

Minutes- Approved: 1.14.26

Time/Date: 8:00pm CST, December 3rd 2025

Location: 6601 Auto Club Rd Minneapolis, MN 55438

Virtual Location: [Teams Meeting](#) | [Transcript](#)



LOWER MINNESOTA RIVER
WATERSHED DISTRICT

1. CALL TO ORDER AND ROLL CALL

President Barisonzi called the meeting to order at 7:00 PM CST.

Managers Present: Joseph Barisonzi, Theresa Kuplic, Carter McNew, Vinatha Viswanathan, Kyle Bakkum

Staff Present: Will Lytle, Della Young, Damaris Canales, Christopher Knopik

2. PUBLIC COMMENT

No formal public comment was received.

3. ADMINISTRATIVE REPORTS

In light of recent Minnesota news stories, Barisonzi voiced questions about the credibility of the audit processes, noting findings for the district, and whether the process assessed delivery of services or materials or only that invoices were paid. Christopher Knopik explained that standard audits provide reasonable, but not absolute, assurance, focusing on verifying the existence and accuracy of financial statement items such as assets, liabilities, revenues, and expenditures. Expenditures are typically reviewed through random sampling of invoices, approval verification, and fluctuation analysis to identify significant increases or decreases in line items, with supporting documentation required for such changes. In service-based organizations like the Watershed District, where nearly all work is contracted, auditors cannot confirm whether billed hours reflect actual work performed, only that invoices were submitted, reviewed, and paid. Kyle Bakkum concurred, drawing from his experience with healthcare audits, noting that auditors also investigate line items with variances exceeding 10% and interview leadership to address any concerns, which aligns with SAS 99 standards implemented after corporate fraud scandals in the late 1990s and early 2000s to strengthen discussions of fraud risk within organizations. No motions were made or carried out during this discussion.

4. NEW BUSINESS

Lytle then presented the zero-based budgeting proposal and the associated evaluation spreadsheet; noting that the board had previously recommended the committee take action and that the spreadsheet included historical budget data from 2024 and 2025, as well as projections for the 2026 levy. Lytle emphasized that while the Finance Committee and

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managers play a significant role in the process, the zero-based budgeting approach overlaps with work plan development, which can make it unclear as to who leads the shaping of budget information. He highlighted the spreadsheet's additional tab, reflecting priority rankings and potential funding sources beyond property taxes, such as grants, sponsorships, or community contributions, and requested input in the last column to help staff identify areas for capacity-building and alternative revenue generation. Viswanathan asked for clarification on why input was needed per line item, to which Lytle responded that it would primarily apply to projects with lower scores that remain priorities but will not be funded through property taxes. Barisonzi then invited questions from the Board of Managers. McNew suggested developing a standardized approach for scoring projects to determine funding thresholds, ensuring that funding decisions are data-driven rather than based on subjective judgment, while remaining compliant with legal obligations, to which Lytle agreed. Barisonzi then noted the importance of allowing adjustments after discussion and review of others' input.

5. OLD BUSINESS

Barisonzi moved on to address a memo regarding grant-writing priorities; emphasizing the importance of securing new revenue sources that are not property tax-based and discussed a proposed compensation model for grant-writing staff that combines a minimal hourly rate with performance-based bonuses tied to measurable revenue goals, rather than individual grants. Lytle acknowledged the plan, noting minor implementation considerations such as the timing of bonuses relative to grant reimbursement or upfront payments, but agreed it would help de-risk prospecting activities and support larger partnerships. Barisonzi requested that Lytle work with McNew to update the document to ensure it reflects organizational priorities rather than an individual contract and noted the importance of leveraging staff capacity, including Young and her team, to pursue non-traditional funding sources. He directed that the updated document be placed on the board agenda within two weeks. Barisonzi also reminded the board to review the grant evaluation spreadsheet and provide feedback, connections, or relationships that could aid in funding efforts. Bakkum inquired about the timeline for completing the zero-based budgeting evaluation spreadsheet, and Barisonzi suggested the end of the calendar year, with a potential work session at the end of the year or early next year to finalize work plans and review line items in detail. Bakkum also asked whether board questions should be addressed

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during the meeting, and Barisonzi clarified that a rolling question approach would be preferable, allowing staff to respond without using board meeting time unless necessary.

6. ADJOURNMENT

The meeting was adjourned at 9:00 PM CST.