



# 2015 Annual Report

Published by:  
Buffalo-Red River Watershed District  
1303 4th Avenue NE  
PO Box 341  
Barnesville, MN 56514

Bruce E. Albright, BRRWD Administrator  
Wade S. Opsahl, Engineering Technician  
Julie M. Jerger, Senior Administrative Assistant  
Kathleen K. Fenger, Administrative Assistant  
Danielle E. Scheffler, Administrative Assistant  
Phone: (218) 354-7710  
Fax: (218) 354-2503  
Email: [general@brrwd.org](mailto:general@brrwd.org)  
Office Hours: 8:00 AM to 5:00 PM  
Website: [www.brrwd.org](http://www.brrwd.org)



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## **2015 Annual Report Summary**

Pursuant to Minnesota Statutes Annotated (M.S.A.) 103D.351, we hereby submit the 2015 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/audit. In accordance with its Mission Statement, which states "The mission of 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 categorical 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). Latest edition dated June 2010.

## **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. Tributaries to the South Branch include Stony Creek, Hay Creek, Whisky Creek, and Deerhorn Creek. Other tributaries to the main stem of the Buffalo River include Hay Creek east of Hawley and the Becker County Ditch (C.D.) No. 15 system north of Audubon. Wolverton Creek is a direct tributary to the Red River of the North and lies west of the South Branch of the Buffalo River in parts of Wilkin and Clay Counties. The principal watercourses in the newly added area in 2012 in Wilkin and Otter Tail Counties are Whiskey Creek and the Otter Tail River, located downstream of Orwell Dam to Breckenridge, MN.

## **District History**

The BRRWD, formerly known as the South Buffalo Watershed District, was established on August 31, 1960, and 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 on 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 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 and Otter Tail Counties.

## Board of Managers

A Board of seven Managers govern 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. Officers are elected at the Annual Meeting, held in January.



Gerald L. Van Amburg  
Chair  
Clay County

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



Peter V. Fjestad  
Vice Chair  
Otter Tail County

Phone: (218) 731-4630  
Email: [pfjestad@gmail.com](mailto:pfjestad@gmail.com)  
Term Expires: 08/31/18



Mark T. Anderson  
Treasurer  
Clay County

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



John E. Hanson  
Secretary  
Becker County

Phone: (218) 439-6727  
Email: [general@brrwd.org](mailto:general@brrwd.org)  
Term Expires: 08/31/18



Troy E. Larson  
Manager  
Wilkin County

Phone: (218) 867-2292  
Email: [lf1871@rtelnet.net](mailto:lf1871@rtelnet.net)  
Term Expires: 08/31/18



Breanna L. Kobiela  
Manager  
Clay County

Phone: (218) 330-3384  
Email: [breakobiela@gmail.com](mailto:breakobiela@gmail.com)  
Term Expires: 08/31/18



Catherine L. Affield  
Manager  
Wilkin County

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



2015 BRRWD Board of Managers:  
(l-r, back row) Troy Larson, John Hanson, and Peter Fjestad  
(l-r, front row) Gerry Van Amburg, Brea Kobiela, Cathy Affield, and Mark Anderson

## Staff and Consultants

### **BRRWD Administrator**

Bruce E. Albright  
**Engineering Technician**  
Wade S. Opsahl

### **Senior Administrative Assistant**

Julie M. Jerger  
**Administrative Assistant**  
Kathleen K. Fenger  
**Administrative Assistant**  
Danielle E. Scheffler

### **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

### **Lobbyist**

Joel Carlson  
6 W 5th St, Suite 700  
St Paul, MN 55102

## 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 drainageway 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 utility lines

In 2015, the BRRWD reviewed 146 permit applications for a variety of projects. The Board approved 141 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, By-Laws, Application for Permit, and Data Practices Policy can be found on the District's Website at [www.brrwd.org](http://www.brrwd.org).

## Office Location and Hours

The BRRWD office is located at 1303 4th Avenue NE in Barnesville, MN. The office is open Monday through Friday, 8:00 AM to 5:00 PM. The BRRWD moved into their new headquarters in September 2012.





## 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 August. 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. In 2015, BRRWD meetings were held:

<i>January 12, 2015</i>	<i>May 11, 2015</i>	<i>September 14, 2015</i>
<i>January 26, 2015</i>	<i>May 26, 2015</i>	<i>September 28, 2015</i>
<i>February 9, 2015</i>	<i>June 8, 2015</i>	<i>October 13, 2015</i>
<i>February 23, 2015</i>	<i>June 22, 2015</i>	<i>October 26, 2015</i>
<i>March 9, 2015</i>	<i>July 13, 2015</i>	<i>November 9, 2015</i>
<i>March 23, 2015</i>	<i>July 27, 2015</i>	<i>November 23, 2015</i>
<i>April 13, 2015</i>	<i>August 10, 2015</i>	<i>December 14, 2015</i>
<i>April 27, 2015</i>	<i>August 24, 2015</i>	<i>December 28, 2015</i>

## 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 does annual work planning with its Advisory Committee, as required by Minnesota Statute. This year, the Advisory Committee held their annual meeting on March 31, 2015, at the Galaxie Supper Club, Barnesville, MN. The group reviewed the BRRWD's 2014 activities and the proposed 2015 projects. They discussed the Oakport Flood Mitigation Project, 2014 Strategic Planning, BRRWD's online Permit Application, Barnesville Township Area Drainage Study, Hawley Buffalo River Restoration Project, F-M Diversion Authority membership, BRRWD's Rules regarding tiling permits, and the BRRWD's continuing negotiations with the RRWMB regarding possibly rejoining to that organization.

2015 Advisory Committee members include:

Ross Aigner	SWCD Manager, Wilkin County
Don Bajumpaa	SWCD Office Manager, Wilkin County
Cliff Barth	Mayor, City of Breckenridge
John Boen	Landowner, Otter Tail County
Wayne Brendemuhl	Landowner, Clay County
Roger Ellefson	Former BRRWD Manager, Wilkin County
Jon Evert	Former Commissioner, Clay County
Jerome Flottesmesch	SWCD Manager, Becker County
Lyle Hovland	Commissioner, Wilkin County
Wayne D. Johnson	Commissioner, Otter Tail County
Edwin Johnson, Jr.	Landowner, Otter Tail County
Jenny Mongeau	Commissioner, Clay County
Barry Nelson	Commissioner, Becker County
Jerry Nordick	Landowner, Wilkin County

Charles Piekarski  
Robert Scherzer  
Orrin B. Sorum  
William D. Steffl  
Arvid Thompson

Landowner, Otter Tail County  
Landowner, Becker County  
Landowner, Otter Tail County  
Former BRRWD Manager, Becker County  
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 2015, 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)***



#### **2015 MAWD Legislative Breakfast**

BRRWD Administrator, Bruce Albright, and BRRWD Managers Peter V. Fjestad and John E. Hanson attended the 2015 MAWD Legislative Reception & Breakfast and Day at the Capitol on March 11-12, 2015, in 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 2015 included the Oakport Flood Mitigation, area lake outlets, and the Georgetown Levee Improvements.

#### **2015 MAWD Summer Tour**

The 2015 MAWD Summer Tour was held on June 24-26, 2015, in Duluth, MN. This year's theme was "Twin Port's Water: Past, Present, and Future." Bruce E. Albright, BRRWD Administrator, attended, along with BRRWD Managers Gerald L. Van Amburg, Peter V. Fjestad, John E. Hanson, and Catherine L. Affield.

#### **2015 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 3-5, 2015. Bruce E. Albright, BRRWD Administrator, attended, along with BRRWD Managers Gerald L. Van Amburg, Peter V. Fjestad, Mark T. Anderson, John E. Hanson, and Breanna L. Kobiela.

## 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 2015, the PT worked on several projects, including the Barnesville Township Area Drainage Study, Manston Slough Restoration, Oakport Flood Mitigation, Wolverton Creek/Comstock Coulee, Georgetown Levee Improvements, Stony Creek Comprehensive Project, South Branch of the Buffalo River FDR/NRE, Buffalo River/Upper Red River Total Maximum Daily Load (TMDL) Studies, Otter Tail River Erosion, and the Hawley Buffalo River Stabilization. In 2015, PT meetings were held:

*January 8, 2015*

*May 5, 2015*

*September 10, 2015*

*March 19, 2015*

*July 9, 2015*

*December 10, 2015*

## Fall Tour

The BRRWD held their Fall Tour on Thursday, October 15, 2015. The BRRWD Advisory Committee, Mediation PT members, County Commissioners, State Legislators, and Soil and Water Conservation District (SWCD) Supervisors were invited to the event. The group took a bus tour of BRRWD projects that included the Blue Eagle Lake Fishway, Buffalo River Restoration, Georgetown Flood Control, Oakport Flood Mitigation, Wolverton Creek Restoration, and Manston Slough Restoration. Dinner was served at the BRRWD office upon conclusion of the tour.

## In Memoriam

The Board of Managers, BRRWD, would like to acknowledge the passing of former Chair/Manager Roger G. Ellefson. Roger died on April 6, 2015. He served on the Board from 1972 to 2013, and was instrumental in much of the work completed during those 41 years. Projects that were conceived during his time on the Board continue to be actualized today. He was a steward of the land and believed in conservation. He will be missed by all who knew him.



## Awards

### ***Minnesota Environmental Initiative 2015 Partnership of the Year – Manston Slough Restoration Project***

The Manston Slough Restoration project required coordination on a massive scale. In addition to the role of the BRRWD, there were two state agencies, two federal agencies, a private non-profit, and more than 33 private landowners involved with the project. The BRRWD feels that it was truly remarkable to bring together such an array of federal, state, and local partners, including the landowners to voluntarily agree to sign the necessary easements to restore such a historic, large, and complex wetland basin that was initially drained by the State of Minnesota in the late 1800s. The BRRWD feels that this is a prime example of how multiple jurisdictions can work together to achieve a project that has multiple benefits. The Red River Basin's Mediation Agreement, and use of the Project Team process, was crucial to the success.

#### **Project Partners**

- Buffalo-Red River Watershed District
- Houston Engineering, Inc.
- Minnesota Department of Natural Resources
- Minnesota Board of Water and Soil Resources
- Minnesota Department of Transportation
- U.S. Fish and Wildlife Service
- USDA Natural Resources Conservation Service
- Ducks Unlimited, Inc.
- 33+ private landowners
- Wilkin County Board of Commissioners
- Wilkin Soil and Water Conservation District
- Lessard-Sams Outdoor Heritage Council



The award was presented to the BRRWD on May 21, 2015. Manston Slough was selected as the top "Partnership of the Year" from eighteen finalists in six categories.

## ***Minnesota Environmental Initiative 2015 Natural Resources – Manston Slough Restoration Project***

Before this project began, more than 75% of the historic wetland in the area had been completely drained; furthermore, the remaining wetland supported a dense stand of tall emergent cattail vegetation that had limited value to waterfowl and other water-related species.

By restoring deeper water pool levels, the improved wetland habitat will provide better nesting opportunities for waterfowl, including blue-winged teal, pintail, and especially overwater nesting species such as mallard, canvasback, and redhead ducks. The project area is large enough that deer, pheasants, wild turkeys, and a wide array of other waterfowl, birds, mammals, and macroinvertebrates will use the resource and benefit.

The water control structures will improve migratory bird habitat during spring and fall migrations.

The project should also enhance shorebird habitat (shallow ponds). The water control structures can draw down the water levels to create mudflats during the shorebird migration, and the flexibility of having two outlet culverts on the north water control structure will increase the project's ability to provide these benefits. The two structures allow for management of the restored basin based on different criteria/operation plans.

Finally, the drawdown capability will eradicate invasive fish species via winterkill should they breach the fish barrier.

A portion of the project is located over the Buffalo Aquifer, an important groundwater resource for the area. The aquifer is a source of drinking water for the City of Moorhead.



**Minnesota Association of Watershed Districts  
2015 Watershed District of the Year –  
Buffalo-Red River Watershed District**

The "Watershed District of the Year" award was presented to the BRRWD by the Minnesota Department of Natural Resources (DNR). Presenting the award was Luke Skinner, Director, Division of Ecological and Water Resources. The award was a 28" x 36" Les Kouba artist's proof framed print, titled "Evening Flight Mallards". He cited several reasons why the BRRWD was the recipient, including: the recent development of the Manston Slough Restoration Project, the BRRWD's involvement with the Red River Basin Flood Damage Reduction Work Group and the Mediation Project Team process, a willingness to work with agencies and landowners to develop natural resource enhancement (nre) and flood damage reduction (fdr) projects, and the recent restoration of the Buffalo River in Hawley Minnesota.

Bruce Albright, BRRWD Administrator, said, "This is the third time since the early 1980s that the BRRWD has been selected as the "Watershed District of the Year" by the Minnesota DNR. We want to thank all the other resource partners, including the Soil and Water Conservation Districts, for being able to work on meaningful fdr and nre projects."





**Minnesota Association of Watershed Districts  
2015 Project of the Year –  
Manston Slough Restoration Project**

MAWD presented the "2015 Project of the Year" to the BRRWD for their Manston Slough Restoration Project. The Manston Slough Restoration Project was a collaboration of a number of local, State, and Federal partners. Thirty three landowners also volunteered to sign easements for the project.

Initially drained in the late 1800s by State Ditch 15, Manston Slough had been a historic wetland and waterfowl area. About 10 years ago, the BRRWD brought together all of the parties to discuss a multiuse, comprehensive project that could achieve multiple goals. In 2014, the BRRWD completed the \$6 million project. The project benefits include 5,446 acre-feet of temporary flood storage, restoration of a 1,150 acre wetland, 2,053 acres of Wetland Reserve Program buffers, and ground water recharge for the Buffalo Aquifer. The project area encompasses over 7,000 acres of public recreational opportunities. The site is located at the base of the beach ridge with a watershed of 25.6 square miles in Manston Township, Wilkin County. Two structures were installed to provide fdr and nre benefits on lands owned by the DNR and the United States Fish and Wildlife Service. The project allows for management of a wetland pool to elevation of 972'. The flood damage reduction pool could raise to elevation 974'.



## BRRWD 2015 Activities

### January 2015

- Held Annual Meeting.
- Election of officers: Van Amburg, Chair; Fjestad, Vice Chair; Hanson, Secretary; and Anderson, Treasurer.
- Renewed Lobbyist Joel Carlson's contract for another two years.
- Renewed contracts for: Engineering services, HEI; Legal services, Vogel Law Firm; and Accounting services, Harold J. Rotunda, CPA.
- Held preliminary hearing for Pj. No. 77, Clay C.D. No. 51-Proposed Lat. No. 3.
- Reviewed a request from a landowner in Section 36, Kragnes Township, Clay County, regarding possible financial assistance for NRCS project for proposed outfall structure.
- Discussed F-M Diversion Authority's FY15 Budget.
- Approved resolution to support Oakport Mitigation Project funding (\$5.66 million still needed).
- In process of updating RWMP. Informational meetings held in Rothsay (01/13/15) and Breckenridge (01/15/15).
- Vote to approve F-M Diversion Authority's FY15 Budget ended in 3-3 tie.
- Received easement drawings/legal descriptions for R/W needed to restore Whiskey Creek, Section 14, Connelly Township, Wilkin County.
- Met with NCRS regarding Kelly Nichols WRP project east of Barnesville along T.H. No. 34.
- Met with J.D. 1 landowners regarding petition that would divert ditch system waters into Wolverton Creek/Comstock Coulee.
- Completed preliminary survey for Haick/Peppel retention site, Section 4, Manston Township, Wilkin County.
- Held meeting regarding possible changes to the BRRWD and Bois de Sioux Watershed District boundary.
- Reviewed repair report on Clay C.D. No. 5 with probable repair costs of \$12,000.
- BRRWD did not receive any 2015 CWF grants through BWSR.
- Met with NCRS regarding new Farm Bill and possible funding through EQIP.



- Submitted Manston Slough Restoration for 2015 Environmental Initiative Award in “Natural Resources” category.
- Contributed \$200 each to Becker, Otter Tail, and Wilkin SWCDs for 2015 Area I Envirothon.
- Noted that Clay C.D. No. 31, Stony Creek, needs redetermination of benefits and re-channelization.
- Discussed updating goals and BRRWD Rules.
- Attended 32nd Annual Red River Basin Land & Water International Summit Conference in Winnipeg.

### February 2015

- Held MAWQCP Producer Forum at Nordick Farm.
- Received update from RRBC on AIS prioritization for the BRRWD. Focus will be on targeted education and outreach.
- Discussion regarding F-M Diversion Authority’s FY15 Budget.
- Approved preliminary hearing order to continue development of Pj. No. 77.
- Discussed payment rates for easements and restoration of Whiskey Creek, Section 14, Connelly Township, Wilkin County.
- Attorney continues to work with a number of lending institutions regarding the transfer of a property in Georgetown needed for flood control levee.
- Contributed \$2,500 annually for two-year period (07/01/14-06/30/16) to help fund a PF Biologist position at Clay SWCD.
- Agreed to match of \$18,125 for BWSR grant by Wilkin County Environmental Office for hydrological modeling on Wilkin County waterways.
- Received River Keepers update. 2015 level of support is \$45,000.
- Discussed status of Wolverton Creek/Comstock Coulee Restoration.
- Reviewed drainage complaint for SE1/4, Section 23, Manston Township, Wilkin County, where tile was installed in 2014 without a BRRWD permit.
- Agreed to increase petitioner's bond for Pj. No. 77 by \$10,000.
- DNR offers grant to pay off expenses for Oakport Flood Mitigation totaling \$147,205.86.
- Distributed to Managers several Rule “examples” from other Red River Valley Watershed Districts.

- Albright spoke at Izaak Walton League Watershed Summit Conference in Normandale.

### March 2015

- Hearing held by Wilkin County Environmental Office regarding Conditional Use Permit for Whiskey Creek work in Section 14, Connelly Township.
- Held Mediation PT meeting.
- Advertised for bids for 70 acres of native grass seeding for Manston Slough Restoration.
- Heard opposing views from two attorneys regarding drainage project near Kragnes.
- Albright testified at House Subcommittee Hearing regarding Oakport funding.
- Received \$12,598.87 acceleration grant from RRBFDWG for Stony Creek. Accepted proposal for Stony Creek soil investigation work for \$17,500 to \$19,500.
- Received Viewers' Reports for Redetermination of Benefits on Clay C.D. Nos. 9, 32, and 33.
- Attended MAWD's Legislative Reception and Day at the Capitol.
- Attended RRBFDWG Conference in Moorhead.
- Approved partial \$1.5 million in DA 2015 budget to complete MN EIS.
- Awarded Manston Slough seeding contract to B&J Landscaping (\$45,027.30).
- Authorized use of condemnation to obtain last property in Georgetown.

### April 2015

- Recognized Ellefson's 41-years of service to commemorate his passing on April 6, 2015.
- Discussed a drainage complaint in the SE1/4, Section 22, Atherton Township, Wilkin County.
- Discussed a drainage complaint in the NE1/4, Section 7, Manston Township, Wilkin County.
- Landowner in NW1/4, Section 6, Manston Township, Wilkin Township, no longer wants to continue with South Branch project.
- Working on landowner easements for Whiskey Creek Restoration.
- Working with Audubon Society to seed native grasses along the Red River on Oakport Flood Mitigation Project.
- Completed and analyzed soil borings for Stony Creek Comprehensive Project.
- Final Hearing held for Redetermination of Benefits for Clay C.D. Nos. 9, 32, and 33.

- Chuck Fritz, IWI, updated the Board on PTMApp. Also reviewed BTSAC Briefing Paper #3: Water Management Options for Surface Drainage, which looked at BMP recommendations.
- Met with City of Lake Park regarding possible restoration of Lake Flora.
- People attend meeting to monitor the Board's activities regarding approval of the FM DA budget.
- Landowners questioned status of Wolverton Creek restoration project. Agency meeting held 04/02/15 to discuss creation of a water management district.
- Accepted detailed survey report and appointed Viewers (Ringquist, Knutson, and Battles) for Project No. 77, Clay C.D. No. 51-Proposed Lateral No. 3.
- Signed Amendment No. 8, adding \$131,082 to DNR's grant for Oakport.
- Made final orders for the Redetermination of Benefits on Clay C.D. Nos. 9, 32, and 33.
- Discussed 2015 water quality monitoring sites (38).
- Discussed options for repairing an outlet culvert on Clay C.D. No. 11 North.
- Discussed repairs for a failing outlet structure on Clay C.D. No. 67.
- Special agenda items include a review of goals and discussion about identifying a long term source of funding for projects.

### May 2015

- Authorized an elevation survey for a tile drainage dispute in Sections 23 and 24, Hamden Township, Becker County.
- Landowners on Stakke Lake interested in a stable outlet. One option would be to construct a better channel between a bay and main lake.
- DNR and USFWS conduct a field review of the Manston Slough Restoration Project.
- Worked with Attorney Norgard on options for a possible diversion for Clay-Wilkin J.D. 1.
- Informational meeting held for the Barnesville Township Area Drainage Investigation.
- RWMP will include two new planning regions for the Upper Red and Otter Tail Rivers. Held a RWMP Technical Advisory Committee meeting.
- Agreed to submit an application for 319 funding for the Otter Tail River restoration.
- Reviewed erosion repair recommendations for Clay C.D. No. 41-Lateral No. 1.
- Complaints filed regarding tile pump operation during recent heavy rainfall events.

- The Manston Slough Restoration project received awards from the Minnesota Environmental Initiative in the "Natural Resources" category and the "Partnership of the Year".
- The BRRWD and the NRCS continue to work on several potential Wetland Restoration Enhancement project sites.
- Authorized a repair investigation for Wilkin C.D. No. 41- Branch No. 3 in Sections 7 and 8, Prairie View Township.
- Approved the 2015-2016 Barnesville River Watch budget, totaling \$5,201.50.

### June 2015

- Received a complaint from a homeowner north of Barnesville regarding floodwater and sediment coming from a neighboring field.
- Discussed flooding problems along Wilkin-Otter Tail J.D. No. 2 in Orwell Township.
- Discussed a complaint about a flap gate located on the north side of 200<sup>th</sup> ST in the SW¼, Section 12, Nilsen Township, Wilkin County.
- Board asked to consider "Phase 3" of Project No. 31, Deerhorn Creek Levees.
- Harold J. Rotunda, CPA, filed 2014 audit. Net assets were \$652,558. Revenues \$6,453,097, and total expenses \$6,824,821.
- The Managers attended MAWD Summer Tour in Duluth.
- Otter Tail River grant application for EPA funding approved for \$242,000.
- Approved DNR resolution for \$5.53 million to finish Phase 4 of the Oakport Project. The total project costs estimated at \$36 million.
- Visited with a landowner in Meadows Township, Wilkin County, regarding land currently involved with Discovery Farms, NRCS, and MDA research projects that will start later this summer.
- Discussed an agreement regarding a plugged drain tile in the NE¼, Section 23, Hamden Township, Becker County.
- Hired JBX LLC to clean Clay C.D. No. 69 in Glyndon Township.
- Court date set for the condemnation proceedings pertaining to a Georgetown property.
- F-M Flood Risk Management Program Draft Environmental Impact Statement available for review.
- Discussed possible future RRWMB membership.

## July 2015

- Discussed the pros and cons of rejoining the RRWMB.
- Obtained a \$600,000 Midwest Bank operating loan.
- Received the Viewers' Report for Project No. 77, Clay C.D. No. 51-Proposed Lat. 3, showing net benefits totaling \$190,322.85.
- Repair hearing scheduled for Clay C.D. No. 11-North.
- Final pay request for Manston Slough processed.
- Started repair work on Clay-Wilkin J.D. 1 in Clay County.
- Viewers worked on R/W values to acquire the one-rod grassed bufferstrips on Wilkin C.D. Nos. 5A, 22, and 26.
- Signed a petition in cooperation with the Bois de Sioux Watershed District and Otter Tail County to correct the Watershed District boundary.
- Approved gradeline repairs for Clay C.D. No. 51 in Kragnes Township.
- Received a \$100,000 Enbridge Ecofootprint Grant for the Wolverton Creek Restoration project.
- Discussed the Clay C.D. No. 11 repair hearing.
- Native grass seeding completed on Manston Slough Restoration.
- Following condemnation hearing, Court authorized immediate possession for a property needed on the Georgetown Levee project.
- Managers Kobiela, Larson, and Fjestad reappointed for 3-year terms by their respective counties.

## August 2015

- Reiner Construction, Inc. plans to return to finish the Georgetown Levee project before Labor Day.
- 2015 MN Legislature allocated \$400,000 for ring dike construction in Red River Valley.
- Agreed to be contract holder for the "Red River of the North Stressor Response Project-Periphyton Monitoring" project.
- Agreed to apply for potential Clean Water Fund project to investigate altered hydrology within the BRRWD.
- City of Barnesville requested \$26,739.46 to help complete a fish ramp, railroad spillway removal, and a sediment pond cleanout project.

- Approved a contribution of up to \$26,000 for a Drainage Water Management (DWM) demonstration project in Wilkin County.
- Held annual budget hearing on 08/24/15. The 2016 administrative levy was set at \$250,000. The insurance fund levy set at \$20,000 and the survey and data acquisition at \$75,000. A general levy in accordance with M.S.A. 103D.905, Subd. 3, was approved for \$626,927, which includes a \$10,000 increase for River Keepers, and a second levy (\$450,000) was approved to help finance the BRRWD office, Stony Creek Comprehensive Project, Barnesville Township Investigation, Manston Slough Restoration, Otter Tail River Planning, and Storage Site Investigations.
- Denied a request to reschedule the Project No. 77, Clay C.D. No. 51-Proposed Lateral No. 3 hearing because a witness had resigned.
- Bid awarded for the outlet structure repairs on Clay C.D. No. 67 to Olson Construction, Inc.
- Contractor Chad Mattson plans to begin work on the Becker C.D. No. 15 repair.
- Draft reports for the Upper Red River TMDL and WRAPS finished.
- Agreed to submit two Clean Water Fund applications for outlet repairs on Clay C.D. Nos. 23 and 39 and field inlets on Clay C.D. No. 59.
- Approved amendment to the HEI contract to add a new fulltime administrative assistant.

### September 2015

- Approved an Order to continue the development of Project No. 77, Clay C.D. No. 51-Proposed Lateral No. 3.
- Kathy Fenger introduced as new Administrative Assistant.
- Awarded construction contract for the Clay C.D. No. 11 repairs to Riley Brothers Construction, Inc. for their bid of \$216,859.
- Hearing had for the installation of the one-rod grassed bufferstrips on Wilkin C.D. Nos. 5A, 22, and 26.
- Approved a BWSR Multipurpose Drainage Management grant application for Clay C.D. No. 31 (Stony Creek).
- DNR's draft EIS for the FM Flood Risk Management Project available for review.
- Reviewed information regarding six potential applicants for ringdike program/funding.
- Approved final pay request to Gladen Contracting, Inc. for \$60,825.76 for Project No. 71, City of Moorhead 50<sup>th</sup> AVE S Flood Control.

- Awarded the outlet stabilization contract to William Nichol Excavating, Inc. (\$36,150) and the bufferstrip seeding contract to HCI (\$14,661) for Wilkin C.D. Nos. 5A, 22, and 26.
- Approved cost share payment to a landowner working with the West Otter Tail SWCD to install sediment control basins in Section 21, Norwegian Grove Township.
- Approved Clay SWCD's contribution request for \$1,666 per year (07/01/15-06/30/17) to fund the Pheasants Forever Farm Bill Biologist position.
- Approved quote from William Nichol Excavating, Inc. for removal of three log jams on the Buffalo River for \$5,625.

#### October 2015

- Reviewed construction bids for Project No. 49, Oakport Flood Mitigation–Phase 4. The low bid was \$4,394,081.71 from R. J. Zavoral & Sons, Inc.
- Discussed landowner drainage concerns on the west side of T.H. No. 75 along the Clay/Wilkin County line.
- An appeal and lawsuit filed for Project No. 77.
- All easements acquired for the Whiskey Creek Restoration project. Wilkin County Highway Department started construction west of T.H. No. 9 in Section 14, Connelly Township.
- Cathee Pullman, State Conservationist, NRCS, toured the BRRWD.
- A public informational meeting to review the DNR's Draft EIS held on 10/14/15.
- BWSR approved a grant extension for the FY13 Clean Water Fund Upper South Branch-Part 2 Project until 12/31/16.
- Fall Tour held 10/15/15.
- Discussed possible DNR finding for Phase 2 of the Hawley Buffalo River Restoration Project.
- Awarded Buffalo River Restoration Project-Phase 2 bid to Sellin Brothers, Inc. (\$244,852.75).

#### November 2015

- More landowner concerns regarding the BRRWD's tile operation policies during flooding events.
- Ditch repairs completed on Project No. 30, Clay-Wilkin J.D. 1.
- HEI completed pipeline elevation survey for the Barnesville Township Area Study.
- Discussed a complaint about removal of dry approach in the NE¼, Section 10, Deerhorn Township, Wilkin County.

- Reviewed a ditching concern regarding farming through a natural waterway in Section 27, Manston Township, Wilkin County.
- Approved a \$5,000 contribution to pay for the BRRWD's share of the COE's Halstad Upstream Retention (HUR) Study expansion.
- Discussed the proposed 2015 MAWD Resolutions.

### December 2015

- RRBC presented update about the Northwest Minnesota Regional Aquatic Invasive Species (AIS) Prevention Pilot.
- Wilkin County received BWSR Clean Water funding for Ottertail River Restoration (\$203,000), Whiskey Creek Enhancement Project (\$103,100), the Otter Tail River Streambank Restoration and Protection Project (\$135,000), and the Otter Tail River TMDL Water Quality Improvement Project to Reduce Turbidity-Phase 5 (\$201,000). Becker County received grants for their single site multi-agency permitting program (\$75,000) and targeted phosphorus reduction and lake protection project (\$254,897).
- Signed DNR Amendment No. 7 for City of Georgetown Flood Control Levee Project, adding \$109,000 and extending the completion date. The total State contribution is \$4,054,000.
- The F-M Diversion Authority approved Phase 1 preliminary project design grants for Barnesville Township-\$60,746 with maximum eligible of \$1,214,920, Stony Creek-\$86,800 with maximum eligible of \$1,736,000, and the Upper South Branch of the Buffalo River-\$74,022 with maximum eligible of \$1,480,440.
- Agreed to submit a Section 1135 Habitat Restoration letter to the COE for the Otter Tail River.
- Discussed the State's new bufferstrip legislation.
- Received the DNR's "Watershed District of the Year" award and MAWD's "Project of the Year" award for the Manston Slough Restoration project at MAWD Annual Meeting in Alexandria.
- Discussed the proposed FM DA FY2016 Budget, totaling \$237.5 million.
- The contractor for Project No. 56, Manston Slough Restoration, was notified of a possible warranty claim for road repairs in the spring of 2016.
- The DNR issued a preliminary hazard classification for the Stony Creek off-channel impoundment.
- Staff continued review of the RWMP.
- Discussed the MPCA's proposed Tiered Aquatic Life Uses (TALU) legislation.



- Authorized investigations of berm height along Wilkin C.D. No. 41-Branch No. 4 in the SE $\frac{1}{4}$ , Section 11, Atherton Township, and review of slope failures along Wilkin C.D. No. 6A in Sections 31 and 32, Tanberg Township.
- Discussed an update of the BRRWD Rules.

## Major Projects

## Wolverton Creek/Comstock Coulee

### Sponsor:

Buffalo-Red River Watershed District

### Description:

Develop an assessment model and implementation strategy to deal with flooding, erosion, and water quality problems. This creek drains from Wilkin and Clay Counties into the Red River, upstream of the Fargo/Moorhead raw water intakes, sparking water quality interests and concerns. The Coulee was the subject of a PL 566 SCS project in the 1960s. Some stretches may have as much as 5-6 feet of sediment.

New channels are now forming along the outside edges of the waterway in the fields. The Coulee is also an outlet for seven county and judicial ditch systems. The BRRWD is checking into the possibility of restarting the PL 566 project. Implementation features could include farmstead windbreaks, bufferstrips, channel restoration, erosion control, impoundments, and wetland restorations.



### Project Benefits:

**Flood Damage Reduction:** Control drainage from a 105 sq. mi. drainage area that contains 94% agricultural lands.

**Water Quality:** The waterway will be classified as impaired in 2008 for turbidity. Incorporate water quality enhancement features.

**Habitat Enhancement:** Create bufferstrips along 25.5 miles of channel.

**Recreation:** NRE components will enhance wildlife and fisheries habitats.

### Problem Description:

**Flooding:** Control/meter drainage immediately upstream of the Cities of Fargo/Moorhead.

**Erosion and Sedimentation:** Impaired water, address degrading and aggrading channels.

**Estimated Cost:** \$12,000,000

**Status:** In planning

	Prior Years	FY 2006	FY2007	FY2008+
Approvals			PT/DNR/O	
Funding		O	O/WD	O/WD
Construction			O/WD	O/WD

**Key:** PT=Project Team; WG=Flood Damage Reduction Work Group; RB=Red River Watershed Management Board; WD=Watershed District; DNR=Minnesota DNR; O=Other

### Partners:

Natural Resource Conservation Service  
Clay Soil and Water Conservation Service  
Wilkin Soil and Water Conservation Service  
Red River Basin Flood Damage Reduction WorkGroup  
Pheasants Forever  
City of Moorhead

# Georgetown Flood Mitigation Project

## Sponsor:

Buffalo-Red River Watershed District

## Description/Location:

The project area is located in Georgetown, approximately 14 miles north of Moorhead. Georgetown is affected by two river systems: the Red River of the North and the Buffalo River. The proposed project will replace the existing flood protection levee constructed in 1999 that is experiencing slope failures and provides an inadequate level of flood protection. The existing levee does not provide 100-year flood protection. The existing levee was temporarily raised by the Corps of Engineers to provide additional protection in 2009 and 2010.

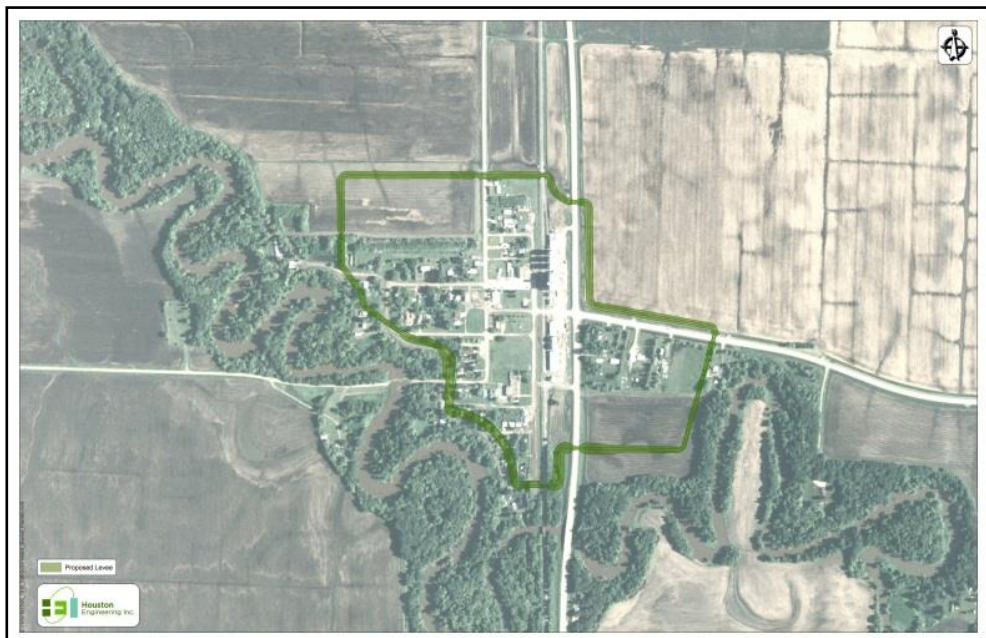


In the fall of 2012, construction began to construct a new higher Flood protection project for the City. The levee under construction is designed to provide flood protection with at least 3 feet of freeboard over the Base Flood Elevation (Flood elevation that has a 1% chance of equaling or exceeding that level in any given year “100-year Flood”). A number of property buyouts/relocations were required due to geotechnical slope stability concerns with an additional 19 properties requiring partial purchase or easements. Construction is expected to be completed in 2015.

## Project Benefits

**Flood Control:** Project provides flood protection to approximately 91 acres and 55 structures.

**Cost:** \$3.8 Million.



## Oakport Flood Mitigation Project

### Sponsor:

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) will be completed in 2016. Approximately 60 property buyouts were 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. Funding for Phase 4 was secured in 2015, and project construction should be completed in 2016.



### 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/ Completed in 2016

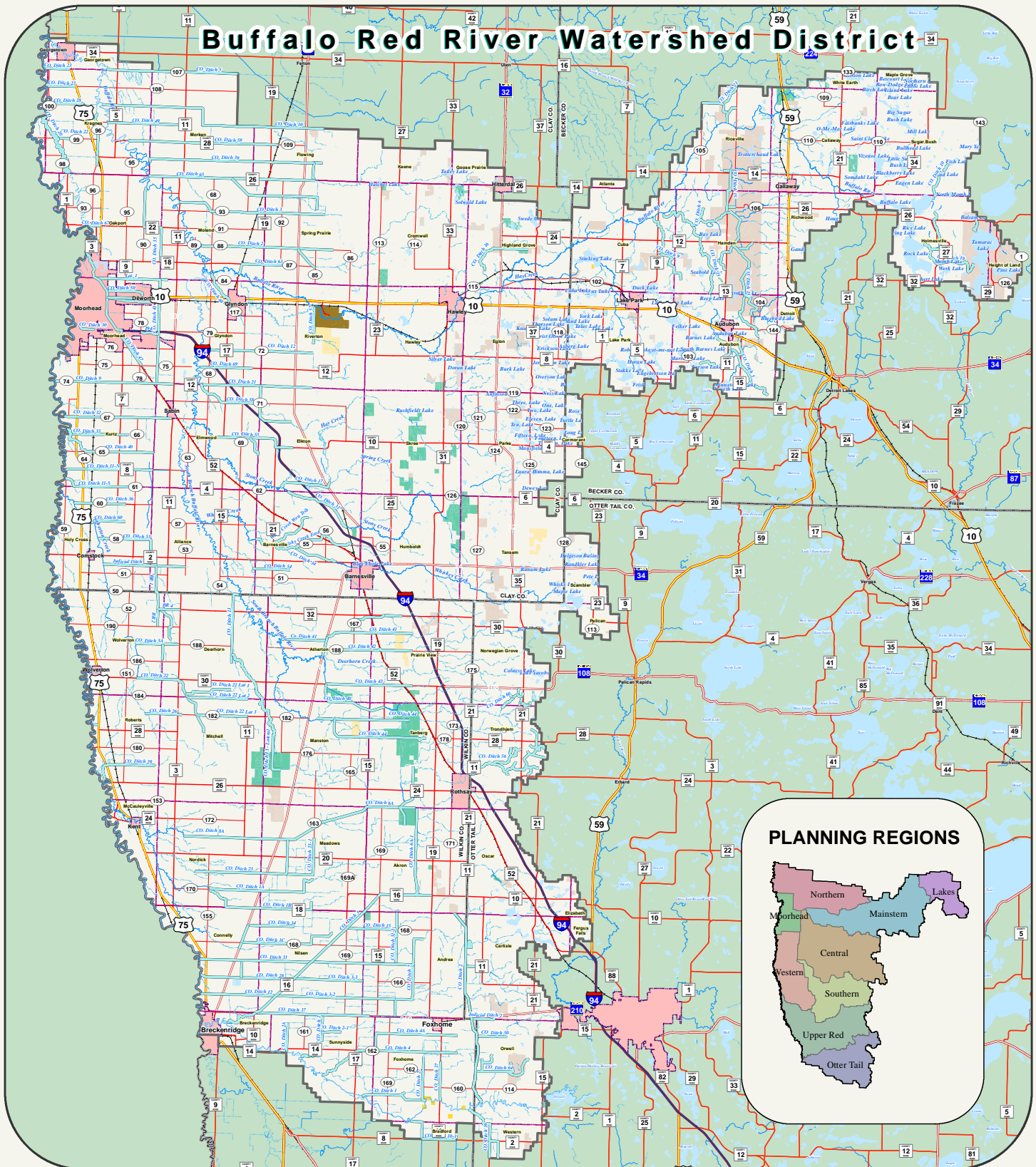
	Prior Years	FY 2010 (7/1/09-6/30/10)	FY 2011 (7/1/10-6/30/11)	FY 2012 (7/1/11-6/30/12)	FY 2013 (7/1/12-6/30/13)
Approvals	PT/WD	DNR/COE/WCA			
Funding	State \$6M O \$100K	State \$11 O \$200K	State \$4M O \$200K	State \$8.7M O \$300K	State \$5M
	Project Design	Project Design, Acquisition, Construction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

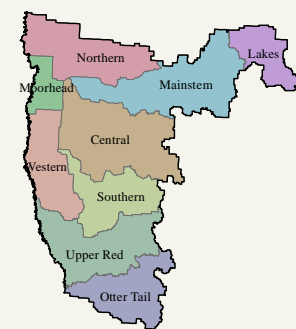
**Partners:** State of Minnesota Flood Damage Reduction Program/BRRWD/Oakport Township



# Buffalo Red River Watershed District



## PLANNING REGIONS



## Legend

### State Land

- State Park
- Scientific Natural Area
- Wildlife Management Area

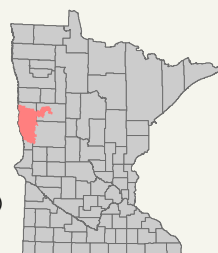
### Federal Land

- 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.: 1915-000 Date: 7/9/2014 Sheet: 701,237,5065

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

BUFFALO-RED RIVER WATERSHED DISTRICT  
BARNESVILLE, MINNESOTA

FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

BUFFALO - RED RIVER WATERSHED DISTRICT

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BUFFALO - RED RIVER WATERSHED DISTRICT

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BUFFALO - RED RIVER WATERSHED DISTRICT  
LIST OF OFFICIALS  
DECEMBER 31, 2015

Governing Board

	<u>Office</u>
Gerald L. VanAmburg	Chairman
Peter V Fjestad	Vice-chairman
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 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, 2015, 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 cash basis of accounting described in Note 1; this includes determining that the 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 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, 2015, and the changes in cash basis financial position 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 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 on pages 4-10 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 an opinion 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  
May 19, 2016

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, 2015, within the limitations of the District's 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 \$582,594, (Net Assets). Of this amount, \$582,594 (Unrestricted Net Assets) may be used to meet ongoing obligations.

\* The District's total net assets decreased by \$ 69,963 as a result of the current year's operation on the modified cash basis.

\* The District's total revenues from all sources were \$5,383,581. Total expenses were \$5,453,545.

\* At the close of the current fiscal year, The District's governmental funds reported combined ending fund balances of \$582,594, a net decrease of \$ 69,963 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 \$582,594 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	2015	2014
Current and other assets	582,594	652,558
Capital assets (net of depreciation)		
Total Assets	582,594	652,558
	=====	=====
Liabilities		
Current Liabilities		
Long Term Liabilities		
Total Liabilities		
Net Assets		
Invested in Capital Assets Net		
Restricted		
Unrestricted	582,594	652,558
Total Net Assets	582,594	652,558



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 \$69,963. Key elements of this decrease are as follows:

CHANGES IN NET ASSETS- MODIFIED CASH BASIS		
	<u>2015</u>	<u>2014</u>
Revenues		
Program Revenues:		
Charges for Services		
Operating Grants and Contributions	1,577,144	3,870,067
General Revenues		
Property taxes	1,121,772	1,009,651
Assessments	1,848,660	1,317,978
State Aid	134,153	109,042
Ditch transfer	544,951	
Interest and Other Revenue	156,901	143,659
Total Revenues	<u>5,383,581</u>	<u>6,450,397</u>
Expenses		
Project	5,021,905	6,325,845
Support Services:		
General Administrative Services	260,688	392,866
Interest	170,953	106,110
Depreciation-Unallocated		
Total Expenses	<u>5,435,545</u>	<u>6,824,821</u>
Increase in Net Assets	( 69,963)	(374,424)

Taxes constituted 21%, special assessments 34%, grants 29% and other revenues made up the remaining 16% of the total revenues of the governmental activities of the District for the 2015 fiscal year. Projects comprise 92% of the District's governmental expenses, while support services account for 8%.

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, 2015, 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>2014</u>	<u>2015</u>
Buildings and Improvements	597,539	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 \$212,000. Of this amount, \$108,000 is long-term debt, the remaining \$104,000 is a current liability due within one year. The District had a net decrease in its existing debt obligation by \$101,000 from December 31, 2014.

OUTSTANDING GENERAL LONG-TERM DEBT		
	<u>2014</u>	<u>2015</u>
Bonds Payable	313,000	212,000
Line of credit payable		
Total	<u>313,000</u>	<u>212,000</u>

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- CASH BASIS  
DECEMBER 31, 2015

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- CASH BASIS  
YEAR ENDED DECEMBER 31, 2015

		Program Revenues		Net (expense) Revenue & Changes in Net Assets
	Expenses	Charges for Services	Operating grants and Contributions	Governmental Activities
Governmental Activities:				
General government	260,687.68			(260,687.68)
Project expense	5,021,904.58	1,577,144.45		(3,444,760.13)
Buy out costs	-			-
				-
				-
				-
				-
Interest expense	170,952.53			(170,952.53)
				-
Total Governmental Activi	5,453,544.79	1,577,144.45	-	(3,876,400.34)
General Revenues				
Property taxes				1,121,771.87
Special assessments				1,848,660.15
Wilkin County ditch transfer				544,951.45
State aid				134,153.22
Interest income				67,436.97
RRWMB share				34,863.19
Other revenue				54,600.02
Total General revenues				3,806,436.87
Change in Net Assets				(69,963.47)
Net Assets- January 1				652,557.65
Net Assets- December 31				582,594.18

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

BUFFALO-RED RIVER WATERSHED DISTRICT  
BALANCE SHEET- GOVERNMENTAL FUNDS- CASH BASIS  
DECEMBER 31, 2015

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	PROJECT 56 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>						
Cash and investments	164,287.00	1,244,436.59	16,686.32	(546,601.12)	(296,214.61)	582,594.18
Accounts receivable						-
Taxes receivable						-
Intergovernmental receivable						-
Due from County Treasurer						-
<b>Total Assets</b>	<b>164,287.00</b>	<b>1,244,436.59</b>	<b>16,686.32</b>	<b>(546,601.12)</b>	<b>(296,214.61)</b>	<b>582,594.18</b>
<b>LIABILITIES</b>						
Accounts Payable						-
Line of credit					-	-
Deferred revenue						-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>						
Restricted for Capital Projects						-
Restricted for Debt Service						-
Unassigned	164,287.00	1,244,436.59	16,686.32	(546,601.12)	(296,214.61)	582,594.18
<b>Total fund balance</b>	<b>164,287.00</b>	<b>1,244,436.59</b>	<b>16,686.32</b>	<b>(546,601.12)</b>	<b>(296,214.61)</b>	<b>582,594.18</b>

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- CASH BASIS  
YEAR ENDED DECEMBER 31, 2015

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	PROJECT 56 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Property taxes	253,621.21	-	471,663.81	-	396,486.85	1,121,771.87
Special assessments				101,369.04	1,747,291.11	1,848,660.15
Grant income		-		392,717.04	1,184,427.41	1,577,144.45
State aid	-		56,438.26		77,714.96	134,153.22
RRWMB share	-	-	-	-	34,863.19	34,863.19
Charges for services	2,700.00	-	-	-	-	2,700.00
Interest and other	48,158.14	21,627.72	2,404.94	-	47,146.19	119,336.99
<b>Total Revenues</b>	<b>304,479.35</b>	<b>21,627.72</b>	<b>530,507.01</b>	<b>494,086.08</b>	<b>3,487,929.71</b>	<b>4,838,629.87</b>
<b>Current:</b>						
General government	90,462.22		102,181.45	276.18	67,767.83	260,687.68
Engineering	269,184.58	-	9,352.50	55,515.65	1,145,823.72	1,479,876.45
Buy out costs			-	-	-	-
Capital outlay		-	-	344,107.43	3,197,920.70	3,542,028.13
Debt Service			-			
Principal					-	-
Interest expense	-			13,069.25	157,883.28	170,952.53
<b>Total Expenditures</b>	<b>359,646.80</b>	<b>-</b>	<b>111,533.95</b>	<b>412,968.51</b>	<b>4,569,395.53</b>	<b>5,453,544.79</b>
Excess revenues (expendit	(55,167.45)	21,627.72	418,973.06	81,117.57	(1,081,465.82)	(614,914.92)
<b>Other Financing Sources (Uses):</b>						
Transfers in	60,000.00	-		-	389,354.49	449,354.49
Transfers out		-	(449,354.49)	-	-	(449,354.49)
Wilkin ditch transfer					544,951.45	544,951.45
<b>Total other financing sourc</b>	<b>60,000.00</b>	<b>-</b>	<b>(449,354.49)</b>	<b>-</b>	<b>934,305.94</b>	<b>544,951.45</b>
<b>Net change in fund balance</b>	<b>4,832.55</b>	<b>21,627.72</b>	<b>(30,381.43)</b>	<b>81,117.57</b>	<b>(147,159.88)</b>	<b>(69,963.47)</b>
Fund balance- beginning	159,454.45	1,222,808.87	47,067.75	(627,718.69)	(149,054.73)	652,557.65
Fund balance- ending	164,287.00	1,244,436.59	16,686.32	(546,601.12)	(296,214.61)	582,594.18

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, 2015

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

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.

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

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 \$582,594. 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

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 2015.

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, 2015, 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, 2015, 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, 2015, 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, 2015, the District had no debt securities investments.

NOTE 4 DEBT

Changes in Long-Term Liabilities - During the year ended December 31, 2015, the following changes occurred in liabilities reported in long-term debt:

	Payable 2014	Increases	Decreases	Payable 2015	Due Within One Year
Bonds Payable	313,000		101,000	212,000	108,000

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%	212,000

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, 2015, 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, 2015:

Project #30	41 013	Will be eliminated by specials.
Project #32	4 582	Will be eliminated by specials.
Project #33	182	Will be eliminated by specials.
Project #34	138 990	Will be eliminated by specials/FEMA.
Project #35	13 458	Will be eliminated by specials.
Project #37	57 823	Will be eliminated by specials.
Project #39	311 422	Will be eliminated by specials/grant/FEMA.
Project #42	42 835	Will be eliminated by specials.
Project #49	96 967	Will be eliminated by specials/grant.
Project #52	10 848	Will be eliminated by specials.
Project #56	546 601	Will be eliminated by specials/grant/MSA 103D.
Project #61	292 797	Will be eliminated by specials.
Project #62	11 791	Will be eliminated by specials.
Project #67	12 772	Will be eliminated by specials.
Project #68	4 355	Will be eliminated by specials.
Project #70	1 691	Will be eliminated by specials.
Project #72	1 876	Will be eliminated by specials.
Project #74	91	Will be eliminated by specials.
Project #75	97 594	Will be eliminated by specials.
Project #77	8 667	Will be eliminated by specials.
Becker Ditch #7	3 078	Will be eliminated by specials.
Becker Ditch #9	4 774	Will be eliminated by specials.
Becker Ditch 10	5 185	Will be eliminated by specials.
Becker Ditch 19	10 877	Will be eliminated by specials.
Clay Ditch #9	176 843	Will be eliminated by specials.
Clay Ditch #28	13 550	Will be eliminated by specials.
Clay Ditch #31	57 012	Will be eliminated by specials.
Clay Ditch #32	183 080	Will be eliminated by specials/FEMA.
Clay Ditch #33	121 475	Will be eliminated by specials/FEMA.
Clay Ditch #40	5 625	Will be eliminated by specials.
Clay Ditch #49	3 816	Will be eliminated by specials.
Clay Ditch #51	304	Will be eliminated by specials.
Clay Ditch #54	2 372	Will be eliminated by specials.
Wilkin Ditch 5A	59 787	Will be eliminated by specials/grant.
Wilkin Ditch #22	123 355	Will be eliminated by specials/grant.
Wilkin Ditch #28	26 725	Will be eliminated by MSA 103D.
Wilkin Ditch #26	45 671	Will be eliminated by specials/grant.
Wilkin Ditch #40	1 572	Will be eliminated by specials.
Wilkin Ditch #41	80 429	Will be eliminated by specials.
Wilkin Ditch #43	7 656	Will be eliminated by specials.
Wilkin/Otter JD2	1 837	Will be eliminated by specials.
Hawley Buffalo	254 834	Will be eliminated by MSA 103D/DNR.
RRBC	121	Will be eliminated by MSA 103D.
Lake Flora	164	Will be eliminated by specials.
RIM/WRP Flood	165	Will be eliminated by MSA 103D.
Upper Red TMDL	3 425	Will be eliminated by MPCA/BRRWD.
New Office	5 595	Will be eliminated by taxes.
Upper S Branch	16 760	Will be eliminated by grant.
Mediation PT	1 086	Will be eliminated by RRWMB/MSA 103D.
MAWQCP	56 673	Will be eliminated by MPCA/MSA 103D/Donations.
Watershed enlarge	2 168	Will be eliminated by MSA 103D.
Red River Stressor	21 842	Will be eliminated by specials.
Otter Tail Riv Plng	449	Will be eliminated by specials.
Stony Crk Comp Pln	2 273	Will be eliminated by specials.



BUFFALO- RED RIVER WATERSHED DISTRICT  
FUND EQUITY  
DECEMBER 31, 2015

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
GENERAL	159,454.45	304,479.35	359,646.80	60,000.00	164,287.00
NEW OFFICE	82.73	101,417.71	107,095.62		(5,595.18)
RRWMB	69.45				69.45
CONSTRUCTION	1,222,808.87	21,627.72			1,244,436.59
MSA 103D	47,067.75	530,507.01	111,533.95	(449,354.49)	16,686.32
INSURANCE	5,924.55	20,302.77	19,683.73		6,543.59
BECKER DITCH #5	(4,092.62)	9,701.48	2,032.38		3,576.48
BECKER DITCH #6	3.82	0.07			3.89
BECKER DITCH #7	(2,674.83)		403.03		(3,077.86)
BECKER DITCH #9	(28,066.38)	24,875.47	1,582.76		(4,773.67)
BECKER DITCH#10	(18,312.20)	14,842.60	1,715.38		(5,184.98)
BECKER DITCH#15-PJ 23	43,754.22	15,433.14	43,371.43		15,815.93
BECKER DITCH#19	(35,428.83)	33,331.43	8,779.23		(10,876.63)
CLAY DITCH #03	20,131.99	15,195.75	26,733.54		8,594.20
CLAY DITCH #05	14,709.88	10,179.18	19,204.68		5,684.38
CLAY DITCH #09	(218,971.79)	50,002.09	7,873.25		(176,842.95)
CLAY DITCH #16	4,954.53	84.11	662.49		4,376.15
CLAY DITCH #17	7,653.35	5,062.22	1,109.38		11,606.19
CLAY DITCH #20	2,923.21	10,121.70	667.84		12,377.07
CLAY DITCH #21	44,645.21	858.69	3,520.94		41,982.96
CLAY DITCH #22	642.54	10,098.79	658.11		10,083.22
CLAY DITCH #23	12,046.42	210.23	1,015.48		11,241.17
CLAY DITCH #28	(1,195.65)	10,001.21	22,355.85		(13,550.29)
CLAY DITCH #31	(58,594.44)	6,972.54	5,389.97		(57,011.87)
CLAY DITCH #32	(199,402.18)	50,135.00	33,812.58		(183,079.76)
CLAY DITCH #33	(124,645.77)	30,072.12	26,901.50		(121,475.15)
CLAY DITCH #34	20,945.76	255.83	15,556.87		5,644.72
CLAY DITCH #35	42,546.84	2,386.00	1,180.61		43,752.23
CLAY DITCH #36	5,300.91	10,279.02	14,967.74		612.19
CLAY DITCH #39- PJ 7	31,348.96	5,459.22	4,292.51		32,515.67
CLAY DITCH #40	(10,171.84)	30,659.71	26,113.29		(5,625.42)
CLAY DITCH #49	(10,699.81)	15,248.09	8,364.54		(3,816.26)
CLAY DITCH #51	16,656.58	184.45	17,145.42		(304.39)
CLAY DITCH #53-PJ 47	9,433.42	15,159.58	8,673.54		15,919.46
CLAY DITCH #54	680.86		3,053.14		(2,372.28)
CLAY DITCH #57	8,116.34	135.09	1,155.51		7,095.92
CLAY DITCH #58	(4,895.22)	24,944.03	9,026.23		11,022.58
CLAY DITCH 59-PJ 48	2,537.02	50,582.29	20,975.14		32,144.17
CLAY DITCH #60	5,826.57	10,070.52	4,289.88		11,607.21
CLAY DITCH #63	14,227.21	249.03	814.46		13,661.78
CLAY DITCH #65- PJ 3	10,144.33	20,235.20	4,465.12		25,914.41
WILKIN DITCH#01A		20,302.48	1,992.81		18,309.67
WILKIN DITCH#01B		18,753.81	3,623.79		15,130.02
WILKIN DITCH#01C		245,659.12	230,806.08		14,853.04
WILKIN DITCH#03		183,428.49	122,914.21		60,514.28

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WILKIN DITCH#04		19,446.24	4,501.98		14,944.26
WILKIN DITCH#07		41,377.48	8,942.11		32,435.37
WILKIN DITCH#12		34,077.68	31,369.31		2,708.37
WILKIN DITCH#15		34,092.01	1,751.14		32,340.87
WILKIN DITCH#22-PJ1	5,951.24	39,720.43	169,026.54		(123,354.87)
WILKIN DITCH#23		17,987.50	3,601.80		14,385.70
WILKIN DITCH#26	3,311.85	4,998.79	53,982.12		(45,671.48)
WILKIN DITCH#27		19,271.76	2,297.13		16,974.63
WILKIN DITCH#28		30,411.29	57,136.02		(26,724.73)
WILKIN DITCH#29		29,435.42	2,773.45		26,661.97
WILKIN DITCH#31		36,583.77	6,129.41		30,454.36
WILKIN DITCH#34		152,800.97	48,938.79		103,862.18
WILKIN DITCH#37		19,608.45	2,357.71		17,250.74
WILKIN DITCH#40	(13,783.40)	13,581.33	1,370.07		(1,572.14)
WILKIN DITCH#41	(37,643.79)	30,150.42	72,936.05		(80,429.42)
WILKIN DITCH#42-PJ 25	7,156.36	9,951.90	2,893.81		14,214.45
WILKIN DITCH#43	(755.88)	19,634.91	26,534.94		(7,655.91)
WILKIN DITCH#44-PJ 24	29,707.86	503.84	13,003.14		17,208.56
WILKIN DITCH#5A	8,613.94	9,338.43	77,739.44		(59,787.07)
WILKIN DITCH#02	(108.27)	21,120.77	7,726.29		13,286.21
WILKIN DITCH#06A	(792.25)	79,095.08	4,758.83		73,544.00
PROJECT #02- W 22	56,057.43	1,203.82	4,084.12		53,177.13
PROJECT #04	8,627.72	156.45	95.95		8,688.22
PROJECT #05	2,360.45	38.68	515.81		1,883.32
PROJECT #08	2,532.52	17.33	4,221.01	2,000.00	328.84
PROJECT #13	694.78	-	3,969.43	4,000.00	725.35
PROJECT #14	(32,177.09)	76,109.28	37,676.00		6,256.19
PROJECT #16	1,280.56		6,179.60	5,000.00	100.96
PROJECT #19	17,342.07	14,109.44	10,450.85		21,000.66
PROJECT #20	40,511.58	713.76	2,795.40		38,429.94
PROJECT #21	16,500.31	354.56	53.28		16,801.59
PROJECT #27-C 55	7,472.56	20,194.02	3,678.31		23,988.27
PROJECT #28- C 2	51,427.37	825.74	43,031.72		9,221.39
PROJECT #29	1,043.58		13,694.03	15,000.00	2,349.55
PROJECT #30-CW JD1	(14,484.64)	49,440.77	75,968.92		(41,012.79)
PROJECT #31	2,807.19		19,069.21	20,000.00	3,737.98
PROJECT #32	(3,616.97)	104.89	1,069.51		(4,581.59)
PROJECT #33	(9,166.20)	25,000.04	16,015.38		(181.54)
PROJECT #34	(2,449.65)	48,974.74	185,515.07		(138,989.98)
PROJECT #35	(56,823.68)	72,834.85	29,469.30		(13,458.13)
PROJECT #36	11,768.98	186.67	5,530.23		6,425.42
PROJECT #37	17,867.09	15,083.68	90,774.19		(57,823.42)
PROJECT #38	3,941.69	7,277.17	3,548.79		7,670.07
PROJECT #39	(116,874.18)	51,966.69	246,514.61		(311,422.10)
PROJECT #40	25,481.00	1,540.75	17,918.29		9,103.46

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PROJECT #42	12,128.89	24,743.55	79,707.80		(42,835.36)
PROJECT #43	35,997.59	574.50	9,583.47		26,988.62
PROJECT #44	-				-
PROJECT #45	-				-
PROJECT #46- TLO	(30,669.10)	49,524.44	17,828.44		1,026.90
PROJECT #49-OAK	(219,367.25)	240,758.38	118,357.77		(96,966.64)
PROJECT #50	(4,318.95)	10,001.42	730.07		4,952.40
PROJECT #51	19,536.70	379.66	2,078.42		17,837.94
PROJECT #52	9,287.90	20,000.31	40,136.27		(10,848.06)
PROJECT #54	60,432.03	763.81	47,969.97		13,225.87
PROJECT #55	12,575.51	228.25			12,803.76
PROJECT #56	(627,718.69)	494,086.08	412,968.51		(546,601.12)
PROJECT #57	6,697.82	111.16	1,043.37		5,765.61
PROJECT #58	12,298.40	19,870.84	534.72		31,634.52
PROJECT #60	0.00		96.17	96.17	0.00
PROJECT #61	(41,894.82)	38,917.02	289,819.11		(292,796.91)
PROJECT #62	(11,433.00)		357.94		(11,790.94)
PROJECT #63- GROVE	19,841.75	6,258.06	5,071.53		21,028.28
PROJECT #64	(19,387.72)	28,190.35	1,767.48		7,035.15
PROJECT #65	(10,124.63)	12,245.97	1,210.34		911.00
PROJECT #66	(0.00)				(0.00)
PROJECT #67	(40,151.91)	29,352.79	1,972.73		(12,771.85)
PROJECT #68	(28,494.41)	25,017.57	878.43		(4,355.27)
PROJECT #70	14,455.40	321.39	16,467.49		(1,690.70)
PROJECT #71	(65,078.05)	167,783.46	91,982.10		10,723.31
PROJECT #72	(13,122.20)	14,768.76	3,522.94		(1,876.38)
PROJECT #73	4,171.51	60.48	2,427.03		1,804.96
PROJECT #74	(88.85)		2.44		(91.29)
PROJECT #75	(17,522.51)		80,071.27		(97,593.78)
PROJECT #76	-		247.80	247.80	-
PROJECT #77	6,815.43	27,415.03	42,897.53		(8,667.07)
HAY CREEK STINKING LAI	-	49,294.66	21.72		49,272.94
UPPER RED TMDL	(3,472.59)		95.50	3,568.09	(0.00)
HAWLEY BUFF RIV RES	(491,633.97)	720,433.69	483,634.02		(254,834.30)
MEDIATION PT	601.99	12,764.32	34,452.47	20,000.00	(1,086.16)
BWSR DRAINAGE	31,608.27	173.61	33,480.76	1,698.88	(0.00)
STREAMBANK EROSION-P	11,978.56	206.40	2,331.84		9,853.12
RIVERKEEPERS	0.28	0.10			0.38
COMP PLANNING	65,166.90	11,600.22	1,441.45		75,325.67
COE DIVERSION	(942.96)	45.51	22,048.07	25,000.00	2,054.48
CLAY COUNTY BUYOUT	19,500.89	353.35	107.57		19,746.67
UPPER S BRANCH BMP	79,107.13	1,576.11	97,442.79		(16,759.55)
BWSR CWF GRANT	-		519.27	519.27	-
FEMA 2009	402,785.02	6,900.34	67,972.51		341,712.85
FEMA 2010	958.12	17.39			975.51
FEMA 2006	(3.88)		0.11	3.99	0.00
FEMA 2011	136,527.83	15,419.51	2,415.25		149,532.09

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WETLAND RESTORATION	6,345.28	72,301.39	30,345.43		48,301.24
RED RIVER BASIN	(380.08)		27,740.99	28,000.00	(121.07)
S&D ACQUISITIONS	261.77	6.50	1,061.46	793.19	(0.00)
BLUE EAGLE LAKE	(168.38)		3,036.03	3,204.41	-
WATERSHED ENLARGE	363.92		27,531.51	25,000.00	(2,167.59)
BRRWD RRBC DETENTION	0.00		21.77	21.77	0.00
RED RIVER RETENTION	-	0.25	43.53	43.28	-
MAWQCP	77,081.17	61,635.97	195,390.33		(56,673.19)
WOLVERTON CREEK	111,677.45	2,109.13	71,365.60		42,420.98
REDETERMINE BENEFITS	67,057.26	170,509.37	39,467.92		198,098.71
WILKIN SWCD	-	-	10,195.71	10,195.71	-
TMDL	(583.90)	25,761.63	28,602.61		(3,424.88)
RIM/WRP FLOOD INVEST	(679.07)		43,485.88	44,000.00	(164.95)
RED RIVER STRESSOR	-	11,011.00	32,853.00		(21,842.00)
BARNESVILLE DRAINAGE	(846.39)		73,883.31	75,000.00	270.30
OTTER TAIL RIVER PLNG	-		15,448.69	15,000.00	(448.69)
STONY CREEK COMP PLAT	70.99	12,598.87	104,942.68	90,000.00	(2,272.82)
SABIN COULEE	3.09	0.06			3.15
LAKE FLORA- BECKER 7	-		164.29		(164.29)
STAKKE LAKE	-		961.93	961.93	-
WILKIN/OTTER JD #2	(15,962.23)	18,662.52	4,537.75		(1,837.46)
TOTAL	652,557.65	5,383,581.32	5,453,544.79	0.00	582,594.18

