

MEEKER COUNTY, MINNESOTA
BOARD OF COMMISSIONERS
Regular Session Agenda
October 1, 2019

8:30 Meeting Called to Order With Pledge of Allegiance

Public Comment Period*

- Amendments to the Agenda
- Approval of September 17, 2019 Minutes

Sharon Euerle, County Treasurer

- Bi-weekly Payroll Discussion

Greg Schultz, Land Records Director

- Approve Hire of Environmental Services Specialist Brent Radtke, Level B23 Step 4, \$22.76 per Hour, Effective October 7, 2019

8:35 Brian Cruze, County Sheriff

- Approve Hire of Part-Time Typist Ella Kruse, A12 Step 1, \$16.05 per Hour, Effective October 2, 2019
- Approve Hire of Full-Time Corrections Officer James Miller, Level B22 Step 5, \$22.09 per Hour, Effective October 14, 2019 Pending Successful Exams
- Approve Hire of Full-Time Corrections Officer Mindi Hanson, Level B22 Step 2, \$20.22 per Hour, Effective October 14, 2019, Pending Successful Exams
- 2020-2021 Off Highway Vehicle Enforcement Grant Agreement

8:40 Paul Bukovich, Social Services Director

- PACT 4 Families Presentation
- Approve Social Services Accounts Payable

8:55 Phil Schmalz, Public Works Director

- Request to Purchase John Deere 544L Loader From RDO Equipment

9:05 Barb Loch, County Auditor

- Approve County and Hospital Accounts Payable

9:10 Stephanie Erickson and Aaron Tri, State Auditor's Office

- State Auditor's Annual Audit Exit
- State Auditor's Annual 2019 Audit Entrance

- 9:30 Paul Virnig, County Administrator
- 2020 Non Contract Prime Health Insurance County Contribution
 - Reschedule Truth-in-Taxation Hearing

Board of Commissioners Committee Update

Miscellaneous Correspondence

Resignations/Fill Positions:

- Part-time Public Health Nurse Ann Jensen: Resignation Effective December 20, 2019
- Fill Part-time (.5 FTE) Public Health Nurse Position

Severance Payments:

None

***Board agendas and "Meeker County Board Protocol and Public Participation Policies" are available in the board room**

The Meeker County Board of Commissioners met on September 17, 2019, at the Meeker County Courthouse in the City of Litchfield, Minnesota. Call to order was at 8:30 a.m. by Chair Mike Housman.

Present: Commissioners – Beth Oberg, Joe Tacheny, Mike Housman, Steve Schmitt and Bryan Larson, County Attorney Brandi Schiefelbein, County Administrator Paul Virnig and Executive Secretary Cori Heacock.

Meeting opened with Pledge of Allegiance.

Board Chair Housman called for public comments and Litchfield Chamber Director Judy Hultstrom shared information regarding the Meeker in Motion program starting September 18, 2019.

Motion by Schmitt, second by Larson to approve the September 17, 2019 agenda as amended to add the Bartlett Interim Use Permit tabled from the September 3, 2019 meeting.

Motion carried unanimously.

Motion by Oberg, second by Schmitt to approve County Board minutes for September 3, 2019 as presented.

Motion carried unanimously.

The following employees were recognized for their years of service:

- Colleen Bonniwell, Part-Time Registered Nurse, 5 years
- Amanda Ornberg, Corrections Corporal, 5 years

Motion by Tacheny, second by Schmitt to approve a Rezoning Application for Alan Ranta, Parcel #13-0176000, as recommended by the Planning Commission, from R-1 and A-1 to R-1 to develop two lake lots and build houses, and to approve the Preliminary Plat Application for Ranta Shores.

Motion carried unanimously.

Motion by Tacheny, second by Larson to approve an Interim Use Permit for Shannon Bartlett, Parcel #09-0309001, as recommended by the Planning Commission, with the following conditional changes:

- Handicapped accessible porta-potties rental required only for the 4 months the business is open to the public
- Sunday hours of operation will be 6:00 a.m. until 9:00 p.m.
- Remove the requirement of a survey of the proposed parking area and replace it with a site plan for 6 parking spots

Motion carried unanimously.

Motion by Larson, second by Schmitt to approve the 2020-2021 Radiological Emergency Preparedness Grant in the amount of \$6,000 and for the term of July 1, 2019 – June 30, 2021.

Motion carried unanimously.

Motion by Oberg, second by Schmitt to place a 6 month hold on the public sale of the tax forfeit property located at 102 N Armstrong Avenue, Litchfield, MN 55355.

Motion carried unanimously.

Motion by Larson, second by Schmitt to approve the recommendation for demolition of tax forfeit property located at 61937 134th Street, Hutchinson, MN 55350.

Motion carried unanimously.

Motion by Oberg, second by Tacheny to approve county and hospital accounts payable as follows:

General Revenue Fund	\$116,704.04
Road & Bridge Fund	41,760.35
County Parks Fund	1,028.81
Solid Waste Fund	28,403.83
County Nurse Fund	6,065.17
Family Services Bldg. Fund	5,048.86
Capital Projects Fund	48.82
Ditch Fund	200.00
County Hospital	321,806.41

Credit Cards:

General Revenue Fund	11,603.92
Human Services Fund	359.47
County Parks Fund	330.84
County Nurse Fund	890.27
Family Services Bldg. Fund	634.73

Motion carried unanimously.

Motion by Larson, second by Tacheny to approve the proposed pay schedule for the 2020 Part-Time Seasonal Snow Plow Operators.

Motion carried unanimously.

Motion by Oberg, second by Tacheny to approve reinstating Randy Hamann as an On-Call Part-Time Snow Plow Operator, Step F \$28.70 per hour, for the 2019-2020 season.

Motion carried unanimously.

Motion by Schmitt, second by Larson to approve replacement of a heat pump/chiller compressor in the Transportation Facility by Climate Makers, not to exceed \$8,000.

Motion carried unanimously.

Motion by Oberg, second by Tacheny to approve relocating the piping of the geothermal system in the Transportation Facility by Climate Makers, not to exceed \$6,675.

Motion carried unanimously.

It being 9:00 a.m., Chair Housman recessed the County Board meeting and convened the County Ditch Authority.



The County Board convened as the County Ditch Authority.

Present: County Auditor Barb Loch, Ditch Inspector John Condon, Public Works Director Phil Schmalz, Commissioners Oberg, Tacheny, Housman, Schmitt, and Larson, County Administrator Paul Virnig, and Executive Secretary Cori Heacock.

Motion by Oberg, second by Schmitt to approve the purchase of an ATV sprayer at an estimated cost of \$400.

Motion carried unanimously.

County Auditor Barb Loch requested that the Drainage Policy update be addressed at a future board work session.

With no further business, Board Chair Housman adjourned the County Ditch Authority at 9:05 a.m. and reconvened as County Board.

.....
Board Chair Housman reconvened the County Board meeting.

Motion by Oberg, second by Tacheny to approve Social Services accounts payable as follows:

Human Services Fund \$115,006.84

Motion carried unanimously.

Motion by Tacheny, second by Larson to approve moving the University of Minnesota Extension Office to the Meeker County Fairgrounds with the following expenses paid by Meeker County:

- Office furniture from Northern Business Products and Schlangen’s Custom Cabinets in the amount of \$17,528.32
- 3 year contract with Nuvera for phone and internet package at a monthly cost of \$268.55
- Annual maintenance expense in the amount of \$2,310

Motion carried unanimously.

Motion by Oberg, second by Tacheny to approve moving the Economic Development and Meeker County Parks Department to the Transportation Facility.

Motion carried unanimously.

Motion by Tacheny, second by Oberg to set the Preliminary 2020 net Levy at \$15,075,338 which represents a 2.5% increase over 2019.

Motion carried unanimously.

On motion by Oberg, second by Schmitt, Board Chair Housman called for adjournment at 10:02 a.m. The next meeting of the County Board of Commissioners will be on October 1, 2019 at 8:30 a.m., in the County Board of Meeting Room, Meeker County Courthouse.

Respectfully submitted: Cori Heacock, Administrative Coordinator

Chair of County Board

Attest: _____
Clerk of County Board



September 3, 2019

Becky Howell
Meeker County Sheriff's Office
326 North Ramsey Ave
Litchfield, MN 55355

Dear Meeker County Sheriff's Office:

Congratulations! Meeker County Sheriff's Office is one of sixty-seven counties that indicated an interest in participating in the Off Highway Vehicle (OHV) Enforcement Grant Program, for July 1, 2019 through June 30, 2021. **Meeker County Sheriff's Office will receive \$5,605.00 each fiscal year, 2020 and 2021**, based on the number of interested participants.

Enclosed, you will find your county grant contract; **please sign and return the grant contract to our office.** Once DNR signs the contract, it will be effective July 1, 2019 through June 30, 2021.

The details of receiving OHV reimbursements are indicated within the contract; forms for receiving reimbursement are located: <https://www.dnr.state.mn.us/grants/enforcement/index.html>. Any expenses over the amount of your grant will be the sole responsibility of your agency. The OHV grant program is set up for your agency to provide annual reports, in order to receive annual payments.

A number of counties have indicated an interest in providing youth ATV training, and updates on current state laws regarding OHV use. The "Safety Training Instructors Resources," training course for instructors is available on-line: <https://www.dnr.state.mn.us/safety/instructors/resources.html>. Additionally, please consult with your local Conservation Officer for information and training regarding the current laws.

You are welcome to contact LT Adam Block, Program Manager, with any questions. Contact LT Block at (651) 259-5057 or Adam.Block@state.mn.us.

Thank you in advance for your on-going efforts to assist the DNR in protecting Minnesota's resources and providing service to our citizens.

Sincerely,

A handwritten signature in black ink, appearing to read "Rodmen Smith", written over a horizontal line.

COL Rodmen Smith, Director
Division of Enforcement

**STATE OF MINNESOTA
GRANT CONTRACT**

This grant contract is between the State of Minnesota, acting through its Commissioner of Natural Resources ("STATE") and Meeker County Sheriff's Office, 326 North Ramsey Avenue, Litchfield, MN 55355 ("GRANTEE").

Recitals Section

1. Under Minn. Stat. 84.026, (84.794, 84.803, and 84.927- For OHV only), and (84.83 for snowmobile safety only) the State is empowered to enter into this grant.
2. The State, under Laws of Minnesota 2019, First Special Session, Chapter 4, Article 1, Section 3, Subdivision 6(f) (for OHV only) or Minnesota 2019, First Special Session, Chapter 4, Article 1, Section 3, Subdivision 6(d) (for snowmobile safety only) is authorized to provide reimbursement grants to counties to cover costs related to labor and equipment in the enforcement of off highway vehicle laws, rules and regulations, as well as holding staff training in the same, and providing local youth training classes, in the manner described in the Grantee's Proposed Budget.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to Minn.Stat. §16B.98, Subd. 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Contract

1 Term of Grant Contract

1.1 Effective date:

July 1, 2019. Per Minn.Stat. §16B.98 Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.

1.2 Expiration date:

June 30, 2021 or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 Survival of Terms.

The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

1.4 Incur Expenses.

Notwithstanding Minnesota Statutes, section 16A.41, expenditures made on or after July 1, 2019, whichever is later, are eligible for reimbursement unless otherwise provided in under Laws of Minnesota 2019, First Special Session, Chapter 4, Article 3, Section 11, Subdivision 4.

2 Grantee's Duties

The Grantee, who is not a state employee, will:

Comply with required grants management policies and procedures set forth through Minn.Stat. §16B.97, Subd. 4 (a) (1). The Grantee will be reimbursed once annually, for only eligible OHV Safety Grant activities, including one or more of the following:

- Grantee staff time to participate in OHV/ATV activities, including attendance at training classes, also holding local safety training education programs for local participants. Training of Grantee staff working to enforce any OHV related law, rule or regulation is **MANDATORY**.
- Purchase of ATV's for use in patrolling;
- ATV maintenance, fuel and enforcement related costs;
- Trailers, trailer maintenance and repair (**not** costs related to towing vehicle repair)
- Helmets and other related protective gear (no standard uniforms or equipment);
- Purchase other equipment dedicated **SOLELY** to Off Highway Vehicle Enforcement work

- Submit **ANNUAL** Performance Reports and Reimbursement Requests for each year of participation in this Program. All needed documents to accomplish this are posted on the DNR website. The Grantee will be responsible for the administration, supervision, management, record keeping and program oversight required for the work performed under this grant contract. Further, the Grantee is responsible for maintaining an adequate conflict of interest policy. Throughout the term of this grant contract, the Grantee shall monitor and report any actual, potential or perceived conflicts of interest to the State's Authorized Representative.
- **POST on the Grantee's website, a copy of the two-page performance report, in accordance with 2009 Laws of Minnesota, Chapter 37, Article 1, Section 4, Subdivision 1.**

3 Time

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

4 Consideration and Payment

4.1 Consideration.

The State will pay for all services performed by the Grantee under this grant contract as follows:

(a) Compensation

The Grantee will be reimbursed up to \$ 5,605.00 in state fiscal year 2020, for expenses incurred between July 1, 2019 and June 30, 2020, and \$5,605.00 in fiscal year 2021, for expenses incurred between July 1, 2020, and June 30, 2021, as determined by the grant funding formula.

(b) Total Obligation.

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$ **11,210.00**.

4.2 Payment

(a) Invoices

The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

Invoices for state fiscal year 2020 must be submitted **before June 30, 2021**. Invoices for state fiscal year 2021 must be submitted **before June 30, 2022**. Only submit **ONE** invoice for the total expenses incurred during each state fiscal year.

5 Conditions of Payment

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

Eligible reimbursement costs may not exceed \$ **5,605.00** prior to July 1, 2020.

Eligible reimbursement costs may not exceed \$ **5,605.00** prior to July 1, 2021.

6 Authorized Representative

The State's Authorized Representative is Adam Block, Boating Law Administrator, MN DNR Division of Enforcement, 500 Lafayette Road, St. Paul, MN, 55155-4047, adam.block@state.mn.us, or his successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is **Becky Howell, 326 North Ramsey Avenue, Litchfield, MN 55355, (320) 693-1785, becky.howell@co.meeker.mn.us**. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

7 Assignment Amendments, Waiver, and Grant Contract Complete

7.1 Assignment

The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State, approved by the same parties who executed and approved this grant contract, or their successors in office.

7.2 Amendments

Any amendments to this grant contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant contract, or their successors in office.

7.3 Waiver

If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

7.4 Grant Contract Complete

This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

8 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract.

9 State Audits

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 Government Data Practices and Intellectual Property Rights

10.1 Government Data Practices

The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to

in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

11 Workers Compensation

The Grantee certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

12.1 Publicity

Any publicity regarding the subject matter of this grant contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the grantee's website when practicable.

12.2 Endorsement

The Grantee must not claim that the State endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant contract. Venue for all legal proceedings out of this grant contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 Termination by the State

The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 Termination for Cause

The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 Termination for Insufficient Funding

The State may immediately terminate this grant contract if:

- (a) It does not obtain funding from the Minnesota Legislature.
- (b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not

obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

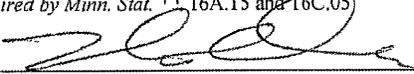
14.4 *Additional alternate termination language may be negotiated on a case by case basis after the state agency has consulted with their legal and finance teams.*

15 Data Disclosure

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05

Signed: 

Date: 9/5/19

SWIFT Contract/PO No(s). 165839 / 3-160534 ^{F420}

3. STATE AGENCY

By: _____
(with delegated authority)

Title: _____

Date: _____

2. GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant contract on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Distribution:
Agency
Grantee
State's Authorized Representative

MEEKER COUNTY PUBLIC WORKS

422 S. Johnson Drive
Litchfield Minnesota 55355-2155
Ph. (320) 693-5360
Fax (320) 693-5369

Phil Schmalz
County Engineer

Mark A. Spies
Assistant Engineer

October 1, 2019

Meeker County Board of Commissioners

Subject: Purchase New Loader to Replace Unit 05-2

The Meeker County Highway Department requests to purchase a John Deere 544L Loader from RDO Equipment of Sauk Rapids for a State Bid Contract Price of \$177,177.00. The Loader would replace a 2005 John Deere 544J.

The trade in of Unit 05-2 is valued at \$60,000 to RDO. Net cost for the new John Deere 544L Loader would be \$117,177.00 after trade-in. There is currently \$150,000 in the proposed 2020 equipment budget for this purchase. The MN State Bid contract for Loaders expires in November of 2019 and after that point we would be working with newly negotiated pricing which we expect to be higher.

I recommend that Meeker County purchase the John Deere 544L Loader from RDO Equipment at the State Bid Price of \$177,177.00 and trade in Unit 05-02 for \$60,000. Net cost for the transaction will be \$117,177.00.

Respectfully Submitted,



Phil Schmalz, P.E.
Public Works Director/County Engineer
Meeker County Public Works



JULIE BLAHA
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

September 10, 2019

Board of County Commissioners
Meeker County
Litchfield, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Meeker County, Minnesota, as of and for the year ended December 31, 2018. The financial statements include the Meeker Memorial Hospital, the business-type activities and the major enterprise fund, and the Meeker County Housing and Redevelopment Authority, a component unit, which were audited by other auditors. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our meeting about planning matters on October 2, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities Under U.S. Generally Accepted Auditing Standards and the Uniform Guidance

As stated in our engagement letter dated January 31, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered Meeker County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that

could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether Meeker County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of federal statutes, regulations, and the terms and conditions of the County's federal awards applicable to its federal programs, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the County's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Meeker County's compliance with those requirements.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Meeker County are described in Note 1 to the financial statements. During 2018, the County adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which modifies the standards for accounting and financial reporting for other postemployment benefits (OPEB). This statement changes the calculation for the employer's OPEB liability and expense and defers some allocations of expenses to future years. The January 1, 2018, net position of the governmental activities was restated by (\$225,284) to reflect the OPEB liability as of that date. See Note 1.G. to the financial statements. No other new accounting policies were adopted, and the application of existing policies was not changed during 2018. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because

of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information are:

- the fair value of investments;
- the useful lives of capital assets and related depreciation expense;
- the current versus long-term compensated absences;
- the OPEB liability, deferred outflows of resources, and related expense; and
- the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense related to pension benefits.

Management's estimate related to:

- the fair value of investments is determined through existing market conditions;
- the useful lives of capital assets and related depreciation expense is based on prior experience with similar assets;
- the current versus long-term compensated absences is based on historical information;
- the OPEB liability, deferred outflows of resources, and related expense is based on information provided by an actuary; and
- the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense related to pension benefits is based on information provided by the Public Employees Retirement Association (PERA). Plan totals for these amounts were determined by an actuary hired by PERA, with a valuation date as of June 30, 2018. The proportionate share by employer was calculated by PERA.

We evaluated the key factors and assumptions used to develop these estimates in determining they are reasonable in relation to the financial statements of each opinion unit.

Page 4
Board of County Commissioners
Meeker County
Litchfield, Minnesota

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 21, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on it.

With respect to the Supplementary Information accompanying the financial statements other than RSI, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the Supplementary Information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Significant New Accounting Pronouncements

The GASB is the independent organization that establishes standards of accounting and financial reporting for state and local governments. The GASB has issued the following statements that may significantly change financial reporting in upcoming periods.

GASB Statement No. 84, *Fiduciary Activities*

Effective for calendar year 2019 financial statements, the GASB changed those standards as they apply to fiduciary activities. This Statement may change both the activities that are reported as fiduciary activities as well as what are included as governmental activities of state and local governments. Local governments will need to analyze their current activities in order to determine how they should report their potential fiduciary activities, as part of the governmental activities, part of the fiduciary activities, or excluded from reporting.

Page 6
Board of County Commissioners
Meeker County
Litchfield, Minnesota

GASB Statement No. 87, Leases

Effective for calendar year 2020 financial statements, the GASB changed those standards as they apply to leases. An increase of leased assets and liabilities will be required to be reported by state and local governments, which may increase or decrease net position. The County should begin inventorying its various lease agreements, including identifying key lease provisions.

* * *

This information is intended solely for the use of the Board of County Commissioners and management of Meeker County and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Julie Blaha

JULIE BLAHA
STATE AUDITOR

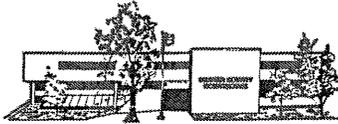
/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

2020 PRIME HEALTH SINGLE COVERAGE
For Non-Contract and Highway Department Employee's

	<u>DIAMOND</u>	<u>SAPPHIRE</u>	<u>RUBY</u>	<u>EMERALD</u>
Single Maximum Annual Deductible (In-Network)	\$3,650	\$4,650	\$5,650	\$6,650
(Non Participating Provider (Out-of-Network)	\$4,650	\$5,650	\$6,650	\$7,650
County Monthly Share	\$791.24	\$777.19	\$769.53	\$768.73
Employee Monthly Share	\$199.45	\$133.50	\$86.16	\$34.46
MONTHLY PREMIUM	\$990.69	\$910.69	\$855.69	\$803.19
County Monthly HSA\VEBA Contribution	\$116.68	\$116.68	\$116.68	\$116.68
TOTAL MONTHLY PREMIUM & HSA\VEBA	\$1,107.37	\$1,027.37	\$972.37	\$919.87
TOTAL COUNTY MONTHLY COST	\$907.92	\$893.87	\$886.21	\$885.41
Annual HSA\VEBA Contribution	\$1,400	\$1,400	\$1,400	\$1,400
Maximum Annual Deductible	\$3,550	\$4,550	\$5,550	\$6,550
MSA CONTRIBUTION LESS DEDUCTIBLE	(\$2,150)	(\$3,150)	(\$4,150)	(\$5,150)
EMPLOYEE ANNUAL CONTRIBUTION	\$2,393	\$1,602	\$1,034	\$414
COUNTY ANNUAL CONTRIBUTION	\$10,895	\$10,726	\$10,635	\$10,625
TOTAL ANNUAL CONTRIBUTION	\$13,288	\$12,328	\$11,668	\$11,038
Maximum Annual Cost to Employee (Deductible + Employee Contribution - HSA\VEBA)	\$4,543	\$4,752	\$5,184	\$5,563
2020 EMPLOYEE Monthly increase	\$35.97	\$26.60	\$21.50	\$20.96
2020 EMPLOYER Monthly increase	\$53.96	\$39.91	\$32.25	\$31.45
TOTAL MONTHLY INCREASE	\$89.93	\$66.51	\$53.75	\$52.41

Family HSA/VEBA County Monthly Contribution of \$890.88 plus 50% of Dependent Coverage



MEEKER COUNTY ADMINISTRATOR

325 Sibley Avenue North
Litchfield, MN 55355-2155

Phone: (320) 693-5200 Fax: (320) 693-5287
e-mail address: paul.virnig@co.meeker.mn.us

PAUL J. VIRNIG
County Administrator

CORI L. HEACOCK
Executive Secretary

MIKHELL JOHNSON
Human Resources Coordinator

PATRICIA HERZBERG
Human Resources Technician

MEETING NOTICE

2019 MEETINGS AND WORK SESSIONS OF THE COUNTY BOARD OF COMMISSIONERS

Meeting Location:

Board Room, Level 4, Courthouse
325 Sibley Avenue North, Litchfield, Minnesota 55355

January 8: 8:30 a.m. Regular Session
January 15: 8:30 a.m. Regular Session
January 22: 8:30 a.m. Work Session

February 5: 8:30 a.m. Regular Session
February 19: 8:30 a.m. Regular Session
1:30 p.m. Township Board
February 26: 8:30 a.m. Work Session

March 5: 8:30 a.m. Regular Session
March 19: 8:30 a.m. Regular Session
March 26: 8:30 a.m. Work Session

April 2: 8:30 a.m. Regular Session
April 16: 8:30 a.m. Regular Session
April 23: 8:30 a.m. Work Session

May 7: 8:30 a.m. Regular Session
May 21: 8:30 a.m. Regular Session
May 28: 8:30 a.m. Work Session

June 4: 8:30 a.m. Regular Session
June 11: 6:30 p.m. Board of Review
June 18: 8:30 a.m. Regular Session
June 25: 8:30 a.m. Work Session

July 2: 8:30 a.m. Regular Session
July 16: 8:30 a.m. Regular Session
July 23: 8:30 a.m. Work Session

August 6: 8:30 a.m. Regular Session
August 20: 8:30 a.m. Regular Session
August 27: 8:30 a.m. Work Session

September 3: 8:30 a.m. Regular Session
September 17: 8:30 a.m. Regular Session
September 24: 8:30 a.m. Work Session

October 1: 8:30 a.m. Regular Session
October 15: 8:30 a.m. Regular Session
October 22: 8:30 a.m. Work Session

November 5: 8:30 a.m. Regular Session
November 19: 8:30 a.m. Regular Session
November 26: 8:30 a.m. Work Session

December 3: 8:30 a.m. Regular Session
December 10: 6:00 p.m. Budget & Levy PH
December 17: 8:30 a.m. Regular Session

Mike Huberty, Chair
Meeker County Board of Commissioners

Approved by Board of Commissioners on December 4, 2018

"AN EQUAL OPPORTUNITY EMPLOYER"