



2014 Annual Report

Published by:
The Buffalo-Red River Watershed District
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2014 Annual Report Summary

Pursuant to Minnesota Statutes Annotated (M.S.A.) 103D.351, we hereby submit the 2014 Annual Report of the Buffalo-Red River Watershed District (BRRWD). The Report contains a summary of the District's activities and projects for the past year and includes a summary of the District's financial condition. In accordance with its mission statement, which states "The BRRWD is to alleviate flooding and to manage the water resources of the District in a manner that best protects this valuable resource", the Annual Report reflects the Board of Managers' commitment toward serving the residents of the Watershed District in its mission to provide efficient management of our water resources for tomorrow's future. The Buffalo-Red River Watershed District is focused on providing the leadership and resources needed to fulfill these water management goals and objectives. A catagorical summary of the District's stated goals include:

- ◆ Floodplain management
- ◆ Flood damage reduction, rate of runoff, volume of runoff
- ◆ Legal drainage systems
- ◆ Water quality
- ◆ Wetlands
- ◆ Natural resources and recreation
- ◆ Groundwater
- ◆ Erosion and sediment control
- ◆ Education
- ◆ Long range work planning and financing
- ◆ Data collection and management

District activities are guided by the Revised Watershed Management Plan (RWMP), prescribed by the Minnesota Board of Water and Soil Resources (BWSR).

Watershed Description

Started in 1960, the BRRWD currently covers an area of approximately 1,780 square miles in Clay, Becker, Otter Tail, and Wilkin Counties. The principal watercourse is the Buffalo River, located in parts of Becker and Clay Counties. The district was enlarged in 1976 and 2012. A tributary to the Buffalo River is the South Branch of the Buffalo River located in parts of Clay, Wilkin, and Otter Tail Counties. Tributarties to the South Branch include Stony Creek, Hay Creek, Whisky Creek, and Deerhorn Creek. Wolverton Creek is a direct tributary to the Red River of the North and lies west and south of the South Branch of the Buffalo River in parts of Wilkin and Clay Counties. The principal watercourses in the newly added area are Whiskey Creek and the Otter Tail River, located downstream of Orwell Dam to Breckenridge, MN, in Otter Tail and Wilkin Counties.

District History

The BRRWD, formerly known as the South Buffalo Watershed District, was established on August 31, 1960, as was comprised of approximately 344 square miles in Clay, Otter Tail, and Wilkin Counties (primarily the South Branch of the Buffalo River). Following a severe summer flood in 1975, it became

apparent that any rational approach to address flooding needed to include all of the area contributing runoff to the Buffalo River. By order, dated September 17, 1976, the State of Minnesota expanded the District and changed the name to the Buffalo-Red River Watershed District. The same order expanded the representation on the Board of Managers. The newly formed Board of Managers adopted their first Overall Plan in January 9, 1978, and submitted the plan to the State for approval. The State approved the Overall Plan on July 26, 1978. The most recent Revised Watershed Management Plan (RWMP) was approved by the BWSR on June 23, 2010. In 2011, Wilkin and Otter Tail Counties petitioned the BWSR to expand the BRRWD instead of creating a new separate watershed district for the area that was located between the pre-expansion south border of the BRRWD and the Bois de Sioux Watershed District. By order of the BWSR on April, 25, 2012, the State of Minnesota expanded the BRRWD to its current size. The same order expanded the representation on the Board of Managers to include an additional Manager from Wilkin County and a Manager from Otter Tail County.

Board of Managers

A Board of Managers governs the BRRWD. Managers are appointed by the County Commissioners for a term of three years, and they can be reappointed. Their job is to preside over the business of the District as it pursues the conservation of natural resources through regulation and the use of sound principles. The following officers were elected at the Annual Meeting, held on January 13, 2014:



Gerald L. Van Amburg
Chair
Clay County

Phone: (218) 236-7659
Email: vanambur@cord.edu
Term Expires: 08/31/17



Peter V. Fjestad
Vice Chair
Otter Tail County

Phone: (218) 731-4630
Email: pfjestad@gmail.com
Term Expires: 08/31/15



Curtis M. Nelson
Treasurer
Clay County

Phone: (218) 937-5435
Email: brrwd@bvillemn.net
Term Expired: 08/31/14



John E. Hanson
Secretary
Becker County

Phone: (218) 439-6727
Email: brrwd@bvillemn.net
Term Expires: 08/31/15



Troy E. Larson
Manager
Wilkin County

Phone: (218) 867-2292
Email: lf1871@rtelnet.net
Term Expires: 08/31/15



Breanna L. Kobiela
Manager
Clay County

Phone: (218) 330-3384
Email: breakobiela@gmail.com
Term Expires: 08/31/15



Catherine L. Affield
Manager
Wilkin County

Phone: (218) 557-8827
Email: affield@rrt.net
Term Expires: 08/31/16

Curtis M. Nelson retired from the BRRWD Board in August of 2014 after 33 years of service (1981-2014). In September of 2014, a new Manager was appointed and named Treasurer: Mark T. Anderson.



Mark T. Anderson
Treasurer
Clay County

Phone: (701) 361-0998
Email: marktanderson3@gmail.com
Term Expires: 08/31/17

Staff and Consultants

BRRWD Administrator
Bruce E. Albright
Assistant BRRWD Administrator
Wade S. Opsahl

Resident Senior Administrative Assistant
Julie M. Jerger
Resident Administrative Assistant
Danielle E. Scheffler
Administrative Assistant
Evelyn C. Jerger

Consulting Engineer
Erik S. Jones, PE
Houston Engineering, Inc.
1401 21st AVE N
Fargo, ND 58102

Consulting Attorney
Tami L. Norgard
Vogel Law Firm
218 NP AVE
Fargo, ND 58107

Accountant
Harold J. Rotunda, CPA
PO Box 816
West Fargo, ND 58078

Rules and Regulations

The Rules of the BRRWD (M.S.A. 103D.341) were adopted by the Board of Managers, BRRWD, on May 12, 1979. A BRRWD permit (M.S.A. 103D.345) is required for the following:

- Construction of an artificial drainageways across a subwatershed into another watershed.
- Diversion of water into a legal drainage system from lands not assessed for the drainage system.
- Works or alterations of any legal drainage system under the jurisdiction of the Board of Managers
- Drainage of any wetland
- Construction, removal, or abandonment of a reservoir having a surface area of five acres or more
- Construction of a bridge or placement of a culvert on any natural or legal drainage system
- Change in the bed, banks, or shores of natural drainageways, lakes, or wetlands
- Placement of obstructions or disposal of wastes directly or indirectly into a natural or legal drainage system
- Excavation, grading, or filling of, or near, any natural or legal drainage system

- All water uses other than domestic use; domestic use is limited to sources serving twenty-five or fewer people
- Crossing of natural drainageways or established legal drainage systems by pipelines or underground utilities lines

In 2014, the BRRWD reviewed 163 permit applications for a variety of projects. The Board approved 150 of these applications. The Board considers all applications for permits at their regular meetings. Anyone contemplating any of the work described above is urged to contact our office for further information. No fee is required. The BRRWD Rules and Application for Permit can be found on the District's Website at www.brrwd.org.

Office Location and Hours

The BRRWD office is located at 1303 4th Avenue Northeast in Barnesville, MN. The office is open Monday through Friday, 8:00 AM to 5:00 PM.



Meetings

The Board holds regular business meetings on the second and fourth Monday of each month. The Annual Meeting is held in January and the Annual Budget Hearing is held in September. Meetings start at 7:00 PM and are held at the BRRWD office, 1303 4th AVE NE, Barnesville, MN. All meetings are open to the public.

January 13, 2014
 January 27, 2014
 February 10, 2014
 February 24, 2014
 March 10, 2014
 March 24, 2014
 April 14, 2014
 April 28, 2014
 May 12, 2014

May 27, 2014
 June 9, 2014
 June 23, 2014
 July 14, 2014
 July 22, 2014*
 July 28, 2014
 August 11, 2014
 August 25, 2012
 September 8, 2014

September 22, 2014
 October 14, 2014
 October 27, 2014
 November 10, 2014
 November 24, 2014
 December 8, 2014
 December 22, 2014
 *denotes a special meeting

Organizations

Citizen Advisory Committee

To ensure public input and fulfill the needs of the community, the Board of Managers, BRRWD, has appointed a Citizens' Advisory Committee (M.S.A. 103D.331) to provide recommendations on matters affecting the BRRWD, including projects, improvements, and activities. The BRRWD performs annual work planning with its Advisory Committee, as required by Minnesota Statute. This year, the Advisory Committee held their annual meeting on March 28, 2014, at the Barnesville Watershed office. The group reviewed the BRRWD's 2013 activities and the proposed 2014 projects. They discussed the Revised Watershed Management Plan (RWMP), Buffalo River/Upper Red River TMDLs, Watershed District Enlargement, and the BRRWD's continuing negotiations with the RRWMB regarding possibly rejoining that organization.

The current Advisory Committee members are:

Ross Aigner	SWCD Manager, Wilkin County
Don Bajumpaa	SWCD Manager, Wilkin County
Cliff Barth	Mayor, City of Breckenridge
John Boen	Landowner, Otter Tail County
Wayne Brendemuhl	Landowner, Clay County
Roger Ellefson	Past BRRWD Manager
Jon Evert	Commissioner, Clay County
Jerome Flottemesch	SWCD Manager, Becker County
Lyle Hovland	Commissioner, Wilkin County
Wayne D. Johnson	Commissioner, Otter Tail County
Edwin Johnson, Jr.	Landowner, Otter Tail County
Barry Nelson	Commissioner, Becker County
Jerry Nordick	Landowner, Wilkin County
Sherwood Peterson	Landowner, Clay County
Charles Piekarski	Landowner, Otter Tail County
Robert Scherzer	Landowner, Becker County
Orrin B. Sorum	Landowner, Otter Tail County
William D. Steffl	Past BRRWD Manager
Arvid Thompson	Landowner, Clay County

River Keepers

The Board of Managers continues to support the efforts of River Keepers. This organization is an advocate for the Red River in the Fargo/Moorhead community. In 2014, the BRRWD committed to supporting River Keepers with a funding contribution of \$45,000. This contribution will be collected through the use of an ad valorem tax authorized by M.S.A. 103D.905, Subd. 3.

Minnesota Association of Watershed Districts (MAWD)

2014 MAWD Legislative Breakfast

Office Administrator, Bruce Albright, and BRRWD Managers attended the 2014 MAWD Legislative Breakfast and Day at the Capitol on March 19-20, 2014, in the Capitol Hall, Kelly Inn, and St. Paul. The purpose of the Legislative Day is for Watershed Managers to meet with our legislators to get better acquainted and to make them aware of Watershed Districts' perspectives on key issues. Local topics considered in 2014 included the Oakport Flood Mitigation, Manston Slough Restoration, area lake outlets, and the Georgetown Levee Improvements.

2014 MAWD Summer Tour

The 2014 MAWD Summer Tour was held on June 18-20, 2014, in Stillwater, MN. This year's theme was "We're all in the same boat! The St. Croix River Basin: A model for working together to accomplish water quality and natural resource protection goals." Bruce E. Albright and Erik S. Jones from Houston Engineering, Inc. attended, along with BRRWD Managers Gerald L. Van Amburg, Peter V. Fjestad, John E. Hanson, and Curtis M. Nelson.

2014 MAWD Annual Meeting and Trade Show

The MAWD Annual Meeting and Trade Show was held at the Arrowwood Conference Center in Alexandria, MN, on December 4-6, 2014. Bruce E. Albright, BRRWD Administrator, served as a panel member for the Minnesota Agricultural Water Quality Certification Program (MAWQCP) update. Managers Gerald L. Van Amburg, Peter V. Fjestad, Mark T. Anderson, John E. Hanson, Breanna L. Kobiela, and Catherine L. Affield attended.

Mediation Project Team

In 1997, the Legislature mandated formation of the Red River Basin Flood Damage Reduction Work Group (RRBFDRWG) to resolve grid lock over state/federal permitting of flood damage reduction projects in the Red River Valley. The resulting agreement was intended as the framework for a new, collaborative approach to implement both flood damage reduction and natural resource protection and enhancement in ways that benefit all Minnesota citizens. The keys to this new approach are comprehensive watershed planning, clearly identified goals, early consultation and collaboration on flood damage reduction projects among stakeholders, and a cooperative approach to project permitting. The purpose of the Mediation Agreement is: *"To reach consensus agreements on long term solutions for reducing flood damage and for protection and enhancement of natural resources. Such agreements should balance important economic, environmental, and social considerations, and must provide for fair and effective procedures to resolve future conflicts related to flood damage reduction."*

Since 1998, the BRRWD Mediation Project Team (PT) has met approximately six times per year. The result of their work has been several multipurpose projects, incorporating both flood damage reduction (fdr) and natural resource enhancement (nre). In 2014, the PT worked on several projects, including Manston Slough Restoration, Oakport Flood Mitigation, Wolverton Creek/Comstock Coulee, Georgetown Levee Improvements, South Branch of the Buffalo River FDR/NRE, Buffalo River/Upper Red River Total Maximum Daily Load (TMDL) Studies, Otter Tail River Erosion, MAWQCP, Watershed District Enlargement, and the Hawley Buffalo River Stabilization.

MAWQCP

The Minnesota Department of Agriculture (MDA) and the Buffalo-Red River Watershed District (BRRWD) invited farmers in the Whiskey Creek area to an open house on March 14, 2014, to learn how they can get involved in the Minnesota Agricultural Water Quality Certification Program (MAWQCP).

MAWQCP is a voluntary program designed to accelerate adoption of on-farm conservation practices that protect Minnesota's rivers and streams. Producers who implement and maintain approved farm management practices will be certified and in turn assured that their operation will obtain regulatory certainty for a period of ten years. The Whiskey Creek area was selected as one of four pilots throughout the state to test and refine the program. This pilot area includes parts of Wilkin and west Otter Tail County.

At the open house, MDA and BRRWD staff provided a brief presentation on the program and demonstrated the assessment tool used to evaluate individual operations. A panel discussion featured local farmers, advisory committee members, and technical staff. Attendees had the opportunity to ask questions about the program and receive a free assessment of their farm.

Strategic Planning

The BRRWD was a recipient of a BWSR PRAP and Training Assistance Grant, which allowed them to go through a strategic planning process. Donna Rae Scheffert of Leadership Tools was selected to complete the effort. Work began on January 31, 2014, with interviews of the BRRWD Managers and Staff. The entire process took several months to complete. In May of 2014, the BRRWD was presented with a Strategic Plan to guide them through the years 2014-2017 and beyond. The strategic plan includes a description of the BRRWD, background and history of the organization, work priorities, strategic goals, management basics, operational strengths and weaknesses, strategic action plan, and a fiscal overview. The Strategic Plan is on file with the BRRWD office and is available for review.

Fall Tour

The BRRWD held their Fall Tour on Thursday, October 9, 2014, at the Galaxie Supper Club in Barnesville. The BRRWD Advisory Committee, Mediation PT members, County Commissioners, State Legislators, and Soil and Water Conservation District (SWCD) supervisors were all invited to the event. The group took a bus tour of BRRWD projects that included the Buffalo River Restoration, Glyndon Waterway, Georgetown Flood Control, Oakport Flood Mitigation and Manston Slough Restoration.

Thank You

The Board of Managers, BRRWD, would like to thank Manager Curtis M. Nelson for his 33 years (1981-2014) of dedicated service. An open house in his honor was held on December 12, 2014 at the Galaxie Supper Club, Barnesville. His leadership and knowledge of the District will be missed.



BRRWD 2014 Activities

January 2014

- Election of officers, only change-Vice Chair-Peter Fjestad. H.E. reappointed as 2014 consulting engineer, Vogel Law Firm-legal consultant, Joel D. Carlson-BRRWD Lobbyist.
- Board reviews Wilkin County Environmental Office letter about possible zoning/flood water storage regulations.
- Signed contract with Scheffert for BRRWD Strategic Planning.
- Signed Final Order for new BRRWD area boundaries in Wilkin and Otter Tail Counties.
- Notice to Clay County that they will need to make two 2014 Manager appointments.
- Scheduled several meetings/hearings for February and March.
- Scheduled a meeting with local Representatives to discuss Oakport funding (approximately \$5.26 million).
- Made a \$200 donation to Becker and Wilkin Counties Area I Envirothons.

February 2014

- Held Barnesville Township Drainage Study meeting.
- Clay C.D. No. 20 hearing scheduled for Thursday, April 3, 2014.
- Held Riverton Township/Clay C.D. No. 12 Landowner Informational Meeting.
- Held NRCS/WRP Status meeting.
- Preliminary Hearing for Pj. No. 76, Clay C.D. No. 3-Lateral No. 8.
- Mediation PT meeting.
- Met with Bois de Sioux Watershed District to discuss possible boundary changes in Wilkin and Otter Tail Counties.
- Discussed diking complaint in SW¹/₄, Section 29, Riverton Township, Clay County.
- Georgetown Levee project budget shows approximately \$190,000 still needed to complete project.
- Informational meeting held for Clay/Wilkin Judicial Ditch No. 1.

- Discussed acquiring 14 miles of temporary right-of-way along Clay C.D. No. 10 for 2014 maintenance.
- MAWQCP Steering Committee meeting.
- Meeting held with DNR and City of Hawley to make changes to the Hawley Buffalo River Restoration project.

March 2014

- Discussed 2014 water quality monitoring sites (41) and parameters.
- Signed contract with DNR to maintain eight open water season continuous recording stream gauges.
- Met with Viewer, Petitioner, and downstream landowner for Pj. No. 74, Clay C.D. No. 51-Lateral No. 3.
- Informational meeting to discuss Whiskey Creek repair in Section 14, Connelly Township, Wilkin County.
- Strategic Planning Session.
- Authorized H.E. to investigate repairs to Clay/Wilkin Judicial Ditch No. 1.
- Revise schedule for RWMP.
- Held Informational Meeting with Wolverton Creek/Comstock Coulee Steering Committee.
- Attended the Minnesota Association of Watershed Districts (MAWD) Legislative Reception.
- Attended Red River Basin Flood Damage Reduction Work Group (RRBFDRWG) Annual Conference.

April 2014

- Contributed \$5,000 to RRBC for “Northwest Regional Aquatic Invasive Species Prevention Project”.
- Adopted Redetermination of Benefits for Becker C.D. Nos. 10 and 19.
- Met with landowner concerning erosion on Clay C.D. No. 39 outlet.
- Held hearing regarding the inclusion of property to Clay C.D. No. 20.
- Received petition to add N1/2SW1/4, Section 5, Prairie View Township, to Wilkin C.D. No. 41.
- Approved payment of temporary R/W for Clay C.D. No. 10.

- Held Mediation PT meeting on 04/24/14.
- Applied for RRBFDROW grant for Barnesville Township project.
- Authorized HEI to conduct R/W analysis on Wilkin C.D. Nos. 5A, 22, & 26.
- Completed Strategic Planning with workshop held on 04/15/14.
- Sent out plans/specifications for Hough Channel erosion repair, Section 30, Tansem Township, Clay County.
- Nate Strand presented 2014/2015 River Watch Budget of \$5,152.56.
- Barnesville River Watch students won Judges' Choice Gold Award.
- City of Detroit Lakes' reps discuss possible new wastewater outlet.
- Stakke Lake landowners discussed options for stabilizing lake's outlet.
- Harold J. Rotunda, CPA, presented the 2013 audit. Total revenue of \$9,248,511. Total expenses of \$8,434,122. Year-end balance of \$1,026,981.
- Signed EAW for repair of Whiskey Creek, Section 14, Connelly Township, Wilkin County.
- Landowners contacted office regarding drainage concerns on J.D. No. 1.
- Solicited bids for repair of Clay C.D. No. 10.
- Revised RWMP completion date to 05/31/15.
- Awarded Hough Channel erosion repair to Steven Johnson Excavation with bid of \$29,325.
- Signed EAW for Hawley Buffalo River Restoration Project.

May 2014

- Spent considerable time dealing with new permit system.
- Submitted DNR permit application for Whiskey Creek, Section 14, Connelly Township, Wilkin County.
- Noted homeowner concerns regarding Country Heritage Outlet Project.
- Vogel Law Firm started condemnation proceeding for Kent Rod-N-Gun Club property, Manston Slough Restoration Project.
- Held Holmesville Township landowner meetings regarding elevation of Rock Lake, Becker C.D. No. 19 system.

- Granted extension to Ziegler Construction, Inc. for Elkton Township Wetland Mitigation Project.
- Awarded Glyndon Township waterway repair to Steven Johnson Excavation with bid of \$24,840.
- Approved contract amendment with HEI for hiring of home-based Administrative Assistant and part-time Resident Administrative Assistant.
- Gladen Construction, Inc. completed field drainage improvements for Pj. No. 71, City of Moorhead, 50th AVE S Flood Control Levees.
- Gladen Construction, Inc. resumed work on Manston Slough Restoration Project.
- Oakport Township Flood Mitigation Project did not receive 2014 funding.
- Authorized HEI to prepare hydraulic analysis of Rock-Rice Road crossing and C.R. No. 27 crossing at the Momb Lake outlet to see if structures are restricting flow in Becker C.D. No. 19.
- Approved MN DNR letter prepared by the City of Moorhead's attorney pertaining to F-M Diversion.

June 2014

- Contributed \$37,658 to Becker SWCD for work around Boyer Lake after presentation by Peter Mead.
- No comments received from MN DNR or MHS concerning EAW for Whiskey Creek, Section 14, Connelly Township.
- Discussed costs for Clay County petition for Swede Grove Lake outlet.
- Held Manston Slough Restoration meeting with agencies on 06/18/14.
- Authorized Vogel Law Firm to contact Oakport landowners regarding stockpile of materials.
- Repair of Clay C.D. No. 10 was awarded to: Phase 1 - JBX, LLC for \$87,150; Phase 2 - William Nichol Excavating, Inc. for \$52,550; and Phase 3 - William Nichol Excavating, Inc. for \$46,430.
- Request for proposals from MPCA regarding communities adapting to climate change and extreme weather conditions.
- Received Stakke Lake report that discusses the impacts of raising lake runout elevation.
- Viewers continued work on Redetermination of Benefits for Clay C.D. Nos. 9, 32, and 33.
- MAWQCP KAP questionnaire mailed to landowners in Whiskey Creek drainage area.
- Consider creation of "water management district" for Wolverton Creek/Comstock Coulee drainage area.

- Awarded repair of Clay C.D. No. 5 outlet to Northern States Excavating, Inc. with a bid of \$85,038.
- Signed DNR grant for Hawley Buffalo River Restoration (grant amount \$469,000 /completion date 06/30/15).
- Notified by landowner that J.D. No. 2 water overtopped the ditch berm causing flooding in fields. Authorized HEI to analyze problem/make recommendations for repair.
- Discussed recent flooding problems along Wilkin C.D. Nos. 1-C and 34.
- Considered use of a form to notify downstream landowners when permits are issued that could affect them.
- Dismissed petition for Pj. No. 76, Wilkin C.D. No. 31-Proposed Lat. No. 8.
- Discussed status of proposed Clay C.D. No. 51 Lateral, Section 28, Kragnes Township.
- Authorized HEI to investigate repairs of Pj. No. 37, Clay C.D. No. 1-Lat. 1, between T.H. No. 75 and outlet.
- Authorized analysis for potential diversion on County line (Clay-Wilkin J.D. No. 1).
- Authorized demolition of a house associated with Pj. No. 49, Oakport Flood Mitigation, with a bid of \$18,500.
- Held Mediation PT meeting on 06/26/14.
- Approved the Record of Decision on the need for an EIS pertaining to the Hawley Buffalo River Restoration Project.
- Authorized HEI investigation for petitioned repairs on Wilkin C.D. No. 42 and Clay C.D. No. 31.
- Attended MAWD Summer Tour in Stillwater on June 18-20, 2014.

July 2014

- Attended RRV Ag Water Forum titled “Building Grower Awareness and Local Engagement” at Nordick Farm on 07/18/14.
- Landowner concern that BRRWD needs to regulate tile operation.
- Wilkin County Commissioner attended meeting for Diversion update. BRRWD will analyze effects of ring dike proposed by COE for OHB.
- Detour route for CSAH No. 26 completed for Manston Slough Restoration.
- Authorized survey work to begin on Barnesville Township Comprehensive Project. Received \$10,000 grant through RRBFDROWG.

- All construction work completed on Clay C.D. Nos. 9, 32, and 33.
- Board approved 2013 Annual Report.
- Landowner discussed concerns with erosion site, NE1/4, Section 6, Manston Township. HEI will conduct survey.
- F-M Diversion Upstream Coalition asked for update regarding the COE's request for ROE to Minnesota lands in the upstream staging area.
- Survey work completed on CSAH No. 26, Manston Slough Restoration Project.
- Reviewed possible alignments for retention area on Stony Creek.
- Working with MPCA to extend Buffalo River TMDL study deadline.
- Mailed hearing notices to add/delete lands from Clay C.D. Nos. 21 and 58.
- Authorized 2014 ditch/project spraying.
- Approved repair of plugged channel/erosion site in Section 12, Atherton Township, downstream of CSAH No. 52, on Wilkin C.D. No. 41.
- Attended MAWQCP meeting in Fergus Falls on July 8-9, 2014.

August 2014

- Discussed progress of Manston Slough Restoration Project. Concrete work started on CSAH No. 26 structures.
- Steven Johnson Excavation completed work on Glyndon Township road erosion.
- Work completed on Clay C.D. No. 5 outlet.
- Received preliminary hydraulic analysis for Becker C.D. No. 19.
- Received a report regarding possible diversion on Clay-Wilkin J.D. No. 1.
- Opened bids for Hawley Buffalo River Restoration Project.
- Buffalo River TMDL MPCA study extended to 12/31/14.
- Wilkin County held hearing to transfer drainage systems.
- Reviewed chronological listing of Swede Grove Lake events/activities.
- Board agreed to support two NDSU grant proposals: "Impact of Drainage Water Management on Soil Phosphorus Loss in the Red River of the North Basin" and "Managing Water for Increased Resiliency of Drained Agricultural Landscapes".

- Clay County Manager Curtis M. Nelson retired after 33 years of service.
- New Clay County Manager Mark T. Anderson is appointed.
- Manager Gerald L. Van Amburg is reappointed for another 3-year term.
- Discussed drainage issues in Sections 27 and 34, Skree Township, Clay County.
- Landowner near OHB ring dike (built by F-M Diversion Authority) expressed concerns regarding change to water levels on the MN side of river.
- Petitioner for Clay C.D. No. 51 lateral to start over with new petition.
- Working with Moorhead Police Chief regarding future hunting in Oakport Township. This area will be annexed into the City of Moorhead 01/01/15.
- Awarded Hawley Buffalo River Restoration Project to Reiner Contracting, Inc. with bid of \$644,602.50.
- Submitted a BWSR Targeted Watershed Demonstration Program application for the Wolverton Creek/Comstock Coulee Restoration Project.
- Discussed water quality monitoring for Pj. No. 46, Turtle Lake Outlet.
- Submitted support letter for RRRRA's application to NRCS for Farm Bill Regional Conservation Partnership Program (RCPP).
- Approved repairs to Becker C.D. No. 5.

September 2014

- Held informational meeting with J.D. 1 landowners 09/04/14.
- Held Annual Budget Hearing. Following levies were set: administrative \$250,000; insurance \$20,000; general \$522,822; second general \$450,000; total general \$1,242,822 (\$1,108,665 in 2014).
- Set levies for project/drainage systems.
- Discussed flooding/erosion/drainage issues along the South Branch of Buffalo River, Manston Township. Potential retention area SE1/4, Section 11.
- Held informational meeting for drainage issues/concerns in Sections 27 and 34, Skree Township, Clay County.
- Accepted new petition for lateral ditch, Section 28, Kragnes Township, Clay County.

- Granted time extensions to JBX LLC and William Nichols Excavating, Inc. for Clay C.D. No. 10.
- Held Mediation PT meeting.
- Discussed restoration of Whiskey Creek, Section 14, Connelly Township. CUP will be required from Wilkin County Environmental Planning Office.
- Approved Pay Request No. 5 to Gladen Construction, Inc. for Manston Slough Restoration for \$699,723.78. Approved extension to 10/31/14.
- Reviewed analysis of OHB Ring Levees. Project's impacts are near zero.
- Attended MAWQCP meetings in St. Cloud.
- Wilkin County Board of Commissioners transferred 18 drainage systems.
- Discussed IWI paper "Water Management Options for Surface Draining".
- Authorized replacement of crossing along C.R. No. 30, Section 29, Prairie View Township, Wilkin County, on C.D. No. 43.
- Authorized repairs to Clay C.D. No. 69.
- Submitted two grant application to BWSR for their CWF program: Clay C.D. No. 23 outlet erosion and Clay C.D. No. 39 outlet repairs/Clay C.D. No. 59 field outlets.
- Authorized Thompson Greenery to complete additional office landscaping work.

October 2014

- Gladen Construction, Inc. has punch list items to complete on Manston Slough Restoration Project.
- Extended DNR grant for Pj. No. 39, Georgetown Levee to 12/31/15.
- Possible fee discussed for Becker C.D. Nos. 5 and 15 outlet usage by Detroit Lakes Waste Water Treatment Facility.
- Held BRRWD Fall Tour.
- Sent ROE letters to obtain permission for Army COE to enter five cemeteries on MN side of Red River.
- Ziegler Construction, Inc. completed work on Elkton Township Wetland Restoration.
- Approved request to remove sediment from Becker C.D. No. 15, Section 21, Hamden Township.

November 2014

- Reached agreement with Skree Township officials and landowners in Sections 27 and 34 regarding culverts and drainage in that area.
- Specifically named BRRWD Managers have been dropped from a federal lawsuit filed by Roger Minch pertaining to drainage issues in Sections 28 and 34, Kragnes Township, Clay County.
- Met with North Country Trail Planner regarding a possible hiking trail that would connect Maplewood State Park with Fort Abercrombie.
- Implemented a new agenda format. Second meeting of the month will be devoted to discussion of upcoming issues, etc.

December 2014

- Held Steering and Advisory Committee meeting regarding the Whiskey Creek pilot area and MAWQCP.
- Reviewed HEI's investigation of drainage concerns in Section 21, Tanberg Township, Wilkin County.
- Completed field survey work to develop easements needed for the restoration of Whiskey Creek, Section 14, Connelly Township, Wilkin County.
- Signed Amend. No. 8 to the DNR FDR grant obtained for the Manston Slough Restoration Project. Extended completion date to 09/30/15.
- Held meeting with City of Moorhead to discuss financing needed to complete the Oakport Flood Mitigation Project.
- Discussed possible project for South Branch of the Buffalo River. Smaller concept beginning at C.R. No. 30 and proceeding upstream to T.H. No. 9.
- Currently working with the NRCS on two WRP projects: 1) Section 4, Manston Township, and Section 33, Atherton Township, Wilkin County and 2) South Reep Lake, Sections 4 and 5, Audubon Township, Becker County.
- Attended MAWD Annual Meeting & Trade Show.
- Albright selected by BWSR as "Watershed District Employee of the Year".
- Met with Laserfiche salesperson.

Major Projects

MANSTON SLOUGH WATER RESOURCE MANAGEMENT PROJECT



Background

Recent consideration of the Manston Slough project was initiated after the Minnesota DNR began looking at enhancing wetlands in the East Half of Section 19, Manston Township, in the Manston Wildlife Management Area (WMA). After review of the site by the Buffalo-Red River Watershed District (BRRWD) and their Engineer, the BRRWD and their Mediation Project Team (PT) decided that a larger, more comprehensive project would restore historic wetland water levels while providing additional flood control.

The Manston Slough project is located in Mitchell, Manston, and Meadows townships in Wilkin County. The project site is located near the bottom of the beach ridge on very flat topography. Runoff from the east drops quickly through the landscape upstream of the site and then enters

the Manston Slough area, spilling out of various waterways that drain into the historic basin.

The project is approximately two miles wide in the east-west direction and four miles long in the north-south direction. A large portion of the Manston Slough project area includes land owned by the US Fish & Wildlife Service (USFWS) and MnDNR. During meetings with personnel from the MnDNR and USFWS, it became evident that, in addition to flood control, the site also had great potential for wildlife habitat enhancement. The State of Minnesota initially drained the area in the late 1800s with the construction of Ditch No. 15.

LiDAR, aerial, and GPS ground survey was conducted in order to obtain ground elevations for the site. A

geotechnical investigation was also started to determine the subsurface conditions.

The NRCS/Ducks Unlimited (DU) has been encouraging landowners with property in the flood pool and wetland areas around the project site to sign up for the Wetland Reserve Enhancement Program (WREP). There has been significant interest by landowners in this program.

In 2003, the Governor's Clean Water Cabinet selected this site as one of their Pilot Project Initiatives. ►



» Location

On Wilkin County Ditch No. 13-Lateral, a tributary to the South Branch of the Buffalo River, in northern Wilkin County approximately 10 miles southwest of Barnesville, Minnesota

» Client

Buffalo-Red River Watershed District

» Contact

Gerald Van Amburg
Chairman
218.354.7710

» Client Benefits

A preliminary cost-benefit analysis was conducted for the project. The estimate of project costs was \$3.1 million. Project benefits, expected to exceed \$15 million, include:

- Floodwater storage and retention and Buffalo Aquifer recharge.
- Natural resource enhancement – 1,147 acres of new restored wetlands in addition to enhancement of existing wetlands.
- Nutrient assimilation and sediment entrapment, resulting in improved water quality.
- Improved nesting habitat for waterfowl and improved habitat for breeding, feeding, or cover purposes for other species.

MANSTON SLOUGH WATER RESOURCE MANAGEMENT PROJECT

continued

The Project

The project drainage area is 26.5 square miles and extends approximately seven miles east of the site.

The project includes:

- A low hazard classification dam with 4,340 acre-feet of storage below the emergency spillway crest
- 1,147 acres of wetland restoration
- A water level control structure to manage wetland elevations
- Upland watershed treatment to control erosion

The dam embankment has a maximum height of approximately eight feet. The principal spillway consists of a reinforced concrete culvert through the dam embankment and a reinforced concrete box drop inlet. Most of the project embankments involve modifying existing roads. Stoplogs were placed in the side of the box inlet to allow management of the wetland pool. The proposed 300-foot vegetated emergency spillway is designed to convey discharges in excess of the principal spillway capacity at nonerosive velocities. The US Army Corps of Engineers' HEC-HMS and HEC-RAS computer programs were used extensively to simulate runoff events and aid in the design of spillway features. Wilkin County Ditch No. 13-Lateral serves as the outlet channel and provides drawdown capability to provide access to the site for project construction and operation and maintenance. Upon securing funding and permits, construction began in 2008.

Funding

- Buffalo-Red River Watershed District (M.S.A. 103D.905, Subd. 3)
\$775,000
- State of Minnesota DNR Flood Damage Reduction Grant
\$1,550,000
- Project Assessments per Benefited Party (M.S.A. 103D.725)
\$775,000 ■



CLAY COUNTY DITCHES 9, 32, AND 33 CONSERVATION DRAINAGE



Background

The Red River of the North is listed on the Section 303(d) list as impaired for turbidity due to excess sediment being carried in the runoff. The Red River is a source of drinking water for the City of Moorhead, MN, and 86% of Moorhead's water supply comes from the Red River. Increased turbidity and sediment load has increased treatment costs for the drinking water in the City and other communities along the Red River that their raw water from the river.

The Project

The Water Quality Improvement Project, funded by a 2013 MN Board of Water and Soil Resources Clean Water Fund Conservation Drainage grant, included the retrofit of Clay County Ditches 9, 32, and 33 just south of Moorhead. The project involved the installation of 179 culverted side inlet sediment controls and 40 acres of buffer strips. The side inlets and buffer strips became part of the ditch systems via MN Statutes 103E.021, Subd. 6, and the full extent of all three ditch systems, including more than 16 miles of county ditch, were treated for sediment and erosion control by utilizing Best Management Practices (BMPs).

A hearing was held with landowners who have property in the areas of the legal ditch systems to acquire the necessary ditch rights-of-way. The

landowners wanted to see work completed on the ditch systems and were supportive of getting buffers and side inlet controls installed along the ditch system. Together, all practices are expected to reduce sediment loading by 2,900 tons per year and phosphorus loading by 3,900 pounds per year. ■



» Location

Clay County, Minnesota

» Client

Buffalo-Red River Watershed District

» Contact

Gerald Van Amburg
Chairman
218.354.7710

» Client Benefits

- Reduced sediment loading to the County ditch systems involved.
- Reduced sediment loading to the Red River.
- Reduced future ditch maintenance.

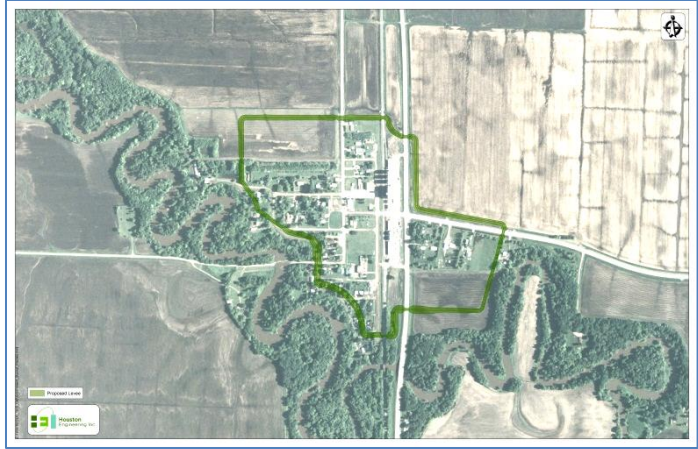
Georgetown Flood Mitigation Project

Proposers

Buffalo-Red River Watershed District (BRRWD)

Description/Location:

The project area is located in Georgetown, approximately 14 miles north of Moorhead. The area is affected by flooding from backup flows from the Red River of the North, and the fact that the Buffalo River flows through the middle of town. The proposed project will improve the existing flood protection levee constructed in 1999 that is experiencing some slope failures and provides an inadequate level of flood protection.



Two options have been developed with different levels of protection. Option 1 is designed to provide flood protection with 2 feet of freeboard over the Base Flood Elevation (Flood elevation that has a 1% chance of equaling or exceeding that level in any given year “100-year Flood”). Option 2 is designed to provide flood protection with 4 feet of freeboard over the Base Flood Elevation. It is estimated that both options will require 19 property buyouts due to geotechnical slope stability concerns with an additional 19 properties requiring partial purchase or easements. Both options will be constructed to FEMA standards; however Option 1 does not provide protection to a certifiable level. Option 1 does include provisions to increase the level of protection to a certifiable level at a future date. Option 2 provides protection to a certifiable level and if constructed, homes protected by the project may receive lower flood insurance premiums. The protection levels are based on the preliminary Clay County Flood Insurance Study completed in 2009. The BRRWD has currently hired an appraiser to begin work on the buyouts. Funding dependent, the project could be constructed in 2011.

Project Benefits: In excess of \$5,273,600 (current taxable market value).

Flood Control Provide flood protection to approximately 91 acres and 55 structures.

	Estimated Project Cost	Funds Received	State Funds Needed	Local Funds
Option 1	\$3,716,000	\$655,000	\$3,061,000	\$30,638
Option 2	\$3,863,000			
Difference	\$147,000	0	\$73,500	\$73,500
Totals		\$655,000	\$3,134,500	\$104,138

Oakport Flood Mitigation Project

Proposers

Buffalo-Red River Watershed District

Description/Location:

The project area is located north of Moorhead and covers approximately a two square mile area. The project construction began in August 2009 with Phases 1B, 2, and 3A. Work continued in 2010 on Phases 1A and 3B. Phase 3C was completed in 2012. The remaining phase (4) is anticipated to be completed in 2015 depending on funding availability. Approximately 60 property buyouts have been completed. The constructed levee will be FEMA certified (local cost). The project is being built to 3 feet above the 2009 flood level – the flood of record to date.



Project Benefits

Flood Control

Provides flood protection to approximately 750 acres and 450 properties. Project has been designed to allow passage of the 100-year flood without adverse upstream or downstream impacts.

Habitat Restoration Buyout locations will be converted to green space where practical.

Erosion Reduction Overland flooding through the Oakport area will be reduced. Permanent Stormwater Detention ponds have been designed for the interior to reduce turbidity and suspended solids thereby improving water quality. All site drainage will be routed through the detention ponds.

Dike: \$22,031,792 State (\$29,310,890) / Non-state (\$741,253-2% MHI)
Buyouts: \$9,020,401 (\$1,000,000-Other)

Status: Construction began Fall 2009

	Prior Years	FY 2010 (7/1/09-6/30/10)	FY 2011 (7/1/010-6/30/11)	FY 2012 (7/1/11-6/30/12)	FY 2013 (7/1/12-6/30/13)
Approvals	PT/WD	DNR/COE/WCA			
Funding	State \$6M O \$100K	State \$11 O \$200K	State \$4M O \$200K	State \$8.7M O \$300K	State \$5M
	Project Design	Project Design, Acquisition, Construction	Acquisition, Construction	Construction	Finish Phase 3 Construction

Key: PT=Project Team; WG=Flood Damage Reduction Work Group; WD=Watershed District; DNR=Minnesota DNR; O=Other

Partners: State of Minnesota Flood Damage Reduction Program/BRRWD/Oakport Township



Recognizing Excellence in Conservation

2014 Watershed District Employee of the Year

December 2014

The Minnesota Board of Water and Soil Resources (BWSR) is pleased to announce that Bruce Albright, District Administrator for the Buffalo-Red River Watershed District (WD), has been honored as the 2014 Outstanding Watershed District Employee of the Year.

Bruce has served more than thirty years as the WD's administrator, a role that requires that he be not just the primary staff for the district, but its public face. He supports the Board of Managers, manages the district's daily operations, budget, outreach efforts, and partnerships with other government agencies, nonprofits, consultants and the public.

In 2014, Bruce managed the successful completion of the multi-year Manston Slough project. This 1,500-plus acre wetland restoration that spanned six square miles brings significant benefits to the district. Better flood control, habitat restoration, increased water clarity to the downstream river, and other associated benefits from a wetland restoration are expected thanks to the project. Albright worked closely with the Department of Natural Resources and US Fish and Wildlife Service, who have significant land ownership within the project's boundaries, as well as 32 private landowners, to make sure the project was a success. His ability to work with both government agencies and these landowners was key.

Bruce's commitment to conservation and bringing everyone to the table has been a hallmark of his career. He's worked with hundreds of landowners, negotiating all kinds of easements and buyouts and managing water problems. A good number of the district's projects center around flood control or flood damage, which can be especially challenging. Bruce's honesty and fairness have earned him the respect of landowners, government staff at every level, and other conservation professionals.

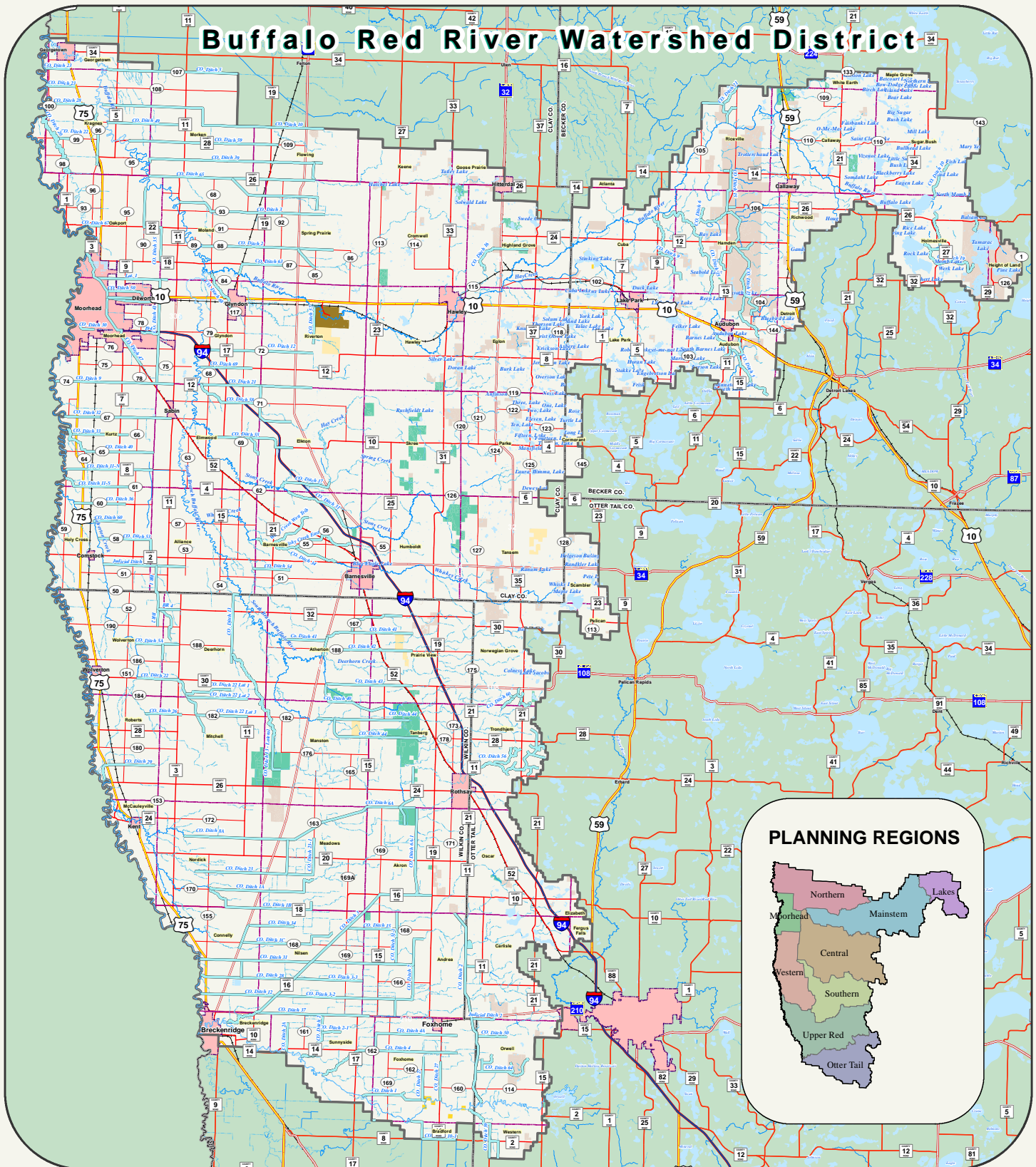
"Bruce's leadership is evident in the work of the Buffalo-Red River Watershed District," BWSR Executive Director John Jaschke said. "His careful stewardship of the Manston Slough project is just one example of the great work he's done in the watershed, work that benefits not just local citizens, but the whole state."

The Outstanding Watershed District Employee of the Year is awarded at the Minnesota Association of Watershed Districts' convention, held annually in December.

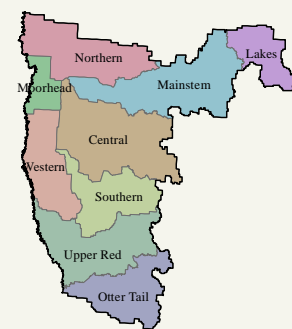


Buffalo-Red River Watershed District Administrator Bruce Albright speaks at the Manston Slough groundbreaking ceremony in September, 2013.

Buffalo Red River Watershed District



PLANNING REGIONS



Legend

State Land

- State Park
- Scientific Natural Area
- Wildlife Management Area

Federal Land

- Bureau of Land Management
- U.S. Fish & Wildlife Service

BRRWD Legal Boundary

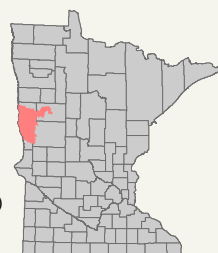
County Boundary

Municipality

Township

Water Features

- Centerline (River)
- Stream (Perennial)
- Drainage Ditch (Perennial)
- Stream (Intermittent)
- Drainage Ditch (Intermittent)
- Waterbody



0 1.5 3 6 9 12 Miles

District Base Map

Scale: AS SHOWN Drawn by: DCK Checked by: Project No.: Date: Sheet:

1915-000 7/9/2014

Houston Engineering Inc.
1401 21st Avenue North Fargo ND 58102
701.237.5065

BUFFALO-RED RIVER WATERSHED DISTRICT
BARNESVILLE, MINNESOTA

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

BUFFALO - RED RIVER WATERSHED DISTRICT

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BUFFALO - RED RIVER WATERSHED DISTRICT
LIST OF OFFICIALS
DECEMBER 31, 2014

Governing Board

	<u>Office</u>
Gerald L. VanAmburg	Chairman
Peter V Fjestad	Vice-chairman
Curtis M. Nelson/Mark T. Anderson	Treasurer
John E. Hanson	Secretary
Breanna L. Paredeis Kobeila	Manager
Catherine L. Affield	Manager
Troy Larson	Manager

Administration

Bruce E. Albright	Office Administrator
Julie Jerger	Administrative Assistant

Harold J. Rotunda
Certified Public Accountant
INDEPENDENT AUDITOR'S REPORT

Governing Board
Buffalo-Red River Watershed District
Barnesville, Minnesota

I have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and aggregate remaining fund information of Buffalo-Red River Watershed District as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with U.S. generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Buffalo-Red River Watershed District as of December 31, 2014, and the changes in modified cash basis financial position and cash flows, where applicable, thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

Basis of Accounting

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles. My opinion is not modified with respect to that matter.

Other Matters

U.S. generally accepted accounting principles require that the management discussion and analysis and budgetary comparison information on pages 4-10 and 34 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards which consisted of inquiries of management about 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise District's basic financial statements. The accompanying schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

West Fargo, North Dakota
June 5, 2015

405 West Main Avenue Box 816 West Fargo, ND 58078 Phone (701) 281-0483 Cell 212-3908

BUFFALO - RED RIVER WATERSHED DISTRICT
BARNESVILLE, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Buffalo-Red River Watershed District (District), I offer readers of the financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2014, within the limitations of the District's modified cash basis of accounting. I encourage readers to consider the information presented here in conjunction with additional information that I have furnished. The intent of this discussion and analysis is to look at the District's financial performance as a whole.

Financial Highlights

* The assets of District exceeded its liabilities at the close of the most recent fiscal year by \$652,558, (Net Assets). Of this amount, \$652,558 (Unrestricted Net Assets) may be used to meet ongoing obligations.

* The District's total net assets decreased by \$374,424 as a result of the current year's operation on the modified cash basis.

* The District's total revenues from all sources were \$6,450,397. Total expenses were \$6,824,821.

* At the close of the current fiscal year, The District's governmental funds reported combined ending fund balances of \$652,558, a net decrease of \$374,424 in comparison with the prior year. The entire balance is available for spending through an unreserved fund balance.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise five components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements
4. Required Supplementary Information
5. Other Supplementary Information

These financial statements are organized so the reader can understand the District as a whole.

BUFFALO - RED RIVER WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS- CONTINUED

Government-Wide financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or declining.

The Statement of Activities presents information showing how the District's net assets changed during the fiscal year resulting from the use of the modified cash basis of accounting. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three groups: governmental, proprietary, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

BUFFALO - RED RIVER WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS- CONTINUED

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. The District's net assets resulting from modified cash basis transactions of \$652,558 are segregated into three categories. Invested in capital assets (net of related debt), restricted assets and unrestricted. Net assets invested in capital assets, net of related debt, represents 0% of the District's net assets. These assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets are not used to liquidate these liabilities. Restricted net assets represent 0% of the District's resources that are subject to external restrictions on how they may be used. Unrestricted net assets represent the remaining 100% of resources. The unrestricted net assets are available to meet the District's ongoing obligations.

NET ASSETS- MODIFIED CASH BASIS

Assets	2014	2013
Current and other assets	652,558	1,026,981
Capital assets (net of depreciation)		
Total Assets	<u>652,558</u>	<u>1,026,981</u>
	=====	=====
Liabilities		
Current Liabilities		
Long Term Liabilities		
Total Liabilities	<u> </u>	<u> </u>
	=====	=====
Net Assets		
Invested in Capital Assets Net		
Restricted		
Unrestricted	<u>652,558</u>	<u>1,026,981</u>
Total Net Assets	<u>652,558</u>	<u>1,026,981</u>

BUFFALO - RED RIVER WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS- CONTINUED

Governmental activities decreased the District's net assets resulting from modified cash basis transactions by \$374,424. Key elements of this increase are as follows:

CHANGES IN NET ASSETS- MODIFIED CASH BASIS		
	<u>2014</u>	<u>2013</u>
Revenues		
Program Revenues:		
Charges for Services		
Operating Grants and Contributions	3,870,067	4,826,296
General Revenues		
Property taxes	1,009,651	1,061,909
Assessments	1,317,978	897,032
State Aid	109,042	107,865
Debt proceeds		2,015,954
Interest and Other Revenue	143,659	339,455
Total Revenues	<u>6,450,397</u>	<u>9,248,511</u>
Expenses		
Project	6,325,845	7,909,027
Support Services:		
General Administrative Services	392,866	366,660
Interest	106,110	158,435
Depreciation-Unallocated		
Total Expenses	<u>6,824,821</u>	<u>8,434,122</u>
Increase in Net Assets	(374,424)	814,389

Taxes constituted 16%, special assessments 20%, grants 60% and other revenues made up the remaining 4% of the total revenues of the governmental activities of the District for the 2014 fiscal year. Projects comprise 93% of the District's governmental expenses, while support services account for 7%.

General Fund Budgetary Highlights

The District does not prepare a formal budget for any funds. However, all funds are tracked and presented to the managers on a monthly basis through a variety of reports.

BUFFALO - RED RIVER WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS- CONTINUED

Capital Asset and Debt administration

Capital Assets

As of December 31, 2014, the District had \$597,539 invested in capital assets. This investment includes land, buildings and improvements, equipment and vehicles, and construction in progress.

CAPITAL ASSETS (NET OF DEPRECIATION)		
	<u>2013</u>	<u>2014</u>
Buildings and Improvements		597,539
Construction in Progress	585,122	
Total	585,122	597,539

Under the modified cash basis the cost of fixed assets is expensed in the year incurred and no depreciation expense is recorded.

Long-Term Debt

The District had long term debt of \$313,000. Of this amount, \$212,000 is long-term debt, the remaining \$101,000 is a current liability due within one year. The District had a net decrease in its existing debt obligation by \$ 99,000 from December 31, 2013.

OUTSTANDING GENERAL LONG-TERM DEBT		
	<u>2013</u>	<u>2014</u>
Bonds Payable	412,000	313,000
Line of credit payable		
Total	412,000	313,000

Under the modified cash basis the debt proceeds are recorded as revenue in the year received and the repayment of principal is recorded as expense in the year paid.

Economic Factors and Next Year's Budget

While the current financial condition of the District is strong, careful planning and financial stewardship must be followed to ensure that stability remains in future years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all their citizens, taxpayers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Bruce E. Albright, Office Administrator.

BUFFALO-RED RIVER WATERSHED DISTRICT
STATEMENT OF NET ASSETS- MODIFIED CASH BASIS
DECEMBER 31, 2014

ASSETS

Cash and investments	652,557.65
Accounts receivable	
Taxes receivable	
Intergovernmental receivable	
Due from County Treasurer	
Capital assets (net of accumulated depreciati	-
Total Assets	652,557.65

LIABILITIES

Accounts Payable	
Line of credit	-
Deferred revenue	
Long-term liabilities:	
Due within one year:	
Bonds payable	
Notes payable	-
Due after one year:	
Bonds payable	
Notes payable	-
Accrued vacation	
Total liabilities	-

NET ASSETS

Invested in capital assets, net of related debt	-
Restricted for:	
Capital projects	
Debt service	
Unrestricted	652,557.65
Total net assets	652,557.65

The accompanying notes are an integral part of these financial statements.

BUFFALO-RED RIVER WATERSHED DISTRICT
STATEMENT OF ACTIVITIES- MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2014

		Program Revenues		Net (expense) Revenue & Changes in Net Assets
	Expenses	Charges for Services	Operating grants and Contributions	Governmental Activities
Governmental Activities:				
General government	392,866.51			(392,866.51)
Project expense	6,273,519.62	3,870,066.93		(2,403,452.69)
Buy out costs	-			-
				-
				-
				-
Interest expense	158,434.64			(158,434.64)
Depreciation- Unallocated				-
Total Governmental Activi	6,824,820.77	3,870,066.93	-	(2,954,753.84)
General Revenues				
Property taxes				1,009,651.09
Special assessments				1,317,978.24
Debt				-
State aid				109,042.36
Interest income				102,190.77
RRWMB share				32,693.56
Other revenue				8,774.08
Total General revenues				2,580,330.10
Change in Net Assets				(374,423.74)
Net Assets- January 1				1,026,981.36
Net Assets- December 31				652,557.62

The accompanying notes are an integral part of these financial statements.

BUFFALO-RED RIVER WATERSHED DISTRICT
BALANCE SHEET- GOVERNMENTAL FUNDS- MODIFIED CASH BASIS
DECEMBER 31, 2014

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	PROJECT 56 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and investments	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.73)	652,557.65
Accounts receivable						-
Taxes receivable						-
Intergovernmental receivable						-
Due from County Treasurer						-
Total Assets	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.73)	652,557.65
LIABILITIES						
Accounts Payable						-
Line of credit					-	-
Deferred revenue						-
Total liabilities	-	-	-	-	-	-
FUND BALANCE						
Restricted for Capital Projects						-
Restricted for Debt Service						-
Unassigned	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.73)	652,557.65
Total fund balance	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.73)	652,557.65

The accompanying notes are an integral part of these financial statements.

BUFFALO-RED RIVER WATERSHED DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- GOVERNMENTAL FUNDS- MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2014

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	PROJECT 56 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Property taxes	256,031.62	5.98	461,930.57	-	291,682.92	1,009,651.09
Special assessments				99,962.50	1,218,015.74	1,317,978.24
Grant income		-		1,864,862.39	2,037,898.10	3,902,760.49
State aid	-		-		109,042.36	109,042.36
RRWMB share	-	-	-	-	-	-
Charges for services	2,700.00	-	-	-	-	2,700.00
Interest and other	1,277.42	41,695.13	4,994.12	3,507.00	56,791.18	108,264.85
Total Revenues	260,009.04	41,701.11	466,924.69	1,968,331.89	3,713,430.30	6,450,397.03
Current:						
General government	99,183.73		57,368.82	-	-	156,552.55
Engineering	293,682.78	1,355.70	5,610.16	246,148.04	929,605.91	1,476,402.59
Buy out costs			-	-	-	-
Capital outlay		-	43,456.07	2,662,721.27	2,379,577.98	5,085,755.32
Debt Service			-			
Principal					-	-
Interest expense	-			5,474.57	100,635.74	106,110.31
Total Expenditures	392,866.51	1,355.70	106,435.05	2,914,343.88	3,409,819.63	6,824,820.77
Excess revenues (expendit	(132,857.47)	40,345.41	360,489.64	(946,011.99)	303,610.67	(374,423.74)
Other Financing Sources (Uses):						
Transfers in	210,376.74	-		-	607,277.01	817,653.75
Transfers out		(156,084.74)	(354,611.66)	(42,162.72)	(264,794.63)	(817,653.75)
Debt proceeds					-	-
Total other financing sourc	210,376.74	(156,084.74)	(354,611.66)	(42,162.72)	342,482.38	-
Net change in fund balance	77,519.27	(115,739.33)	5,877.98	(988,174.71)	646,093.05	(374,423.74)
Fund balance- beginning	81,935.18	1,338,548.20	41,189.77	360,456.02	(795,147.81)	1,026,981.36
Fund balance- ending	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.76)	652,557.62

The accompanying notes are an integral part of these financial statements.

BUFFALO - RED RIVER WATERSHED DISTRICT
BARNESVILLE, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Buffalo-Red Watershed District (District) have been prepared on the cash basis of accounting. The cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The accompanying financial statements present the activities of the District. The District has considered all potential component Units for which the District is financially accountable and other organizations for which the nature and significance of their relationships with the District such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. This criteria includes appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the District.

Based on these criteria, there are no component Units.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Government-wide statements: The statement of net assets and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Funds are organized into two major categories: governmental and proprietary. The District currently has no enterprise or fiduciary funds.

The District reports the following major governmental fund types:

General Fund. The General Fund is the primary operating fund of the District and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Construction fund. The Construction fund is used to record the tax levy that results from a levy in conjunction with the Red River Watershed Management Board. The fund directly pays for construction costs or supports other funds of the District.

M.S.A. 103D.905 fund. The Construction fund is used to record the tax levy that results from a levy allowed by the State. The fund directly pays for construction costs or supports other funds of the District.

Project No 49- Oakport Township Levee. The fund is used to record the grant and special assessments received for the construction of a levee in Oakport Township. The fund is also used to purchase property in the Township that is at risk for flooding.

The District also reports the following fund types:

Special Revenue Funds. Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the District.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements. In the government-wide Statement of Net Assets and the Statement of Activities, activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the cash basis of accounting, is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements presents sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

In the government-wide Statement of Net Assets and the Statement of Activities, activities are presented using the cash basis of accounting. This basis of accounting recognizes assets, liabilities, net assets/fund equity, revenues and expenditures when they result from cash transactions in the government-wide statements. This basis is a comprehensive of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then by general revenues.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

All governmental funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgets

The District does not prepare a formal budget for any funds. It goes through a process to establish the tax levy.

E. Cash and Investments

At year end, the bank balance was \$378,014. The entire bank balance was covered by federal depository insurance or was collateralized with securities by the pledging financial institution's agent in the District's name.

The District is authorized by State statutes to invest idle funds in direct or guaranteed obligations of the United States or its agencies, shares of registered investment companies, any general obligation of the state or municipalities, bankers acceptances or commercial paper of U.S. corporations.

Investments consist of certificates of deposits stated at cost.

F. Capital Assets

The District records capital assets as disbursements at the time of purchase.

G. Long-Term Obligations

In the government-wide financial statements, long term debt and other long term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums, discounts and issuance costs are recognized in the current period since the amounts are not material.

In the fund financial statements, governmental fund types recognize bond premiums, discounts and issuance costs in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

H. Fund Balance

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - inventories; or (b) legally or contractually required to be maintained intact.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

H. Fund Balance

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the District council-the District's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The council has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

I. Interfund Transactions

In the governmental fund statements, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

All other interfund transfers are reported as operating transfers. In the government-wide financial statements, interfund transactions have been eliminated.

J. Use of estimates

The preparation of financial statements in conformity with the Other comprehensive basis of accounting (OCBOA) used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

NOTE 2: LEGAL COMPLIANCE - BUDGETS

BUDGET AMENDMENTS

The board did not amend the District's budget in 2014.

EXPENDITURES OVER APPROPRIATIONS

The District did not overspend the budget. No remedial action is required by the District.

NOTE 3 DEPOSITS AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is risk associated with the failure of a depository financial institution to recover its deposits or collateralized securities that are in the possession of outside parties. The District does not have a formal policy that addresses custodial credit risk for deposits. However, in accordance with state statutes, the District maintains deposits at those depository banks and savings and loans authorized by the District, all of which are covered by federal deposit insurance. These statutes also require that the deposits be protected by insurance, collateral or surety bond. The fair value of the collateral pledged must be equal to or greater than 110% of the deposits not covered by insurance or bonds. As of December 31, 2014, the District's deposits were either fully insured or properly collateralized, and have no custodial risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of debt security typically moves in the opposite direction of the change in interest rate. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. As of December 31, 2014, the District had no debt securities investments.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal investment policy that specifically addresses credit risk. As of December 31, 2014, the District had no debt securities investments.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer. As of December 31, 2014, the District had no debt securities investments.

NOTE 4 DEBT

Changes in Long-Term Liabilities - During the year ended December 31, 2014, the following changes occurred in liabilities reported in long-term debt:

	Payable 2013	Increases	Decreases	Payable 2014	Due Within One Year
Bonds Payable	412,000		99,000	313,000	101,000

BONDS PAYABLE

Bonds payable consist of the following:

	Maturity Date	Interest Rate	Balance Outstanding
GOVERNMENTAL ACTIVITIES			
Limited Tax Bonds-2012	02/01/2017	1.00-1.50%	313,000

The District has established a \$600,000 operating line of credit at a local bank. The current interest rate is 2.75%. At December 31, 2014, the outstanding balance was \$0.

NOTE 5: RISK MANAGEMENT

The District is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All risks of loss are insured by the purchase of commercial insurance. There were no significant reductions in insurance coverage from the previous year. There were no settlements in excess of insurance for any of the past three fiscal years.

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED

NOTE 6. DEFICIT FUND BALANCES

The following fund balances had deficits at December 31, 2014:

Project #14	32 177	Will be eliminated by specials/FEMA.
Project #30	14 485	Will be eliminated by specials.
Project #32	3 617	Will be eliminated by specials.
Project #33	9 166	Will be eliminated by specials.
Project #34	2 450	Will be eliminated by specials/FEMA.
Project #35	56 824	Will be eliminated by specials/FEMA.
Project #38	1 252	Will be eliminated by specials.
Project #39	116 874	Will be eliminated by specials/grant.
RRBC	380	Will be eliminated by MSA 103D.
Wilkin/Otter JD2	15 962	Will be eliminated by specials.
Project #46	30 669	Will be eliminated by specials.
Project #49	219 367	Will be eliminated by specials/grant.
Project #50	4 319	Will be eliminated by specials.
Project #56	627 719	Will be eliminated by specials/grant/MSA 103D.
Project #61	41 895	Will be eliminated by specials.
Project #62	11 433	Will be eliminated by specials.
Project #64	19 388	Will be eliminated by specials.
Project #65	10 125	Will be eliminated by specials.
Project #67	40 152	Will be eliminated by specials.
Project #68	28 494	Will be eliminated by specials.
Project #71	65 078	Will be eliminated by specials/grant.
Project #72	13 122	Will be eliminated by specials.
Project #75	17 523	Will be eliminated by specials.
Becker Ditch #5	4 093	Will be eliminated by specials.
Becker Ditch #7	2 675	Will be eliminated by specials.
Becker Ditch #9	28 066	Will be eliminated by specials.
Becker Ditch 10	18 312	Will be eliminated by specials.
Becker Ditch 19	35 429	Will be eliminated by specials.
Clay Ditch #9	218 972	Will be eliminated by specials.
Clay Ditch #28	1 196	Will be eliminated by specials/FEMA.
Clay Ditch #31	58 594	Will be eliminated by specials/FEMA.
Clay Ditch #32	199 402	Will be eliminated by specials/FEMA.
Clay Ditch #33	124 646	Will be eliminated by specials/FEMA.
Clay Ditch #40	10 172	Will be eliminated by specials/FEMA.
Clay Ditch #49	10 700	Will be eliminated by specials/FEMA.
Clay Ditch #58	4 895	Will be eliminated by specials/FEMA.
Hawley Buffalo	491 634	Will be eliminated by MSA 103D/grant.
COE Diversion	943	Will be eliminated by MSA 103D.
Wilkin Ditch #2	108	Will be eliminated by specials.
Wilkin Ditch #40	13 783	Will be eliminated by specials.
Wilkin Ditch #41	37 644	Will be eliminated by specials/FEMA.
Wilkin Ditch #43	756	Will be eliminated by specials/FEMA.
Wilkin Ditch #6A	792	Will be eliminated by specials.
RIM/WRP Flood	679	Will be eliminated by MSA 103D.
Upper Red TMDL	584	Will be eliminated by MPCA/BRRWD.
Barnesville drain	846	Will be eliminated by MSA 103D.
Blue Eagle Lake	168	Will be eliminated by MSA 103D.
FEMA 2006	4	Will be eliminated by BRRWD.
Buffalo Red TMDL	3 473	Will be eliminated by MPCA/BRRWD.

BUFFALO- RED RIVER WATERSHED DISTRICT
FUND EQUITY
DECEMBER 31, 2014

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
GENERAL	81,935.18	260,009.04	392,866.51	210,376.74	159,454.45
NEW OFFICE	8,091.98	100,121.05	122,130.30	14,000.00	82.73
RRWMB	63.48	5.97	-	-	69.45
CLAY COUNTY BUYOUT	32,475.37	850.30	13,687.90	(136.88)	19,500.89
CONSTRUCTION	1,338,548.20	40,784.41	1,355.70	(155,168.04)	1,222,808.87
MSA 103D	41,189.77	466,924.69	106,435.05	(354,611.66)	47,067.75
INSURANCE	2,621.95	23,015.44	19,517.67	(195.17)	5,924.55
UPPER S BRANCH BMP	117,160.35	27,022.01	63,968.52	(1,106.71)	79,107.13
WOLVERTON CREEK	136,928.09	28,145.87	52,227.89	(1,168.62)	111,677.45
BECKER DITCH #5	6,066.03	610.91	10,648.12	(121.44)	(4,092.62)
BECKER DITCH #6	3.71	0.11	-	-	3.82
BECKER DITCH #7	(2,559.65)	-	115.18	-	(2,674.83)
BECKER DITCH #9	(31,204.90)	14,966.19	11,708.24	(119.43)	(28,066.38)
BECKER DITCH#10	(12,252.48)	29.51	5,919.95	(169.28)	(18,312.20)
BECKER DITCH#15-PJ 23	36,638.40	17,160.59	9,922.16	(122.61)	43,754.22
BECKER DITCH#19	(20,148.20)	2,585.71	17,545.88	(320.46)	(35,428.83)
CLAY DITCH #03	8,329.88	8,156.10	2,218.18	5,864.19	20,131.99
CLAY DITCH #05	37,088.29	101,775.14	123,429.35	(724.20)	14,709.88
CLAY DITCH #09	(181,006.97)	7,582.86	43,418.42	(2,129.26)	(218,971.79)
CLAY DITCH #16	4,778.22	1,208.30	1,014.83	(17.16)	4,954.53
CLAY DITCH #17	5,045.64	3,472.71	826.50	(38.50)	7,653.35
CLAY DITCH #20	(8,493.50)	14,715.54	3,195.65	(103.18)	2,923.21
CLAY DITCH #21	35,544.32	14,348.97	5,112.19	(135.89)	44,645.21
CLAY DITCH #22	(4,925.89)	6,705.90	1,116.72	(20.75)	642.54
CLAY DITCH #23	13,566.45	394.38	1,879.44	(34.97)	12,046.42
CLAY DITCH #28	(29,654.79)	32,021.48	3,488.31	(74.03)	(1,195.65)
CLAY DITCH #31	(10,039.72)	9,375.29	61,515.71	3,585.70	(58,594.44)
CLAY DITCH #32	(184,773.90)	14,280.07	29,407.08	498.73	(199,402.18)
CLAY DITCH #33	(111,076.80)	8,128.12	21,414.79	(282.30)	(124,645.77)
CLAY DITCH #34	20,656.83	630.81	928.14	586.26	20,945.76
CLAY DITCH #35	22,952.33	19,376.08	2,281.55	2,499.98	42,546.84
CLAY DITCH #36	(6,394.43)	14,700.55	2,936.32	(68.89)	5,300.91
CLAY DITCH #39- PJ 7	32,081.94	1,181.85	7,396.01	5,481.18	31,348.96
CLAY DITCH #40	(46,971.71)	39,901.93	5,087.32	1,985.26	(10,171.84)
CLAY DITCH #49	(83,072.23)	83,424.69	12,894.89	1,842.62	(10,699.81)
CLAY DITCH #51	16,630.27	500.21	1,039.87	565.97	16,656.58
CLAY DITCH #53-PJ 47	8,093.26	2,505.91	1,128.04	(37.71)	9,433.42
CLAY DITCH #54	(11,218.86)	13,988.28	2,061.26	(27.30)	680.86
CLAY DITCH #57	6,343.08	2,780.69	969.69	(37.74)	8,116.34
CLAY DITCH #58	(8,997.40)	14,922.15	10,960.17	140.20	(4,895.22)
CLAY DITCH 59-PJ 48	(50,321.58)	59,445.45	8,101.81	1,514.96	2,537.02
CLAY DITCH #60	(9,935.85)	16,303.27	523.03	(17.82)	5,826.57
CLAY DITCH #63	4,744.33	8,318.75	1,408.60	2,572.73	14,227.21
CLAY DITCH #65- PJ 3	9,654.92	4,969.91	10,272.13	5,791.63	10,144.33
WILKIN DITCH#22-PJ1	(35,028.82)	41,724.02	5,990.73	5,246.77	5,951.24
WILKIN DITCH#26	3,607.62	169.24	444.46	(20.55)	3,311.85
WILKIN DITCH#40	(28,675.91)	18,480.42	3,506.02	(81.89)	(13,783.40)
WILKIN DITCH#41	(22,894.16)	29,783.90	43,972.09	(561.44)	(37,643.79)
WILKIN DITCH#42-PJ 25	10,771.06	285.80	3,842.38	(58.12)	7,156.36

BUFFALO- RED RIVER WATERSHED DISTRICT
FUND EQUITY
DECEMBER 31, 2014

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
	-----	-----	-----	-----	-----
WILKIN DITCH#43	(9,391.10)	9,922.44	1,263.60	(23.62)	(755.88)
WILKIN DITCH#44-PJ 24	(10,449.29)	20,325.22	3,341.87	23,173.80	29,707.86
WILKIN DITCH#5A	8,005.80	258.41	1,116.90	1,466.63	8,613.94
WILKIN DITCH#02	-	-	107.20	(1.07)	(108.27)
WILKIN DITCH#06A	-	-	784.43	(7.82)	(792.25)
PROJECT #02- W 22	(50,844.28)	20,329.18	7,215.50	93,788.03	56,057.43
PROJECT #04	8,397.61	255.72	22.50	(3.11)	8,627.72
PROJECT #05	2,848.04	75.40	553.90	(9.09)	2,360.45
PROJECT #08	135.28	-	7,468.54	9,865.78	2,532.52
PROJECT #09	-	-	-	-	-
PROJECT #13	209.40	-	4,448.94	4,934.32	694.78
PROJECT #14	32,477.54	107,936.06	170,781.35	(1,809.34)	(32,177.09)
PROJECT #17	-	-	-	-	-
PROJECT #16	604.21	73.43	12,259.38	12,862.30	1,280.56
PROJECT #19	6,696.52	15,393.52	4,694.85	(53.12)	17,342.07
PROJECT #20	42,993.38	1,319.15	8,660.24	4,859.29	40,511.58
PROJECT #21	7,021.31	10,368.60	879.40	(10.20)	16,500.31
PROJECT #27-C 55	7,217.80	267.70	1,720.74	1,707.80	7,472.56
PROJECT #28- C 2	52,454.60	1,970.16	2,908.62	(88.77)	51,427.37
PROJECT #29	-	-	33,524.67	34,568.25	1,043.58
PROJECT #30-CW JD1	20,242.69	14,065.12	47,725.46	(1,066.99)	(14,484.64)
PROJECT #31	(42.34)	-	16,885.82	19,735.35	2,807.19
PROJECT #32	(29,631.74)	29,824.27	3,765.65	(43.85)	(3,616.97)
PROJECT #33	(36,185.72)	38,766.41	11,286.15	(460.74)	(9,166.20)
PROJECT #34	(5,240.23)	50,647.67	46,961.86	(895.23)	(2,449.65)
PROJECT #35	(76,953.87)	48,177.84	26,815.73	(1,231.92)	(56,823.68)
PROJECT #36	2,095.38	13,634.10	4,352.35	391.85	11,768.98
PROJECT #37	7,840.06	20,295.82	11,741.44	1,472.65	17,867.09
PROJECT #38	(2,876.45)	4,812.06	1,600.82	3,606.90	3,941.69
PROJECT #39	(298,706.03)	461,368.90	264,539.84	(14,997.21)	(116,874.18)
PROJECT #40	24,728.83	753.42	-	(1.25)	25,481.00
HAY CREEK STINKING LAI	-	-	347.34	347.34	-
PROJECT #42	12,822.34	412.84	3,557.09	2,450.80	12,128.89
PROJECT #43	39,904.62	1,306.45	5,127.65	(85.83)	35,997.59
PROJECT #44	(27,868.72)	-	1,254.09	29,122.81	-
PROJECT #45	(24,299.18)	-	1,093.46	25,392.64	-
PROJECT #46- TLO	(59,131.54)	80,467.04	51,079.96	(924.64)	(30,669.10)
PROJECT #49-OAK	(428,913.63)	342,070.66	125,809.64	(6,714.64)	(219,367.25)
PROJECT #50	(2,888.60)	-	1,386.62	(43.73)	(4,318.95)
PROJECT #51	17,225.30	3,011.01	669.55	(30.06)	19,536.70
PROJECT #52	(2,684.91)	10,068.39	1,823.44	3,727.86	9,287.90
PROJECT #54	62,213.57	1,860.87	3,462.06	(180.35)	60,432.03
PROJECT #55	12,468.93	372.53	253.25	(12.70)	12,575.51
PROJECT #56	360,456.02	1,968,331.89	2,914,343.88	(42,162.72)	(627,718.69)
PROJECT #57	6,498.16	887.80	606.67	(81.47)	6,697.82
PROJECT #58	12,917.72	381.26	982.73	(17.85)	12,298.40
TMDL	799.00	55,124.40	82,256.85	22,860.86	(3,472.59)
PROJECT #60	(7,582.83)	-	565.54	8,148.37	0.00
PROJECT #61	(41,011.26)	16,972.83	19,377.02	1,520.63	(41,894.82)

BUFFALO- RED RIVER WATERSHED DISTRICT
FUND EQUITY
DECEMBER 31, 2014

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
PROJECT #62	(10,872.00)	140.89	698.69	(3.20)	(11,433.00)
PROJECT #64	(78,250.24)	80,926.87	21,682.71	(381.64)	(19,387.72)
PROJECT #65	(10,399.41)	3,561.86	3,228.73	(58.35)	(10,124.63)
PROJECT #66	(2,439.71)	-	109.94	2,549.65	(0.00)
HAWLEY BUFF RIV RES	-	-	511,225.28	19,591.31	(491,633.97)
MEDIATION PT	-	12,235.68	31,124.29	19,490.60	601.99
BWSR DRAINAGE	32,281.28	952.37	1,575.00	(50.38)	31,608.27
STREAMBANK EROSION-P	11,693.16	356.10	70.00	(0.70)	11,978.56
RIVERKEEPERS	45,000.00	0.28	45,000.00	-	0.28
COMP PLANNING	30,426.74	37,784.98	2,646.28	(398.54)	65,166.90
COE DIVERSION	-	342.12	21,017.55	19,732.47	(942.96)
PROJECT #67	(66,252.40)	30,996.27	4,847.19	(48.59)	(40,151.91)
PROJECT #68	(50,184.52)	25,504.21	3,780.63	(33.47)	(28,494.41)
BWSR CWF GRANT	(53,745.42)	28,909.00	6,007.30	30,843.72	-
FEMA 2009	390,875.52	11,909.50	-	-	402,785.02
FEMA 2010	105,956.93	90,216.83	2,628.15	(192,587.49)	958.12
FEMA 2006	(258.77)	-	3.88	258.77	(3.88)
PROJECT #63- GROVE	34,217.12	(13,103.07)	1,232.25	(40.05)	19,841.75
WETLAND RESTORATION	-	103,076.23	94,714.38	(2,016.57)	6,345.28
RED RIVER BASIN	25,000.00	-	30,079.66	4,699.58	(380.08)
S&D ACQUISITIONS	-	12.72	14,610.69	14,859.74	261.77
BLUE EAGLE LAKE	-	-	151.86	(16.52)	(168.38)
WATERSHED ENLARGE	(1,927.55)	-	10,186.96	12,478.43	363.92
BRRWD RRBC DETENTION	0.00	-	690.35	690.35	0.00
PROJECT #70	(19,731.47)	35,896.03	1,604.19	(104.97)	14,455.40
PROJECT #71	(319,407.12)	722,059.49	438,356.05	(29,374.37)	(65,078.05)
PROJECT #72	(6,053.17)	-	6,024.28	(1,044.75)	(13,122.20)
RED RIVER RETENTION	-	-	-	-	-
MAWQCP	(13,939.21)	175,225.88	83,236.07	(969.43)	77,081.17
PROJECT #75	(4,457.36)	-	12,896.91	(168.24)	(17,522.51)
PROJECT #76	(13,583.96)	15,000.00	5,351.45	3,935.41	-
REDETERMINE BENEFITS	92,535.24	2,244.04	26,747.28	(974.74)	67,057.26
WHISKY CRK EROSION	(10,534.31)	98,484.00	135,182.55	47,232.86	-
UPPER RED TMDL	(228.58)	19,407.25	19,304.57	(458.00)	(583.90)
PROJECT #73	7,085.41	171.86	2,642.62	(443.14)	4,171.51
PROJECT #74	4,705.01	10,055.86	14,471.21	(378.51)	(88.85)
RIM/WRP FLOOD INVEST	-	-	30,321.53	29,642.46	(679.07)
STAKKE LAKE	-	-	1,880.03	1,880.03	-
FEMA 2011	132,934.56	4,040.70	443.00	(4.43)	136,527.83
BARNESVILLE DRAINAGE		10,000.00	35,492.07	24,645.68	(846.39)
STRATEGIC PLANNING		4,000.00	15,383.11	11,383.11	-
STONY CREEK COMP PLAN		-	2,405.37	2,476.36	70.99
SABIN COULEE		-	3,463.36	3,466.45	3.09
BWSR TARGETED DRAINAGE		-	-	-	-
RWMP		-	-	-	-
PROJECT #77		10,089.94	3,242.09	(32.42)	6,815.43
WILKIN/OTTER JD #2		-	15,805.92	(156.31)	(15,962.23)
TOTAL	1,026,981.36	6,450,397.03	6,824,820.77	0.03	652,557.65