

Carver County Board of Commissioners  
 Regular Session  
 February 24, 2009  
 County Board Room  
 Carver County Government Center  
 Human Services Building  
 Chaska, Minnesota

			PAGE
9:15 a.m.	1.	<i>a) CONVENE</i>	
		<i>b) Pledge of Allegiance</i>	
		<i>c) Public participation (comments limited to five minutes)</i>	
		<i>d) Introduction of New Employees</i>	
	2.	Agenda review and adoption	
	3.	Approve minutes of February 17, 2009 Regular Session.....	1-2
	4.	Community announcements	
9:15 a.m.	5.	<b>CONSENT AGENDA</b>	
	5.1	Payment of emergency claim .....	3
	5.2	Carver County Service Center account .....	4
	5.3	Abatements/additions .....	5-6
	5.4	Carver County Project No. 0911-crack sealant material .....	7
	5.5	Authorization for 2009 Park promotions/donations .....	8-9
	5.6	BWSR grant agreement to implement TMDLs .....	10-11
	5.7	Township signing program .....	12-13
	5.8	MoA AFSCME Appraiser Wage Differential .....	14
	5.9	Community Social Services' warrants .....	NO ATT
	5.10	Commissioners' warrants.....	SEE ATT
9:20 a.m.	6.	<b>PUBLIC WORKS/PARKS</b>	
	6.1	Lake Waconia Regional Park Ballroom.....	15-16
9:40 a.m.	7.	<b>FINANCIAL SERVICES</b>	
	7.1	2008 State aid cut budget strategy .....	17
10:00 a.m.		<b>ADJOURN REGULAR SESSION</b>	
10:00 a.m.		<b>BOARD REPORTS</b>	
	1.	Chair	
	2.	Board Members	
	3.	Administrator	
10:30 a.m.	4.	Adjourn	

David Hemze  
 County Administrator

## **Work Session Agenda**

10:30 a.m.

**A. FINANCIAL SERVICES**

1. Entrance Meeting with the State Auditor's Office ..... 18-21

A Regular Session of the Carver County Board of Commissioners was held in the County Government Center, Chaska, on February 17, 2009. Chair Gayle Degler convened the session at 3:30 p.m.

Members present: Gayle Degler, Chair, Randy Maluchnik, Vice Chair, James Ische, Tim Lynch and Tom Workman.

Members absent: None.

The following amendment was made to the agenda:

Add: 4.1      Approval of out of state travel

Ische moved, Maluchnik seconded, to approve the agenda as amended. Motion carried unanimously.

Lynch moved, Workman seconded, to approve the minutes of the February 10, 2009, Regular Session. Motion carried unanimously.

Community announcements were made by the Board.

Ische moved, Maluchnik seconded, to approve the following consent agenda item:

Approved Public Health staff member attending the Integrated Medical, Public Health, Preparedness and Response Training Summit in Dallas, Texas.

Community Social Services' actions.

Approved payment of the following Commissioners' warrants:

INSERT

Motion carried unanimously.

Steve Taylor, Administrative Services, appeared before the Board for approval of a contract to design a joint use truck station with Mn/DOT.

He noted the Board's request last week to examine the potential to partner with other eastern municipalities. Taylor reviewed the discussions he had with the Cities of Chaska, Chanhassen, Carver and Victoria related to their future plans and the limitations of each site.

He explained the County would have approximately 11,200 square feet at the Mn/DOT site and the reviewed the estimated costs for the project. Taylor stated to fund the project they were looking at a debt service that would be expiring that could be allocated without a levy impact. He indicated, to close the funding gap, the proceeds of the existing building could be used, the bond could be



increased or they could undesignate funds from the Public Works land acquisition. Taylor reviewed the alternatives and projected costs to upgrade the current site.

Taylor explained staff's recommendation to proceed with the contract was based on the condition of the current building, the efficiencies gained from a central location, the State's willingness to pay the land and utility costs and the lack of space to partner with cities. He indicated the project would be bid this fall with a projected completion date of late summer or early fall of 2010.

Maluchnik moved, Workman seconded, to undesignate \$118,930 from the \$1M Public Works land purchase designation and redirect the funds to an architectural contract for the joint use truck station in Chaska and to approve the related contract with Mn/DOT for a not exceed amount of \$112,930 plus \$6,000 for reimbursables.

The Board acknowledged the need for the facility but questioned whether this was the right time considering the economy. The Board inquired on the possibility of joining the State at a later date. Taylor stated it would be difficult for him to recommend doing that due to the increased costs. The Board recognized this was a unique opportunity but it was also a timing issue.

On vote taken on above motion, Degler, Maluchnik, Workman voted aye. Ische, Lynch vote nay. Motion carried.

Taylor stated he would be updating the Board on drawings and making sure they had the information ahead of time for the bonding proposal. He added the co-tenancy agreement would also be coming before the Board for approval.

Lynch moved, Workman seconded, to adjourn the Regular Session at 4:10 p.m. to go into a work session. Motion carried unanimously.

David Hemze  
County Administrator

(These proceedings contain summaries of resolutions. The full text of the resolutions are available for public inspection in the office of the county administrator.)



Office of Finance Director  
Carver County Government Center  
Administration Building  
600 East Fourth Street  
Chaska, MN 55318-1202  
Phone: 952 361-1509  
Fax: 952 361-1308

291707

AUTHORIZATION

PAYMENT OF EMERGENCY CLAIM

Motion passed by the Board of County Commissioners at their February 24, 1987 meeting has authorized the issuance of a check upon the consensus of the Chairman of the Board, County Administrator and the County Attorney (with a minimum of two).

VENDOR: Chaska City (#152)

ACCOUNT: 30-967-363-0000-6640

AMOUNT: \$ 13,800.00

REASON: Builder's Deposit

Department Head Signature: Steve H. Taylor

Chairman of County Board

Gayle Degler

County Administrator

David Hemze  
David Hemze

County Attorney

James W. Keeler, Jr.  
James W. Keeler, Jr.

Date: 2-6-09



# REQUEST FOR BOARD ACTION

## AGENDA ITEM : Carver County Service Center Account

Originating Division: Taxpayer Services

Meeting Date: February 24, 2009

Amount of Time Requested: XX minutes

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** Bank accounts for State of Minnesota deposits and Carver County Fee account need to be opened for the new Chanhassen Service Center. These accounts will be the same as those currently in place for the Chaska Service Center. Accounts will be opened at the Chanhassen Branch of Community Bank, the same bank as is used for the Chaska accounts.

**ACTION REQUESTED:** Allow Division Director to open above mentioned bank accounts for the Chanhassen Service Center.

### FUNDING

County Dollars =	\$
Other Sources & Amounts =	= \$
<b>TOTAL</b>	<b>= \$</b>

### FISCAL IMPACT

- None
- Included in current budget
- Budget amendment requested
- Other:

Related Financial Comments:

Reviewed by Division Director

Date: February 6, 2009





# REQUEST FOR BOARD ACTION

## AGENDA ITEM : Abatements/Additions

Originating Division: Property Records Taxpayer Services Meeting Date: 2/24/09  
 Amount of Time Requested: 0 minutes Attachments for packet:  Yes  No  
 Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** See Attached.

**ACTION REQUESTED:**  
Recommend to approve.

### FUNDING

County Dollars = \$ - 1,100.22  
 Other Sources & Amounts = \$ - 1,661.78

=  
**TOTAL** = \$ - 2,762.00

Related Financial Comments:

### FISCAL IMPACT

- None
- Included in current budget
- Budget amendment requested
- Other: Not Budgeted

Reviewed by Taxpayer Services Manager

Date: 2-12-09







# REQUEST FOR BOARD ACTION

## AGENDA ITEM : Carver County Project No. 0911 – Crack Sealant Material

Originating Division: Public Works

Meeting Date: Feb. 24, 2009

Amount of Time Requested: n/a

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

### BACKGROUND/EXPLANATION OF AGENDA ITEM:

Rubberized sealant material is used to fill cracks in bituminous paved roads to minimize the amount of water that runs through the cracks into the road subgrade. This helps prolong the life of the road.

Three quotes for sealant material were received. Proposals were based on per pound prices and are as follows:

- Midstates - \$0.519/lb (Maxwell Nuvo 3405)
- Midstates - \$0.488/lb (Maxwell Elastoflex)
- Maxwell Products Inc. - \$0.545/lb (Maxwell Nuvo 3405)

An estimated 90,000 pounds of sealant will be purchased for 2009 pavement maintenance work.

Based on gallons of product verses pounds of material and other costs associated with the use of the materials (dumpster rental, contractor and county labor, clean-up costs, set-up time, and durability), the purchase of approximately 90,000 pounds of Maxwell Nuvo 3405 is recommended.

For this maintenance activity, Highway Maintenance will be renting a kettle from Bargaen, Inc. We have rented from them in the past and have had excellent service and good equipment. This item is included in the Highway Maintenance rental budget.

### ACTION REQUESTED:

The County Board accept the quote from Midstates for 90,000 pounds of WR Nuvo 3405 crack sealant for a total cost of \$49,750.00.

### FUNDING

County Dollars = \$50,000.00

Other Sources & Amounts =

= \$

### TOTAL

= \$50,000.00

### FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

Related Financial Comments: The 2009 Budget has \$53,200.00 budgeted for this road maintenance activity.

Reviewed by Division Director

*William J. Nelson* Date: 2/12/09

S:\Seasonals\BAF-award\2008\0813 - Cracksealing Matl.



# REQUEST FOR BOARD ACTION

## AGENDA ITEM : Authorization for 2009 Park Promotions/Donations

Originating Division: Public Works - Parks

Meeting Date: 2/24/09

Amount of Time Requested: 0

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

### BACKGROUND/EXPLANATION OF AGENDA ITEM:

The Parks Department requests approval to distribute vouchers for up to five (5) shelter rentals, ten (10) weekend campground reservations and twenty (20) annual parking passes as a way to market the Carver County Parks system in 2009. Prize vouchers would be distributed by parks staff at planned special events like the Earth/Arbor Day Event, Chili Cook-off; through a drawing at exhibits where the Carver County Parks display board is set up and staffed or to local groups such as schools seeking donations for school sponsored functions such as Senior Party's. Using "products" such as camping stays, shelter rentals and annual park passes to promote and market park facilities is a low cost and effective means for Carver County Parks Department.

### ACTION REQUESTED:

Authorize the Parks Director or designee to use up to but not more than (5) shelter rentals, Ten (10) weekend campground reservations and twenty (20) Annual Parking Passes for promotional and marketing purposes.

### FUNDING

County Dollars = \$0

Other Sources & Amounts =

= \$

**TOTAL**

= \$ 0

### FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

Related Financial Comments:

Reviewed by Division Director

*Melissa J. Wehner*

Date:

*2/11/09*

S:\Parks\BA and RES\Misc\Marketing Tools\Park Promotion & Donations '08 - RBA,Resol\RBA - Park Promotion and Donations 2009.doc

**BOARD OF COUNTY COMMISSIONERS  
CARVER COUNTY, MINNESOTA**

Date: February 24<sup>th</sup>, 2009

Resolution No: \_\_\_\_\_

Motion by Commissioner: \_\_\_\_\_

Seconded by Commissioner: \_\_\_\_\_

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AUTHORIZE THE USE OF  
FACILITY (CAMPING AND SHELTER)  
RESERVATIONS AND ANNUAL PARKING PERMITS  
FOR MARKETING AND PROMOTION OF FACILITIES  
BY THE CARVER COUNTY PARKS DEPARTMENT

**BE IT RESOLVED**, that the Carver County Board of Commissioners hereby authorize the Parks Director or designee to use up to but not more than (5) shelter rentals, ten (10) weekend campground reservations and twenty (20) Annual Parking Passes for promotional and marketing purposes.

YES

ABSENT

NO

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STATE OF MINNESOTA  
COUNTY OF CARVER

I, David Hemze, duly appointed and qualified County Administrator of the County of Carver, State of Minnesota, do hereby certify that I have compared the foregoing copy of this resolution with the original minutes of the proceedings of the Board of County Commissioners, Carver County, Minnesota, at its session held on the 24 day of February, 2009, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 24 day of February, 2009.

\_\_\_\_\_  
County Administrator





# REQUEST FOR BOARD ACTION

**AGENDA ITEM : BWSR Grant Agreement to Implement TMDL's**

Originating Division: LWS Division

Meeting Date: 2/24/09

Amount of Time Requested:

Attachments for packet: Yes xNoItem Type: x Consent Regular Session Closed Session Work Session Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** The 2009 Clean Water Legacy Non-point Source Restoration and Protection Grant and Loan (CWL) funds were approved by the state legislature in 2008. The County applied for and received \$120,000 to continue implementation of several Total Maximum Daily Load Plans(TMDL's). The Carver County request is aimed at funding staff in the LWS division in order to complete TMDL's, develop implementation plans, and implement available BMP's and funding incentives. Original funding for the project included the hiring of a two-year temporary full-time position was extended to June of 2009. This grant is in addition to grants received in 2006-8 from Clean Water Legacy funds.

Staff is requesting that the Board approve the grant agreement, the extension of the temporary Water Technician position to Dec 2011 or the life of the contract and the subsequent budget amendments.

**ACTION REQUESTED:**

Motion to authorize the chair to sign the grant agreement with the Board of Water & Soil Resources to implement TMDL's; to extend the temporary Water Technician position to Dec 31, 2011 or when funds from this agreement are expended, whichever comes first, and authorize the following budget amendments to the 2009 budget:

Increase Year 2009 Budget Item 01-123-127-1562-5820 by \$120,000 (BWSR Funds)

Increase Year 2009 Budget Item 01-123-127-1562-6111 by \$120,000 (staff costs)

**FUNDING**

County Dollars = \$77,400 existing cost share programs and in-kind staff (2009-2011)

Other Sources & Amounts = \$120,000 BWSR FUNDS  
= \$

**TOTAL** = \$197,400

**FISCAL IMPACT** None Included in current budget Budget amendment requested Other:**Related Financial Comments:**

In-Kind and match funds are from budgeted existing staff time, costs from existing cost share programs.

**X Reviewed by Division Director****Date: 02/17/09**

# BUDGET AMENDMENT REQUEST FORM

**Submit to Finance Office one week prior to County Board Session.**

**DEPARTMENT: Land & Water Services**

**Date of County Board Session: 02/24/09**

**Fund: 01**

Description of Revenue Account funds are to Increased/(Decreased):	Amount	Description of Expenditure Account funds are to Increased/(Decreased):	Amount
BSWR Funds	\$ 120,000	Staff Costs - Water Technician	\$ 120,000
<b>TOTAL:</b>	<b>\$ 120,000</b>	<b>TOTAL:</b>	<b>\$ 120,000</b>

**A. Reason for Request:** See accompanying Board Action.

**B. Financial Impact: (To be filled out by Finance Director)**

**C. Contingency Acct. Beginning Bal.:** \$ 250,200

**D. Contingency Acct. Adjustment:** \$ -

**E. Current Balance After Adj.:** \$ 250,200

**F. Prepared/Requested By:** Dave Drealen

**G. Recommend Approval:** Finance

**H. County Board Decision:** Approval/Disapproval





# REQUEST FOR BOARD ACTION

**AGENDA ITEM : Township Signing Program**

Originating Division: Public Works

Meeting Date: Feb. 24, 2009

Amount of Time Requested: None

Attachments for packet:  Yes  NoItem Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** The Minnesota Pilot Sign project started in 2005. Carver County along with 5 other Minnesota Counties is in the pilot program. In January 2008, agreements with each Township were approved for the inventory and sign installation plan preparation phase of the project. The plans are now complete and the project is ready for bid. Agreements are needed with each Township for the installation phase of the project. Every Township has approved the agreement.

**ACTION REQUESTED:** It is requested that the Carver County Board adopt the attached resolution titles "Minnesota Pilot Sign Project - Carver County and Township Agreements for Town Road Sign Replacement Program" that authorizes the County Board Chair and the County Administrator to execute agreements with each of the Carver County Townships on behalf of Carver County contingent on final approval of Risk Management and Carver County Attorney.

It is requested that the County Board of Commissioners establish 2:30 PM, Tuesday, March 24, 2009, as the time and date for the opening of the bids for this program. Further, it is hereby requested that the authority to open these bids be given to the County Administrator and the Interim County Engineer or their delegated representative. The bids are to be publicly opened at the time and place specified in the official advertisement.

**FUNDING**

Funds from Sign Program = \$446,500.00

Other Sources &amp; Amounts = \$

Township funds (5%) = \$ 23,500.00

**TOTAL** = \$470,000.00**FISCAL IMPACT** None Included in current budget Budget amendment requested Other:

*Related Financial Comments:* The County has been and will continue to be involved in the administration and oversight of the engineering, procurement, installation and funding elements of this project as defined by the specific contracts and agreements. The funding listed is for sign installation phase of the project.

 Reviewed by Division Director

Date:

S:\Townships\Sign Replacement - County.Twp Agmt - 02-24-09 - baf



**BOARD OF COUNTY COMMISSIONERS  
CARVER COUNTY, MINNESOTA**

Date: February 24, 2009

Resolution No: \_\_\_\_\_

Motion by Commissioner: \_\_\_\_\_

Seconded by Commissioner: \_\_\_\_\_

**Minnesota Pilot Sign Project**

**Agreements  
Between  
Carver County  
and  
Each Carver County Township  
for  
Town Road Sign Replacement Program**

*BE IT RESOLVED*, that the Carver County Board Chair and the Carver County Administrator are authorized to sign the Town Road Sign Replacement Program agreements between Carver County and each Carver County Township as part of the Minnesota Pilot Sign Project for the replacement of Town Road signs.

YES

ABSENT

NO

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STATE OF MINNESOTA  
COUNTY OF CARVER

I, David Hemze, duly appointed and qualified County Administrator of the County of Carver, State of Minnesota, do hereby certify that I have compared the foregoing copy of this resolution with the original minutes of the proceedings of the Board of County Commissioners, Carver County, Minnesota, at its session held on the 24<sup>th</sup> day of February, 2009, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 24<sup>th</sup> day of February, 2009.

\_\_\_\_\_  
David Hemze

\_\_\_\_\_  
County Administrator



# REQUEST FOR BOARD ACTION

## AGENDA ITEM : MoA AFSCME Appraiser Wage Differential

Originating Division: Employee Relations

Meeting Date: 2/24/09

Amount of Time Requested: minutes

Attachments for packet: Yes No

Item Type:  Consent Regular Session  Closed Session  Work Session  Ditch/Rail Authority

### BACKGROUND/EXPLANATION OF AGENDA ITEM:

When the current AFSCME General Unit collective bargaining agreement was ratified it included a Memorandum of Agreement indicating the parties would reconvene to come to an agreement regarding some form of additional Appraiser compensation to address the attract and retain concerns that had been experienced from 2004 – 2007.

In 2008 the parties met and arrived at an agreement where employees in the Appraiser II and Senior Appraiser job classifications may attain additional compensation based on their successfully achieving higher levels of licensure than required for their current positions. These additional licensures are beneficial to the County.

The Memorandum of Agreement includes differentials ranging from \$0.25 to \$1.25 per hour. At this time, only one current employee has provided the employer with information affirming that he has attained this advanced status in the Appraiser profession.

The motion requested is to approve the Memorandum of Agreement to pay Appraiser II and Senior Appraisers a wage differential for the attainment Appraiser Licenses beyond those required in their current job classifications.

### ACTION REQUESTED:

Motion to approve the Memorandum of Agreement with AFSCME to provide license-based wage differentials for employees who have attained those licenses in the Appraiser II and the Senior Appraiser job classifications.

#### FUNDING

County Dollars = \$8,000

Other Sources & Amounts = \$

**TOTAL** = \$8,000

#### FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

#### Related Financial Comments:

The financial information above is an estimate and depends on how many employees may attain the licenses. The 2009 Budget includes the necessary funds to provide this wage differential.

Reviewed by Division Director  
Doris M. Krogman, Employee Relations

Date: 2/17/09



# REQUEST FOR BOARD ACTION

## AGENDA ITEM : Lake Waconia Regional Park Ballroom

Originating Division: Public Works/Parks

Meeting Date: 2/24/09

Amount of Time Requested: 20 minutes

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** Staff will present the terms of agreement between Lancer Hospitality and Carver County for the continuation of ballroom and event service at Lake Waconia Regional Park.

**ACTION REQUESTED.** 1) Direct staff to finalize the agreement between Lancer and Carver County  
2) Authorize the Chair and County Administrator sign the agreement upon favorable review of Risk Management and Attorney's Offices.

### FUNDING

County Dollars = \$100,000

Other Sources & Amounts =

=\$

### TOTAL

=\$100,000

### FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

*Related Financial Comments:* Costs for the project are to come from 520-000-0000-6610. It is anticipated that this cost will be off-set with revenue to be received over the term of the contract.

Reviewed by Division Director

Date: February 19, 2009

S:Parks/BA-RES/ LWP/ Ballroom RBA Ballroom Service Provider



**BOARD OF COUNTY COMMISSIONERS  
CARVER COUNTY, MINNESOTA**

Date: February, 24, 2009  
Motion by Commissioner: \_\_\_\_\_

Resolution No: \_\_\_\_\_  
Seconded by Commissioner: \_\_\_\_\_

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**Agreement with Lancer Hospitality for Ballroom and Event Services**

BE IT RESOLVED, that the Carver County Board of Commissioners authorizes the Board Chair and County Administrator to sign the agreement.

YES	ABSENT	NO
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

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STATE OF MINNESOTA  
COUNTY OF CARVER

I, David Hemze, duly appointed and qualified County Administrator of the County of Carver, State of Minnesota, do hereby certify that I have compared the foregoing copy of this resolution with the original minutes of the proceedings of the Board of County Commissioners, Carver County, Minnesota, at its session held on the 24th day of February, 2009 now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 24th day of February 24, 2009.

\_\_\_\_\_  
David Hemze                      County Administrator

S\Parks\BA-RES\ LWP\ Lancer



CARVER  
COUNTY

# REQUEST FOR BOARD ACTION

## AGENDA ITEM : 2008 State Aid Cut Budget Strategy

Originating Division: Financial Services

Meeting Date: February 24, 2009

Amount of Time Requested: 15 minutes

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** On December 26th, 2008 the Governor cut by unallotment the County's 2008 State Aid payment by \$761,036. To close the hole in the 2008 Budget from the State Aid unollment, the County Administrator recomends undesignating the reserve funds that had been set-aside for land acquisition adjacent to the Public Works Headquarters in Cologne.

**ACTION REQUESTED:** Motion to undesignate the remaining \$881,070 of reserve funds that had been set-aside for land acquisition adjacent to the Public Works Headquarters in Cologne as of 12/31/08 as follows:

\$761,036 to the 2008 General Fund Budget to offset the 2008 State Aid Unallotment  
\$120,034 designated for MNDOT Joint Truck Facility Project

### FUNDING

County Dollars = \$

Other Sources & Amounts = \$

**TOTAL** = \$

### FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other: See Below

**Related Financial Comments:** Undesignating \$761,036 of reserve funds as of 12/31/08 will bring the funds back into the General Fund 2008 operating budget which will offset the loss of revenue from the State Aid unallotment/cut. Designating the \$120,034 for the MNDOT Joint Truck Facility Project will reduce the projected funding gap for this \$1.8M project to less than \$100,000.

Reviewed by Division Director

Date: 2/17/09

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# REQUEST FOR BOARD ACTION

**AGENDA ITEM :** Entrance Meeting with the State Auditor's Office

Originating Division: Financial Services

Meeting Date: February 24, 2009

Amount of Time Requested: 15 minutes

Attachments for packet:  Yes  No

Item Type:  Consent  Regular Session  Closed Session  Work Session  Ditch/Rail Authority

**BACKGROUND/EXPLANATION OF AGENDA ITEM:** Following the Board's regular meeting, the State Auditor's Office staff would like to meet with the County Board and Staff to discuss the 2008 Audit of the County's financial system. In the past, this Entrance Meeting was held with County Staff and then minutes of the meeting were distributed to Board Members. For this year, as a courtesy and to be available to answer any questions/concerns, the State Auditor's Office has requested that the County Board attend the Entrance Meeting as well.

**ACTION REQUESTED:** None

**FUNDING**

County Dollars = \$

Other Sources & Amounts = \$

**TOTAL** = \$

*Related Financial Comments:*

**FISCAL IMPACT**

None

Included in current budget

Budget amendment requested

Other:

Reviewed by Division Director

Date: 2/13/09



**Carver County**  
**Planning/Entrance Meeting with Those Charged with Governance**  
**YE 12/31/2008**

**Date: 2/24/2009**

**Purpose:** The purpose of this meeting is to provide a two-way means of communication for matters related to the financial statement audit that are significant and relevant to the responsibilities of those charge with governance in overseeing the financial reporting process.

**Significant Factors Affecting the Audit:**

The American Institute of Certified Public Accountants (AICPA) issues statements on auditing standards which all auditors of financial statements are required to follow. The most current standards which are affecting your audit include:

1. SAS Nos. 104 -111 are known as the risk assessment standards. The overall objective of these standards is for the auditor to obtain a greater understanding of your internal controls in order to identify the risks of material misstatement to your financial statements along with your procedures to mitigate those risks. We then design and perform audit procedures to respond to those risks.
2. SAS 112 requires auditors to report control deficiencies that are significant deficiencies or material weaknesses in internal control.
3. SAS 114 defines “those charged with governance” and establishes communication requirements between auditors and those charged with governance.

If an audit is not performed in accordance with these and other generally accepted auditing standards, an exception should be noted.

**More on SAS 114:**

Those charged with governance – means the person(s) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. It encompasses the governing board or council and audit committee, if applicable.

Management – means the person(s) responsible for achieving the objectives of the entity and who have the authority to establish policies and make decisions by which those objectives are to be pursued. Management is responsible for the financial statements, including designing, implementing, and maintaining effective internal control over financial reporting.

Matters to be Communicated with Those Charged with Governance:

1. The auditor’s responsibilities under generally accepted auditing standards;
2. An overview of the planned scope and timing of the audit; and
3. Significant findings from the audit.

## **Auditor's Responsibilities:**

The audit engagement letter from our office explains what responsibilities we, as your auditor, are and are not assuming. Also, the letter explains what your responsibility is as it applies to the audit.

### Auditor's Responsibilities:

1. The auditor is responsible for forming and expressing opinions about whether the financial statements prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
2. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.
3. The auditor is responsible for performing the audit in accordance with generally accepted auditing standards, and the audit is designed to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement.
4. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting.
5. The auditor is responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process.

### Client's Responsibilities:

1. Management is responsible for establishing and maintaining internal controls, including monitoring the ongoing activities; the selection and application of accounting principles; and the fair presentation of the financial statements.
2. A qualified management-level individual is required to be designated to be responsible and accountable for overseeing our services. [Discuss if needed who is the person designated.]
3. Management is responsible for making all financial records and related information available to us, and management is responsible for the accuracy and completeness of that information. You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting your organization that could have a material effect on the financial statements.
4. It is management's responsibility to follow up and take corrective action on reported audit findings.



### **Overview of the Planned Scope and Timing of the Audit:**

As applicable to the client, discuss the type of audit to be performed and the general audit timeline, including any significant deadlines.

### **Significant Findings from the Audit:**

1. Communication about significant accounting policies, sensitive accounting estimates, significant audit adjustments, disagreements with management, difficulties encountered in performing the audit, and other significant issues arising from the audit will be communicated to those charged with governance in a separate letter at the conclusion of the audit.
2. We will inform you of any material errors and any fraudulent financial reporting or misappropriations of assets that comes to our attention
3. We will issue our management and compliance report at the completion of the audit will include any significant findings resulting from the audit
4. We will request that you provide certain other representations to us in a letter at the end of the audit. Any uncorrected misstatements will be attached to this letter.

### **Other Communication:**

As deemed necessary, in addition to the communication we have with you at the beginning and end of the audit, we will communicate with you during the audit if we encounter any significant difficulties or other matters.