not express concerns about the performance of a
8 District employee in public, to the employee directly, or to the employee's supervisor.
9 Comments about staff performance should be made solely to the Board and the
10 administrator through private correspondence or conversation.

11
12 (c) Individual Board members must not attempt to influence staff on the making of
13 appointments, awarding of contracts, selecting of consultants, processing of development
14 applications, or granting District permits outside of Board action at a Board
15 meeting.

16
17 (d) Request by a manager for staff support, even in high priority or emergency
18 situations, shall be made to the administrator who is responsible for allocating District
19 staff resources in order to maintain a professional, well-run organization.

20
21 C. MANAGERS CONDUCT WITH THE PUBLIC

22 1. No signs of partiality, prejudice, or disrespect will be tolerated on the part of
23 individual Board members toward an individual participating in a public forum.

24
25 2. The President (or Vice-President in the President's absence) will determine and
26 announce limits on speakers at the start of the public meeting. Generally, each speaker
27 will be allocated three (3) minutes. If many speakers are anticipated, the President may
28 shorten the time limit and/or ask speakers to limit themselves to new information and
29 points of view not already covered by previous speakers. No speaker will be turned away
30 unless exhibiting inappropriate behavior, such as discourteous or abusive conduct or
31 verbal attacks affecting the decorum of the meeting.

32
33 3. Only the President (or Vice-President in the President's absence), and not
34 individual Board members, can interrupt a speaker during a presentation. Questions by
35 the Board members of the public shall seek to clarify or expend information. It is never
36 appropriate to belligerently challenge or belittle the speaker. Board member's personal
37 opinions or inclinations about upcoming votes shall not be revealed.

38
39 4. The District attorney serves as advisory parliamentarian for the District and is
40 available to answer questions or interpret situations according to parliamentary
41 procedures. Final rulings on parliamentary procedure are made by the President,
42 subject to the appeal of the full Board.
43

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1 D. MANAGERS CONDUCT IN UNOFFICIAL SETTINGS

2 1. It is appropriate for Board members to give a brief overview of the District
3 policy when asked about a specific issue by constituents and to refer individuals to
4 District staff for further information. It is inappropriate to overtly or implicitly
5 promise Board action, or to promise that District staff will perform or expedite a specific
6 service or function (monitor lake, rush a permit etc.).

7
8 2. It is acceptable to publicly disagree about an issue, but it is unacceptable to make
9 derogatory comments about District staff, other Board members, their opinions and
10 actions.

11
12 3. Board members are constantly being observed by the community every day that
13 they serve in office. Their behaviors serve as models for proper behavior in the District.
14 Honesty and respect for the dignity of each individual should be reflected in every word
15 and action taken by Board members, 24 hours a day, seven days a week. It is a serious and
16 continuous responsibility.

17
18
19
20 E. INCLUSION AND DIVERSITY

21 The District embraces and values diversity and seeks to expand the District's internal
22 awareness of the opportunities and challenges related to creating a more diverse and
23 inclusive environment. The District seeks to deepen relationships with many
24 communities, including traditionally underserved communities, by increasing outreach
25 and project planning to benefit these communities. The District is committed to
26 increasing its organizational diversity and inclusion efforts by increasing recruitment,
27 promotion, and retention of candidates who truly represent our District for staff, CAC
28 and service providers. We believe that a diverse mix of employees enrich the workplace
29 and enhance the quality of our service. We will be innovative in our approaches to
30 communities who truly represent our District. We will continue to collaborate across
31 differences. We will be open to the challenges our community presents as it relates to
32 diversity and inclusion. We will approach our efforts of inclusion with the same level of
33 passion as water resource protection.

34
35 F. USE OF CONFIDENTIAL INFORMATION

36 A public official or employee of the District shall not use confidential information to
37 further the employee's private interest, and shall not accept outside employment or
38 involvement in a business or activity that will require the employee to disclose or use
39 confidential information.

40
41 G. USE OF PROPERTY

42 A public official or an employee shall not use or allow the use of District time, supplies, or
43 District owned or leased property and equipment for the employee's private interest or

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1 any other use not in the interest of the District, except as provided by law and with prior
2 administrator approval for such use and the use is of minimal value.

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2 **Riley-Purgatory-Bluff Creek Watershed District**
Appendix [4] - Policies and Procedures for Public Access to Documents

3

4

5

Commented [k1f115]: We should welcome requests for access to our information; we should not make it difficult.

6 Public access to the data of public bodies is governed by the Data Practices Act (DPA),
7 Minnesota Statutes Chapter 13. The DPA states that data of public bodies are to be available to
8 the public unless specifically protected by law where individual privacy would be violated or
9 where other valid concerns outweigh the interest in public availability. The Riley-Purgatory-
10 Bluff Creek Watershed District (District) recognizes the public interest in open access to its data
11 as well as the public interest that requires that certain types of data not be publicly available. It is
12 the intent of the District to comply fully with the DPA and, where the DPA allows for the
13 exercise of judgment, to exercise that judgment consistent with the public interests underlying
14 the law.

15
16 This policy is adopted pursuant to sections 13.025, subdivision 2, and 13.03, subdivision 2, of
17 the DPA, which state that every public body shall establish procedures to implement the DPA.
18

19 In addition, the District has adopted and maintains a Records Retention Schedule, which is an
20 index of the records and data maintained by the District and describes private or confidential data
21 on individuals collected by the District, in compliance with Minn. Stat. § 13.025, subdivision 1
22 which is attached hereto as Appendix [4.1].
23

24 This policy is also accompanied by a set of procedures to ensure that data on individuals are
25 accurate and complete and to safeguard the data's security, consistent with section 13.05,
26 subdivision 5, which is attached hereto as Appendix [4.2], as well as an **Inventory of Not-Public**
27 **Data on Individuals** which is attached hereto as Appendix [4.3] to ensure that access to private
28 and confidential data on individuals is limited to District personnel whose work or management
29 assignments require access.
30

Commented [k1f116]: Where is the inventory?

31 The District also maintains a document setting forth the rights of data subjects under the DPA
32 and procedures to guarantee the rights of data subjects in compliance with Minn. Stat. § 13.025,
33 subdivision 3, which is attached hereto as Appendix [4.4] and a document setting forth the rights
34 of data subjects under the DPA which is attached hereto as Appendix [4.5].
35

36 **Data Practices Compliance Official (DPCO) and Responsible Authority (RA)**

37

38 The District's administrator is designated as the Data Practices Compliance Official (DPCO) and
39 Responsible Authority (RA). The District administrator is responsible for fulfilling all the
40 statutory obligations of the DPCO of an RA. At that the first, fourth, seventh, and 10th meeting
41 of the Board (the "Board"), the DPCO and RA shall submit a report to the Board regarding the
42 activities of the DPCO and RA including a summary list of the request for information pursuant
43 to the DPA, the time of receipt of such request, the nature of the data requested, the data upon

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1 which such request was fulfilled the form of which is attached hereto as Appendix [4.6].

2
3
4 **Procedure for Review of District Documents**

5
6 In order to ensure that requests for government data are received and complied with in an
7 appropriate and prompt manner, all requests to inspect or receive copies of District data, and all
8 other inquiries regarding the DPA, must be in writing. The District’s DPCO may request any
9 submitter of a request to submit its request on a form provided by the District and to be delivered
10 to the “Data Practices Compliance Official,” via personal delivery, mail at the following address:

11
12 Riley-Purgatory-Bluff Creek Watershed District
13 18681 Lake Drive East
14 Chanhassen, MN 55346

15
16 or by email to DPCO@rpbcd.org.

17
18 However, if the DPCO does not receive a written request on the District’s form, within five
19 business days of receipt of the original request, the DPCO shall nevertheless process the request,
20 pursuant to the Minnesota DPA.

21
22 The District is able to most efficiently and completely respond to requests that are specific and
23 detailed. The DPCO will ensure that documents of interest have been gathered, that documents
24 not subject to inspection pursuant to the DPA have been segregated, and assistance is available to
25 the requesting party. The DPCO will provide requested data for inspection at the District office,
26 or other location to be specified by the DPCO. District files shall not be removed from the
27 District office.

28
29 The DPA requires that individuals be permitted to inspect or copy data within a reasonable time
30 after a request. The District will attempt to respond to requests as quickly as possible. The
31 response time will vary depending on the breadth of the request and the completeness and
32 accuracy of the request. It is the goal of the District to acknowledge all requests within one
33 business day. The DPCO shall inform the requester of the status of their request not less than
34 once per week. It is the policy of the District to respond to all document requests within one
35 week of receipt of a written requests for documents and data pursuant to the DPA.

36
37 If the District determines that certain data cannot be made available for inspection or copying,
38 due to its classification as not public information, it will inform the individual of the
39 classification of the data in question under the DPA and of the legal basis for denial of access.

40
41 The District will comply with the Data Practices Act in protecting “trade secret information” as
42 defined in the Act.

43
44 The District may provide requested copies of data immediately or may advise that the copies will
45 be provided as soon as reasonably possible thereafter. The ability to provide copies immediately
46 depends on the number of copies requested, staff workload and the need to deliver the data
47 elsewhere for copies to be made (e.g., oversize documents, tapes, electronic data).

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1 The DPCO shall maintain a log of DCA requests and the responses to such requests. The DPCO
2 shall review the log with Board at least annually.

3 4 **Costs**

5 There is no cost to inspect documents. If physical copies of documents are requested, the
6 requesting individual will be charged 5 cents per page for up to 100 letter- or legal-sized black-
7 and-white printed copies, except that there is no charge for delivery of less than 100 pages or the
8 equivalent (as determined by the District) of data. Copies of documents will not be certified as
9 true and correct copies unless certification is specifically requested. The fee for certification is
10 \$1 per document. There is no charge for emailing copies of electronically stored documents. It
11 is the policy of the District to electronically store as many of the District's documentation as
12 practicable. It is the policy of the District to digitize all documents produced pursuant to any
13 data request to the extent practicable.

14
15 With respect to oversize copies, tapes, electronic data, photographs, slides and other unusual
16 formats, the requesting individual will be responsible for the actual cost incurred by the District
17 to make the copy itself or to use a vendor, except that there is no charge for electronic delivery of
18 less than 100 pages of data or the equivalent (as determined by the District).

19
20 An individual requesting copies or the electronic transmittal of more than 100 pages of data is
21 responsible to pay the District the actual cost, including the cost of staff time to search for and
22 retrieve data and to make, certify, compile and transmit copies. Staff-time cost will be assessed
23 based on established hourly rates. The District will not charge for staff time needed to separate
24 public from not public data. The District will use good faith effort to have the least costly
25 qualified employee prepare responses to such requests.

26
27 If an individual so asks, before copies are made the District will advise of the approximate
28 number of pages of documents responsive to a request or the likely cost of responding to a
29 request. Payment may not be made in cash (checks are accepted). The District may, at its
30 discretion, require payment in advance.

31
32 When an individual asks for a copy of data that have commercial value and were developed with
33 a significant expenditure of public funds by the District, the District may charge a reasonable fee
34 that relates to the actual cost of developing the data. As a condition of making certain
35 commercially valuable data available, the District may require execution of a license agreement
36 defining allowable use or further distribution.

37
38 Data of commercial value submitted to the District for purposes of obtaining permits under the
39 District's permitting regimen, shall, upon request of the submitter, not be copied or used for any
40 other purpose without the written consent of the submitter.

Commented [CB17]: Have costs changed? Legal?

Commented [CB18]: This seems a lot.

Commented [LS19]: No change in these costs.

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Riley-Purgatory-Bluff Creek Watershed District
Appendix [4.1] - Security and Protection of Not-Public Data on Individuals

The Riley-Purgatory-Bluff Creek Watershed District establishes the following protocols pursuant to and in satisfaction of the requirement in Minn. Stat. §13.05, subdivision 5, that the District establish procedures ensuring appropriate access to not-public data on individuals. By incorporating employee access to not-public data in the District’s Inventory of Data on Individuals, in the individual employee’s position description, or both, the District limits access to not-public data to employees whose work assignment reasonably requires access.

Implementing Procedures

Data inventory

Pursuant to Minn. Stat. § 13.025, subdivision 1, the District has prepared a data inventory that identifies and describes all not-public data on individuals it maintains. A copy of such inventory is attached hereto as [Appendix A: Inventory of Not-Public Data on Individual.]). To comply with the requirement in Minn. Stat. § 13.05, subdivision 5, the District has indicated on the Inventory, the managers and employees who have access to not-public data.

In the event of a temporary duty as assigned by the administrator that necessitates access to not public information, an employee assigned such duty may not-public data necessary to perform such duty.

In addition to the employees listed in the data inventory, managers, the Responsible Authority (RA)/ Data Practices Compliance Official (DPCO) and legal counsel may have access to all not-public data maintained by the District as necessary to fulfil their respective duties. Any access to not-public data will be strictly limited to the data necessary to complete the work assignment.

Employee position descriptions

Position descriptions may contain provisions identifying any not-public data accessible to the employee when a work assignment reasonably requires access.

Data sharing with authorized entities or individuals

State or federal law may authorize the sharing of not-public data in specific circumstances. Not-public data may be shared with another entity if a federal or state law allows or mandates it. Individuals will have notice of any sharing in an applicable “Tennessee warnings” substantially in the form attached hereto as Exhibit [A] or the District will obtain the individual’s informed consent substantially in the form attached hereto as Exhibit [B]. Any sharing of not-public data will be strictly limited to the data necessary or required to comply with the applicable law.

Commented [CB20]: Add office procedures to make sure that we protect information Check with legal.

Commented [LS21]: Policy is adequate to meet legal requirements, though additional safeguards always possible.

Commented [kif122R21]: I believe this entire section needs a more detailed review - see MN Dept of Admin website. I believe that believe that “security information should be addressed; see Minnesota Statutes section 13.37; https://mn.gov/admin/data-practices/data/types/security/ https://mn.gov/admin/data-practices/data/types/personnel Are “private” and “confidential” appropriate classifications? If yes please give reference. In addition, the board approved an IT consultant; this section should be reviewed by the IT consultant;

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1 Data Protection. To ensure appropriate access, the District will:

- 2 • Assign appropriate security roles, limit access to appropriate shared network drives and
- 3 implement password protections for not-public electronic data;
- 4
- 5 • Password protect employee computers and lock computers before leaving workstations;
- 6
- 7 • Secure not-public data within locked work spaces and in locked file cabinets
- 8
- 9 • Shred not-public documents before disposing of them.

9 *Penalties for unlawfully accessing not-public data.*

10 The District may utilize the penalties for unlawful access to not-public data as provided for in
11 Minnesota Statutes, section 13.09. Possible penalties include suspension, dismissal or referring
12 the matter to the appropriate prosecutorial authority who may pursue a criminal misdemeanor
13 charge.

14 Protection of Private and Confidential Data on Individuals

15 Data is classified as follows,

- 16
- 17
- 18
- 19 • Public data – anyone can see the information;
- 20
- 21 • Not public data
- 22 o Private data – data that only the subject of the data and authorized District staff,
- 23 managers and legal counsel can see;
- 24 o Confidential data – data that only authorized District staff, managers and legal
- 25 counsel can see and which the subject of the data may not see.

26 Data are governed by the following requirements:

- 27 • Private or confidential data may be released only to persons authorized by law to access
- 28 such data;
- 29 • Private or confidential data must be secured at all times and not left in a location where
- 30 they may be accessed by unauthorized persons;
- 31 • Private or confidential data must be shredded before it is disposed of pursuant to the
- 32 District’s records retention policy.

33 *Accuracy and Currency of Data*

34 Employees of the District are requested, and given appropriate forms, to annually provide
35 updated personal information for the District as necessary for District recordkeeping, tax,
36 insurance, emergency notification and other personnel purposes. Other individuals who provide
37 private or confidential information (e.g., managers) are also encouraged to provide updated
38 information when appropriate.

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Commented [klf123]: Need definitions

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1 *Data Safeguards*

2 Private and confidential information is stored in secure files and databases that are not accessible
3 to individuals who do not have authorized access. Private and confidential data on individuals is
4 accessed only by individuals who are both authorized and have a need to access such information
5 for District purposes. (An individual who is the subject of data classified as private may access
6 such data for any reason.)

7
8 The District administrator, as Responsible Authority, reviews forms used by the District to
9 collect data on individuals and ensures that the District collects private or confidential data only
10 as necessary for authorized District purposes.

11
12 Only managers and employees of the District whose work for the District requires that they have
13 access to private or confidential data may access files and records containing such information.
14 Employee and manager' access is further governed by the following requirements:

- 15
- 16 ~~• Private or confidential data may be released only to persons authorized by law to access~~
17 ~~such data;~~
- 18 ~~• Private or confidential data must be secured at all times and not left in a location where~~
19 ~~they may be accessed by unauthorized persons;~~
- 20 ~~• Private or confidential data must be shredded before it is disposed of pursuant to the~~
21 ~~District's records retention policy.~~

22 When a contract with an outside entity requires access to private or confidential information
23 retained by the District, **the contracting entity is required by the terms of its agreement** with the
24 District to use and disseminate such information in a manner consistent with the DPA and the
25 District's Policies and Procedures for Public Access to Documents.

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Commented [CB24]: Only employees? Other people

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1 **Riley-Purgatory-Bluff Creek Watershed District**
2 **Appendix [4.2] - Private and Confidential Data – Rights of Data Subjects**

Commented [k1f125]: Add definition of public and private and confidential information

3 In accordance with the Minnesota Data Practices Act, Minnesota Statutes chapter 13 (DPA), the
4 following protocols and information are established by the Riley-Purgatory-Bluff Watershed
5 District (District). This information is provided to you, as the subject of private or confidential
6 data collected by the District to explain how (1) the District assures that all data on individuals
7 collected by the District are accurate, complete and current for the purposes for which they were
8 collected, and (2) to explain the security safeguards in place for District records containing data
9 on individuals.

9 **Rights to Access Government Data**

10 Minnesota law gives you, as the subject of private or confidential data collected by the District,
11 and all members of the public the right to see data collected and maintained by the District,
12 unless state or federal law classifies the data as not public. In addition, the DPA gives you and
13 all members of the public the right to have access to or, if you wish, to copy any public data for
14 any reason, as long as the data are not classified as not-public or copyrighted.

15 **You have the right to:**

Commented [CB26]: Are these required and are they up to date.

Commented [LS27]: Yes and all reflected in current statute.

Commented [k1f128R27]: Same questions and issues as in prior section

- 16 • be informed, upon request, as to whether you are a subject of District data and how that
17 data is classified;
- 18 • know what the District's procedures are for requesting government data;
- 19 • inspect any public data that the District collects and maintains at no charge;
- 20 • see public data that the District collects and maintains without telling the District who
21 you are or why you want the data;
- 22 • have public data that the District collects and maintains explained to you;
- 23 • obtain copies of any public District data at a reasonable cost to you;
- 24 • be informed by the District in writing as to why you cannot see or have copies of not-
25 public District data, including reference to the specific law that makes the data not-
26 public;
- 27 • receive a response from the District to a data request in a reasonable time.
- 28 • contest the accuracy and completeness of public or private data the District has on you
29 and appeal a determination by the District as to whether the data are accurate and
30 complete;
- 31 • to ask the District, if you are under 18 years old, to withhold information about you from
32 your parents or guardian;
- 33 • consent or revoke consent to the release of information the District has on you;
- 34 • release all, part or none of the private data the District has on you.

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1 **Security of Private and Confidential Data**

2 State law protects your privacy rights with regard to the information the District collects, uses
3 and disseminates about you. The data the District collects about you may be classified as:

- 4 • Public – anyone can see the information;
- 5 • Private – only you and authorized District staff can see the information;
- 6 • Confidential – only authorized District staff can see the information.

7 When the District asks to you provide data about yourself that are private, the District will give
8 you a notice called a Tennessee warning notice. This notice determines what the District can do
9 with the data collected from you and the circumstances under which the District can release the
10 data. The District will ask for your written permission before using private data about you in a
11 way that is different from what is stated in the Tennessee notice you receive. The District also
12 will ask for your written permission before releasing private data about you to someone other
13 than those identified in the notice.

14 State law requires that the District protect private and confidential data about you. The District
15 has established appropriate safeguards to ensure that your data are not inadvertently released or
16 wrongfully accessed. The District disposes of private, confidential and other not-public data in
17 accordance with its Records Retention Schedule, adopted July 2, 2014. Printed data are disposed
18 of by shredding or other method sufficient to prevent the data from being ascertainable.
19 Electronic data are destroyed or erased from media in a manner that prevents the data from being
20 accessed or read. Data-storage systems in District computers are erased in the process of
21 recycling.

22

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**Riley-Purgatory-Bluff Creek Watershed District
Appendix [4.2.1] - Data Practices Advisory / Tennessean Warning**

Some or all of the information you are being asked to provide on the attached form is classified by state law as either private or confidential data. Private data is information that generally cannot be given to the public, but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

Commented [CB29]: What is an example?

The Riley-Purgatory-Bluff Creek Watershed District's purpose and intended use of the information is:

You are / are not legally required to provide the information.

Your failure or refusal to supply the information will have the following consequences:

Other persons or entities who are authorized to receive the information include:

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Riley-Purgatory-Bluff Creek Watershed District
Appendix [4.2.3] - Consent to Release – Request from an Individual

Explanation of Your Rights

If you have a question about anything on this form, or would like more explanation, please talk to the Riley-Purgatory-Bluff Creek Watershed District administrator before you sign it.

I, *[name of individual data subject]*, give my permission for the Riley-Purgatory-Bluff Creek Watershed District to release data about me to *[name of other entity or person]* as described on this form.

1. The specific data I want the Riley-Purgatory-Bluff Creek Watershed District to release are *[explanation of data]*.

2. I have asked Riley-Purgatory-Bluff Creek Watershed District to release the data.

3. I understand that although the data are classified as private while in the possession of the Riley-Purgatory-Bluff Creek Watershed District, the classification/treatment of the data at *[name of other entity or person]* depends on laws or policies that apply to *[name of other entity or person]*.

This authorization to release expires *[date/time of expiration]*.

Individual data subject's signature _____

Date _____

Parent/guardian's signature *[if needed]* _____

Date _____

Riley-Purgatory-Bluff Creek Watershed District
Appendix [4.2.4] - Consent to Release – Request from a Government Entity

Explanation of Your Rights

You have the right to choose what data we release. This means you can let us release all of the data, some of the data, or none of the data listed on this form. Before you give us permission to release the data, we encourage you to review the data listed and described here.

You have the right to let us release the data to all, some, or none of the persons or entities listed on this form. This means you can choose which entities or persons may receive the data and what data they may receive.

You have the right to ask us to explain the consequences for giving your permission to release the data.

You may withdraw your permission at any time. Withdrawing your permission will not affect the data that we have already released because we had your permission to release the data.

If you have a question about anything on this form, or would like more explanation, please talk to the District administrator before you sign it.

I, *[name of individual data subject]*, give my permission for the Riley-Purgatory-Bluff Creek Watershed District to release data about me to *[name of other entity or person]* as described on this form. I understand that my decision to allow release of the data to *[name of other entity or person]* is voluntary.

1. The specific data that the Riley-Purgatory-Bluff Creek Watershed District may release to *[name of other entity or person]* are: *[description, explanation of data]*.

2. I understand the Riley-Purgatory-Bluff Creek Watershed District would release the data *[explanation of reason for the release]*.

3. I understand that although the data are classified as private at the Riley-Purgatory-Bluff Creek Watershed District, the classification/treatment of the data at *[name of other entity or person]* depends on laws or policies that apply to *[name of other entity or person]*. *[Include other known consequences.]*

This authorization to release the data expires *[date/time of expiration]*.

Individual data subject's signature _____

Date _____

Parent/guardian's signature (if data subject is a minor) _____

Date _____

Riley-Purgatory-Bluff Creek Watershed District
Appendix [4.3] - Records Retention Schedule

Adopted [date of adoptions]

All District records are created and retained in electronic forms, except that record series shaded below may be created and/or retained in hard copy form.

Administration

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|---|--|----------------------------------|
| Advisory and technical committees – agendas, minutes, reports, related documents | Retain 10 years, then may be transferred to state archives | Public | |
| Affidavits of publication a. General notices, including project public hearings b. Rules | a. Retain 6 yrs. b. Retain permanently | a. Public b. Public | |
| Agenda, board and committee meetings and workshops, meeting and workshop information packets | Retain 10 years, then may be transferred to state archives | Public | |
| Agreements and contracts, not otherwise scheduled herein | Retain 10 yrs. after paid and audited | Public | |
| Annual reports | Retain 10 yrs., then transfer to state archives | Public | |
| Attorneys' opinions a. Opinions of District legal counsel and correspondence relating thereto b. Official interpretation regarding questions of legal rights or liabilities affecting District | a. Retain permanently or transfer to state archives when no longer needed b. Retain 10 yrs., then transfer to state archives | a. Public b. Public/Private-nonpublic | a. b. 13.393 13.39 |
| Authority to dispose of records | Retain permanently | Public | |

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Commented [CB30]: Which of these are dictated from Statute - which ones are required?
 Can we do everything electronic?
 Invoices can the excel from receipts qualified

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| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|---|--|----------------------------------|
| Bids and Quotations a. Accepted, noncapital projects b. Rejected, noncapital projects | a. Retain 10 yrs. after completion of project b. Retain 6 yrs. | a. Public/nonpublic b. Public/protected nonpublic until all bids opened | a. 13.37 b. |
| Budgets – record copy | Retain permanently or transfer to state archives | Public | |
| Consultant Contracts | Retain 10 yrs. | Public | |
| Correspondence a. Constituents b. Municipalities/State Agencies c. Engineer d. Financial e. Transitory, such as electronic mail not in one of the above categories | a. Retain 6 yrs., then archive if documents historical b. Retain 6 years, then archive if historical c. Retain 10 yrs., then transfer to state archives d. Retain 5 yrs. then transfer to state archives e. Retain until read | Private/public | 13.37; 13.44 |
| Drafts, duplicates, notes and other documents that have not become part of an official transaction, not otherwise scheduled herein | Retain 2 yrs. | Public | |
| Governance a. Bylaws b. Policies | a. Retain permanently b. Retained only until superseded | a. Public b. Public | |
| Historical data and photographs | Retain permanently or transfer to state archives | Public | |
| Inventories – equipment supplies, etc. | Retain 10 yrs. | Public | |

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| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|---|----------------------------------|----------------------------------|
| Journal of Votes | Retain permanently | Public | |
| Lawsuits | | | |
| a. General | a. Retain 10 yrs. after settlement or resolution by court, administrative order and then transfer to state archives | a. Public/private | a. 13.30, 13.39 |
| b. Civil Lawsuits | | b. | |
| c. Criminal Lawsuits | | c. | |
| d. Attorneys' opinions, attorneys' briefs, testimony, depositions, correspondence, etc. | b. Retain 20 years after last activity c. Retain 2 years after last activity d. Retain 10 yrs., then archive | d. Public/private/and non-public | b. c. d. 13.393, 13.39 |
| Leases | Retain 10 yrs. after expiration of lease | Public | |
| Levy (tax) files – tax levies, related correspondence | Retain 5 yrs. then transfer to state archives | Public | |
| Membership association documents (MAWD, Metro MAWD, etc.) | Retain 3 yrs. | Public | |
| Minutes – Board and committee meetings and workshops; and materials presented or made available before, at and after said meeting or workshop | Retain permanently | Public | |
| Newsletters, press releases generated by the District | Retain 10 yrs. | Public | |
| Notices – official District meetings | Retain 6 yrs. | Public | |
| Public hearings records | Retain 6 yrs. or until recorded in minutes, do not archive | Public | |

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| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|---|-----------------------------------|--|
| Recordings a. Board meetings and workshops – audio recordings, closed meetings b. Board meetings and workshops – open | a. Tapes and other recordings may be discarded 3 yrs. after meeting; 8 yrs. or until purchase or sale is completed or abandoned for real estate negotiations. b. Tapes and other recordings may be reused or discarded 1 yr. after formal approval of written minutes by Board | a. Not public/public b. Public | a. 13D.05, subd. 3; 13.37 b. [is there a statutory reference ?] |
| Technical Information a. Printed material regarding the District b. Printed material not regarding the District | a. Retain 10 yrs., then transfer to state archives b. Discard when no longer needed | a. Public b. Public | |

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Real Estate

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|--|--|----------------------------------|
| Deeds | Retained until property is sold, then transfer to new owner; maintain copy permanently | Public | |
| Ditch records | Retain permanently | Public | |
| Easements a. Originals b. Temporary easements | a. Retained permanently and do not archive b. Discard after project completion or when no longer needed, whichever is later | a. Public b. Public | |
| Hazardous materials reports – phase I and II reports, leaking underground storage tank reports | Retain permanently | Public | |
| Property records (well records, building inspections, etc.) | Retain 20 yrs. after sale of property | Public | |
| Property surveys | Retain permanently | Public | |
| Transaction records | Retain 10 yrs. after sale of property | Public/ Confidential/ Protected Non-public | 13.44; 13.585 |

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Bonds

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|--|-----------------------|----------------------------------|
| Contractor license bonds, certificates of insurance, etc. | Retain 6 yrs. after completion of contract | Public | |
| Fidelity bonds – managers | Retain 6 yrs. after completion of service by manager | Public | |
| Performance and payment bonds | Retain 6 yrs. after completion of contract | Public | |
| Permit financial assurances – bonds, letters of credit | Retain 6 yrs. after permit closure ² | Public | |

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² Retain copy if original returned to provider.

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1 **Financial/Accounting**

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|--|--------------------------------|----------------------------------|
| Assessment rolls – copies of assessment rolls received from county auditor | Retained 6 yrs. after final payment | Public | |
| Audit reports | Retain permanently | Public | |
| Billing statements | Retain 6 yrs. | Public | |
| Bank statements – slips, bonds and reconciliations | Retain 6 yrs. | Public | |
| Budget expenditure reports | Retain permanently | Public | |
| Checks – paid and returned a. Accounts payable b. Payroll | a. Retain 6 yrs. b. Retain 6 yrs. | a. Public b. Public/private | |
| Receipt registers | Retain permanently, and not archived | Public | |
| Deposit slips | Retain 6 yrs. | Public | |
| General ledger – general, month-end | Retain permanently and do not archive | Public | |
| Investment documents – amounts invested and interest earned | Retain 4 yrs. after maturity | Public | |
| Payroll | Retain permanently | Public/private | 13.43 |
| Pension and retirement plan | Retain permanently | Public or private | |
| Purged accounts | Retain 6 yrs. (irrespective of audit) | Public | |
| Receipts and receipt books | Retain 6 yrs. and do not archive | Public | |
| Staffing lists | Retain 6 yrs. | Public | |
| Time sheets | Retain 6 yrs. | Public/Private | 13.43 |
| W-2 statements | Retain 6 yrs. | Public/Private | 13.43 |
| W-4 statements | Retain until replaced | | |
| Workers' compensation reports | Retain 20 years | Public/Private | 176.231 |
| 1099 statements | Retain 6 yrs. | Public/Private | 13.43 |

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1 **Insurance**

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|--|------------------------|----------------------------------|
| Insurance – automobile, fire or other perils, property, public officials, general liability, umbrella liability | Retain 6 yrs. after expiration | Public | |
| Workers’ compensation a. Claim register b. Policies | a. Retain permanently b. Retain 6 yrs. after expiration | a. Public b. Public | a. 176.231 |

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1 **Permits**

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|---|-----------------------|----------------------------------|
| Applications – permits | Retain 10 yrs., then transfer to state archives | Public | |
| Correspondence – relating to permits | Retain 10 yrs., then transfer to state archives | Public | |
| Engineer’s reports | Retain 10 yrs., then transfer to state archives | Public | |
| Inspectors’ reports – includes reports, inspectors’ documents relating to permit inspections | Retain 10 yrs., then transfer to state archives | Public | |
| Permit financial assurances – bonds, letters of credit | Retain 6 yrs. after permit closure | Public | |
| Permits | Retain permanently | Public | |
| Plans | Retain permanently | Public | |

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1 **Personnel**

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|--|-----------------------|----------------------------------|
| Affidavit of publication for job opening | Retain 2 yrs. | Public | 13.43 |
| Affirmative action files | Retain permanently | Public/Private | 13.39, 13.43 |
| Applications for employment – not hired | Retain 1 yr. | Public | |
| Personnel policies and procedures, administrative policies | Retain permanently | Public | |
| Employment contracts | Retain 5 yrs. after expiration | Public | |
| Equal employment opportunity reports, summary date | Retain 3 yrs. | Public | |
| Examination file – completed examinations | Retain 2 yrs. | Private | 13.43 |
| Employee medical records | Retain 5 yrs. after separation from District | Public/private | 13.43 |
| Family Medical Leave Act documents | Retain 3 yrs. in medical file, not in employee personnel file | Private | 13.43 |
| Grievance file | Retain 5 yrs. after separation, not in employee personnel file | Public/private | 13.43 |
| Job descriptions | Retain until superseded | Public | |
| Personnel files – applications, accident reports, background check results, citations, personal history, employee references, attendance, disciplinary actions, performance evaluations, letters of appointments or promotion, termination or resignation | Retain 5 yrs. after separation | Public/private | 13.43 |
| Payroll record – master copy | Retain permanently | Public/private | 13.43 |
| Unemployment claims, compensation | Retain 6 yrs. | Public/private | 13.43 |
| Background check results – not hired | Retain 30 days | Nonpublic | 13.87 |

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Projects

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|---|--|------------------------|----------------------------------|
| Board documents – resolutions, findings, conclusions | Retain 10 yrs., then transfer to archives | Public | |
| Contracts a. Petitioned projects b. Nonpetitioned projects | a. Retain permanently b. Retain 10 yrs., then transfer to state archives | Public | |
| Correspondence | Retain 10 yrs., then transfer to state archives | Public | |
| Engineer’s reports and related documents | Retain 10 yrs., then transfer to state archives | Public | |
| Petitions (for projects) | Retain 10 years, then transfer to state archives | Public | |
| Property surveys | Retain permanently | Public | |
| Public hearing documents – non-petitioned projects | Retain 10 yrs., then transfer to state archives | Public | |
| Public hearing documents – petitioned projects a. notices, written testimony, audio b. Related public hearing documents | a. Retain 6 yrs. or until recorded in minutes; do not archive b. Retain 10 years and do not archive | a. Public b. Public | |

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Programs

| <i>Name – Description</i> | <i>Retention, Archiving Instructions</i> | <i>Classification</i> | <i>State Statutory Reference</i> |
|--|---|-------------------------------------|----------------------------------|
| Water quality, lake elevation, stream-flow a. Field notes and raw data b. Final reports | a. Retain until final report completed b. Retain permanently or transfer to state archives | Public | |
| Public opinion surveys | Retain permanently or transfer to state archives | Public | |
| Plans a. Watershed management plans b. Local water management plans c. Program plans and work plans – approved by Board | a. Retain permanently or transfer to state archives b. Retain until updated c. Retain 6 yrs. And do not archive | a. Public b. Public c. Public | |
| Rules – District approved | Retain permanently | Public | |

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1 **Riley-Purgatory-Bluff Creek Watershed District**

2 **Appendix [5] - Policy for Management of Permit Fees, Financial Assurances and Abandoned**
3 **Property**

4 Adopted [July 2, 2014]

5 Effective as of [date of rules]

6 The Riley-Purgatory-Bluff Creek Watershed District (District) adopted rules requiring permits
7 prior to engaging in certain activities within the District's boundaries (the "Permitting Rules").
8 As authorized by state law and the District's Permitting Rules, the District receives fees (Permit
9 Fees) from applicants to reimburse the District for the costs of processing and administering
10 permits required by the District's Permitting Rules. The District also receives bonds, letters of
11 credit and cash deposits (checks) as financial assurances to secure the permittee's compliance
12 with the terms and conditions of their Permit (Financial Assurances). To ensure that such
13 Financial Assurances are managed in accordance with sound financial practices and state law
14 governing local government financial practices and management of abandoned property, the
15 District establishes the following policy and protocols for the management of Financial
16 Assurances and Permit Fees.

- 17
- 18 1. **Permit Fee payments.** The District will accept and process the payment of Permit Fees
19 in accordance with District rules and the following protocols.
- 20 a. The District will not accept physical cash in payment of permit fees.
- 21 b. Checks received by the District in payment of permit fees will be deposited within
22 5 business days of receipt.
- 23 c. Payment by check will be deemed made only upon the irrevocable clearance of
24 the check by the financial institution upon which it was drawn.
- 25 d. Permit Fees may be paid by wire transfer to the District's designated bank
26 account.
- 27 2. **Financial Assurance deposits.** The District will accept money paid in the form of a
28 check or wire transfer of immediately available funds, but no physical cash, as all or part
29 of any Financial Assurances. In addition, the District may accept performance bonds and
30 letters of credit with terms satisfactory to the District. Upon receipt of any Financial
31 Assurances, the District shall catalogue and maintain Financial Assurances in accordance
32 with the following protocols:
- 33 a. Financial Assurances received by the District will be logged in the Financial
34 Assurance Log created for such purposes maintained at the District's offices. The
35 Financial Assurance Log will include, at a minimum, the following information:
- 36 i. Permit number for which the financial assurance instrument is provided;
- 37 ii. Name of the permittee provider;
- 38 iii. Name of the issuer or surety of each bond and letters of credit;
- 39 iv. Amount of each form of Financial Assurances provided;
- 40 v. Expiration date, if any, of the Financial Assurance;
- 41 vi. Location of the any bond, letter of credit or other document or instrument
42 provided as a Financial Assurance

1 vii. The depository of any money received as all or part of a Financial
2 Assurance.

3 b. Original Financial Assurance instruments will be deposited for safekeeping at a
4 location designated annually by the District’s Board.

5 c. When the Permittee provides money as all or part of its Financial Assurance
6 requirement, the Permittee shall enter into a “cash escrow agreement” with the
7 District, substantially the form attached hereto as Exhibit [2.b], that specifies the
8 terms and conditions under which the District accepts and holds the funds in
9 escrow, as well as the circumstances under which the District may use the
10 escrowed funds. The administrator is authorized to execute such cash escrow
11 agreement on behalf of the District. All payments of money, as all or part of the
12 Financial Assurances shall be paid in the form of a check wire transfer of
13 immediately available funds. No money paid by check will be deemed received
14 as all or part of any required Financial Assurances unless and until the check by
15 which such payment is made has irrevocably cleared the financial institution upon
16 which it was drawn.

17 d. Permit approval may be revoked for failure to comply with this requirement,
18 including if a check or transfer is withdrawn, reversed or revoked or otherwise
19 nullified by the entity on which such checks are drawn or which initiated such
20 transfer.

21 e. No check or wire transfer of any money will be accepted by the District to serve
22 as a Financial Assurance until District staff has verified receipt of an associated
23 executed cash escrow agreement, specifying the required deposit amount and
24 permit to be secured by the escrow. The check must be in the amount specified in
25 the associated cash escrow agreement and must bear the number of the District
26 permit(s) to be secured.

27 f. Checks received by the District as financial assurances will be deposited in an
28 account at a depository institution designated by the Board designated by the
29 administrator exclusively for money paid as all of part of a Permittee’s required
30 Financial Assurance. Such deposit shall be made within 5 business days of the
31 later of the receipt of the money by the District, or the District’s receipt of the
32 requisite cash escrow agreement duly signed by the Permittee.

33 3. **Maintenance of valid Financial Assurances.** To ensure that the District has the
34 capacity to assure compliance with its rules and protect the District’s water resources in
35 the event of noncompliance with permit conditions and/or rules, District staff will follow
36 the protocols below to ensure that Financial Assurances remain valid and enforceable:

37 a. District compliance with the protocols in this section is the responsibility of the
38 District administrator.

39 b. The administrator will maintain the Financial Assurance Log.

40 c. The administrator will review the Financial Assurance Log monthly to ensure the
41 continuing validity of financial assurances provided for active permits by
42 identifying bonds and letters of credit that will expire within the ensuing 90 days.

43 d. The administrator will determine – in the course the administrator’s monthly
44 review of the Financial Assurance Log, whether replacement of a Financial
45 Assurance is needed for a particular Permit, and, if so, alert the Permittee to the

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1 need to provide a replacement instrument at least 60 days prior to the expiration
2 of the existing instrument.

- 3 e. If deemed necessary in response to a permittee's unwillingness or inability to
4 provide a replacement financial assurance, the administrator will contact counsel
5 at least 30 days prior to the expiration of the financial assurance to initiate
6 procedures to draw on the existing financial assurance.
- 7 f. The administrator will ensure that proper authorization for a financial assurance
8 draw is secured in a timely manner, with a priority on the protection of District
9 water resources.

10 4. **Return of Financial Assurances.** Financial Assurances, consisting of instruments will
11 be returned in accordance with applicable District rules, including sections 5.5 and 12.4
12 thereof.

- 13 a. The administrator will monthly designate Financial Assurances consisting of
14 instruments that may be returned in whole or in part to the issuer thereof, or the
15 Permittee) and, upon receipt of any necessary or appropriate or required
16 documentation, take such steps necessary or appropriate to return such
17 instruments.
- 18 b. Financial Assurances consisting of monetary deposits with the District shall be
19 returned by issuing a check drawn on the appropriate financial account of the
20 District payable to the Permittee or such other person as they designated in the
21 cash escrow agreement relating thereto.
- 22 c. The administrator will maintain record of returned financial assurances in the
23 Financial Assurance Log and retain a copy of original financial assurance
24 documents in compliance with the District records retention schedule.
- 25 d. The administrator shall obtain an acknowledgement of receipt for any returned
26 Financial Assurance substantially in the form attached hereto as Exhibit [4.d.].

27 5. **Abandoned property procedures.** State law imposes requirements applicable to any
28 intangible asset in the District's possession that remains unclaimed for three years or
29 more after the asset is no longer needed for District purposes (e.g., three years after a
30 permitted project is completed and the associated financial assurance becomes eligible
31 for release in accordance with District rules). To ensure compliance with abandoned-
32 property requirements, the District establishes the following protocols.

- 33 a. The District will annually assess whether cash escrows remain on deposit after
34 completion of the applicable permitted work and attempt to return them. For cash
35 escrows that have been in the District's possession for three years or more,
36 unclaimed by the owner, staff will commence unclaimed property return
37 procedures as follows.
 - 38 i. By July 1 of each year, District staff will take reasonable steps to notify
39 owners by mail of unclaimed property. A letter should be sent to all
40 known addresses on file for the owner, notifying owner of the amount still
41 held by the District and describing steps necessary to claim the property.
42 Staff need not send such a letter if documentation in the District's
43 possession indicates that the address(es) it has for the owner are
44 inaccurate.
 - 45 ii. If the owner cannot be found, the Financial Assurances are deemed legally
46 abandoned and the District will remit them to the Minnesota

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Commissioner of Commerce, along with the report required by **Minn. Stat. § 345.41**, as may be amended, containing information on the identity of the owner of the unclaimed assets in the District's possession, a description of the assets, the date the assets became payable or returnable to the owner and any other information that may be required by the commissioner. Formatting and filing of the report will be in compliance with Department of Commerce guidance.

- iii. On or before October 31 of each year, the required report, verified by the administrator, should be filed with the commissioner and all assets unclaimed as of the preceding June 30 should be remitted to the commissioner, and a copy of such report shall be provided to the Board.
- iv. The District may deduct a service charge from the unclaimed assets remitted to cover costs of attempting to locate an owner and, if necessary, reporting and paying the unclaimed funds to the commissioner only if the escrow provider has agreed to the deduction of such charges.

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Appendix [5.1]
CASH ESCROW AGREEMENT

**Between the Riley Purgatory Bluff Creek Watershed District
and _____**

This agreement is entered into by and between the Riley Purgatory Bluff Creek Watershed District, a watershed district under Minnesota Statutes chapters 103B and 103D (RPBCWD), and _____, a _____ (Permittee), to establish a cash escrow in fulfillment of financial assurance requirements under RPBCWD permit no. _____ effective as of date the last of the parties to sign this agreement signs this agreement

Recitals

- A. Pursuant to Minnesota Statutes section 103D.345, the RPBCWD has adopted and implements rules governing development and other activity within the boundaries of the RPBCWD that may have an impact on water resources.
- B. RPBCWD rules require that as a condition of permit approval a permittee must provide and maintain a financial assurance in the form of a bond, letter of credit or cash escrow for the purpose of covering costs the RPBCWD may incur in monitoring and inspecting activity under the permit and in responding, if necessary, to violations of a watershed statute or RPBCWD rule, permit or order.
- C. This agreement documents that a cash escrow has been submitted by Permittee or on Permittee's behalf to fulfill a financial assurance obligation under permit no. _____ and specifies the conditions and procedures under which the RPBCWD will hold and may draw on the escrow. Permittee and the RPBCWD, in executing this agreement, concur that it is legally binding.

Agreement

1. Permittee has submitted a cash escrow in the amount of \$ _____. The RPBCWD will hold the escrow in an escrow account where it may be commingled with escrow funds held by the RPBCWD on behalf of parties other than Permittee. The RPBCWD need not hold the funds in an interest-bearing account and Permittee will not be entitled to interest on the escrow. If the escrow is submitted in a form other than cash and the escrow amount is not credited promptly to the RPBCWD account, the RPBCWD may declare this agreement null and void by written notice to Permittee.
2. Unused escrowed funds will be released to Permittee and additional escrow funds will be submitted by Permittee or on Permittee's behalf in accordance with the RPBCWD rules and duly adopted resolutions and policies of the RPBCWD Board.
3. Escrow funds will become the sole property of the RPBCWD, and Permittee agrees to relinquish all legal and equitable interest therein, as follows:
- a. The RPBCWD may invoice Permittee for permit review, compliance monitoring and other eligible costs in accordance with duly established RPBCWD procedures.
 - b. If after notice and opportunity to be heard the RPBCWD finds violation of a watershed statute or RPBCWD rule, permit or order, the RPBCWD may give written notice to Permittee. The notice will describe the violation and the action required to correct it. If within twenty (20) days

Commented [CB31]: Make sure this is the most current?

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Can we tie this to the form on the website

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1 of notice delivery the violation has not been corrected and arrangements acceptable to the
2 RPBCWD have not been made, without further notice the RPBCWD may take steps it deems
3 reasonable to correct the violation, and may have access to the property during reasonable times
4 for that purpose, provided that the RPBCWD will give 24 hours' notice before entry and exercise
5 due care to avoid unnecessary disturbance or damage to the property. If the RPBCWD finds that
6 entry is required to address an occurring or imminent threat to water resources, it may enter and
7 correct without prior hearing or opportunity to cure, but only to the extent reasonably necessary to
8 address the threat.

9 c. The RPBCWD may invoice Permittee for reasonable costs incurred for activity under
10 paragraph 3b. If payment is not made within 30 days, the RPBCWD may transfer funds from the
11 escrow account into RPBCWD accounts and credit Permittee accordingly.

12 4. Escrow funds submitted hereunder are submitted to secure the performance of Permittee under permit
13 no. _____. If the permit is issued, and if the Permittee and any agent, employee or contractor
14 well and faithfully performs all activities and things undertaken and authorized by permit no. _____ in
15 compliance with all applicable laws, including applicable statutes, rules, permit conditions, orders,
16 agreements and stipulations of the RPBCWD, and pays, when due, all fees or other charges required by
17 law, including all costs to the RPBCWD of administering and enforcing the terms of the above-stated
18 permit and this agreement, including reasonable attorneys' fees, then on written notification to the
19 RPBCWD of same and the RPBCWD's confirmation thereof, the RPBCWD will release the escrowed
20 funds to Permittee.

21
22 5. All obligations of the RPBCWD under this agreement in holding and using the escrow funds are to
23 Permittee only. Nothing in this agreement creates any right in any third party as against the RPBCWD or
24 in any way waives or abridges any immunity, defense or liability limit of the RPBCWD. Permittee
25 indemnifies the RPBCWD for any claim, liability or cost the RPBCWD incurs as a result of a party other
26 than Permittee asserting ownership in or a right to the escrow funds or any party thereof. Permittee will
27 not assign or purport to assign any interest in the escrow funds or this agreement to any third party, except
28 in conjunction with a transfer of Permittee's permit approved in writing by the RPBCWD.

29
30 6. Nothing in this agreement affects Permittee's legal right, if any, to appeal a finding of violation or seek
31 a legal determination of the purposes to which the RPBCWD may use the escrow funds.

32
33 7. The Permittee agrees that, should the escrow funds submitted hereunder remain unclaimed by the
34 Permittee or his successor in interest so as to become "abandoned property" as that term is defined in
35 Minnesota law, the RPBCWD may assess a service charge from the unclaimed assets to cover costs of
36 attempting to locate the Permittee or his successor in interest and, if necessary, reporting and paying the
37 unclaimed funds as required by law.

38
39 8. This agreement is effective on the signature of the parties and terminates when the RPBCWD releases
40 the escrow or declares the agreement null and void under paragraph 1, above. The agreement may be
41 amended only in a writing signed by the parties. An increase or decrease in the amount of escrow funds
42 held by the RPBCWD for permit no. _____ does not constitute an amendment.

43
44 9. Notice to Permittee under this agreement is effective when sent by certified mail to Permittee's address
45 as stated in the permit application or such other address as Permittee subsequently has notified the
46 RPBCWD in writing. The laws of the State of Minnesota will govern any legal proceeding concerning
47 this agreement. Venue for any such proceeding will be in the county where the real property that is the
48 subject of this agreement is located. The recitals are incorporated as a part of this agreement.

1 IN WITNESS WHEREOF, the parties hereto have executed this agreement.

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RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT

By _____ Date: _____
Administrator

PERMITTEE

By: _____ Date: _____
[print name here]: _____
as _____ of Permittee.

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**Appendix [5.2]
ESCROW PROVIDER ACKNOWLEDGEMENT & RELEASE**

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2

The undersigned acknowledges having received and understood the agreement to which this acknowledgement is attached. By signing, the undersigned agrees to hold the Riley Purgatory Bluff Creek Watershed District (RPBCWD) harmless from and releases any and all claims the undersigned may have to the funds or any part thereof provided to the RPBCWD for the purposes described in and under the terms of the agreement.

8

9

10 Acknowledged, intending to be legally bound:

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_____ Date:
By: *[print name]*
Title _____
Company _____

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Riley-Purgatory-Bluff Creek Watershed District
Appendix [6] - Public Purposes Expenditures Policy

4 Adopted as amended [_____]
5

6 Minnesota law mandates that governmental entities make expenditures only for public purposes
7 and only as authorized to accomplish the purposes for which the entity was created. Minnesota
8 law also requires that managers and employee be reimbursed for reasonable expenses incurred in
9 performing their duties. Accordingly, the District shall pay the reasonable ordinary and
10 necessary expenses incurred by a manager or employee in the performance of their duties
11 including but not limited to travel, lodging, meals and appropriate incidental expenses related to
12 the performance of official District functions as required by applicable law including but not
13 limited to Minnesota Statutes (Minn. Stat.) § 103D.315, subd. 8. To that end, the Riley-
14 Purgatory-Bluff Creek Watershed District (District) establishes the following policy and
15 protocols t. The District administrator will be responsible for the implementation of this policy
16 and associated protocols. Except as otherwise provided herein, expenditures must be approved in
17 advance by the District’s administrator (the “administrator”) (for employees) or the District’s
18 Board (the “Board”) (for managers and the administrator) and must be directly related to the
19 performance of District functions. In no event shall the District reimburse expenses for alcoholic
20 drinks, or illegal substances.
21

Commented [klf134]: Should we set a per diem for food and beverage - e.g. Federal or state gov per; diems?

22 1. **Travel. T**

- 23 a. *Mileage.* An employee or manager will be reimbursed for mileage expenses
24 incurred when using the employee’s or manager’s personal vehicle to conduct
25 District business. Mileage will be reimbursed at the highest tax-deductible
26 mileage rate set by the federal Internal Revenue Service for the date of travel (the
27 “IRS Rate”) unless the Board by specific action sets a lower rate. Mileage
28 expenses need not be approved in advance, but mileage expenses will be
29 reimbursed only when accompanied by documentation of the date, number of
30 miles traveled, purpose and destination(s). Mileage for employee commuting to
31 and from the District offices will not be reimbursed. Whenever possible, an
32 employee shall use a vehicle owned or leased by the District where travel is
33 needed in the performance of an employee’s duties.
- 34 b. *Overnight in-state travel.* Expenses eligible for reimbursement include:
- 35 i. Registration for workshops, conferences, seminars and other events
36 pertaining to District business;
 - 37 ii. Mileage as provided in paragraph a above when using a personal vehicle.
 - 38 iii. Parking
 - 39 iv. Meals;
 - 40 v. Gratuities for meals, maid service and parking assistance (15 percent of
41 expenses incurred);
 - 42 vi. Lodging;
 - 43 vii. Other actual expenses.

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1 c. *Overnight out-of-state travel.* All out-of-state travel must be approved in advance
2 by the Board of Managers. In determining whether to approve out-of-state travel,
3 the Board will give particular consideration to whether representation from the
4 District has been requested by a state or federal governmental office or other host
5 entity whose purpose or work particularly relates to the District's purposes,
6 projects or programs. If two or more managers or staff travel together by car,
7 only the driver will receive reimbursement. – Expenses eligible for
8 reimbursement include:

- 9 i. Round-trip coach-class (or lesser-cost) airfare;
- 10 ii. Registration for workshops, conferences, seminars and other events
11 pertaining to District business;
- 12 iii. Mileage as provided in paragraph a above when using a personal vehicle.
- 13 iv. Parking
- 14 v. Meals;
- 15 vi. Gratuities for meals, maid service and parking assistance (15 percent of
16 expenses incurred);
- 17 vii. Lodging;
- 18 viii. Other actual expenses.
- 19 ix. expenses.

- 20 2. **Employee and manager training.** The District may pay reasonable registration, tuition,
21 travel and incidental expenses (including lodging and meals) for education, development
22 and training when expenditures are directly related to the performance of duties.
23 Expenditures must be approved in advance by the administrator (for employees) or Board
24 (for managers and the administrator), provided that the Board may approve any
25 expenditures for which advanced approval was not obtained when there was insufficient
26 time to obtain such approval in advance. No training may be approved if the amount of
27 expenditures will cause the aggregate amount expended for such training to exceed the
28 budget for training for the calendar without the approval of the Board. Each staff person
29 attending such training shall provide a copy of all materials obtained in connection with
30 the training to the administrator and shall submit a written. Each person attending such
31 training shall report on the purpose of the training, the skills and knowledge obtained as a
32 result of the training, recommendations for implementation of any skills or knowledge
33 obtained as well as, and recommendations on the value of future attendance of such
34 training. The administrator shall maintain a log of training paid for by the District and
35 include a report on staff and manager training in the monthly staff report. Similarly, the
36 administrator and each manager attending such training shall make all materials obtained
37 in connection with the training available to the administrator and other managers and
38 shall submit a report on the purpose of the training, the skills and knowledge obtained as
39 a result of the training, recommendations for implementation of any skills or knowledge
40 obtained as well as the value of future attendance at such training.
- 41 3. **Safety and health programs.** The District may pay for safety and health programs that
42 promote healthier and more productive employees and reduce costs to watershed
43 taxpayers, including costs associated with workers' compensation and disability benefits
44 claims, insurance premiums and lost time resulting from employee absences.
45 Expenditures for safety and health programs employees included in the District budget

Commented [klf135]: District should have a written policy on training, who, what, why criteria and benefit to District; perhaps a standard form.

1 must be approved **in advance** by the administrator. Expenditures for managers and the
2 administrator must be approved in advance by the Board.

- 3 4. **Manager and employee recognition and appreciation.** The District may pay for
4 programs that recognize managers and employees for significant contributions to the
5 District's performance and demonstrated commitment to the District's effective and
6 efficient fulfillment of its purposes in accordance with an annual plan and budget for such
7 events, approved by the Board. The District may pay for occasional manager and
8 employee appreciation events or activities conducted in accordance with an annual plan
9 and budget for such events, approved by the Board. No expenditure for manager or
10 employee recognition will be made under this policy unless and until the structure,
11 purposes and criteria for recognition are approved by the Board.

12 a. The District will not pay employees direct non-salary payments (i.e., bonuses)
13 except as conditioned on achievement of performance goals specified in a written
14 employment agreement.

- 15 5. **Food and beverages.** The District may pay for food and beverages when necessary to
16 ensure meaningful, efficient and effective participation of employees, managers or the
17 public in activities, events and functions directly related to District purposes. Events and
18 functions directly related to District purposes be allowed include but are not limited to:

19 a. Food and/or beverages provided as part of a structured agenda of a conference,
20 workshop, work session, outreach meeting or seminar, when the topic or subject
21 of which relates to the official business of the District and the majority of the
22 participants are not District employees or managers;

23 b. Food and/or beverages may be provided as part of a workshop or formal meeting
24 primarily for District employees or managers where food and/or beverages are
25 necessary to facilitate the conduct of the meeting, to ensure continuity and support
26 the participation of employees, managers and other participants. Examples of
27 potential qualifying events include:

- 28 i. An extended planning or operational analysis meeting;
29 ii. An extended meeting to develop long-term strategic plans;
30 iii. A structured training session for employees generally; or
31 iv. Official meetings of the District Board, a committee, task force or
32 advisory group.

33 c. Food and/or beverages may be provided for occasional employee or manager
34 recognition and appreciation events and activities, when approved by the Board in
35 accordance with a District employee recognition and appreciation plan and
36 budget.

37 d. The District may pay for food and/or beverage expenses incurred in connection
38 with a meeting or event attended by employees and/or managers, the primary
39 purpose of which is to discuss, negotiate or evaluate a plan, program, project or
40 other endeavor directly related to District purposes.

41 e. District meetings, workshops and training sessions shall be scheduled to avoid the
42 need to provide food whenever possible.

- 43 6. **Outreach and stakeholder involvement.** The District may pay for community and
44 stakeholder outreach and involvement programs to ensure that efficient and effective
45 District programs, projects and meetings are conducted to gather public and

1 intergovernmental input and participation in District planning, research, rulemaking and
2 program or project design.

- 3 7. **Membership, donations.** The District may pay for membership in the Minnesota
4 Association of Watershed Districts in accordance with **Minn. Stat. § 103D.335**,
5 subdivision 20. The Board may approve the expenditure of District funds for
6 membership in other professional organizations if the organization is an association of a
7 civic, educational or governmental nature and its activities are directly related to District
8 purposes or the improvement of District operations. District funds may not be donated to
9 any professional, technical or charitable organization, person or private institution. The
10 District may contract for services rendered by such organizations.

- 11 8. **Protocols.** The following protocols are established to ensure compliance with above
12 policies:

- 13 a. For employees other than the administrator, the written approval of the
14 administrator must be secured prior to an event or activity to qualify as a District
15 expenditure.
16 b. All invoices or reimbursement requests must include or be accompanied by a
17 copy of the administrator's written approval and must include itemized receipts or
18 other appropriate documentation of expenses incurred. Documentation also must
19 include the date the expense(s) were incurred, location, purpose, participating or
20 attending individuals and relevant affiliation, explanation of the need for food
21 and/or beverage for the meeting, event or activity, and any other relevant
22 information.
23 c. Copies of all documentation specified herein will be recorded and maintained in
24 accordance with the District records retention policy.
25 d. No expenditure shall be made which will cause the aggregate expenditures in the
26 budget category which covers such expenditures to exceed the budget for that
27 category without authorization by the Board.

- 28 9. **Use of District property**

- 29 a. District property, including but not limited to computers, phones, fax machines
30 and other office equipment, will be used exclusively for District business, except
31 for incidental personal use by District staff that does not interfere with or impede
32 the conduct of District business to any substantial degree.
33 b. District property must be used for only its intended purposes.
34 c. The administrator may not dispose of any District property with a value of more
35 than \$1,000 without prior authorization of the Board.

- 36 10. **Miscellaneous.**

- 37 a. The District administrator will secure an approval described above for expenses
38 he or she will incur from the president of the Board, except that the administrator
39 may approve or pay expenses for District-conducted programs, events and
40 activities.
41 b. The District will not pay for alcoholic beverages under any circumstances.
42
43

1 **Riley-Purgatory-Bluff Creek Watershed District**

2 **Appendix [7] - Fund Balance Policy**

3 Adopted as amended [date of adoption]

4 **I. Purpose**

5 Pursuant to Statement No. 54 of the Governmental Accounting Standards Board concerning fund
6 balance reporting and governmental-fund type definitions, and the recommendation of its
7 auditor, the Riley-Purgatory-Bluff Creek Watershed District (the "District") hereby establishes
8 specific guidelines the District will use to maintain an adequate fund balance to provide for cash-
9 flow requirements and contingency needs because major revenue, most notably half of the
District's annual levy, is received in the second half of the District's fiscal year.

10 This policy also establishes specific guidelines the District will use to classify fund balances into
11 categories based primarily on the extent to which the District is legally required to expend funds
12 only for certain specific purposes.

13 **II. Classification of Fund Balances, Procedures**

14 **1. Nonspendable**

- 15 • This category includes funds that cannot be spent because they either (i) are
16 not in spendable form or (ii) are legally or contractually required to be
17 maintained intact. Examples include inventories, prepaid amounts, and
18 Financial Assurances other than cash deposits.

19 **2. Restricted**

- 20 • Fund balances are classified as restricted when constraints placed on those
21 resources are either (i) externally imposed by creditors, grantors, contributors,
22 or laws or regulations of other governments or (ii) imposed by law through
23 constitutional provisions or enabling legislation. Examples include: ??

24 **3. Committed**

- 25 • Fund balances that can only be used for specific purposes pursuant to
26 constraints imposed by action of the District's board of managers (the
27 "Board"). The committed amounts cannot be used for any other purpose
28 unless the District removes or changes the specified use by taking the same
29 type of action it employed to commit those amounts.
- 30 • The Board will annually or as deemed necessary commit specific revenue
31 sources for specified purposes by resolution. This action must occur prior to
32 the end of the reporting period, but the amount to be subject to the constraint
33 may be determined in the subsequent period.

Commented [klf136]: What are examples? Grants? What about financial assurances?

Commented [klf137]: What are examples? Are the budget items committed? Budget categories?

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- The Board may remove a constraint on specified use of committed resources by resolution.

4. **Assigned**

- Amounts for which a specified purpose has been stated, but are neither restricted nor committed. Assigned fund balances include amounts that are intended to be used for specific purposes.
- Only the Board has the authority to assign and remove assignments of fund balance amounts for specified purposes.

5. **Unassigned**

- A residual classification that includes amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes.

6. **Other Principles and Procedures**

- *Working capital.* The District will endeavor to maintain an unassigned fund balance of an amount not less than 50 percent of the next year's budgeted expenditures for working capital. This will assist in maintaining an adequate level of fund balance to provide for cash-flow requirements and contingency needs because major revenues, including property taxes and other government aids are received in the second half of the District's fiscal year.
- A negative residual amount may not be reported for restricted, committed, or assigned fund balances.

III. Monitoring and Reporting

The administrator will each month, monitor the status of fund balances in relation to this policy. The administrator will, within thirty days after the end of each quarter and annually (in conjunction with the annual audit report to the State of Minnesota) prepare a report on the status of fund balances in relation to this policy and present the report to the Board at the next regular meeting of the Board.

IV. Priority Use of Funds

When both restricted and unrestricted resources are available for use, it is the District's general policy to first use restricted resources, then use unrestricted resources as needed. When committed, assigned or unassigned resources are available for use, it is the District's general policy to use resources in the following order; 1) committed 2) assigned and 3) unassigned.

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Commented [k1f140]: What is an example? Cash in excess of the foregoing categories?

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1 **Riley-Purgatory-Bluff Creek Watershed District**

2 **Appendix [8] - Internal Controls and Procedures for Financial Management**

3 Adopted [date of adoption]

4 This policy is adopted to provide the Riley-Purgatory-Bluff Creek Watershed District (District)
5 with written internal controls and procedures for financial management. Adherence to this
6 policy and procedures will ensure that the District's finances are managed in accordance with
7 generally accepted accounting principles and best practices, and will minimize District
8 administrative costs.

- 9 I. **Annual budget.** The District's administrator annually develops a proposed budget for
10 presentation to the Board for review. After adjustments as directed by the Board, the
11 District schedules and issues appropriate notice for a public hearing on the proposed
12 budget. Following the public hearing but before September 15 each year, the Board
13 adopts the annual budget and certifies it to the Hennepin County auditor.
 - 14 a. Amounts in any approved budget category may not be reallocated or exceeded by
15 more than 5 percent of the approved budget for such category without approval of
16 the Board.
 - 17 b. Actual expenditures may not materially deviate from the amount in an approved
18 budget category.

19 II. **Annual financial statements protocols.** Annual year-end financial statements are
20 prepared by the District's accountants and reviewed and finalized by the District's
21 administrator and Treasurer with the assistance of the District's accountant. After
22 finalization of the year-end financial statements, the final financial statements are
23 presented to the Board for acceptance and if accepted by the Board are submitted to the
24 District's auditors appointed by the Board for the purpose of auditing the year-end
25 financial statements as required by Minn. Stat. § 103D.355. After the annual financial
26 statements are accepted by the Board, they shall be submitted to the Board of Water and
27 Soil Resources and the Office of the State Auditor within 180 days of the end of each
28 fiscal year.

- 29 a. In preparation for the annual audit of the District's year-end financial statements
30 for the preceding calendar year, the administrator prepares the following
31 documents: and submits them (or copies thereof) to the District's auditor:
 - 32 i. Approved budgets and all budget amendments;
 - 33 ii. Detailed general ledger (through year-end);
 - 34 iii. Bank statements and reconciliations thereof;
 - 35 iv. Disbursements and receipts;
 - 36 v. Tax (levy) settlements from Hennepin County;
 - 37 vi. The Certification of the tax levy for such year;
 - 38 vii. List of accounts payable and copies of signed checks;
 - 39 viii. Grant and other funding agreements;
 - 40 ix. List of capital assets, showing all deletions and additions, date of
41 acquisition and original cost basis;
 - 42 x. All invoices;
 - 43 xi. Approved minutes.

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- 1 xii. Such other information as the auditor request in connection with
2 the audit and the preparation of the audit report.
- 3 b. The auditors audit the year-end financial statements and perform such other
4 activities as required by the Minnesota State Auditor and engage with the
5 administrator and Treasurer regarding any questions or issues arising in the course
6 of the audit. Any management discussion and analysis required in connection
7 with the audit is prepared by the administrator and the Treasurer in draft form and
8 submitted to the Board for approval. The auditors then prepare a draft audit
9 report which it submits to administrator. The administrator and Treasurer review
10 the draft audit report and engage with the auditor regarding any issues raised in
11 the audit report. After review by the administrator, the Treasurer, and the auditor
12 presents the draft audit to the Board at a monthly meeting for review and
13 comment. The auditor shall attend such meeting to answer questions from Board
14 members. The If the Board then accepts or rejects the draft audit report of the
15 year-end financial statements and/or the final audited year-end financial
16 statements as well as the management discussion and analysis.
- 17 c. The auditor makes any revisions it deems appropriate to the draft audit report, t
18 and submits the final audit report to the Board for its acceptance.
- 19 d. If the Board accepts either accepts or rejects the final audit report of the year-end
20 financial statements and/or the final audited year-end financial statements, If the
21 final audit report is accepted, the administrator submits a copy of such audit report
22 to the Board of Soil and Water Resources as required as well as to the Minnesota
23 State Auditor not later than June 30 of the year following the end of year being
24 audited.

25 **III. Monthly financial management protocols.**

- 26 a. The District contracts with a certified public accountant to manage the checking
27 accounts and investment funds of the District.
- 28 b. The administrative assistant :
- 29 i. opens the mail and scans all mail to the appropriate electronic file
30 and files all paper copies in the appropriate physical file;
- 31 ii. scans checks and permit fees payments, saves them to the
32 appropriate electronic file, enters appropriate date into a
33 spreadsheet with link to copy, scans checks, saves the scan to the
34 appropriate electronic file, prepares a deposit slip, enters the
35 payment in the appropriate spreadsheet, updates log for fees and
36 escrows; forwards all to the administrator or Treasurer for review,
37 makes deposit upon receipt of approval by the administrator or
38 Treasurer; completes checklist of action steps for checks and other
39 deposits;
- 40 iii. scans all invoices and places them in an electronic file folder for
41 the administrator's and/or Treasurer's review; enters the invoice in
42 the appropriate spreadsheet with link to copy, forwards all plus any
43 applicable contract (and where applicable, report of engineer or
44 inspector) to the administrator or Treasurer for review, prepares a
45 check for each invoice approved by the Treasurer or administrator,
46 provides checks to administrator and Treasurer for review and

Commented [k1f142]: This should be come part of a formal checklist to be checked off and followed for each check and invoice
Spreadsheet should contain fields for determining deadline for payment;
Recall that

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- 1 approval at the next meeting of the managers; upon approval by
2 the managers, obtains signature of appropriate officers, scans
3 signed check with approved invoice; mails signed checks with
4 copy of approved invoice to submitter of the invoice. Completes
5 checklist of action steps.
- 6 iv. collects staff expense reports and receipts for expense
7 reimbursement, including expense receipts for credit card charges,
8 on a weekly basis; scan them and saves them to the appropriate
9 electronic file and saves them in the appropriate physical file;
10 enters expenses in appropriate spreadsheet provides them to the
11 administrator and/or Treasurer for approval; upon approval enters
12 expenses into payment system.
- 13 v. collects manager per diem and expense claim forms, scans them
14 and saves them to the appropriate electronic file and saves them in
15 the appropriate physical file; provides all to Treasurer or
16 administrator for review; upon approval enters into payroll
17 payment system and prepares checks for approved amounts;
18 provides checks to administrator or Treasurer for signature upon
19 approval by board at next meeting of the managers.
- 20 c. The administrative assistant forwards bills and invoices from contractors
21 providing work on District projects to the District's engineer for review. The
22 District's engineer reviews and the bills and invoices, verifies the services for
23 which payment is requested have been provided, the amount due for such services
24 and that such services have been, to the know edge of the District engineer
25 performed in accordance with the terms of any applicable contract and law and
26 recommends to the administrator how much of the bill or invoice should be paid.
- 27 d. Receipts are reviewed and approved by the administrator and invoices are
28 reviewed and approved by the administrator and Treasurer.
- 29 e. The administrator reviews the Excel spreadsheet prepared by the administrative
30 assistant, listing vendor, invoice number, invoice amount and general ledger
31 coding; a list of deposits with coding and a list of credit card charges with coding,
32 and emails this information to the accountant who enters the bills and invoices
33 and payments in the District's electronic financial books and accounts.
- 34 f. The administrator reviews the bills and invoices and the contracts to which they
35 relate, if any, and determines if the bills and invoices are correct and eligible for
36 payment, and recommends whether or not the bills and invoices should be paid.
- 37 g. The accountant prepares checks pursuant to these recommendations to pay the
38 monthly bills.
- 39 h. Payroll is processed through a third-party payroll service. The administrator
40 submits employee hours to the payroll service for each pay period. The payroll
41 service prepares payroll on a semi-monthly basis by direct deposit and is
42 responsible for all tax filing requirements, tax forms, and PERA payments or
43 filing requirements.
- 44 i. The District's accountant prepares a monthly treasurer's report that includes a
45 listing of the checks prepared for payment of the bills and invoices to be paid and

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1 **tracks account balances.** The accountant also prepares an internal report for the
2 treasurer.

3 j. The administrator reviews the treasurer's report, notes any changes that should be
4 made and distributes the report to the Treasurer.

5 k. The treasurer reviews the bills and invoices to be paid to determine whether to
6 recommend payment. All bills are available for review by any member of the
7 Board on request.

8 l. At the monthly Board meeting, the treasurer presents the treasurer's report and the
9 list of checks to be issued in payment of bills and invoices. The Board receives
10 and discusses, as necessary, the treasurer's report, then authorizes payment of the
11 monthly bills as presented in the check register which it determines should be
12 paid

13 m. Promptly following the meeting at which the Board authorizes the issuance of
14 checks to pay approved bills and invoices, each check is signed by two authorized
15 officers of the District and the assistant administrator mails or delivers the signed
16 checks to as soon as possible to the payee but not later than three business days of
17 the signing of the checks.

18 **IV. Spending Authority.** All expenditures by the District must be approved in advance by
19 the Board, except that the Board by resolution may delegate to the administrator the
20 authority to bind the District, with or without countersignature, to a purchase of goods or
21 services, or to enter into a contract for same, when the cost thereof and any related
22 purchase or contract does not exceed \$10,000 in the aggregate or under other specified
23 conditions.

24 a. The Board has authorized the administrator to expend up to \$5,000 on a single
25 unrelated purchase without prior Board approval and affirms that authority in
26 adopting this policy.

27 b. The administrator may not purchase any real estate or easements on real estate
28 without prior authorization for the Board.

29 **V. Banking**

30 a. The District maintains a current signature card at the depository bank.

31 b. The administrator and treasurer may transfer funds between District accounts and
32 may deposit funds into District accounts.

33 c. Cash withdrawals from District accounts are prohibited.

34 d. The administrator, in consultation with the treasurer, is authorized to invest
35 District funds in accordance with Minnesota Statutes chapter 118A.

36 e. All deposits to District accounts must be made intact, and the District's bank is
37 instructed not to return cash from a deposit to a District account.

38 **VI. Checking**

39 a. The administrator is not an authorized signatory of District checks.

40 b. All checks, drafts or other orders for the payment of money, notes or other
41 evidence of indebtedness issued in the name of the District shall not be valid
42 unless signed by two managers, except that a check, draft or other order for
43 payment of less than \$100 is valid with one manager's signature.

44 **VII. Credit card use.** The administrator is authorized to incur charges to the District credit
45 card, with a maximum single charge of \$5,000 and allowable billing-period maximum
46 charges totaling \$10,000.

- a. A receipt must be obtained for all District credit card purchases. Credit card purchases for which a detailed receipt is not provided must be reimbursed by the individual making the purchase.

VIII. Reporting

- a. All expenditures and investments, receipts and disbursements made must be compiled for presentation to the Board by the treasurer in a timely manner.
- b. The annual audit will be filed with the Board of Water and Soil Resources and the Office of the State Auditor within 120 days of the end of the District’s fiscal year (January 1 – December 31).
- c. The administrator and treasurer will regularly review relevant records and documents for any of the following, and report to the treasurer (for the administrator) or the Board (for the treasurer) any of the following if found:
 - i. Unusual or unexplained discrepancy between actual performance and anticipated results (including aggregate costs of more than 5% over the budgeted amount);
 - ii. Receipts that do not match deposit slips;
 - iii. Disbursements to unknown and/or unapproved vendors;
 - iv. A single signature on a check or pre-signed blank checks;
 - v. Gaps in receipt or check numbers;
 - vi. Late financial reports;
 - vii. Disregard of internal control policies and procedures.

IX. Depositories and collateralization. In accordance with state law, the District names an official depository or depositories at its January meeting each year (depository bank(s)). In the event the Board does not designate a depository in any particular year, the last-designated depository will continue in that capacity. Each depository bank provides the District with a proof of collateralization in accordance with state law (Minn. Stat. § 118.03) for an amount equal to the amount on deposit at the close of the depository bank’s banking day beyond the amount covered by federal insurance, if any. The collateral provided by each depository bank will be maintained in an account in the trust department of a bank or other financial institution not owned or controlled by the same (depository) bank or in a restricted account at a federal reserve bank. District funds are managed pursuant to the Investment and Depository Policy, adopted January 8, 2020.

X. Financial Assurances and Abandoned Property. See District Policy for Management of Financial Assurances and Abandoned Property, adopted November 21, 2012.

XI. Miscellaneous

- a. The District will not maintain a petty cash fund.
- b. The District will not accept cash (currency) in payment of permit fees or financial assurances.
- c. The District will not cash personal or third-party checks.
- d. The administrator must not fail to insure District property against theft and casualty loss.

XII. Significant Accounting policies

In connection with the maintenance of the financial books and records of the dist. the following policies shall apply:

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1 A. General

2 In preparing its financial statements, the District shall comply with generally accepted
3 accounting principles generally applied in the preparation of financial statements in the United
4 States of America, and those principles established Governmental Accounting Standards Board
5 (GASB) and other applicable law including but not limited to the requirements of the Minnesota
6 State Auditor. The following accounting principles shall apply to the preparation of the
7 District's financial statement except to the extent that they are conflict with generally accepted
8 accounting principles generally applied in the preparation of financial statements in the United
9 States of America, and those principles established Governmental Accounting Standards Board
10 (GASB) and other applicable law including but not limited to the requirements of the Minnesota
11 State Auditor.

12
13 B. Reporting Entity. The District shall consider all potential units for which it is financially
14 accountable, and other organizations for which the nature and significance of their relationship
15 with the District are such that exclusion would cause the District's financial statements to be
16 misleading or incomplete in accordance with the Governmental Accounting Standards Board
17 (GASB) criteria to be considered in determining financial accountability. These criteria include
18 appointing a voting majority of an organization's governing body, and (1) the ability of the
19 primary government to impose its will on that organization or (2) the potential for the
20 organization to provide specific benefits to, or impose specific financial burdens on the primary
21 government. The District has no component units that meet the GASB criteria.

22
23 B. Government-wide and Fund Financial Statements

24 The government-wide financial statements (i.e., the statement of net position and the statement
25 activities) shall report information on all of the non-fiduciary activities of the District. Where
26 permitted by the GASB the effect of interfund activity shall be removed from these statements.
27 The statement of activities which is to be prepared and included in the financial statements shall
28 demonstrates the degree to which the direct expenses of a given function or segment is offset by
29 program revenues. Direct expenses are those that are clearly identifiable with a specific function
30 or segment. Amounts reported as program revenues shall include 1) charges to customers or
31 applicants who purchase, use, or directly benefit from goods, services, or privileges provided by
32 a given function or segment and 2) grants and contributions that are restricted to meeting the
33 operational or capital requirements of a particular function or segment. Other items not properly
34 included among program revenues shall be reported instead as general revenues. Separate
35 financial statements shall be provided for the major governmental fund. The major individual
36 governmental fund shall be reported as separate a column in the fund financial statements.

37
38 C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

44
45 Governmental fund financial statements shall be reported using the current financial resources
46 measurement focus and the modified accrual basis of accounting. Revenues shall be recognized

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1 as soon as they are both measurable and available. Revenues shall be considered to be available
2 when they are collectible within the current period or soon enough thereafter to pay liabilities of
3 the current period. For this purpose, the District shall consider revenues to be available if they
4 are collected within 60 days of the end of the current fiscal period. Expenditures shall generally
5 be recorded when a liability is incurred, as under accrual accounting. However, debt service
6 expenditures, as well as expenditures related to compensated absences and claims and
7 judgments, shall be recorded only when payment is due.

8
9 Charges for service, assessments to members, grants and interest associated with the current
10 fiscal period shall be considered susceptible to accrual and recognized as revenues of the current
11 fiscal period. All other revenue items shall be considered to be measurable and available only
12 when cash is received by the organization.

13
14 Revenue resulting from exchange transactions, in which each party gives and receives essentially
15 equal value, shall be recorded on the accrual basis when the exchange takes place. On a
16 modified accrual basis, revenue will be recorded in the year in which the resources are
17 measurable and become available.

18
19 Non-exchange transactions, in which the District receives value without directly giving equal
20 value in return, shall include grants, entitlement and donations. Eligibility requirements include
21 timing requirements, which specify the year when the resources are required to be used or the
22 year when use is first permitted, matching requirements, in which the District must provide local
23 resources to be used for a specified purpose, and expenditure requirements, in which the
24 resources are provided to the District on a reimbursement basis. Under the modified accrual
25 basis, revenue from non-exchange transactions shall also be available before it can be
26 recognized.

27
28 Unearned revenue shall be deemed to have arisen when assets are recognized before revenue
29 recognition criteria have been satisfied. Grants and entitlements received before eligibility
30 requirements are met are recorded as unearned revenue.

31
32 The Board shall establish the estimates and assumptions that affect certain reported amounts and
33 disclosures required in connection with the preparation of the financial statements by the
34 accounting principles generally accepted in the United States of America.

35
36 The District shall report the following major governmental funds:

37
38 The 509 Plan Implementation Fund - fund consisting of proceeds from an ad
39 valorem tax levy for the purpose of paying the increased costs of preparing a plan
40 under sections **Minn. Stat. §§ 103B.231 and 103B.235** and the cost of projects
41 identified in the District's approved and adopted 10-plan pursuant to **Minn. Stat.**
42 **§ 103B.201**. The proceeds of any tax levied under this section shall be deposited
43 in a separate fund and expended only for the purposes authorized by said sections.
44 The District may accumulate the proceeds of levies as an alternative to issuing
45 bonds to finance improvements.

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1 As a general rule the effect of interfund activity has been eliminated from government-wide
2 financial statements.

3
4 D. Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources, and Net
5 Position/Fund Balance Deposits and Investments. The District's cash and temporary investments
6 shall be considered to be cash on hand, demand deposits and short-term investments with
7 original maturities of three months or less from the date of acquisition. Cash balances from all
8 funds shall be pooled and invested, to the extent available, in certificates of deposit and other
9 authorized investments. Earnings from such investments shall be allocated on the basis of
10 applicable participation by each of the funds.

11 The District may also invest idle funds as authorized by Minnesota statutes, and in accordance
12 with the District's Investment and Depository Policy.

13
14 The reported value of the pools shall be the same as the fair value of the pool shares. All
15 investment shall be in accordance with the District's Investment Policy.

16
17 The District shall categorize its fair value measurements within the fair value hierarchy
18 established by generally accepted accounting principles. The hierarchy shall be based on the
19 valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in
20 active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3
21 inputs are significant unobservable inputs.

22 23 Property Taxes

24 Delinquent taxes receivable includes the past six years' uncollected taxes. Delinquent taxes shall
25 be offset by a deferred inflow of resources for taxes not received within 60 days after year end in
26 the fund financial statements.

27 28 Accounts Receivable

29 Accounts receivable shall include amounts billed for services provided before year end. Prepaid
30 Items Certain payments to vendors shall reflect costs applicable to future accounting periods and
31 are recorded as prepaid items and are recorded as prepaid items. The District shall use the
32 consumption method to account for all prepaid items.

33 34 Capital Assets

35 Capital assets shall include land, land improvements and easements and shall be reported in the
36 applicable governmental activities columns in the government-wide financial statements.
37 Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an
38 estimated useful life in excess of one year. Such assets shall be recorded at historical cost or
39 estimated historical cost if purchased or constructed. Donated capital assets shall be recorded at
40 acquisition value at the date of donation.

41
42 The costs of normal maintenance and repairs that do not add to the value of the asset or
43 materially extend assets lives will not be capitalized.

44
45 Pursuant to GASB Statement No. 34 the District shall report and depreciate new infrastructure
46 assets effective with the beginning of the 2004 calendar year. Infrastructure assets include lake

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1 improvements, dams and drainage systems. Neither their historical cost nor related depreciation
2 had historically been reported in the financial statements.

3
4 Major outlays for capital assets and improvements shall be capitalized as projects are
5 constructed. Interest incurred during the construction phase of capital assets is included as part
6 of the capitalized value of the assets constructed.

7
8 Capital assets of the District shall be depreciated using the straight-line method over the
9 following estimated useful lives:

| Assets | Useful Lives Assets in Years |
|-------------------------------|---------------------------------|
| Building | 30 |
| Equipment, Boats and Vehicles | 7 – 10 |
| Intangibles | 10 |

11
12 **Deferred Outflows of Resources**

13 In addition to assets, the statement of net position shall be reported in a separate section for
14 deferred outflows of resources. The separate financial statement element, deferred outflows of
15 resources, shall represents a consumption of net position that applies to a future period(s) and
16 will not be recognized as an outflow of resources (expense/expenditure) until such time.
17 Deferred pension resources, shall be reported only in the statements of net position. This item
18 results from actuarial calculations and current year pension contributions made subsequent to the
19 measurement date.

20
21 **Pensions**

22 For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and
23 pension expense, information about the fiduciary net position of the Public Employees
24 Retirement Association (PERA) and additions to/deductions from PERA’s fiduciary net position
25 shall be determined on the same basis as they are reported by PERA except that PERA’s fiscal
26 year end is June 30th. For this purpose, plan contributions shall be recognized as of employer
27 payroll paid dates and benefit payments and refunds are recognized when due and payable in
28 accordance with the benefit terms. Investments shall be reported at fair value. The general fund
29 is typically used to liquidate the governmental net pension liability.

Commented [klf143]: what is the general fund?

30
31 **Compensated Absences**

32 It is the District’s policy to permit employees to accumulate earned but unused vacation and sick
33 pay benefits, which is paid to the employee upon separation. All vacation pay shall be accrued
34 when incurred in the government-wide financial statements. A liability for these amounts shall
35 be reported in governmental funds only if they have matured, for example, as a result of
36 employee resignations and retirements. The 509 Plan Implementation fund is typically used to
37 liquidate governmental compensated absences payable.

Commented [klf144]: what does this mean

38
39 **Long-term Obligations**

40 In the government-wide financial statements, and proprietary fund types in the fund financial
41 statements, long-term debt and other long-term obligations shall be reported as liabilities in the
RPBC Governance Manual adopted [] 24 Internal Controls and Procedures

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1 applicable governmental activities statement of net position. The recognition of bond premiums
2 and discounts shall be amortized over the life of the bonds using the straight-line method. Bonds
3 payable shall be reported net of the applicable bond premium or discount. Bond issuance costs
4 shall be reported as an expense in the period incurred.

5 6 Deferred Inflows of Resources

7 In addition to liabilities, the statement of net position and fund financial statements shall report a
8 separate section for deferred inflows of resources. This separate financial statement element,
9 deferred inflows of resources, shall represents an acquisition of fund balance that applies to a
10 future period(s) and shall not be recognized as an inflow of resources (revenue) until that time.
11 The District has only one type of item, which arises only under a modified accrual basis of
12 accounting that qualifies for reporting in this category. Accordingly, the item, unavailable
13 revenue, is reported only in the governmental funds balance sheet. The governmental funds shall
14 report unavailable revenues from property taxes. These amounts shall be deferred and
15 recognized as an inflow of resources in the period that the amounts become available. T

16 17 Fund Balance

18 In the fund financial statements, fund balance shall be divided into the five classifications set
19 forth in the District's Fund Balance Policy based primarily on the extent to which the District is
20 bound to observe constraints imposed upon the use of resources reported in the governmental
21 funds.

22 23 Net Position

24 Net position shall represent the difference between assets and deferred outflows of resources and
25 liabilities and deferred inflows of resources. Net position shall be displayed in three
26 components:

- 27 a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation
- 28 b. Restricted net position - Consists of net position balances restricted when there are limitations
29 imposed on their use through external restrictions imposed by creditors, grantors, laws or
30 regulations of other governments.
- 31 c. Unrestricted net position - All other net position balances that do not meet the definition of
32 "restricted" or "net investment in capital assets."

33 34 Stewardship, Compliance and Accountability

35 36 Budgetary Information

37
38 The modified accrual basis of accounting shall be used by the District for budgeting data. All
39 appropriations end with the fiscal year for which they were made. The District does not use
40 encumbrance accounting.

41
42 The District administrator and treasurer shall monitor budget performance on the fund basis each
43 month and report the status of the budget monthly to the Board at the Board's regular monthly
44 meeting. All amounts over budget must be approved by the Board.

45

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1
2 **RILEY PURGATORY BLUFF CREEK WATERSHED DISTRICT**

3 **Appendix [9] - INVESTMENT AND DEPOSITORY POLICY**

4
5 **Adopted [date of adoption]**

6
7 **1. PURPOSE**

8
9 The purpose of this policy is to establish investment objectives, establish specific
10 guidelines that the Riley Purgatory Bluff Creek Watershed District (District) will use in
11 the investment of funds, and establish District depository policy. It will be the
12 responsibility of the District’s administrator to invest District funds in order to attain a
13 market rate of return while preserving and protecting the capital of the overall portfolio
14 and to ensure compliance with District policy and with statutory requirements applicable
15 to the District’s designation a depository financial institution. Investments will be made in
16 compliance with statutory constraints and in safe, low-risk instruments that are approved
17 by the RPBCWD Board.

18
19 **2. SCOPE**

20
21 This policy applies to all cash, bonds, equity investments, certificates of deposits, deposit
22 accounts and similar investments of the District, including, funds held in escrow.

23
24
25 **3. SPECIFIC REVENUE SOURCES AND POOLING OF FUNDS**

26
27 The District will report proceeds of specific revenue sources as restricted, committed or
28 assigned for specific purposes, as applicable, and maintain its budget and accounts in a
29 manner consistent with these designations. Except for cash in these certain restricted,
30 committed and assigned funds, the District will consolidate cash and reserve balances from
31 all funds to maximize investment earnings and increase efficiencies with regard to
32 investment pricing, safekeeping and administration. Investment income will be allocated
33 to the various funds based on their respective participation and in accordance with
34 generally accepted accounting principles.

35
36 **4. DESIGNATION OF DEPOSITORY AND COLLATERALIZATION**

37
38 The District Board annually will designate a financial institution or institutions in the State
39 of Minnesota as the depository of District funds. In the event the Board does not designate
40 a depository in any particular year, the last-designated depository will continue in that
41 capacity. Each depository will furnish collateral, as necessary, in the manner and to the
42 extent required by Minnesota Statutes (Minn. Stat.) Section 118A.03, as it may be
43 amended, and other applicable law. Collateral will be held in safekeeping in compliance

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1 with Section 118A.03, as it may be amended.
2
3

4 **5. DELEGATION OF AUTHORITY**
5

6 Minn. Stat. § 118A.02 provides that the governing body may authorize the treasurer or
7 chief financial officer to make investments of funds under §§ 118A.01 to 118A.06 or other
8 applicable law. See Minn. Stat. § 103D.320, subd. 3. The Board authorizes the Treasurer
9 with the assistance of the District administrator to invest District funds pursuant to state
10 law and this policy. In the event of a conflict between state law for and this policy, state
11 law shall prevail.
12

13 The Treasurer and the administrator shall assure compliance with this policy and further
14 develop and maintain adequate controls, procedures, and methods assuring security and
15 accurate accounting on a day-to-day basis.
16

17 **6. OBJECTIVES**
18

19 At all times investments of the District shall be made and maintained in accordance with
20 Minnesota Statutes Chapter 118A as it may be amended. The primary objectives of the
21 District investment activities shall be in the following order of priority:
22

23 **A. SECURITY**
24

25 Security of principal is the foremost objective of the investment portfolio.
26 Preserving capital and protecting investment principal shall be the primary
27 objective of each investment transaction. Specific risks will be managed as follows:
28

29 *Credit Risk.* Custodial credit risk for deposits and investments is the risk that in
30 the event of a bank failure, the District's deposits and investments may not be
31 returned or the District will not be able to recover collateral securities in the
32 possession of an outside party. Minnesota law requires that all District deposits be
33 protected by insurance, surety bond or collateral. The market value of collateral
34 pledged must equal 110 percent of the deposits not covered by insurance or bonds,
35 with the exception of irrevocable standby letters of credit issued by Federal Home
36 Loan Banks as this type of collateral only requires collateral pledged equal to 100
37 percent of the deposits not covered by insurance or bonds.
38

39 Authorized collateral in lieu of a corporate surety bond includes: United States
40 government Treasury bills, Treasury notes, Treasury bonds; Issues of United States
41 government agencies and instrumentalities as quoted by a recognized industry
42 quotation service available to the government entity; General obligation securities
43 of any state or local government with taxing powers which is rated "A" or better by
44 a national bond rating service, or revenue obligation securities of any state or local

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1 government with taxing powers which is rated “AA” or better by a national bond
2 rating service; General obligation securities of a local government with taxing
3 powers may be pledged as collateral against funds deposited by that same local
4 government entity; Irrevocable standby letters of credit issued by Federal Home
5 Loan Banks to a municipality accompanied by written evidence that the bank’s
6 public debt is rated “AA” or better by Moody’s Investors Service, Inc., or Standard
7 & Poor’s Corporation; and Time deposits that are fully insured by any Federal
8 agency.

9
10 Designated depositories will comply with Minnesota law.

11
12 To ensure security when considering an investment, the District administrator and
13 Treasurer will cross-check all depositories under consideration against existing
14 investments to make certain that funds in excess of insurance limits are not
15 deposited with the same institution unless collateralized as outlined herein.
16 Furthermore, the Board will approve all financial institutions, brokers and advisers
17 with which the District will do business.

18
19 *Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of
20 a government's investment in a single issuer.

21
22
23 The District will diversify its investments according to type and maturity. The
24 District portfolio, to the greatest extent feasible, will contain a mixture of short-
25 term (shorter than one year) and long-term (more than one year) investments. The
26 District will attempt to match its investments with anticipated cash-flow
27 requirements. Maturities shall not exceed the three years without the approval of
28 the Board.

29
30 No investment in or collateral of any single issuer (other than the United States of
31 America or its agencies) shall exceed more than 5% of the District’s total fund
32 balance at any point in time.

33
34 *Interest Rate Risk.* Interest rate risk is the risk that the market value of securities in
35 the portfolio will fall due to changes in general interest rates. The District will
36 minimize interest rate risk by structuring its investment portfolio to ensure that
37 securities mature to meet cash requirements for ongoing operations, thereby
38 avoiding the need to sell securities on the open market prior to maturity.

39
40 *Custodial Risk.* The District will minimize deposit custodial risk, which is the risk
41 of loss due to failure of the depository bank (or credit union), by obtaining collateral
42 for all uninsured amounts on deposit, and by obtaining necessary documentation to
43 show compliance. (See section III.)
44

1 B. LIQUIDITY

2
3 The investment portfolio shall remain sufficiently liquid to meet projected
4 disbursement requirements. This is accomplished by structuring the portfolio so
5 that securities mature concurrent with cash needs to meet anticipated demands.
6 Generally, investments will have short terms and/or "laddered" maturities so that
7 funds become available on a regular schedule. Liquid funds will allow the District
8 to meet possible cash emergencies without being significantly penalized on
9 investments.

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10
11 C. RETURN ON INVESTMENT

12
13 The investment portfolio shall be designed to manage the funds to maximize returns
14 consistent with items A and B above and within the requirements set forth in this
15 policy. Subject to the requirements of the investment objectives herein, it is the
16 policy of the District to offer financial institutions and companies within the District
17 the opportunity to bid on investments; the District will seek the best investment
18 yields.

Commented [klf146]: needs revision

19
20 7. PRUDENCE

21
22 The "prudent person" standard shall be applied in managing District investments. All
23 investment transactions shall be made in good faith with the degree of judgment and care,
24 under the circumstances, that a person of prudence, discretion, and intelligence would
25 exercise in the management of their own affairs, in accordance with this policy.

26
27 8. ELIGIBLE INVESTMENTS

28
29 All investments shall be in accordance with Minn. Stat. § 118A.04. as follows:

- 30 1. Direct obligations or obligations guaranteed by the United States or its agencies.
31 2. Shares of investment companies registered under the Federal Investment Company Act
32 of 1940 and received the highest credit rating, rated in one of the two highest rating
33 categories by a statistical rating agency, and have a final maturity of thirteen months or
34 less.
35 3. General obligations of a state or local government with taxing powers rated "A" or
36 better; revenue obligations rated "AA" or better.
37 4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
38 5. Obligation of a school district with an original maturity not exceeding 13 months and
39 (i) rated in the highest category by a national bond rating service or (ii) enrolled in the
40 credit enhancement program pursuant to Minn. Stat. § 126C.55.
41 6. Bankers' acceptances of United States banks eligible for purchase by the Federal
42 Reserve System.

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1 7. Commercial paper issued by United States banks corporations or their Canadian
2 subsidiaries, of highest quality category by at least two nationally recognized rating
3 agencies, and maturing in 270 days or less.

4 8. Repurchase or reverse repurchase agreements and securities lending agreements with
5 financial institutions qualified as a “depository” by the government entity, with banks
6 that are members of the Federal Reserve System with capitalization exceeding
7 \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal
8 Reserve Bank of New York, or certain Minnesota securities broker-dealers.

9 9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States
10 commercial bank, a domestic branch of a foreign bank, a United States insurance
11 company, or its Canadian subsidiary, whose similar debt obligations were rated in one of
12 the top two rating categories by a nationally recognized rating agency.

13 14 **9. INVESTMENT RESTRICTIONS**

15
16 In addition to statutory prohibitions, no investment of District funds shall be made in
17 derivative products, structured notes, inverse index bonds, repurchase agreements or other
18 exotic products or investments not authorized by statute.

19 20 **10. SAFEKEEPING**

21
22 District investments, contracts and agreements will be held in safekeeping in compliance
23 with Minn. Stat. § 118A.06. In addition, before accepting any investment of District funds
24 and annually thereafter, the supervising officer of the financial institution serving as a
25 broker for the District shall submit a certification substantially in the form attached hereto
26 as Exhibit [] stating that the officer has reviewed the District Investment and Depository
27 Policy and incorporated statement of investment restrictions, as well as applicable state
28 law, agrees to act in a manner consistent with the policy and law, that the supervising
29 officer will promptly disclose any potential conflicts of interest or risk to public funds that
30 might arise out of business transactions between the firm and the District,; and that the
31 financial institution will undertake reasonable efforts to preclude imprudent transactions
32 involving the District funds. The District will annually provide the policy, as it may be
33 amended to each such supervising officer and will provide any amendment to the policy to
34 the supervising officer promptly upon the adoption of any such amendment.

35 36 **11. CONFLICT OF INTEREST**

37
38 Any District manager or staff member involved in the investment process shall refrain from
39 personal business activity that could conflict with proper execution of the investment
40 program or which could impair his/her ability to make impartial investment decisions.

41 42 **12. INTERNAL CONTROLS AND REPORTING**

43
44 Internal controls are designed to prevent loss of public funds due to fraud, error,

Commented [A47]: Do we have a form of certification? If so attach as an example.

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1 misrepresentation, unanticipated market changes, or imprudent actions. Before the District
2 invests any surplus funds, competitive quotations shall be obtained. If a specific maturity
3 date is required, either for cash flow purposes or for conformance to maturity guidelines,
4 quotations will be requested for instruments which meet the maturity requirement. The
5 District will accept the quotation which provides the highest rate of return within the
6 maturity required and within the limits of this policy.

7
8 The District funds shall not be invested for a term exceeding three years unless so
9 authorized by the Board.

10
11 Monthly, the Treasurer with the assistance of the District administrator shall provide a
12 detailed investments report to the Board which report shall include but not limited to, the
13 following: the amount invested, the maturity date(s), the institution with which invested or
14 the investment type, and the interest rate. Investments shall be audited and reported with
15 financial statement annually. It shall be the practice of the District Board to review and
16 amend the investment policy from time to time as needed, but not less than once every two
17 years.

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Riley-Purgatory-Bluff Creek Watershed District
Appendix [10] - Policy on Permit Fee Reimbursement

Adopted July 2, 2014

Commented [k1f148]: Is this the current policy?

1. Permit fee deposits will be held in escrow and applied to reimburse the **Riley-Purgatory-Bluff Creek Watershed District** (District) for permit inspection-related costs incurred at the rates stated in a permit fee deposit and rate schedule established by the District’s Board of Managers (the “Board”).
2. When a permit application is approved, the deposit will be replenished to the applicable deposit amount by the applicant before the permit will be issued to cover actual costs incurred to monitor compliance with permit conditions and the District Rules.
3. No permit will be modified, renewed or extended if the applicable permit fee deposit balance is negative.
4. The administrator will return any unused portion of an applicant’s permit fee deposit to the permittee within 45 days of notice from the permittee that the permitted work has been completed, unless the District determines that the work has not been completed in accordance with the applicable permit.
5. All permit applicants and permittees shall replenish the permit fee deposit to the original amount or such lesser amount as the District administrator deems sufficient within 30 days of receiving notice that such deposit is due, and directing the administrator to close out the relevant application or permit and revoke prior approvals, if any, if the permit-fee deposit is not timely replenished;
6. On receipt of written notice of the withdrawal of a permit application with a request for fee refund, the administrator will analyze the permitting record to date and determine the costs the District has incurred, including but not limited to the costs of consultant services, analysis of proposed activities and inspection of property, and the administrator will prepare a written accounting of expenses incurred;
7. When District costs are less than the fee paid by the applicant, the administrator will forward reimbursement of the difference as a payable item at the next regular meeting of the Board, except that under all circumstances the District will retain the \$10 permit fee authorized by Minn. Stat. § 103D.345 to cover administrative costs.

Commented [k1f149]: Application fee? Why single out the \$10?

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- 1 8. When District costs exceed the fee paid by the applicant, the administrator will inform the
2 applicant in writing that no reimbursement will be paid and forward to the applicant the
3 accounting that is the basis for this determination, and the administrator will include the
4 notice to the applicant and the accounting that is the basis for this determination to the
5 Board at its next meeting.
6
7 9. Financial assurances provided by an applicant will be released in accordance with District
8 Rule 12.0.

1
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3
4

Appendix A

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Riley-Purgatory-Bluff Creek Watershed District

Appendix [4.4] - Inventory of Not-Public Data on Individuals

Adopted January 2015

This document describes private or confidential data on individuals maintained by the Riley-Purgatory-Bluff Creek Watershed District (see Minnesota Statutes (Minn. Stat.) 13.05 and Minnesota Rules (Minn. Rules) 1205.1200).

This document is also part of the District's procedures for ensuring that not-public data are only accessible to individuals whose work assignment reasonably requires access (see Minn. Stat. § 13.05, subd. 5). In addition to the employees listed, the District managers and District legal counsel also will have access to not-public data as needed as part of specific assignments or under certain circumstances.

Please direct all questions about this inventory to the District Data Practices Compliance Official whose name and address can be found on the District's website at www.rpbewd.org:

Terry Jeffery
tjeffery@rpbewd.org
{phone}

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| Name of Record, File, Process, Form or Data Type | Description | Data Classification | Citation for Classification | Employee/Manager Access |
|--|--|--------------------------------|-----------------------------|--|
| Appeal data | Data maintained as a result of processing appeals of determinations about the accuracy and/or completeness of public and private data on individuals | Public Private | MS 13.03, subd. 4 | Administrator. |
| Applicant records | Completed assessments and results, related documentation, and application forms. | Public Private | MS 13.43 | Administrator. |
| Attorney Data | Data related to attorney work product or data protected attorney-client privilege | Private | MS 13.393 | Staff on as needed basis as part of specific work assignments. |
| Citizen Advisory Council member data | Data pertaining to advisory council applicants and appointees. | Public Private Confidential | MS 13.601 | Administrator; other staff as needed. |
| Civil investigative data | Data that are collected in order to start or defend a pending civil legal action, or because a civil legal action is expected | Confidential Public | MS 13.39 | Administrator; other staff as needed. |

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|---|--|-------------------|--------------------|--|
| Continuity of Operations | Personal home contact information used to ensure that an employee can be reached in the event of an emergency or other disruption affecting continuity of operation of a government entity. | Private | MS 13.43, subd. 17 | Administrator. |
| Employee expense reports | Expense reimbursement requests | Public Private | MS 13.43 | Administrator. |
| Employee personnel records | Record of prior and current employment history. Data relating to hiring, assessments, payroll, pension and retirement, promotion, medical, family leave, grievances and discipline and related administrative personnel actions; drug-and-alcohol-testing and background-check results | Public Private | MS 13.43 | Administrator. |
| Motor vehicle data | Information on license plate numbers, owners, and registration status of vehicles. | Private | MS 168.346 | Administrator. |
| Personal contact and online account information | Telephone number, email address and usernames and passwords collected, maintained, or received by the District for notification purposes or as part of a subscription list for an entity's electronic periodic publications as requested by the individual. | Private | MS 13.356 | Administrator; consultants as needed for specific projects and programs. |

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| | | | | |
|------------------------------------|--|---------------------------------|------------------------------|------------------------------------|
| Personnel data | Data about employees, applicants, volunteers and independent contractors; data disclosed for the purpose of administration of the workers' compensation program as provided in chapter labor relations information | Public/Private/ Confidential | MS 13.43 179A.03, subd. 4 | Administrator. |
| Response to data requests | Data collected by the District Data Practices Compliance Official in responding to requests for data maintained by the District. | Public Private | Various | Administrator; staff as necessary. |
| Security information | Data that would substantially jeopardize the security of information, possessions, individuals or property against theft, tampering, improper use, attempted escape, illegal disclosure, trespass, or physical injury, if the data were released to the public | Private | MS 13.37 | Administrator. |
| Social Security numbers | Social Security numbers assigned to individuals | Private | MS 13.355 | Administrator. |
| Unemployment compensation billings | Records of billings for employee unemployment compensation | Private | MS 13.43 | Administrator. |

| | | | | |
|--------------------------------|---|---------|----------|----------------|
| Workers' compensation billings | Records of billings for employees who receive workers compensation benefits | Private | MS 13.43 | Administrator. |
|--------------------------------|---|---------|----------|----------------|

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Riley-Purgatory-Bluff Creek Watershed District

Exhibit ~~V.g.V.f.1~~ to Bylaws
Template for Meeting Agenda

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1 **Riley-Purgatory-Bluff Creek Watershed District**

2 Board of Managers Regular Meeting

3 [January 5, 2022]

4 **[7:00PM] Regular Meeting**

5 Virtual Meeting via ZOOM

6 https://us02web.zoom.us/j/88301283199

7 **Agenda**

8
9
10
11
12 **1. 7:00pm Call to Order Meeting of the Board of Managers** **Action**

13 a. [insert info if conducted per pandemic or emergency]

14 b. [Take roll call or note managers present and that there is a quorum]

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15
16 **2. Approval of the agenda** **Action**

17
18 **3. Matters of public interest** **Information**

19
20 Welcome to the Board Meeting. Anyone may address the Board on any matter of
21 interest in the watershed. Speakers will be acknowledged by the President; please
22 come to the podium, state your name and address for the record. Please limit your
23 comments to no more than three minutes. Additional comments may be submitted in
24 writing. Generally, the Board of Managers will not take official action on items
25 discussed at this time but may refer the matter to staff for a future report or direct that
26 the matter be scheduled on a future agenda.

27
28 **4. Reading and approval of minutes** **Action**

29 a. Board of Managers Regular Meeting, December 8, 2021 and
30 December 15, 2021, continuance

31
32 **5. Committee Reports**

33 a. **Citizen Advisory Committee** **Action**

34 1.Resolutions accepting CAC Minutes

35 2.CAC Report

36 3.Resolution dealing with CAC motions

37 4.Approve Board representative for [] CAC meeting

38 b. Accounting and Finance Committee

39 1.Resolutions accepting AFC Minutes

40 2.

41 c. Goverance Committee

42 1.Resolutions accepting GC Minutes

43 2.

44 d. Personnel Committee

45 1.Resolutions accepting PC Minutes

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1
2 **6. Old business** **Action**

3
4 **7. New Business**

5 **a. Consent Items** **Action**

- 6 1. The consent agenda is considered as one item of business. It
7 consists of routine administrative items or items where discussion is
8 not essential to understanding. Any manager may remove an item
9 from the consent agenda for action.)
10 2. Adopt Resolution [] accepting reports and adopting resolutions
11 pertaining to items on the agenda
12 i. Accept [month] Staff Report
13 ii. Accept [month] Engineer's Report
14 iii. Accept [month] Permit Inspection Report
15 iv. Accept Treasurer's Report
16 v. Approve paying of the bills
17 vi. Approve []

18
19 **b. Pulled consent items**

- 20 1.
21 c. Adopt Resolution [] accepting the Treasurer's report;
22 d. Adopt Resolution [] approving paying of the bills set forth in the
23 Treasurer's report
24 e. [Adopt Resolution Approving Issuance of Permit []]
25 f. [Adopt Resolution Approving Task Order []]
26 g. [Adopt Resolution Approving Grant]

27
28
29 **8. Discussion Items** **Information**

- 30 a. Staff Report
31 b. Engineer Report
32 c. Permit Inspection Report Manager Report
33 d. Standing Committee Reports
34 1. Personnel
35 2. Governance
36 3. Audit and Finance
37 e. Attorney Report
38 f. Manager Report

39
40 **9. Upcoming Board Topics** **Information**

- 41 a. []
42 b. []

43
44 **10. Upcoming Events** **Information**

- 45 • CAC Meeting

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- Board Meeting
- Committee Meetings
- [other]

Please check www.rpbcwd.org for the most current meeting details.

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Riley-Purgatory-Bluff Creek Watershed District
Appendix [xx] BOM-CAC Communications Process

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Riley-Purgatory-Bluff Creek Watershed District 1 ~~Not Public Data Inventory~~ BOM-CAC Communications
Process
Not Public Data Inventory
January 2015

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Riley-Purgatory-Bluff Creek Watershed District 2 ~~Not Public Data Inventory~~ BOM-CAC Communications
Process
Not Public Data Inventory
January 2015

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Riley-Purgatory-Bluff Creek Watershed District

Appendix [xx] Wetland Conservation Act Process and Procedure

Adopted December 7, 2022

Resolution [NO] which follows sets for the District’s process and procedure regarding the District’s exercise of its authority regarding wetlands that is delegated to the District by the following local government units pursuant to Minn. Stat. []:

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1 [insert resolution]

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Riley-Purgatory-Bluff Creek Watershed District
~~1 Not Public Data Inventory~~
January 2015

1 ~~Not Public Data Inventory~~ WCA Process and Procedures

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