

Minutes- Approved: December 3, 2025  
Meeting Type: Finance Committee  
Time/Date: 8:00pm CST, 10.1.2025



LOWER MINNESOTA RIVER  
WATERSHED DISTRICT

Location: LMRWD Office and Online  
112 E. 5th Street, #102  
Chaska, MN 55318

Virtual Location: Teams Meeting [Video of Meeting](#)

## 1. CALL TO ORDER AND ROLL CALL

President Barisonzi called the meeting to order at 8:03 PM CST.

**Managers Present:** Joseph Barisonzi

**Managers Absent:** Carter McNew, Vinatha Viswanatha

**Staff Present:** Will Lytle (Administrator), Chris Knopik

Approval of the September 2025 Finance Committee meeting minutes was deferred to the next meeting due to lack of a quorum.

## 2. PUBLIC COMMENT

No formal public comment was received.

## 3. ADMINISTRATIVE REPORTS ON STANDING BUSINESS

Administrator Will Lytle provided a detailed update on:

- **Reconciliation issues:** A \$155,000 discrepancy in past months was traced to a 2021 Summergate wire transfer that was not properly filed in QuickBooks or Bill.com.
- **Cash on hand:** As of October 1, \$250,000 was available. Estimated \$40,000 in September invoices would reduce available funds to \$210,000, or \$190,000 if Administrator invoices are paid immediately.
- **Budget overruns:** Vernon Avenue dredge site was \$380,000 over budget. This stemmed from engineering expenses and two significant construction invoices. Expected state reimbursement will help offset costs, but may not cover everything retroactively.

### **Cash Flow and Budget Structure:**

Discussion revealed major concerns about cash reserves, budgeting methodology, and accounting practices.

- LMRWD is at risk of **operating at a deficit.**

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- Area 3 project bids have been received, but construction should not proceed until funding is confirmed.
- **A bond hearing is required on November 5** to unlock \$3M in grant funds for Area 3.
- **Core concern:** LMRWD has historically used a calendar-year budget without integrating multiyear project financing, causing erosion of reserves.

*Action Item: Administrator to ensure Area 3 construction contract execution is **contingent on receipt of bond funds** and clear billing timeline.*

*Action Item: Administrator to prepare detailed explanation of budget overruns and timing for Board.*

- **Monthly Financial Reporting Gaps:**

- Committee emphasized urgent need for accurate monthly **Income Statements and Cash Flow Projections**.
- CLA confirmed that QuickBooks cannot currently generate accurate reports due to missing budget data and incomplete account setup.
- CLA committed to working with Will on a corrected **chart of accounts** and importing the 2026 budget for improved reporting.

*Action Item: CLA and Administrator to complete chart of accounts review and QuickBooks integration within 2–3 weeks.*

*Action Item: Cash flow report (past and forecast) to be delivered monthly going forward.*

- **Operational Budget Adjustments:**

- Joseph Barisonzi recommended reviewing all contracts for potential short-term suspension or reduction, specifically Tunheim and Park Street PR.
- Staff and contractors' workplans for 2026 must reflect a **Zero-Based Budgeting approach**.

*Action Item: Administrator to review contract status and assess opportunities for short-term expense reduction.*

*Action Item: Administrator and key staff to co-develop 2026 workplans aligned with revenue and priority constraints.*

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## 6. 2023 and 2024 Audit Update

CLA's Chris Knopik confirmed:

- 2023 audit data is nearly reconciled; final information will be submitted to auditor Fred Path imminently.
- Once accepted, 2024 audit prep can begin concurrently.
- Historical delays are due to missing documentation and reliance on past administrator for reconciliations.
- Committee confirmed: *The 2025 audit must begin by Q1 2026.*

*Action Item: CLA to confirm with auditor that 2023 and 2024 audits will be accepted and prepared concurrently.*

*Action Item: Administrator to ensure Linda contributes final necessary grant documentation.*

## 7. Long-Term Financial Systems Strategy

Discussion included the need to:

- Separate project and operational financials into distinct **profit & loss (P&L) categories** or systems within QuickBooks.
- Improve classification of grant revenue, permit fees, and other income streams.
- Explore a “dual bookkeeping” model—one for annual budget compliance, another for multiyear project lifecycle tracking.

*Action Item: CLA and Administrator to assess the feasibility of structuring financials with separate classes or books for operations and projects.*

*Action Item: Committee to review and approve new structure and chart of accounts upon completion.*

## 8. Adjournment

Meeting adjourned at 9:01 AM.