

Le Sueur County Board of Commissioners Meeting



Le Sueur County Government Center, 88 South Park Avenue, Le Center, MN 56057

Commissioners: David Preisler, Chair; Steve Rohlfing, John King, Danny O'Keefe, Dennis Tietz

Tuesday, January 6, 2026 at 9 a.m. / Commissioner's Board Room

***Note: Some Board Members may be participating by interactive technology**

Meeting Agenda

1. Teams Meeting Information - January 6, 2026

Documents:

[LE SUEUR COUNTY BOARD ROOM INVITES YOU TO JOIN THIS TEAMS MEETING 1.6.26.PDF](#)

2. 9:00 A.M. Call The Le Sueur County Board Of Commissioners Meeting To Order

3. Pledge Of Allegiance

4. Agenda Review And Approval

5. 9:10 A.M. Public Open Forum

Note: This opportunity is reserved for private citizens only - not employees, unions or other organized groups funded by or associated with Le Sueur County. There is a three minute time limit per person to discuss topics that are not already on the meeting agenda for the day. The Board will not take action at the time of the presentation, but will direct County staff to respond appropriately to issues raised by citizens.

6. 9:15 A.M. Dennis Tietz (1 Min)

1. Appoint Sandy Schoenecker to the Le Sueur County HRA Board

7. 9:16 A.M. Shayne Bender, County Assessor (4 Min)

1. 2026 Clerical Abatements and Additions to the Tax Rolls Annual Report

8. 9:20 A.M. Theresa Kubes, Human Resources Director (5 Min)

Documents:

[HUMAN RESOURCES AGENDA 1.6.2026.PDF](#)

9. 9:25 A.M. Megan Kirby, Public Health Director (10 Min)
10. 9:35 A.M. Trevor Rudenick, Water Resources Planner (10 Min)

1. 2026 AIS Plan

Documents:

[2026 LE SUEUR COUNTY AIS PREVENTION PLAN DRAFT.PDF](#)

11. 9:45 A.M. Holly Bushman, Water Resources Manager (10 Min)

1. Resolution to Submit, Adopt, and Implement the Middle Minnesota River-Mankato Comprehensive Watershed Management Plan

12. 9:55 A.M. Joe Martin, County Administrator

1. Set the 2026 Board of Appeal and Equalization Meeting for Tuesday, June 16, 2026 starting at 6:30 p.m. The meeting may not adjourn before 7:00 p.m.
2. Board Operating Procedures
3. County Operating Policies
4. Finance Policy Updates
5. Board Meeting Calendar
6. 2026 Aging Services Agreement
7. County Surveyor Revised Contract
8. West Jefferson Sewer District Interconnection Agreement with City of Cleveland
9. West Jefferson Sewer District Quarterly Update

Documents:

[LE SUEUR COUNTY BOARD OPERATING PROCEDURES - JANUARY 2026.PDF](#)
[LE SUEUR COUNTY OPERATING POLICIES \(JANUARY 2026\).PDF](#)
[LE SUEUR COUNTY FINANCE POLICY 2026.PDF](#)
[2026 COMMISSIONER CLAIMS CALENDAR AND REPORTING DATES.PDF](#)
[2026 AGING SERVICES AGREEMENT.PDF](#)
[2026 SURVEYOR CONTRACT 12.30.25.PDF](#)
[WJSD INTERCONNECTION AGREEMENT.PDF](#)
[4TH QUARTER WJSD REPORT.PDF](#)

13. 10:00 A.M. Open Bids For 2026 Legal Newspaper (5 Min)

14. Commissioner Committee Reports

15. Future Meetings

Documents:

[JANUARY 6 FUTURE MEETINGS.PDF](#)

16. Adjourn



Le Sueur County Board of Commissioners Meeting

Tuesday, January 6, 2026

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Human Resources

88 SOUTH PARK AVENUE • LE CENTER, MINNESOTA 56057

Telephone: 507-357-8221 • Fax: 507-357-8610

Theresa Kubes – Human Resources Director

HUMAN RESOURCES

AGENDA ITEMS

January 6, 2026

Recommendation to set the 2026 Per Diem Eligible Committees and the Commissioner assigned as follows:

2026 PER DIEM ELIGIBLE COMMITTEES & ASSIGNMENTS

Commissioner Tietz (District 1):

Aquatic Invasive Species (AIS), AMC, AMC Public Safety Policy Committee, Annual Lake Association Meetings, City Council Meetings, Le Sueur – Rice Joint Drainage Authority/JD5/JD18/JD38/JD54/JD63, Le Sueur – Scott Joint Drainage Authority/JD1/JD4, Le Sueur-Waseca Board of Health, NACO, Regional Radio Board, South Central EMS Joint Powers, Township Board Meetings, West Jefferson Sewer District.

Commissioner O’Keefe (District 2):

AMC, AMC General Government Policy Committee, Annual Lake Association Meetings, City Council Meetings, Fair Board, HRA Board, Law Library, Le Sueur – Blue Earth Joint Drainage Authority/JD1/JD2/JD15, Le Sueur County Aging & Transit, Le Sueur – Rice Joint Drainage Authority/JD5/JD18/JD38/JD54/JD63, Le Sueur – Scott Joint Drainage Authority/JD1/JD4, Le Sueur-Waseca Board of Health, Lower MN River East One Watershed One Plan, NACO, Township Board Meetings, West Jefferson Sewer District.

Commissioner King (District 3):

AMC, AMC Health & Human Services Policy Committee, Broadband, City Council Meetings, Extension Committee, Greater Blue Earth River Basin Alliance (GBERBA), Joint Powers, Hwy 169 Tax Abatement Committee, Le Sueur – Scott Joint Drainage Authority/JD1/JD4, Le Sueur-Waseca Board of Health, Le Sueur – Waseca Regional Library, Lower MN River East One Watershed One Plan alternate, MCIT, NACO, Ney Foundation, Parks Board, Regional Radio Board alternate, Safety Committee, TH169 Coalition, Township Board Meetings, Tri-County Solid Waste, TRUE Transit, West Jefferson Sewer District.

Commissioner Preisler (District 4):

1W1P, AMC, Annual Lake Association Meetings, CIP, Cannon River Partnership, City Council Meetings, Clean River Partners, Extension Committee Alternate, Family Services Collaborative, Le Sueur – Blue Earth Joint Drainage Authority/JD1/JD2/JD15, Le Sueur County Toward Zero Deaths Safe Roads Coalition, Le Sueur – Rice Joint Drainage Authority/JD5/JD18/JD38/JD54/JD63, Le Sueur Sibley Treatment Court, Le Sueur-Waseca Board of Health, Middle MN Watershed Board alternate, MVCOG, NACO, Public Health Advisory Committee, Public Health Emergency Preparedness Advisory, SCHSAC (State Community Health Services Advisory Committee), SWCD, Township Board Meetings, TRUE Transit Alternate, West Jefferson Sewer District, Workforce Council.

Commissioner Rohlfling (District 5):

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1W1P, Airport Commission for Mankato, AMC, AMC Transportation & Infrastructure Policy Committee, Annual Lake Association Meetings, CIP, Cannon River Watershed Board, City Council Meetings, Clean River Partners alternate, Historical Society, Immtrack Joint Powers Board, Le Sueur – Blue Earth Joint Drainage Authority/JD1/JD2/JD15, Le Sueur-Waseca Board of Health, Liaison to LSC Historical Society, MCIT, Mental Health Advisory, Middle MN Watershed Board, MN River Basins, MRCl, MVAC, NACO, Parks Board, Planning Commission, Region 9, SBA, Scenic Byway Alliance, SHIP Community Leadership Team, SWCD, Township Board Meetings, Tri-County Solid Waste, West Jefferson Sewer District.

Chair and Vice Chair:

Human Resources Committee (Recruitment, Labor Relations, Employee Benefits, Employee Relations, Compensation/Classification, Staff Development and Strategic Planning).

Recommendation to approve the following 2026 Per Diem and Mileage Eligible Citizen Advisory Committees along with new appointments and reappointments:

2026 PER DIEM & MILEAGE ELIGIBLE CITIZEN ADVISORY COMMITTEES

Planning Commission:

Appointed:

Jeanne Doheny
Alan Gehrke
Shirley Katzenmeyer
Doug Krenik
Mike Roche
Tina King
Pam Tietz

Commissioner:

King (At-Large)
Preisler
King
Rohlfing
O'Keefe
Rohlfing (At-Large)
Tietz

Board of Adjustments:

Appointed:

Russell Anderson
Jeanne Doheny
Collin Harris
Jim Mladek
John Wolf

Commissioner:

Preisler
King
Rohlfing
O'Keefe
Tietz

Housing and Redevelopment Authority:

Appointed:

Terry Overn
Pat Nusbaum
Leah Petricka
Mark Huntington
Sandy Schoenecker

Commissioner:

Preisler
Rohlfing
O'Keefe
King
Tietz

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Theresa Kubes – Human Resources Director

Parks:

Appointed:

Michael Schultz, Chairman (D1)

Jessie Filter (D2)

Amanda Lansing (D3)

Mark Volkenant (At-Large Rep) Vice Chairman

Mike Kinniry (D4)

VACANT (D5)

Extension:

Appointed:

Bill Bjorndahl

Dan Flowers

Margie Riebel

VACANT

Heidi Baker

Brenda Langerud

Kendall Couey

Brooke Reeser

Library:

Appointed:

Stacy Lienemann, Director

Patrick Tebbe

Elizabeth Traxler, President

Cheri Lewer

Heidi Baker

Brenda Langerud

Kendall Couey

Brooke Reeser

Recommendation to set the 2026 per diem a rate at \$75.00 for the Housing and Redevelopment Authority, Parks, Public Health, Extension and Library.

Recommendation to set the 2026 per diem a rate at \$100.00 for the Planning Commission and the Board of Adjustments.

Recommendation to set the 2026 mileage reimbursement rate to follow the Federal IRS Mileage Standard, convenience reimbursement rate to 50% of the Federal IRS Mileage Standard, and 2 cents per mile additional for those Water Patrol Officers while pulling a water patrol boat.

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Theresa Kubes – Human Resources Director

Recommendation to designate all members of the County Board, County Administrator, and the Deputy County Administrator as Association of Minnesota Counties Delegates for Le Sueur County in 2026, and that they are authorized to attend AMC meetings. Department Heads and designated county personnel are also authorized to attend their respective association meetings. By consensus, the Board agreed to the following AMC Appointments:

- Environment & Natural Resources Policy Committee: Preisler
- General Government Policy Committee: O’Keefe
- Health & Human Services Policy Committee: King
- Public Safety Policy Committee: Tietz
- Transportation & Infrastructure Policy Committee: Rohlfing

Recommendation to set the 2026 Le Sueur County Board of Commissioner’s Meeting Dates as the 1st, 3rd and 4th Tuesdays of each month unless advertised otherwise.

Recommendation to set the 2026 minimum salaries for the following Le Sueur County elected officials:

		<u>Minimum</u>
Minn. Stat. 388.18	County Attorney	\$107,123
Minn. Stat. 386.015	County Recorder	\$80,342
Minn. Stat. 387.20	County Sheriff	\$107,123

Recommendation to approve and sign the Telecommute Agreements for the following employees:

EMPLOYEE	JOB DESCRIPTION	DEPARTMENT	OFF-SITE DAYS PER WEEK
Missy Dee	Agency Social Worker	Human Services	3
Teri Hopkins	Agency Social Worker	Human Services	3
Jeff Mack	Agency Social Worker	Human Services	3
Maggie Nicolin	Agency Social Worker	Human Services	3
Kari Peters	Agency Social Worker	Human Services	3
Shari Solheim	Agency Social Worker	Human Services	3
Jessica Wesley	Agency Social Worker	Human Services	3

Staffing Updates

None at this time.

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Le Sueur County Aquatic Invasive Species Prevention



Plan



Plan Adoption Date: December 26, 2023

This plan was prepared by the Le Sueur County Aquatic Invasive Species Advisory Committee

Le Sueur County Aquatic Invasive Species

Prevention Plan

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1. Introduction

Aquatic invasive species (AIS) are defined as nonnative or hybridized aquatic organisms that invade nonnative ecosystems beyond their natural, historic, and native range, cause damage or harm to human uses and the environment and create negative economic impacts. AIS often have economic and environmental impacts such as competing with native species, decreasing habitat and habitat quality, decreasing water quality, spreading pathogens, limiting recreational opportunities, decreasing value of waterfront property, and having huge costs associated with damaged infrastructure and removal.

Le Sueur County has 128 lakes, many creeks, streams, and rivers within its jurisdictional boundaries, which are among some of the County's greatest natural assets. Aquatic invasive species now threaten the habitat, ecosystem function, and recreational enjoyment of these resources. The desired outcome for Le Sueur County is to prevent the spread of AIS and minimize their impacts to the County's water resources.

1.1 Plan Purpose

The purpose of the Le Sueur County Aquatic Invasive Species Prevention Plan is to administer and coordinate federal, state, and local resources in order to help prevent and limit the spread of AIS. There are variety of ways that will provide support in achieving this including education and outreach, watercraft inspections, decontamination, assessments (research/studies), management, monitoring, and enforcement. The activities identified in this plan will have action items that will be prioritized with set goals and timelines.

The main objectives set forth in this plan are listed below:

- Prevent the Introduction of new AIS in the County.
- Slow the spread of existing AIS within the County
- Reduce the economic and environmental impacts caused by current and future AIS infestations.
- Educating the public about the importance of preventing and limiting the spread of aquatic species and their impact to humans and the environment.
- Participation and collaboration with a variety of stakeholders to carry out the goals and objectives within this plan.

1.2 Aquatic Invasive Species Prevention Aid

In 2014, the State of Minnesota (MN) approved a new funding source for counties, Aquatic Invasive Species Prevention Aid, in order to prevent the introduction and/or limit the spread of aquatic invasive species within each County (MN Statue 447A.19). The money allocated to each county is based on the total number of watercraft parking spaces and watercraft trailer

launches. Distributions of funds in 2014 was \$4.5 million dollars and \$10 million dollars for subsequent years. Le Sueur County received \$147,589 in 2023, \$147,001 in 2024, and anticipates receiving similar funds in future years.

To view AIS Prevention Aid allocations for all counties each year since 2014, click on the following link: <https://www.revenue.state.mn.us/aquatic-invasive-species-prevention-aid>. The funds that are received from the State of Minnesota assist Le Sueur County in completing the activities and goals outlined in this plan.

1.3 AIS in Le Sueur County

A number of AIS are already present within the County and surrounding areas. As of 2023, Eurasian watermilfoil (*Myriophyllum spicatum*), Flowering rush (*Butomus umbellatus*), Common carp (*Cyprinus carpio*), Purple loosestrife (*Lythrum salicaria*), European common reed (*Nonnative Phragmites*) and Curly-leaf pondweed (*Potamogeton crispus*) are present in Le Sueur County lakes, and Zebra mussels (*Dreissena polymorpha*), Grass carp (*Ctenopharyngodon idella*), and Silver carp (*Hypophthalmichthys molitrix*) are present in the Minnesota River which defines the County's western border. To find out more information about each of these species please visit the Minnesota Department of Natural Resources (DNR)'s website-



Figure 1. Purple Loosestrife at Rays Lake Park. Photo Credit: Le Sueur County



Figure 2. Eurasian Watermilfoil found at Sunfish Lake. Photo Credit: Carli Wagner, Minnesota DNR

Guide to AIS <https://www.dnr.state.mn.us/invasives/ais/id.html>.

The aquatic invasive species located within Le Sueur County are listed on the prohibited and regulated species lists. With prohibited species, it is unlawful to possess, import, purchase, transport, or introduce unless you are permitted to do so. A few examples of these species located in Le Sueur County include: Flowering Rush, Eurasian Watermilfoil, and Zebra Mussels. Regulated species are allowed to be sold, transferred, bought, etc., but may not be introduced into a free-living state unless you are permitted to do so. An example of this species located in Le Sueur County is Common Carp. Management and prevention of these species are important in continuing to protect the water resources within Le Sueur County.

Infested waters are defined in MN State Statute 84D.03 a,b,c, “ a) As the water contains a population of AIS that could spread to other waters if not regulated b) or the water is highly likely to be infested by AIS because it is connected to water that contains a population of AIS. c) The presence of common carp and curly-leaf pondweed shall not be the basis for listing a water as infested.” To see the complete infested waters list for Le Sueur County or other Minnesota Counties, click on the following link:
<https://www.dnr.state.mn.us/invasives/ais/infested.html>.

There are a variety of species that are found in Minnesota, but are not found within Le Sueur County; therefore they are considered emergent concerns due to their proximity and potential risk to Le Sueur County’s water resources. Examples of emergent species of concern, include but are not limited to: Starry stonewort (*Nitellopsis obtusa*), Spiny waterflea (*Bythotrephes longimanus*), Zebra mussels (*Dreissena polymorpha*), Chinese mystery snail (*Cipangopaludina chinensis*), Faucet snail (*Bithynia tentaculata*). Despite whether Le Sueur County’s lakes, rivers, streams, and creeks contain aquatic invasive species or not, users should always follow AIS prevention best management practices.

1.4 AIS Tools

There are a variety of tools available to help identify and detect aquatic invasive species such as EDDMaps and iNaturalist. Many of these plant id resources can be downloaded as an app on your mobile phone. Please note that the accuracy of each app for identifying species will differ. EDDMaps is the only resource that will automatically contact Minnesota Department of Natural Resources staff of the new report of a species.

- EDDMaps: <https://www.eddmaps.org/>
- iNaturalist: <https://www.inaturalist.org/>

Another tool was developed by the University of Minnesota-Aquatic Invasive Species Research Center to assist with decision making for management of Aquatic Invasive Species called AIS

explorer. Le Sueur County has utilized this tool to help identify infestation risks for different species as well as help prioritize where to place watercraft inspectors each season.

- AIS Explorer: <https://www.aisexplorer.umn.edu/#!/home>

1.5 AIS Partners and Stakeholders

Le Sueur County relies on partners to assist with efforts to prevent and limit the spread of aquatic invasive species. Partners that historically and continue to play a critical role with these efforts include: Minnesota Department of Natural Resources, University of Minnesota, Minnesota State University Mankato, Lake Associations, Le Sueur County Soil and Water Conservation District, Le Sueur County Parks Department, Le Sueur County Sheriff's Department, contractors/consultants, businesses, and nonprofits.

The Minnesota DNR provides technical expertise and financial and educational resources for Le Sueur County. The University of Minnesota and Minnesota State University Mankato provide education and outreach expertise, resources, and research. Lake Associations contribute local financial resources, assistance with education and outreach efforts, and are considered local experts in aquatic invasive species. Le Sueur County Soil and Water Conservation District and assists with technical expertise in management of resources. Le Sueur County Parks Department assists with invasive plant management and education outreach efforts. The Le Sueur County Sheriff's Department assists with watercraft inspections and education and outreach efforts. Contractors and consultants are hired to implement research and management efforts as well as performing watercraft inspections. Businesses are hired to help promote the prevention of Aquatic Invasive Species through education and outreach efforts such as advertisements and social media posts. Nonprofits are also partnered with to help promote the prevention of Aquatic Invasive Species through education and outreach efforts such as advertisements and social media posts. Lastly, Le Sueur County will often participate with other local government units that coordinate their own aquatic invasive species program. This type of partnership allows for a larger scale project or activity to be implemented and reach a statewide audience.

1.6 AIS Program Management

It will be the responsibility of Le Sueur County Environmental Services Department and the Le Sueur County AIS Prevention Advisory Committee to develop the County's AIS Prevention Plan. The Environmental Services Department and the AIS Prevention Advisory Committee will review the plan annually to monitor progress and determine its effectiveness. If at that time they feel the plan needs major updates and/or amendments, changes will be made accordingly and approved by the Le Sueur County Board. The County will likely not update and/or amend the plan every year, but instead updates/amendments will be made every 3-5 years. The

Environmental Services Department, AIS Prevention Advisory Committee, Minnesota DNR, County Sheriff's Department, Lake Associations, and other local stakeholders will work together to enact different aspects of this plan.

This plan is intended to outline goals, activities, actions, and timelines that will help achieve progress towards limiting and preventing the spread of aquatic invasive species. The items discussed in this plan are not meant to limit what activities can be completed and pursued. Rather, the plan helps guide the County, Minnesota DNR, Lake Associations, Sheriff's Department, and other stakeholders in reaching the outcomes as described later in the plan. It is recognized that aquatic invasive species are very dynamic and over time the goals, activities, and actions will change due to individuals and groups gaining knowledge and effectiveness in working towards stopping the spread and preventing the introduction of AIS.

2. Strategies

The strategies listed below were selected by the AIS Prevention Advisory Committee. They continue to be of importance and can be found in past and current Le Sueur County AIS Prevention Plans. Each strategy will continue to be implemented and/or will be implemented in the future in Le Sueur County to prevent the spread of aquatic invasive species. The diversity in strategies demonstrates that there are numerous ways to implement and administer the program, and ultimately, help limit and prevent the spread of AIS. Each strategy continues to grow and change over time to reflect the experiences and knowledge that are gained throughout the years.

2.1 Education and Outreach

The education and outreach aspect of the Le Sueur County AIS Prevention Plan will focus on the following: raising public awareness, educating adults and children at numerous events and functions, distributing and utilizing AIS educational materials for events and functions, media advertising (TV, radio, billboards, etc.), presenting at events and functions, funding AIS education and outreach programs and projects, and partnering with



Figure 1. University of Minnesota Extension Staff Presenting at 2023 Purple Loosestrife Workshop on Rays Lake. Photo Credit: University of Minnesota Extension.

local and nonlocal organizations as well as other government units. Education and outreach may also involve AIS ambassadors and volunteers. These individuals are required to go through DNR training but are not authorized to do Level 1 watercraft inspections. Instead, they interact with individuals to discuss AIS, explain the laws, and help them understand the importance of completing watercraft inspections. By utilizing all of these resources and tools, Le Sueur County will be able to promote the adoption and consistent practice of AIS prevention behaviors by all residents and visitors throughout the county.

Table 1. Education and Outreach

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Attend events and functions such as lake association meetings, fishing contests, county fair, etc. to present information about AIS.	Attend a minimum of 3 events and functions per year and provide outreach to at least 250 individuals each year.	Annually, Numerous times per year	County, MN DNR	High	Presentations at these events and functions are direct education and outreach that reaches a variety of stakeholders and reviews a variety of topics related to AIS.
Activity #2: Acquire and distribute AIS educational materials (books, identification cards, handouts, promotional items, etc.), props, and displays for AIS related events and functions.	Number of educational materials, props, and displays provided or shared with stakeholders at different events and functions.	Annually, Numerous times per year	County, MN DNR , Lake Associations, and Sheriff's Department	High	Educational materials provide additional ways in supporting and spreading the message of AIS prevention.
Activity #3: Advertise AIS prevention through local media sources (TV, radio stations, newspapers, social media, and websites) and through different platforms (signs, billboards, etc.)	Number of advertisements , newsletters, social media posts, website updates produced annually.	Annually, Numerous times per year	County, MN DNR, Sheriff's Department, SWCD	High	By utilizing numerous media sources and platforms to increase awareness about AIS prevention, a wide variety of audiences will be reached.

Activity #4 Place signage at county and MN DNR parks and accesses.	Number of signs at county and state parks and accesses.	TBD	County, MN DNR	Moderate	The signage helps create awareness about how to prevent the spread of AIS, how to clean water orientated structures and equipment, and what bodies of water have AIS infestations.
Activity #5: Partner with local and nonlocal organizations and other government units to provide AIS education and outreach about species, laws, research, best management practices, treatment, and control efforts.	Number of partnerships formed and number of education and outreach events, workshops, and materials supplied.	Annually	County, MN DNR, and Lake Associations, UMN	High	Partnerships provide additional resources and will reach an increased audience size when spreading awareness about AIS prevention. Education will increase stakeholders' awareness about AIS prevention and management.
Activity #6: Encourage local participation and support required training for individuals in becoming an AIS ambassadors/volunteer at accesses.	Number of individuals reached out to or enrolled in ambassador/volunteer program.	TBD	All stakeholders	Low	AIS ambassadors/volunteers assist with educating/informing the public about AIS and how to slow their spread.
Activity #7: Aquatic Invasive Species Prevention Advisory Committee members will attend conferences, trainings, and seminars to stay up to date and knowledgeable about AIS.	Each AIS per committee member will attend at least 1 conference, training, or seminar annually.	Annually	All stakeholders	High	Trainings provide the skills and knowledge for stakeholders to increase their awareness as well as help increase others awareness in AIS prevention.
Activity #8: When deemed appropriate and necessary, seek out additional funding opportunities to help with education and outreach.	Number of applications or awarded and/or gifted funds to assist with education and outreach efforts.	TBD	County, MN DNR, UMN, and Lake Associations	Low	Additional funding opportunities will help the County spread awareness about AIS.

2.2 Watercraft Inspections

The watercraft inspection component of the plan will utilize the County's Sheriff Department, and private sectors. Additionally, delegation agreements will need to be completed by the

County with the Minnesota DNR. Once a delegation agreement has been approved, the DNR will provide training and then can authorize individuals to become Level 1 or Level 2 watercraft inspectors. Only after the delegation agreement has been signed and training has been completed can an individual serve as an authorized watercraft inspector.

According to Minnesota State Statutes in section 84D.105, inspectors are able to do the following:

- Visually and strategically inspect watercraft and other water-related equipment. This may include drainage, decontamination, removal, or treatment of equipment.
- Prohibit launching or operation of watercraft and other water-related equipment if a person refuses to allow inspection or removal of AIS.
- Require a watercraft to be decontaminated prior to launching.

Le Sueur County is fortunate to have numerous bodies of water, but that also means higher risk for infestations. Many of the lakes and rivers within the County serve not only residents, but also visitors from other Minnesota counties and visitors from other states. The lakes and rivers within the County offer recreational opportunities such as swimming, fishing, boating, kayaking, canoeing, and hunting. Additionally, there are numerous seasonal and permanent residents around Le Sueur County lakes. With high traffic of watercraft and people, it is imperative for Le Sueur County to continue to conduct watercraft inspections to prevent and limit the spread of AIS among Le Sueur County lakes, rivers, streams, etc. and bodies of water that are not located within the County.

Table 2. Watercraft Inspections

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Utilize County Sheriff's Department to complete watercraft inspections at boat accesses located throughout the county. <i>(see Appendix C for complete list)</i>	Minimum of 100 hours of watercraft inspections per year.	Annually	Sheriff's Department	High	Watercraft inspections are one of the most effective methods in preventing and limiting the spread of AIS.
Activity #2: Utilize private sectors to complete watercraft inspections at boat accesses located throughout the county. <i>(see Appendix C for complete list)</i>	Minimum of 2,500 watercraft inspection hours per year.	Annually	County, Contractor	High	Watercraft inspections are one of the most effective methods in preventing and limiting the spread of AIS.

Activity #3: Support watercraft inspectors attending required DNR training to become an authorized Level 1 or Level 2 watercraft inspectors.	Watercraft inspectors attend a minimum of 1 training per year.	Annually	Sheriff's Department staff, City Staff, Contractor	High	The required trainings provide the skills and knowledge for individuals to be effective in performing watercraft inspections and using decontamination units.
Activity #4: If additional AIS trainings are offered, encourage watercraft inspectors to attend.	Watercraft inspectors attend 1 additional training per year.	Annually	Sheriff's Department staff, City staff, Contractor	Low	These trainings enhance the skills and knowledge that individuals have in order to be more effective as a Level 1 or 2 watercraft inspector.
Activity #5: When deemed appropriate and necessary, seek out additional funding opportunities to help with Le Sueur County's watercraft inspection program.	Number of applications or awarded and/or gifted funds to assist with watercraft inspections.	TBD	County, Cities, and Lake Associations	Low	Watercraft inspections are one of the most effective methods in preventing and limiting the spread of AIS. Additional funding may be needed in the future to help cover costs.

2.3 Decontamination

Another strategy to reduce the spread of AIS is the use of decontamination tools. A decontamination unit reduces the chances of spreading AIS by utilizing heated pressurized water to kill and remove AIS from boats and trailers. The success of a decontamination unit is dependent on the individual that is using the equipment, usually a DNR authorized Level 2 watercraft inspector. Le Sueur County is interested in pursuing decontamination tools to help reduce barriers for cleaning off water related equipment. Currently there are no plans for the County to provide and manage a decontamination unit. Plans may be pursued in the future



Figure 2. Decontamination Tools at Lake Washington Access.

if there is sufficient interest and funding. Currently the State of Minnesota has mobile Decontamination Units that rotate at different lake accesses throughout the state. The location of the mobile units frequently changes throughout the season. To find out when and where decontamination units will be located, please visit the Minnesota Department of Natural Resources Courtesy Decontamination webpage:

https://www.dnr.state.mn.us/invasives/watercraft_inspect/courtesydecon.html.

Table 3. Decontamination

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Purchase decontamination unit(s) and place in various locations throughout Le Sueur County. Equipment will be purchased based off of interest, logistics, and funding availability.	Purchase a maximum of 10 aquaweed stick stations for high use accesses.	2024	County	High	Decontamination units will limit and help reduce the risk of spreading AIS to non-infested waters.
Activity #2: Train watercraft inspectors to become authorized Level 2 inspectors in order to utilize decontamination units.	Provide 1 training per year for watercraft inspectors to use aquaweed stick stations.	2024-2028	MN DNR	Low	Level 2 Inspectors will be properly trained to utilize the decontamination unit and can assist the public in correctly utilizing the equipment to prevent further spread of AIS.
Activity #3: When deemed appropriate and necessary, seek out additional funding opportunities to help Le Sueur County acquire decontamination equipment.	Number of applications or awarded funds to assist with decontamination units.	TBD	County	Low	Decontamination units will limit and help reduce the risk of spreading AIS to non-infested waters Additional funding may be needed in the future to help cover costs for the decontamination unit(s).

2.4 Assessment and Research

Work will be done to explore possible avenues for AIS introduction, risk, and movement to waterbodies within the County. The first step in assessment is to understand the current status of aquatic invasive species in Le Sueur County's water resources. This information and data are often gathered and collected by the Minnesota DNR, Le Sueur County, University of Minnesota, and local lake associations. Existing data and research should be reviewed before making any future assessment and management decisions. Assessments and research will be a continuous effort to collect as much data and information as possible to reflect the changes that occur with AIS prevention and management efforts. There are a variety of ways to assess AIS and their

impacts to the County. Areas that would be of interest to the County include, but not limited to, the following:

- Carp Populations, Recruitment, and Spawning
- Evaluation of AIS Pre & Post Treatment Conditions
- Risk of Infestation of Water Resources
- Feasibility & Success of AIS removals and treatments
- AIS impacts to water quality and internal loading
- Existing AIS Conditions
- Integrated Pest Management Plans



Figure 5. Common Carp being weighed and measured as part of an assessment project. *Photo Credit: Le Sueur County.*

Aquatic invasive species assessments and research have been completed in Le Sueur County in past years for a variety of reasons. Aquatic Invasive Species Action Plans were conducted in 2015 to determine a risk assessment for 12 lakes located within the County. To review the AIS Action Plans please click on the following link:

[https://www.co.le-](https://www.co.le-sueur.mn.us/499/Research-and-Studies)

[sueur.mn.us/499/Research-and-Studies](https://www.co.le-sueur.mn.us/499/Research-and-Studies). The information gathered from these studies will be utilized to better direct management efforts as well as allow the County and AIS Prevention Advisory Committee to track changes that occur with AIS. In 2019, Le Sueur County hired a contractor to conduct carp assessments on 11 lakes. The assessments helped provide a rough estimate of the current carp populations for each lake, and whether they potentially are having an impact on water quality. If it is determined that carp are having an impact on water quality, additional research and studies may be needed to determine how to reduce carp numbers. To review the results of the carp assessments please click on the following link: <https://www.co.le-sueur.mn.us/499/Research-and-Studies>. The assessments provided a rough assessment for each lake, and the data can be used to assist with next steps in carp research and management. The next step would be an integrated pest management plan for each lake.

Table 4. Assessment and Research

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Identify and maintain a list of current AIS infested waters.	Annually assess current AIS infested list and update Le Sueur County website.	Annually	County	High	The AIS infested waters listed is often updated. Being aware of County and neighboring counties infestations will help reduce risk of spreading AIS.
Activity #2: Compile AIS reports, research, studies, case-studies, and data that have been completed by the County, DNR, Universities, and Lake Associations.	Create database for AIS reports, research, studies, and data located within Le Sueur County.	Biannually	County, MN DNR, Lake Associations , and UMN Extension	High	This information will be used to determine what is known or unknown about the current conditions of AIS throughout the County, Minnesota, and the U.S. as well as what has or hasn't worked in managing/reducing the spread of AIS.
Activity #3: Pursue AIS (vegetation, fish, and invertebrates) assessments, feasibility studies, and research to determine how they impact water bodies and what type of management should be utilized in Le Sueur County.	Number of assessments, feasibility studies, and research projects completed.	Every 3-5 years or if there is need due to gaps in data	County, UMN, Lake Associations , MN DNR	Moderate	The impacts that AIS have on water bodies varies. In order to have a better understanding of how AIS impact water bodies and potential avenues to manage AIS; additional research/assessments may be needed. Management can be difficult with AIS and is not always effective. Feasibility studies will help determine if and what AIS management is appropriate for a specific water body.
Activity #5: Evaluate AIS treatment efforts and/or post-treatment conditions.	Number of workshops,	TBD	All stakeholders	High	Monitoring AIS treatment efforts will determine if treatment of AIS was successful and if additional treatment is needed.

Activity #6: When deemed appropriate and necessary, seek out additional funding opportunities to complete AIS assessment, research, and management activities.	Number of applications or awarded/ gifted funds to assist with assessment and research efforts.	TBD	County, MN DNR, Lake Associations	Moderate	Funding is often a limiting factor for completing projects. Additional funding opportunities will help the County, MN DNR, and Lake Associations complete AIS assessment and research activities that will be needed.
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2.5 Management and Monitoring

The County will work with the MN DNR, Lake Associations, and Municipalities on managing AIS within the County. Management of AIS within the County may include activities, but not limited to, the following: mechanical treatment, chemical treatments, biocontrol, structures/barriers to prevent AIS movement, drawdowns, monitoring, recruitment mortalities, etc. If the County or any other entity pursues any type of management, the proper federal, state, and local permits will be secured before work begins.

Le Sueur County has assisted with mechanical, chemical, and biological treatments for lakes located within the County. If any type of treatment is needed for a particular water body, the County will coordinate with all stakeholders involved to determine if treatment is needed and appropriate. Funding opportunities may be available from the County to support treatment efforts.



Figure 6. Loosestrife Beetles being reared to be released later for biocontrol management.

In order to monitor AIS, the County will encourage seasonal surveys. These surveys will be used to determine the current growth of AIS already known to be infesting a water body or utilized to scout for the introduction of new AIS not already known to be present in a lake. Additionally, these surveys may be utilized to better direct AIS control efforts. AIS tools such as iNaturalist and EDDMaps should be utilized to assist with surveying efforts.

Table 5. Management and Monitoring

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Support local efforts for AIS removal and treatment. Treatment efforts can include mechanical, chemical, or biological.	Number of permits issued, or amount of funds awarded.	TBD	County, Municipalities, Lake Associations	High	The County will work with all stakeholders in AIS removal/treatment in order to reduce/limit AIS presence in water bodies.
Activity #2: Coordinate with MN DNR to identify and establish management efforts when necessary.	Total hours for coordination efforts or number of reports/summaries developed.	TBD	County, Municipalities, Lake Associations, MN DNR, UMN	Low	Le Sueur County and the MN DNR will work together to determine what management efforts would be effective in preventing the spread of AIS.
Activity #3: Monitor pre & post treatment of AIS infested waters in Le Sueur County.	Number of monitoring efforts or reports developed (will vary by each resource type).	Annually	County, MN DNR, Contractor, and Lake Associations	High	Monitoring AIS treatment efforts will help determine if management was successful and if additional management is needed.
Activity #4: Monitor water bodies (lakes, rivers, wetlands, stormwater ponds, etc.) in Le Sueur County for current conditions of AIS.	Number of monitoring efforts or reports developed (will vary by each resource type).	Every 2-3 years	County, MN DNR, Lake Associations, and other stakeholders	Moderate	Data will be available in order to determine the extent of AIS presence in water bodies and determine if management is needed in order to prevent the spread of AIS.
Activity #5: Install structures or barriers within lakes, streams, ditches, and wetlands to reduce movement of nonnative fish.	Number of structures or barriers installed.	TBD	County, MN DNR, SWCD	Low	Structures and barriers can limit and prevent the movement of nonnative fish from one body of water to another reducing risk.
Activity #6: Implement chemical treatments or drawdowns on water bodies that are infested with Carp species to reduce carp populations.	Number of treatments or drawdowns used to reduce carp populations.	TBD	MN DNR	Moderate	Using chemical treatments or drawdowns on lakes can be an effective management tool for reducing carp populations.

Activity #7: Create an AIS monitoring program for Le Sueur County.	AIS Monitoring Program Created	2024-2025	County, MN DNR, UMN, Lake Associations , Sheriff's Department, Municipalities	High	Creating an AIS Monitoring Program for Le Sueur County will help identify spread of existing AIS species and identify any new species that may be introduced into water resources.
Activity #8: When deemed appropriate and necessary, seek out additional funding opportunities to complete AIS management activities.	Number of applications or awarded/ gifted funds to assist with management and monitoring efforts or number of volunteer hours to assist with these efforts.	TBD	County, MN DNR, Lake Associations	Moderate	Funding is often a limiting factor for completing projects. Additional funding opportunities will help the County, MN DNR, and Lake Associations complete AIS management activities that will be needed.

2.6 New Infestation Plan

A New Infestation Plan will be developed to address new, localized infestations in an effort to keep AIS from becoming established within a water body. This plan will be utilized solely to deal with new, isolated introductions and not with AIS that have already become established. Infestations are considered new when the AIS has not been previously recorded by the MN DNR in the water body in question. Suspected new infestations should be reported directly to the MN DNR immediately to start the response process. The MN DNR is required to verify or deny the report. If the new infestation is verified by the MN DNR, communications should be initiated by the Le Sueur County Environmental Services Department, Lake Association (if applicable), any local businesses on or near the lake, and neighboring counties about the new AIS occurrence.

Le Sueur County has set aside funds to help respond to new infestations. In order to be eligible for funding, the proper permits need to be obtained by the MN DNR. Additionally, the funds can be used for mechanical, biological, or chemical removal with County Board approval. A response guidance group made up of MN DNR staff, local resource managers, local organization leaders, consultants, and other experts as needed will be convened for each new infestation. The group will discuss available funding, the pros and cons of various treatment options, and monitoring that will be needed. A treatment and monitoring plan will be developed and implemented. A report summarizing response efforts and recommended next steps will be submitted to Le Sueur County.

Table 6. New Infestation Plan

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Provide financial support for AIS removal and/or treatment of new infestations.	Total amount of funds provided for AIS removal and treatment efforts.	TBD	County, MN DNR, Lake Associations, and Municipalities	High	The County will provide financial support in AIS removal and treatment to limit/prevent further spread of new infestations.
Activity #2: Obtain appropriate permits and documentation for AIS removal and treatment of new infestations.	Number of permits applied for and approved.	TBD	County, Lake Associations, and Municipalities	High	The County will obtain the required permits and documentation needed to support AIS removal and treatment to limit/prevent further spread of new infestations.
Activity #3 Report suspected new AIS infestation to the MN DNR. The MN DNR is required to verify or deny the report. If the new infestation is verified by the MN DNR, communications should be initiated by Le Sueur County Environmental Services Department, Lake Association (if applicable), any local businesses on or near the lake, and neighboring counties about the new AIS occurrence.	Contact hours of reporting new infestation to MN DNR, lake association(s), neighboring LGUs, and businesses. AND Minimum of 1 press release published in local newspaper.	TBD	All stakeholders	High	Quick responses and communication to all stakeholders will help reduce the risk of new infestations spreading throughout the same water body or to additional water bodies.

2.7 Enforcement

Enforcement of AIS prevention within the County will be handled by the local sheriff's department. With the continued spread of AIS within the State of Minnesota, it is becoming more important to enforce prevention if we hope to reduce or halt the spread of these organisms and protect our waters for future generations.

Enforcement of the County's AIS will be conducted on two main fronts, at access sites and on the road. Boats will be inspected as they enter and leave the access. By inspecting before a boat enters a waterbody, we can prevent new introductions. By inspecting a boat when it

leaves, we can prevent the unlawful transport of AIS from infested lakes. If an individual refuses to have their water related equipment inspected, the Le Sueur County Sheriff's Department will be notified. If enforcement training is offered by the Minnesota DNR for officers, the County will encourage the sheriff's department to attend.

Table 7. Enforcement

Activity Item	Measurable Goal	Timeline	Responsible Party(s)	Prioritization of Activity	How Activity Supports AIS Prevention
Activity #1: Utilize local sheriff's department to promote and enforce AIS laws and regulations through watercraft inspections.	Minimum of 50 hours of local law enforcement promoting and enforcing AIS laws and regulations.	Annually	Le Sueur County Sheriff's Department	High	The local sheriff's department is knowledgeable about AIS laws and regulations and is able to enforce them. This will prevent AIS from spreading to and infesting other waters.
Activity #2: Encourage and support the sheriff department's attendance at MN DNR enforcement trainings.	Number of local law enforcement attending AIS trainings.	Annually	Le Sueur County Sheriff's Department	Low	The enforcement trainings sharpen the sheriff's departments' skills and knowledge to be more effective in enforcing AIS laws and regulations.

Appendices

Appendix A. Le Sueur County AIS Contacts

Le Sueur County staff (Environmental Services Department) is responsible for administering and coordinating the County's Aquatic Invasive Species program.

The Sheriff's Department assists the Environmental Services Department with Aquatic Invasive Species education and outreach efforts. The department also performs watercraft inspections and enforces Minnesota Aquatic Invasive Species laws and regulations.

Minnesota DNR staff provides guidance and advice to the County when administering the AIS program. Additionally, the Minnesota DNR participates in many of the activities that are listed in this plan.

The AIS Prevention Advisory Committee was created to help the County direct its AIS prevention efforts in a manner that was effective and comprehensive while including local, county, and state AIS prevention goals/objectives. The Committee provides feedback about the current AIS prevention efforts in the County and brings forth knowledge/ideas to the group.

Environmental Services Department Staff

Trevor Rudenick, Water Resources Planner, 507-357-8556 trevor.rudenick@lesueurcounty.gov

Holly Bushman, Water Resources Manager, 507-357-8540, holly.bushman@lesueurcounty.gov

Sheriff's Department Staff

Jim Staupe, Le Sueur County Deputy Water Patrol, jim.staupe@lesueurcounty.gov

Nick Greenig, Le Sueur County Deputy, 507-357-8386, nick.greenig@lesueurcounty.gov

Bryce Hermel, Le Sueur County Deputy, 952-212-6928, bryce.hermel@lesueurcounty.gov

Brett Mason, Le Sueur County Sheriff, 507-357-8557, brett.mason@lesueurcounty.gov

Minnesota DNR Staff

Jeffrey Flory, Aquatic Invasive Species Specialist, 507-910-9801

Rafael Contreras-Rangel, AIS Prevention Planner, 651-259-5350, Rafael.Contreras-Rangel@state.mn.us

Tina Fitzgerald, Watercraft Inspection Program Supervisor, 651-259-5146, Tina.Fitzgerald@state.mn.us

AIS Prevention Advisory Committee

Jim Staupe, Le Sueur County Deputy Water Patrol (contact information above)

Brenda Hennek Sholl, Lake Washington Improvement Association, bmh3231@gmail.com

Dennis Byron, Lake Francis Lake Association, dennisfbyron@hotmail.com

Eric Lomen, Waterville Lakes Association, elomen@lomen.com

Holly Bushman, Water Resources Manager (contact information above)

Karl Schmidtke, Resource Technician, kschmidtke@co.le-sueur.mn.us

Marly Ayers, Rays Lake Association, marleyaa@hotmail.com

Michael Schultz, Le Sueur SWCD, mschultz@co.le-sueur.mn.us

Nicki Weber, Lake Volney Lake Association, nickiweber02@gmail.com

Carol Burns, The Greater Jefferson-German Lakes Association, burns@issmankato.com

Rafael Contreras-Rangel, MN DNR AIS Prevention Planner (contact information above)

Tina Fitzgerald, MN DNR Regional Watercraft Inspection Supervisor (contact information above) Trevor Rudenick, Water Resources Planner (contact information above)

Please note that the Le Sueur County AIS contacts may change over time due to individuals no longer in the position as described above. Additionally, individuals may be added to the list above. If you are having troubles contacting any one on the list, please contact the Le Sueur County Environmental Services Department.

Appendix B. Grants and Programs

Grants and programs from the DNR, UMN, and other organizations are typically available for a variety of AIS activities such as monitoring, decontamination, treatment, education/outreach, new infestations, etc. The grants and programs listed in this Appendix are known grants/programs that have occurred in the past or are currently being offered. Funding availability determines when grants become available, and they will be pursued as needed. New grants and programs may come about during the lifespan of this plan, and hence, would not be included. The plan, specifically Appendix B, may be updated when new grants & programs become available.

To see what DNR grants and programs are currently available please visit the following link:
https://www.dnr.state.mn.us/grants/aquatic_invasive/index.html

Grants

AIS Control Projects

The AIS Control Projects Grant provides funding to help cover the cost of curly-leaf pondweed, Eurasian watermilfoil, and flowering rush control projects. The grant assists in covering the cost of herbicide, mechanical control, or a combination of both treatment types. Entities such as lake associations, watershed districts, cities, and counties may apply for funding.

Minnesota Aquatic Invasive Species Research Center (MAISRC) Research Studies

MAISRC offers a competitive grant process to expand research efforts for Minnesota's AIS problems. Proposals for research must include one of the following research priorities: control and management, prevention of establishment and spread, risk assessment, and early detection of AIS in Minnesota.

Programs

DNR Signs at Water Accesses

The DNR provides a limited number of Help Stop Aquatic Hitchhikers! Signs are at no cost for lake associations, local governments, and other groups to post at water accesses. You may also print your own signs.

Appendix C. List of Le Sueur County Accesses & Map

Table 8.

<i>Water Body Name</i>	<i>Ramp Type</i>	<i>Administrator</i>
Cannon River-Waterville	Concrete	City
Clear Lake	Concrete	DNR
Clear Lake	Fishing pier	County
Diamond Lake	Carry in	DNR
Dora Lake	Gravel	DNR
Lake Emily	Concrete	DNR
Fish Lake	Concrete	County
Francis Lake (West)	Concrete	County
Francis Lake (East)	Concrete	DNR
German Lake (North)	Concrete	DNR
German Lake (Southwest)	Carry-in/pier	DNR
Gorman Lake (West)	Gravel	County
Gorman Lake (South)	Concrete	DNR
Gorman Lake (Southeast)	Carry-in	County
Greenleaf Lake	Concrete	DNR
Henry Lake	Gravel	DNR
Jefferson Lake	Fishing pier	County
Jefferson Lake (West)	Concrete	DNR
Jefferson Lake (East)	Concrete	DNR
Jefferson Lake (Geldners Sawmill)	Fishing pier	County
Minnesota River-Kasota	Carry-in	County
Minnesota River-Saint Peter	Concrete	City
Minnesota River-Ottawa	Carry-in	County
Minnesota River-Le Sueur	Carry-in	City
Minnesota River-Henderson	Concrete	City
Pepin Lake	Concrete	County
Ray's Lake	Gravel	County
Ray's Lake	Fishing Pier	County
Rice Lake	Carry-in	DNR
Roemhildts Lake	Concrete	DNR
Sabre Lake	Gravel	County
Saint Peter Trout Ponds	Shorefishing	DNR
Sakatah Lake (State Park)	Fishing pier	DNR
Sanborn Lake	Gravel	DNR
Scotch Lake	Gravel	DNR
Steele Lake	Gravel	County
Sunfish Lake	Concrete	County

Tetonka Lake	Concrete	DNR
Tetonka Lake	Fishing pier	DNR
Tetonka Lake	Fishing pier	City
Thomas Lake	Carry-in	DNR
Tustin Lake	Carry-in	DNR
Volney Lake	Concrete	DNR
Washington Lake (West)	Concrete	DNR
Washington Lake (North)	Concrete	DNR

If you are interested in access information for Wildlife Management Areas (WMA) or Aquatic Management Areas (AMA) please contact the local Minnesota DNR office in Waterville. Their contact information is as follows: 507-362-4223 or waterville.fisheries@state.mn.us

Le Sueur County Boat Access Map

Legend

Boat Accesses

-  Le Sueur County
-  MN River



LE SUEUR COUNTY BOARD OF
COMMISSIONERS
OPERATING PROCEDURES
ADOPTED JANUARY 6, 2026

District I Dennis Tietz
District II Danny O’Keefe
District III John King
District IV Dave Preisler
District V Steve Rohlfig

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I. Overview

a. Purpose

- i. The Le Sueur County Board of Commissioners is the body charged by law with the management of the affairs of Le Sueur County. The County Board operates as a deliberative and legislative assembly, meeting to discuss and determine the direction and policies of the County within the confines of state and federal law. The County Board functions within the statutory framework of Minnesota law. General duties, powers and responsibilities are found in Minnesota Statutes (MS), especially but not exclusively Chapters 370, 373 and 375. Minnesota Statutes supersede all bylaws, rules and policies established by the Board. The Operating Rules and Guidelines of the Le Sueur County Board of Commissioners are intended to facilitate the transaction of business by the County Board and its committees. The following principles shall guide the County Board in its interpretation and application of the Rules.

b. Statement of Principles

- i. The Operating Rules intend to strike a procedural balance that considers all principles and enunciates a specific process by which those principles interact and work. The County Board's essential principles that form the framework through which the operating rules and actions of the Board are constructed and evaluated are as follows:
 - 1. *Governing Le Sueur County.* Elected officials work in tandem with a strong, professionally managed work force to accomplish the goals and objectives of Le Sueur County.
 - 2. *Commitment and Service to our Citizens.* Le Sueur County government will provide fiscally prudent, risk sensitive, cost-effective solutions, with the objective being to serve to the best of our ability those who use county services
 - 3. *Commitment to Staff.* Le Sueur County government is committed to providing a positive and healthy work environment. We are committed to preparing and educating our workers to provide quality services.

4. *Expectations and Accountability of Each Other.* We expect honesty, integrity, and a commitment to the values of our organization without regard for position or title. We expect leadership and all personnel to hold each other accountable for their actions.
5. *Managing County Government.* Our goal is to create an organizational culture which fosters creativity and a willingness to take reasonable risks, with an acceptance of responsibility, accountability, and authority.
6. *Performance and Continuous Improvement.* We will monitor performance in an effort to continuously improve our services to our citizens.
7. *Transparency and Communication.* We will conduct business openly and strive to effectively communicate with our citizens.

c. Review, Adoption and Amending Operating Rules

- i. Operating rules shall be reviewed, amended and adopted at the first Board meeting in January of each year, otherwise known as the statutory meeting as outlined in MS §375.07.
- ii. Any member of the County Board may initiate action to amend the Operating Rules at any time. The County Administrator may also recommend changes.

II. County Board Organization

a. Membership

- i. The Board of Commissioners consists of five (5) members elected from single-member districts apportioned on the basis of population as provided by law.

b. Commissioner Districts

- i. The boundaries of commissioner districts, including the procedures to follow in the event that a redistricting is needed, are established pursuant to MS §375.025.
- ii. The following resolution was adopted on April 19, 2022 establishing Commissioner Districts.

WHEREAS, Minnesota Statutes Chapter 375 established the procedure and requires a process for redistricting County Commissioner districts based on population figures from the Federal Census; and,

WHEREAS, Minnesota Statute section 204B.135, subd. 2 requires that County Commissioner Districts be redistricted within 80 days of when the legislature has been redistricted or at least 15 weeks before the state primary election, whichever comes first; and,

January 2026

WHEREAS, pursuant to these statutes the 2020 Federal Census population figures shall be used to redistrict the Le Sueur County Commissioner Districts by April 26, 2022 and that Commissioner Districts shall be bounded by town, municipal, ward, city district, or precinct lines; and,

WHEREAS, the Le Sueur County Board of Commissioners has considered the possibility or potential for maximizing minority representation on the board of commissioners; and,

WHEREAS, Le Sueur County published a three week notice in the newspaper having the contract for publishing the commissioner's proceedings for the county for 2022; and,

WHEREAS, Le Sueur conducted a public hearing on redistricting on April 19, 2022 at 9:05 a.m.:

NOW, THEREFORE BE IT RESOLVED, that the Le Sueur County Board of Commissioners hereby redistricts the County of Le Sueur, following town, municipal, ward, city district, or precinct lines as reestablished in April, 2022, and reestablishes the length of terms as follows:

District 1 - South half of New Prague City, Heidelberg City and Lanesburgh Township (continuation of current term, 2024 Election)

District 2 - Montgomery City, Montgomery Township, Lexington Township, Sharon Township and Ottawa Township (4-year term, 2022 Election)

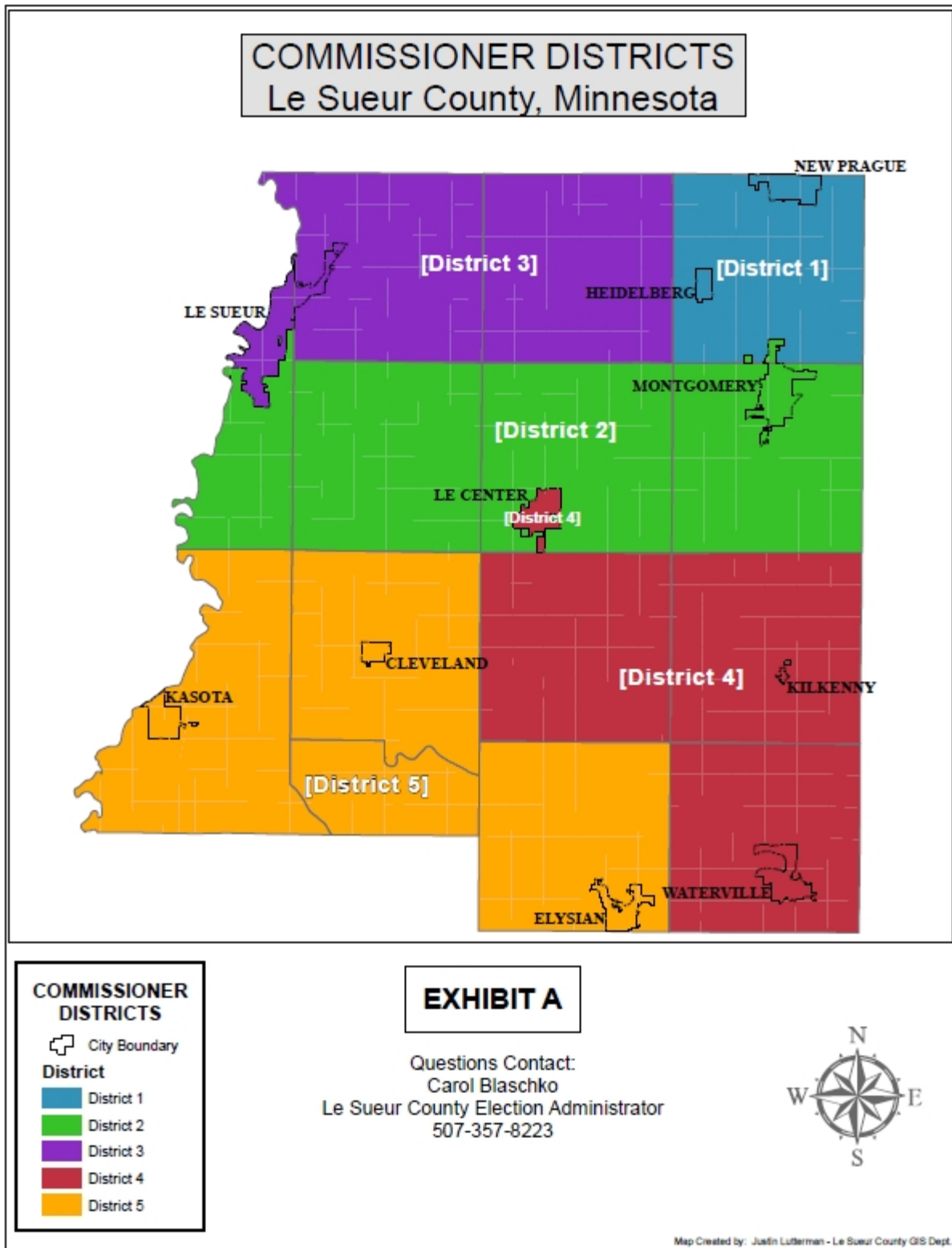
District 3 - Le Sueur City Ward 1 and Ward 2, Derrynane Township and Tyrone Township (continuation of current term, 2024 election)

District 4 -Le Center City, Kilkenny City, Kilkenny Township, Waterville City, Waterville Township And Cordova Township (4-year term, 2022 Election)

District 5 - Cleveland City, Cleveland Township, Elysian City, Elysian Township, Kasota City, Kasota Township Precinct 1 and Precinct 2, Washington Township and Mankato City (4-year term, 2022 Election)

BE IT RESOLVED that the County Administrator is directed to file the redistricting plan with the Election Administrator by May 3, 2022, to be effective on June 3, 2022, for the 2022 primary and general election and publish in the Le Sueur County News.

BE IT FINALLY RESOLVED that the districts are, for illustrative purposes, identified in a map of the county attached hereto and marked Exhibit A which by reference is hereby made a part hereof.



District 1

Heidelberg City	137
New Prague City (LS Co)	3456
Lanesburgh Township	1997
TOTALS	5590

District 2

Montgomery City	3249
Lexington Township	756
Montgomery Township	707
Ottawa Township	287
Sharon Township	639
TOTALS	5638

District 3

Le Sueur City	4213
Derryane Township	532
Tyrone Township	511
TOTALS	5256

Kilkenny City	148
Le Center City	2517
Waterville City	1750
Cordova Township	496
Kilkenny Township	362
Waterville Township	674
TOTALS	5947

District 5

Cleveland City	747
Elysian City	704
Kasota City	714
Mankato City	0
Cleveland Township	710
Elysian Township	1017
Kasota Township P1 & P2	1573
Washington Township	778
TOTALS	6243

28,674

District 4

c. Terms of Office

- i. The terms of each Board member are four years, except as otherwise established pursuant to MS §375.03.

d. Vacancy

- i. A vacancy in the office of County Commissioner is filled in one of two ways, pursuant to MS §375.101.

e. Officers

- i. The County Board, at its statutory meeting (first Tuesday after the first Monday of each year), elects from its members a Chair and a Vice-Chair. The Chair presides at the County Board meetings, decides on questions of order, subject to vote of the County Board, and signs all documents requiring signature on the

Board's behalf. The Chair's signature, attested by the County Administrator, is binding as the signature of the County Board. The County Board Chair and County Administrator are authorized to sign all legal documents and resolutions on behalf of the Board of Le Sueur County Commissioners.

- ii. The County Board elects from its membership a Vice-Chair at the same time and place and in the same manner as provided for the election of the Chair. The Vice-Chair performs the duties of the Chair when the Chair is unable to perform those duties.
- iii. If the Chair and Vice-Chair are absent from any meeting, the members present shall choose one of their members as temporary Chair, and all documents requiring the signature of the County Board shall be signed by a majority of it and attested to by the County Administrator (MS §375.13).
- iv. At the statutory meeting (and if applicable during the year), the Chair of the County Board shall have the authority to recommend committee chairs, appointment of members of the County Board to standing committees and other County Board-member appointed committees, organizations and groups, subject to approval by the County Board.

f. Compensation

- i. County Board members receive as compensation for services an annual salary as set by resolution of the County Board. The salary must be established prior to the end of the preceding year, and is effective January 1 of the New Year. The resolution shall contain a statement of the new salary as defined on an annual basis and must be published in the official County newspaper (MS §375.055).
- ii. County Board members shall also receive a per diem for attendance at assigned committee meetings as per the Le Sueur County Committee Appointments which is approved annually and updated by the County Board as needed throughout the year. The per diem rate must be established prior to the end of the preceding year, and is effective January 1 of the new year. A commissioner may not collect more than one days per diem pursuant to the same authority regardless of the number of hours spent performing work in a single day.
- iii. Members of the County Board shall not receive a per diem for service on the board of auditors, the board of equalization, or the canvassing board (MS §375.055, Subd. 5).
- iv. Expense reports shall be completed in accordance with the Personnel Policy.

v. All County elected officials shall receive County-paid medical and life insurance benefits at the same level and under the same terms and conditions as those provided to County non-union employees.

vi. All County elected officials of whom have served a minimum of five (5) years as an elected official of Le Sueur County shall be entitled to medical insurance coverage paid by the County at the rate of 25% of the years elected. (i.e. nine (9) years in office equals 2 ¼ years of paid health insurance.) The surviving

spouse and dependents shall be entitled to coverage if dependent coverage is in place at the time of terminated service. The maximum payment of this medical benefit shall be the same as provided to the County non-union employees. The maximum length of paid health insurance benefit is five (5) years which would require a minimum of twenty (20) years of service in elected office.

g. County Board Budget

- i. The County Board is allocated an annual budget which includes salary, per diem, benefits, conferences, meetings and related expenses.

h. Personnel/Executive Committee

- i. The Chair and Vice Chair of the Board serve on the Personnel/Executive Committee, which meets prior to each Board meeting and on an as needed basis to discuss personnel or other important matters.

III. County Board Meetings

a. Guidelines for Appropriate Actions

- i. The County Board is a nonpartisan body that does not advocate for positions or policies that do not have a direct and explicit relationship to County programs, services, policies, or budgets.
- ii. Policy and Statement Resolutions
 1. Policy and Statement resolutions may be considered about State and Federal issues that directly and explicitly relate to the County budget, programs and services.
 2. Policy and Statement resolutions will NOT be considered on issues that do NOT have a direct and explicit link to the County budget, programs or services.
 - a. Some examples include:
 - i. Expressing an opinion on matters of political or ideological controversy.
 - ii. Expressing an opinion on issues generally identified and known as supported by one political party as opposed to the other.
 - iii. Recognizing events or organizations with no explicit relationship to the County's programs, services, policies or budgets.
 - iv. Politically related campaigns.

3. Requests for county board action on a resolution or proclamation will be processed by the County Administrator. The County Administrator will apply these guidelines and provide a reply to the requester.

b. Virtual Meeting Rules (State Statute 13D.02)

- i. Unless designated a closed meeting, all meetings of the County Board will be streamed live.
- ii. Meetings are recorded, but recordings are not posted on the website.
 1. The public may request a recording of any meeting.
 2. Recordings are not official minutes of meetings.
 3. Recordings are kept for 12 months.
- iii. Work sessions are not live streamed or recorded.
- iv. Commissioners may participate in a County Board meeting virtually and vote if all the following conditions are met.

1. They inform the County Administrator before the formal agenda is posted that they will not be present, and they provide the address that they will be joining the meeting from.

a. The location will be posted on the formal agenda, and citizens are allowed to join you at that location if they so choose.

2. All commissioners participating in the meeting can see and hear one another, all testimonies being presented, and all discussions at any location where a member is present.
3. Members of the public **present at each location** can see and hear all discussions, testimony, and votes of the commissioners.
4. At least one commissioner is physically present at the regular meeting location.

5. Each location where a member is present is open and accessible to the public.

6. If interactive television is used to conduct a meeting, members of the public shall be allowed to monitor the meeting electronically from a remote location to the extent possible. Persons choosing to monitor a meeting electronically may be required to pay for fees incurred for additional connections.

7. All votes must be conducted by roll call, and each Commissioners vote must be recorded.

c. Regular Meetings

- i. The County Board shall adopt a schedule of regular board meetings for the upcoming year. The schedule will include the location, date and time of the meetings. During the year the schedule may be amended by vote of the County Board.

- ii. Unless otherwise stated, all regular meetings of the County Board will be convened in the Board of Commissioners' Room in the Le Sueur County Government Center, Le Center, MN. All regular meetings of the County Board are open to the public.
- iii. Meetings are generally held on the first, third and fourth Tuesday of each month.

d. Statutory Meeting (MS §375.07)

- i. The County Board meets in the Board of Commissioners' Room in the Le Sueur County Government Center for the transaction of business on the first Tuesday after the first Monday in January. The County Board transacts organizational business during this meeting, including:
 - 1. Administration of the Oath of Office (if required)
 - 2. Election of Board Chair and Vice-Chair

e. Open Meeting Law

- i. All meetings of the Le Sueur County Board of Commissioners are subject to the Open Meeting Law (MS §13D.01, 13D.02, and 13D.021). A meeting governed by Minnesota Statutes may be conducted by interactive television as long as the following conditions are met (MS §13D.02):

f. Closed Meetings

- i. The County Board may hold closed meetings as authorized by MS §13D.03 and 13D.05. Business which may be considered in closed session is in accordance with the attorney/client privilege, to consider strategy for labor negotiations, to develop or consider offers or counteroffers for the purchase or sale of real or personal property, or as otherwise required or permitted by the Minnesota Open Meeting Law.
- ii. Before closing a meeting, the County Board will state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

g. Special/Emergency Meetings

- i. Procedures to schedule any special or emergency meetings shall be in accordance with MS §13D.04. Emergency meetings may be called and a good faith effort to provide notice of the meeting shall be made.
- ii. Special meetings shall be preceded by three days' notice, including a posting of the meeting notice and either (1) mailed or delivered notice to persons who have requested such notice, or (2) publication of the notice in the official newspaper, or **(3) posted on the County website.**
- iii. Adjourned or reconvened meetings may be held at any specific time, date and place the Board may adopt without additional notice. However, the time, date

and place must be publicly specified by the Board prior to adjourning the meeting.

- iv. Members of the County Board are entitled to ten days' notice of Board meetings. A meeting cannot be held without such notice unless each member has consented to holding a special meeting (MS §375.07).
- v. The County Board may schedule work sessions, retreats, forums or additional meetings at such times and concerning such subjects as may be established by resolution of the Board. A schedule of such meetings shall be maintained in the County Administration Office. Work sessions and other informal meetings of the Board not regularly held shall be subject to the same notice requirements of the Open Meeting Law. A joint meeting with the Le Sueur County Board and any other political subdivision may be held within boundaries of either subdivision as will be specified in the meeting notice.

h. Public Hearings

- i. From time to time, the County Board conducts formal public hearings. In addition to those required by law, the County Board may hold public hearings on matters of business when it decides that such hearings are in the best interest of the general public or issues under consideration. The order of business for public hearings generally follows this procedure:
 - 1. Presiding officer opens the hearing and states the purpose.
 - 2. Brief description of issue by county staff or other appropriate persons.
 - 3. Presentation, if applicable, by affected or interested persons
 - 4. Open discussion by members of the general public.
 - 5. Discussion by the County Board.
 - 6. Public hearing closed.
 - 7. Decision of the County Board.
- ii. At any time during the process, the County Board may address any questions as deemed appropriate. The County Board may alter the public hearing procedure as needed to assure that the hearings are conducted in an orderly, fair and expeditious manner, including establishing reasonable time limits for speakers individually or on each side of the issue before the Board.
- iii. Rules adopted for public hearing procedures are intended to promote an orderly discussion, to give every person an opportunity to be heard, and to ensure that no individual is embarrassed by exercising the right to free speech. Individuals making comments shall first give their full name and address. This is required for an official record of the public hearing.

i. Audience Participation in Board Meetings

- i. It is the intention of these rules to support the interest of the public in following Board business during their meetings. As such, during each Board meeting, a designated open public forum section is established to start around 9:00 a.m.

- ii. This is an opportunity reserved for citizens, not employees, unions or other organizations not associated with Le Sueur County.
- iii. There is a three-minute time limit per person to express themselves on a particular matter.
- iv. The Board will not take action at the time of presentation, but will direct staff to respond as deemed necessary.
- v. The County Board prefers all business matters initiated by citizens coming before them to first be reviewed by staff.
- vi. In an effort to encourage efficiency and early resolution of issues, the County Board recommends that citizens first contact staff to try to resolve matters before coming formally to the County Board meeting.
- vii. If an individual seeks to appear before the County Board,
 - 1. They should notify County Administration of his/her intention and the issue to be presented.
 - 2. The administrator will notify the Chair.
 - 3. No citizen requests will be placed as agenda items on the County Board agenda, unless directed by the County Board Chair.
 - 4. Questions directed to the Board may not be answered immediately; however, all appropriate questions will be responded to in a timely manner by the Board and/or county staff.

j. Quorum

- i. A quorum is necessary for the transaction of business. A majority of the members of the Board constitutes a quorum and no business shall be transacted unless approved by a majority (three votes) of the whole County Board (MS §375.07). Less than a majority of members may convene a meeting, but no business may be transacted.
- ii. Each member participating in the meeting by interactive television shall be considered present at the meeting for purposes of determining a quorum.
- iii. Any County Board member who, for any reason, anticipates or plans an absence at any regular or special meeting is encouraged to contact the County Board Chair or the county administrator to indicate his or her planned absence.

k. Role of Presiding Officer

- i. The presiding officer of the meeting is the Chair. In the absence of the Chair, the presiding officer will be the Vice-Chair. The duties and powers of the presiding officer include the following:
 - 1. Preside at all meetings of the County Board.
 - 2. Preserve order and decide questions raised by members subject to appeal to the Board.
 - 3. To vote all questions regularly moved and to announce the result.

4. Review and comment on the draft agenda for each regular and special meeting of the Board.
5. Serve as representative of the Board in execution of contracts, orders, resolutions, determinations, and minutes of the Board and certifications.
- ii. The Chair of the Board is permitted to offer a second to any motion offered by another Board Member, and has the same voting rights and responsibilities as other members. In roll-call votes, the vote of the Board Chair shall be called last.

I. Addressing the Chair

- i. Formal protocol is used when speaking to the County Board. The County Board Chair is addressed as “Mr./Madam Chair.” Members of the County Board are addressed as “Commissioner (last name).”
- ii. Any member of the County Board or members of the public may speak on any matter before the County Board when recognized by the Chair and within established procedures as outlined in the rules.

m. County Administrator

- i. The county administrator or designee shall attend all meetings of the County Board. The county administrator may participate in the discussion or recommend a resolution or action to the County Board. A member of the Board may call on the county administrator to participate in the discussion or provide a verbal recommendation on any subject pending before the Board.
- ii. The county administrator or designee shall prepare a written agenda for all regular and special meetings of the County Board. The county administrator or designee also:
 1. Makes regular entries of all Board resolutions and decisions upon all questions;
 2. Records the vote of each member on any question submitted to the Board;
 3. Preserves and files all business acted upon by the Board;
 4. Certifies, under seal of the county, copies of any and all resolutions or decisions of the Board;
 5. Performs such further duties as designated by the Board; and
 6. Leads collaborative efforts across county departments, county agencies and across county lines.

IV. Conduct of Debate

a. Principles

- i. The rules of Parliamentary Practice embodied in Robert's Rules of Order shall govern the Board in all cases applicable, except as modified by the rules herein and applicable Minnesota Statutes.

b. Parliamentarian

- i. The Rules of Order governing County Board meetings shall be referred to the County Board Chair for interpretation and enforcement. The County Board Chair may consult with Board members and/or the county attorney in interpreting and deciding upon rules and questions of order.

c. Role of the Chair

- i. The Chair shall preside over the debate, ensuring equality and fairness in discussion. If necessary, the Chair may restate or ask the county administrator or designee to restate the motion, who made the motion, and who seconded the motion, or to announce the result of the vote.

d. Suspension of the Rules

- i. At the beginning of any Board Meeting, the Board Chair polls the other members and the county administrator for any additional agenda items over and above the printed agenda. When the Board Chair declares that the additional items are permitted, this constitutes the meeting agenda, hence, no other action items are permitted without a unanimous approval of a suspension of the rules. Information items may be additionally considered without the necessity of any formal action of the Board.

e. Main Motion

- i. The main motion in the form of a resolution shall be considered by the Board. A member may make only one main motion at a time. The Board member(s) may present an initial motion on the resolution and subsequently debate the question; or the Board member(s) may call upon staff for additional information prior to introduction of the motion. The introduction of a main, or substantive motion, is out of order while another main motion is pending. While the question is under debate, no other motion shall be received or entertained except for procedural motions permitted in the rules.

f. Second Required

- i. All motions before the Board shall be seconded prior to consideration by the Board. The second may occur after brief informal discussion. Subsequent to the

second of the motion, formal debate may ensue between the members of the Board prior to the formal vote being called.

g. Amended Motion

- i. Any motion may be amended at any time before it is adopted. The amended motion shall have precedence over an existing motion and may be discussed prior to being voted upon. If the amended motion fails, the main motion may proceed for consideration. If the amended motion passes, the amended motion becomes the main motion and may proceed for consideration. Once an amended motion is voted upon, a second amended motion may be entertained.

h. Division of the Question

- i. Upon the request of any Board member, a resolution in debate may be divided and separated into more than one action provided the Chair rules that the resolution will allow such a division. Each of the resulting resolutions must be complete to allow independent consideration and action.

i. Withdrawal of Motion

- i. After a motion has been stated by the Chair, it is deemed to be in the possession of the Board, but may be withdrawn by the member introducing the motion at any time before a vote. The Chair must accept or reject the withdrawal request. This motion cannot be debated or amended. If the motion is withdrawn, the effect is the same as if it had never been made.

j. Discussion Procedures

- i. The following operating rules shall guide debate:
 - 1. Any Commissioner desiring to speak shall address the Chair, and not proceed until being recognized. When two or more members address the Chair at the same time, the Chair shall designate the order of speaking.
 - 2. Upon recognition of the Chair, the board member making the motion has precedence to address the Board first, with the option of explaining the reasons why the motion is made. Subsequently the floor is open to any member of the board. There is no time limit for comments from individual Board members.
 - 3. A member, once recognized, shall not be interrupted when speaking, unless it is to call that member to order. No member shall interrupt another in debate without his/her consent. To obtain such consent, he/she shall first address the Chair.

k. Adoption

- i. A motion or resolution shall be adopted if approved by a majority of the whole Board (MS §375.07).

l. Procedural Motion

- i. In addition to the substantive motions, the following procedural motions shall be in order. This is a partial list of those motions from Robert's Rules that are most often used. It is not intended to be a complete list. These motions shall be considered in the following order of precedence as taken from Robert's Rules of Order:
 1. Motion to Adjourn
 2. Motion to Recess
 3. Motion to Suspend the Rules
 4. Motion for Division of the Question
 5. Motion to Defer Consideration (Motion to Lay on the Table)
 6. Call of the Previous Question
 7. Motion to Postpone to Certain Time or Day
 8. Motion to Refer to Committee
 9. Motion to Amend
 10. Motion to Reconsider

m. Voting

- i. It is the duty of every member to vote. Voting shall be called by the Chair as those in favor signify by an "aye" vote and opposed use the same sign. Voting records are recorded as "duly passed" when a unanimous vote occurs, and "in favor", "opposed" or "abstain" for issues not unanimous, by the county administrator or designee and duly noted in the minutes.
- ii. If a Commissioner has a real or perceived conflict of interest, they shall publicly announce they are abstaining from the vote, however, they can participate in the discussion.

V. Types of Board Actions

a. Resolution

- i. The County Board takes formal action by resolution (MS §373.02). A motion may be introduced by any member of the County Board with the exception of the Board Chair. The main motion in the form of a resolution is the means by which a member may present a substantive proposal to the County Board for consideration and action. Since it is the basic motion for the transaction of

business, only one subject may be considered at a time and the main motion may be proposed only when no other motion is before the County Board.

b. Ordinance

- i. The County Board may take formal action by ordinance (MS §375.51), also by a motion. An ordinance is a legislative act prescribing general, uniform, and permanent rules of conduct relating to the affairs of the County. County Board action shall be taken by ordinance when required by law, to prescribe permanent rules of conduct which continue in force until repealed, or where such conduct is enforced by penalty.

c. General Consensus

- i. The County Board provides information direction by consensus. Informal direction is most often used to provide staff with preliminary Board perspective on a matter which will require future formal action by resolution or ordinance. Informal direction is also used to provide additional insight into formal actions previously taken. Informal direction standing alone does not establish Board policy or authorize action.

d. Policy Development

- i. Authority for the development of policies in Le Sueur County is granted to the County Board through Minnesota Statute Chapter 373 (Counties, Powers, Duties, and Privileges), Minnesota Statutes Chapter 375 (County Boards), and in other statutes.
- ii. With the powers granted within these statutes, the County Board may delegate certain authority, as appropriate, through Board resolutions. These delegations of authority may be rescinded at any time by the Board.

e. Notice of Resolution

- i. Any members of the Board may introduce a resolution for consideration and action pursuant to general rules and operating procedure. A copy is provided to other Board members and the county administrator and/or designee with as much advance notice as reasonable and practical, normally as part of the agenda prepared by the county administrator.
- ii. The County Board may at any time refer an item or resolution to the appropriate Committee for further review and deliberation.

VI. County Board Agenda

a. Preparation and Distribution

- i. The county administrator or designee shall cause preparation of the agenda and supporting material for each regular and special meeting. Members of the Board may request an item to be placed on the Agenda by informing the county administrator or designee prior to Thursday noon of the week prior to the meeting.
- ii. Copies of the agenda and supporting material are made available to the county staff, public, and media as appropriate. Members of the public who are interested in following issues should sign up on the website to receive notifications.
- iii. The agenda and minutes are always available on the Le Sueur County website.

b. Order of Business

- i. The Order of Business for each regular meeting of the County Board shall be as follows:
 1. Call to Order
 2. Pledge of Allegiance
 3. Review and Approval of Agenda
 4. Consent Agenda Review and Approval (See addendum for consent agenda procedures)
 - a. Any item on the consent agenda can be pulled off by the request of one Commissioner to be a stand-alone item for discussion and action.
 5. Public Open Forum
 6. Claims
 7. Consideration of Board Actions Items and/or Department updates
 8. Commissioner Committee/Activity Reports
 9. Future meetings review
 10. Adjournment
- ii. The Order of Business may be changed as needed to accomplish objectives and priorities of the meeting. The Order of Business may be changed at the recommendation of the Chair, any member of the Board, or the county administrator subject to County Board consensus.

c. Consent Agenda

- i. A consent agenda will be prepared by the County Administrator and consist of routine non-controversial actions and motions by the Board. All such motions shall be in writing.
- ii. The consent agenda shall be considered as one item of business.

- iii. In the minutes of the meeting, the actions passed in the consent agenda motion shall be recorded individually and in full.
- iv. Consent agenda items shall not be discussed separately. If at the Board meeting, any Commissioner so requests, an item shall be removed from the consent agenda and considered separately.

d. Official Records

- i. The county administrator or designee shall cause preparation of the official minutes of each meeting. Board meeting minutes shall be kept in accordance with all provisions of statute in order to provide an accurate record of County Board actions. The record is not intended to be a verbatim transcript of all discussion and debate; the record is primarily a compilation of official actions.
- ii. The minutes of the County Board meeting shall be prepared and submitted for approval at the next succeeding County Board meeting. Official proceedings of County Board meetings shall be published in the official County newspaper (MS §375.12). The Official Board Proceedings are also distributed to interested parties and available on the County website.
- iii. The official public record of County Board meetings is available in the County Administration Office.

VII. Advisory Committees

a. Policy

- i. The county administrator maintains a complete list of all committees, including information on member terms and applicable term limits.
- ii. The County Board appoints individuals to various boards, committees or commissions, (hereinafter referred to as committees) which have been established by the County Board or pursuant to Minnesota Statutes. Authority for establishment of the committees is prescribed in Minnesota Statutes and in Board Policy.
- iii. When vacancies occur in committees that have citizen representation from each Commissioner's District, a nomination to fill a vacancy will be sought from the Commissioner in whose District the vacancy occurred.
- iv. The current list of committees is available in the Office of the County Administrator.

b. Role and Purpose of Committees

- i. Each committee serves a statutory, policy, or operations purpose within Le Sueur County. Each committee has specific staff assigned and designated to support its function. The function and reporting relationship to the Board varies from committee to committee.

- ii. Committees are established to serve a variety of functions. The fundamental purposes for utilizing committees in support of county government are:
 - 1. To involve members of the public in the decision-making process.
 - 2. To meet requirements of state law.
 - 3. To ask residents to help define community standards and norms.
 - 4. To provide technical expertise in certain areas.
 - 5. To serve as advocates for the county.
 - 6. To provide an independent sounding board for issues, ideas, and policy matters.

c. Reimbursements

- i. Individuals appointed by the Board to committees may receive a per diem reimbursement for attendance at regular or special meetings of such committees and for meetings impacting the county which are not identified under the normal committee listing, but as approved by the County Board. Some committees are funded separately from the County and dictate per diems through their specific operating rules or bylaws. Per diem levels may change from time to time by County Board adoption and/or Minnesota Statute.

d. Attendance Policy and Residency Requirements

- i. Attendance and residency criteria are guided by each committee and the rules or bylaws they follow.
- ii. County Board appointees to committees are required to forfeit appointment upon failure to maintain a principal residence within the county and/or County Commissioner district (if applicable) from which they were appointed.

e. Resignations

- i. It is the responsibility of each committee chair to inform County Administration of any resignations or vacancies. Administration will then follow up with filling the vacancy.

f. Notification

- i. The committee chair, or designated county staff, shall inform the appointees at the initial yearly meeting, or at the first meeting attended by a member, of all applicable attendance policies, residency requirements and other pertinent information needed to perform the duties as a committee member.

g. Terms

- i. The terms of the appointees to the various committees are for one, two, and three years and vary per committee pursuant to Minnesota Statute and Board Policy. **Committee members may be replaced at any time by the Board of Commissioners.**

h. Ex-Officio Members

- i. Ex-officio members on any committee are non-voting members.

i. Appointments of Chairs

- i. Committees will select a chair for their respective committee per their own operating rules or bylaws chairs.

j. Board Committees and Reporting Requirements

- i. The Committees report their activities to the County Board as needed or on a periodic basis.
- ii. For the purpose of assisting the Board in carrying on its business, committees shall be formed and shall be composed of members as determined by resolution of the Board. Minutes of the committee meetings shall be kept and shall become official upon approval by the committee. Actions of the committees are generally considered recommendations to the County Board.

VIII. Code of Ethics

a. Expectations

- i. Effective County Government is premised upon public respect and confidence in the integrity and principles of the elected Board members. The County Board formally adopts on an annual basis the Code of Ethics as stated in the Personnel Policy.
- ii. It is the belief of the County Board that the trust bestowed upon them as elected officials is of utmost importance in the relationship between themselves and the public. With this belief, the following statements serve to augment the Code of Ethics and further emphasize the priority and commitment the County Board has placed on ethical standards.
- iii. In the execution of their official duties, all County Board Members shall strive to:
 - 1. Observe the highest moral and ethical standards.
 - 2. Maintain and respect the confidentiality of private and confidential information.
 - 3. Avoid discrimination against any person on the basis of race, color, sex, religion, creed, national origin, age, disability, sexual orientation, marital status, place of residence, or status with regard to public assistance.
 - 4. Comply with the ethical obligations imposed by law, including MS §10A.07, 10A.071, 382.18, 471.87-471.895, including, where

appropriate, disclosing conflicts of interest, abstaining from decision-making, eliminating conflicts of interest, and declining gifts.

5. Work to create a positive environment in public meetings where all individuals may feel comfortable in their roles as observers or participants.
6. Allow citizens, staff, or colleagues sufficient opportunity to present their views. Be tolerant, respectful and attentive. Avoid comments, body language or distracting activity that conveys a message of disrespect for the presentations from citizens, staff or colleagues.

b. Conflicts of Interest and Recusal

- i. Commissioners must exercise good faith and avoid participating in any activity where there exists an actual or perceived conflict of interest.
- ii. Such conflicts may exist due to past or present relationships with individuals or organizations that are the subject of Board action, or if the Commissioner or their close family has any financial interest in a decision before the Board.
- iii. Before any matter comes to discussion, Commissioners are expected to announce they may have a conflict of interest and that they will not be voting on the matter with the real or perceived conflict.
- iv. At the Chairs discretion, the Commissioner may participate in the discussion on the matter, but not vote on the matter.

IX. Citizens

a. Public Communication

- i. Individual citizen outreach.
 1. The County Board believes members of the public have the right to be informed of the Board's process and decisions and should have the opportunity to present their views to the Board. Board meetings are open to the public. Board/Committee agendas are posted on the county's website. The County Board encourages the residents of Le Sueur County to participate in all aspects of the Board's business, including citizen committees, commissions, and advisory groups.
- ii. Information/News Media outreach
 1. Le Sueur County regularly updates the county website with information about specific issues of interest. County information is distributed through announcements to local news media and in articles provided by staff to local news publications, along with sharing information via social media.

iii. Public Hearings

- 1.** The County Board is interested in securing optimal public input on matters of business. In addition to hearings required by law, public hearings and open forums may be conducted at the discretion of the Board.

b. Responding to Correspondence/Inquiries/Complaints from Citizens

- i.** County Board members and staff are committed to customer service and will endeavor to provide timely and efficient response and communication to the citizens of Le Sueur County.
- ii.** Written Correspondence
 - 1.** Upon receipt of a written inquiry, request for information, or complaint about county business which has been sent to a Board member, upon notification and direction from county administrator or designee, staff will confer with the Board member to determine the appropriate course of action. The inquiry will be handled as directed with the county administrator or designee advising the Board member upon completion.

iii. Telephone Calls

- 1.** Incoming telephone calls requesting a specific Board member are forwarded to the Board member per his/her instructions. Administration staff will periodically review with Board members the preferred method of handling telephone inquiries. Every effort will be made to maintain open lines of communication between the Board members and their constituents.
- 2.** Telephone calls requesting information about specific areas of county business are forwarded to the appropriate department. Customer service is of primary importance to the County Board and staff, and an appropriate method of tracking the information requests and responses will be utilized.

X. Staff Roles

a. County Administrator

- i.** The County Board has adopted the County Administrator form of government.
- ii.** The position of County Administrator is established pursuant to MS §375A.06.
- iii.** The county administrator is the administrative head of the County, responsible for the administration of the affairs of the County delegated to him/her by Minnesota Statute and the County Board. The County Board has approved a job description which outlines in detail the duties and responsibilities of the county administrator.

- iv. In general, the Administration Department is responsible for the execution of all orders, resolutions and policies of the Le Sueur County Board of Commissioners.
- v. The county administrator serves as the principal administrative officer for the County Board in the supervision of department heads who are engaged in directing county departmental operations.
- vi. The administration is responsible for the preparation of County Board meeting agendas and the Official Proceedings of County Board meetings.
- vii. Further responsibilities include preparation of the county budget; capital improvement plan; risk management and safety plan coordination; labor negotiation; and direct oversight of the West Jefferson Sewer District.
- viii. The county administrator recommends to the Board proposed policies concerning the administrative affairs of the County. The county administrator will keep the Board informed, make recommendations, and comment upon legislative initiatives which affect the County and, as directed by the Board, will represent the county in its relations with other governments.
- ix. Functions which are deemed routine such as interpretation of policy and procedure, general constituent business, and/or research which require minimal time may be directed, by the Board or individual member, to the county administrator or designee for action.

b. County Attorney

- i. It is desired that the County Attorney or designee attend all regular meetings of the County Board. During Board meetings, the County Attorney may offer advice that may be useful to the board in its deliberations pertaining to the laws and statutes governing works of the County Board. Board members may also call upon the County Attorney to participate in the discussions and issues being considered.

c. Department Heads & Staff

- i. In certain instances, Board members may want assistance from Department Heads and/or County staff, or their involvement in evaluating policy and/or programmatic changes, whether from the Board or Le Sueur County citizens.
- ii. Board members who wish to initiate policy or program change are encouraged to first present such requests to the appropriate Committee for discussion and recommendations.

XI. Key Financial Policies

a. Purchase and Bid Requirements (Non-Drainage)

- i. The County will procure goods and services required to meet the needs and fulfill the County's mission as economically feasible, in a manner that is efficient,

unbiased, and complies with all federal, state, and local laws as well as all other County policies.

- ii. The budget allocates funds for the purchase of personnel, supplies, other services, and capital. Requests cannot be made for items outside the budget except under special circumstances. These special circumstances will have to be approved by the Board.

Approval Process for budgeted items

Value	Approval Required	Bids	Sealed Bids
Over amount line-item spending when line-item budget is over by \$2,500 or more	County Administrator	No	No
Under \$25,000	Department Head	Preferred 2 quotes	No
\$25,000-\$50,000	County Administrator	Preferred 2 quotes	No
\$50,001-\$174,999	County Board	Preferred 2 quotes	No
Greater than \$175,000	County Board	Preferred 2 quotes	Yes

Approval Process for non-budgeted items

Value	Approval Required	Bids	Sealed Bids
Under \$10,000	County Administrator	None required	No
\$10,001-\$174,999	County Board	Preferred 2 quotes	No
Greater than \$175,000	County Board	Preferred 2 quotes	Yes

Approval Process for Highway Department Purchases

Value	Approval Required	Bids	Sealed Bids
Contract Change Orders required to complete project as-bid.	County Engineer may, contingent upon sufficient funds being available, approve contract change orders required to complete the project as bid. County Engineer will report on significant contract changes during regular updates to the County Board.	None required	No

Le Sueur County Board Operating Procedures

January 2026

Contract Change Order changing scope of project. (i.e. adding additional roadways to paving contract, or adding additional infrastructure not required to complete the project as-bid)	Board Approval	None required	No
Material and Supply Purchases and Road Work Expenses under \$175,000	Upon verifying sufficient fund availability, the County Engineer may receive quotes and approve contracts up to \$175,000 for maintenance and repair of existing roadway infrastructure. The County Engineer will report on significant expenditures during regular updates to the County Board.	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Material and Supply Purchases and Road Work Expenses over \$175,000	Board Approval required	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	Yes
Equipment Purchases under \$50,000	County Engineer	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Equipment Purchases over \$50,000	Board Approval	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Professional Services Purchases under \$50,000	County Engineer	Procuring professional services can be done through open negotiation, quotation, or requests for proposals. Procurement of professional services must take into consideration of	No

		qualifications, specifications, competency, and availability of the most qualified service provider initially and independent of cost.	
Professional Services Purchases over \$50,000	Board Approval	Procuring professional services can be done through open negotiation, quotation, or requests for proposals. Procurement of professional services must take into consideration of qualifications, specifications, competency, and availability of the most qualified service provider initially and independent of cost.	No

b. Purchase and Bid Requirements for Drainage Projects

- i. The Ditch Manager, Inspector and County Administrator has the authority to initiate ditch-related work that is \$25,000 or less for needed repairs and maintenance. At least two bids will be sought with preferred contractors.
 1. When an existing project reaches the \$25,000 mark and there is additional work to be completed, the County Administrator has the authority to approve an additional \$15,000. This option should only be exercised for extraneous circumstances, such as the need for waiting for a Board meeting when priority work needs to be done in a timely manner.
- ii. All work exceeding \$25,000 must go before the Board for approval.
- iii. All projects exceeding \$175,000 will go through sealed bid process.

c. Personal/Professional Services Agreements/Contracts

- i. The County may enter into professional services agreement contracts with individuals and entities to perform certain functions for the County.
- ii. All new and renewed agreements/contracts must be first reviewed by the County Attorney and then approved by the Board of Commissioners.

- iii. Any new contract over \$175,000 MUST go through sealed bids or a formal Request for Proposal process.
 - 1. If an existing or renewed professional services contract exceeds the \$175,000 mark, the bid and RFP process may be waived, but the proposed contract must still come before the Board for approval.

d. Capital Improvement Plan

- i. As part of the annual operating budgeting process a capital improvement plan is created which identifies short-term and long-term initiatives. It should reflect all identified capital improvement activity for at least five-year period and shall be updated and adopted on an annual basis.
- ii. Capital improvements for the upcoming year will be reviewed during Board budget work sessions and be incorporated into the operating budget as deemed appropriate or used for planned bonding.
- iii. The County Board adoption of the five-year capital improvement is to assist in planning and provide direction for County departments, but it does not establish permanent County Board commitment to the project either in scope or timeline for construction.

e. Debt Management Policy

- i. The County should avoid using debt in a manner that weakens the County's overall financial condition and maintain the best possible credit rating. It is the goal of the county to maintain at least an AA bond rating.
- ii. The County will confine long-term borrowing to capital improvements, equipment or projects that have a life of more than five years and cannot be financed from current revenues.
- iii. The County will strive to keep the total maturity length of general obligation bonds below 20 years. In all cases, the maturity shall be shorter than the life of the related assets.
- iv. The County will strive to keep the direct debt per capita and direct debt as a percent of estimated market value at or below the median set out by the credit rating agencies.
- v. The County will not use long-term debt for non-capital expenditures.
- vi. Refinancing or bond refunding will only be undertaken when there is significant economic advantage to the County, and when it does not conflict with other fiscal or credit policies.
- vii. Interfund borrowing shall have a reasonable repayment schedule and be approved by County Board resolution.
- viii. The County shall work with an independent, professional bond advisor on all municipal debt transactions.

f. Interfund Loan Policy

- i. It is the policy of the County Board that interfund loans between the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds or the Enterprise Funds may be used to alleviate a temporary cash deficiency.
- ii. Amounts transferred shall be repaid within 180 calendar days or as approved by Board resolution.
- iii. Borrowing shall occur only when the fund or account receiving the money will earn sufficient revenue during the current fiscal year, to repay the amount transferred. No more than 75 percent of the maximum money held in any fund or account during a current fiscal year may be loaned or transferred.
- iv. Such loans shall not be used to balance the budget of the borrowing fund, nor shall they deter any function or project for which the loaning fund was established.
- v. The County Board must adopt a resolution before any interfund loan transaction takes place. The resolution shall contain the exact amount of the loan, the funds involved, the purpose of the loan, the specific source of funds for repayment, the schedule for repayment and any interest rate involved.
- vi. It is the policy of the County to not borrow the ditch system funds from the General Fund. If a certain ditch system is in need of funds to pay expenses, those funds should be borrowed from other ditch funds. The only time General Fund dollars can be borrowed to ditch systems is by special resolution of the Board of Directors, and the resolution shall specifically include terms and conditions of repayment, including interest.
- vii. It is the policy of the County to not borrow the Sewer District funds from the General Fund for operating or capital expenses. If the system is in need of funds and funds must be used from the General Fund, a special assessment should be promptly placed on the users of the system. Any funds borrowed from the General Fund must be authorized by resolution of the Board, which shall specifically include terms and conditions of repayment, including interest.

g. Loans to Townships for Broadband Projects

- i. The Board adopted a resolution in March 2023 signaling their support for funding partnerships with townships to expand broadband services in the County.
- ii. The County may pay all up front local financial match amounts to internet service providers. Payments will be made to providers after the project is awarded and construction is completed. These costs may be paid for via the general fund, reserves or other accounts within the County.
- iii. All costs incurred by the County will be fully reimbursed to the County by Townships where the construction work is completed.

- iv. Townships shall submit a proposed repayment schedule to the County Board to be approved by the County Board. Once the schedule is approved by the County Board, the Township shall also formally adopt the repayment schedule.
- v. The terms of the repayment schedule shall not exceed 10 years, and the annual percentage interest rate shall be zero.

h. Fund Balance Policy

- i. In October of each year, the County Administrator and Auditor-Treasurer will review and report to the Board all fund balances according to the fund balance classifications as of December 31 of the previous year.
- ii. Based upon the Statement of Position by the Office of the State Auditor, Fund Balances for Local Government, guidance from the State Auditor's Office is that counties shall maintain an unrestricted (committed, assigned, unassigned) fund balance as of December 31 equal to the following:
 - 1. 35– 50% of the current year operating budget in the General Fund;
 - 2. 35– 50% of the current year operating budget in Human Services fund; and;
 - 3. 35 – 50% of the current year operating budget in the Road and Bridge Special Revenue Fund.
- iii. General Fund
 - 1. The County's policy is to have a balance on December 31 of unrestricted funds, committed, assigned, and unassigned, in the amount of 35%, at a minimum, of the following year's operating expenditures. Balances shall not exceed 50% unless the funds are dedicated to a specific project.
- iv. Road and Bridge Fund
 - 1. The County's policy is to have a balance on December 31 of unrestricted funds, committed, and assigned in the amount of 35%, at a minimum, of the following year's operating expenditures. Balances shall not exceed 50% unless funds are dedicated to a project that has been identified in the five-year road plan.
- v. Human Services Fund
 - 1. The County's policy is to have a balance as of December 31 of unrestricted funds, committed and assigned, in the amount of 50% of the following years operating expenditures. Balances should not exceed 65% unless the funds are dedicated to a specific project.
- vi. County Ditch Fund

1. The fund balance shall be evaluated annually in December by the County Auditor-Treasurer to determine the balances required for sufficient funds to finance ditch maintenance as it is needed. This determination is usually done in preparation for the annual ditch assessment for inclusion on property taxes in January.
2. To avoid borrowing from the ditch fund or the regular placement of special assessments to pay for normal maintenance and repair, it is recommended that each drainage system have a fund balance to pay for normal maintenance costs, and the Auditor-Treasurer place annual assessments to build appropriate fund balances for each ditch system.
 - a. Individual ditch systems will require different levels of fund balance depending on the maintenance needs of the system.

vii. Debt Service Fund

1. Debt service funds will be reported as restricted for those funds levied per M.S. 475.61. Per M.S. 475.612 on the financial statement, taxes shall be levied to make principal and interest payments, plus 5%, until such time as the debt is paid off. Other receipts and transfers will be presented as committed or assigned funds per this policy definition.
2. The County's policy is to have a balance on December 31 so that when the final tax settlement dollars are added, it shall be sufficient to pay the next bond payment. When new bonds are established, the receipts for one year will be used for the following year's bond payments. The fund balance above \$500,000 may be used for interfund loans.

viii. Capital Projects Fund

1. Funds will be reported as restricted, committed, or assigned. Bond funds will be restricted for the purpose issued. The board will commit funds according to planned capital expenditures. Any remaining balance will be assigned by the Board's assignee according to the Capital Improvement Plan.
2. The County's policy is to have a balance on December 31 to sufficiently cover any projects identified in the Capital Improvement Plan that are to be paid using reserves, plus \$500,000 to cover any emergency capital projects. The County Administrator and Auditor-Treasurer shall review the balance in the Capital Projects Fund on August 1 to determine if any levy will be required the following year.

ix. Enterprise Funds

1. West Jefferson Subordinate Sewer District (SSD) is used to account for operations of the sewer system serving the district.

2. The County's policy is to have a balance on December 31 to sufficiently cover repairs and maintenance costs for the next three years.

XII. Board Calendar and Key Action Items

a. Meeting times

- i. The Board will meet on the first, third and fourth Tuesday of each month and start their meetings at 9:00 a.m.
- ii. Board meetings may be rescheduled due to conflicts, but as a rule, meetings will occur on the set dates.

iii. The Board of Appeal and Equalization hearing in June and Truth and Taxation Hearings in December are held in the evening, starting around 6 p.m.

b. Key Action Items for Board

i. January (Statutory Meeting)

1. First meeting of the year on first Tuesday after the first Monday (Minn. Statute 375.07)
 - a. Swear in new Commissioners
 - b. Election of Chair and Vice Chair
 - c. Pass resolution awarding printing and publication contract (Minn. Statute 375.12)
 - d. Delegate electronic fund transfer authority
 - e. Approve Commissioner appointments to Committees
 - f. Eligible citizen advisory committees and per diems
 - g. Set date for Board of Appeal and Equalization in June
 - h. Appoint County Assessor every four years (Minnesota Statute 273.061). (Last appointed 2021, due 2025)
 - i. Set minimum salaries for elected officials
 - j. Approve Association of Minnesota County delegates
 - k. Setting IRS mileage rate

ii. Adopt 5-Year Capital Improvement Plan

iii. Adopt Board Operating Procedures

iv. Adopt County Operating Procedures

v. Adopt County Finance Policy

vi. Adopt County Drainage Policy

vii. Adopt Board calendar

viii. February

1. Create a financial statement from prior year and publish the statement or summary.

ix. March

1. Quarterly update on sewer district

x. April

- 1.** Appoint Veteran Services Director every four years (Minnesota Statute 197.60) (Last appointed 2024)
- 2.** Quarterly Financial Report

xi. May

- 1.** Resolution to appoint county engineer every four years (Minn. Statute 163.07) (Last appointed 2025).

xii. June

- 1.** Hold Board of Appeal and Equalization public meeting
- 2.** Quarterly update on sewer district
- 3.** Annual Sewer District Meeting

xiii. July

- 1.** Quarterly Financial Report

xiv. August

- 1.** Budget work sessions

xv. September

- 1.** Set preliminary levy (Minn. Statute 275.065)
- 2.** Quarterly update on sewer district

xvi. October

- 1.** Audit report
- 2.** Quarterly Financial Report

xvii. November

- 1.** Advertise for bids for printing and publishing
- 2.** Set public hearing and public notice for Budget/Levy and Fee Schedule
- 3.** Address delinquent sewer district accounts and certify special assessments and terms
- 4.** Review of Personnel Policy

xviii. December

- 1.** Setting wages for leadership
- 2.** Final levy hearing and setting of final budget and levy
- 3.** Publish a budget summary statement (Minn. Statute 375.169)
- 4.** Setting annual fees, including sewer district rates

5. Approve Government Center operating hours and work week
6. Appoint Personnel Board of Appeals
7. Set Board calendar for the year
8. Setting of compensation (salary, benefits and per diem) for commissioners (Minn. Statute 375.055)
9. Setting of compensation and minimum salaries for elected officials (Minn. Statutes 384.151, 386.015, 387.20, 388.18)
10. Set mileage and per diem rates (Minn. Statute 471.665)
- 11. Review and adopt annual service contracts (e.g. Surveyor, Broadband, Aging Services, Sewer District, SWCD, etc.)**

c. Public Notice Requirements

- i. The following business items require Public Notice, please note, this list is not exhaustive.
 1. New or revised ordinances
 2. User Fees and Final Levy
 3. Bids for printing and publishing
 4. Bidding for projects greater than \$175,000
 5. Drainage system matters, as required by Minnesota Statute 103E
 6. Redistricting
 7. Tax Forfeiture Auctions

Addendum on How Business Items Should be Placed on Consent or Regular Agenda

**Note: Any item on the consent agenda may be pulled off the consent agenda and placed on regular agenda for stand-alone discussion at the request of one Commissioner*

Consent Agenda

1. Minutes
2. Human Resources Items
 - Probation approvals
 - Wellness Budget/Program Plan
 - PERA Phased Enrollment/Renewals
3. Contracts and Grants
 - Annual contract renewals which are deemed ordinary business and non-controversial. **Note:** Service contracts with significant fee increases should be placed on the regular agenda.
 - Annual grant application and acceptance
4. Financial/Auditor-Treasurer Business
 - Claims
 - Claims for Auditor-Treasurer approval (annual)
 - **Human Services Claims**
 - Contract Pay Applications
 - Credit card approvals
 - Gambling, liquor and tobacco licenses
 - Fund transfers
 - Budgeted expenditures
 - Designation of Depositories
5. **Other Items**
 - **Solid Waste Applications**
 - **Out of State Travel Requests**

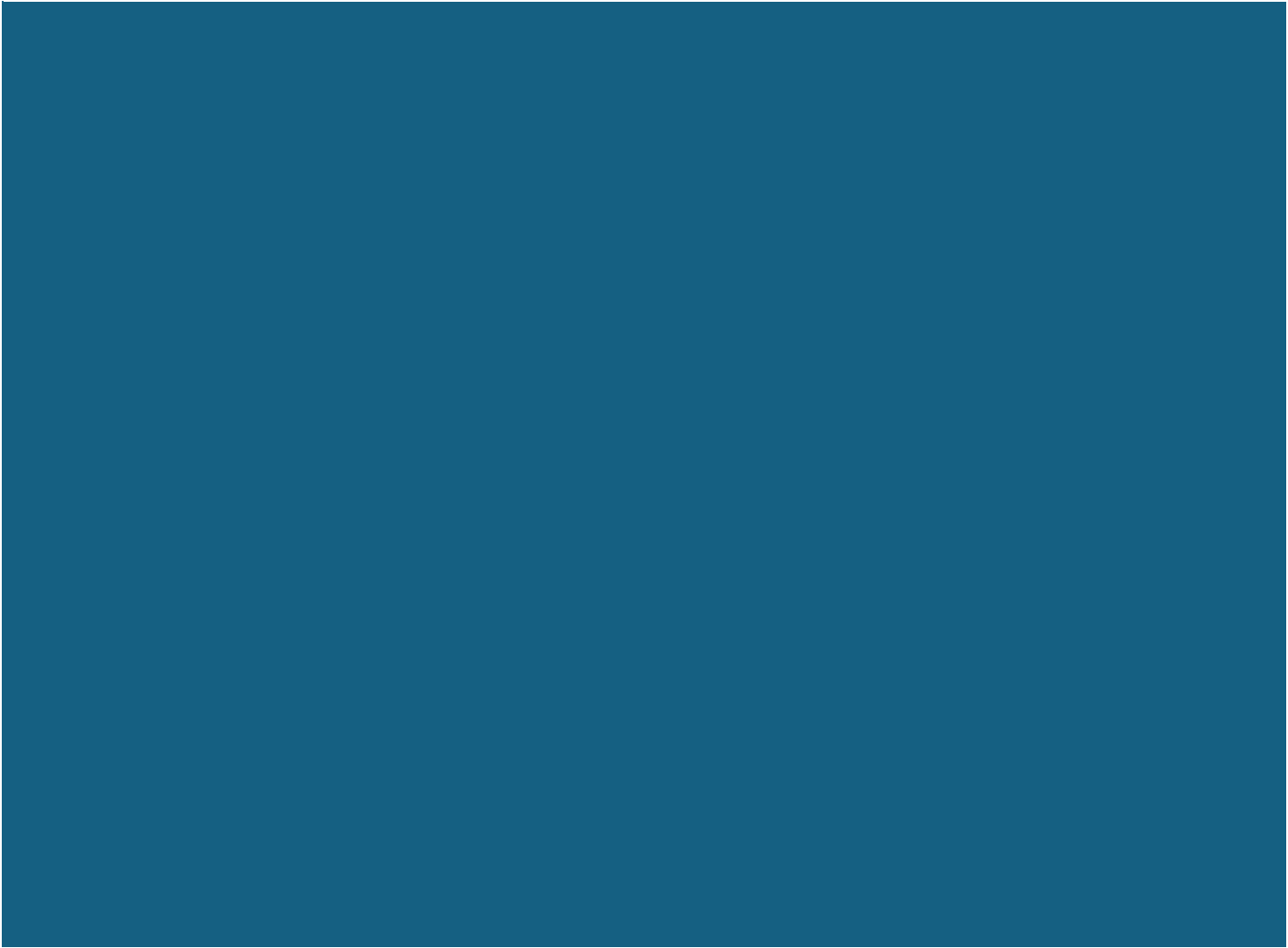
Regular Agenda (Stand-Alone Items)

1. Human Resource Items
 - General staffing updates
 - Setting of salaries/wages
 - Organizational chart changes
 - Union contracts
 - Memorandum of Understandings
 - Grievances
 - Request for Leaves of Absence
 - Medical Premium Rates
 - Personnel Policy updates
 - Appointments
 - o Board of Appeals
 - o Veterans Service
 - o Assessor
 - o Highway Engineer
 - o County Administrator
 - PERA Police Officer Declaration
 - Setting of per diems, per diem eligible committees, and mileage rates
 - Retirements with recognition
 - Length of service awards
2. Auditor-Treasurer items
 - a. Tax forfeiture
 - b. Ballot Board designation
 - c. Drainage decisions, including all levies
 - d. Lease renewals
 - e. Dedicated Reserves (annual)
3. Budget Items and Expenditures
 - Budgeted expenditures over \$50,000
 - Non-budgeted expenditures over \$10,000
 - ~~Human Services claims~~
 - Preliminary and final budgets
 - Fees
4. Use Permits and Variances
5. Department Updates and Reports

6. Sewer District Updates
7. Contracts
 - New or controversial contracts
8. Drainage Liens (multi-year)
9. Policies and MOUs
 - Major operating policy changes
 - Memorandums of Understanding with LGUs or JPAs
10. Items that require Public Notice



LE SUEUR COUNTY OPERATING POLICIES



Le Sueur County Operating Policies

Exterior Government Center Illumination Policy

2025.01

January 7, 2025

Purpose and Scope

This policy outlines the process for employees, individuals and organizations to request the illumination of exterior building lights at the Le Sueur County Government Center in recognition or celebration of an event. The policy ensures that all requests are reviewed and scheduled in an organized and fair manner while maintaining the building's aesthetic and operational integrity.

This policy applies to any employee, individual or organization seeking to have the exterior building lights illuminated.

Illumination requests must meet the following criteria:

- Request must be made at least 30 days in advance.
- Requesting party must contact County Administrator's Office with request.
- The event or cause must align with the county's mission, values, and interests.

Upon receiving a request:

- The Personnel Executive Committee in conjunction the Directors of Building Maintenance and Information Technology will review each application within 15 business days.
- Requests will be evaluated based on the event's alignment with county's mission, values and interests, availability of dates, and feasibility of the lighting configuration.
- Applicants will be notified of approval, denial, or a request for more information.

Le Sueur County Operating Policies

Le Sueur County Building Security Camera Policy

2025.02

January 7, 2025

Purpose and Scope

The purpose of this policy is to establish guidelines for the installation, operation, and access to security camera systems at county owned buildings, to help ensure the security and safety of employees, the public, and government property while respecting privacy rights. Camera footage is also to be used to assist in investigating security incidents.

Security cameras are installed in areas where employees and public do not have an expectation of privacy. Areas include common areas (lobbies, hallways, parking lots, etc.), service counter areas, building entrances and exits.

Cameras will NOT be installed in areas where there is an expectation of privacy (bathrooms or private offices).

All recordings are stored securely and retained for up to 30 days for non-restricted areas and 90-days for restricted areas, after which they are securely deleted unless required for an ongoing investigation. Access to the footage is restricted to authorized personnel only.

Real-Time Viewing Access Request and Approval Processes

Real-time viewing is permitted to the MIS Department at the discretion of the MIS Director for system maintenance, configuration changes, and testing purposes only.

All other employee requests for real-time viewing shall be subject to approval by the County Administrator, HR Director, or Le Sueur County Sheriff.

All approvals shall be submitted in writing to the MIS Director prior to access being provided.

Recorded Video Access Request and Approval Processes for General Areas

Access to recorded video is permitted to select staff within the MIS Department at the discretion of the MIS Director for system maintenance, configuration changes, and testing purposes only.

All other employee requests for recorded video access shall be subject to approval by the County Administrator, HR Director, or Le Sueur County Sheriff.

Le Sueur County Operating Policies

Members of the public may request access to recorded footage under the Freedom of Information Act or other applicable public records laws. All requests must be submitted to the County Attorney's Office. The County Attorney will coordinate with the relevant authority to review and respond to the request in accordance with legal requirements. All approvals shall be submitted to the MIS Director prior to access being provided.

All requests for recorded footage will be evaluated and prioritized based upon the specific request made and nature of the footage collected.

Recorded Video Access Request and Approval Process for Restricted Areas

Certain areas within the Justice Center and under the jurisdiction of the Sheriff's Office are considered restricted areas (e.g. booking, detention, etc.). Requests for recorded video access are to be made to the Le Sueur County Sheriff's Office.

Retention and Disposal

Recorded footage shall be retained for a minimum of 30 days for non-restricted areas and 90-days for restricted areas (e.g. law enforcement) unless otherwise required for official purposes. After the retention period, recorded footage shall be securely deleted or destroyed in accordance with county records management policies.

Notification and Consent

A sign will be placed at each entrance of county owned buildings informing employees and the public that the building is under camera surveillance.

Policy Enforcement

County employees violating terms of this policy are subject to disciplinary actions, including legal actions for unauthorized tampering.

Le Sueur County Government Center and Public Health Buildings Lock Down Alarm
2025.03
January 7, 2025

Purpose and Scope

There is one lock down alarm button located in both the Government Center and Public Health Buildings to respond to certain incidents.

When activated, the alarm locks all the external public doors of the Government Center and Public Health buildings. This prevents entry into the building to all, except for law enforcement personnel.

Location of Alarms

Government Center

The lock down button is located on the 1st floor in the Auditor/Treasurer/License Bureau office area.

Public Health Building

The lock down button is located on the south side of the building.

Types of Incidents for Potential Alarm Activation

The alarms are intended to be used to reduce the threat to individuals located inside the building from an identified threat OUTSIDE of the building.

Potential incidents:

- Active shooter in vicinity
 - Shelter in place order due to certain threats in vicinity
 - Identified suspicious individual(s) outside of building
 - Unruly or aggressive crowds gathering outside of building
-

Who is Authorized to Activate Alarm

Any employee is authorized to activate the alarm in an emergency but should exercise caution and discretion, as activation of the alarm will prompt a call to dispatch and response from law enforcement.

If it's not an emergency and you feel there is an emerging threat that would warrant lock down, you should contact Human Resources or the County Administrators Office, who will then decide on activation.

How to Activate Alarm

Le Sueur County Operating Policies

To activate the alarm, lift the cover and push the button.

What Happens After Alarm is Activated

1. When the Dispatch Center receives a Lock Down Building Activation, the On-Duty Deputies will be notified and they will respond to the applicable building, where the Deputies will take actions to investigate the incident, while ensuring the safety of the staff and public, and/or to neutralize any threat.
 2. Employees will receive an alert that the building is under lock down. This will be either via email, phone, paging or other electronic communication. The nature of the threat will be shared along with guidance on what to do (e.g. secure location, shelter in place, etc.)
 3. Communication will be sent when threat no longer exists, and it is safe to leave the building.
-

Le Sueur County Operating Policies

Community Recognition Policy

2025.04

March 25, 2025

1. Purpose and Goals

- The Le Sueur County Board of Commissioners wishes to thank and recognize individuals and organizations for significant accomplishments and acts of public service.
- The goal is to publicly recognize individuals and organizations so the wider Le Sueur County community becomes aware of these acts and accomplishments and to build a stronger and more united community.

2. Nomination Process

- **Eligibility:** Le Sueur County residents, business owners, and county-based organizations are eligible to be nominated.
- **Nomination Criteria:** Criteria for eligible nominations include, but is not limited to: outstanding volunteer service, leadership, significant accomplishments, acts of heroism, and innovation that impacts the community.
- **Submission Process:** Nominations can only be submitted by a Le Sueur County Commissioner. If someone other than a County Commissioner feels someone is worthy of consideration, they should work through their respective County Commissioner(s) to have a nomination submitted. Nominations are to be submitted to the County Administrator's Office.

3. Review and Selection

- **Selection Committee:** The selection committee is the County Personnel Executive Committee, which comprises the Board Chair and Vice Chair, along with the County Administrator, Deputy County Administrator and Human Resources Director.

5. Recognition Ceremony

- **Award Presentation:** Award presentation will either occur during a regular Board meeting or at an arranged time if the recipient is unable to attend a regular Board meeting.
- **Types of Recognition:** Awards may include certificates or plaques.
- **Publicity:** If the recipient is agreeable, a photo and press release will be sent to local media, along with additional recognition on social media and the county website. Recognized individuals or groups may be featured in local media, on the county's website, or during county meetings.

Le Sueur County Operating Policies

6. Frequency of Recognition

- Goal would be no more than one recipient per month.

Le Sueur County Operating Policies

Le Sueur County Internship Policy **2025.05** **May 6, 2025**

1. Purpose

The Internship Policy is designed to provide students and recent graduates with meaningful work experience in public service. This policy establishes the guidelines for the recruitment, selection, responsibilities, and conduct of interns working within Le Sueur County departments. This policy ensures a structured and beneficial internship program that supports both the interns and the County's operational needs.

2. Eligibility

Internship applicants must meet the following criteria:

- Be enrolled in or recently graduated from an accredited educational institution (high school, college, or university).
- Demonstrate interest in public service or a related field.

3. Recruitment and Selection

- Internship opportunities will be approved dependent on the expectations from the intern and the ability for Le Sueur County to meet those.
- Candidates must submit an internship application, resume, and any required supporting documents.
- Selection will be based on qualifications, relevant experience, department ability, and department needs.
- Once a candidate is selected, the request will be made for approval by the Personnel-Executive Committee.
- Background checks may be conducted as necessary for specific roles. Expenses for background checks will be paid out of the applicable department budget.

4. Duration and Work Hours

- Internships may be offered for a predetermined length of time but can be terminated or extended at the discretion of Le Sueur County. An extension would need to be mutually agreeable between the County and the intern.
- Work hours will be determined based on departmental needs and academic schedules not to exceed 39.5 hours per week.
- Internships may be paid or unpaid, depending on budget availability and applicable laws.

5. Responsibilities

- Interns will be assigned duties that align with their educational background and career interests.

Le Sueur County Operating Policies

- Interns will receive access to Le Sueur County systems necessary to complete assigned duties. The username for access will be *Intern.FirstName.LastName* for computer, email and network access.
- Interns must adhere to County policies, including confidentiality and ethical standards.
- Interns must complete assigned projects and submit any required reports or evaluations.

6. Supervision and Evaluation

- Each intern will be assigned a supervisor who will provide guidance and mentorship.
- Interns will be required to complete an exit survey to help improve the program.
- Supervisors will be required to provide department specific MN Data Practices training to interns.

7. Conduct and Termination

- Interns must maintain professionalism and comply with County policies, department expectations and workplace regulations.
- Any misconduct or failure to perform duties may result in termination from the program.
- Internships may be terminated at the discretion of the County or at the request of the intern.

8. Compensation and Benefits

- Paid interns will receive compensation as determined by the County budget and applicable labor laws.
- Unpaid internships must comply with federal and state guidelines to ensure educational benefits.
- Interns are not eligible for employee benefits unless otherwise stated.

Equal Opportunity Statement

Le Sueur County is committed to providing equal internship opportunities regardless of race, color, religion, gender, sexual orientation, disability, or any other protected status.

Le Sueur County Operating Policies

Le Sueur County Economic Development/Tax Abatement Incentive Policy **2025.06** **July 22, 2025**

PURPOSE AND SCOPE

Le Sueur County is committed to encouraging economic growth as a cornerstone of a strong community and will partner with local jurisdictions to help them achieve economic success.

Le Sueur County wishes to promote flourishing industries, entrepreneurial success, high local employment levels, and income opportunities. With a targeted and quantified approach that follows state laws, Le Sueur County aims to use tax abatement as a tool to shepherd economic growth.

AUTHORIZATION AND STATUTORY REQUIREMENTS

Duration

Under state law, Le Sueur County may grant tax abatements with a duration of 15 years with the exception of projects eligible for 20-year abatements pursuant to Minnesota Statutes Section 469.1812 through 469.1815 subs. The duration of the tax abatement shall be the minimum amount necessary to meet the financial goals of the project, with the goal of tax abatements being no more than 10 years, and abatements not being 100% in any given year.

Limits on amount of abatement

In any year, the total amount of property taxes abated shall not exceed two percent of the net tax capacity of the county for the taxes payable year to which the abatement applies.

Le Sueur County may limit the amount of the abatement provided:

- o To a specific amount of dollars per year or in total.
- o To the increase in property taxes resulting from improvement of the property.
- o To the increases in property taxes resulting from increases in the market value or tax capacity of the property.
- o In any other manner the Board of Commissioners determines is appropriate.
- o To the interest and penalty that would otherwise be due on taxes that are deferred.

PUBLIC INTEREST

Le Sueur County finds that the property tax abatement is in the public interest if it accomplishes one or more of the following objectives:

- o Increase or preserve tax base.
- o Provide employment opportunities in the political subdivision, with creation or retention of at least 10 jobs, with those jobs providing a livable wage in Le Sueur

Le Sueur County Operating Policies

County as determined by the *Living Wage* Calculator based on one adult with no children.

- o Help redevelop or renew blighted areas.
- o Help provide access to services for residents.
- o Invest in public infrastructure.

Other Requirements

- o The County will not issue bonds or borrow money to provide up-front abatement.
- o Requests for abatement must be made in advance of any improvements being made to the property.

Targeted Projects

- Child care centers (10 or more children)
- Senior housing (10 or more units)
- Agribusiness
- Manufacturing
- Corporate headquarters
- Research and development
- Wholesale trade and distribution
- Transportation/logistics
- Telecommunications
- Retail business
- Residential development on blighted or contaminated property

Minimum Thresholds for Private Investment

Anyone can apply, but the County's goal is that any proposed abatement project would include a minimum of \$100,000 in private investment.

Desired Objectives

- o Creation of additional childcare facilities and/or openings
- o Additional senior living housing
- o Creation of jobs and appropriate wage level of those jobs
- o Economic impact of development
- o To create additional unsubsidized private investment
- o To facilitate site development that would not occur without a business subsidy
- o To redevelop blighted sites or to aid in the costs of redevelopment above the costs normally incurred in development (e.g. contaminated site clean-up)
- o To achieve another policy goal of the County

Additional Considerations

The county will also consider the following factors when determining whether to grant the abatement.

- o Whether or not the proposed project maximizes the use of the proposed site.

Le Sueur County Operating Policies

- o The impact that the proposed project will have on infrastructure including pollution control, roads and traffic management, as well as government services such as law enforcement, human services, etc.
 - o The impact that the project will have on natural resources.
 - o The County will only consider application after applicant meets and consults with City or Township in which the business is located.
-

TAX INCREMENT FINANCING (TIF)

Background

Under a TIF, like a tax abatement, a local government exempts the increased assessed value of the new improvements. Unlike a tax abatement, the owner makes payments in lieu of taxes equal to the real estate taxes that would have been paid without the exemption. A TIF agreement between the local government and the owner redirects these payments in lieu of taxes to the local government and away from tax levy recipients and school districts. The local government then relies on the payment in lieu of taxes to fund the costs of the public infrastructure for the new development.

Le Sueur County **does not wish to establish TIF districts in unincorporated areas** but will work alongside cities who wish to establish districts within their municipality.

Process

As part of the public notice requirements, Le Sueur County will evaluate TIF district proposals submitted by cities and provide comment as deemed appropriate.

APPLICATION AND REVIEW PROCESS

Applications are available on the Le Sueur County website. Applications are received on an ongoing basis. A non-refundable application fee will be charged as set in the County fee schedule.

Applications will be received and reviewed by Le Sueur County staff. A staff team of at least three members will review each application and develop a report for the Le Sueur County Board of Commissioners. All applications and reports will be presented to Commissioners at a board meeting, and the Le Sueur County board will vote whether to recommend each application to move forward for further consideration.

If approved to move forward, the applicant shall submit a fee as set in the County fee schedule. The County Board reserves the right to waive or adjust fees, as deemed appropriate with the goal that fees should cover any anticipated County costs (e.g. legal fees, economic analysis, staff time, public hearing costs, etc.)

Staff may request additional information from the applicant, and the project will move forward with a public hearing and formal consideration by the County Board.

Le Sueur County Operating Policies

Nothing in this policy shall require the County to provide abatement for a project that is eligible under this program. Each application will be reviewed on a case-by-case basis.

Note: If the requested tax abatement is within a city jurisdiction, applicants should first contact the city and follow the city procedures, which may include a separate application and fees.

SUBSIDY AGREEMENT

All tax abatement projects will be required to enter into a business subsidy agreement with the County. Subsidy agreement will lay out the responsibilities of the abatement recipient.

Abatement recipients shall comply with annual reporting requirements stipulated in Minnesota Statute 116J.993-116J.995 or the subsidy agreement, or as established by the County.

Abatements may or may not be transferable upon sale of property. The eligibility of transferability will be addressed in the subsidy agreement.

Failure to follow the subsidy agreement may result in early termination of the abatement.

Le Sueur County Operating Policies

Le Sueur County Data Practices Policy

2026.01

January 6, 2026

(Policies for Members of the Public and Data Subjects)

Identification of Staff with Data Practices Responsibilities

Responsible Authority

Joseph Martin, Le Sueur County
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-6375

Data Practices Compliance Official

Brett Mason, Sheriff's Office
Emily O'Brien
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-4440; Fax: 507-357-4627

Brent Christian, Attorney's Office
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2278; Fax: 507-357-2270

Sharon Budin, Recorder's Office
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-8609

Danielle Ongie, Auditor/Treasurer's Office
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-6375

Shayne Bender, Assessor's Office
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-6375

Jamie Hayes, Human Services
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-8288; Fax: 507-357-6122

Megan Kirby, Public Health
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-4223

Mark Roemhildt, Veterans Services
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-6375

Theresa Kubes, Human Resources
88 South Park Ave, Le Center, MN 56057
Telephone: 507-357-2251; Fax: 507-357-8607

Le Sueur County Operating Policies

All data requests must be made to the Responsible Authority (RA) or designee. Regardless of which staff person actually manages a data request, the RA ultimately is responsible.

Setting Parameters for Data Requests

As stated in the Data Practices Policy for Members of Public and Data Practices Policy for Data Subject, individuals must make data requests in writing.

When an individual requests data about him/herself, or their minor children they must verify their identity.

Responding to Data Requests

Time frames

Le Sueur County will respond to data requests within ten business days. This does not mean that the County cannot inform the requester it may take longer than 10 days to fulfill the request due to circumstances such as staff constraints or if the request will require significant staff time for separating public versus nonpublic data.

Fees

Fees are authorized under Minnesota State Statute 13.03, subdivision 3.

Unless specified in the County fee schedule under a specific Departmental fee, the following general fees will be assessed for data requests.

1. Any data request that requires more than 30 minutes of staff time to compile will trigger the requester paying for the actual hourly wage and fringe cost of the employee(s) to compile the data request. *Note: Staff time spent separating and redacting public versus non-public data does not count toward the time calculation only time spent compiling the requested information.*
 2. In addition to charges for staff time compiling data requests, the following charges for data transmittal will be assessed.
 - o Paper copies: 25 cents per page, or 50 cents for two-sided copy
 - o Electronic data via flash drive: County cost for flash drive depending on storage size
 - o If the request is for copies of data that the County cannot reproduce internally, such as photographs, requester will be charged actual cost paid to outside vendor.
-

Le Sueur County Operating Policies

Data Transmittal Methods

No data will be released until appropriate fees are paid.

The County will release information in the following ways:

1. On-site inspection (either electronically on county owned computer or visual inspection of paper copies).
 - a. There is no charge for individuals to come on site and inspect requested documents. However, fees will be charged if the request takes more than 30 minutes to compile, or if copies are requested.
2. Flash drives
3. Transmittal via an email address so long as data file is small enough to be transmitted.

Due to network security concerns, the County will NOT release information by uploading information to external sources or transfer services (e.g. Google Drive, Drop Box, One Drive, etc.)

Creating and Reformatting of Data

The County is NOT required to create new data or reformat data in a way the County does not normally collect and maintain data.

If the County chooses to create or reformat data to fulfill the request, the requestor will pay for actual staff time spent on the request.

Summary Data

Summary data means statistical records and reports derived from data on individuals but in which individuals are not identified and from which neither their identities nor any other characteristic that could uniquely identify an individual is ascertainable.

The County will prepare summary data if a formal request is made in writing and the cost of preparing the summary data is paid for by the requestor. The County is allowed to delegate the preparation of summary data.

The time to complete summary data requests will vary depending upon the request.

PUBLIC DATA REQUESTS

Submitting a Formal Data Request

Le Sueur County Operating Policies

A formal written data request must be submitted to the County. The form can be located on the Le Sueur County website.

The request for data should be submitted to the appropriate individual listed in the Data Practices Contacts.

The data request form can be hand delivered, or sent via mail, fax, or email.

DATA SUBJECTS

Data about Individuals

Minnesota Statute Chapter 13 guides the County on the release of personal information on data subjects.

The law outlines that data subjects have certain rights related to a government entity collecting, creating, and keeping government data about them. You are the subject of data when you can be identified from the data.

Classification of Data on Individuals

The law presumes that all government data is public unless another law says that the data is not public. Data about individuals are classified by state law as public, private, or confidential. See below for some examples.

1. Public data: County must provide public data to anyone who requests it.
2. Private data: County cannot give private data to the public, but County can provide private data to individuals about themselves, or someone with proper permissions.
3. Confidential data: Confidential data has the most protection. Neither the public nor individual can access even when the confidential data is about the individual.

Rights under the Government Data Practices Act

Le Sueur County will keep all government data in a way that makes it easy for individuals to access data about themselves. Data subjects have the following rights:

- Access to Data
 - o Right to look at (inspect), free of charge, public and private data that County maintains on individual.

Le Sueur County Operating Policies

- o Individuals also have the right to receive copies of public and private data, but the County will charge for copies according to our fee schedule.
- o Also, if individual requests, the County will inform if the data is classified public, private, or confidential.
- o In general, parents and legal guardians have the right to access public and private data about their minor children. However, minors do have legal rights to ask Le Sueur County staff not to give data about them to their parents or guardian.
 - Minors will be informed of their rights. The County may ask for formal requests in writing to include the reasons that County should deny parent and guardian access to the data. The County will make the final decision about the request based on minors best interests.
- Data Collection
 - o When the County asks individuals to provide data about themselves that is not public, the County will provide a Tennessee Warning. The notice controls what the County will do with the data that is collected. The County will ask for written permission if the County needs to use or release private data, or if the data subject requests the release of information to another person. This permission is called informed consent. If an individual wants the County to release data to another person, the individual must use the consent form provided by the County.
- Inaccurate and/or Incomplete Data
 - o Individuals have the right to challenge the accuracy and/or completeness of public and private data about themselves. Individuals also have the right to appeal County decisions. Parents or guardians also have the right to challenge the data regarding their minor children.

Requests for Data Subjects

A formal written data request must be submitted to the County to access individual data. The form can be located on the Le Sueur County website.

The request for data should be submitted to the appropriate individual listed in the Data Practices Contacts.

The data request form can be hand delivered, or sent via mail, fax, or email.

Le Sueur County requires proof of identity before the County can respond to requests for data. If a parent or guardian is requesting data about a minor child, the parent/guardian must show proof the child is in their care.

County Response to Data Requests

Le Sueur County Operating Policies

- The County will respond within 10 days of the request, with the following potential responses:
 - o If the request is unclear, the County may ask the requester for clarification.
 - o Request identity verification.
 - o Don't have data requested.
 - o Inform the requester data is confidential and not accessible and the reason why.
 - o Inform the requester we have data requested and discuss how they want to receive data and any potential fees related to the request.



FINANCE POLICIES

Originally Adopted: January 2, 2024

Revised: January 7, 2025

Affirmed January 6, 2026

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Mission & Financial Policies Statement

It is the mission of Le Sueur County to provide efficient, professional and courteous service to our customers and colleagues alike.

The Board of Commissioners is responsible for legislation, policy formulation, and overall direction setting of the government. This includes the approval of financial policies which establish and direct the operations of Le Sueur County. The County Administrator is responsible for carrying out the policy directives of the Le Sueur County Board of Commissioners and managing the day-to-day operations of the organizational departments. The purpose of these finance policies is to provide a framework; whereby, all county employees may accomplish the mission of Le Sueur County by operating as efficiently as possible, while safeguarding county assets, and providing quality service to our citizens in a cost-effective manner.

Overview

The County of Le Sueur is responsible to its taxpayers to carefully account for public funds, to manage county finances wisely, and ensure it is capable of adequately funding and providing local government services needed by citizens. Financial policies provide the framework for the overall fiscal management of a county.

Employees are responsible for being aware of and following County policies and state and federal statutes. This single resource guide has been compiled for the convenience of employees to assist with the faithful discharge of duties. These financial policies will be reviewed periodically to determine if changes are necessary. The reference to management in these policies refers to County management unless defined otherwise.

Auditor Independence

In accordance with the Government Accountability Office, the authority on local government audits, in all matters relating to audit work, the external auditor shall be free both in fact and appearance from personal, external and organizational impairments to independence.

- The County's external audit organization shall not be responsible for designing, developing and/or installing the County's accounting system or its operating system where this system generates information used in preparing financial statements for Le Sueur County.
- External auditors shall not develop a performance measurement system, or any other system relied upon in developing financial statements.
- The external auditors may prepare draft financial statements, schedules or perform other duties provided they are based on County management's direction and the work results in a recommendation to County management.
- Decisions based on the external auditor's recommendations must be approved by County management.
- External auditors shall provide routine advice to the County of Le Sueur and its management to assist them in activities such as establishing internal controls or implementing audit recommendations and can answer the technical questions and provide training, however, they may not direct or unduly influence management with those decisions.

Any non-audit work related to tax rulings, arbitrage, attestation, compilation, sales tax audits, counted value audits and financial report assistance proposed by the auditors must be approved by the County Administrator prior to hiring them.

Account Code & Accounting Definitions

Adopted January 2, 2024

ABATEMENT: A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to tax levies, special assessments, and service charges.

ACCOUNT: A term used to identify an individual asset, liability, expenditure/expense control, revenue control, encumbrance control, fund balance or net assets.

ACCOUNTABILITY (ACCOUNTABLE): The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry to justify the raising of public resources and the purposes for which they are used. Governmental accountability is based on the belief that people have a "right to know," a right to receive openly declared facts that may lead to public debate by the citizens and their elected representatives.

ACCOUNTS PAYABLE: A short-term liability reflecting amounts on open account owing to private persons or organizations for goods and services received by a county.

ACCOUNTS RECEIVABLE: This amount represents accounts from individuals or businesses and does not include amounts due from other funds or other governmental units. It also does not include items such as taxes or special assessments receivable.

ACCRUAL BASIS: The basis of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

ACCRUED INTEREST PAYABLE: Interest costs related to the current period and prior periods, but not due or payable until a later date.

ACH PROCESSING (ACH-AUTOMATED CLEARING HOUSE): processing that occurs between a nationwide network of financial institutions that send electronic messages, via telecommunications lines instead of paper (checks), to transfer money between two parties. The most common ACH transactions are direct deposit, pre-authorized debits, cash concentration, and corporate to corporate payments.

ADVANCES TO OTHER FUNDS OR GOVERNMENTS: Amounts that are owed, other than charges for goods and services rendered, to a particular fund by another fund of the county and that are not due or payable until a later date.

AGENCY FUND: A fund used to account for assets collected on behalf of another agency.

ANNUITY: A series of equal money payments made at equal intervals during a designated period of time.

APPROPRIATION: An authorization granted by the County Board to make expenditures and to incur obligations for specific purposes. *Note:* An appropriation is usually limited in amount and as to the time when it may be expected.

BOND: An interest-bearing certificate of public or private indebtedness.

BUDGET: A plan of financial operation embodying an estimate of proposed expenditures and revenues for a given period. *Note:* The term "budget" is used in two senses in practice. Sometimes it

designates the financial plan presented to the county board for adoption and, at other times, it represents the adopted budget. Therefore, it is usually necessary to specify whether the budget under discussion is preliminary and tentative or whether it has been approved by the board.

CALLABLE BOND: A type of bond which permits the issuer to pay the obligation before the stated maturity date by giving notice of redemption in a manner specified in the bond contract.

CAPITAL ASSETS: are defined as tangible or intangible property that are used in operations that have initial useful lives extending beyond a single reporting period and meet the definition and minimum dollar amount for capitalization per asset category as follows:

BUILDINGS: A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable. They should be recorded at their acquisition cost or construction cost. The cost should include those fixtures, machinery, or other components that cannot be removed without damage such as generators, security systems, lighting or wiring.

BUILDING IMPROVEMENTS: Capitalized costs that extend the useful life of a building or increase the value of a building, or both, beyond one year. Do not include maintenance or repairs done in the normal course of business.

EASEMENTS: An interest in land owned by another that entitles its holder to a specific limited use or enjoyment (right to use the land). Easements should be reported only if the entity has paid for the easement.

EQUIPMENT: Fixed or movable tangible assets such as machinery, computers, printers, radios, etc.

INFRASTRUCTURE: Assets that are long-lived capital assets that are normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples include but are not limited to: roads, bridges, and dams.

INTANGIBLE ASSETS: Common examples of intangible assets include easements, timber rights, patents and trademarks, computer software (purchased or internally written), and plant capacity (GASB No. 51).

LAND: Real property that is purchased or acquired by gift for operating purposes regardless of value. Land is characterized as having an unlimited life (indefinite) and therefore should be capitalized but not depreciated. It is recorded at historical cost and remains at that until disposal.

LAND IMPROVEMENTS: Land improvements consist of betterments, site preparation, and site improvements (other than buildings) that ready land for its intended use. It includes both non-exhaustible and exhaustible improvements. Non-exhaustible improvements are expenditures for improvements that do not require maintenance or replacement, and do not deteriorate with use or passage of time are added to the cost of the land and are not depreciable. Exhaustible improvements are other improvements to the site such as parking lots, landscaping, and fencing that are exhaustible and therefore depreciable.

MOTOR VEHICLE: Any self-propelled vehicle designed and originally manufactured to operate primarily on highways, and not operated exclusively upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys that are propelled by electric power obtained from overhead trolley wires but not operated upon rails.

WORKS OF ART & HISTORICAL TREASURES: Collections or individual items of significance that are owned by a local government that are not held for financial gain, but rather for public exhibition, education, or research in furtherance of public service.

CAPITALIZATION THRESHOLD: The dollar value at which a government elects to capitalize tangible or intangible assets that are used in operations and that have initial useful lives beyond a single reporting period.

CASH & POOLED INVESTMENTS: Includes currency, coin, money orders, and bankers' drafts on hand or on deposit with the County Auditor-Treasurer or their agent designated as custodian of cash or demand deposits with financial institutions.

CASH HELD BY FISCAL AGENT: Funds that have been deposited with a fiscal agent for debt retirement, interest payments, or anticipated expenses related to new debt issuance.

CHARGES FOR SERVICES: These are charges for current services exclusive of revenues from public utilities and other public enterprises. Charges for services should be segregated between general government, public safety, highway and streets, sanitation, health and welfare, culture-recreation, education, and other charges.

CHART OF ACCOUNTS: The classification system of a county to organize the accounting for various funds.

COMMUNICATION AND TRANSPORTATION SERVICES: This category includes amounts paid for services provided by persons or businesses to assist in transmitting information or transporting people or materials.

COMPREHENSIVE FRAMEWORK OF INTERNAL CONTROLS: A structure of internal controls that provides for: (a) a favorable control environment; (b) the continuing assessment of risk; (c) the design, implementation, and maintenance of effective control-related policies and procedures; (d) the effective communication of information; and (e) the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

CONDENSED FINANCIAL STATEMENTS: Abbreviated financial statements sometimes required by GAAP to be presented within the notes to the financial statements in connection with component units, external investment pools, and segments. In addition, GAAP prescribes the presentation of condensed financial information for the prior fiscal year as part of management's discussion and analysis.

CONSTRUCTION-IN-PROGRESS: Value at cost of land, building, and attached equipment projects being constructed but not yet completed. Upon completion of the project, these accounts should be closed out and the costs capitalized in the land; buildings and structures; and equipment, furniture, and fixture accounts.

CONTRACTS PAYABLE: Balance reflects amount due on contracts for goods and services furnished to another.

CONVENIENCE FEE: A fee that is charged to a customer for the convenience of making an electronic payment. A convenience fee, which is charged to the customer, covers all of a payment vendor's transaction costs (see "transaction fees" below).

COUNTY FINANCIAL ACCOUNTING & REPORTING STANDARDS (COFARS): The primary objective of developing standard procedures and classifying accounts is to provide a means for accumulating financial information which will be uniform for all counties, regardless of their size or varying approaches of budgeting and accounting that may be used.

COUNTY MANAGEMENT: Department Heads and Supervisors

CURRENT ASSETS: Those assets which are available or can be made readily available to meet the cost of operations or to pay current liabilities. Some examples are cash, short-term investments, and taxes receivable which will be collected within one fiscal year.

CURRENT LIABILITIES: Liabilities which are payable within a relatively short period of time, usually no longer than a year.

CUSTODIAL CREDIT RISK: The risk that the government will not be able (a) to recover deposits if the depository financial institution fails, or (b) to recover the value of investment or collateral securities that are in the possession of an outside party if the counterparty to the investment or deposit transaction fails.

CUSTOMER: A person who is paying taxes or certain fees with an electric payment, such as a credit card.

DEBT: An obligation resulting from the borrowing of money or from the purchase of goods or services.

DEFERRED REVENUE – UNAVAILABLE: Amounts under the modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because such amounts are measurable but not available for expenditure.

DEFERRED REVENUE - UNEARNED: Amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

DEPARTMENT: Any department or office managed by an elected official or department head of Le Sueur County government.

DEPRECIATION: The process of allocating the costs of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. Generally, at the end of an asset's useful life, the sum of the amounts charged for depreciation in each accounting period will equal original cost less salvage value.

DEPRECIATION METHOD: The method used to calculate the allocation (depreciation) of the cost of a capital asset over its estimated useful life. The most common method is straight-line depreciation, which allocates the cost evenly over the life of the asset.

DUE FROM OTHER FUNDS: This represents a short-term obligation due from one fund to another.

DUE FROM OTHER GOVERNMENTS: These represent amounts due from another government. These amounts may represent intergovernmental grants, entitlements, or shared revenues or may represent loans or charges for goods or services rendered by the county for another government entity.

DUE TO OTHER FUNDS: Balance is amount due to other funds of the same country that are due within one year. A detailed ledger should show account activity of each fund.

DUE TO OTHER GOVERNMENTS: Account represents amount due on a current or delinquent basis to another governmental agency. A detailed ledger should show account activity of each agency.

ENTERPRISE FUND: Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

ENTITLEMENT: The amount of payment to which a state or local government is entitled as determined by the federal government pursuant to an allocation formula contained in applicable statutes.

ECONOMIC RESOURCES MEASUREMENT FOCUS: Measurement focus under which the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net asset. The economic resources focus is used for proprietary and fiduciary funds, as well as, for government-wide financial reporting.

ESTIMATED USEFUL LIFE: An accounting estimate of the time period (number of months or years) that an asset will be able to be used for the purpose for which it was purchased or constructed.

FEDERAL GRANTS: Revenues received from the federal government which is distributed for specific programs.

FINANCIAL ACCOUNTABILITY: Term used in connection with the definition of the financial reporting entity. The level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the primary government.

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB): The authoritative accounting and financial reporting standard-setting body for business enterprises and not-for-profit organizations. The FASB is the direct successor of the committee on Accounting Procedure and the Accounting Principles Board. The GASB and its predecessors have elected to apply a number of the FASB's standards, as well as those of its predecessors, to state and local governments.

FORFEITED PROPERTY: Revenue received from the settlement of tax foreclosure land sales.

FUND BALANCE: The difference between assets and liabilities reported in a governmental fund.

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

GENERAL FUND: One of the five governmental fund types. The General Fund typically serves as the chief operating fund of a government. The General Fund is used to account for all financial resources not accounted for in some other fund.

GENERAL OBLIGATORY BONDS ISSUED: The face amount of general obligation bonds issued.

GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS (GAGAS): Standards for the conduct and reporting of both financial and performance audits in the public sector. The General Accounting Office disseminates GAGAS through its publication, Government Auditing Standards, commonly known as the Yellow Book. The basic GAGAS standards are classed into three broad categories: general standards, fieldwork standards, and reporting standards. The general standards of GAGAS apply to both financial audits and performance audits. GAAS establish separate fieldwork and reporting standards for financial audits and performance audits.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): The conventions, rules, and procedure that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for state and local governments are set forth by SAS No. 69, the meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles" in the Independent Auditor's Report.

GENERALLY ACCEPTED AUDITING STANDARDS (GAAS): The rules and procedures that govern the conduct of a financial audit. There are ten basic GAAS, classed into three broad categories: general standards, standards of fieldwork, and standards of reporting. The Auditing Standards Board of the AICPA publishes SAS's and related interpretations to comment and expand upon these basic standards.

GOVERNMENTAL ACCOUNTING: The composite of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governmental units and agencies.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): Accounting and financial reporting standards designed for the government environment are essential because governments are fundamentally different from for-profit business. Furthermore, the information needs of the users of government's financial statements are different from the needs of the users of private company financial statements. Also, GASB is the source of generally accepted accounting principles (GAAP) for state and local governments.

GOVERNMENT-WIDE FINANCIAL STATEMENTS: Financial statements that incorporate all of a county's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities. Both basic government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

INFRASTRUCTURE AND INFRASTRUCTURE IMPROVEMENTS: Acquisition or construction costs for tangible property that is normally both stationary in nature and can be preserved for a significantly

greater number of years than other types of property. Examples include roads, bridges, tunnels, storm drains, etc.

INTER-FUND TRANSFERS: Financial inflows from other funds of the county that are not classified as inter-fund services, reimbursements, or loans.

INTERNAL CONTROL WEAKNESS: A defect in the design or operation of internal control. A material weakness is a reportable condition which does not reduce to a relatively low level the risk that material errors or fraud would be detected in a timely manner by employees in the normal course of their duties.

INVESTMENT EARNINGS: Revenue received as interest or other earnings on investments.

LAND: Acquisition cost of land, including the purchase price and related costs of the purchase, such as fees, demolition, and clearing costs necessary to prepare the land for its intended use.

LEASEHOLD IMPROVEMENTS: Cost of improving and alterations made to leased property.

LOCAL GRANTS: Grants from other local governments for specific programs or uses.

MAJOR FUND: A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least ten percent of corresponding totals for all governmental or enterprise funds for the same item. Any other government or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

MAJOR PROGRAM: Term used in the context of Single Audits. As part of the Single Audit, the independent auditor must gain an understanding of internal controls over compliance for each major federal award program and then test those controls. In addition, the independent auditor must render an opinion on whether the government complied with laws, regulations, and provisions of contracts or grant agreements that could have a direct and material effect on each major federal award program.

MANAGEMENT LETTER: A term used in connection with the independent audit of the financial statements. A formal communication by the auditor to management that focuses on internal control weaknesses discovered in the course of the audit of the financial statements. A management letter typically would be redundant in an audit conducted in accordance with GAAS, which requires that the independent auditor publish internal control weaknesses and instances of noncompliance in conjunction with a formal report on internal controls and compliance. The management letter, as just described, should be distinguished from the management representation letter. The latter is a communication by management to the independent auditor in which management takes formal responsibility for the fair presentation of the financial statements and makes certain specific representations regarding their contents.

MANAGEMENT REPRESENTATION LETTER: A letter addressed to the auditor, signed by the client's chief executive officer and chief financial officer. During an audit, management makes many representations to the auditor. Written representations from management in the letter confirm oral representations given to the auditor, document the continuing appropriateness of such representations, and reduce the possibility of misunderstanding.

MANUFACTURED HOME – CURRENT: Taxes levied on the assessed valuation of mobile homes collectable during the current year.

MANUFACTURED HOME – DELINQUENT: Delinquent mobile home taxes collected.

MARKET VALUE: An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

MATERIAL WEAKNESS: A reportable condition (internal control weakness) of such magnitude that it could potentially results in a material misstatement of the financial statements.

MATERIALITY: The magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement. The objective of accountability in governmental financial reporting adds another perspective to materiality. Specifically, accountability requires materiality to be judged not only in a quantitative manner, but also in a qualitative manner. That is, accountability involves such issues as legal and contractual compliance that may not have a "material" effect on the entity's reported operating results and financial position but that would influence or change the judgement of a reasonable person about how the government has conducted its affairs during the period.

MATERIALS & SUPPLIES: As a general guideline, which may vary with departments, a supply item is any article or material which meets any one or more of the following conditions: (a) it is consumed in use; (b) it loses its original shape or appearance with use; (c) it is expendable; that is, if the article is damaged or some of its parts are lost or worn out; it is usually more feasible to replace it with an entirely new unit rather than repair it; (d) it is an item, having characteristics of equipment, whose small unit cost (for example, less than \$5,000) makes it inadvisable to capitalize the item (if appropriate); or (e) it loses its identity by fabricating or incorporating it into a different or more complex item.

MATURITY DATE: The stated date on which all or a portion of the principal amount of a security is due and payable.

MODIFIED ACCRUAL BASIS: The basis of accounting under which expenditures are recorded at the time liabilities are incurred and revenues are recorded when received, except that selected revenues are recorded when earned. The selected revenues should be material and must properly reflect the matching of expenditures, if applicable.

MONEY MARKET INVESTMENT: A short-term highly liquid debt instrument, including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Asset-backed securities, derivatives, and structured notes are not included in this term.

MUNICIPAL BOND: A bond issued by a state or local government.

NET INCOME: A term used in accounting for proprietary funds to designate the excess of total revenue over total expenses for an accounting period. (Also called Net Profit)

NOTE PAYABLE: In general, an unconditional written promise signed by the maker to pay a certain sum of money on demand or at a fixed or determined future time either to the bearer or to the order of a person designated therein.

NOTE RECEIVABLE: An unconditional written promise signed by the maker, to pay a certain sum in money on demand or at a fixed or determinable future time either to the bearer or to the order of a person designated therein. The note may be held by the reporting governmental unit as designated payee or by endorsement.

NOTES PAYABLE – NON-CURRENT: The face value of notes not due within one year.

NOTES TO THE FINANCIAL STATEMENTS: The summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements of an entity in conformity with GAAP which are not included on the face of the basic financial statements themselves. The notes to the financial statements are an integral part of the basic financial statements.

NOTES/LOANS RECEIVABLE: An unconditional written promise signed by the maker, to pay a certain sum on demand or at a fixed or determinable future time either to the bearer or at the order of a person designated therein.

PASS-THROUGH GRANTS: Grants and other financial assistance received by a governmental entity to transfer or to spend on behalf of a secondary recipient.

PAYMENT IN LIEU OF TAXES: A payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

PETTY CASH FUNDS: The Change Funds sole purpose is for making change for customers conducting business with Le Sueur County.

PROPERTY TAXES – CURRENT: Taxes levied on real and personal property collectible in prior years which were collected during the current year.

PROPERTY TAXES – DELINQUENT: Taxes levied on real and personal property collectible in prior years which were collected during the current year.

PROPERTY TAXES – LIGHT AND POWER: Special taxes levied on the related physical assets of privately-owned electric utilities—generating facilities, substations, and distribution power lines.

PROPRIETARY FUNDS: Funds that focus on the determination of operating income, changes in net assets, financial position, and cash flows. There are two different types of propriety fund: enterprise funds and internal service funds.

REFUNDING BONDS ISSUED: The face amount of bonds issued to refinance existing debt.

REFUNDS PAYABLE: Amounts due back to individuals or others because of overpayments to the county.

REGISTERED WARRANT: A warrant which is registered by the paying officer for future payment due to a present lack of moneys and which is to be paid in the order of its registration. In some cases, such warrants are registered when issued; in others, when first presented to the paying officer by the holders.

REIMBURSEMENT GRANT: A grant for which a potential recipient must first incur qualifying expenditures to be eligible. Reimbursement grants are also referred to as expenditure-driven grants.

REIMBURSEMENTS: Reimbursements are transactions that reduce expenditures or expenses in the fund that is reimbursed. These transactions include refunds of expenditures and payments received for others' share of pooled purchases.

RENTALS AND SERVICE AGREEMENTS: This category is for expenditures for the lease or rental of land, buildings, and equipment for the temporary or long-term use by the county. This includes vehicles, data processing equipment, reproduction equipment, shop, construction, and maintenance equipment. This category is also for all other service agreements or contracts provided by non-County personnel.

RENTS AND ROYALTY: Revenue received from the lease or rental of buildings, vehicles, land and easements, signs, parking lots, etc.

REPAIR AND MAINTENANCE SERVICES: This category is for expenditures for repairs and maintenance services provided by non-county personnel. Include contracts and agreements covering the upkeep of grounds, buildings, and equipment. Exclude costs for new construction, renovating, and remodeling, initial and additional equipment consider capital expenditures.

RESERVE: Reserve refers only to the portion of Fund Balance that is intended to provide stability and response to unplanned events or opportunities.

RESERVE FOR ENCUMBRANCES: Segregation of a portion of fund balance for commitments related to underperformed contracts.

RESERVED FOR INVENTORIES: An account used to segregate a portion of fund balance to indicate, using the purchases method for budgetary purposes, that inventories do not represent "available spend-able resources."

RESERVED FUND BALANCE: The portion of a governmental fund's net assets that is not available for appropriation.

RESTRICTED ASSETS: Assets whose use is subject to constraints that are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

RESTRICTED NET ASSETS: A component of net assets calculated by reducing the carrying value of restricted assets by the amount of any related debt outstanding.

SALES OF CAPITAL ASSETS: Revenue received from the sale of capital assets, except for unusual sales.

SALVAGE VALUE: The value that an asset is expected to have when it is no longer useful for its intended purpose. The salvage value is the amount for which the asset could be sold for at the end of its useful life. The value can be based on general guidelines from professional organizations, information from other governmental entities, internal experience, or professionals such as engineers, architects, etc.

SERIAL BONDS: Bonds whose principal is repaid in periodic installments over the life of the issue.

SHORT-TERM DEBT: Debt with a maturity of one year or less after the date of issuance. Short-term debt usually includes contracts and accounts payable, bond anticipation notes, and interim warrants.

SINGLE AUDIT: An audit performed in accordance with the Single Audit Act of 1984 (as amended by the Single Audit Amendments of 1996) and Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal grantor agencies.

SOURCE DOCUMENT: An original document, such as vendor invoice, receipt, or journal voucher, from which initial entries are made in the accounting system.

SPECIAL ASSESSMENT BONDS PAYABLE – CURRENT: Account balance reflects the face value of the current portion of special assessment bonds due within one year.

SPECIAL ASSESSMENTS – CURRENT: Current special assessment levies against benefiting property owners for improvements and/or other services not provided by the general tax levies.

SPECIAL ASSESSMENTS – DELINQUENT: Delinquent collections of assessments against benefiting property owners for improvements and/or other services not provided by the general tax levies.

SPECIAL ASSESSMENTS – PREPAID: Prepaid collections of special assessments against benefiting property owners prior to a levy.

SPECIAL DISTRICT: An independent unit of local government organized to perform a single governmental function or a restricted number of related functions.

STATE GRANTS: Revenues received from the state government which is distributed for specific programs or use.

TAX INCREMENT: Incremental property tax revenues captured for county redevelopment districts. Also, excess tax increment revenues distributed to the county.

TRANSACTION FEE: Refers to the cost incurred by a payment vendor for executing an electronic payment. If a department passes on the transaction cost to the customer, then the resulting fee to the customer is typically called a “convenience fee” (see definition above).

UNAPPORTIONED TAX: Current and delinquent property taxes that have yet to be apportioned out.

UNRESTRICTED FUND BALANCE: The difference between total Fund Balance in a governmental fund and its non-spendable and restricted components.

WARRANTS PAYABLE: Account balance reflects liabilities from warrants which have been issued but have not been redeemed.

Budgetary and Financial Control

Adopted January 2, 2024

Overview

After Departmental budgets are adopted by the Board, the Department shall have discretion to pay for expenses included in the budget. Expenses that significantly deviate from the budget shall be brought to the attention of the County Administrator and Board. Department Heads shall work closely with the Finance Director, Auditor/Treasurer and County Administrator on budget controls and management.

The following Departments shall lead the following components of budgetary and financial controls

- Budget compilation
 - o Department Heads develop budgets and submit to Finance Director for compilation.
- Budget monitoring
 - o Department Heads and Finance Director
- Income and expenditure projections
 - o Department Heads
- Capital improvement financing
 - o County Administrator, Finance Director and Auditor/Treasurer
- Risk management (see Risk Management Policy)
 - o County Administrator, Finance Director and Auditor/Treasurer
- Conducting financial analysis to provide the future staffing and operational expenditure implications
 - o Finance Director, Human Resources Director, County Administrator
- Cash and investment management (see Investment Policy)
 - o Auditor/Treasurer
- Monitoring financial data for warning signals or trends
 - o Auditor/Treasurer, Finance Director and County Administrator
- Preparing financial summary reports for key funds at least quarterly
 - o Auditor/Treasurer and Finance Director
- Maintaining a detailed inventory listing of all material fixed assets to adequately ensure proper accounting of assets
 - o Auditor/Treasurer
- Accounts Payable

- o Auditor/Treasurer and Finance Director
- Accounts Receivable
 - o Auditor/Treasurer and Finance Director
- Receipts, Collections and Customer Billing
 - o Auditor/Treasurer

Operating Budget

The County will develop annual budgets. The County will:

- Adopt a balanced operating budget for the General Fund. A balanced budget is one in which revenues, reserves, and other financing sources are equal to expenditures and other financing uses.
- Pay for current expenditures with current revenues.
- Avoid, if possible, balancing current revenues with funds needed for future expenditures.
- Not budget to accrue future revenues, unless those funds are designated for specific future uses
- Place excess revenue from a specific fiscal year into the County's reserves in a manner consistent with the County's fund balance reserve policies.
- Avoid postponing expenditures, rolling over short-term debt, and using reserves to balance the operating budget.
- Set the salary or wages of each County employee through a determination by the County Board.
- Protect against unforeseen events; the County Board may budget for and maintain a contingency reserve in accordance with the County's fund balance reserve policies.
- Appropriate administrative and general government costs to all its funds as appropriate. These charges will be identified in the annual budget.
- Monitor revenues and department expenditures through the collaborative effort of the County Board, Department Heads and County Administrator to ensure adherence to budgeted amounts. Budget roll-up group expenditures may not exceed the total budgeted amount. However, individual line items within a specific budget roll-up group may be exceeded. If budgeted roll-up group expenditures exceed or are expected to exceed the allotted budgeted amount, the Department Head can request a budget amendment which requires approval of the County Administrator.
- Review and update the schedule of fund balances, reserves and working capital in all other operating funds of the County and determine adequacy of those money balances, using specified guidelines and criteria in conjunction with the budgets set annually.

The operating budget policies ensure the County's annual operating expenditures are consistent with past expenditures and respond to long-term objectives rather than short-term benefits. The policies allow the County to maintain stable levels of service, expenditures, and tax levies over time. These policies are most critical to programs funded with property tax revenue because accommodating large fluctuations in this revenue source can impose hardship on citizens.

Department Heads will be responsible for administration of their respective Department Budgets and are required to submit requests for any required budget adjustments, such as supplemental appropriations, to the County Administrator and Board before the program incurs cost overruns for the annual budget period.

Primary responsibility for the management of budgeted funds lies with the Department Heads. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and staying within expense or expenditure budget authorization. All costs incurred must be reasonable and necessary. Department Heads shall be responsible for contacting County Administrator should there be any questions regarding financial management or if the issue or concern is related to internal controls. The County Administrator will routinely monitor overall budget operating progress throughout the year.

- The County will not change standard accounting practices to balance the budget for any fund.
- The County will provide ample time and opportunity for public input into its budget deliberations each year.
- The County Board may make transfer of appropriations within a fund or organizational code. The County Board may transfer part or all of any unencumbered appropriation balance among programs within a fund or organizational code. Upon written request by the County Administrator and Auditor/Treasurer, the County Board may transfer, by resolution, part or all of any unencumbered appropriation balance from one fund or organizational code to another.
- County Board approval is required for budget changes that reduce the amount of an appropriation. The budget changes can be made at any County Board meeting.
- Annual reports to encumber current year funds must be made to the County Board. Encumbrance requests must be submitted on a prescribed form and have the available current year funds remaining in their budget roll-up. The County Board must approve all encumbrances for Departments to carry over into the following year. These approved encumbrances will be treated as accounts payable, on the general ledger at year end, as the County does not allow unused budgets to carry-over into the following year.
- The modified accrual basis will be used for all government funds in the budget. Under this basis, revenues are recognized in the accounting period as they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. The accrual basis will be used for the budgets of the enterprise funds in the operating budget. Under this basis, revenues are recognized in the accounting period that they are earned and measurable. Expenses are recognized in the accounting period they

are incurred, if measurable. The basis of budgeting is the same as the basis of accounting used in the County's audited financial statements.

The County will establish and maintain the highest standards of accounting practices, in conformity with Generally Accepted Accounting Principles (GAAP) and with recommended best practices as promulgated by the Government Finance Officers Association (GFOA).

The County will arrange for an annual audit of all funds and account types by independent certified public accountants qualified and licensed to issue such reports.

The County will strive to obtain each year the annual GFOA Certificate of Achievement for Excellence in Financial Reporting.

Quarterly reports will present a summary of financial activity by major type of funds as compared to budget. Department Heads will review quarterly reports comparing actual revenues and expenditures to the budgeted amounts.

Capital Assets

Adopted January 2, 2024

Overview

Le Sueur County is required to implement the accounting and financial reporting requirements for capital assets, including infrastructure and depreciation with Government Accounting Standards Board (GASB) Statement No.34. This policy will establish the capitalization thresholds, useful lives of its capital assets, and determine the procedures for the recording of capital assets.

Procedures

Capital assets should be recorded and reported at their historical cost, which includes the purchase price (plus the value of any trade-in), sales tax, initial installation cost (excluding in-house labor), modifications, attachments, accessories or apparatus necessary to make the asset usable and render it into service. Historical costs include ancillary charges such as freight and transportation charges, site preparation cost and professional fees.

Donated capital assets should be reported at fair value at the time of acquisition plus ancillary charges, if any. Fair value is the amount at which an asset could be exchanged in a current transaction between willing parties.

Capital asset improvement costs are capitalized if the cost exceeds the capitalization thresholds, and either extends the useful life, increases the capacity, or improves the efficiency of an asset. Otherwise, the cost should be recorded as a repair/maintenance expense.

The threshold for capitalization of assets shall be \$5,000.00 or more, with the exception of electronic data processing equipment that will be recorded regardless of the cost. Another exception is when individual asset items are less than the capitalization limit, but when all assets of that group are added together and the dollar amount far exceeds the capitalization limit. These groups of assets should be capitalized and depreciated. Examples include but are not limited to: a workstation that includes a desk, chair, partition, etc.

Leased equipment should be capitalized if the lease agreement meets any one of the following criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option.
- The lease term is equal to 75% or more of the estimated economic life of the leased property.
- The present value of the minimum lease payments at the inception of the lease, excluding executory costs, equals at least 90% of the fair value of the leased property.

CAPITAL ASSET TYPE	TRACKING & INVENTORY	CAPITALIZE AND DEPRECIATE FOR FINANCIAL REPORTING
Land	\$1	Capitalize Only
Land Improvements	\$1	\$25,000
Building & Bldg Improve	\$1	\$25,000
Construction in Progress	\$1	Capitalize Only
Machinery, Equipment, Vehicles	\$1,000	\$5,000
Infrastructure	\$25,000	\$50,000
Intangible Assets	\$500,000	\$500,000

Depreciation Guidelines

Capital assets will be depreciated individually over their estimated useful lives unless they are inexhaustible. All depreciation assets will be depreciated using the straight-line method. At the end of the asset's estimated life, the salvage value will remain. In general, the amount of annual depreciation is determined by dividing asset's depreciable cost by its estimated life. The total amount depreciated can never exceed the asset's historic cost less salvage value. Some types of capital assets are more likely to have salvage values, such as vehicles or construction equipment that tend to have trade-in value.

The County will be using the full-month convention in order to avoid the complication of depreciating each asset from the specific date on which it was placed in service. Under the full-month convention, property placed in service at any time during a given month is treated as if it had been placed in service on the first day of the month. This allows depreciation to be taken for the entire month in which the asset is placed in service. If the property is disposed of before the end of the estimated useful life, no depreciation is allowed for the month of disposition.

The useful life of depreciable assets is based on their usefulness to the County. The following displays the estimated useful life that will be used to allocate depreciation:

ASSET TYPE	EXAMPLES	DEPRECIABLE LIFE IN YEARS
Furniture, office equipment	Desks, tables, chairs	5
Computer Hardware	Monitors, CPU, printer	5
Telephone Equipment		10
Motor Vehicles	Cars, light trucks	5
Buildings-Temporary	T-buildings, portables	25
Buildings		40
HVAC Systems	Air-conditioners, heating	20
Roofing		20
Carpet replacement		7
Electrical/plumbing		30
Kitchen equipment	Appliances	12
Heavy Construction Equipment	Backhoes, Trucks, Dozers, front-end loaders,	5-10

Engineering, scientific equipment	Lab equipment	10
Firefighting equipment	Ladder, hoses, sprinkler systems, fire extinguishers	10
Police special equipment		5
Medical equipment		10

The following comes from the Minnesota Department of Transportation (MNDOT), it displays the state aid accounting manual fixed asset's useful life.

TYPE OF EQUIPMENT	DEPRECIATION YEARS	TYPE OF EQUIPMENT	DEPRECIATION YEARS
Air Compressor-truck mounted	7	Mower-Rotary, disc or sickle	4
Air Compressor-Wheel mounted	7	Mud-Jack	6
Air Tools	5	Pavement Breaker	8
Automobile. Pickup, 1 Ton, Vans	5	Paver, Bituminous	10
Batcher, Measuring	6	Paint Spray Outfit	8
Batcher, Weighing	5	Hammer, Pile	10
Bin, Aggregate	10	Hammer, Sheeting	7
Blower, Portable	5	Pump, Asphalt	6
Bucket, Clam or Dragline	6	Pump, Water	6
Bulldozer, Tractor Attachment	7	Road Mixer, Pug Mill Type	8
Chippers	8	Road Mixer, Digging Rotor	6
Concrete Saw	4	Road Roller	10
Conveyor, Belt, on Wheels	5	Roller, Pneumatic	10
Crack Filling Machine	5	Roller, Sheepsfoot	10
Crane, Crawler	12	Roller, Trench	10
Crane, Truck-Mounted	12	Rooter or Ripper, Heavy	8
Crusher, Rock, Portable	8	Scarifier, Rotary	5
Crushing & Screening Plant	8	Scraper, Self-Propelled	12
Cultivator, Motor-Driven	5	Scraper, Dawn	7

Distributor, Bitumen	10	Screen, Vibrating	8
Drill, Core	7	Screening & Leading Plant	8
Drill, Drifter	5	Seed Gathering Machine	4
Drill, Wagon	7	Shouldering	10
Dryer, Aggregate	8	Shovel, Crawler	10
Elevator, Aggregate	8	Shovel, Truck-mounted	10
Engine, Gas or Diesel	7	Snowplow, One-Way	10
Excavator, Telescoping Boom	10	Snowplow, Rotary	10
Finishing Machine, Concrete	5	Snowplow, V	10
Generator, Elec. Diesel or Gas	7	Spraying Machine, Insect	5
Gradation Control Unit	8	Spreader, Self-Propelled sand/Chip	5
Grader, Motor	12	Spreader, Drawn or Attached	6
Grader, Pull	8	Sprinkler, Water, Truck Mounted	7
Heater, Aggregate, Revolving	8	Steamers	8
Heater, Bitumen, Kettle	8	Subgrade Finisher	4
Heater, Tank Car	8	Sweeper, Rotary	10
Hoist, Bucket, Truck-Mounted	5	Tank, Bitumen, Storage	10
Hoist, Drum, with Power	7	Tank, Bitumen, Wheel-Mounted	10
Joint Cleaning Machine	4	Tank, Water, Skid-mounted	10
Loader, Belt, Blade Feed	6	Tractor, Crawler	12
Loader, Chain Bucket	6	Tractor, 'Wheel	12
Loader, Scoop, Wheel Tractor	10	Traffic Line Marker	7
Loader, Scoop, Crawler	10	Trailer, House	7
Mower, tractor	7	Trailer, Platform	8
Magnet, Road	5	Trucks, Multi-Use, Dump Trucks	8

Maintainer, Self-Propelled	6	Trucks, Snow use Only	12
Maintainer, Drawn	5	Truck-Tractor, with Semi-Trailer	10
Mixer, Bituminous	7	Vibrator, Pneumatic	5
Mixer, Concrete	7	Wagon, Semi, with Tractor	7
Mixing Plant, Bituminous	8	Washing & Screening plant	8
Mower, Flail	7	Welding Outfit, Electric	

Disposal of Capital Assets

If a capital asset no longer meets the needs of a particular fund/department, the following procedures will be followed.

- The asset may be traded-in on the purchase of a replacement asset.
- The asset may be transferred to another governmental fund/department within the County.
- The asset may be given to another governmental unit that is a subsidiary of the County (i.e. Le Sueur County Library System or the Le Sueur County Historical Society)
- Assets deemed to have a relative value will be placed for sale on public auction.
- Assets which have little value, where the amount we expect to receive from the sale is less than the value of the time spent to auction the item, will simply be disposed.

Any department disposing of a capital asset shall notify the Auditor-Treasurer's office for removal from the Capital Assets inventory and the County Administrator's office for removal from insurance.

Capital Improvement Program

Adopted January 2, 2024

As part of the annual operating budgeting process a capital improvement plan is created which identifies short-term and long-term initiatives and reflects all identified capital improvement activity for at least a five-year period and is updated and adopted on an annual basis.

Capital improvements for the upcoming year will be reviewed during Board budget work sessions and be incorporated into the operating budget as deemed appropriate

The County Board adoption of the five-year capital improvement is to assist in planning and provide direction for County departments, but it does not establish permanent County Board commitment to project either in scope or timeline for construction. In the plan, the County will:

- Identify the estimated cost and potential funding sources for each capital project before the proposal is submitted to the Board for approval and in that process will determine the most effective financing method for the proposed project.
- Ensure all capital improvements are in accordance with the adopted capital improvement program, or as it is amended by the Board. Capital purchases, not otherwise funded through an approved budget, shall require County Board approval.
- Enact a five-year capital improvement program based on a rolling multi-year capital improvement plan update.
- Coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- Use inter-governmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and County priorities and ensure operating and maintenance costs have been included in operating budget forecasts.
- Maintain all assets at a level adequate to protect the County's and its citizens' capital investment and to minimize future maintenance and replacement costs.
- Identify projects that require bonding that are included in the Capital Improvement Plan

Code of Ethics/Conflict of Interest Policy

Adopted January 2, 2024

This policy is taken directly from the Le Sueur County Personnel Policy, adopted December 17, 2024.

Purpose:

This Policy establishes guidelines for ethical standards of conduct, which shall govern county employees in the performance of county business and the duties of their respective jobs. These guidelines are intended to provide positive direction to employees in order to prevent potential conflicts of interest. Violation of this Policy, including violation of any law referenced in this Policy, may result in discipline, up to and including immediate termination.

Other Statutes and Rules:

Certain statutes and rules cover prohibited activities of public employees. These include, but are not limited to: a) Minnesota Statutes §10A.07 (Conflicts of Interest); b) Minnesota Statutes §10A.08 (Representation Disclosure); c) Minnesota Statutes §15.054 (Public Employees Not to Purchase Merchandise from Government Agencies; Exceptions; Penalty); d) Minnesota Statutes §15.435 (Airline Travel Credit); e) Minnesota Statutes §382.18 (Officials Not to Be Interested in Contracts); f) Minnesota Statutes §471.895 (Certain Gifts by Interested Persons Prohibited); h) Minnesota Statutes §609.43 (Misconduct of Public Officer or Employee); i) Minnesota Statutes §645.241 (Punishment for Prohibited Acts); j) Minnesota Rules, part 9575.0080 (Political Activity) and k) Minnesota Rules, part 9575.1270 (Prohibition Against Other Employment).

Employees are required to comply with any applicable statute or rule.

Note: Nothing in this policy shall be interpreted to apply to activity which is protected by the Public Employee Labor Relations Act, Minnesota Statutes §§179A.01 to 179.25 and collective bargaining agreements and practices there under.

Definitions:

Anything of Value - Money, real or personal property, a permit or license, a favor, a service, forgiveness of a loan or promise of future employment. It does not mean reasonable compensation or expenses paid to an employee by the County for work performed.

Business - Any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, or any other legal entity that engages in either non-profit or profit making activities.

Confidential Information - Any information obtained under government authority which has not become part of the body of public information and which, if released prematurely or in non-summary form, may provide unfair economic advantage of adversely affect the competitive position of an individual or a business. All information collected by any employee acting in his or her official capacity is subject to the provisions of the Minnesota Government Data Practices Act ("MGDPA").

Conflict of Interest - An employee's private self-interest, financial, or material interest that is incompatible with independence of judgment or action in the performance of official duties.

Nominal Value - Having value in "in name only" with minimal or no retail or market value.

Outside Employment - Any employment or contractual relationship for which pay or other direct or indirect compensation is received from a source other than the County.

Own Time - An employee's time outside of County work hours including the time before or after County work hours each day, approved compensatory time off, annual leave, holidays not otherwise assigned as work days, and leave without pay.

Perception of a Conflict of Interest - A situation, which reasonably appears to others to be a conflict of interest although the situation in and of itself may not necessarily be a conflict of interest.

Private Interest - Any interest including, but not limited to, a financial interest, which pertains to a person or business whereby the person or business would gain a benefit, privilege, exemption or advantage from the action of the county employee that is not available to the general public.

Statement of Policy:

No employee shall engage in any act, which is in conflict, or creates an appearance of impropriety or conflict with the performance of official duties. When an employee believes the potential for a conflict of interest exists, it is the employee's responsibility to avoid the situation. Employees must notify their supervisor if a conflict of interest or perception of a conflict of interest situation exists or may exist. Employees who knowingly fail to avoid or disclose a potential, perceived, or actual conflict of interest situation may be subject to disciplinary action, up to and including immediate termination, in addition to any criminal penalty that may be involved.

General Standards of Conduct:

Acceptance of Gifts or Favors. An employee shall not directly or indirectly receive or agree to receive any compensation, gift, reward, gratuity, payment of expense, or promise of future employment or other future benefit from any source except the County, for any matter or proceeding connected with or related to the duties of the employee, except for the following:

gifts of nominal value;

plaques or similar mementos recognizing individual services in a field of specialty or to a charitable cause;

reimbursement of actual expenses incurred for lodging, mileage, meals, and other travel related expenses that are not reimbursed by the County but which have been approved in advance by the employee's supervisor as part of the work assignment. This includes food or refreshment provided at a meeting, conference, or other event as a normal courtesy to all attendees incidental to the performance of official duty;

honoraria or expenses paid for papers, talks, demonstrations, or appearances made by employees on their own time for which they are not compensated by the County.

Use of Confidential Information. An employee shall not use confidential information to further the employee's private interest, and shall not accept outside employment or involvement in a business or activity that will require the employee to disclose or use confidential information. Employees shall not disclose any data created, received, or maintained in the scope of their official County duties, except as permitted by the MGDPA.

Use of Property. An employee shall not use or allow the use of County time, supplies, or county owned or leased property or equipment for the employee's private interest or any other use not in the interest of the County, except as provided by law.

Private Gain or Advantage. An employee may not use for private gain or advantage County time, facilities, equipment, supplies, badge, uniform, or prestige or influence of County office or employment.

An employee may not use the employee's official position to secure personal benefits, privileges, exemptions, or advantages, which are different from those available to the general public. Employees shall not use their official position to secure benefits, privileges, exemptions, or advantages which are different from those available to the general public for members of their families, their friends, or an organization with which the employee is associated.

An employee shall not have financial interest in any sale to the County of any property, goods, or services when such financial interest was received with prior knowledge that the County intended to purchase the property, goods, or services.

An employee shall not participate in the capacity of a County employee, in the issuing of a purchase order or contract in which the employee has a private financial interest, direct or indirect, nor shall an employee perform, in regard to such contract, any function requiring the exercise of discretion on behalf of the County.

An employee may not have a personal or financial interest in any legislation, policy, or rule coming before the County Board and/or participate in a discussion with or give an official opinion to the County Board regarding such legislation, policy, or rule, unless the employee discloses on the record of the Board the nature and extent of such interest.

Additional Payment for County Work:

An employee may not request, receive, or accept any money or anything of value from anyone other than the County for the performance of an act, which the employee would be required or expected to perform in the regular course of hours of county employment or as part of the duties as a County employee.

Acting as Agent or Attorney:

An employee shall not take action as an agent or attorney in any action or matter pending before the County Board except in the proper discharge of official duties or on the employee's own behalf or as the duly authorized agency (e.g., steward, local officer) of the employee's exclusive representative.

Outside Employment:

An employee may not engage in, accept employment from, or render services for any compensation or consideration having monetary value when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in performance of official duties. An employee's outside employment may not compromise the County's interest or adversely affect the employee's job performance or ability to fulfill all the responsibilities to the County. An employee's outside employment cannot be used as an excuse for substandard job performance, absenteeism, tardiness, leaving early, refusal to travel, or to work overtime or different hours.

While employed by the County, the employee shall not have outside employment in a business, which is subject to the direct or indirect control, inspection, review, audit, or enforcement by the employee. The employee shall not perform an act in other than his/her official capacity, which may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement by the employee.

An employee may not solicit customers or business for any business or other organization, however organized, while on County time or in relation to his/her County duties. This includes verbal solicitations, advertising solicitations, business card distribution, or advertising or soliciting on e-mail or County internet connections.

All new hires will complete an Employee Notification of Outside Employment Activities form. The information will be submitted to the Department Head for review and a copy will be filed in the employee's personnel file. When current employees acquire outside employment, they will complete an Employee Notification of Outside Employment Activities form and submit it to the Department Head for review. A copy will be filed in the employee's personnel file.

Political Activity:

County employees' political activity may be subject to state and federal laws including, but not limited to, the federal Hatch Act, Minnesota Rules part 9575.0080, and all amendments thereto. County employees have the right to express their views and to pursue legitimate involvement in the political system. However, no County employee will directly or indirectly, during hours of employment, solicit or receive funds for political purposes. Further, any political activity in the workplace must be pre-approved by the County to avoid any conflict of interest or perception of bias such as using authority or political influence to compel another employee to apply for or become a member in a political organization.

Conflict of Interest:

It is the employee's responsibility to avoid situations in which a conflict of interest or a perception of a conflict of interest exists. The employee should seek the advice of his or her supervisor in determination of whether a conflict or perception of a conflict of interest exists.

If an actual or possible conflict of interest situation exists or if the perception of a conflict of interest exists, the employee must immediately inform his or her supervisor or department head.

It is the responsibility of the employee's supervisor or department head to review or investigate the situation and to inform the County Administrator.

If the employee and supervisor are unable to find a way to avoid the conflict of interest, or are uncertain as to whether a situation actually is a conflict of interest, the matter shall be referred to the Personnel-Executive Committee. The Committee shall be responsible for recommending resolution of the matter to the County Board. The Board shall make the final determination for resolution of the matter with possible review by the County Attorney's Office.

Violation of Policy:

An employee determined to be in violation of this policy shall be subject to disciplinary action, per the provisions of applicable labor agreements and/or County policies.

Compensated Absences

Adopted January 2, 2024

The County policy on Sick Leave is to compensate employees for unused sick leave upon retirement (or death), the Termination Payment Method will be used for calculating and reporting the full accrual liability for unused sick leave. The percentage of unused sick leave booked and reported is estimated based on the County's past payment experience. Sick leave (and other compensated absences with similar characteristics) is accrued as a liability based on the above at the date of the financial statement.

County Issued Credit Card Policy

Adopted January 2, 2024, Revised January 7, 2025

Policy Statement

It is the policy of Le Sueur County to provide an effective and efficient tool for Commissioners and selected County employees to requisition, purchase and pay for goods and services used within the scope of their employment. This policy applies to all users approved by the Le Sueur County Board of Commissioners to do Le Sueur County business using a credit card issued in the County's name.

This policy ensures internal controls for authorized credit, ensures that Le Sueur County bears no legal liability from inappropriate use, provides a convenient credit method, minimizes the number of credit cards issued and empowers employees to increase productivity, flexibility, and efficiency.

Statutory Authority

A county board may authorize the use of a credit card by any county officer otherwise authorized to make a purchase on behalf of the county. If a county officer or employee makes a purchase by credit card that is not approved by the county board, the officer or employee is personally liable for the amount of the purchase. A purchase by credit card must otherwise comply with all statutes, rules, or county policy applicable to county purchases.

Authorization

A Supervisor/Department Head, requesting a County issued credit card shall contact Human Resources for the Credit Card Policy, Credit Card User Agreement, and Credit Card Request Form. The Credit Card User Agreement and Credit Card Request Form shall be submitted to the County Auditor/Treasurer for Board approval. County Board approval is necessary for any employee to obtain a County issued credit card. A copy of the credit card user agreement shall be kept in the employee's personnel file.

The Auditor/Treasurer will process the approved request, distribute the card(s) and maintain a credit card inventory list.

A Department Head/Supervisor may, at any time and without notice to the employee, cancel credit card use authorization for any of his/her employees. The Board of Commissioners reserves the right to cancel any individual cardholder privileges at any time. The Auditor/Treasurer is authorized to cancel individual cardholders upon resignation or termination from Le Sueur County employment.

On an annual basis, or as needed/requested, the Auditor/Treasurer will conduct a physical inventory of all County issued credit cards and report to the Board of Commissioners. Each cardholder will be required to physically produce their card.

County Issued Credit Card Account Limit

- a. County Board of Commissioners - \$5,000.00
- b. County Department Heads - \$5,000.00
- c. County Employees - \$5,000.00

The County Board of Commissioners will approve all account limits. Any purchase exceeding the cardholder limit will not be allowed on the County issued credit card. If an employee has a one-time

expenditure over \$5,000 that needs to be purchased via credit card, the Department Head shall contact the Auditor-Treasurer.

Uses of a County Issued Credit Card

County issued credit cards are to be used only for conducting officially approved County business. Under no circumstances are they to be used for personal reasons. If a county credit card is inadvertently used for personal or ineligible expenses, the employee shall reimburse the County with personal funds.

Eligible - The credit card may be used for:

- i. Guarantee rooms for conferences and/or meeting attendance.
- ii. Purchase lodging expenses during overnight stays while attending authorized meetings or training sessions.
- iii. Purchase supplies and/or materials when purchase of items by credit card is more time and cost efficient than if purchased by a county warrant.
- iv. Purchase gasoline only when using a county-owned vehicle.
- v. Purchase auto repair expenses for county-owned vehicles.
- vi. Purchase expenses for a rental car.
- vii. Purchase gasoline only when using a rental car.

Ineligible – The credit card may not be used for:

- viii. Personal purchases. Absolutely no personal use of the card is allowed.
 1. Any personal purchases will be paid by the employee
- ix. Meal allowance and/or gratuities.
- x. Gasoline for any personal vehicle.
- xi. Cash advances.
- xii. Alcoholic beverages.

Procedure for use of County Issued Credit Card

Each cardholder is responsible to obtain an itemized proof of purchase for credit card use. This documentation must be submitted with the monthly billing statement to the department head immediately upon receipt of statement. If no documentation is produced to verify a purchase, the cardholder must immediately reimburse the County for the purchase amount.

Each department head shall reconcile the monthly statement on the monthly reconciliation report and submit all original itemized receipts and the billing statement to the County Auditor/Treasurer on or before the 9th of each month to allow for processing Commissioner's warrants. Failure to submit by the 9th of each month may result in disciplinary actions and/or loss of credit card privileges.

Credit Card Usage Policy for Department of Human Services

Credit cards for the purchase of personal needs items for clients in need shall be issued for use within the Le Sueur County Department of Human Services.

Credit Cards for case manager use shall be distributed per the sign out log for each card. The credit card and its purchases are the responsibility of the signed user of the corresponding card. When not in use the credit cards will be stored with the sign out log and kept in the office of the account clerk.

Receipts for the purchases of supplies shall be presented to the accounting staff immediately upon return of the employee to the Courthouse. The respective accounting personnel will maintain ongoing files of all authorized credit card purchases for the purpose of paying statements.

All Statements received from the credit card company will be compared to the individual purchase receipts. After all receipts are verified, prompt payment of these statements will be processed to avoid interest and late penalties.

Lost or stolen County Issued Credit Cards

If a County issued credit card is lost or stolen, it is the responsibility of the card holder to notify his/her department head and the Auditor/Treasurer immediately.

Disputed Charges

All billing statement must be carefully reviewed upon receipt to detect any questionable charges that may occur. It is the responsibility of the card holder to notify his/her department and the Auditor/Treasurer immediately if there is an unauthorized charge appearing on the billing statement. Credit card companies are not required to investigate a dispute if they are notified more than 60 days after the charge first appears on the statement.

Penalty for misuse of County Issued Credit Card

Any deviation from this policy may be grounds for discipline up to and including termination of employment from Le Sueur County.

One-time increase on Credit Limit

In the event of a one-time increase, the card holder must contact their department head regarding the exceeding amount for approval. Department heads will contact the Auditor-Treasurer to extend the credit limit for the purchase.

Credit Card Payment Policy

Adopted January 2, 2024

Le Sueur County provides the opportunity for payment of County real estate taxes and other certain types of fees to be made by credit card. Our goal is the security of our customer's data in the processing of these types of payments.

Policy/Process/Procedure

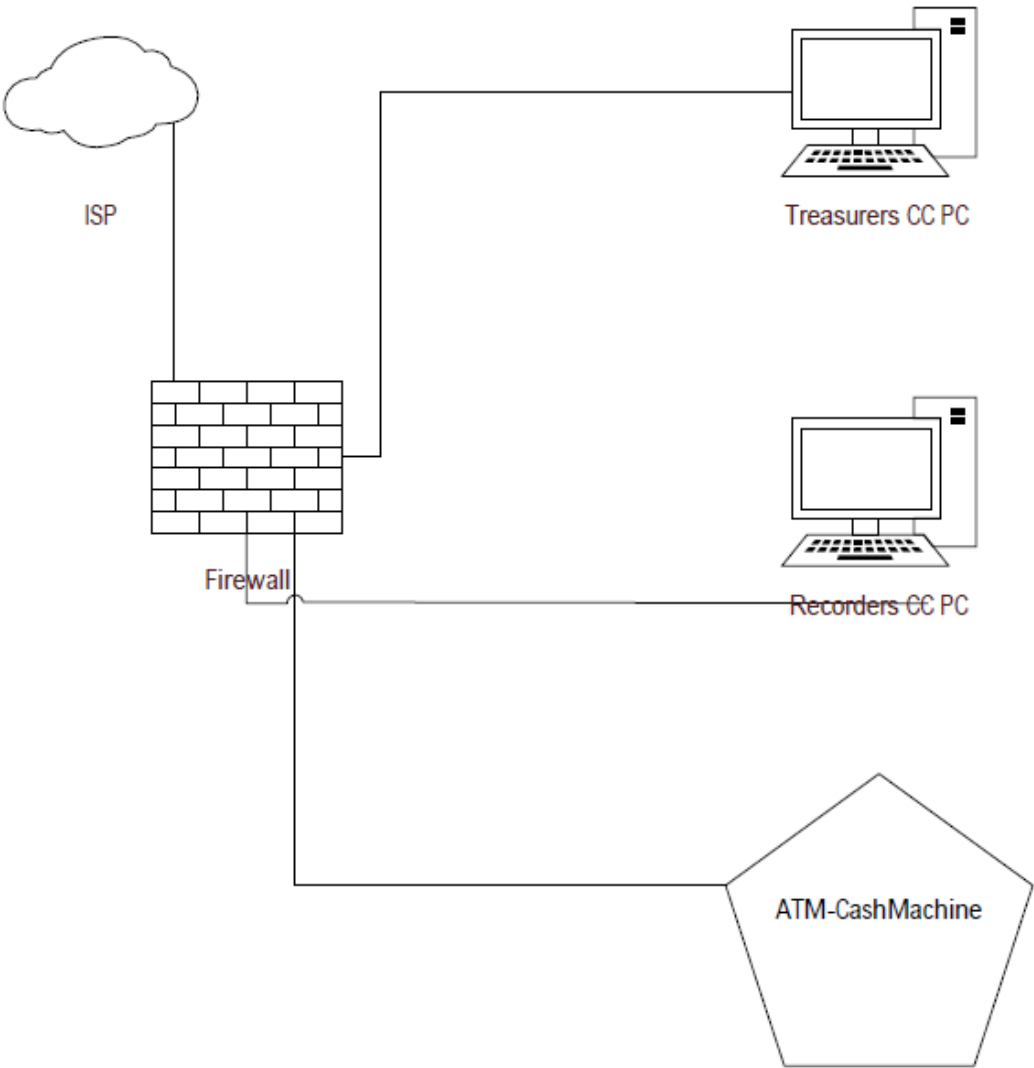
In accordance with MN State Statute 276.02, County Treasurers may accept credit cards as a form of payment. Payments are accepted over the counter, by phone or by accessing the payment processing website. All workstation computers that are used for processing credit cards reside on their own private local area network. The only items on this local area network are workstation computers and printers used for processing credit cards. This local area network is connected directly to a firewall which prevents access to this local area network. This firewall also limits the reachable internet destinations to those needed for processing credit cards and security updates.

Transaction costs will be the responsibility of the customer, when possible. No credit card numbers are stored by Le Sueur County.

Credit Card processing sites are only accessed via a workstation computer in each office. Point & Pay is blocked by County policy on all workstation computers except those residing in the above-described private local area network. Employees sign in to the processing website and enter the cardholder information via keyboard to process the transaction. Two receipts will be printed. One copy will be signed and retained by the County and the other will go to the payer. All receipts and reports with payment information will be retained in the office for reconciliation with the County's bank account.

The County Auditor-Treasurer shall establish and administer contracts with payment vendors for all electronic payments. The reviewing of payment vendor contract terms and PCI (payment card industry) compliance shall be done annually. Questions regarding policy & processes should be directed to the Auditor-Treasurer office.

Credit Card Network



Debt Management Policy

Adopted January 2, 2024

The debt management policy defines the role of debt in the County's total financial strategy to avoid using debt in a manner that weakens the County's overall financial condition, establishes limits on the amount of County debt which will allow for management debt service costs and maintains the best possible credit rating. It is the goal of the county to maintain at least an AA bond rating.

The County has established the following guidelines for the borrowing of funds:

- The County will confine long-term borrowing to capital improvements, equipment or projects that have a life of more than five years and cannot be financed from current revenues.
- The County will strive to keep the total maturity length of general obligation bonds below 20 years. In all cases, the maturity shall be shorter than the life of the related assets.
- The Auditor-Treasurer may recommend the issuance of revenue general obligation bonds if the County intends to pledge the revenue of a particular fund.
- The County, when possible, will use special assessment revenue (including G.O. backed revenue) or other self-supporting bonds instead of general obligation bonds.
- The County will strive to keep the direct debt per capita and direct debt as a percent of estimated market value at or below the median set out by the credit rating agencies.
- Total general obligation debt will not exceed the statutory limit of three percent of the estimated Full Market Value of taxable property in the County as required by Minnesota State Statute.
- The County will not use long-term debt for non-capital expenditures.
- The County will maintain frequent and regular communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus. The County will comply with Securities Exchange Commission (SEC) reporting requirements.
- The County will comply with IRS regulations concerning use of, and reinvestment of, bond proceeds. The County will monitor potential arbitrage earnings. If arbitrage earnings are believed to be above amounts provided by IRS regulations, the County will set aside funds to pay the appropriate amount as required.
- Refinancing or bond refunding will only be undertaken when there is significant economic advantage to the County, and when it does not conflict with other fiscal or credit policies.
- Interfund borrowing shall have a reasonable repayment schedule and be approved by County Board resolution. Refer to the Interfund Loan Policy.
- The maintenance of the minimum AA board credit rating shall be a major factor in all financial decisions. For the purposes of issuing debt, bond rating categories shall be used as a means of assessing the County's financial condition.

- The County shall work with an independent, professional bond advisor on all municipal debt transactions.

Disbursements Policy

Adopted January 2, 2024

Purpose:

The purpose of the Disbursement Policy is to create guidelines, rules, and procedures in order to unify and increase efficiencies in the County's disbursement process. This policy will guide how the County requires Claims against the County to be handled. The policy will also describe each claim type as well as procedures for each. This policy also incorporates procedures for issuing duplicate warrants, wire transfers, Automatic Clearing House (ACH) transactions, and Electronic Funds Transfers (EFT).

Claims Handling Policy:

Claims against the County fall into two categories: Auditor and Commissioner.

- **AUDITOR CLAIMS** – are paid by delegation to the Auditor-Treasurer set by the County Board in January. Auditor Claims are paid every Friday. Auditor Claims usually consist of the following but are not limited to: construction contracts, contract workers, court related claims, utility billings, tax settlements, specific insurance payments, debt service payments, and other special situations. Most other claims are classified as Commissioner Claims.
- **COMMISSIONER CLAIMS** – must be approved by the County Board of Commissioners prior to payment. These claims are paid the Friday following the County Board meeting (or next business day). County Board meetings are usually held on the first, third and fourth Tuesday of the month.

ALL OF THE ABOVE CLAIMS MUST ADHERE TO THE FOLLOWING PROCESS:

1. Department heads are responsible for the proper payment of bill requests/invoices and for ensuring that expenditures represent *actual* obligations that have been incurred by their respective departments.
2. Department heads are required to authorize payments by signing *each* County Claim Form on the appropriate line.
3. The department heads may delegate authority to a specific employee(s) (designee(s)) to act on their behalf in requesting payment. Also, each employee/designee must initial next to the department head's signature indicating they have signed for their respective department head.
4. The *original* invoice(s) must be attached to the County Claim Form and be submitted to the County Auditor-Treasurer or Human Services Office for processing and payment preparation.
5. County Warrants will *not* be pre-numbered, a Warrant written to cash is prohibited, and no pre-signed Warrants will be issued.

6. Prepayment for services is not recommended unless prepayment results in a cost savings to the County.
7. All vendors are required to have a signed W9 on file with the County Auditor-Treasurer before payment will be issued. **However, some vendors are granted an exception for example, tax exempt agencies, i.e. local governments, one-time vendors etc.
8. Department Heads should follow the chart found in the Purchasing Policy to determine whether County Administrator or County Board approval is required prior to payment.
9. Le Sueur County is tax exempt and is required to pay sales and use tax only on specific purchases. The Auditor-Treasurer's Office will be responsible for compiling and filing the Sales and Use Tax form with the State of Minnesota. Vendors charging sales tax above the current Minnesota rate will only be paid by the current Minnesota Sales Tax Rate. If a vendor did not charge the current Minnesota Sales Tax Rate, it is the responsibility of the County Auditor-Treasurer or Human Services Offices to either notify the vendor of the error or code each claim (on applicable claims) indicating it will be paid as a "Use Tax" at the end of each month. For more information see the Minnesota Sales Tax guidelines. *Exceptions apply to tax exempt purchases and organizations.*
10. The Le Sueur County Auditor-Treasurer's Office will prepare for mailing, print, sign, and disburse all County Warrants, with the exception of Human Services warrants which are printed by the Human Services accounting team. The Auditor-Treasurer's Office will also maintain the checking printing/electronic signature software.
11. Commissioner and Auditor Warrants will have the County Administrator and County Auditor-Treasurer signatures on the face of the Warrant.
12. All processed claims are scanned into Application Extender by the County Auditor-Treasurer's Office, with the exception of Human Services claims. These scanned claims retain their Data Privacy classification. All physical Claims are retained on file until after the annual audit is complete then they are disposed of. Scanned claims are kept for the required retention period of 7 years from the date of payment.
13. The Auditor-Treasurer's Office will ensure the use of a uniform account coding system using COFARS guidelines. The County Auditor-Treasurer's Office reserves the right to verify, change account coding, request additional information, or reject any claim in order to conform to the COFARS, GAAP, and other accounting guidelines. The Auditor-Treasurer's Office will notify and consult with the respective department about changes and recommendations.
14. When a County holiday falls on a Friday, Commissioner Claims and Auditor Claims will be paid on the preceding working day before the holiday. Payroll will be paid the working day before the County holiday.
15. Late payment fees or finance charges will be coded to the appropriate department, and it will be their responsibility to seek a refund.

16. Le Sueur County pays all vendors on *Net 35* terms unless the vendor has made special contractual/payment term arrangements with Le Sueur County.

Issuing Duplicate Outstanding Warrants Policy:

1. When any Warrant of the county becomes lost or destroyed, a duplicate must be issued by the County Auditor-Treasurer. The duplicate shall correspond in Warrant sequence/number, date, and amount with the original Warrant and shall have endorsed on its face by the County Auditor-Treasurer, the word "Duplicate" together with the date of its issuance. Human Services will work in conjunction with the Auditor-Treasurer when issuing duplicate warrants.
2. A duplicate for a lost or destroyed Warrant shall not be issued until there has been filed a stop-pay request at the bank the check has been written from.
3. The County Auditor-Treasurer shall keep for a period of 20 years a record showing the Warrant sequence number, dates and amounts of such Warrants together with the date of issuance of the duplicate therefore, and the names of the persons/entities to whom issued. All other supporting documentation will be discarded according to retention schedule.
4. On an ongoing basis, the County Auditor-Treasurer, or designated deputy, shall search the outstanding Warrants of the County and will notify all persons who have an outstanding Warrant nearing six months old to determine if the warrant has been lost.

Wire Transfers, ACH, and Electronic Funds Transfer Policy:

The County Auditor-Treasurer and staff are authorized to make wire transfers, ACH payments or electronic funds transfers. The County Payroll Coordinator will authorize direct deposit payments through the County Payroll system. ACH payments shall only be made to select and trusted vendors.

1. For electronic payments made to the State of Minnesota, initiated through the State of Minnesota website where the funds are then "pulled" by the State on the appropriate date, all departments requesting an electronic fund transfer must fill out the appropriate request and deliver to the County Auditor-Treasurer seven (7) days before the transfer date.
2. All other disbursements by the county are currently paid by physical check.

Claims Handling Procedures:

1. Auditor Claims: *

- a) Each department head or designee(s) is responsible for preparing the County Claim Form for each claim against the county. The form must include and follow the same steps as the Commissioner Claims (refer to Commissioner Claim Procedure-Item C below).
- b) Auditor Claims are paid every Friday and are due to the County Auditor-Treasurer's Office the Thursday before the Friday pay date and no later than 12:00 p.m.

- c) A report of the claims paid is available to the County Board at any time in the Auditor-Treasurer office.

3. Commissioner Claims: *

- a) Each department head or designee(s) is responsible for preparing a County Claim Form for each claim against the county. The form should include the following information:
 - a. Date claim will be paid
 - b. Proper marking of claim type (Commissioner or Auditor)
 - c. Vendor number and name
 - d. Complete mailing address
 - e. Proper account coding
 - f. Specific description of claim (using standard descriptions used in the past)
 - g. Invoice number
 - h. Service dates (if applicable)
 - i. Invoice amount
 - j. Claimant signature (*when applicable, when Claimant receives payment*)
 - k. Department head signature on all claims
- b) Department head can designate an employee(s)/designee(s) to sign on their behalf, the employee(s)/designee(s) must initial next to the department head's name when signing on their behalf.
 - a. Department heads or designee(s) are responsible for ensuring that the claimant's signature (*when applicable*) is on the claim, as well as, the department head signature are on the appropriate line.
 - b. Due diligence will be taken by claim preparers to ensure that claims/invoices have not been previously paid prior to submission pursuant to M.S. 471.38.
- c) If a department head codes a claim form for another department, they must obtain authorization by getting the initials or original signature of that department head on the claim form prior to submission.
- d) All proper documentation, including invoices supporting each claim, must be attached to the claim form. Without proper documentation, claims will be rejected for payment and returned to the respective department(s) for correction.
- e) Non-county employees serving on committees may report their per diem, mileage, and meal claims and must submit their claim within 60 days of incurring the expense.
- f) Commissioner Claims are due in the County Auditor-Treasurer's Office on the Wednesday of the week preceding the Tuesday County Board meeting, and no later than 12:00 p.m. In cases where this is a Holiday, they are due the preceding business day by 12:00 p.m. Commissioner Claims are paid the 1st and 3rd Tuesday of the month.

- g) Data Private Commissioner Claims: Certain claims are private, such as Human Services, HR and Legal. These claims are to be developed and submitted by the respective Department and supporting documentation is to be kept on file.
- h) The County Auditor-Treasurer's Office will complete the following when preparing the claims (Auditor, Commissioner) for payment:
 - a. Claim Auditing: To ensure the use of correct account coding, mathematical accuracy, invoice numbers, vendor number, report codes, accurate documentation, and proper signatures are obtained on the claim form. All Highway Claims are audited by the Highway Accountant. All Human Services Claims are audited by the Humans Services accounting team.
 - b. Data Entry: Entering the claim forms into the County financial system using the information from the County Claim Form or from the IFS Voucher Spreadsheet which is uploaded to IFS. All Highway claims will be entered by the Highway Accountant and interfaced to the Auditor-Treasurer's Office. All Human Services claims will be entered by the accounting team.
 - c. Proofing the Audit List: After all Claim Forms have been entered into the County financial system, an Audit List is generated. This list is verified against each Claim Form to ensure proper data entry. All Human Services Claims will be verified by the Human Services accounting team.
 - d. Submitting for Approval: The County Auditor-Treasurer's Office will submit all claims (including Highway) to the County Board of Commissioners who will authorize payment of claims during its regular board meeting. At that time, the audit list is signed by the current County Board Chair and County Attorney. Human Services claims will be submitted to the County Board by the Human Services accounting team.
 - e. Warrant Generation: After the Claims have been approved, warrants will be generated and printed by the County Auditor-Treasurer. All warrants are reconciled against the claims and the warrant number is written on the claims. All claims are verified by the County Auditor-Treasurer's Office before disbursement and posting to the general ledger.

***NOTE: Refer to Claims Form Procedure and Guidelines for step-by-step instructions on filling out the Claim Form.

Payroll Disbursement Policy:

Payroll reimbursements and employee expenses are not approved by the County Board of Commissioners prior to payment. Payroll is paid on a bi-weekly basis and includes, but is not limited to, salaries, separation payouts, sick leave payouts, holiday pay, and employee qualified reimbursable expenses. The reimbursable employee expenses are paid on each payroll.

1. Electronic time sheets must be approved at the department level prior to being processed for payroll. All electronic time sheets will be signed with a dated electronic signature by the employee and the employee's department head or supervisor.
2. The County's payroll system and the electronic timecard system will track important information including, but not limited to, time worked, PTO, and overtime.

3. All employees are required to use direct deposit.
4. Payroll stubs are accessible by employees via UKG.
5. Positive Reporting System will be used in payroll coding. Employees should affirmatively attest to the hours or days they have actually worked. This is in contrast to negative reporting systems, where employees report only periods they were absent from work using vacation or sick leave.

Payroll Time Sheets & Employee Expenses:

1. The employee completes the County Employee electronic time card.
2. The department head or supervisor verifies that employee has signed the electronic time sheet with an electronic signature, completed appropriate time coding using positive reporting, and the totals are correct.
3. All reimbursable employee expenses should be submitted on the Employee's electronic time sheet with any receipts or supporting documents attached to the time sheet. **Please refer the Employee Personnel policy for related travel reimbursement procedures.*
4. Reimbursable Employee Expense is defined as authorized payments of supplies, lodging, mileage, and meals.
5. The County Payroll/HR Technician cross-checks electronic time cards, verifies mileage and receipts to expense claims and completes the payroll abstract which is then audited and approved by the County Auditor-Treasurer.
6. The County Payroll/HR Technician imports electronic time and expenses recorded into the payroll software and makes adjustments as necessary.
7. The County HR Technician receives Personnel Action Forms signed by the HR Director for all salary changes.
8. The County Payroll/HR Technician imports the ACH to the County Bank for disbursement of payroll checks. The bank sends a confirmation receipt.

Month End Disbursements Verification Procedure:

At the end of each month, all County disbursements will be verified by the County Auditor-Treasurer's Office in conjunction with the Finance Director before each month is closed. The Finance Director runs a Cash Trial Balance report generated from the county financial system and compares it with the Treasurer's Trial Balance generated from the Treasurer's Financial System to ensure fund totals are

equal. If there are any discrepancies between the totals, the month cannot be closed until the problem is resolved.

Electronic Fund Transfer Policy

Adopted January 2, 2024

Minnesota Statute 385.071 states that “Notwithstanding and other law to the contrary, a County may make electronic funds transfers for investment purposes and for all County expenditures. The County Board shall establish policies and procedures for the investment and expenditure transactions via electronic funds transfers. In addition, Minnesota Statute 471.38, subdivision 3, includes further information as to the nature of claims that may be paid via electronic funds transfer by local governments.

The purpose is to ensure the safety of County funds by controlling the electronic flow of said funds.

Policies and Procedures

- For security reasons, the County shall limit the use of EFTs to only transactions that involve regular and trusted partners (e.g. State of Minnesota, financial institutions). As a rule, EFTs should not be used to pay vendors.
- The County Board shall annually delegate the authority to make electronic funds transfers to the County Auditor-Treasurer or the Auditor-Treasurer’s designee.
- The disbursing bank shall keep on file a certified copy of the delegation of authority.
- The initiator of the electronic transfer shall be identified.
- The initiator shall document the request and obtain an approval from the County Auditor-Treasurer.
- A written confirmation of the transaction from the disbursing bank shall be made no later than one business day after the transaction and shall be used in lieu of a check or warrant to support the transaction.
- A list of all transactions made by electronic funds transfer shall be submitted to the County Board at its next regular meeting after the transaction, thus giving a second form of approval.

Expenses

Adopted January 2, 2024, Revised January 7, 2025

This policy is taken directly from the Le Sueur County Personnel Policy adopted December 17, 2024.

Reimbursed Expenses:

Reimbursement for expenses incurred on official County business shall be made as follows:

Payment: All expense requests must be promptly submitted on the appropriate forms upon returning to work. Detailed itemized receipts must be attached to the request forms for all expenses reimbursed. Verified claims submitted by or through County offices shall be itemized and approved and be filed with the County Auditor/Treasurer on the Wednesday before the 1st and 3rd Tuesday of each month.

Out-of-State Travel: Employees will be reimbursed for the lowest cost of reasonable transportation for out-of-state travel. All out-of-state travel for conferences and training must be pre-approved by the County Board. The reimbursement for meals, when traveling out of state, will be reimbursed up to a maximum of \$75.00 per day, with itemized receipts, including tax.

No board approval is required when traveling out of state in the course and scope of performing the duties of the position.

Parking: Parking shall be reimbursed at actual cost. Parking charge and receipt should be submitted within the "Extra Pays" column in UKG Workforce Management.

Lodging: Lodging reimbursements shall be for the actual lodging cost incurred when an employee is in overnight travel status due to multiple day events. Lodging may be reimbursed for the overnight prior to the event when the event is more than 100 miles from the Government Center and begins prior to 9:30 a.m. the following day. Lodging charge and receipt should be submitted within the "Extra Pays" column in UKG Workforce Management.

Training and Seminars: To provide employees an opportunity to learn new skills and gain knowledge to ensure high quality performance, the County will reimburse for the cost of training and seminars, upon approval of the supervisor or department head. When an employee requests to attend specialized training that is not a requirement of the job, and when the County pays the expenses, it must be approved by the Department Head or the County Board. The employee must reimburse the County for those expenses if they leave the County within one (1) year from the date of training.

County Vehicles:

County vehicles shall be used only in conjunction with performance of County operations and duties. County vehicles are not to be used for private employee travel. An employee operating a county vehicle must possess a valid driver's license. All drivers and passengers of County vehicles must wear their seatbelts pursuant to MS 169.686. Persons operating County vehicles shall not provide rides to hitchhikers. Employees shall use a County Vehicle for all travel within the State of Minnesota except when authorized or instructed to use a personal vehicle. Vehicles taken for any out of state travel must be approved by the County Board prior to departure.

The County prohibits the use of cell phones while driving a County vehicle pursuant to the hands-free law relating to transportation; prohibiting use of cell phones while driving under specified circumstances; Minnesota Statutes 2018, sections 169.011, subdivision 94; 169.475.

Employees are required to pull off the road safely and park in a safe location before making or answering a call. This policy does not apply to law enforcement or highway personnel who are covered by a specific departmental communications protocol.

If there is an available county vehicle (per department policy) and an employee is authorized by their department head to use a personal vehicle, the reimbursement rate shall be a lesser rate as set by the County Board. Mileage and mileage log should be submitted within the "Extra Pays" column in UKG Workforce Management.

Privately-owned Automobile Reimbursement

Personal Automobile: Employees shall use a County vehicle for all travel within the State of Minnesota except when authorized or instructed to use a personal vehicle. The County prohibits the use of cell phones while driving a personal vehicle while conducting County business pursuant to the hands-free law relating to transportation; prohibiting use of cell phones while driving under specified circumstances; Minnesota Statutes 2018, sections 169.011, subdivision 94; 169.475.

All drivers and passengers of personal vehicles used for county purposes must wear their seatbelts pursuant to MS 169.686 and must follow all traffic laws. Employees that receive mileage reimbursement are required to have a current driver's license and personal automobile liability insurance. An employee will be reimbursed at the IRS rate of mileage reimbursement for each mile driven on County business within the State of Minnesota while using a personal vehicle and approved by the Department Head. The County shall not be responsible for any damage to the employee's vehicle or any other vehicle if the employee uses a personal vehicle. No advance mileage payments will be allowed. Mileage and mileage log should be submitted within the "Extra Pays" column in UKG Workforce Management.

Employees are responsible for all mileage expenses normally incurred in their travel to and from their residence to their normal work location; the county does not reimburse for expenses related to getting to and from work.

Employees are reimbursed for traveling on official county business with a private automobile at the prevailing rate set by the County Board and the following parameters:

Start and End at Normal Work Site: When traveling from the normal work location to an alternate work site e.g., client, meeting, conference or training), and then returning to the normal work site, the mileage allowance is the actual miles traveled.

Start at home → Alternate Work Site → Normal location: If, at the beginning of the day, an employee is traveling to an alternate worksite (e.g., client, meeting, conference or training), the County will reimburse mileage at the current rate per mile for actual miles incurred from the employee's residence to the alternate work site, or from the normal work site to the alternate work site, whichever

is less. At the conclusion of the meeting/training, miles from the alternate work site back to regular work site or to the next alternate site will be reimbursed at the current rate per mile.

Normal work site → Alternate Work site → Home: If, at the end of the day, an employee travels to an alternate worksite (e.g., client, meeting, conference or training) and then travels home, the County will reimburse mileage at the current rate per mile for actual miles incurred from employee's current location (regular work site, or alternate work site) to the last alternate work site. At the conclusion of the meeting/training, miles from the alternate work site back to regular work site or to the employee's home (whichever is less) will be reimbursed at the current rate per mile.

Start at Home → Alternate Work Site → Home: When traveling from home to an alternate work site for an entire day and returning to home at the end of the work period, the employee will be reimbursed for the shorter of the two options: round trip miles from home to alternate work site or round trip miles from normal work site to alternate work site.

When assigned and authorized, the County will reimburse mileage occurring outside the employee's normal work hours to an alternate work site but not to the normal work location.

The County shall reimburse mileage between the Government Center/Public Health, Justice Center and the Highway Department buildings at 2 miles per trip.

Normal work location as it pertains to this policy shall be the County-owned building to which the employee's department is primarily located.

When two or more employees are traveling in one vehicle, reimbursement is made to one employee only.

Meal Reimbursement Policy

Meals:

Meal expenses will be reimbursed at actual costs and itemized receipts are required for reimbursement. Itemized receipts shall include the date, name of restaurant, and signature of a restaurant employee if the receipt is handwritten. Gratuity and alcoholic beverages will not be reimbursed. Meals and receipts should be submitted within the "Extra Pays" column the UKG Workforce Management.

The following conditions apply:

Breakfast

Breakfast reimbursements may be claimed only if the employee is on assignment away from his/her work station in travel status overnight or in emergent circumstances as approved by the Department Head.

Lunch

Lunch reimbursements may be claimed only if the employee is on assignment away from his/her work station in travel status overnight or in emergent circumstances as approved by the Department Head.

Dinner

Dinner reimbursement may be claimed only if the employee is away from his/her work station in a travel status overnight or in emergent circumstances as approved by the Department Head.

Reimbursement Amounts

The maximum reimbursement per meal, with itemized receipts, including tax, shall be:

Standard Maximum Rate:

Breakfast	\$ 10.00
Lunch	\$ 15.00
Dinner	\$ 25.00

The County Board shall set reimbursement amounts.

Fund Balance Policy

Adopted January 2, 2024

This Policy ensures the long-term economic stability of Le Sueur County by maintaining an adequate level of financial resources to fund operations, to adapt to revenue shortfalls and/or unanticipated expenditures, and to help ensure stable tax rates. Le Sueur County desires to maintain a prudent level of financial resources to guard its stakeholders against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures. In addition, this policy is intended to document the appropriate Reserve level to protect Le Sueur County's credit worthiness.

The General Fund Operating and Reserves are accumulated and maintained to provide stability and flexibility in response to unexpected adversity and/or opportunities. Aside from ensuring cash availability when revenue collections diminish, the Reserves generate investment income thereby diversifying the Government's revenue streams.

This policy establishes the amounts Le Sueur County will strive to maintain in its General Fund Operating and Reserves, how the Reserves will be funded, and the conditions under which Reserves may be used.

Fund Balance Classifications:

The assignment of fund balances is based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources. The five classifications of funds are:

Non-spendable funds: Funds that are not in a spendable form or are legally limited to be used for a particular purpose. Included in this category are amounts reserved for inventories, funds which are non-cash items and therefore not available for spending and amounts not available due to advances to other funds or other governments, or prepaid items.

Restricted funds: Funds that are subject to externally enforceable restrictions. The funds may be subject to statutes or rules, contributors, or creditors.

Committed funds – Funds whose use is authorized only by resolution of the County Board. Such authorization can be changed only by Board resolution. Action to commit funds for a specific year must be done before the end of the year with the exact amounts for such commitment to be determined at a later date, but before the completion of the financial statements.

Assigned funds – Funds for which the County has an intended purpose. This intention for usage will be determined by the County Board or their assignee. For all funds other than the General Fund, any amount that is not committed would be assigned due to the function of the fund.

Unassigned funds – Funds in the General Fund only for which a higher level of restriction has not been imposed. Unassigned amounts are available for any purpose. Any fund other than the General Fund having a negative balance will report the negative balance as unassigned.

Fund Classifications, Descriptions and Balance Policies

Minnesota laws govern the flow of major revenue sources into the County treasury. County fund balances, which are measured as of December 31, are the primary source of funds available to the County for operating expenses during the first four months of the next fiscal year. An adequate fund balance will provide the County with the cash flow required to finance expenditures and avoid short-term borrowing.

Fund Balance usage will be as follows: when a fund balance includes both restricted and non-restricted funds, the restricted funds will be used first. For unrestricted fund usage, funds will be used in the following order: committed, assigned, and then unassigned amounts.

Assigning Fund Balance - The County Administrator and County Auditor-Treasurer, collectively, are hereby authorized to assign Fund Balance for specific purposes in accordance with the intent of the County Administration and actions of the Board of Commissioners. For the purposes of this section, Fund Balances should be calculated/projected using a year-end basis.

1. Governmental Funds:

- **General Fund** – the primary operating fund for all the financial resources of the general government, except those required to be accounted for in another fund.
 - On the financial statement, funds will be reported as non-spendable, restricted, committed, or assigned; any remaining balance will be reported as unassigned and used for day-to-day operations of the County to provide for emergency expenditures and to cover expenditures for revenues not yet received.
 - The County's policy is to have a balance on December 31 of unrestricted funds, committed, assigned, and unassigned, in the amount of 35%, at a minimum, of the following year's operating expenditures. Balances shall not exceed 50% unless the funds are dedicated for a specific project
- **Road and Bridge Special Revenue Fund** is used to account for and report grants and local revenues legally restricted or committed to the construction and maintenance of County roads, highways, and bridges. The Highway Engineer is responsible for the administration of this fund. State Aid rules require County Engineer approval to receive and expend roadway maintenance and construction funds available to the County via State Aid.
 - On the financial statement funds will be reported as non-spendable, restricted, or committed, with the remaining balance classified as assigned and used for the day-to-day operations of the Public Works Department to provide for emergency expenditures and to cover expenditures for revenues not yet received. Any negative fund balance would be listed as unassigned.
 - The County's policy is to have a balance on December 31 of unrestricted funds, committed, and assigned in the amount of 35%, at a minimum, of the following year's operating expenditures. Balances shall not exceed 50% unless funds are dedicated to a project that has been identified in the five-year road plan.
- **Human Services Special Revenue Fund** is used to account for and report grants and local revenues legally restricted, committed or assigned to economic assistance and

community social services programs. The Human Services Director is responsible for the administration of this fund.

- On the financial statement funds will be reported as non-spendable, restricted, or committed, with the remaining balance classified as assigned and used for the day-to-day operations of DHS to provide for emergency expenditures and to cover expenditures for revenues not yet received. Any negative fund balance would be listed as unassigned.
- The County's policy is to have a balance as of December 31 of unrestricted funds, committed and assigned, in the amount of 50% of the following years operating expenditures. Balances shall not exceed 65% unless funds are dedicated to a project that has been identified in the Capital Improvement Plan.
- **County Ditch Special Revenue Fund** is used to account for and report the grants and local revenues legally restricted or committed to supporting expenditures for the maintenance of the County ditch systems. On the financial statement funds will be reported as restricted per M.S. 103E. Ditches are funded through property tax assessments. The County Auditor-Treasurer is responsible for the administration of this fund.
 - The fund balance shall be evaluated annually (approximately December) by the County Auditor-Treasurer to determine the balances required for sufficient funds to finance ditch maintenance as is needed. This determination is usually done in preparation for the annual ditch assessment for inclusion on property taxes (approximately January). It is recommended that each drainage system have a fund balance sufficient to cover routine repairs and maintenance. Individual ditch systems will require different levels of fund balance depending on the maintenance needs of the system.
- **County Special Agency Fund (a subset of the General Fund)** is used to account for and report special purpose revenues and expenditures. Fund balances should be evaluated during the budget process to identify any excess funds that may be utilized in the following operating budget to reduce the impact to the levy. The following special purpose accounts have been created:
 - *Fleet Enterprise Vehicles (Sheriff)*
 - *Opioid Settlement (Public Health)*
 - *Public Safety Aid (Sheriff)*
 - *Inmate Enhancement (Sheriff)*
 - *Vehicle Forfeiture (Sheriff)*
 - *K9 (Sheriff)*
 - *DARE (Sheriff)*
 - *Probation Fees (Court Services)*
 - *UNIMIN (County Administration)*
 - *Conceal & Carry (Sheriff)*
 - *Adult/Juvenile Restitution (Court Services)*
 - *Wellness (Human Resources)*
 - *RecordEASE (Recorder)*
 - *Filing Fee (Environmental Services)*
 - *CVSO (Veterans)*

- *Items Sold (Sheriff)*
- *Small Business Grants (County Administration)*
- *American Rescue Plan (County Administration)*
- *SCSC Premium Credit (County Administration)*
- *Sheriff's Foreclosures (Sheriff)*

2. Debt Services Fund:

- **Debt Service Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditures for the payments of general long term debt principal, interest, and related costs, other than enterprise debt. The County Administrator is responsible for the administration of this fund.
 - Debt service funds will be reported as restricted for those funds levied per M.S. 475.61. Per M.S. 475.612 on the financial statement, taxes shall be levied to make principal and interest payments, plus 5%, until such time as the debt is paid off. Other receipts and transfers will be presented as committed or assigned funds per this policy definition.
 - The County's policy is to have a balance on December 31 so that when the final tax settlement dollars are added, it shall be sufficient to pay the next bond payment. When new bonds are established, the receipts for one year will be used for the following year's bond payments. The fund balance above \$500,000 may be used for interfund loans.

3. Capital Project Fund:

- **Capital Projects Fund** is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities, improvement of capital assets, and other capital assets, other than enterprise projects. The County Administrator is responsible for the administration of this fund.
 - On the financial statement funds will be reported as restricted, committed, or assigned. Bond funds will be restricted for the purpose issued. The board will commit funds according to planned capital expenditures. Any remaining balance will be assigned by the Board's assignee according to the Capital Improvement Plan.
 - The County's policy is to have a balance on December 31 to sufficiently cover any projects identified in the Capital Improvement Plan that are to be paid using reserves, plus \$500,000 to cover any emergency capital projects. The County Administrator and Auditor-Treasurer shall review the balance in the Capital Projects Fund on August 1 to determine if any levy will be required the following year.

4. Enterprise Fund:

- West Jefferson Subordinate Sewer District (SSD) is used to account for operations of the sewer system serving the district.
 - The County's policy is to have a balance on December 31 to sufficiently cover repairs and maintenance costs for the next three years.

5. Special Revenue Funds:

- Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are legally restricted, committed or assigned to expenditures for specified purposes (other than debt service or capital projects).
 - Victim Witness
 - Gravel Tax – additional information can be found in M.S. 298.75
 - Environmental Health
 - Planning & Zoning
 - SCORE
 - Solid Waste
 - Water Planning
 - Feedlot Grant
 - ISTS
 - State Shoreland Grant
 - SULP
 - Aquatic Species Aid
 - Buffer Enforcement
 - Low Income Septic Grant
 - Water Monitoring Program
 - Well Sealing
 - Cannon 1W1P
 - Lower MN 1W1P

6. Private-Purpose Trust Funds:

- Private-Purpose Trust Funds are used to account for and report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments.
 - Social Welfare

7. Custodial Funds:

- Custodial Funds are used to account for, and report assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.
 - Cemetery Perpetual Care
 - U.S. Fish and Wildlife
 - Agency
 - Taxes and Penalties
 - Inmate
 - Missing Heirs

Fund Balance Evaluation Process

In October of each year, the County Administrator will review and report to the Board all fund balances according to the fund balance classifications as of December 31 of the previous year.

Based upon the Statement of Position by the Office of the State Auditor, *Fund Balances for Local Government*, the County shall maintain an unrestricted (committed, assigned, unassigned) fund balance as of December 31 equal to the following:

- 35– 50% of the current year operating budget in the General Fund;
- 35– 50% of the current year operating budget in Public Health and Human Services fund
- 35 – 50% of the current year operating budget in the Road and Bridge Special Revenue Fund.

“*Operating budget*” is defined as all expenses other than those budgeted for Capital Expenditures and Debt Services.

During the annual review of fund balances, the following options shall be considered in the order they are listed for those funds having balances larger than allowed by this policy:

1. Any funds in excess of the limits indicated that are intended to be left in excess will be documented as to the circumstances for such intention. When determining if an excess balance should be reduced, the following items will be taken into consideration: planned construction of roads or buildings, potential need of major equipment purchases, tax delinquency rate trends, and any pending litigation.
2. Inter-fund transfers may be processed to ensure all funds are at the levels specified above. Individual fund balance transfers of more than \$10,000 that take place as part of this process must be approved by the County Board.
3. The funds in excess of the identified fund balance for each fund may be transferred, with priority given to the Capital Projects fund for projects outlined in the County’s capital improvement plan.

If, at any time, the balance of any of these funds is less than that stated above, the budget will be adjusted accordingly so that proper fund balances can be achieved by the following year.

Financial Statement Presentation:

As per GASB 38, *Certain Financial Statement Note Disclosures*, all inter-fund transfers will be documented in the notes to the financial statement. Fund Balance Classifications will be presented in the Financial Statement in Aggregate with details presented in the notes to the financial statements.

Additional Considerations:

Reserve Levels – Le Sueur County seeks to maintain a minimum level of Unrestricted Fund Balance (per the annual Fund Balance on a modified accrual basis of accounting) in the General Fund equivalent to four-months of regular, on-going operating expenditures (including transfers out). Of this four-month reserve, three-months will be maintained to meet general operating needs and to allow for budgetary uncertainty (named as the “Operating Reserve”) and one-month may be targeted to be assigned to provide resources during economic downturns or to address vulnerabilities to extreme events, and emergencies impacting public safety concerns (named the “Economic Uncertainty/Emergency Reserve”).

The two reserve categories are represented below as a percentage of regular, on-going operating expenditures (including transfers out):

- Operating Reserve: 25% (three-months)

- Economic Uncertainty/Emergency Reserve: 8% (one-month)
- Total Reserve Level 33% (four-months)

Compliance - Le Sueur County will measure its compliance with this policy as of December 31st each year, as soon as practical after final year-end account information becomes available as part of the annual financial audit. During the course of the year the Auditor-Treasurer's office shall closely monitor Le Sueur County's revenues and expenditures to ensure the Operating Reserve is not used beyond any planned. For the purposes of this policy, current year's actual expenditures will exclude significant non-recurring (one-time) Items.

If, based on staff's analysis and forecasting, the target level of Operating Reserve is not being met or likely to not be met at some point within a five-year time horizon, then during the annual budget process, Fund Balance levels will be provided to the Board of Commissioners. Should the projected year-end Fund Balance be below the Operating Reserve amount established by this policy, a plan to replenish the Operating Reserves would be established based on the requirements outlined in this policy.

Cash Balance - To provide liquidity adequate to meet the demands of government service provision including budgetary uncertainty, unanticipated reductions in revenues or unplanned expenditure increases, Cash Balances will be maintained and managed through the Pooled Cash method in such a way as to minimize short-term borrowing. This reduces overall cost to taxpayers by minimizing interest expense. The three-month Operating Reserve is intended to support this effort and counterbalance the tax collection cycle.

Funding the Reserves - Funding of General Fund Reserve targets will generally come from excess revenues over expenditures or one-time revenues. The reserve will be funded in the following priority order: Operating Reserve followed by the Economic Uncertainty/Emergency Reserve.

Conditions of Use of Reserves - It is the intent of the Unified Government to limit use of General Fund Operating Reserve to address unanticipated, non-recurring (one-time) needs. Reserves shall not normally be applied to recurring annual operating expenditures. Reserves may, however, be used to allow time for Le Sueur County to restructure its operations in a deliberate manner (as might be required in an economic downturn or an emergency), but such use will only take place in the context of an adopted long-term financial plan. The Economic Uncertainty/Emergency Reserve may be used at the discretion of the Board of Commissioners to provide resources to make up for temporary decreased revenues resulting from economic uncertainties or loss of major revenue sources or to provide resources to meet emergency expenditures in the case of flood, fire, tornado or other natural disaster.

Authority over Reserves – Le Sueur County Board of Commissioners may authorize the use of Reserves. The Auditor-Treasurer will regularly report both current and projected Reserve levels to the Le Sueur County Board of Commissioners.

This policy expresses the intent to assign one-month of regular, on-going operating expenditures (including transfers out) for the "Economic Uncertainty/Emergency Reserve" to temporarily offset unanticipated reduced revenues during economic downturns or to address vulnerabilities to extreme events, emergencies impacting public safety concerns.

Replenishment of Reserves - In the event that Reserves are used resulting in a balance below the three-month minimum, a plan will be developed and included in the formulation of the five-year forecast presented during the annual budget process.

Excess of Reserves - In the event Reserves exceed the minimum balance requirements, at the end of each fiscal year, any excess Reserves may be used in the following ways:

- Fund accrued liabilities, including but not limited to debt service, workers' compensation benefits, pension, employee health benefits and other post-employment benefits as directed and approved within the long-term financial plan and the annual budget resolution. Priority will be given to those items that relieve budget or financial operating pressure in future periods;
- Appropriated to lower the amount of outstanding general obligation bonds, temporary notes or contributions needed to fund capital projects in Le Sueur County's CIP;
- Property tax mill rate and/or charges for services fee reductions.
- One-time expenditures that do not increase recurring operating costs that cannot be funded through current revenues. Emphasis will be placed on one-time uses that reduce future operating costs; or
- Start-up expenditures for new programs, provided that such action is approved by the Board of Commissioners and is considered in the context of multi-year projections of revenue and expenditures as prepared by the Finance Department.

Periodic Review of the Targets - Compliance with this section will be reviewed in conjunction with the annual budget process. At a minimum, during the annual budget process staff shall review the current and five-year projected Reserves to ensure that they are appropriate given the economic and financial risk factors Le Sueur County is subject to.

Grant Policy

Adopted January 2, 2024, Revised January 7, 2025

Le Sueur County actively seeks grants to provide services to its citizens and reduce property tax burden.

The intent of the policy is to ensure compliance with General Procurement standards and Equipment Management Requirements.

General Grant Guidance

- Find a project or purchase that fits grant criteria and obtain information about the grant requirements.
- The Department will contact County Administrator prior to seeking Board approval.
 - o This action form should contain ALL important information concerning this grant INCLUDING any additional requirements that the grant may have such as continuing reporting for years to come; inability to sell an asset after used for certain amount of time; required future upkeep of an asset at local entities expense; any matching requirements of the grant and the source of the matching funds; or other important information as deemed appropriate.
 - o A Grant Checklist form can be found in **Appendix A** and should be completed prior to meeting with the County Administrator
 - o Department will identify where match funding will be drawn from, if applicable.
- After Board approval the responsible department will contact the appropriate entity to start the process.
- The responsible department will start a file during this process and label everything well. This ensures there is no difficulty finding the documents needed when being audited.
- The responsible department needs to document all requirements and follow the grant procedures whenever applicable. These requirements may need to be fulfilled before the grant can be submitted. Some requirements may be:
 - o Improvement plan
 - o Is this improvement plan in a 5-year capital plan
 - o Plans and specifications
 - o Bidding requirements
 - o Data requirements (i.e., invoice and receipt retention, reports, schedules, etc.)
 - o May need plan for a Title VI of the Civil Rights Act (prohibiting discrimination)
 - o May need to hire a consulting firm
 - o Scope of project
 - o Cost estimates
 - o Projected timelines

- o What project reports will be required
- o Document what steps will be needed for grant closeout
- Once all the documents required to apply for the grant have been gathered, then the grant application may be submitted.
- Responsible department will need to obtain all necessary grant documents and requirements once the grant is approved.
- If awarded contact County Administrator to present to County Board for approval.
- Follow through the project to completion.
- File all grant reports as required per the grant on a timely basis. Keep accurate records and ensure all requirements are well documented.
- Follow the internal controls document from Le Sueur County in relation to purchasing, bidding and contracting, purchase orders, and accounts payable. Following these procedures, it should and must include full and open competition consistent with uniform guidance standards.
- Le Sueur County must make available, upon request from the Federal awarding agency or pass-through entity, technical specifications, pre-procurement review, and all other documents related to proposed procurements, as referenced in §200.324.
- Contracts more than the simplified acquisition threshold currently set at \$175,000 for Le Sueur County, (Le Sueur County will use the lesser of the \$175,000 minimum indicated in Minnesota Statute 471.345 and the \$150.00 minimum prescribed in the Federal Acquisition Regulations), must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- Le Sueur County will follow Minnesota Statute 574.26 for surety bonding requirements on construction or facility improvement contracts or subcontracts exceeding our \$175,000 Simplified Acquisition Threshold, which is more restrictive than the Uniform Federal Guidance.
- Every procurement action in excess of the \$175,000 threshold, including contract modification, must have a cost or price analysis. The County must make independent estimates before receiving bids or proposals.
- All vendors and sub recipients are required to have a signed W-9 on file with the County Auditor/Treasurer before any payment will be issued.

Federal Grants

This policy is to document grant procedures and to form a policy in accordance with required audit standards and to Office of Management and Budget (OMB) Federal requirements.

The Federal Office of Management and Budget (OMB) released new guidance on Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards in OMB CFR 200.317 through 200.327. The new guidance for all Federal Grant Awards and additional funding was implemented January 1, 2017.

It is the responsibility of persons procuring Federal awards to ensure each type of procurement is following Federal policies and procedures and complies with OMB 2 CFR 200.318 through 200.237. It is also the responsibility of persons procuring Federal awards to follow applicable state and local laws and regulations that are more restrictive than the guidelines spelled out in 200.318 through 200.237, and as applicable to refer to and comply with the remainder of subpart D.

These procedures will be decentralized which means each department will oversee and document Le Sueur County Finance Policy

the requirements and fulfillment of the federal grant requirements; this could and should also be used for more sizable and complex state grants. As a standard practice, the County will address Federal Grant Standards as part of the bidding process where applicable.

Under federal guidelines the County (including the EDA) will need to have a single audit when federal expenditures (grants) are greater than \$750,000.

Please note, in many cases this money is passed through the state; it may come from a state department this does not mean it is a state grant. Review the grant document in each case and determine whether it is a state or federal grant; if you are not sure you may receive a definitive answer from the grant representative from the state. At this same time, you may obtain the Catalog of Federal Domestic Assistance (CFDA) number from the agency if it is not in the grant document. This is a five-digit number in this format:##.### (two numbers which denotes an administering federal department, and then 3 numbers which is the grant number within the federal department.

According to regulations the Federal award ID and year; name of federal awarding agency; and the pass-through entity's name (if applicable) need to be included in the financial system when applicable.

The Highway Department will follow the Delegated Contract Process (DCP) for Local Agency Federal Aid Projects. This document lays out specific requirements and resources for Project Development, Bid Procedures, Construction and Project Completion of projects where federal grant dollars are expended.

State Grants

State grant policy should follow the aforementioned federal guidelines, unless otherwise specified.

This policy is to document grant procedures and to form a policy in accordance with required audit standards and to the Office of Management and Budget (MMB) State requirements.

Projects funded by State Aid or State Aid Grants have to follow rules and policies in the State Aid Manual and State Aid Rule.

Other Grants

The County may pursue grants from non-profits. The County will follow the grant guidelines as outlined by the non-profit and follow all internal financial and reporting procedures.

Procurement, Suspension and Debarment

Source of Governing Requirements -The requirements for procurement are contained in OMB UG and 2 CFR 180, program legislation, Federal awarding agency regulations and the terms and conditions of the award. The requirements for suspension and debarment are contained in OMB UG and 2 CFR 180, which implements Executive Orders 12549 and 12689, Debarment and Suspension; program legislation; Federal awarding agency regulations; and the terms and conditions of the award.

The County must have written procurement procedures that comply with federal, state, and local laws and regulations. Le Sueur County must conduct procurement in a manner that prohibits the use of statutorily or administratively imposed state, local or tribal geographical preferences in the valuation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preferences, or for state licensing law. When contracting for architectural engineering (A/ED services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, the compete for the contract [§200.319

Follow state guidelines (which are also in our internal control procedures document) in regard to bidding and contracting.

- Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. Detailed product specifications should be avoided if at all possible.
 - o Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- Follow the internal controls document from Le Sueur County in relation to purchasing, bidding and contracting, purchase orders, and accounts payable. *If we follow these procedures, it should and must include full and open competition consistent with uniform guidance standards.*
 - o Le Sueur County must make available, upon request from the Federal awarding agency or pass-through entity, technical specifications, pre-procurement review, and all other documents related to proposed procurements, as referenced in §200.324.
 - Contracts more than the simplified acquisition threshold currently set at \$175,000 for Le Sueur County, (Le Sueur County will use the lesser of the \$175,000 minimum indicated in Minnesota Statute 471.345 and the \$150.00 minimum prescribed in the Federal Acquisition Regulations), must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
 - o Le Sueur County will follow Minnesota Statute 574.26 for bonding requirements on construction or facility improvement contracts or subcontracts exceeding our \$175,000 Simplified Acquisition Threshold, which is more restrictive than the Uniform Federal Guidance.
 - o Every procurement action in excess of the \$175,000 threshold, including contract modification, must have a cost or price analysis. As a starting point, the County must make independent estimates before receiving bids or proposals.
 - o Profit must be negotiated as a separate element of the price for each contract in which there's not price competition and in all cases where cost analysis is performed.
 - o The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.
 - o Purchasing from small and minority businesses, women's business enterprises and labor surplus firms when applicable. Steps must include:
 - Placing qualified small and minority businesses and women's business enterprises on a solicitation list;
 - Assuring that small and minority business, and women's business enterprises are solicited whenever they are potential sources;
 - Dividing total requirements, when economically feasible, into smaller tasks or

quantities to permit maximum participation by small and minority businesses and women's business enterprises;

- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises;
 - Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in these five items above.
 - Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or sub-recipient wishes to enter into a contract with a small business firm to nonprofit organization regarding the substitution of parties, assignment, or performance of experimental, developmental, or research work under that "funding agreement", the recipient or sub-recipient must comply with the requirements of 37 CFR Part 401, "Right to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by the awarding agency.
- Contract only with responsible contractors that can meet the requirements, and terms and conditions. Some items to consider are:
 - o Contractor integrity
 - o Compliance with public policy
 - o Record of past performance
 - o Financial and technical resources
 - Contract Work Hours and Safety Standard Act (40 U.S.C 3701-37080. Where applicable, all contracts awarded by Le Sueur County in excess of \$100,000 that involves the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C 3702 and 3704, as supplemented by Department of Labor Regulation (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
 - Identify the procurement method: Under federal guidelines there are different sizes of purchases and requirements that they follow.
 - o Micro purchases are purchases not to exceed \$25,000. This can increase up to \$50,000 on an annual basis if the self-certification is done with any of the following supporting documentation: qualification as a low-risk auditee, annual internal institutional risk assessment, or a higher threshold consistent with State law (\$25,000).
 - Follow normal purchasing procedures in the internal control documents. Issue

- purchase requisitions when policy requires.
 - Distribute as equitably as possible among qualified suppliers.
 - Policy is that you should get more than one price quote if the purchase is over \$5,000. If the purchase is under \$5,000 more than one quote is not required.
- o Small purchase procedures which are relatively simple and informal procurement methods for securing services and supplies between \$25,000 and \$174,999 under federal guidelines.
 - Follow County guidelines in relation to purchasing, contracting and bidding for these items and follow state statutes which would require competitive quotes above \$25,000 and sealed competitive bids after \$174,999 when applicable or unless there is an exception to policy.
 - All contracts in excess of \$10,000 must address termination for cause and for convenience by the County including the manner by which it will be affected and the basis for settlement.
 - Stay in contact with the federal or state agency you are coordinating this grant with to ensure compliance.
- o Sealed bid procurements with formal advertising are for items exceeding \$175,000 (>\$175,000 for Le Sueur County). Le Sueur County will use the lesser of the \$175,000 minimum indicated in Minnesota Statute 471.345 and the \$150.00 minimum prescribed in the Federal Acquisition Regulations. Publicly solicited and a firm fixed price contract is awarded the bid that is the lowest price. The sealed bid method is the preferred method for procuring construction, if the conditions in §200.320 paragraph C (1) apply.
 - Follow county guidelines in relation to contracting and bidding which are the same as MN State statute (> \$175,000).
 - Stay in contact with the federal or state agency you are coordinating this grant with to ensure compliance.
 - In order for sealed bidding to be feasible, the following conditions should be present:
 - A complete, adequate, and realistic specification or purchase description is available;
 - Two or more responsible bidders are willing and able to compete effectively for the business; and
 - The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
 - If sealed bids are used, the following requirements apply:
 - Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, the invitation for bids must be publicly advertised;
 - The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
 - All bids will be opened at the time and place prescribed in the invitation for bids, the bids must be opened publicly;
 - A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discount, transportation cost, and life cycle costs must be considered in determining which bid is the lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of: and

- Any or all bids may be rejected if there is a sound documented reason.
- Sealed bid procurements without formal advertising are for items exceeding \$175,000. This would be a rarity that this will occur.
 - Follow County guidelines in relation to contracting and bidding (> \$175,000) which are the same as MN State statute.
 - Stay in contact with the federal or state agency you are coordinating this grant with to ensure compliance.
 - Complete cost/price analysis;
 - Method used and level of analysis depends on facts surrounding the procurement action;
 - Recipient must make independent estimates before receiving bids or proposals.
- Non-competitive proposals or bids
 - Review use of non-competitive proposals, if used and when to use:
 - Item or service is available from only one source;
 - Public emergency exists;
 - Awarding agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from Le Sueur County;
 - Competition is inadequate after a solicitation is issued.
- Le Sueur County must engage in full and open competition for all procurement transactions consistent with the standards as referenced from §200.319. Contractors that draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for procurements. Some other examples of situations include but are not limited to:
 - Placing unreasonable requirements on firms for the to qualify to do business;
 - Requiring unnecessary experience and excessive bonding;
 - Noncompetitive pricing practices and contracts;
 - Organizational conflicts of interest;
 - Specifying only a "brand name" instead of allowing "an equal" product to be offered; and
 - Any arbitrary action in the procurement process.
- Competitive Proposals: More than \$175,000. The technique of competitive proposals is normally conducted with more than one sources submitting an offer, and either a fixed price or cost reimbursement type contract is awarded. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$175,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the Le Sueur County award. Generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
 - Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

- Proposals must be solicited from an adequate number of qualified sources;
- The County must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- The County may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services through A/E firms are a potential source to perform the proposed effort.
- Recipient must ensure that awarded contracts are not awarded to a contractor that is debarred or suspended.
 - Verify in Excluded Parties List System (EPLS) in the System for Award Management (SAM).

General Standards for Procurements

- To reduce costs, the use of value engineering clauses is encouraged for large projects, such as construction. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
- Consideration and analysis should be made to make the most economical approach of procurements. Avoid acquisition of unnecessary or duplicative items and analyze the value of a lease versus purchase when applicable, or any other purchases for that matter. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase.
- Le Sueur County is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate, or use of common or shared goods and services to promote a cost-effective use of shared services. Also, the use of Federal excess and surplus property in lieu of purchasing new is encouraged whenever feasible.

Internal Controls

Uniform guidance requires our organization to have effective controls in place to manage federal awards and show compliance with Federal statutes, regulations, and terms and conditions of the award when applicable. Le Sueur County is responsible for the settlement of all contractual and administrative issues arising out of procurements, which include, but are not limited to: source evaluation, protest, disputes and claims.

- The section "General Grant Guidance" and following our internal policies will fulfill these requirements.

Uniform guidance requires there are reasonable procedures in place to protect Personally Identifiable

Information (PII) as sensitive by Federal agency or pass-through entity when applicable.

- Le Sueur County has approved the Data Practices Policy that outlines different types of data and what must be followed regarding dissemination of data. This policy may not be all encompassing; however, between that and implementation of other grant rules and procedures the controls are in place to protect PPI.
- PPI data must be kept in a locking file cabinet or computer system that is only accessible to people authorized to have that access.
- Follow other normal operating procedures in regard to purchase requisitions, contracting and bidding, and submitting of claim.

Financial Management and Accounting Records

Financial system must identify all federal awards in all accounts that are received and expended by:

- CFDA number and title
- Federal award ID and year
- Name of federal awarding agency
- Pass-through entity's name

Major Federal Grants - Each department will need to contact either the Finance Director or the Auditor-Treasurer with the information in number one above for major federal grants so that we can oversee the set up the appropriate Project Accounting Codes by each department.

- Project accounting is a system that works along with the main general ledger. This will allow for proper identification the federal government is requiring.
- Major federal grants will be defined as grants that require multiple entries for the receipt of the federal grant and multiple expenditure items of the federal grant. It would also be further defined as greater than \$100,000 in expenditures or revenues.

Minor Federal Grants - Each department, when asking for a federal grant to be receipted into the general ledger system, will need to be accompanied by the information in number one above so the information can be entered into the detailed description. The same is true for expenditures. When entered into the system the information required above will need to be entered into the detail description.

- A minor program would be a grant that is less than \$100,000 and only has very a few number of transactions needing to be entered such as one receipt and one expenditure.

Each department must know the requirements of the grant they are receiving and ensure the allowability of costs are well documented including allowability of costs in accordance with Subpart E Cost Principles if applicable on the grant.

To receive advance payments, written procedures must be in place by the departments to minimize time between transfer of funds and disbursement by the entity whenever applicable.

Payments to sub-recipients are:

- Not required to be maintained in separate depository accounts for federal awards,
- Required to be accounted for by receipt, obligation, and expenditure of federal awards. Documentation must be retained and detailed descriptions used on expenditures to the system. If using a project account, more defining items could be set up to provide better information, but each department will need to contact finance department to assist with this process

Documentation

Examples of documents associated with a particular action:

- Travel, e.g., airline tickets, authorized travel request, hotel receipts, conference registration, mileage records, etc.
- Procurement, e.g., request to buy (purchase), quotes from suppliers, written agreement/contract to purchase or an order, receipt of goods or completion of services, invoice, etc.
- Personnel Compensations (T&E), e.g., timesheets, calendars with worked hours, approved or authorized schedules.
- Performance Reports, e.g., activities completed, associated costs, log of attendees/those served, publications or written material, etc.
- Financial Reports, e.g., receipts, invoices, payroll schedules, etc.

Personnel Compensation Documentation

Written policies and procedures for personnel compensation

- Employees will follow current personnel policies.
- Management must communicate with employees how to record their time on timesheets to designate the work is for a federal grant or possible federal grant.
- When entering time information, staff must enter the appropriate project accounting codes so payroll time is properly recorded.
- Timesheets must be recorded in Human Resources software for imaging and sorting for backup documentation to the federal grant (primarily used for FEMA grants).

- Documentation must be maintained for all employees whose salaries are paid in full or in part by a federal award and used in meeting cost sharing or matching requirements on federal awards whenever applicable

Conflict of Interest

All potential conflicts of interest must be disclosed in writing to the federal awarding agency.

A conflict of interest arises with the employee, officer, or agent, and member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of Le Sueur County may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. A conflict of interest also exists if Le Sueur County has a parent, affiliate, or subsidiary organization that is not a state, local government or Indian tribe, and Le Sueur County is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

County officials need to be aware of other interests employees may have or own. For example, if they are involved in a sideline business or a spouse involved in a business.

- Officials must be aware of their own business interests.
- Officials need to keep note of other businesses employees may be involved with.
- Officials should state to their employees and ask questions whether they are involved with other businesses.
- All employees should read and understand the code of Conduct in the Le Sueur County employee handbook.

Federal award recipients must disclose, in a timely manner, all violations of Federal criminal law in writing that involve fraud, bribery or gratuities that affect a federal award. This information must be reported to the federal agency or pass-through entity. If you fail to do so you may forfeit a portion or all the federal award.

Activities Allowed/Un-allowed and Allowable Costs/Cost Principles -2 CFR 200 Subpart E

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- All grant expenditures will follow 2 CFR 200 Subpart E, State law, County policy, and the provisions of the grant award agreement, which will also be considered in determining allowability. Grant funds will only be used for expenditures that are considered reasonable and necessary for the administration of the program.
- Grant expenditures will be approved initially through the purchasing process and again when the bill or invoice is received. This will be evidenced by approval via the County's accounting software. Accounts payable disbursements will not be processed for payment by the Auditor-Treasurer until necessary approval has been obtained.
- Payroll costs will be documented in accordance with 2 CFR 200 Subpart E. An indirect cost rate

will only be charged to the grant to the extent that it was specifically approved through the grant budget/agreement.

Cash Management - OMB UG 2 CFR 200.302 & 305

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- Substantially all the County's grants are awarded on a reimbursement basis. As such, program costs will be expended and disbursed prior to requesting reimbursement from the granter agency.
- Cash draws will be initiated by the Auditor-Treasurer or designee who will determine the appropriate draw amount. Documentation of how this amount was determined will be retained and signed/dated.
- The physical draw of cash will be processed through SWIFT (Minnesota's State-wide Integrated Financial Tools payment system) or through the means prescribed in the grant agreement.
- Supporting documentation from SWIFT or a copy of the cash draw paperwork will be filed along with the approved paperwork described above and retained for audit purposes.
- When cash is received in advance or drawn, the County will work to minimize time lapse between transfer of funds and disbursement by the County.

Eligibility

Federal grants will only benefit those individuals and/or groups of participants that are deemed to be eligible.

Equipment and Real Property Management - OMB UG 2 CFR 200.310- 316

The following policies and procedures will also be applied to the extent that they do not conflict with or contradict any existing policies:

- All equipment will be used in the program for which it was acquired or, when appropriate and allowable, other federal programs.
- When required, purchases of equipment will be pre-approved by the granter or pass-through agency. The designee will be responsible for ensuring that equipment purchases have been previously approved, if required, and will retain evidence of this approval.
- Equipment records will be maintained, and an appropriate system shall be used to safeguard equipment.
- When equipment is no longer needed for a federal program, it may be retained or sold with the Federal agency having a right to a proportionate amount of the current fair market value. Proper sales procedures shall be used that provide for competition to the extent practicable and result in the highest possible return.

Procedures for Disposition of Equipment

The County will keep, sell or otherwise dispose of the equipment with no further obligation unless disposal requirements are specifically detailed in the grant. Le Sueur County must comply with section 6002 of the Solid Waste Disposal Act as referenced from §200.322, the Clean air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C 1251- 13870, s amended-contracts and sub-grants of amounts in excess of \$150,000 must contain a provision that requires Le Sueur County to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act as amended. Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

See §200.322 Procurement of recovered materials. 200.322: Le Sueur County must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintain a satisfactory level of competition, where the purchase price of an item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

A record of the date, reason and method of disposal or sale will be maintained with the equipment inventory.

Equipment purchased will be identified and kept in a capital asset listing. An equipment listing shall be maintained that includes the following:

- Asset number and description of the equipment
- Depreciation method & years of expected life
- Acquisition date
- Cost of the equipment
- Equipment classification (land, building, equipment, etc.)
- Make, Model, & Serial number or other identification number
- Vendor and invoice number to purchase equipment
- Disposition data including date and sale price of the equipment

A physical inventory of the property will be conducted periodically, and the results will be reconciled with the capital asset listing. A control system will be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage or theft will be investigated.

Maintenance procedures are in place to keep the equipment in good condition.

Matching Level of Effort and Earmarking - OMB UG 2 CFR 200.306

The County defines "matching", "level of effort", and "earmarking" consistent with the definitions of the OMB UG Compliance Supplement:

Le Sueur County Finance Policy

Matching or cost sharing includes requirements to provide contributions (usually non-federal) or a specified amount or percentage of match federal awards. Matching may be in the form of allowable costs incurred or in-kind contributions (including third-party in-kind contributions).

Level of effort includes requirements for (a) a specified level of service to be provided from period to period, (b) a specified level of expenditures from non-federal or federal sources for specified activities to be maintained from period to period, and (c) federal funds to supplement and not supplant non-federal funding of services.

Earmarking includes requirements that specify the minimum and/or maximum amount or percentage of the program's funding that must/may be used for specified activities, including funds provided to sub-recipients. Earmarking may also be specified in relation to the types of participants covered.

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- Compliance with matching, level of effort and earmarking requirements will be the responsibility of the Administrative Services Director or designee.
- Adequate documentation will be maintained to support compliance with matching, level of effort, and earmarking requirements. Such information will be made available to County administration, auditors, and pass-through or grantor agencies, as requested.
- Maintenance of effort for grants through the State Minnesota will be determined at the State level.

Period of Performance - OMB UG 2 CFR 200.308-309 & 344

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- o Costs will be charged to an award only if the obligation was incurred during the funding period (unless pre-approved by the Federal awarding agency or pass-through grantor agency).
- o All obligations will be liquidated not later than 120 days after the end of the funding period (or as specified by program legislation).
- o Compliance with period of performance requirements will initially be assigned to the individual approving the allowability of the expense/payment. This will be subject to review and approval by the Administrative Services Department-Finance as part of the payment processing.

Program Income - OMB UG 2 CFR 200.307

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- Program income will include (but will not be limited to): income from fees for services performed, the use or rental of real or personal property acquired with grant funds, the sale of commodities or items fabricated under a grant agreement, and payments of principal and interest on loans

made with grant funds. It will not include interest on grant funds unless otherwise provided in the Federal awarding agency regulations or terms and conditions of the award.

- The County will allow program income to be used in one of three methods:
 - o Deducted from outlays
 - o Added to the project budget
 - o Used to meet matching requirements

In the absence of specific guidance in the Federal awarding agency regulations or the terms and conditions of the award, program income shall be deducted from program outlays.

- Program income, when applicable, will be accounted for as a revenue source in the same project code as the federal grant.

Reporting

Uniform guidance requires Federal agencies to include performance goals or measures in awards and recipients are to report against those goals or measures.

- Read and understand the grant document in relation to performance reporting requirements.
- Performance reporting will require the following:
 - o Recipients are to relate financial data to performance accomplishments;
 - o Oversight and monitoring must cover each program or activity.
 - o Performance report timeframes will be defined by awarding agency or pass-through entity.
- Expectations of performance reports (non-construction):
 - o Comparison of actual accomplishments of each federal award for the established reporting period by submitting:
 - Quantifiable data (cost/units) when available
 - Trend data or data analysis
 - Other defined measures
 - o Reasons why goals were not met:
 - Analysis/reason why goals not met
 - Explanation of any cost overruns
 - (Identification of or if goals will be met)
- Expectations of performance reports (construction)
 - o On-site technical inspection report
 - o Certified percentage of completion data
 - o Additional reports as required by Federal agency
 - o Data and Information that identifies:
 - Significant developments between scheduled reporting dates, e.g., delays, problems, adverse conditions
 - Identify any action taken, contemplated, or assistance needed
 - Identify favorable conditions
 - o Policy and Procedures considerations:
 - Entities should consider having procedures that describe when to start collecting data for the report, who shall review the report, who shall sign the report, and when the report will be submitted.
 - Build in a timeline for submission and know the reportable measures for the reporting period to eliminate constant revisions.
 - For special data collection, procedures may need to reflect unique steps to take to collect and analyze data for reporting purposes - may require interim procedures

to satisfy current reporting.

- Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part 1964-1965 Comp.,p. 339) as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity", and implementing regulations 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor".
- Davis-Bacon Act as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by Le Sueur County must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. Le Sueur County must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. Le Sueur County must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or sub recipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up and part of the compensation to which he or she is otherwise entitled. Le Sueur County must report all suspected or reported violations to the Federal awarding agency.

Report Certification:

- An authorizing official must sign a certification regarding the filing of documents.
 - o When the grant is approved by the governing body the official that will be signing the grant documentation approved for all the grant documents going forward including this certification.
 - o Certification: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties

for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

Financial Reporting

- Use OMB approved government wide data collection instrument (currently SF-425 Federal Financial Report).
- Frequency of reporting will be identified in the grant documents. Check documentation.
- If more guidance is needed, please check with the federal agency or pass-through entity.

Sub-recipient Monitoring

The County will ensure that every sub-award is clearly identified to the sub-recipient as a sub-award and includes the following information at the time of the sub-award and, if any of these data elements change, include the changes in subsequent sub-award modification. Required information includes:

Federal Award Identification

- Sub-recipient name (which must match the name associated with its unique entity identifier);
- Sub-recipient's unique entity identifier;
- Federal Award Identification Number (FAIN);
- Federal Award Date (see §200.39 Federal award date) to the recipient by the Federal agency;
- Sub-award Period of Performance Start and End Date;
- Amount of Federal Funds Obligated by this action by the pass-through entity to the sub-recipient;
- Total Amount of Federal Funds Obligated to the sub-recipient by the pass-through entity including the current obligation;
- Total Amount of the Federal Award committed to the sub-recipient by the pass-through entity;
- Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- Assistance Listing Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listing Number at time of disbursement;

- Identification of whether the award is R&D; and
- Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs).

The County will perform a written risk assessment of each sub-recipient, evaluating their risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the sub-award for purposes of determining the appropriate sub-recipient monitoring described in 2 CFR 200.332.

The County will monitor the activities of the sub-recipient as necessary to ensure that the sub-award is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the sub-award; and that sub-award performance goals are achieved.

The County will verify that every sub-recipient is audited as required by OMB UG 2 CFR 200 Subpart F when it is expected that the sub-recipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold.

Special Tests and Provisions

In order to ensure compliance with these requirements, the County has implemented the following policies and procedures:

- The Auditor-Treasurer or designee will be assigned the responsibility for identifying financial-related compliance requirements for special tests and provisions, determining approved methods for compliance, and retaining any necessary documentation. Program-related compliance requirements will be the responsibility of the department administering the grant.

Interfund Loan Policy

Adopted January 2, 2024

The interfund loan policy provides the parameters by which the County may alleviate cash flow shortages in the various County funds with temporary loans from other funds. Interfund loans are intended to be a temporary internal financing mechanism which may be used to alleviate the need for debt issuance on a project that requires only short-term financing and/or to provide temporary internal financing on a project for which permanent financing will take place at a later date.

It is the policy of the County Board that interfund loans between the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds or the Enterprise Funds may be used to alleviate a temporary cash deficiency. The loan shall be accounted for as a temporary borrowing between funds or accounts and shall not be available for appropriation or be considered revenue to the borrowing funds or account. Amounts transferred shall be repaid within 180 calendar days or as approved by Board resolution. Borrowing shall occur only when the fund or account receiving the money will earn sufficient revenue during the current fiscal year, to repay the amount transferred. No more than 75 percent of the maximum money held in any fund or account during a current fiscal year may be loaned or transferred.

Such loans shall not be used to balance the budget of the borrowing fund, nor shall they deter any function or project for which the loaning fund was established.

The County Board must adopt a resolution before any interfund loan transaction takes place. The resolution shall contain the exact amount of the loan, the funds involved, the purpose of the loan, the specific source of funds for repayment, the schedule for repayment and any interest rate involved.

Ditch System

It is the policy of the County to not borrow the ditch system funds from the General Fund. If a certain ditch system is in need of funds to pay expenses, those funds should be borrowed from other ditch funds. The only time General Fund dollars can be borrowed to ditch systems is by special resolution of the Board of Commissioners, and the resolution shall specifically include terms and conditions of repayment, including interest.

Sewer District

It is the policy of the County to not borrow the Sewer District funds from the General Fund for operating or capital expenses. If the system is in need of funds and funds must be used from the General Fund, a special assessment should be promptly placed on the users of the system, and repayment made within 24 months. Any funds borrowed from the General Fund must be authorized by resolution of the Board, which shall specifically include terms and conditions of repayment, including interest.

Inventory Assets Policy

Adopted January 2, 2024

Inventory assets include tangible items that are held for resale or are used/consumed in offering services. A few examples of inventory the County has are fuel, parts/equipment. The following steps should be taken to ensure proper controls and financial reporting of inventory:

- **Safeguard.** All inventory assets should be safeguarded at all times using locks or kept in a secured building. Access to those buildings should be limited to employees who work there and if possible, further secured in a locked room or locked shelving/cabinets.
- **Organize.** Inventory should be stored in an organized manner, sorted with the same items grouped together.
- **Verify new shipments.** When a new shipment of inventory is received, the quantity of the items received should be verified against the quantity invoiced. Any variances should be addressed with the vendor.
- **Accurate records.** There should be accurate records of quantities on hand at all times. Inventory should be tracked with an inventory system or other recordkeeping. Finance will reconcile the reports to the financial records.
- **Physical Inventory Count.** A physical inventory count should be taken at least once a year at the end of December. Employees who do not have access to the inventory system/recordkeeping should be assigned to take the inventory. Discrepancies between the physical count and inventory reports should be researched. The year-end physical inventory should be submitted to Finance for review and to enter any adjustments, if necessary.
- **Communicate.** Any new inventory held by a department needs to be communicated to Finance to ensure proper financial reporting.

Investment Policy

Adopted January 2, 2024

It will be the policy of Le Sueur County to invest non-committed cash in instruments authorized by Minnesota Statute 118A. The objectives, in order of priority, will be to preserve principal, maintain liquidity, and earn the optimum rate of return. Investments shall be made with the exercise of that judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment Responsibility

The County Auditor-Treasurer is designated as Investment Officer and is responsible for investment decisions and activities.

It is further the responsibility of the County Auditor-Treasurer to designate which financial institutions are used as depositories of funds, as stipulated in M.S. 118A.02.

Reporting

It is the policy of the Le Sueur County Auditor-Treasurer to prepare an annual investment report and hold an annual work session with the Le Sueur County Board. Additional investment reports will be prepared for the County Board upon request.

Maximum Investments

It is the policy of the Le Sueur County Auditor-Treasurer to determine the cash balance on a daily basis for the purpose of investing excess funds. All County dollars will be invested to preserve principal, maintain liquidity to meet the County's need for cash and to maximize interest income with prime concern for safety and liquidity.

Local Investments

It is the policy to place investments through Le Sueur County institutions, if those institutions can offer market competitive returns. Institutions outside of Le Sueur County will be given the opportunity to bid, but must exceed local institutions by one half (.50) percent and must meet safety and security standards.

Pooling of Investments

It is the policy of the Le Sueur County Auditor-Treasurer to pool the cash for all funds for the purpose of making the maximum return on investments.

Scheduled Maturity

It is the policy of the Le Sueur County Auditor-Treasurer to schedule investment securities to coincide with the payment of property tax settlements and other bill paying dates. Portfolio Maturities shall be staggered to avoid undue concentration of assets and a specific maturity sector. The maturities selected shall provide for stability of income and reasonable liquidity. Le Sueur County bank CD's will have a maturity preferably 3 years and up to 5 years when long-term CDs can bring above average rate of return and/or interest compounded and interest receipted in at maturity or redemption. Longer term CDs should only be acquired if above average returns are guaranteed.

Investment Bidding

All parties interested in bidding on investments will be given the opportunity to bid by telephone or mail. Once the deadline for bidding has passed, the County Auditor-Treasurer will award the bid and bidders will be notified of all bids received.

Investment Risk

It is the policy of Le Sueur County to avoid unreasonable risk in order to obtain investment income. The County may request from the bidders a rating (such as VERIBANC Rating) to limit the amount of risk. The high bidder may be denied the investment, based upon that rating. Le Sueur County will only invest in securities issued by the Federal National Mortgage Association (FNMA), The Government National Mortgage Association (GNMA), The Federal Home Loan Mortgage Association (Freddie MAC), Federal Home Loan Bank (FHLB), Brokered Jumbo C.D.'s covered by FDIC, Repurchase Agreements, and Magic Fund.

Investment Diversification

It is the policy of the Le Sueur County Auditor-Treasurer to make investments, which shall suggest diversification to limit risk.

Electronic Funds/Wire Transfers

The County Auditor-Treasurer is authorized to use electronic fund transfers for investment purposes as stipulated in M.S. 385.071.

Wire transfers are generated by a phone call or email from authorized personnel of the County Auditor-Treasurer's Office, which includes the Auditor-Treasurer and Deputy Auditor-Treasurer. Or a wire transfer may be initiated via internet access to the bank by the County Auditor-Treasurer with the Deputy Auditor-Treasurer sending the wire. A confirmation call or email back, verifying the amount of the wire transfer is made by the bank to authorized personnel. In the case of internet process in the wire transfer, a call back is still requested. The wire information is kept in the Auditor-Treasurer's Office, and also at the bank for each of the parties using the wire process. Under this policy, wire transfers are to be used only where deemed appropriate, expeditious and in the best interest of Le Sueur County.

Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Officers and employees with authority to make, recommend, or vote on major decisions regarding the expenditure or investment of public funds must disclose certain information, as required under Minn. Stat. §10A.07, if they will be involved in decisions or take actions that substantially affect their financial interests or those of a business with which they are associated.

Journal Entry Policy

Adopted January 2, 2024

Purpose:

The county recognizes that journal entries are needed and made for limited reasons.

In general, the County shall use journal entries primarily for interfund transfers and payroll.

Journal Entry Procedures:

Journal entries for all funds/departments will be prepared and entered by the Finance Director.

- a) The Finance Director reviews the need to create a journal entry based on individual circumstances. If a journal entry is determined to be needed, the Accounting staff will ensure each entry is properly coded and in balance.
- b) The Finance Director, or as delegated to the Auditor-Treasurer, approves all journal entries with an original signature before posting.
- c) Journal entries requested from department heads must be submitted in writing giving an explanation behind the journal entry.
- d) The Finance Director will ensure that all proper documentation supporting each journal entry include, but not be limited to: department's information, debit/credit entry forms and any other supporting documentation. The supporting documentation is retained in accordance with the retention schedule.
- e) At the end of each month, after the approved journal entries have been entered and posted into the county's financial system, the County Auditor-Treasurer's Chief Deputy will ensure that each journal entry was posted correctly, and all funds/departments are in balance during month end closing in conjunction with the Finance Director.

Petty Cash

Adopted January 2, 2024

By law counties are allowed to establish petty cash (imprest) funds (Minnesota Statute 123B.11). These funds are cash funds with currency in the form of coins and bills, not separate checking accounts.

1. Departments are authorized to establish Petty Cash Funds, but must first bring their request to the Board of Commissioners for approval. The Petty Cash Fund shall be used to make change to citizens using cash to pay for services.
1. All funds collected via petty cash shall NOT be used for expenses. Funds will be remanded to the Auditor-Treasurer's Office, the same business day or the next business day.
2. Petty cash funds may start with an opening balance of up to \$100, dependent upon the department's cash transactions. Transactions that result in a cash deposit, should be remit to the Auditor-Treasurer's office for deposit the same day or the next business day.
3. Controls over the Petty Cash Fund
 - a. Because these are cash funds, extra security precautions need to be taken to safeguard these funds. The petty cash custodian should properly secure petty cash funds in a metal lock box that is maintained in a locked desk, locked cabinet, or locked safe to which access is limited.
 - b. Reconciliations of the petty cash fund shall be done by someone other than the person who collects funds, on a weekly basis.

Post-Issuance Debt Compliance Policy

Adopted January 7, 2025

The County Board has chosen, by policy, to take steps to help ensure that all obligations will be in compliance with all applicable federal regulations. This policy may be amended, as necessary, in the future.

IRS Background

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code (the “Code”) and regulations promulgated thereunder (“Treasury Regulations”) governing certain obligations (for example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various “Tax Credit” Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

SEC Background

The Securities and Exchange Commission (SEC) is responsible for enforcing compliance with the SEC Rule 15c2-12 (the “Rule”). Governments or governmental entities issuing obligations generally have a requirement to meet specific continuing disclosure standards set forth in continuing disclosure agreements (“CDA”). Unless the issuer, obligated person, or a specific obligation is exempt from compliance with CDAs, these agreements are entered into at the time of obligation issuance to enable underwriter(s) to comply with the Rule. The Rule sets forth certain obligations of (i) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities, (ii) underwriters to obtain CDAs from issuers and other obligated persons to provide material event disclosure and annual financial information on a continuing basis, and (iii) broker-dealers to have access to such continuing disclosure in order to make recommendations of municipal securities transactions in the secondary market. The SEC encourages issuers and beneficiaries adopt and implement a post-issuance debt compliance policy and procedures to safeguard against Rule violations.

When obligations are issued, the CDA commits the issuer or obligated person to provide certain annual financial information and material event notices to the public. Issuers and other obligated persons may also choose to provide periodic, voluntary financial information and filings to investors in addition to fulfilling the specific responsibilities delineated in their CDA. It is important to note that issuers and other obligated persons should not give any one investor certain information that is not readily available to all market participants by disseminating information to the marketplace, at large. Issuers and other obligated persons should be aware that any disclosure activities determined to be “communicating to the market” can be subject to regulatory scrutiny.

Post-Issuance Debt Compliance Policy Objective

The County desires to monitor these obligations to ensure compliance with the IRS Code, Treasury Regulations and the SEC Rule. To help ensure compliance, the County has developed the following policy (the “Post-Issuance Debt Compliance Policy”). The Post-Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

Post-Issuance Debt Compliance Policy

The County Auditor-Treasurer of the County is designated as the County's agent who is responsible for post-issuance compliance of these obligations.

The County Auditor-Treasurer shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures (the "Post-Issuance Debt Compliance Procedures"). At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

1. General Post-Issuance Compliance
2. General Recordkeeping
3. Arbitrage Yield Restriction and Rebate Recordkeeping
4. Expenditure and Asset Documentation to be Assembled and Retained
5. Miscellaneous Documentation to be Assembled and Retained
6. Additional Undertakings and Activities that Support Sections 1 through 5 above
7. Continuing Disclosure Obligations
8. Compliance with Future Requirements

The County Auditor-Treasurer shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the County Auditor-Treasurer will ensure that the Post-Issuance Debt Compliance Policy and Procedures are updated on a regular and as needed basis.

The County Auditor-Treasurer or any other individuals responsible for assisting the County Auditor-Treasurer in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the County may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the County Auditor-Treasurer shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

Private Activity Bonds

The County may issue tax-exempt obligations that are "private activity" bonds because either (1) the bonds finance a facility that is owned by the County but used by one or more qualified 501(c)(3) organizations, or (2) the bonds are so-called "conduit bonds", where the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law (such as certain manufacturing projects and certain affordable housing projects). Prior to the issuance of either of these types of bonds, the County Auditor-Treasurer shall take steps necessary to ensure that such obligations will remain in compliance with the requirements of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., a 501(c)(3) organization or conduit borrower), the County Auditor-Treasurer may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the County under federal law. In a case where the County Auditor-Treasurer is concerned about the compliance ability of a private party, the County Auditor-Treasurer may require that a trustee or other independent third party be retained to assist with record keeping for the obligation and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The County Auditor-Treasurer is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the County is in compliance with this Post-Issuance Debt Compliance Policy.

Purchasing Policy

Adopted January 2, 2024

Overview

The County will procure goods and services required to meet the needs and fulfill the County's mission as economically feasible, in a manner that is efficient, unbiased, and complies with all federal, state, and local laws as well as all other County policies.

The budget allocates funds for the purchase of personnel, supplies, other services, and capital. Requests cannot be made for items outside the budget except under special circumstances. These special circumstances will have to be approved by the Board.

A County expenditure must meet the following standards to be legal:

- **Public Purpose** – There must be a public purpose for the expenditure.
- **Authority** – There must be specific or implied authority for the expenditure in statute or the County's charter.
- **Proper Procedure** – County processing guidelines must be followed including obtaining an appropriate receipt or invoice, meeting approval requirements, and timely processing of information.

General Purchasing Guidelines

- The majority of the County's purchases are decentralized, meaning each department negotiates with the vendor and processes the request for payments. Departments are responsible for ensuring policy compliance. Auditor-Treasurer is responsible for processing requested purchase orders, processing payments, and monitoring policy compliance.
- The Auditor-Treasurer's office processes payments on a set schedule. Supporting documentation shall be provided with the invoice prior to payments being made. Counties are required by statute to pay invoices within 35 days unless there are pre-arranged payment terms or a dispute of the invoice.
- The purchaser and the person authorizing the purchase are responsible for ensuring that purchase prices are reasonable and accurate. The purchaser must confirm the prices charged by the vendor match the prices offered by the vendor when the original contract was signed.
- Invoices shall should be coded to the correct account codes based on the type of expenditure, not available funds in various line items of the budget. Failure to code properly skews actual expenses and provides inaccurate historical data for future budgeting.
- Before the County makes the final payment to a contractor under a contract requiring the employment of employees, it must make sure the contractor and any subcontractors have complied with withholding tax laws. For more information, please see the [IC-134 section](#).

- At year end, invoices that are received within 90 days which are for goods or services that were ordered and received in the previous year will be recorded against the previous year.
- In general, contracts are required for all purchases including professional services, and capital expenditures

Purchase and Bidding Requirements

In Original Approved Budget

Value of Purchase or Contract	Approval required by	Written bid specification s	Sealed bids required
Over amount line-item spending of over \$2,500*	County Administrator	No	no
Under \$25,000	Department Head	No-min 2 quotes, if practicable	No
\$25,000 - \$50,000	County Administrator	Yes-min 2 quotes, if practicable	No
\$50,001 - \$174,999	County Board	Yes-min 2 quotes, if practicable	No
Greater than \$175,000	County Board	Yes	Yes

* If a budget line item is over budget by \$2,500, the next claim shall come to the County Administrator for approval prior to payment.

Not in original budget

Value of Purchase or Contract	Approval required by	Written bid specification s	Sealed bids required
Under \$10,000	County Administrator	No	no
\$10,001 - \$174,999	County Board	Yes-min 2 quotes, if practicable	No
Greater than \$175,000	County Board	Yes	Yes

Approval Process for Highway Department Purchases

Value	Approval Required	Bids	Sealed Bids
Contract Change Orders required to complete project as-bid.	County Engineer may, contingent upon sufficient funds being available, approve contract change orders required to complete the project as bid. County Engineer will report on significant contract changes during regular updates to the County Board.	None required	No
Contract Change Order changing scope of project. (i.e. adding additional roadways to paving contract, or adding additional infrastructure not required to complete the project as-bid)	Board Approval	None required	No
Material and Supply Purchases and Road Work Expenses under \$175,000	Upon verifying sufficient fund availability, the County Engineer may receive quotes and approve contracts up to \$175,000 for maintenance and repair of existing roadway infrastructure. The County Engineer will report on significant expenditures during regular updates to the County Board.	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Material and Supply Purchases and Road Work Expenses over \$175,000	Board Approval required	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	Yes
Equipment Purchases under \$50,000	County Engineer	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Equipment Purchases over \$50,000	Board Approval	As required by current Minnesota Statutes for "Uniform Municipal Contracting Law".	No
Professional Services Purchases under \$50,000	County Engineer	Procuring professional services can be done through open	No

		negotiation, quotation, or requests for proposals. Procurement of professional services must take into consideration of qualifications, specifications, competency, and availability of the most qualified service provider initially and independent of cost.	
Professional Services Purchases over \$50,000	Board Approval	Procuring professional services can be done through open negotiation, quotation, or requests for proposals. Procurement of professional services must take into consideration of qualifications, specifications, competency, and availability of the most qualified service provider initially and independent of cost.	No

Due to the unpredictability of events that the Highway Department deals with throughout each year it is possible (highly likely) that various budget line items may incur cost overruns. In order to avoid delays in services provided to the public, upon verifying sufficient funds are available within the overall Highway Department budget or other available Highway Department funding resources, the Highway Engineer should manage such funds appropriately to continue daily department operations. All costs incurred should be reasonable and necessary. The Highway Engineer should as needed update the County Administrator of cost overruns for the annual budget period for the department.

Should funding not be apparently available within the overall Highway Department budget or Highway Department funding resources, County Board and Administrator approval should be obtained.

Sealed Bidding Process

The originating department must ensure that the following steps are taken:

- Make sure that funds have been appropriated for this contract.

- Make proper publication in the official County newspaper(s) and post on county website
- Distribute terms, conditions, and specifications, and answer any bidder questions.
- Open sealed bids at an appropriate time and place, and then tabulate.
- Award the contract to the lowest responsible bidder. *Minn. Stat. § 412.311, subd. 1.*
- In the event a low bidder is not recommended, fully document the reason(s). Consult the County Attorney.
- Prepare and present to the Board of Commissioners a request for approval of the award. The contract shall be signed by the Chair. The signed resolution must be maintained for 10 years after the project completion. The department can retain these in the project file.

Advertisements for sealed bids must be published in the County's official newspaper at least ten days before the last date for submission of bids. The published notice must contain the following:

- A description of the project or purchase being sought.
- The availability and location of specifications.
- Bid requirements (such as sealed bids, or any accompanying bid security).
- Where the bids must be submitted.
- The deadline for submitting bids.
- The time and place of the bid opening.
- The County officers who will be present for the opening.
- A statement indicating that the County may delay the award until certain events occur.
- A statement indicating that the County reserves the right to reject all bids submitted.

Bid security in the amount of five percent (5%) of the bid shall be submitted with sealed bid to the Auditor-Treasurer. The bid security guarantees that in the event the bidder's offer is accepted, the bidder will enter into a contract in accordance with the proposal. Bid security of the successful bidder will be returned upon execution of the contract documents. Bid securities of unsuccessful bidders will be returned within a reasonable time period (*Minnesota Statute §574.27*). Failure of the successful bidder to execute the contract and furnish applicable bonds within ten (10) days after receiving written notice of the award shall cause the bid security to be forfeited as liquidated damages to the County. The Board of Commissioners at this time may award the contract to the next lower competent bidder unless the Board determines that public interest will be better served by accepting a higher bid, or the contract may be re-advertised.

The bids must be opened and tabulated at the time and place specified in the notice. The Board shall not approve bids until a thorough review and re- tabulation of the bids has been completed and references have been checked where appropriate.

A recommendation can then be made to the Board of Commissioners, and the Board will award or deny the contract. Bids rejected by the Board must be kept on file for 6 years and retained in the departmental project file.

Other Bidding Reminders:

- The County cannot avoid bidding requirements by splitting a contract into several contracts, each of which is below the minimum amount requiring bids.
 - For example, the County cannot purchase \$200,000 of lumber in several transactions, each involving an expenditure of less than \$175,000. However, if materials or work logically fall into two separate contracts because they involve separate transactions, as for the service of contractors specializing in different kinds of work, there is no reason why the County cannot negotiate the contracts individually without sealed bids if the bids do not exceed the \$175,000 minimum.
- The proposals and specifications must allow for free and full competition. Specifications may not be written so as to exclude all but one type or kind of supplies or equipment.
- The County may not accept a bid that includes a number of items when the advertisement called for separate bids for each item.
- The County must re-bid when they make a material change in the specifications of the contract, even if the change would not affect the rank order of the bids received. With respect to contracts awarded on a unit price, after work has been commenced on the improvement undertaken, the board may, without advertising for bids, authorize changes in the contract so as to include additional units of work at the same unit price if the cost of the additional work does not exceed 25 percent of the original contract price. Original contract price means that figure determined by multiplying the estimated number of units required by the unit price.
- *Minnesota Statutes Chapter 429* (local improvement code) applies to all public improvement contracts (i.e., sewer, water and streets) being financed with special assessments.
- Counties are not required by statute to follow the competitive bidding process for the following types of contracts: professional services, insurance contracts, reverse auctions, purchases from other government agencies, real estate, cooperative purchasing allowed under Minn. Stat. §429.041 and public safety equipment.
- Highway Department should follow appropriate guidelines laid out in State Aid Manual for State and Federally aided projects.

Awarding Contracts

For contracts procured through sealed bids or multiple quotes, the County must award the contract to the lowest responsible bidder. The bidder who submits the lowest bid or quote in dollars is not necessarily the “lowest responsible bidder.” Responsibility in bids means financial responsibility, but also integrity, skill, and the likelihood of the bidder doing faithful and satisfactory work. A contract must be awarded to the lowest responsible bidder unless the “Best Value” alternative set forth below is followed.

Rejecting Bids

The County has the right to reject any and all bids (requests for proposals, requests for bids, sealed bids). All data submitted in response to bid requests are private until bids are opened. If bids are rejected prior to the completion of the evaluation or selection process, all data, other than that made public at the bid opening, remain private until a re-solicitation of bids results in completion of the selection process. If the rejection occurs after the completion of the selection process, the data remains public. If a re-solicitation of bids does not occur within one year of the bid opening date, the remaining data becomes public.

“Best Value” Procurement Alternative

Minnesota Statute 471.345 allows the County to use a “Best Value” alternative instead of awarding the bid to the lowest responsible bidder. Best value procurement is a process based on competitive proposals that awards the contract to the vendor or contractor offering the best value, taking into account the specifications of the request for proposals, the price and specific performance criteria. Consulting with the County Attorney will occur if you choose to use the “Best Value” alternative.

State Contract Purchases

Cooperative purchasing contracts provide an opportunity for the County to purchase goods and services at reduced costs. The State of Minnesota periodically establishes specifications and publicly bid for various commodities and services. The County is empowered to make purchases under such cooperative purchasing arrangements and may purchase from this contract without otherwise rebidding or receiving quotations. It is still required to receive the appropriate approvals.

If the County is not utilizing the state's cooperative purchasing venture, the County may consider another national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations.

Guaranteed Energy Savings Agreements

State Statutes authorize the County to enter into a guaranteed energy savings agreement with a qualified provider for the purpose of implementing comprehensive utility cost-saving measures to improve the energy efficiency of various municipal facilities within the County so long as the implementation costs will not exceed the amount to be saved in utility and maintenance costs over a twenty year period with said utility and maintenance cost savings guaranteed in writing by the qualified provider. The County shall follow all requirements as prescribed in Statute related to this authority to enter into Guaranteed Energy Savings Agreements.

IC – 134 - Withholding Certificates

No state agency or local unit of government can make final payment to a contractor until the Department of Revenue has certified that the contractor and any subcontractor have fulfilled the requirements of Minnesota withholding tax laws. The terms “contractor” and “subcontractor” are limited to those who supply labor, or a combination of labor and materials for specific construction, repairs, rehabilitation or improvements. The terms do not include dealers, merchants, suppliers or contractors who only supply materials. On-going maintenance services (such as mowing, road grading, or snowplowing) are excluded from this requirement. Contractors and subcontractors show compliance by submitting a withholding affidavit to the Minnesota Department of Revenue. If a contractor or subcontractor has withheld taxes as required, the Department of Revenue will return an electronic confirmation or sign and return the Form IC-134, certifying compliance. Accounts Payable will need a copy of the IC-134 prior to making final payment. Work with the Minnesota Department of Revenue if a contract or a subcontractor are not cooperative in complying with IC-134 requirements.

Responsible Contractor Compliance

A contractor responding to a solicitation document of a contracting authority shall submit to the contracting authority a signed statement under oath by an owner or officer verifying compliance with each of the minimum criteria in *subdivision 3 of Minnesota Statute 16C.285*, with the exception of clause (7), at the time that it responds to the solicitation document. A contracting authority may accept a signed statement under oath as sufficient to demonstrate that a contractor is a responsible contractor and shall not be held liable for awarding a contract in reasonable reliance on that statement. A prime contractor, subcontractor, or motor carrier that fails to verify compliance with any one of the required minimum criteria or makes a false statement under oath in a verification of compliance shall be ineligible to be awarded a construction contract on the project for which the verification was submitted. A false statement under oath verifying compliance with any of the minimum criteria may result in termination of a construction contract that has already been awarded to a prime contractor or subcontractor or motor carrier that submits a false statement. A contracting authority shall not be liable for declining to award a contract or terminating a contract based on a reasonable determination that contractor failed to verify compliance with the minimum criteria or falsely stated that it meets the minimum criteria. A verification of compliance need not be notarized. An electronic verification of compliance made and submitted as part of an electronic bid shall be an acceptable verification of compliance under this section, provided that it contains an electronic signature as defined in section 325L.02, paragraph (h) of *Minnesota Statutes 16C.285*.

Certificate of Insurance

Before beginning work on a contract, the Contractor must submit to the County, and obtain the County's approval, a certificate of insurance. This certificate shall be composed of a Standard Form C.I.C.C.-701 or an ACORD 25 form. The certificate of insurance shall list the County as the policies additional insured and shall be maintained at all times throughout the life of the contract and provide for the following minimum coverage.

- Comprehensive General Liability: \$1,000,000.00 per occurrence; \$2,000,000 aggregate
- Automobile Liability for All Automobiles: \$1,000,000.00 combined single limit
- Workman's Compensation: Statutory Amounts

The insurance cancellation language should state that the company will provide the County with 30 days' written notice of cancellation (include this requirement in bid specifications if applicable).

Change Orders

The contract cost, once established by the Board, shall represent the maximum obligation to the County. Any change orders which affect the cost of the contract shall be reviewed by the County Board and County Representative managing the contract. The County Administrator has the authority to and may authorize and approve any change order up to \$25,000 within the contingency and submit a report to the Board of Commissioners. For change orders above \$25,000, the County Administrator will forward the justification for the change order to the Board for approval. In no event will payment in excess of the contract cost be made until such approval has been obtained. With respect to contracts awarded on a unit price, after work has been commenced on the improvement undertaken, the board may, without advertising for bids, authorize changes in the contract so as to include additional units of work at the same unit price if the cost of the additional work does not exceed 25 percent of the original contract price. Original contract price means that figure determined by multiplying the estimated number of units required by the unit price. Change orders to contracts in the Highway Department will follow the chart "Approval Process for Highway Department Purchases".

Supplementary Agreements

Any supplementary agreement, excluding a change order, which enlarges, reduces or amends the scope of the contract shall be reviewed by the County Administrator and County Representative managing the contract. The County Administrator has the authority to and may authorize and approve any supplementary agreement or agreements up to \$25,000, provided that such authority shall not apply to supplementary agreements for contracts for improvements financed by bonds issued pursuant to the provision of *Minnesota Statutes, Chapter 429*. The County Administrator, as soon as practicable after approval of any supplementary agreement shall prepare and submit a report to Board of Commission.

Purchase or Lease of Used Public Safety Equipment

Counties are granted authority to lease, or purchase used public safety equipment ("vehicles and specialized equipment used by a fire department, in firefighting, ambulance and emergency medical treatment services, rescue, and hazardous materials response") without bidding in certain specified circumstances. Competitive bidding or proposals are not required, "if the equipment is clearly and legitimately limited to a single source of supply, and the contract price may be best established by direct negotiation."

Contracts, Leases and Lease Purchases

All contractual, lease and lease purchase agreements require review and approval from the County Administrator. The County Administrator may elect to consult with various internal and external professional resources to evaluate risk, legality and consistency of a contract, lease or lease purchase. Lease Performance Bonds are sometimes prudent for lease purchases; if you are unsure whether a Lease Performance Bond should be required, consult the County Attorney.

Personal/Professional Services Agreements/Contracts

The County may enter into professional services agreement contracts with individuals and entities to perform certain functions for the County.

All new and renewed agreements/contracts must first be reviewed by the County Attorney and then approved by the Board of Commissioners.

Any new contract over \$175,000 must go through sealed bids or a formal Request for Proposal process. If an existing or renewed professional services contract exceeds the \$175,000 mark, the bid and RFP process may be waived, but the proposed contract must still come before the Board for approval.

Federal Awards

Under Uniform Guidance there are additional procurement requirements that need to be considered when making purchases related to a federal program. Departments need to consider the full requirements in relation to each procurement method as described in 2 CFR 200.317–326.

Quick Reference Guide to Federal Awards Governed by Uniform Guidance

Value of Contract	Solicitation Process
Less than \$10,000	Quotation (two, if practicable) or open market
\$10,000–\$175,000 ¹	Direct negotiation (at least two written quotes)
Greater than \$175,000 ¹	Competitive Bidding (sealed bids) required

¹ Federal guidelines are less restrictive than MN State Statute. These amounts represent the more restrictive State Statute guidelines which should be followed.

Credit Cards

Credit cards will be issued to departments and various divisions as deemed necessary for use during emergencies, employee travel, online purchase(s) or unpredictable circumstances. Each Credit card, unless otherwise authorized by the County Board, will contain a maximum limit not to exceed \$5,000. These limits can be increased with a request, accompanied by a demonstrated need, to the Auditor/Treasurer or his/her designee. All credit cards will be processed in the County financial software by the 10th day of the month. Credit cards is subject to the purchasing policy and the spending thresholds established within leases.

Credit cards shall not be utilized for any purchase of goods and/or services associated with contracts, or unapproved travel related expenditure as outlined in the Le Sueur County Personnel Policy.

Credit cards cannot be used for personal use.

Failure to adhere to the provisions associated above will result in additional user(s) training and/or revoking utilization of Le Sueur County purchase cards.

Refer to personnel policy and credit card policy for further details.

Emergency Purchases

During a declared emergency, the County is, notwithstanding any statutory or statutory provisions to the contrary, empowered, through the Board, acting within or without the corporate limits of the County, to enter into contracts and incur obligations necessary to combat disaster by protecting the health and safety of persons and property and providing emergency assistance to the victims of such disaster.

In the event of a declared emergency, Le Sueur County may exceed its delegated purchasing authority and does not need to follow the solicitation process as specified in the emergency management state statutes. These statutes give Counties the ability to declare an emergency for a limited period of time and waive the requirement to use mandated contracting procedures.

Only what is needed to expeditiously reestablish the functions of government, the protection of property, or the health or safety of people is eligible for the emergency authority exception.

Sales Tax

Purchases made by the County are generally not taxable. Purchases must be billed to and paid for by the County. Purchases made by employees are taxable, even if reimbursed. To purchase items, exempt from tax, the vendor must be given a completed ST3 Certificate of Exemption form.

Some items remain taxable such as some motor vehicles, prepared food, lodging, construction materials and supplies purchased by a contractor or subcontractor under a lump-sum contract. Please review the sales tax exemption guidelines for governments on the [MN Department of Revenue website](#). If an invoice does not itemize sales tax, you must obtain a corrected invoice from the vendor if sales tax is applicable on the item purchased.

Out of State Purchases

Sales tax is part of the total cost. Even though some purchases are made from an out of state vendor, the County is required to submit to the State of Minnesota use tax for applicable taxable items invoiced without the tax.

Drainage System Projects

The Ditch Manager/Inspector has the authority to initiate any ditch work that is \$25,000 or less for repairs and work with preferred contractors. All other repair work above \$25,000 must go before the Drainage Authority for approval and bids received.

When an existing project reaches the \$25,000 mark, and there is additional work to be completed, the Ditch Manager/Inspector has the authority to work with the County Administrator for approval up to an additional \$15,000. This option should only be exercised for extraneous circumstances, such as when waiting for a County Board Meeting may cause additional damage to the drainage system, or there is clear weather or contractor-related issues.

Before this option is exercised, the County Administrator/Ditch Manager will consult with the County Commissioner(s) that represents the ditch system. If work is approved, the County Administrator/Ditch Manager will provide information on the approval at the next available board meeting.

Under Minnesota Statute 471.345, when contracts exceed \$175,000, sealed bids will be solicited by public notice from Le Sueur County. If a contract exceeds \$25,000 but not \$175,000, the contract may be made either upon sealed bids or by direct negotiation. Two or more quotes must be obtained if using direct negotiation. Quotes obtained must be kept on file for at least one year. If a contract is \$25,000 or less, the contract may be made either via quotes or in the open market. If made with quotes, two quotes, if obtained, must be kept on file for one year. Under Minnesota Statute 103E.505, bids that exceed the total estimated cost of construction by more than 30 percent may not be accepted.

1099 Information

The County is obligated to report to the Internal Revenue Service payments to an individual or partnership for services rendered that exceed \$600 in a calendar year. To do so, the County needs the recipient's business tax identification number or social security number. This tax information should be collected on a [W-9](#) form and provided to the Auditor/Treasurer when a new vendor is used. Vendors who should receive a 1099 are noted when they are entered into the financial management software.

Receipts Policy

Adopted January 2, 2024

Purpose:

This policy is designed to create a uniform receipting structure in order to prevent the loss of County assets, improve efficiency between departments and the County Auditor-Treasurer's Office and to create accountability for departments who receipt monies. The general purposes for cash management are (a) to maximize the revenue accruing to the county through the investment of County funds and trust monies to the extent allowed by law; (b) minimize the clerical efforts required to handle, process, and account for all monies received; (c) maximize the accountability for monies received.

Receipts Policy:

It is the policy of the county that all monies at a *minimum* must be deposited to the County Auditor-Treasurer's Office once a week but preferably on a daily basis using appropriate account codes. Each department head will be accountable and held responsible for the safekeeping of all monies received by their respective office(s) and the prompt transfer to the Auditor-Treasurer.

Receipts Procedures:

1. Receipts are entered into the Auditor-Treasurer's Cash Register System by the County Auditor-Treasurer's Office using the County Receipt Form or form designed specific to a department. Receipts are issued by the Auditor-Treasurer's Office upon entry into a cash register system which is sequentially numbered by the system.
2. Each cash drawer is balanced on a daily basis by the County Auditor-Treasurer's Office. After balancing, a daily bank deposit is prepared and sent to the County's bank.
3. A receipt batch is created from the Auditor-Treasurer's cash register system when each drawer is balanced. The Auditor-Treasurer's cash register system and the County financial system must then interface on a daily basis using the proper account codes that follow COFAR guidelines and other accounting standards.
4. The County Finance Director will audit each interface to see that all account and descriptions are accurate. Any errors are noted and corrected by the County Auditor-Treasurer's Office.
5. The County follows the State of Minnesota retention schedule for Receipts.

Automated Clearing House (A.C.H.) Receipt Policy:

1. It is the policy of the county to accept payments for property tax, retiree insurance, revolving loan repayments, and other types of payments through Automated Clearing House (known as ACH), as per Minnesota Statute 471.381.
2. The cost to participate in the ACH payment program is free of charge. However, if at any time an enrollee does not have sufficient funds to cover the payment or the account has been closed, they will be terminated from the program and incur a charge of \$30.00 for a non-sufficient fund fee.

3. Enrollees will remain in the program until a written request to be withdrawn is received by the County Auditor-Treasurer's Office, or until they are required to terminate due to a violation of the program. The Auditor-Treasurer will give written notification to individuals of their inability to remain in the program.

Automated Clearing House (ACH) Receipt Procedure:

1. The ACH program is administered and maintained by the County Auditor-Treasurer.
2. Any individual or vendor may request to make payment by ACH by completing the proper request form and submitting them to the County Auditor-Treasurer. The forms require banking information, payment type detail and a voided check or deposit ticket provided by the payee. The form must be signed. All applications for the program are required at least three weeks prior to a scheduled debit.
3. The County financial system prepares a file for the banking institution prior to the payment date. This file includes names, bank account number, routing numbers, and amounts to be debited. The file is sent to the bank via the bank's website by the County Auditor-Treasurer. A fax or email is sent to the bank to verify the information in the file.
4. The County Auditor-Treasurer verifies all incoming ACH payments, processes payments and issues appropriate receipts.

Over remittance/Tolerance Policy:

1. Payments are made to the County for compensation of various taxes, fees and services. On occasion payments are made incorrectly, either an overpayment or underpayment. It has become increasingly more expensive to issue refund checks and to contact payees for the additional amount due.
 - a. The County will not issue an over remittance if such refund is \$10.00 or less.
 - b. All overpayments of \$10.00 or less will be placed into the General Fund, and for payments short by \$10.00 or less the additional due may be pulled from this account.

Month End Receipt Verification Procedure:

At the end of each month, all County receipts will be verified by the County Auditor-Treasurer's Office in conjunction with the Finance Director before each month is closed. The Finance Director runs a Cash Trial Balance report generated from the county financial system and compares it with the Treasurer's Trial Balance generated from the Treasurer's Financial System to ensure fund totals are equal. If there are any discrepancies between the totals, the month cannot be closed until the problem is resolved.

1. The Auditor-Treasurer's Office reserves the right to verify, change account coding, request additional information, or reject any receipt in order to conform to the COFARS, GAAP, AICPA, and other accounting guidelines. The Auditor-Treasurer's Office will notify and consult the respective department with changes and recommendations.

Revenue Policy

Adopted January 2, 2024

Policy

The County will provide a diversified and strong set of revenues to ensure a stable revenue system and match revenues with similar uses to ensure adequate funding for the various County services and programs over the long- term. In order to accomplish these goals, the County will do the following:

- Conservatively estimate and budget for its annual revenues by an objective, analytical process. All existing and potential revenue sources will be re-examined annually.
- Formally designate, by resolution, all Federal, State, or other grants towards a specific program or service (absent any outside legal restrictions).
- As a policy, County Program Aid (CPA) is evenly divided between the General Fund and Road and Bridge Fund.
- Strive to establish all user charges and fees for General Fund program activities at a level related to the full cost of providing the services, or as adjusted for particular program goals. The County will review the full cost of activities supported by user fees to identify the impact of inflation and other cost increases and will review these fees along with the resulting net property tax costs during the budget process. Sensitivity to market rates will also be considered in setting fees.
- Set fees and user charges for each enterprise fund such as, sewer, or at a level that fully supports the total direct and indirect cost of the activity, including depreciation of capital assets and debt service, to maintain a positive cash flow and provide adequate working capital. Replacement (or bonding for replacement) of enterprise infrastructure will be paid for from accumulated (or annual) earnings of the respective system.

Revenue Collections

Departments should exercise prudent cash management in the handling of cash receipts. "Cash" receipts refer to all revenue collected in the form of cash, coin, checks and credit cards. The following steps should be taken to ensure proper cash handling:

- **Safeguarded.** All revenue received at each location should be adequately safeguarded at all times. Until deposited, all revenue collections should be kept in locked drawers, cash boxes or a locked safe.
- **Timely receipting.** Revenue collected throughout the day should be properly receipted and/or documented at the time the transaction occurred.
- **Daily cash counts.** At the end of each day, two employees must count the cash. A register or other supporting documentation should be printed and reconciled to the cash counted. Any discrepancies should be researched and resolved or reported to Finance immediately.

- **Deposits brought to Auditor-Treasurer daily.** A daily deposit should be prepared brought to the Auditor-Treasurer daily. Deposits are then made at the bank(s) by auditor-treasurer staff daily.
- **Communication with Finance.** New revenue sources should be communicated to Finance. No cash, other than approved petty cash, can be held within a department unless it is approved by the Auditor-Treasurer.

Risk Management

Adopted January 2, 2024

The risk management program will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities.

- Loss prevention – prevent losses where possible.
- Loss control – reduce or mitigate losses.
- Loss financing – provide a means to finance losses.
- Loss information management – collect and analyze data to make prudent prevention, control and financing decisions.

In the risk management program, the County will:

- Review and analyze all areas of risk to, whenever possible, avoid and reduce risks or transfer risks to other entities. Of the risks that must be retained, it shall be the policy to fund the risks which the County can afford and transfer all other risks to insurers.
- Conduct periodic educational safety and risk avoidance programs within the various departments.
- Analyze on an ongoing basis the feasibility of self-funding and other cooperative funding options in lieu of purchasing outside insurance to provide the best and most economical loss coverage available.
- Maintain the deductible amount considered prudent factoring in the relationship between the cost of insurance and the County's ability to sustain the loss.

Write Off for Uncollectible Accounts Receivable

Adopted January 2, 2024

Purpose:

The Write-off for Uncollectible Accounts Receivable policy will be used to provide guidance as to when an account can be taken off the list of collectible accounts. Whenever services are provided for a fee, situations can occur that make these debts uncollectible. Departments can recommend a debt be written off for active collection when it is determined it is not practical to collect. The debt may still be collectible, but not shown on the County's financial statement. This policy does not affect the County's ability to pursue legal action.

Policy:

Accounts receivable are established based on approved fees for services. These fees are established by the Le Sueur County Board of Commissioners or state rule or statute.

Once service is provided, an account is charged in accordance with the approved fee schedule and this account balance can only be reduced or eliminated by the following actions:

1. Payment is made on the account.
2. The account was charged incorrectly, therefore original entry is corrected, and documented to show adjustment reason.
3. Approval to write-off account in accordance with procedure.

It is the policy of Le Sueur County to designate the following debt as uncollectible:

1. The debtor has been deceased for over one year with no activity on account and no other party responsible for the debt.
2. The Statute of Limitations (7 years) has been reached with no action on account.
3. The debt has been discharged in bankruptcy.
4. The debt is insignificant, from the prior calendar year or earlier, and collection efforts will exceed the amount recoverable.

Further, for claims in the Department of Human Services, it is the policy of Le Sueur County to designate the following debt as uncollectible:

5. When the debt is the sole responsibility of a debtor who resides in a long term care facility, there is no prognosis for a return to residential living in the community and there is no estate to repay the debt.
6. When initial notification on debt occurred at least 10 years previous, there has been no recovery in the last six years and there is no docketed judgment.

No account will be written off while service is still being provided or materials still being purchased. Accounts for write off will be reviewed annually. When service is no longer being provided, materials are no longer being purchased, and the account meets any one of the criteria listed above, the accountant or accounting technician will initiate write off of accounts with the approval of:

1. The account is less than \$10 – Department Accounting Personnel
2. The account is more than \$10 but less than \$1000– Department Accounting Personnel and Department Head
3. The account is more than \$1000 but less than \$5,000 – County Auditor-Treasurer and County Administrator
4. The account is \$5,000 or more – County Board with majority vote

5. Adjustments to outstanding debt balances may be made only through a two-step control process, whereby, one person initiates the adjustment, and another completes it.

- 6.

Accounts that have been sent to the Revenue Recapture program, administered by the Department of Revenue, within the statute of limitations, will remain until the account is paid in full, or dismissed by the Department of Revenue or Department of Human Services (MAXIS claims).

Appendix A: Grant Checklist

Grant Checklist

Grant Name	
Grant Purpose	
Department	Today's Date:
Requestor	Deadline to Submit:

#	Yes	No	Purpose	Staff Explanation
1.			How will the grant benefit Le Sueur County?	
2.			Is the grant for a study? If so, what is the purpose of the study and how will the County use this information?	
3.			Will the grant solve a specific problem or fulfill a need?	
4.			Does the grant provide direct services? Detail them.	
5.			Is the goal of the grant consistent with County goals, plans, ordinances, resolutions or other policies? Explain.	

#	Yes	No	Financial	Staff Explanation
7.			Does the grant require a match? Is the match in-kind or monetary? If yes, specify the match.	

8.			If the match is monetary, how will it be funded?	
#	Yes	No	Sustainability	Staff Explanation
9.			Will the program or service funded by the grant be expected to continue once the grant expires?	
10.			If the grant includes staff, is the need expected to continue past the expiration of the grant? What is the exit strategy for the grant?	
#	Yes	No	Deployment/Implementation	Staff Explanation
11.			If the grant requires hiring new staff, will they be County employees? If yes, as HR been notified?	
12.			Will the grant increase current employee workloads? If yes, explain.	
14.			Will the grant require support from departments such as IT, Finance, Maintenance?	
15			Who will be responsible for grant reporting, if applicable?	

COMMISSIONER MEETINGS/CLAIMS

2026 CALENDAR

JANUARY

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

 Commissioner claims paid

 **COMMISSIONER MEETING DATES:**

The 1st, 3rd & 4th Tuesdays of the month (generally).

 Holidays (Deputies/Correctional/Dispatch also get 4/3 & 10/12)

*1/2 day on 12/24

 Commissioner claims due to Auditor-Treasurer's Office by **12:00 pm (Noon)**

 County Board of Appeal & Equalization

***All Claims Are Due by
12:00 p.m. (Noon)**

Purchase of Service Agreement for Senior Citizen Transportation in Le Sueur County

This agreement is entered into by and between Aging Services for Communities (hereinafter referred to as Aging Services) and Le Sueur County.

WHEREAS, the parties desire to provide transportation services to senior citizens residing in Le Sueur County who are unable to drive to necessary medical appointments; and

WHEREAS, Aging Services is willing to provide transportation services to senior citizens in Le Sueur County; and

WHEREAS, Le Sueur County wishes to financially support this effort by paying Aging Services directly for these services;

NOW, THEREFORE, in consideration of the mutual terms and conditions herein, it is agreed by and between the parties hereto as follows:

1. TERM

- a. The Term of this agreement shall be in effect from January 1, 2026-December 31, 2026. This agreement shall not automatically renew and is subject to annual review and approval by both parties.

2. SERVICES

- a. Aging Services agrees to promote the service, manage all inquiries, arrange and provide rides to senior citizens whose residence is in Le Sueur County.
- b. Aging Services agrees to provide an itemized monthly invoice for services, with the invoice including:
 - i. Date of ride
 - ii. Location of pick up and destination
 - iii. Miles driven
 - iv. IRS mileage rate for reimbursement
 - v. Administrative rate

3. PAYMENT FOR SERVICES

- a. Le Sueur County will be invoiced monthly and deliver payment within 35 days of receipt of invoice. Invoices should be sent to the County Administrator's Office.
- b. The maximum amount to be paid is \$27,000. If the cost for services is at or near the maximum amount, Aging Services shall contact the County Administrator and request additional authorization. Any additional authorization will need to be approved by the County Board.
- c. Payment rates are the following:
 - i. Mileage to be based at the current IRS rate.
 - ii. Administrative rate of \$20.96 per ride. The administrative rate can be claimed for canceled rides.
 - iii. Maximum trip mileage will be 225 miles.

4. INDEMNIFICATION, INSURANCE, AND INDEPENDENT CONTRACTOR STATUS

- a. Each party shall be liable for its own acts and the acts of its representatives to the extent provided by law and hereby agrees to indemnify, hold harmless, and defend

Purchase of Service Agreement for Senior Citizen Transportation in Le Sueur County

each other, its officers, employees and volunteers against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the others, its officers, employees and volunteers may hereinafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the Party, its agents, employees or volunteers, in the execution, performance, or failure to adequately perform its obligation pursuant to this Agreement.

- b. That at all times and for all purposes hereunder, Aging Services shall be an independent contractor and is not an employee of Le Sueur County for any purpose. No statement contained in this Agreement shall be construed so as to find Aging Services, or its employees, to be an employee of Le Sueur County, and Aging Services shall not be entitled to any of the rights, privileges, or benefits of employees of the County of Le Sueur, including but not limited to, workers' compensation, health/death benefits, and indemnification for direct or third-party personal injury/property damage claims.
- c. Aging Services is responsible for hiring sufficient workers to perform the services/duties required by this Agreement, withholding their taxes, and paying all other employment tax obligations on their behalf; and obtaining all insurance required to provide transportation services, including professional liability and automobile insurance.

5. TERMINATION OF CONTRACT

- a. Either party may terminate this Agreement, with or without cause, upon thirty (30) days written notice to the other party.

6. AMENDMENTS

- a. This agreement may be supplemented, amended or revised only in writing by agreement of both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates written below.

Purchase of Service Agreement for Senior Citizen Transportation in Le Sueur County

County of Le Sueur

State of Minnesota

By:_____

David Preisler , County Board Chair

Date:_____

ATTESTED TO

By:_____

Joe Martin, County Administrator

Date:_____

Aging Services for Communities

By:_____

Wade Young

Date:_____

Professional Service Agreement

THIS AGREEMENT is made and entered into by and between the County of Le Sueur, State of Minnesota (County), 88 South Park Ave, Le Center, MN 56057, and Rory Jensen with Jensen Land Surveying, LLC (Contractor), 2516 Crystal Cove Road, Madison Lake, MN 56063.

RECITALS

WHEREAS, pursuant to Minnesota Statutes 389.011, Subd. 2, the County approved a resolution on February 1, 2022 making the Office of the Le Sueur County Surveyor an appointed office commencing no later than November 1, 2022;

WHEREAS, the County wishes to purchase the services of Contractor for these purposes;

WHEREAS, there are funds available for the purchase of these services; and

WHEREAS, the County appoints Contractor as the County Surveyor for a one (1) year term, subject to renewal on an annual basis, and that the appointed person will serve at the pleasure of the County Board of Commissioners/County Administrator of Le Sueur County.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual undertakings and agreements hereinafter set forth, the County and the Contractor agree as follows:

1) **Term and Cost of the Agreement**

- A. The Contractor agrees to furnish services on behalf of the County during the period commencing January 1, 2026, and terminating December 31, 2026, subject to annual renewal in December of each year.
- B. The cost of this Agreement shall not exceed \$80,000 in 2026, of which up to \$65,000 is for compensation and up to \$15,000 is for related expenses. These maximum amounts may be adjusted after consultation with the County Administrator, but the total amount shall not exceed \$80,000.
- C. Contractor will be paid according to the schedule set forth on the attachment hereto.
- D. Contractor shall submit monthly invoice for services with detailed explanation of expenditures.
- E. This agreement covers only the usual and customary services and expenses of the County Surveyor position. To the extent there is a need for extraordinary services or the incurring of extraordinary expenses, the Contractor shall secure approval from the County before providing the extraordinary services or incurring extraordinary expenses.

2) **Services to be Provided**

Contractor will provide services as Le Sueur County Surveyor as provided by Minnesota Statute, such services are more completely described on the Attachment hereto, which is incorporated into and made a part of this agreement. Such services shall be referred to as "Purchased Services".

3) **Payment for Services**

- A. Payment for services shall be made directly to the Contractor after completion of services upon the presentation of a claim in the manner provided by law for payment of claims against the County according to the schedule set forth on the Attachment hereto.
- B. Claims are to be submitted on a monthly basis.
- C. Pursuant to the provisions of Minn. Stat. §290.97, final payment under this Agreement may be withheld until such time as the Contractor shall furnish to the County, proof that payment has been made of all outstanding withholding taxes, penalties, and interest. Proof shall be in the form of a certificate issued by the Commissioner of Revenue.

4) **Independent Contractor Status**

- A. That at all times and for all purposes hereunder, Contractor shall be an independent contractor and is not an employee of the County for any purpose. No statement contained in this Agreement shall be construed so as to find Contractor to be an employee of the County, and Contractor shall not be entitled to any of the rights, privileges, or benefits of employees of the County of Le Sueur, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims.
- B. Contractor acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due Contractor and that it is Contractor's sole obligation to comply with the applicable provisions of all Federal and State Tax laws.
- C. Contractor shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein.
- D. Contractor is responsible for hiring sufficient workers to perform the services/duties required by this contract, withholding their taxes, and paying all other employment tax obligations on their behalf.
- E. With County Administrator or Department Head approval, Surveyor can hire contract services for certain professional work and the selected vendor can invoice the County directly. Services shall not exceed \$15,000.

5) **Indemnification and Insurance**

- A. To the fullest extent permitted by law, Contractor shall indemnify and defend County, its officers, directors, partners, employees, and representatives, from and against losses, damages, and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are found to be caused by a negligent act, error, or omission of Contractors or Contractor's officers, directors, members, partners, agents, employees, or subcontractors in the performance of services under this Agreement. With respect to Claims insured only under Contractor's professional liability policy, this indemnity shall apply only to the extent such claims arise out of or result from the negligent acts, errors, or omissions of Contractor, or anyone directly or indirectly employed by Contractor or anyone for whose acts Contractor may be liable in the performance of professional services and the Contractor's defense obligation shall be the reimbursement of County's reasonable legal expenses recoverable under applicable law in defending against an allegation of harm caused by the Contractor's failure to meet the standard of care for professional services once that failure is determined.
- B. To the fullest extent permitted by law and subject to the maximum limits of liability set forth in Minnesota Statutes Section 466.04, County shall indemnify, defend and hold harmless Contractor from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the work performed pursuant to this Agreement, but only to the extent caused by a negligent act or omission of County or County's employees, agents, or other consultants.
- C. Contractor further agrees that in order to protect itself as well as the County under the indemnity provision set forth above, it will at all times during the term of this contract keep in force:
- A single limit or combined limit or excess umbrella general liability insurance policy of an amount of not less than:
- \$1,000,000 for property damage;
 - \$1,000,000 for total bodily or personal injuries or death and/or damages; and
 - \$1,000,000 for contractual liability coverage protecting the County, officers, agents, and employees by specific endorsement or certificate acknowledging the contract between the Contractor and the County, naming the County as an additional insured.
 - Workers' Compensation Insurance, if applicable.
- D. Prior to the effective date of this Agreement, the Contractor will furnish the County, with certificates of insurance.

- E. The County may withhold payment for failure of the Contractor to furnish certificates of insurance as required above.
 - F. In the event that claims or lawsuits shall arise jointly against the Contractor and the County, and the County elects to present its own defense, using its own counsel, in addition to or as opposed to legal representation available by the insurance carriers providing the coverage as stated above, then such legal expense shall be borne by the County.
 - G. Any policy obtained and maintained under this clause shall provide that it shall not be cancelled, materially changed, or not renewed without thirty (30) days' prior notice by the insured to the County.
- 6) **Data Practices**
All data collected, created, received, maintained, or disseminated for any purposes by the activities of Contractor because of this contract is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as amended, the Minnesota Rules implementing such act now in force or as adopted, as well as federal regulations on data privacy.
- 7) **Records-Availability and Retention**
 - A. Pursuant to Minn. Stat. § 16C.05, subd. 5, the Contractor agrees that the County, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonable deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Contractor and involve transactions relating to this Agreement.
 - B. Contractor agrees to maintain these records for a period of six years from the date of termination of this Agreement.
 - C. All county-related work records, data and files will be electronically stored on the County's computer file servers.
- 8) **Merger and Modification**
 - A. It is understood and agreed that the entire Agreement between the parties is contained here and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.
 - B. Any material alterations, variations, modifications, or waivers of provisions of this Agreement shall be valid only when they have been reduced to writing as an amendment and signed by the parties.
- 9) **Default and Cancellation**
 - A. If the Contractor fails to adequately perform the Purchased Services, or otherwise fails to perform any of the provisions of this Agreement and does not cure such failure within thirty (30) days of receiving written notice thereof, this shall constitute default.
 - B. Unless the Contractor's default is excused, the County, may, upon written notice, immediately cancel this Agreement in its entirety.

- C. This Agreement may be cancelled with or without cause by either party upon thirty days' written notice.
- D. In the event of termination by either party for convenience, the County shall be obligated to the Contractor for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination. Contractor shall deliver and County shall have, at its sole risk, right of use of any completed or partially completed deliverables.
- E. In event of termination by County for cause and in addition to any other remedies available to County, Contractor shall deliver to County and County shall have right of use of any completed or partially completed deliverables. County shall compensate Contractor for all undisputed amounts owed Contractor as of date of termination.

10) **Subcontracting and Assignment**

Contractor shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of the County Administrator and subject to such conditions and provisions as the County may deem necessary. The Contractor shall be responsible for the performance of all subcontractors.

11) **Nondiscrimination**

During the performance of this Agreement, the Contractor agrees to the following:
No person shall, on the grounds of race, color, religion, age, sex, disability, marital status, public assistance status, criminal record, creed or national origin be excluded from full employment rights in, participation in, be denied the benefits of or be otherwise subjected to discrimination under any and all applicable federal and state laws against discrimination.

12) **Reuse of Documents**

- A. Drawings and Specifications and all other documents (including electronic and digital versions of any documents) prepared or furnished by Contractor pursuant to this Agreement are instruments of service in respect to work performed pursuant to this Agreement and Contractor shall retain an ownership interest therein. Upon payment of all fees owed to the Contractor, the County shall acquire full ownership interest of all identified deliverables (including Reports, Plans and Specifications) for any reasonable use relative to such and the general operations of the County.
- B. County may make and disseminate copies for information and reference in connection with the use and maintenance of the work by the County. However, such documents are not intended or represented to be suitable for reuse by County or others on extensions of any other project. Any reuse by County or, any other entity acting under the request or direction of the County, without written verification or adaptation by Contractor for such reuse will be at County's sole risk and without liability or legal exposure to Contractor and County shall indemnify and hold harmless Contractor from all claims, damages, losses and expenses including attorney's fees arising out of or resulting from such reuse.

- C. Previously Created Works and Documents of Contractor. Notwithstanding the foregoing, Contractor retains title and interest in all of its standard details, plans, specifications, and engineering computation documents ("Previously Created Works and Documents"), whether in written or electronic form, which have been incorporated into the deliverables and documents to County, but which were developed by Contractor independent of this Agreement. Contractor issues to County a royalty-free, nonexclusive and irrevocable license to use the Previously Created Works and Documents in connection with the deliverables under this Agreement.

12) **Standards and Licenses**

- A. The Contractor warrants and represents that he/she is currently licensed as a surveyor by the State of Minnesota (or other regulatory authority). In the event said license is cancelled, revoked, suspended, or expires during the term of this contract, Contractor agrees to immediately inform the County. The County will pay only for services provided pursuant to such licensing requirements.
- B. The Contractor shall comply with all applicable federal and state statutes and regulations as well as local ordinances now in effect or hereafter adopted.
- C. Failure to meet the requirements of Parts A and B above may be cause for cancellation of this contract effective the date of receipt of the Notice of Cancellation.
- D. The Contractor shall file a bond, oath, and certified evidence of license, with county and the County Recorder [M.S. §389.011]

Contractor

County of Le Sueur

Rory Jensen, Principal

By _____
Its Chair

Dated: _____

Dated: _____

By _____
Its County Administrator

Dated: _____

Approved as to form and execution

County Attorney

Dated: _____

ATTACHMENT

Services to be Provided (Purchased Services)

The County Surveyor shall perform duties as outlined within this document or as adjusted working with staff and as outlined by Minnesota Statute 389.

- **PRIMARY DUTIES**

- o Serve as Point of Contact & Maintain Office Hours
 - Serving as main point of contact for county staff and residents who have survey related questions.
 - Maintain regularly scheduled office hours at County Government Center to provide access to expertise for staff, members of the public and other private surveyors performing work in the County (minimum of 8 hours per week).
- o Planning
 - Work with County staff to create annual goals and priorities. Report on progress and adjust as necessary.
- o Plats and Property Splits
 - Reviewing new subdivision plats and working with multiple County departments in the legal filing of a plat.
 - Reviewing existing plats and identifying and correcting errors.
 - Reviewing submitted surveys and legal descriptions, and working with applicant's surveyor to correct errors.
 - Coordinating with and advising department staff on survey related issues such as platting and easements.
- o Section Corner Work
 - Finding and installing section corners and drafting certificates.
 - Digitizing section corners for use in GIS system.

- **SECONDARY DUTIES**

- o Records Review and Management
 - Developing records management and filing systems to allow for records access by multiple parties.

- **OTHER POTENTIAL DUTIES**

- o Highway Department Coordination
 - Work with Highway Department for preparation of new right-of-way plats associated with projects; perpetuation of section corner monuments associated with highway projects; interpreting and writing legal descriptions for road construction; etc.

Other specific duties might include:

1. Replace destroyed or unsuitable monuments along with preparation of updated certificates of location. Minnesota Statutes require the Land Surveyor to file a new certificate of location if the physical ties are missing or a new monument is set. This would also require a full research of the history of the corner and preparation of the tie sheet and evidence of location. Some certificates do not contain this information.
2. Permit other Land Surveyors to inspect copies of the maps and certificates of location of corners, and provide copies according to the county fee schedule.
3. Review all certificates of location filed by other surveyors.
4. Assist the Recorder, Title Examiner, County Attorney and other County offices with review of legal descriptions.
5. Preparation of Auditor's Plats, if required.
6. Preparation of easement descriptions and highway plats for the county engineer.
7. Review plat corrections, if required.
8. Review all proposed final plats to be filed within the county. If a plat is located outside of a municipality, then the county surveyor is to submit a preliminary report on the preliminary plat to the county. If the employer of the Contractor prepares the plat, another licensed land surveyor will review the plat for the fee established [M.S. §389.09].

Compensation of Surveyor

Pursuant to M.S. §389.03 (a) the County Board shall fix the compensation of the county surveyors and deputies, including their necessary expenses.

- A. All duties will be charged the following rate:
 - a. \$90 per hour
- B. Travel time and mileage to a project or meeting is billable, but travel time and mileage to the office is not billable.
- C. Contractor will be provided office space, phone, desktop computer, and necessary software to complete the duties.

INTERCONNECTION AGREEMENT FOR WASTEWATER TREATMENT
BETWEEN
LE SUEUR COUNTY AND THE CITY OF CLEVELAND

January 2026

THIS AGREEMENT, made and entered into this ____ day of January 2026, by and between the City of Cleveland, a municipal corporation in Le Sueur County, Minnesota ("City") and the County of Le Sueur, of the State of Minnesota ("County")(collectively the "Parties").

NOW, THEREFORE BE IT RESOLVED, in consideration of the mutual covenants and conditions herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree:

RECITALS

The recitals shall not be deemed to be a limitation on the interconnection agreement of City and County to be exercised pursuant to this agreement, but shall be deemed statements of the general purposes of the agreement.

1. The City owns and operates a wastewater treatment system that includes wastewater treatment ponds and a wastewater collection system to provide wastewater treatment services to properties within the City.
2. Property owners around West Jefferson Lake requested the County to construct a centralized wastewater collection and treatment system, and the County has determined these properties are in need of centralized wastewater collection and treatment services.
3. The County has exercised its authority under Minnesota Statutes, Chapter 375B to establish a subordinate service district ("District") encompassing the West Jefferson Lake properties for the purposes of addressing wastewater needs within the district.
4. The County has determined that the best method for providing wastewater collection and treatment services in the District is for the County to install a wastewater collection system to serve the properties within the District and to connect this collection system to the City's wastewater treatment system.
5. The County desires to discharge the District's wastewater to the City wastewater treatment ponds for treatment and the City agrees to receive and treat the County's wastewater from the District under the terms and conditions of this Agreement.
6. The County intends to perform the maintenance on the District wastewater infrastructure and perform all billing functions within the District.

AGREEMENT

In consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

ARTICLE I GENERAL PROVISIONS

- 1.1. Purpose of Agreement.** The purpose of this Agreement is to set out the terms and conditions under which the City agrees to permit the interconnection of the District to the City's Wastewater Treatment Ponds ("WTP"). The County will construct and maintain all wastewater infrastructure necessary to collect and carry wastewater to the

Connection Point at the WTP. The County will perform all billing functions within the District. The City shall solely be responsible for the treatment of wastewater from the District.

1.2. Definitions of Terms. For the purposes of this Agreement, the following terms shall have the meaning given them in this Section.

- 1.2.1. Agreement. Agreement means this contract for the interconnection of sanitary sewer systems between the County of Le Sueur and the City of Cleveland, to receive and treat the County's wastewater from the West Jefferson Subordinate Service District in the City Wastewater Treatment Ponds.
- 1.2.2. Base Fee. The monthly fee charge per Service Connection in addition to the User Fee.
- 1.2.3. Carbonaceous Biochemical Oxygen Demand (CBOD). The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at twenty (20) degrees Centigrade, expressed in terms of weight and concentration (milligrams per liter, mg/l).
- 1.2.4. City. City of Cleveland, Minnesota.
- 1.2.5. City Wastewater Treatment Ponds (WTP). The wastewater treatment ponds constructed, owned, operated, and maintained by the City.
- 1.2.6. City Wastewater Treatment System. The comprehensive collection and treatment of wastewater by the City including, but not limited to, the City Collection System and the City Wastewater Treatment Ponds.
- 1.2.7. County. County of Le Sueur, Minnesota.
- 1.2.8. Connection Point. The point of interconnection with the City Wastewater Treatment System from the West Jefferson Subordinate Service District.
- 1.2.9. Design Capacity. Capacity of the City Wastewater System to collect and treat wastewater consistent with all requirements of the Federal Water Pollution Control Act, as amended, the City's National Pollution Discharge Elimination System (NPDES) permit, and all other requirements established by the City without incurring unreasonable operating expense or causing damage to the City Wastewater System.
- 1.2.10. District. A Subordinate Service District of Le Sueur County established for the West Jefferson Lake area by Le Sueur County Board of Commissioners on January 17, 2017, in accordance with the procedures outlined in Minnesota Statutes, Section 375B. Exhibit A, attached hereto, shall identify the boundaries of the District as they currently exist. In case of a discrepancy between the map adopted as part of County

Resolution and the map included with this Agreement as **Exhibit A**, the map included with this Agreement as **Exhibit A**, including amendments thereto which may be made subsequent to the execution of this Agreement as given under Article VIII, shall govern.

- 1.2.11. District System. The system of sewers, force mains, lift stations, grinder pumps, and meters constructed, and owned by the County, which are intended to carry only liquid and water-carried wastes from residences and other approved uses located within the West Jefferson Subordinate Service District established by the County.
- 1.2.12. Infiltration. Water entering the sewage system (including building drains and pipes) from the ground through sources such as, but not limited to, defective pipes, pipe joints, connections and manhole walls.
- 1.2.13. Inflow. Water, other than wastewater, that enters a sewer system (including building drains) from sources such as, but not limited to, roof leaders, cellar drains, yard and area drains, foundation drains, drains from springs and swampy areas, manhole covers, cross-connections from storm sewers, catch basins, surface runoff, street wash waters or drainage.
- 1.2.14. Infiltration/Inflow (IID). The total quantity of water from both infiltration and inflow.
- 1.2.15. Maximum Annual Daily Average. The maximum monthly annual daily average is the maximum daily average measured level of a characteristic averaged over a one year period.
- 1.2.16. Maximum Daily Limit. The maximum daily limit is the maximum measured level of a characteristic measured over a single day.
- 1.2.17. Maximum Monthly Average. The maximum monthly average limit is the maximum daily average measured level of a characteristic averaged over a one month period.
- 1.2.18. Monitoring Station. A building or other suitable structure installed at or between the ends of the West Jefferson Lake System where it exits the Subordinate Service District and the Connection Point, containing flow metering and sampling equipment and other apparatus to accurately monitor the strength and volume of wastewater being discharged.
- 1.2.19. MPCA. Minnesota Pollution Control Agency.
- 1.2.20. Normal Domestic Strength Waste. Wastewater that is primarily introduced by residential users with a CBOD concentration not greater than two hundred twenty

(220) mg/I and a total suspended solids (TSS) concentration not greater than two hundred forty (240) mg/I.

- 1.2.21. NPDES. National Pollution Discharge Elimination System.
- 1.2.22. Service Connection. The physical connection of a sanitary sewer service line from an individual property to the West Jefferson Subordinate Service District. Each service connection represents one SAC Unit as defined below.
- 1.2.23. Sewer Availability Charge (SAC). A development impact fee assessed for availability, reserve capacity, sewage treatment, and connection rights to the City sanitary sewer system.
- 1.2.24. SAC Units. A number of units that is defined in the City's utility fee schedule, adopted by ordinance, using various parameters for different types of facilities or uses. Under this Agreement, a limit of 140 SAC units or a Maximum of 12,775,000 gallons/year will be allowed for the West Jefferson Lake System, specifically assigned to individual parcels as given in **Exhibit B**.
- 1.2.25. State. State of Minnesota.
- 1.2.26. Total Suspended Solids (TSS). The total suspended matter that floats on the surface of, or is suspended in, water, wastewater or other liquids and which is removable by a standard glass fiber filter.
- 1.2.27. User. Any person who discharges wastewater, or causes or permits the discharge or placement of wastewater, into the West Jefferson Lake System.
- 1.2.28. User Fees. The amount the City shall charge the County for receiving and treating wastewater from the District System based on gallons of wastewater.
- 1.2.29. Wastewater. All liquid or water-carried waste products from whatever source derived, together with such groundwater infiltration and surface water inflow as may be present.
- 1.3. **Compliance with Applicable Laws**. Each party shall be responsible for complying with all applicable Federal, State, and local laws, rules, regulations and ordinances in carrying out their respective obligations under this Agreement and for obtaining all permits or permissions that may be required.
- 1.4. **Cooperation with Agencies**. The County and the City shall cooperate and participate in providing all data requested by any State or Federal agency relative to regulatory policies or funding requests related to activities contemplated by this Agreement.
- 1.5. **Term of Agreement**. Unless terminated earlier as provided herein, the County shall have the right, for as long as the City operates the City Wastewater System, to convey

wastewater from District System to the City WTP for treatment, provided the County acts in compliance with provisions of this Agreement.

- 1.6. **Review of Agreement.** The County and the City shall cooperate and participate in a review of this Agreement at least every five (5) years from the date of execution of this Agreement, or at such time that the renewal of the NPDES permit for the WTP occurs, whichever occurs sooner.
- 1.7. **Termination.** Either party may terminate this Agreement for cause arising from an event of default as provided in this Section.
 - 1.7.1. **Termination for Cause.** Notwithstanding anything else to the contrary in this Agreement, either party may terminate this Agreement for cause arising from an event of default. If an event of default occurs, and if the non-defaulting party desires to terminate this Agreement, it shall provide the other party written notice describing the event of default and what must be done in order to cure the default. If the defaulting party fails to reasonably cure the default within 180 days of its receipt of the notice of default, the non-defaulting party may terminate this Agreement by providing the other party a written notice of termination. For the purposes of this section, the failure to adequately perform any of the following obligations under this Agreement shall constitute an "event of default" allowing a termination for cause: (1) repeated non-payment of any non-disputed amounts; (2) failure of the County to put in place or enforce restrictions regarding the number of connections within the Subordinate Service District; (3) failure to construct the District System or Connecting Sewer Line by December 31, 2020; or (4) failure to comply with any other material term of this Agreement.
 - 1.7.2. **Effect of Termination.** Upon termination, the respective rights and obligations of the Parties under this Agreement shall cease, except that the City shall be entitled to any past due payments and for continuing payments until the City Wastewater System is no longer receiving wastewater from the District. Recognizing the fact this Agreement provides for the connection of two wastewater systems, and that the County must provide an alternative means for treating wastewater before it can reasonably disconnect from the City Wastewater System, the Parties agree to work in good faith to identify and resolve the issues associated with separating the systems and dissolving the cooperative arrangement established between the Parties by this Agreement.
- 1.8. **Title to Wastewater Systems.** It is agreed and understood by the Parties that the title to, and all incidents of ownership in, the City Wastewater System, any subsequent replacement or upgrades, improvements or expansions thereof, and all the grounds upon which the same is located shall remain in the City and shall be the absolute property of said City. It is further agreed and understood that the operation of the City Wastewater System and employment of personnel therefore shall be in the full charge of the City. It is further agreed and understood that the title to, and all incidents of ownership in, the District System, including any subsequent replacement or improvements, shall be the

property of and owned by the County exclusively. Those that may be contracted by the County to construct or improve the District System and shall not be the responsibility of the City.

- 1.9. **Disposition of Property.** Upon termination of this Agreement all property hereunder which is within the City limits of the City, including the connecting sewer forcemain that discharges wastewater from the District to the WTP, shall belong to the City and all other property acquired hereunder shall belong to the County.

ARTICLE II

WEST JEFFERSON SUBORDINATE SERVICE DISTRICT

- 2.1. **Construction.** The County is solely responsible for, at its own cost, designing and constructing the District System, and completing all work to connect the system to the WTP. The City shall have no financial or other obligation to the District System other than to receive and treat its wastewater as provided in this Agreement.
- 2.2. **Plan Review.** The County shall be responsible for preparing all plans and specifications needed for the construction of the District System. The County shall submit all such plans and specifications to the City for review and approval at least 30 days prior to the County advertising for bids for its construction. The materials and specifications to construct the District System must be at least of the same quality used by the City and must otherwise be acceptable to the City. Approval by the City shall not be unreasonably withheld.
- 2.3. **Limitations on District System.** The Parties understand and agree that the District System will be designed to serve up to a total of 140 SAC units which is approximately a maximum of 12,775,000 gal/yr. No Service Connections shall be allowed downstream of the Monitoring Station. The total number allowable SAC Units available to the District shall be specifically allocated to individual properties. Initial allocations shall be designated by Parcel Identification Number as set forth in **Exhibit B**. The designation of additional allocation, not to exceed 140 SAC units, or the transfer of SAC Unit allocations from one parcel to another by the County is allowed under this Agreement, but requires an immediate revision to **Exhibit B**. The County shall not make or allow any additional Service Connections in excess of 140 SAC units to the District System without the prior written consent of the City and amendment of this Agreement.
- 2.4. **Easements.** The County is responsible for acquiring, at its own expense, all easements or other permissions required to construct the District System, Monitoring Station, and extend the District System to the Connection Point, and as may otherwise be needed to carry out its obligations under this Agreement. The City will provide permits as may be required to perform any work within the City's streets, right of ways, or easement areas at no cost. The County shall be responsible for maintaining the grounds and any associated facilities around the Monitoring Station. Should the Connection Point be required to be relocated in the future, the City shall be responsible for the costs of removal, restoration, and relocation.

- 2.5. **Third Party Penalties.** The County shall be responsible for paying any penalties or violation fees imposed on the City and County from the MPCA, or other similar agency, if such penalties or violation fees are the result of the County's action or inaction related to the District System. The City shall be responsible for paying any penalties or violation fees imposed on the City and County from the MPCA, or other similar agency, if such penalties or violation fees are the result of the City's action or inaction related to the operation or maintenance of the City's Wastewater Treatment System or WTP.

ARTICLE III INTERCONNECTION

- 3.1. **Authority for Connection.** In consideration of the terms and conditions of this Agreement, the City hereby grants the County permission and authority to connect the District to the City WTP at the Connection Point.
- 3.2. **Connection Point.** The connection point of the District System with the City Wastewater Treatment System shall be at a point near the City WTP as provided in construction plans approved by the Parties.
- 3.3. **Construction of Interconnection.** The District shall be responsible for all work and costs associated with the connection of the District System to the City WTP.
- 3.4. **Future Discharge Interconnection.** The City may determine, in conjunction with a review by an independent third party engineer, that it is in the best interests of the City that the location of the Connection Point of the District System with the WTP needs to be modified or changed. The City in its sole discretion may exercise the option to determine that the location of the Connection Point of the District System with the WTP needs to be modified or changed in the future. The City shall be responsible for all work and costs associated with the modification or relocation of the Connection Point of the District System to the WTP.
- 3.5. **Monitoring Station.** The County shall be responsible for acquisition, construction, maintenance, and insurance for the Monitoring Station as provided in this Section.
- 3.5.1 **Monitoring Required.** All wastewater discharged into the WTP from the District System shall be accurately monitored for strength and volume by acceptable automatic metering and sampling equipment installed at the Monitoring Station. The County shall, at its own cost, be responsible for purchasing and installing the equipment. The type, specification, and location of the metering and sampling equipment, any future improvement or replacement of such equipment, shall be approved by the City. At a minimum, the metering device shall be equipped with automatic registering and recording mechanisms for continuous recording of the rate of flow, which measures and provides a cumulative total of the volume of discharge. The County shall provide the City unfettered access to the Monitoring Station at all times.

3.5.2 **Operation and Maintenance.** The City shall operate and maintain the monitoring equipment and Monitoring Station. The cost for all such services shall be the responsibility of the County. All required flow metering and sampling equipment shall be operational on a continuous basis and wastewater flow shall be measured on a continuous basis, with volumes totaled and recorded continuously. The reading and recording of results and collection and analysis of wastewater samples from the District System metering and sampling equipment shall be completed by the City. Wastewater samples shall be analyzed for CBOD, TSS and any other pollutants once a week for the first six months after connection to the WTP, twice a month for the following six months, and thereafter monitoring and sampling will be performed monthly or as needed. A report shall be submitted by the City to the County monthly. Analysis of pollutants may be conducted by the City at any time in a laboratory certified for such analyses by the State of Minnesota.

3.5.3 **Calibrations.** The flow meter in the monitoring station shall be calibrated as provided in this Section.

3.5.3.I *Regular Calibrations.* The City, at the County's expense, shall calibrate, with certified calibration procedures, its flow meter on a quarterly basis for the first year of this Agreement, and thereafter on an annual basis. A calibration report shall be prepared and filed with the County within twenty (20) days of completion of the calibration procedures.

3.5.3.2 *Annual Calibrations.* On a yearly basis, the City shall, at the County's expense, contract with a qualified flow metering calibration firm to have the metering device used in billing calculations of this Agreement calibrated.

3.6. **Events of Failure.** If the required flow metering or sampling equipment fails, the City shall estimate the wastewater volume and pollutant loadings for the period of equipment failure using the most comparable recent historical data. Said estimates shall continue until such time as the equipment is repaired or replacement equipment is installed as required by this Agreement.

ARTICLE IV ACCEPTABLE WASTEWATER

4.1 **User Regulations.** The County and City shall enact, adopt, and strictly enforce all such resolutions, ordinances, or regulations as may be necessary to impose limitations on users of the District System that are at least as strict as those applicable to users within the City and as may be needed to give full effect to the stipulations contained in this Agreement.

4.2 **Acceptable Wastewater.** The quality, strength and character of wastewater which the City receives at its WTP from the District System shall comply with applicable statutes, rules and regulations of the State of Minnesota. The County shall do those things necessary to comply with the City's NPDES permit and use its best efforts to prevent any

surface or stormwater, excessive 1/1, or non-domestic or industrial wastes to be discharged into the District System.

- 4.3 **Maximum Limits.** The Parties recognize that the capacity of the City WTP is limited. In order to avoid overburdening the City's system, or precluding use by properties within the City, the amount of wastewater discharge from the West Jefferson Lake System and the Connecting Sewer Line to the City Collection System shall strictly conform to the following parameters and limits, which shall constitute the County Capacity Allocation:

County Capacity Allocation and Monitoring Requirements						
					Monitoring Requirements	
Effluent Characteristic	Maximum Daily Limit	Maximum Monthly Average	Maximum Annual Daily Average	Peak Instantaneous Limit	Minimum Measurement frequency	Sample type
Flow (cfs/day)	140,000	42,000	35,000		Continuous	Recorded
CBOD (lbs/day)	82	74	68.25	<i>NIA</i>	Monthly	Composite
TSS (lbs/day)	97	88	74	<i>NIA</i>	Monthly	Composite
Phosphorous (lbs/day)	4.9	4.2	3.5	<i>NIA</i>	Monthly	Composite

4.4 **Quality and Prohibited Materials.**

- 4.4.1 **Quality of Effluent.** The quality of raw wastewater to be delivered to the WTP from the District System shall be aerobic in character and the odor shall not be stronger than that associated with municipal raw wastewater. If additional aeration or injection of chemicals is required in the judgment of the MPCA or the City in order to prevent damage to the WTP or to eliminate nuisance odor conditions from resulting from the District System, all costs associated with such mitigation or corrective measures shall be borne by the County.

- 4.4.2 **Prohibited Materials or Discharges.** The County shall not allow any user to discharge, either directly or indirectly, into the District System, any flows or materials prohibited by the City Code of Ordinances and the City's WTP NPDES Permit, along with any of the following:

- A. Waste of any type generated from any source outside the District;
- B. Waste generated from septic tank contents, privy vault contents, sewage holding tanks or similar sources from within the District;
- C. Wastes which may directly or indirectly impair the proper functioning of the City Wastewater System;

- D. Any wastes, the strength or pollution effects of which are not effectively altered by ordinary treatment processes, or the presence of which in the receiving stream would violate State and Federal water quality standards; and
- E. Any wastewater having a pH less than 6.0 or more than 10.0 or having any other corrosive property capable of causing damage or hazard to structures, equipment and personnel of the City Wastewater System.

ARTICLE V INSPECTIONS

- 5.1 **City Inspections.** The City, or its designated representative, upon reasonable notice first given to the County and any affected private property owner, shall be permitted to audit and inspect the materials and construction of the District System in order to confirm that the same is being constructed, according to applicable City specifications and standards, all applicable Federal, State, and local laws, rules, regulations, and ordinances, and to verify compliance with terms of this Agreement.

ARTICLE VI

FEES, PAYMENTS AND ADDITIONAL <;OSTS

- 6.1 **Consideration.** In consideration of the use of the City WTP by the County for its District System, the District shall pay the City the fees and charges provided for in this Article as well as any other amounts required by this Agreement.
- 6.2 **SAC Connection Fee.** The District shall pay to the City a SAC connection fee in the amount of \$1,000.00 per dwelling unit. This shall be paid prior to the connection of the Service Connection to the District System.
- 6.3 **Fees.** The City may maintain a user fee system which assesses a user charge for each Service Connection on the District.
 - 6.3.1 **Base Fees.** The District shall pay a base fee of \$1.00 per Service Connection per month to the City. This is allocated for operation and maintenance of the WTP.
 - 6.3.2 **User Fees.** The District shall pay a User Fee based on the monthly flow discharged to the WTP as measured by flow meters at the Monitoring Station. The monthly User Fee shall be calculated by multiplying the metered gallons of wastewater through the Monitoring Station in a month by the current rate (metered gallons X \$/gallon = User Fee). The rate per 1,000 gallons of wastewater shall be 120% of the User Fee that the City charges its residents. The rates are as follows:

2026 \$9.46 per 1,000 gallons

After 2026, the User Fee shall be set by the City, reviewed annually and adjusted as necessary. The City shall provide the County at least 60 days' notice of changes to the User Fees.

6.3.3 **Invoice.** The City shall invoice the County monthly for the prior month's fees and costs. The invoice shall include a total invoice amount but shall also list the number of Base Fees, the calculation of the current User Fee, and all itemized pass-through costs for calibration of monitoring equipment, operation and maintenance of the Monitoring Station, or other related expenses. The County, through its established subordinate service district, collects all costs from properties within the District, so detailed and itemized invoices are critical.

- 6.4 **Non-Payment.** Failure on the part of the District to pay all amounts due to the City within 30 days of the invoice date shall render such unpaid amount delinquent. If the delinquent amount is not paid in full within 14 days of notice of delinquency, such delinquent amount shall bear interest at an annual rate of twelve percent (12%).

ARTICLE VII REQUEST FOR EXPANSION

- 7.1 **Procedure.** The District may request to expand the number of connections within the District. The request for adding connections must be approved by the City. The City will authorize the County to expand the District boundaries. The County has the authority to allow the expansion of the District following Minnesota Statutes Section 375B.
- 7.2 **Review of Request.** No expansion shall be allowed by the City unless it is in the form of a written amendment to this Agreement and approved by the governing bodies of the County and the City.
- 7.3 **Expansion of City Wastewater System.** Expansion or improvement of the City Wastewater System shall be subject to this Section.

7.3.1. **City Project.** If the City undertakes an improvement project to expand or replace its WTP, construct a new Wastewater Treatment Plant, the District shall be responsible for paying its proportionate share of such project, with such proportionate share to be determined based on the percentage of flow as monitored by the District flow meter and the City flow meter based on a five (5) year average.

ARTICLE VIII INDEMNIFICATION AND LIABILITY

- 8.1 **County Indemnification of City.** The County shall defend, indemnify, and hold harmless the City, its officers, employees, and agents against any claim brought, action filed, or penalty imposed by reason of any act or omission of the County, its officers,

employees, and agents against any and all liability, loss, costs, damages, expenses, fines, penalties, claims, or actions, including attorney fees, which the City, its officers, employees, or agents may hereafter sustain, incur, or be required to pay, arising out of or by reason of the construction, operation, maintenance, or improvement of the District System, the Connecting Sewer Line, or the District. This indemnification obligation includes the County defending, indemnifying, and holding the City harmless against any claims or actions arising from or related to any actions taken by the City or County to enforce the limits or prohibitions established in this Agreement related to the amount of the wastewater received from the District including, but not limited to, restricting flow, suspending service, or imposing additional costs on Users. The County is not responsible for indemnifying the City against actions arising solely from the claimed negligence of the City, its officers, employees, or agents. The indemnification obligation contained in this Section is in addition to any other County indemnification obligations contained in this Agreement.

- 8.2 **City Indemnification of County.** The City shall indemnify, defend, and hold harmless the County from any and all loss or damage to any property, liability, loss, costs, damages, expenses, fines, penalties, claims, or actions, including attorney fees incurred by the County by reason of any act or omission on the part of the City, its agents or employees, in connection with the construction or operation and maintenance of the City Wastewater System, unless the same shall be due to the negligence of the County, its agents or employees. This indemnification obligation includes the City defending, indemnifying, and holding the County harmless against any claims or actions arising from or related to any actions taken by the City or County to enforce the limits or prohibitions established in this Agreement related to the amount of the wastewater received from the District including, but not limited to, restricting flow, suspending service, or imposing additional costs on Users. The City is not responsible for indemnifying the County against actions arising solely from the claimed negligence of the County, its officers, employees, or agents. The indemnification obligation contained in this Section is in addition to any other City indemnification obligations contained in this Agreement.

- 8.3 **Circumstances Beyond Control.** The City shall not be responsible if the City Wastewater System is prevented from receiving or treating wastewater from the District in accordance with the terms of this Agreement by any cause not reasonably within the control of the City including, but not limited to, acts of God (fire, explosion, flood, earthquake, tornado), strike, war, unavoidable accident, ruptured pipe resulting from temperature change or ground disturbances, or Federal or State interference (governmental exercise of authority, court orders). The City agrees (except in the case of total destruction or near total destruction of its properties) to diligently put its works in condition again, as soon as practicable, to dispose of sewage in the manner provided for in this Agreement. The County shall hold, save, and defend the City harmless for any damage or loss resulting from such impossibility, frustration, interruption, or suspension of performance of the terms of this Agreement.

- 8.4 **Liability Caps and Exemptions.** To the extent a court considers this Agreement to constitute a joint venture or joint enterprise between the City and the County, any liability arising from or related to the activities contemplated by this Agreement shall be considered as against a single entity and shall not exceed the limit for a single entity as provided in Minnesota Statutes, Section 471.59, Subdivision 1a(a). Nothing herein shall constitute a waiver by any party of the limitations on or exclusions from liability available to either under Minnesota Statutes, Chapter 466 or as otherwise provided in law.

ARTICLE IX CHOICE OF LAW AND VENUE; DISPUTES

- 9.1 **Choice of Law and Venue; Disputes.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and the Parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

ARTICLE X MISCELLANEOUS PROVISIONS

- 10.1 **Entire Agreement.** The terms, covenants, conditions, and provisions of this Agreement, including present and all future attachments or exhibits shall constitute the entire agreement between the Parties, superseding all prior agreements and negotiations. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the City of Cleveland and the County of Le Sueur.
- 10.2 **Amendments.** This Agreement may be amended or modified only by mutual, written agreement duly executed by both of the Parties. Such written agreement shall be executed by a resolution duly adopted by the Board of the Le Sueur County Commissioners and the City Council of the City of Cleveland. •
- 10.3 **Governing Law.** This Agreement is made pursuant to and shall be construed in accordance with the laws of the State of Minnesota.
- 10.4 **No Third Party Rights.** No party to this Agreement shall by virtue of this Agreement have any responsibility with respect to services provided or contractual obligations assumed by any other party, and nothing in this Agreement shall be deemed to constitute or to create any fiduciary or agency relationship among the Parties or any other party.
- 10.5 **Audit.** The County shall have the right to inspect and audit City records with respect to this Agreement.
- 10.6 **Recitals and Attachments.** The recitals contained herein, together with all Attachments or Exhibits referred to in this Agreement, are hereby made a part hereof and incorporated herein by reference as fully and as completely as if set forth herein verbatim.

- 10.7 **Waiver.** The waiver by either party of an event of default of any term of this Agreement by the non-defaulting party shall not operate, or be construed to operate, as a waiver of any subsequent claim of default or any other claim available under this Agreement or available at law or in equity. The making or the acceptance of a payment by either party with knowledge of the existence of a default shall not operate, or be construed to operate, as a waiver of any subsequent claim of default or any other claim available under this Agreement or available at law or in equity.
- 10.8 **Severability.** In the event that any provision of this Agreement is determined to be invalid, illegal, or unenforceable by any court of competent jurisdiction, by reason of any existing or subsequently enacted legislation, or by the application of existing or subsequently adopted rules and regulations of any State or Federal agency, the other provisions of this Agreement shall remain in full force and effect, and the Parties shall negotiate in good faith and agree to such amendments or modifications of or to this Agreement or other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement, and give effect to the intentions of the Parties.
- 10.9 **Notice.** Any notices required under the provisions of this Agreement shall be in writing and sufficiently given if delivered in person or sent by first class mail, postage prepaid, as follows to the City Clerk if to the City, or to the County Administrator if to the County.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the City of Cleveland has caused this Agreement to be signed in duplicate by its Mayor and City Clerk, and its corporate seal to be hereunto affixed pursuant to a resolution of the City Council of the City of Cleveland, a certified copy of which is hereto attached; and the County of Le Sueur has caused this Agreement to be executed by its chairman, attested to by its clerk to the Board pursuant to a resolution duly adopted by the Board of the Commissioners of Le Sueur County, certified copy of which is hereto attached.

COUNTY OF LE SUEUR

Approved on the ____ day of _____, 20__.

BY THE LE SUEUR COUNTY BOARD

Chairperson

ATTEST:

County Administrator

CITY OF CLEVELAND

Approved on the ____ day of _____, 20__.

BY THE CLEVELAND CITY COUNCIL

Mayor

ATTEST:

City Clerk

EXHIBIT A
Map of Subordinate Service District

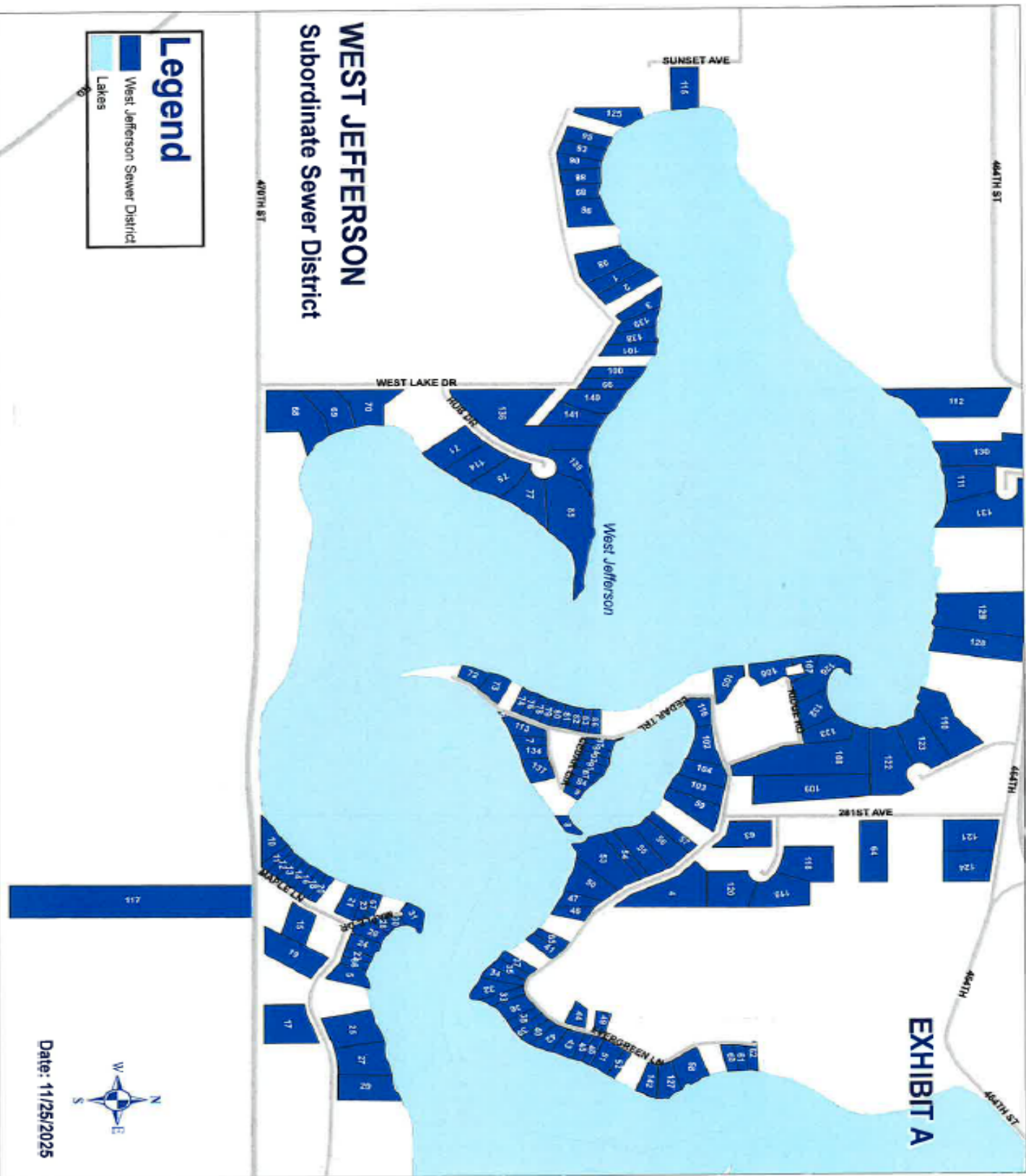


EXHIBIT B

Parcel Listing/ Number of Allowable SAC Units per Property

Ex. A	PARCEL	NAME	PROPERTY ADDRESS	CITY	STATE	ZIP
1	13.430.0100	BRIAN & JEAN GOETTL	28698 WEST LAKE DR	MADISON LAKE	MN	56063
2	13.430.0090	VINCE A & NIJLA J WESTRA TRUST	28690 WEST LAKE DR	MADISON LAKE	MN	56063
3	13.430.0070	NICKOLAS K & AMANDA GREENIG	28676 WEST LAKE DR	MADISON LAKE	MN	56063
4	01.520.0110	NINA L WEST TRUST	<Null>	<Null>	<Null>	<Null>
5	13.003.7900	SHAWN M STRASSBURG	27926 MAPLE LN	MADISON LAKE	MN	56063
6	13.650.0240	ROBERT J GADOLA	28240 CEDAR TRL	CLEVELAND	MN	56017
7	13.650.0310	ROBERT J CHESTER	46588 CEDAR CIR	CLEVELAND	MN	56017
8	13.650.0380	MELANIE M HINIKER RLT	46544 CEDAR CIR	CLEVELAND	MN	56017
9	13.650.0390	TIMOTHY G & TAMMEJO A BLAHA	46552 CEDAR CIR	CLEVELAND	MN	56017
10	13.800.0010	SARAH T BLASCHKO	28060 470TH ST	MADISON LAKE	MN	56063
11	13.800.0020	BRIAN A LANGE	28024 MAPLE LN	MADISON LAKE	MN	56063
12	13.800.0030	STEVEN J & LYNELL ROHLFING	28020 MAPLE LN	MADISON LAKE	MN	56063
13	13.800.0040	IAN & DENISE RUDE	28016 MAPLE LN	MADISON LAKE	MN	56063
14	13.800.0050	CHAD D NINOW	28010 MAPLE LN	MADISON LAKE	MN	56063
15	13.800.0090	BRIAN T PURRINGTON RLT &	27988 MAPLE LN	MADISON LAKE	MN	56063
16	13.800.0060	PHYLLIS A PURVIS TRUST	28006 MAPLE LN	MADISON LAKE	MN	56063
17	13.760.0030	CHANCE HALVORSON &	27864 470TH ST	MADISON LAKE	MN	56063
18	13.800.0070	DAVID & ROSINA FIGANBAUM TRUST	28002 MAPLE LN	MADISON LAKE	MN	56063
19	13.760.0010	ROBERT C BECKER JR &	27913 MAPLE LN	MADISON LAKE	MN	56063
20	13.800.0080	SEAN P MCMAHON &	27996 MAPLE LN	MADISON LAKE	MN	56063
21	13.800.0120	DWIGHT E BESKE	27982 MAPLE LN	MADISON LAKE	MN	56063
22	13.800.0260	SHAWN M STRASSBURG	27948 MAPLE LN	MADISON LAKE	MN	56063
23	13.800.0130	MARIE A DRANTELL ETAL	46896 MAPLE DR	MADISON LAKE	MN	56063
24	13.800.0250	SHAWN M STRASSBURG	27960 MAPLE LN	MADISON LAKE	MN	56063
25	13.760.0130	MITCHELL E & VICTORIA E HEUN	27832 MAPLE LN	MADISON LAKE	MN	56063
26	13.800.0210	ANGELA JAHR &	46881 MAPLE DR	MADISON LAKE	MN	56063
27	13.760.0140	AARON & HEIDI SCHMITZ	27800 MAPLE LN	MADISON LAKE	MN	56063
28	13.800.0200	JUSTIN DENO	46875 MAPLE DR	MADISON LAKE	MN	56063
29	13.760.0150	STEVEN W & TAMMY L BAKER	27770 MAPLE LN	MADISON LAKE	MN	56063
30	13.800.0190	LUKE D & KATIE E RANVEK	46858 MAPLE DR	MADISON LAKE	MN	56063
31	13.800.0170	CRAIG G BITTER REV LIVG TRUST	46850 MAPLE DR	MADISON LAKE	MN	56063
32	01.550.0110	DOUGLAS & SANDRA MINTER	46545 EVERGREEN LN	CLEVELAND	MN	56017
33	01.550.0120	CHAD GRISIM	46549 EVERGREEN LN	CLEVELAND	MN	56017
34	01.550.0100	DAVID & LINDA WITTE	46543 EVERGREEN LN	CLEVELAND	MN	56017
35	01.550.0090	ROGER R LAUFLE	46541 EVERGREEN LN	CLEVELAND	MN	56017
36	01.550.0130	JOHN A MACK III	46553 EVERGREEN LN	CLEVELAND	MN	56017
37	01.550.0080	BENJAMIN & SAMANTHA OLSEN	46537 EVERGREEN LN	CLEVELAND	MN	56017
38	01.550.0150	JEROME R BARBARA S KROYER	46557 EVERGREEN LN	CLEVELAND	MN	56017
39	01.550.0160	TIMOTHY & CHRISTY A ERICKSON	46563 EVERGREEN LN	CLEVELAND	MN	56017
40	01.550.0170	WADE T & GRETCHEN L FISCHER	46567 EVERGREEN LN	CLEVELAND	MN	56017
41	01.550.0050	BRENT T HALL	46525 EVERGREEN LN	CLEVELAND	MN	56017
42	01.550.0180	DAVID & KELLY BODE	46571 EVERGREEN LN	CLEVELAND	MN	56017
43	01.550.0200	THOMAS L WETZELL JR	46577 EVERGREEN LN	CLEVELAND	MN	56017

44	01.103.8600	JUSTIN L & TESSA M WENGERT	46566 EVERGREEN LN	CLEVELAND	MN	56017
45	01.550.0220	DAVID R & CAROL JACOBSON	46583 EVERGREEN LN	CLEVELAND	MN	56017
46	01.550.0010	TIMOTHY C HARBO &	46507 EVERGREEN LN	CLEVELAND	MN	56017
47	01.751.0050	CORY J ROHLFING ETAL	46497 EVERGREEN LN	CLEVELAND	MN	56017
48	01.550.0250	PAULA K LARSON	46589 EVERGREEN LN	CLEVELAND	MN	56017
49	01.103.8300	CURTIS & RALEEN TOLZMANN	46590 EVERGREEN LN	CLEVELAND	MN	56017
50	01.751.0040	MARK A VOLKENANT &	46487 EVERGREEN LN	CLEVELAND	MN	56017
51	01.550.0240	DONNA RAE STRAND	46595 EVERGREEN LN	CLEVELAND	MN	56017
52	01.550.0260	GARY D & GERALDINE L SCHMIDT	46599 EVERGREEN LN	CLEVELAND	MN	56017
53	01.751.0030	JOEL & MELISSA SCHAEFER TRUST	46479 EVERGREEN LN	CLEVELAND	MN	56017
54	01.751.0020	JOEL & MELISSA SCHAEFER TRUST	46467 EVERGREEN LN	CLEVELAND	MN	56017
55	01.751.0010	NINA L WEST TRUST	46451 EVERGREEN LN	CLEVELAND	MN	56017
56	01.750.0110	SANDRA MENSING	46445 EVERGREEN LN	CLEVELAND	MN	56017
57	01.750.0130	MICHAEL A & KRISTIN A MALTERER	46427 EVERGREEN LN	CLEVELAND	MN	56017
58	01.550.0340	DAVID C & KAY WENDELSCHAFER	46623 EVERGREEN LN	CLEVELAND	MN	56017
59	13.652.0050	MICHAEL A WOITAS	46405 EVERGREEN LN	CLEVELAND	MN	56017
60	01.550.0380	RYAN & WENDY STANGL	46635 EVERGREEN LN	CLEVELAND	MN	56017
61	01.550.0390	LYLE & PHYLLIS DASCHNER TRUST	46645 EVERGREEN LN	CLEVELAND	MN	56017
62	01.550.0400	JEFFREY LEE JOHNSON	46650 EVERGREEN LN	CLEVELAND	MN	56017
63	01.520.0130	PAUL F DAUK TRUST	28061 CEDAR TRAIL CT	CLEVELAND	MN	56017
64	01.520.0050	TODD & TRACY LOHSE	46547 281ST AVE	CLEVELAND	MN	56017
65	01.550.0040	STEVEN C WOLF	46519 EVERGREEN LN	CLEVELAND	MN	56017
66	13.800.0270	GREG B HALVORSON &	27938 MAPLE LN	MADISON LAKE	MN	56063
67	13.800.0140	MARTIN F & SANDRA L MOHR	46886 MAPLE DR	MADISON LAKE	MN	56063
68	13.415.0010	RONALD A MCCABE	28528 WEST LAKE DR	MADISON LAKE	MN	56063
69	13.415.0020	THOMAS A & JEANNE STENSRUDE	28542 WEST LAKE DR	MADISON LAKE	MN	56063
70	13.415.0030	MATTHEW & CHELSIE MOGENSEN	28566 WEST LAKE DR	MADISON LAKE	MN	56063
71	13.415.0060	RICHARD A ROHLFING	28661 HUB DR	MADISON LAKE	MN	56063
72	13.650.0270	ROLAND & LINDA CONNORS	28248 CEDAR TRL	CLEVELAND	MN	56017
73	13.650.0250	DALE F & JOANNE V WILLS	28246 CEDAR TRL	CLEVELAND	MN	56017
74	13.650.0230	JEFFREY & MARY FLATEN TRUST	28236 CEDAR TRL	CLEVELAND	MN	56017
75	13.415.0080	JEFFREY & REBECCA WELP	28613 HUB DR	MADISON LAKE	MN	56063
76	13.650.0220	LANCE FAMILY MARITAL TRUST	28234 CEDAR TRL	CLEVELAND	MN	56017
77	13.415.0090	CARL B & ASHLEY E BURKLAND	28601 HUB DR	MADISON LAKE	MN	56063
78	13.650.0210	DONALD W & EILEEN A MENSING	28232 CEDAR TRL	CLEVELAND	MN	56017
79	13.650.0200	STANLEY N & DEBORAH WILLS	28228 CEDAR TRL	CLEVELAND	MN	56017
80	13.650.0190	DEBRA L MAUS	28226 CEDAR TRL	CLEVELAND	MN	56017
81	13.650.0180	KATHRYN E BOHLKE &	28220 CEDAR TRL	CLEVELAND	MN	56017
82	13.650.0170	ROBERT C & DENISE M HOVICK	28212 CEDAR TRL	CLEVELAND	MN	56017
83	13.650.0160	MATTHEW C & CARYNE A KINNE	28204 CEDAR TRL	CLEVELAND	MN	56017
84	13.650.0400	TIMOTHY & SHEILA RAE SCHAFER	46538 CEDAR CIR	CLEVELAND	MN	56017
85	13.415.0100	AARON E & JULIE D ROGERS TRUST	28605 HUB DR	MADISON LAKE	MN	56063
86	13.650.0150	JODY R THOMPSON REV TRUST	28196 CEDAR TRL	CLEVELAND	MN	56017
87	13.650.0410	CT PROPERTIES OF ST PETER LLC	46526 CEDAR CIR	CLEVELAND	MN	56017

88	13.430.0180	ANDREW J BUYSSE	28852 WEST LAKE DR	MADISON LAKE	MN	56063
89	13.430.0170	NATHAN R & ELIZABETH J ELZEN	28824 WEST LAKE DR	MADISON LAKE	MN	56063
90	13.430.0190	JAMES A & KATHRYN CONLON TRUST	WEST LAKE DR	MADISON LAKE	MN	56063
91	13.650.0420	RITA ROSENBERGER &	46520 CEDAR CIR	CLEVELAND	MN	56017
92	13.650.0430	RUDOLF & SANDRA SCHUMACHER	46512 CEDAR CIR	CLEVELAND	MN	56017
93	13.430.0200	ALAN & CATHERINE HOLM TRUST	28874 WEST LAKE DR	MADISON LAKE	MN	56063
94	13.650.0440	GREGG & JOLENE GIERSDORF	46506 CEDAR CIR	CLEVELAND	MN	56017
95	13.430.0210	ROCHELLE COMPART	28908 WEST LAKE DR	MADISON LAKE	MN	56063
96	13.430.0160	BRANDON W GELDNER	28808 WEST LAKE DR	MADISON LAKE	MN	56063
97	13.650.0450	KIMBERLY A PETERSON	28195 CEDAR TRL	CLEVELAND	MN	56017
98	13.430.0120	BRADLEY & JENNI HAUG	28700 WEST LAKE RD	MADISON LAKE	MN	56063
99	13.430.0010	DARWIN L REICKS TRUST	28626 WEST LAKE DR	MADISON LAKE	MN	56063
100	13.430.0020	STEVEN & SALLY M BLAIS TRUST	28636 WEST LAKE DR	MADISON LAKE	MN	56063
101	13.430.0040	HOBBSKEET HOLDINGS LLC	28658 WEST LAKE DR	MADISON LAKE	MN	56063
102	13.650.0080	JEANETTE A RADANKE	28153 CEDAR TRL	CLEVELAND	MN	56017
103	13.652.0040	JERI ANN MILLER	<Null>	<Null>	<Null>	<Null>
104	13.652.0030	JERI ANN MILLER	28135 CEDAR TRL	CLEVELAND	MN	56017
105	13.651.0010	SAMUEL K & STACEY M GORE	28168 CEDAR TRL	CLEVELAND	MN	56017
106	13.651.0020	JILL K GORE	28252 RIDGE RD	CLEVELAND	MN	56017
107	13.651.0030	MARSHALL L POWELL	28253 RIDGE RD	CLEVELAND	MN	56017
108	13.004.2600	ROY R & BETTY J LABORDE TRUSTS	28140 CEDAR TRL	CLEVELAND	MN	56017
109	13.004.3400	JERI ANN MILLER	<Null>	<Null>	<Null>	<Null>
110	13.475.0010	JASON & KIMBERLY GIBBS	46250 CEDAR TREE LN	CLEVELAND	MN	56017
111	13.495.0070	BRIAN J & CONNIE PHILLIPS	46256 ARTHUR DR	CLEVELAND	MN	56017
112	13.495.0040	GARY F GUENTZEL REV TRUST	28635 464TH ST	CLEVELAND	MN	56017
113	13.650.0300	ROGER & PAMELA BARNLUND	28229 CEDAR TRL	CLEVELAND	MN	56017
114	13.415.0070	THOMAS L HAWKINS &	28637 HUB DR	MADISON LAKE	MN	56063
115	13.640.0030	MARK A MENKE &	29035 SUNSET AVE	MADISON LAKE	MN	56063
116	13.650.0100	MICHAEL A & TAMMY MISSMAN	28160 CEDAR TRL	CLEVELAND	MN	56017
117	13.010.0600	TRAVIS J & KATHERINE L MONS	<Null>	<Null>	<Null>	<Null>
118	01.520.0080	AMBER T KARELS	28032 CEDAR TRAIL CT	CLEVELAND	MN	56017
119	01.520.0090	RYAN M & NICOLE R THOMPSON	28008 CEDAR TRAIL CT	CLEVELAND	MN	56017
120	01.520.0100	TIMOTHY KOPPELMAN &	28003 CEDAR TRAIL CT	CLEVELAND	MN	56017
121	01.520.0020	CLINT A & LINDSAY R WACHAL	46439 281ST AVE	CLEVELAND	MN	56017
122	13.475.0030	TROY A RUSSELL TRUST &	46298 CEDAR TREE LN	CLEVELAND	MN	56017
123	13.475.0020	RICHARD A & BETHEL A STORCH	46274 CEDAR TREE LN	CLEVELAND	MN	56017
124	01.520.0010	CLINT A & LINDSAY R WACHAL	28037 464TH ST	CLEVELAND	MN	56017
125	13.430.0230	DAVID & JOY MEIER	28926 WEST LAKE DR	MADISON LAKE	MN	56063
126	13.651.0040	JILL M SCHAUER &	28226 RIDGE RD	CLEVELAND	MN	56017
127	01.550.0310	LAUREN & KELLIE SATROM	46613 EVERGREEN LN	CLEVELAND	MN	56017
128	13.004.3100	DAVID & JENNIFER RYSDAM	28275 464TH ST	CLEVELAND	MN	56017
129	13.004.3000	JUDITH L HAYES	28299 464TH ST	CLEVELAND	MN	56017
130	13.495.0060	ANTHONY R GENELIN	46242 ARTHUR DR	CLEVELAND	MN	56017
131	13.495.0080	DIANA M D SIMONSON	46290 ARTHUR DR	CLEVELAND	MN	56017

Operational Summary

- **142 accounts**
 - o 129 full connections (including 1 duplex)
 - o 13 partials that will pay \$360 annual charge
-

Account Summary

Construction Account (Loan Payments)

- The balance of the construction account in October 2025 was negative \$78,234 and currently stands at negative \$38,812.
 - o *Note: The County has used general fund dollars to pay for state loan installments as not enough assessment collections have been received. The County made a loan payment in August, thus the increase.*
 - o The balance of loan payment remaining is \$338,000. The county anticipates collecting just over \$437,746 in assessments 2026-2031. The projected fund balance will be around \$61,000 when all loan payments are made, and assessments collected.

Operating Account

- The balance of the operating account since the beginning of operations is negative \$134,556, it stood at negative \$115,689 in the prior quarter
 - o *Note: \$21,240 bill paid in December for pump monitoring service, which is paid once every two years.*
 - o *Due to declining flow, decision was made to flush the system in November, this was an unbudgeted cost of around \$13,000.*
- The system has incurred around \$245,000 in expenses related to repair, unplanned maintenance and legal counsel since the system failure, without those expenses, the system would have a positive cash balance.
- The goal is to build a MINIMUM \$15,000 in capital reserves each year to pay for future costs and avoid additional special assessments.
- In 2025, as of December 29, the system received \$132,918 in revenue, and incurred \$127,117 in expenses, with a positive annual balance of \$5,801.

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2025 4th Quarter Financials

Revenues (January 1- December 29)

	2025 Budget	As of December 29
Base Charge	\$97,200	\$97,748
Flow Charge	\$25,145	\$34,930
Late Fees	\$200	\$240
Totals	\$122,545	\$132,918

Expenses (January 1- December 29)

	2025 Budget	As of December 29
Base Charge to City	\$1,524	\$1,512
Flow Charge to City	\$25,145	\$31,777
Utilities and Telephone	\$38,000**	\$30,145**
Postage	\$300	\$387
Audit	\$4,600	\$4,867
Insurance	\$600	\$677
Repairs and Maintenance	\$30,000	\$39,092*
Miscellaneous	\$500	\$0
Consulting	\$20,000	\$11,618
Admin	\$13,000	\$7,042
TOTALS	\$133,669	\$127,117

*Flushing of system in November 2025 cost \$13,000, which was not budgeted for.

**\$21,240 for pump monitoring service, which is billed every two years.

REVIEW OF RATES

WJSD 4th Quarter Financial Report
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Flow Charge

- The 2026 rate set by the City of Cleveland is \$9.46 per 1,000 gallons, up from \$9.00 per 1,000 gallons in 2025 (increase of 5%).

Base Rate

- 2026 monthly base rate will be \$63 per month, up from \$60 per month base rate for full hookups and partial hook ups pay ½ rate or \$378 per year up from \$360 per year (increase of 5%)
 - o Projected revenue is \$102,438 per year.
 - Full connections=\$97,524
 - Partial connections (\$378 per year)=\$4,914
-

2026 Proposed Budget

- **Planned for \$1 4,000 budget surplus**

Revenues

2025 Budget	2026 Proposed
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WJSD 4th Quarter Financial Report
January 2026

Base Charge	\$97,200	\$102,438
Flow Charge	\$25,145	\$26,402
Late Fees	\$200	\$200
Totals	\$122,545	\$129,040

Expenses

	2025 Budget	2026 Proposed
Base Charge to City	\$1,524	\$1,524
Flow Charge to City	\$25,145	\$26,402
Utilities and Telephone	\$38,000**	\$21,000**
Postage	\$300	\$400
Audit	\$4,600	\$4,900
Insurance	\$600	\$700
Repairs and Maintenance	\$30,000	\$30,000
Miscellaneous	\$500	\$500
Consulting	\$20,000	\$20,000
Admin	\$13,000	\$10,000
TOTALS	\$133,669	\$115,426

***\$11,000 for pump monitoring service (wont be paid until 2027) and \$10,000 for other utilities (e.g. locating, Midco, Anser service, electricity, etc.).*

SYSTEM OPERATIONS UPDATE

- No major problems have recently been incurred with the system.
- The last high-capacity flush of the system from the main lift station was conducted in November 2025, as the flow was at or around 100 gallons per minute, after the flush, the flow rate was around 135 gallons per minute. Optimal flow rate should be around 200 gallons per minute.

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- A proposed settlement agreement has been offered between the parties and is still being negotiated. The settlement agreement includes proposed fixes and damage payments.

**January/February 2026
Future Meetings/County Events**

January 2026

Tuesday, January 6th	County Board Meeting, 9:00 a.m.
Thursday, January 8th	Board of Adjustment, 3:00 p.m.
Monday, January 12th	Waseca Le Sueur Regional Library Board Meeting, 6:30 p.m.
Tuesday, January 13th	SWCD Meeting, 9:00 a.m.
Wednesday, January 14th	Annual Drainage Meeting, Commissioner Board Room, 9:00 a.m.
Thursday, January 15th	Planning Commission, 7:00 p.m.
Monday, January 19th	Martin Luther King, Jr Holiday
Tuesday, January 20th	County Board Meeting, 9:00 a.m. Public Hearing: Continuation of Final Hearing on CD15, 10:00 a.m. Work Session: CIP & Investments
January 21,22,23	AMC County Commissioner 201 – Nuts, Bolts & Boardrooms, Intercontinental St. Paul Riverfront
Monday, January 26th	Department Head Meeting, 2:00 p.m.
Tuesday, January 27th	County Board Meeting, 9:00 a.m.
January 27-29	2026 AMC Drainage Conference, Arrowwood Alexandria

February 2026

Tuesday, February 3rd	County Board Meeting, 9:00 a.m. Work Session: Comp Plan
Monday, February 16th	Holiday – President’s Day
Tuesday, February 17th	County Board Meeting, 9:00 a.m. Public Hearing: Comp Plan, 10:00 a.m. Work Session: Shotgun Zone
Tuesday, February 24th	County Board Meeting, 9:00 a.m.