

Hubbard County Soil and Water Conservation District

2018 Annual & Financial Report and County Comprehensive Local Water Management Plan



~ Crow Wing River Wild Rice ~

HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT

Annual Report

DECEMBER 31, 2018

Hubbard County Soil and Water Conservation District

2018 Annual Report & 2019 Annual Work Plan

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HUBBARD COUNTY SOIL AND WATER CONSERVATION DISTRICT

January 1, 2018 – December 31, 2018

PERSONNEL

DISTRICT SUPERVISORS

CHAIR	LYNN GOODRICH
VICE CHAIR	DON SELLS
SECRETARY	DON RETTINGER
TREASURER	BOB ILES
PUBLIC RELATIONS & INFORMATION (PR& I)	MARCEL NOYES

DISTRICT STAFF

DISTRICT MANAGER	JULIE KINGSLEY
ADMINISTRATIVE ASSISTANT	ANNETTE OLSON
WATER QUALITY/RESOURCE SPECIALIST	JAMIN CARLSON(1/1/18-4/7/18)
WATER QUALITY/RESOURCE SPECIALIST	WILLIAM LEE(6/17/18-12/31/18)

USDA NATURAL RESOURCES CONSERVATION SERVICE

DISTRICT CONSERVATIONIST	DAN PAZDERNIK
SOIL CONSERVATION TECHNICIAN	ALICIA LATURNUS

USDA FARM SERVICES AGENCY

PROGRAM TECHNICIAN (Wednesdays)	MARIE ROGNSTAD
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MEETING DATES

The Board of Supervisors meets the second Wednesday of each month at 8:30 am in the United States Agricultural Service Center (USDA), 603 Central Avenue N, Suite 100, Park Rapids, MN. Meetings are open to the public.

EEO-Services and programs of the Hubbard County Soil and Water Conservation District and the Natural Resources Conservation Service are offered on a nondiscriminatory basis without regard to race, color, national origin, religion, sex, age, marital status, or handicap.

Services Provided by the Hubbard County SWCD

BWSR Grant Programs

- Conservation Delivery
- Cost-share program to assist landowners in installing conservation practices and well sealing
- Reinvest in Minnesota (RIM)
- Local Water Management Plan
- Wetland Conservation Act
- Buffer Law
- Buffer Cost Share
- Wild Rice Easements

Special Programs

- Rural Rainfall Monitoring Network
- Tree Sale Program

Education Programs

- Envirothon (grades 6-12)
- Present at 5th Grade Conservation Education Day
- Present at 4th Grade Resource Rendezvous
- Presentations upon request

Local Water Plan Projects

- Free Nitrate testing clinics, remote sites and at County Fair in July
- 6th Grade Freshwater Festival (county-wide)
- Lake and river monitoring
- Grazing Workshop
- Education and Information Programing

Services

- Soil and Water Stewardship materials
- Environmental Education materials
- Presentations on conservation topics
- Irrigation Uniformity Testing
- Free Monthly Office Nitrate Testing for private wells
- Kabekona River Bacteria Testing
- Veliger Sampling
- Area Lake Dissolved Oxygen and temperature profile monitoring
- Hubbard County Plat Books

Cooperative Programs

- Joint Powers Board Area 8
- TSA Area 8 Engineer
- TSA Forester Position
- TSA GIS Specialist
- TSA Graphic Design Artist
- Natural Resources Conservation Service Programs
- DNR Observation Well Program
- Irrigation Scheduler program
- Leech Lake River One Watershed One Plan.

Website: www.hubbardswcd.org

COOPERATING PARTNERS

The Hubbard County Soil and Water Conservation District would like to thank each of the following for their support and assistance during the year:

<i>Akeley Fire Department</i>	<i>Minnesota Department of Agriculture (USDA)</i>
<i>Area School Districts</i>	<i>Minnesota Department of Health (MDH)</i>
<i>Citizens National Bank</i>	<i>Minnesota Department of Natural Resources (DNR)</i>
<i>City of Akeley</i>	<i>Minnesota Pollution Control Agency (MPCA)</i>
<i>City of Laporte</i>	<i>Minnesota SWCD Forestry Association</i>
<i>City of Nevis</i>	<i>Natural Resources Conservation Service (NRCS)</i>
<i>City of Park Rapids</i>	<i>Northern Lights Council BSA, Camp Wilderness</i>
<i>Farm Service Agency (FSA)</i>	<i>Northview Bank</i>
<i>Hubbard Coalition of Lake Associations (COLA)</i>	<i>Northwoods Bank</i>
<i>Hubbard County Auditor</i>	<i>Northwoods Press</i>
<i>Hubbard County Assessor</i>	<i>North Central Area 8 Joint Powers Board (JPB)</i>
<i>Hubbard County Board of Commissioners</i>	<i>Minnesota SWCD Forestry Association</i>
<i>Hubbard County Engineer</i>	<i>Northwest Minnesota Foundation</i>
<i>Hubbard County Environmental Services</i>	<i>NWTF Tall Pine's Tom's Chapter</i>
<i>Hubbard County Extension Service</i>	<i>Otto Hendrickson Post #212</i>
<i>Hubbard County Township Association</i>	<i>Office of State Climatology</i>
<i>Hubbard County Treasurer</i>	<i>Park Rapids Enterprise</i>
<i>Itasca State Park Staff</i>	<i>Paul Bunyan Communications</i>
<i>Lake Associations</i>	<i>Radio Station KK-FM</i>
<i>Lamb-Weston/RDO Frozen</i>	<i>Radio Station KPRM</i>
<i>Lions Club – Laporte area</i>	<i>RESPEC</i>
<i>Minnesota Association of Conservation District Employees</i>	<i>RMB Laboratories</i>
<i>Mantrap Valley Conservation Club</i>	<i>TSA North Central Area 8</i>
<i>Minnesota Association of Soil and Water Conservation Districts (MASWCD)</i>	<i>The Nature Conservancy</i>
<i>Minnesota Board of Water and Soil Resources (BWSR)</i>	<i>The Review Messenger</i>
<i>Minnesota Dark House Association</i>	<i>Trout Unlimited Headwaters Chapter</i>
<i>Minnesota Deer Hunters Association (MDHA)</i>	<i>University of Minnesota</i>
	<i>USDA Forest Service</i>
	<i>U.S. Army Corps of Engineers</i>

HUBBARD COUNTY SOIL AND WATER CONSERVATION DISTRICT

OVERVIEW AND 2018 ACCOMPLISHMENTS AND ACTIVITIES

Mission Statement:

The purpose of the Hubbard County Soil and Water Conservation District is to provide leadership, education, technical advice, financial assistance to landowners, cooperating agencies for various programs and projects with the goal being the whole community working together in harmony to pursue the sustainable management, wise-use, and protection of the District's soil, water, forests, wildlife, and recreational resources.

Hubbard County's population in the year 2010 was 20,428*, a jump from 14,939 in 1990. With its 639,000 acres, cropland accounts for 89,500 acres, lake acres total 57,510 (9%), and 65% is forested. There are 313 lakes with 10+ acres. Hubbard County is expected to grow by 65% by the year 2030, thereby creating more demands on its resources.

The Hubbard County SWCD District Manager administers District programs and coordinates the Local Water Management Plan, the Wetland Conservation Act and the MN Buffer Law.

In 2018, the Hubbard County SWCD directed its efforts to preserving the county's natural resources through the following projects and programs:

LOCAL WATER MANAGEMENT PLAN (LWMP) – The District coordinates activities for the Local Water Plan in Hubbard County.

In 2018 projects included:

- **Lake Water Monitoring** - monitor water quality of 32 area lakes in coordination with Hubbard County Coalition of Lake Associations (COLA).
- **Freshwater Festival** was held for approximately 250 sixth grade students in the county on May 16 at Camp Wilderness, Boy Scout Camp, near Emmaville, MN. Schools that attend were Park Rapids, Nevis and Laporte. Also participating were students from St. Philip's School in Bemidji (Beltrami County). Fifteen citizen volunteers from the area assisted. Presenters at the learning stations included personnel from MN Pollution Control Agency (MPCA), MN Department of Health (MDH), MN DNR, NRCS, SWCD, Tom Gibson - Environmental Educator, Headwaters Science Center and local experts.
- **Nitrate Testing Clinics** - Free Nitrate testing clinics were held the first Friday of every month at our office and Friday – Saturday at the County Fair in July. Special area nitrate testing days were held in Hubbard County in 2018 at Laporte Independence Celebration Days, Farden Cleanup Days, Akeley Paul Bunyan Days, Grace Lake Association collection, Lake George Blueberry Festival, Becida Days in Fern Township, and Hubbard County Fair (approximately 350 tests were completed during the year).

*www.census.gov.

- **7th Annual Grazing Workshop** - Held for area grazing producers at the Guthrie Community Center on January 31, 2018. Approximately 55 attendees.
- **Education and Information**
 - **Envirothon** is a yearly event held at Lake Bemidji State Park in May for high school and junior high students. Area 8 SWCD staff organize the annual event and volunteers from several agencies presented information at five stations that included forestry, soils, current events, aquatics and wildlife. In addition, each high school team gave an oral presentation that was judged and graded. The three teams with the highest score from all categories participate in the State Envirothon competition.
 - **Other Presentations** – Two presentations were given to the League of Women Voters on the Mississippi Headwaters and on Wetlands-Form and Function; Park Rapids 4th Graders on Wetlands; Nitrates with free nitrate testing of private wells; and Hubbard County Coalition of Lake Associations.

WETLAND PRESERVATION/WETLAND CONSERVATION ACT

Hubbard County is experiencing a high rate of residential development adjacent to lakes and wetlands. Hubbard County has a no net loss of wetlands policy.

The Hubbard County SWCD continues to administer the Wetland Conservation Act (WCA) program for Hubbard County. Fees may incur for multiple site visits, replacement plans, after-the-fact replacement application approval, wetland violations and wetland banking approval.

BUFFER LAW COMPLIANCE - In conjunction with Hubbard County Environmental office who handles the Buffer Law enforcement, Hubbard SWCD inspects and updates the state buffer compliance maps, has created an “Other Waters” list for the county, has set up a three year rotation of total buffer inspection for the county, worked with landowners that were out of compliance to create a plan to get them into compliance and helped with technical, and financial incentives to get buffers to state specifications on the ground. Two landowners did voluntary compliance and there was one Buffer Cost Share project on the Kabekona River that included cattle exclusion fencing, gates, and seeding of eroded river banks to bring the property into compliance.

COMMUNICATIONS – The District publishes a biannual newsletter and submits news articles quarterly to the area newspapers.

The Hubbard SWCD website at www.hubbardswcd.org has been updated. It has information on all district programs and projects, as well as other information.

OTHER DISTRICT PROGRAMS – The District conducts many programs that have been on-going for several years:

- **Rural Rainfall Program** - has a network of 30 landowners throughout the county who measure rainfall/snowfall and report to the District monthly. Data is recorded at the District office and then sent to the University of Minnesota's Office of State Climatology.
- **Observation Well Monitoring Program** - began in the 1970's. Forty-five wells around the county are monitored for static water levels four times a year, and data is reported on-line to the Observation Well Manager at DNR – Division of Waters, in St. Paul.
- **District Tree Sale Program** - began in the late 1970's to fulfill a need for getting conservation trees planted on the land. Approximately 14,640 trees were sold in 2018. The District also sells Plantskydd®, a deer/rabbit repellent, along with tree tubes, tree mats, and flags.
- **Wild Rice RIM Easement Program** - began from a need to protect some of the most important habitat for wetland-dependent wildlife and plant species in Minnesota. Hubbard County's eligible Wild Rice lakes are 1st and 4th Crow Wing, Spring Lake, Upper Mud Lake and Crow Wing Lake. To date, five Wild Rice RIM Easements have been completed protecting a total of 208.9 acres from development and degradation. A Lessard Sam's Grant has been submitted for round 6 of Wild Rice RIM Easements. It has not been approved by the legislature yet.
- **Kabekona River Bacteria Monitoring** – Kabekona Lake Foundation provided funding for 2 years, which ended in September 2018. This program was to monitor the levels of bacteria in the months of June through September that was identified in the MPCA Leech Lake River Watershed Restoration and Protection Strategies (WRAPS) report. A project in Lakeport township was completed November 1, 2018 to exclude cattle from the Kabekona River on the western pasture where a separate watering facility was located. River monitoring will continue for another year to check the E. coli levels in the river from June – September 2019 that will be funded by the Hubbard SWCD.
- **Hubbard County Plat Book** - will be updated in December 2018 and be available to the public for purchase in March 2019.
- **Lake Water Quality Monitoring** – was completed by Hubbard SWCD on Lake Alice, Lake George, Benedict Lake and Hart Lake once a month for 5 months beginning in May through September 2018. This was to fill in gaps in data for these lakes to be able to determine water quality trends. Water samples were collected and were evaluated at RMB labs, a certified lab, in Detroit Lakes, MN.

DEERVIEW ROAD STORMWATER MANAGEMENT PROJECT - was a cooperative project between Hubbard SWCD and Henrietta Township and Enbridge Ecofootprint grant to remedy stormwater erosion issues. The project was completed in 2018 with the road being re-shaped, a ditch was constructed on one side of the road with rain gardens and rock check dams installed to treat stormwater runoff with the water then

directed to three stormwater chambers that were installed under the road to hold and allow infiltration.

LEECH LAKE RIVER ONE WATERSHED ONE PLAN - Hubbard and Cass County are in the final stages of completing a comprehensive plan for prioritizing, targeting and measuring projects and programs within the Leech Lake River Watershed. After the Planning Phase, an Implementation Grant will be applied for to install practices, projects, programs, and use protection strategies to protect this watershed.

COST-SHARE - The District receives yearly grant money from the Board of Water and Soil Resources (BWSR) for projects administered through the State Cost-Share Program to prevent soil and water erosion on the land. Four well decommissions were completed in 2018 under this program.

FEE FOR SERVICES Hubbard SWCD provides services for a fee for organizations on Dissolved Oxygen/Temperature profiles of lakes throughout the summer, TrafX counter data compilation, and veliger monitoring in July for area lakes that are unable to do the samplings themselves.

PARTNERSHIPS – The District works closely with lake associations, other SWCD's, Hubbard County Environmental Services and other county offices and state agencies such as the Board of Water and Soil Resources (BWSR), Department of Natural Resources (MN DNR), Minnesota Pollution Control Agency (MPCA), Minnesota Department of Agriculture (MDA), Minnesota Department of Health (MDH), the Natural Resources Conservation Service (NRCS), and Hubbard County Townships.

A supervisor from the SWCD Board attends meetings of the North Central Area 8 Joint Powers Board, the Hubbard County Local Water Plan board, the Mississippi Headwaters Board, the SWCD Area Forestry Association and the Leech Lake River One Watershed One Plan. A County Commissioner attends Soil and Water District Board Meetings.

HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2018

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
HUBBARD COUNTY SWCD
DECEMBER 31, 2018**

The Hubbard County SWCD's discussion and analysis provides an overview of the District's financial activities for the fiscal year ended December 31, 2018. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements.

USING THIS ANNUAL REPORT

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, financial statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's general fund. Since Districts are single-purpose, special-purpose government units, the District combines the government-wide and fund financial statements into a single presentation.

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position — the difference between assets and liabilities — as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the state and local governmental funding, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, the District presents governmental activities. All of the District's basic services are reported here. Appropriations from the county and state finance most activities.

Reporting the District's General Fund

Our analysis of the District's general fund is part of this report. The fund financial statements provide detailed information about the general fund—not the District as a whole. The District presents only a general fund, which is a governmental fund. All of the District's basic services are reported in the general fund, which focuses on how money flows into and out of the fund and the balances left at year-end that are available for spending. The fund is reported using an accounting method called modified accrual accounting. This method measures cash and all other

financial assets that can be readily converted to cash. The general fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the financial statements.

THE DISTRICT AS A WHOLE

Our analysis focuses on the net position and change in net position of the District's governmental activities.

Net Position:

	Governmental Activities	
	2018	2017
Current Assets	\$ 394,255	\$ 245,964
Capital Assets, net of depreciation	9,877	12,394
Deferred Outflows of Resources	112	32,266
Combined Assets and Deferred Outflows of Resources	<u>\$ 404,244</u>	<u>\$ 290,624</u>
Current Liabilities	\$ 340,224	\$ 194,586
Long-Term Liabilities	102,970	125,873
Deferred Inflows of Resources	16,005	21,067
Combined Liabilities and Deferred Inflows of Resources	<u>\$ 459,199</u>	<u>\$ 341,526</u>
Investments in Capital Assets	\$ 9,877	\$ 12,394
Unrestricted	<u>(64,832)</u>	<u>(63,296)</u>
Total Net Position	<u>\$ (54,955)</u>	<u>\$ (50,902)</u>

Net position of the District's governmental activities decreased by \$4,053. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements changed from \$(63,296) at December 31, 2017 to \$(64,832) at December 31, 2018.

Change in Net Position:

<u>Revenues</u>	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Intergovernmental	\$ 348,920	\$ 321,888
Charges for Services	23,434	27,090
Investment Earnings	934	673
Miscellaneous	726	462
Total Revenues	<u>\$ 374,014</u>	<u>\$ 350,113</u>
<u>Expenditures</u>		
Conservation	\$ 378,067	\$ 382,542
Total Expenditures	<u>\$ 378,067</u>	<u>\$ 382,542</u>
Increase (decrease) in Net Position	<u>\$ (4,053)</u>	<u>\$ (32,429)</u>

The District's total revenues increased by \$23,901. The total cost of programs and services decreased by \$4,475.

THE DISTRICT'S FUNDS

As the District completed the year, its general fund as presented in the balance sheet reported a combined fund balance of \$54,301, which is above last year's total of \$51,378.

General Fund Budgetary Highlights

The actual charges to appropriations (expenditures) were \$9,580 below the final budgeted amounts. The most significant negative variance of \$93,879 occurred in our Local/District Project (Pass-through) Expenditures for a local project funded through a local grant. The most significant positive variance of \$114,639 occurred in Local/District Revenue because the same local grant.

CAPITAL ASSETS & LONG-TERM LIABILITIES

Capital Assets

At the end of 2018, the District had \$9,877 invested in capital assets. This amount represents a net decrease (including additions and deletions) of \$2,517 from last year.

Long-Term Liabilities

At the end of 2018, the District had \$8,661 in accrued compensated absences and \$94,309 in Net Pension Liability. This compares to \$10,962 in 2017 for accrued compensated absences and \$114,911 for Net Pension Liability.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Hubbard County Soil & Water Conservation District at 603 Central Ave N, Suite 100, Park Rapids, MN 56470. The phone number is (218) 732-0121 ext. 4.

HUBBARD COUNTY SOIL AND WATER CONSERVATION DISTRICT
PARK RAPIDS, MINNESOTA

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2018

	General Fund	Adjustments See Notes	Statement of Net Position
<u>Assets</u>			
Cash and Investments	\$388,701		\$388,701
Accounts Receivable	\$670		\$670
Inventory	\$2,434		\$2,434
Due from Other Governments	\$0		\$0
Prepaid Items	\$2,450		\$2,450
Capital Assets:			
Equipment (net of accumulated depreciation)		\$9,877	\$9,877
Total Assets	\$394,255	\$9,877	\$404,132
Deferred Outflows of Resources			
Defined Benefit Pension Plan		\$112	\$112
Combined Assets and Deferred Outflows of Resources			
	<u>\$394,255</u>	<u>\$9,989</u>	<u>\$404,244</u>
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable	\$3,947		\$3,947
Salaries Payable	\$5,461		\$5,461
Sales Tax Payable	\$144		\$144
Donations&Fees Payable	\$1,450		\$1,450
Customer Tree Deposit	\$8,372		\$8,372
Due To Other Governments	\$965		\$965
Unearned Revenue	\$319,885		\$319,885
Long-term Liabilities:			\$0
Net Pension Liability		\$94,309	\$94,309
Compensated Absences		\$8,661	\$8,661
Total Liabilities	\$340,224	\$102,970	\$443,194
Deferred Inflows of Resources			
Defined Benefit Pension Plan		\$16,005	\$16,005
Combined Liabilities and Deferred Inflows of Resources			
	<u>\$340,224</u>	<u>\$118,975</u>	<u>\$459,199</u>
<u>Fund Balance/Net Position</u>			
Fund Balance			
Nonspendable (Prepays, Inventories)	\$2,434	-\$2,434	\$0
Assigned	\$2,450	-\$2,450	\$0
Unassigned	\$49,147	-\$49,147	\$0
Total Fund Balance	<u>\$54,031</u>	<u>-\$54,031</u>	<u>\$0</u>
Total Liabilities and Fund Balance			
	<u>\$394,255</u>		
Net Position			
Investments in Capital Assets		\$9,877	\$9,877
Unrestricted		-\$64,832	-\$64,832
Total Net Position		<u>-\$108,986</u>	<u>-\$54,955</u>
Total Liabilities and Net Position			
		<u>\$9,989</u>	<u>\$404,244</u>

HUBBARD COUNTY SOIL AND WATER CONSERVATION DISTRICT
PARK RAPIDS, MINNESOTA

STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Adjustments See Notes	Statement of Activities
Revenues			
Intergovernmental	\$348,920	\$0	\$348,920
Charges for Services	\$23,434	\$0	\$23,434
Investment Earnings	\$934	\$0	\$934
Miscellaneous	\$726	\$0	\$726
Total Revenues	<u>\$374,014</u>	<u>\$0</u>	<u>\$374,014</u>
Expenditures/Expenses			
Conservation			
Current	\$366,188	\$11,879	\$378,067
Capital outlay	\$5,173	-\$5,173	\$0
Total Expenditures/Expenses	<u>\$371,361</u>	<u>\$6,706</u>	<u>\$378,067</u>
Excess of Revenues Over (Under) Expenditures/Expenses	\$2,653	-\$6,706	-\$4,053
Fund Balance/Net Position January 1	<u>\$51,378</u>	<u>-\$102,280</u>	<u>-\$50,902</u>
Fund Balance/Net Position December 31	<u><u>\$54,031</u></u>	<u><u>-\$108,986</u></u>	<u><u>-\$54,955</u></u>

HUBBARD COUNTY SOIL AND WATER CONSERVATION DISTRICT
PARK RAPIDS, MINNESOTA

BUDGETARY COMPARISON STATEMENT
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Neg)
Revenues				
Intergovernmental				
County	\$102,017	\$102,017	\$73,849	-\$28,168
Local/District	\$3,500	\$3,500	\$118,139	\$114,639
Federal	\$0	\$0	\$0	\$0
State Grants	\$251,549	\$251,549	\$156,932	-\$94,617
Total Intergovernmental	\$357,066	\$357,066	\$348,920	-\$8,146
Charges for Services	\$23,475	\$23,475	\$23,434	-\$41
Miscellaneous				
Interest Earnings	\$400	\$400	\$934	\$534
Other	\$0	\$0	\$726	\$726
Total Miscellaneous	\$400	\$400	\$1,660	\$1,260
Total Revenues	\$380,941	\$380,941	\$374,014	-\$6,927
Expenditures				
District Operations				
Personnel Services	\$163,478	\$163,478	\$160,066	\$3,412
Other Services and Charges	\$68,555	\$68,555	\$32,710	\$35,845
Cost of Goods Sold			\$14,876	-\$14,876
Supplies	\$2,500	\$2,500	\$937	\$1,563
Capital Outlay	\$9,000	\$9,000	\$5,173	\$3,827
Total District Operations	\$243,533	\$243,533	\$213,762	\$29,771
Project Expenditures				
Local/District	\$13,130	\$13,130	\$107,009	-\$93,879
County	\$72,017	\$72,017	\$4,992	\$67,025
State	\$52,261	\$52,261	\$45,598	\$6,663
Total project expenditures	\$137,408	\$137,408	\$157,599	-\$20,191
Total Expenditures	\$380,941	\$380,941	\$371,361	\$9,580
Excess of Revenues Over (Under)				
Expenditures	\$0	\$0	\$2,653	\$2,653
Fund Balance - January 1	-\$50,902	-\$50,902	-\$50,902	\$0
Fund Balance - December 31	-\$50,902	-\$50,902	-\$48,249	\$2,653

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Note 1 - Summary of Significant Accounting Policies

The financial reporting policies of the Hubbard County SWCD conform to generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

Financial Reporting Entity

The Hubbard County SWCD is organized under the provisions of Minnesota Statutes Chapter 103C. The District is governed by a Board of Supervisors composed of five members nominated by voters of the District and elected to four-year terms by the voters of the County.

The purpose of the District is to assist land occupiers in applying practices for the conservation of soil and water resources. These practices are intended to control wind and water erosion, pollution of lakes and streams, and damage to wetlands and wildlife habitats.

The District provides technical and financial assistance to individuals, groups, Districts, and governments in reducing costly waste of soil and water resulting from soil erosion, sedimentation, pollution and improper land use.

Each fiscal year the District develops a work plan which is used as a guide in using resources effectively to provide maximum conservation of all lands within its boundaries. The work plan includes guidelines for employees and technicians to follow in order to achieve the District's objectives.

Generally accepted accounting principles require that the financial reporting entity include the primary government and component units for which the primary government is financially accountable. Under these principles the District does not have any component units.

Government-Wide Financial Statements

The government-wide financial statements (i.e. The Statement of Net Position and The Statement of Activities) report information on all of the nonfiduciary activities of the District.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Fund Financial Statements

The government reports the General Fund as its only major governmental fund. The general fund accounts for all financial resources of the government.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period.

Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures are recorded when a liability is incurred under accrual accounting.

Intergovernmental revenues are reported in conformity with the legal and contractual requirements of the individual programs. Generally, grant revenues are recognized when the corresponding expenditures are incurred.

Investment earnings are recognized when earned. Other revenues are recognized when they are received in cash because they usually are not measurable until then.

In accordance with Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

Budget Information

The District adopts an estimated revenue and expenditure budget for the general fund. Comparisons of estimated revenues and budgeted expenditures to actual are presented in the financial statements in accordance with generally accepted accounting principles. Amendments to the original budget require District approval. Appropriations lapse at year-end. The District does not use encumbrance accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect: the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Assets

Investments are stated at fair value, except for non-negotiable certificates of deposit, which are on a cost basis, and short-term money market investments, which are stated at amortized cost.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Capital assets are reported on a net (depreciated) basis. General capital assets are valued at historical or estimated historical cost.

Liabilities

Long-term liabilities, such as compensated absences, are accounted for as an adjustment to net position.

Unearned Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned.

Classification of Net Position

Net position in the government-wide financial statements is classified in the following categories:

Investments in capital assets – the amount of net position representing capital assets net of accumulated depreciation.

Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments; and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or investment in capital assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to their pension obligations. The length of the expense recognition period for deferred amounts is equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan, determined as of the beginning of the measurement period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category, amounts related to their pension obligations. These deferred amounts represent differences between projected and actual earnings on pension plan investments and are recognized over a five-year period.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Classifications of Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the General Fund. The classifications are as follows:

Nonspendable – the nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions or enabling legislation.

Committed – the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the District. Those committed amounts cannot be used for any other purposes unless the District removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – amounts in the assigned fund balance classification the District intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the District or the District Administrator who has been delegated that authority by District resolution.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other fund balance classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Explanation of Adjustments Column in Statements

Capital Assets: In the Statement of Net Position and Governmental Fund Balance Sheet, an adjustment is made if the District has capital assets. This adjustment equals the net book balance of capitalized assets as of the report date, and reconciles to the amount reported in the Capital Assets Note.

Long-Term Liabilities: In the Statement of Net Position and Governmental Fund Balance Sheet, an adjustment is made to reflect the total Compensated Absences and Net Pension Liability the District has as of the report date. See note on Long-Term Liabilities.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Depreciation, Net Pension Expense and Change in Compensated Absences for the year: In the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance, the adjustment equals the total depreciation for the year reported, plus or minus the net pension expense and the change in Compensated Absences between the reporting year and the previous year. This number is supported by figures in the note on Long-Term Liabilities.

Vacation and Sick Leave

Under the District's personnel policies, employees are granted vacation leave in varying amounts based on their length of service. Vacation leave accrual varies from 3.08 to 6.15 hours per two weeks. Sick leave accrual is 4.0 hours per two weeks. The limit on the accumulation of vacation leave is 160 hours and there is no limit on the accumulation of sick leave hours. Upon termination of employment from the District, employees are paid accrued vacation leave and half of sick leave hours not to exceed 21 days.

Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; workers' compensation claims; and natural disasters. Property and casualty liabilities and workers' compensation are insured through Minnesota Counties Intergovernmental Trust. The District retains risk for the deductible portion of the insurance. The amounts of these deductibles are considered immaterial to the financial statements.

The Minnesota Counties Intergovernmental Trust is a public entity risk pool currently operated as a common risk management and insurance program for its members. The District pays an annual premium based on its annual payroll. There were no significant increases or reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

Note 2 - Detailed Notes

Capital Assets

Changes in Capital Assets, Asset Capitalization and Depreciation.

	<u>Beginning</u>	<u>Addition</u>	<u>Deletion</u>	<u>Ending</u>
Equipment	\$44,530	\$5,173	\$1,332	\$48,371
Less: Accumulated Depreciation	<u>32,136</u>	<u>7,690</u>	<u>1,332</u>	<u>38,494</u>
Net Capital Assets	<u>\$12,394</u>	-2,517	0	<u>\$9,877</u>

The cost of property, plant and equipment is depreciated over the estimated useful lives of the related assets. Leasehold improvements are depreciated over the lesser of the term of the related lease or the estimated useful lives of the assets. Depreciation is computed on the straight-line method. The useful lives of property, plant and equipment for the purpose of computing depreciation is 5 to 10 years for Machinery and Equipment. Current year depreciation is \$7,690.

As of March 14, 2018, the District increased their threshold to \$1,500 for capitalizing assets purchased.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Unearned Revenue

Unearned revenue represents unearned advances from the Minnesota Board of Water and Soil Resources (BWSR) for administrative service grants and for the cost-share program. Revenues will be recognized when the related program expenditures are recorded. Unearned revenue for the year ended December 31, 2018, consists of the following: BWSR Service Grants (Conservation Delivery) \$18,569; BWSR State Cost-Share and Buffer Cost-Share Programs, \$40,887; Clean Water Funds, \$11,292; BWSR WCA Grant \$12,277; BWSR Buffer Law 16,921 and BWSR Local Capacity Grant \$219,939 for a Total of \$319,885.

Long-Term Liabilities - Compensated Absences Payable

Changes in long-term liabilities for the period ended December 31, 2018 are:

Balance January 1, 2018	\$10,962
Net Change in Compensated Absences	<u>-2,301</u>
Balance December 31, 2018	<u>\$ 8,661</u>

Deposits

Minnesota Statutes 118A.02 and 118A.04 authorize the District to designate a depository for public funds and to invest in certificates of deposit. Minnesota Statutes 118A.03 requires that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2018, the District's deposits were not exposed to custodial credit risk.

Note 3 - Defined Benefit Pension Plans

Plan Description - Public Employees Retirement Association

The District contributes to a cost-sharing multiple-employer defined pension plan administered by the Public Employee Retirement Association of Minnesota (PERA). The PERA provides retirement benefits as well as disability to members, and benefits to survivors upon death of eligible members. The plan and its benefits are established and administered in accordance with Minn. Statute Chapters 353 and 356. PERA issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Public Employees Retirement Association, 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-1855.

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by state statutes. Coordinated Plan members were required to contribute 6.5% of their annual covered salary. The District is required to contribute 7.5% of annual covered payroll. The District's contributions to the Public Employees Retirement Fund for the years ending December 31, 2018, 2017 and 2016 were \$8,743, \$7,923, and \$7,930, respectively. The District's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Note 4 - Operating Leases

There was no cost for District office space in 2018.

Note 5 - Stewardship, Compliance and Accountability

Expenditures for 2018 were under budget – The General Fund had expenditures for the year as follows: Expenditures \$371,361; Budget \$380,941.

Note 6 - Reconciliation of Fund Balance to Net Position

Governmental Fund Balance, January 1	\$51,378
Plus: Excess of Revenue Over Expenditures	<u>2,653</u>
Governmental Fund Balance, December 31	<u>\$54,031</u>
Adjustments from Fund Balance to Net Position:	
Plus: Capital Assets	\$ 9,877
Plus: Deferred Outflows of Resources	112
Less: Long-Term Liabilities	(102,970)
Less: Deferred Inflows of Resources	<u>(16,005)</u>
Net Position	<u>\$(108,986)</u>

**HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018**

Note 7 - Reconciliation of Change in Fund Balance to Change in Net Position

Change in Fund Balance	\$2,653
Capital Outlay	5,173
Pension Expense, net	(6,490)
The costs of capital assets are allocated over the capital assets' useful lives at the government-wide level.	(7,690)
In the statement of activities certain operating expenses (including compensated absences) are measured by the amounts earned.	<u>2,301</u>
Change in Net Position	<u>\$(4,053)</u>

**BREAKDOWN OF COUNTY REVENUE
2018**

COUNTY REVENUES (breakdown):

ANNUAL ALLOCATION	\$ <u>30,000</u>
LWM-NRBG 2017	\$ <u>2,783</u>
LWM-NRBG 2018	\$ <u>6,389</u>
LWM-NRBG LEVY 2017	\$ <u>6,352</u>
LWM-NRBG LEVY 2018	\$ <u>3,775</u>
WETLAND MONEY 2017	\$ <u>11,724</u>
WETLAND MONEY 2018	\$ <u>12,826</u>
TOTAL	\$ <u><u>73,849</u></u>

NOTE: The total should agree with amount reported as **County Revenue** in the "Budgetary Comparison Schedule."

**UNEARNED REVENUE BREAKDOWN
2018**

Balance of BWSR Service Grants: (2018 = 411.78 & 2019 18,157) \$ 18,569

Balance of unencumbered BWSR Cost-Share Grants: Current fiscal year \$ 27,850
(State Cost-Share = \$7,761 and Buffer Cost-Share = \$20,089)
 Previous fiscal years (remaining 2016 & 2017) \$ 13,037

Balance of encumbered BWSR Cost-Share Grant (list each contract separately):

FY	Contract No.	Contract Amount	T & A Encumbered

Total of all Cost-Share Encumbrances \$

Balance of County WCA Funds: \$ 12,277

Balance of County Water Plan Funds: \$ 11,292

Balance of other funds being deferred (list if any):

 remaining 2017, 2018 & 2019 Local Capacity \$ 219,939
 remaining 2018 & 2019 Buffer Law \$ 16,921
 \$

Subtotal of other funds: \$ 236,860

TOTAL OF ALL UNEARNED REVENUE: \$ 319,885

3/13/2019

2018 Hubbard SWCD Capital Assets

Hubbard County SWCD Board raised the Fixed Asset Threshold to \$1,500.00 as of March 14, 2018.

Class	Asset	Function	Purchased/Constructed	Useful Life	Beginning Balance	Threshold Adjustment	Adjusted Balance	Additions	Deletions	Ending Balance	Beginning Accumulated Depreciation	2018 Depreciation	Deletion	Ending Accumulated Depreciation	Asset Balance
Land					0	0	0	0	0	0	0	0	0	0	0
Buildings					0	0	0	0	0	0	0	0	0	0	0
Equipment, furniture and vehicles															
	Hydrolab	Conservation	2007	5	5,524		5,524			5,524	5,524	0	0	5,524	0
	Trimble	Conservation	2013	5	1,816		1,816			1,816	1,816	0	0	1,816	0
	crashed/rebuilt 7/18 WQ Computer	Conservation	2013	5	1,332		1,332			1,332	1,332	0	1,332	0	0
	Ford Pickup	Conservation	2014	5	28,209		28,209	1,332		28,209	22,567	5,642	0	28,209	0
	Purchased MOY Admin Asst Dell Tower	Conservation	2016	5	1,276		1,276			1,276	383	255	0	639	637
	Purchased MOY Admin Asst Lenovo LapTop	Conservation	2016	5	792		792			792	237	158	0	395	397
	Purchased in Oct Konica Bizhub C308 Printer/Copie	Conservation	2017	5	5581		5,581			5,581	279	1,116	0	1,395	4,186
	Apr-18 Hydrolab Tablet	Conservation	2018	5	0		0	3,086		3,086	0	309	0	309	2,777
	May-18 WQRS Tower	Conservation	2018	5	0		0	2,087		2,087	0	209	0	209	1,878
	Total equipment, furniture, vehicles				44,530	0	44,530.00	5,173.00	1,332.00	48,371.00	32,138.40	7,690.20	1,332.00	38,496.60	9,874.40
	Total Capital Assets				44,530	0	44,530.00	5,173.00	1,332.00	48,371.00	32,136.00	7,690.20	1,332.00	38,494.20	9,876.80

adjustment per 2017 Audit

	1/1/2018	12/31/2018
Capital Assets	44,530.00	48,371.00
Accumulated Depreciation	-32,136.00	-38,494.20
Net book value	12,394.00	9,876.80

Beginning	Addition	Deletion	Ending
44,530	5,173	1,332	48,371
-32,136	-7,690	1,332	-38,494
12,394			9,877

<< dlb check

Hubbard County SWCD Board raised the Fixed Asset Threshold to \$1,500.00 as of March 14, 2018. (threshold was at \$500)

HUBBARD COUNTY SOIL & WATER CONSERVATION DISTRICT

Annual Work Plan

January 1, 2019

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Minnesota Board of Water & Soil Resources

SWCD Operational Handbook – Planning

December 2014

Adopting a County Comprehensive Local Water Management Plan

Districts within counties with approved county comprehensive local water management plans (outside the Seven County Metro Area) may adopt the county plan as the district's comprehensive plan in lieu of preparing their own plan. To meet the requirements for a district requesting funding from the state, the county plan must include the following information:

1. A map and description of the soil classifications within the district.
2. Identification and prioritization of the areas within the district where erosion, sedimentation, and related water quality problems are the most severe. May include both maps and discussion.
3. A description of the nature and extent of practices that are needed to address these problems.
4. A budget forecast for the district covering the same period the county plan encompasses.

To adopt the county plan, the district must pass a resolution that specifically adopts the county comprehensive water management plan as the district's comprehensive plan and covers the same time period that county plan encompasses. If the county plan is amended or extended, the district must pass an additional resolution adopting the amended or extended county plan. An example resolution can be found in Appendix D.

A copy of the approved resolution will to be submitted to the District's Board Conservationist.

The complete copy of the Hubbard County Local Water Management Plan is available to view at <http://www.hubbardswcd.org/wp-content/uploads/2016/12/2016-Hubbard-County-LWMP.pdf>.

APPENDIX E
RESOLUTION #2016
ADOPTING THE
HUBBARD COUNTY
COMPREHENSIVE LOCAL WATER MANAGEMENT PLAN
AS THE
COMPREHENSIVE PLAN OF THE HUBBARD COUNTY SWCD

Supervisor Iles offered the following resolution, No. 2016, and Supervisor Goodrich moved its adoption.

WHEREAS, the Hubbard SWCD has been an active participant in the development and all updates of the Hubbard County Comprehensive Local Water Management Plan (CLWMP); and

WHEREAS, the Hubbard County CLWMP includes *(or includes an appendix)* a map and description of the soil classifications within the district; and

WHEREAS, the Hubbard County CLWMP identifies *(or includes an appendix)* the areas within the district where erosion, sedimentation, and related water quality problems are the most severe; and

WHEREAS, the Hubbard County CLWMP has been approved by the BWSR and has been determined to be in compliance with all laws and rules governing water in the State of Minnesota; and

WHEREAS, the Hubbard County CLWMP identifies *(or includes an appendix)* high priority erosion, sedimentation, and water quality problems in accordance with BWSR rules and guidelines.

NOW THEREFORE BE IT RESOLVED:

THAT THE HUBBARD SWCD adopts the Hubbard County CLWMP as its Comprehensive Plan for the calendar year 2016.

Supervisor Grandy seconded the adoption of the resolution, and it was declared adopted upon the following vote:

Ayes: 5 Nays: 0

**2019 ANNUAL WORK PLAN
PROJECTS AND STAFF HOURS SUMMARY**

ACTIVITY	MANAGER	Staff Hours	
		ADMIN ASSIST	WATER QLTY SP
Wetland Conservation Act -T&A	200	5	280
Wetland Conservation Act - Edu.	10	-	10
Local Capacity			
L.C. Cost Share	10	10	50
Equipment	25	2	35
Programs Ed. & Outreach	182	372	80
Forest Stewardship	71	15	8
Irrigation scheduler	10	2	-
Mississippi Headwaters 1W1P	40	10	80
Water Quality Specialist	25	-	350
Buffer Law	50	13	100
Conservation Delivery	290	80	100
Cost Share – T&A	40	5	40
RIM	10	-	10
Leech Lake River 1W1P	40	10	10
Wild Rice Easements	30	10	10
Observation Wells	10	5	80
Mississippi Headwater 1W1P	40	10	225
Local Water Plan – Coordinator			
Freshwater Festival	10	30	10
Grazing workshop	10	40	10
Water quality education	20	-	20
Lake Water Quality – COLA	5	-	10
Nitrate clinics	15	130	30
Water Quality Monitoring	20	5	50
Administration/Financial	600	1,000	200
Employee Training	40	50	50
Irrigation Specialist	10	5	-
TrafX	5	5	25
Kabekona River Sampling project	5	5	25
Dissolved Oxygen Sampling	5	5	20
Veliger Sampling	5	5	20
Tree Sales	30	128	30
Crow Wing River Waters easements	50	5	20
Plat Books	5	20	10
Precipitation	-	25	-
Federal Holidays	80	80	80
Subtotal staff hours projected:	2,088	2,088	2,088

Total work hours projected 6,024 plus 240 holiday hours for a total of 6,264 staff hours.

2088 staff hours equal one staff year in 2019.

Deductions for holidays were made when stating total staff hours available.

2019 Budget

ESTIMATED INCOME	ESTIMATED EXPENSES
INTERGOVERNMENTAL	DISTRICT OPERATIONS
STATE	PERSONAL SERVICES
Buffer Law 10,000	Supervisor Comp. 8,500
Buffer Cost-Share 10,000	Employee Salaries * 134,460
Conservation Delivery 18,157	Employee - FICA 11,899
Cost Share 7,761	PERA 10,192
Local Capacity 2017 30,000	Medical Insurance 12,600
Local Capacity 2018 38,000	Total <u>177,650</u>
Local Capacity 2019 100,000	
PERA Aid 401	OTHER SERVICES & CHARGES
RIM 300	Audit 200
Total <u>214,619</u>	Professional Fees 200
	District Insurance 4,500
COUNTY	Dues/Subscriptions 5,000
County Allocation 30,000	Employee Expenses 1,500
LWP Levy - Coordinator 8,566	Newsletter 1,200
LWP - Projects 13,245	Office Supplies 1,500
WCA 25,103	Postage 1,100
Total <u>76,914</u>	Rent 14,994
	Rent (copier maintenance) 1,361
	Shipping/Freight 1,000
	Staff Training 1,500
	Supervisor Expenses 5,000
	Telephone 2,500
	Vehicle Expenses 1,500
	Total <u>43,055</u>
LOCAL/DISTRICT	PROJECT EXPENSES
Donations to Projects 3,500	STATE
Total <u>3,500</u>	Buffer Law Cost Share 10,000
	Cost Share 7,761
	Local Capacity 42,812
	Total <u>60,573</u>
	COUNTY
	LWP - Projects 9,245
	Total <u>9,245</u>
MISCELLANEOUS REVENUE	LOCAL/DISTRICT
Interest 650	Trees 11,000
Total <u>650</u>	Platbook 13,000
	Plantskydd, Tubes, Flags 500
	Veliger Testing/Boat & supplies 500
	Capital improvement 7,340
	Total 32,340
CHARGES FOR SERVICES	
Tree sales \$15,777 so far for 2018 15,000	
Observation Wells 4,380	
Plantskydd, Tubes, Flags 500	
Plat Books order new in '19-\$6,000 5,000	
DO - Long Lake 800	
Veliger - Mantrap 1,500	
Total <u>27,180</u>	
Total Estimated Income 322,863	Total Estimated Expense 322,863

2019 CALENDAR OF EVENTS

JANUARY

- Awareness Articles for Local Papers
- Board meeting January 9 (adopt HCLWMP as comprehensive plan every 10 years and review the 5th year)
- JPB/TSA meeting Jan 11 – Beltrami Admin Bldg, Bemidji @ 9:30
- Manager & Chair Meeting – Area 8 meeting Jan 11 – Beltrami Admin Bldg, Bemidji @ 9:30
- Strategic Meeting – January 17
- Strategic Planning Self-Assessment Tool
- E-Link reporting due by end of month
- Monthly financial reports
- Review by-laws & Pers. Policy
- Declare bank and newspaper we will use
- Joint Powers Agreement – WCA (need 30 day notice if want to change, both county and SWCD need to agree) 5-year agreement - next 2021
- Grazing Workshop – January 30 @ Guthrie Community Center

FEBRUARY

- Board meeting February 13
- Monthly financial reports
- Bank signature update
- Consumer Price Index – cost of living increase

MARCH

- Board meeting March 13
- Area 8 meeting March 1st – Beltrami Admin Bldg, Bemidji @ 9:00
- Annual Report and Annual Financial Report due by 15th
- Mail spring newsletter
- Quarterly tax reports
- Monthly financial reports
- Laporte, Lake George, County Fair Nitrate Clinics – get on for advertising
- Equipment check for lake monitoring

APRIL

- Awareness Articles for Local Papers
- Board meeting April 10
- Treasurer meets with staff on budget
- Rainfall monitoring reports
- Monthly financial reports
- Restock tree program materials
- Submit Fair Nitrate Clinic Schedule to Enterprise (Candy Parks) for fair brochure
- Develop Resolutions

MAY

- Area 8 Resolutions need to be completed for Board Meeting to approve
- Regional Envirothon – May 1 at Bemidji Lake State Park
- Trees packed – May 1
- Trees picked up – May 3, 4, & 5th
- Board meeting May 8
- Rainfall monitoring reports
- Plan fair booth activities
- Freshwater Festival – May 15
- State Envirothon – May 20 at Oliver Kelley Farm, Elk River, MN
- Monthly financial reports
- File for Board Supervisor (even years)

JUNE

- Board meeting June 12
- Area 8 meeting June 7th – Park Rapids Northwood Bank Community Room @ 9:00
- Rainfall monitoring reports
- Present draft budget to Board
- RIM/cost-share inspections (due by Sept)
- Quarterly tax reports
- Monthly financial reports
- Water Quality/Resource Specialist yearly performance review (6/18/18)

JULY

- Awareness Articles for Local Papers
- Board meeting July 10
- Pay yearly sales tax
- Rainfall monitoring reports
- Budget due to County
- Cost-share spot checks
- Monthly financial reports
- Fair Booth – July 17-21
- Donation to Environmental Ed Bldg for booth
- Nitrate Clinic at Fair – July 19-20
- Administrative. Asst. yearly performance review (7/18/16)
- Prepare SWCD & COLA Tree Order Forms
- National Envirothon July 28-August 2nd @ North Carolina State University, Raleigh, NC

AUGUST

- Board meeting August 14
- Rainfall monitoring reports
- Order trees from Nurseries
- Monthly financial reports

SEPTEMBER

- Board meeting September 11
- Area 8 tour & meeting Sept – 12 & 13 - Clearwater SWCD
- Rainfall monitoring reports
- Mail fall newsletter with tree order form included
- Quarterly tax reports
- Order deciduous trees
- Tree order forms available
- Monthly financial reports

OCTOBER

- Awareness Articles for Local Papers
- Board meeting October 9
- Rainfall monitoring reports
- Review draft annual work plan & report narratives (start after board meeting)
- Monthly financial reports
- Resolutions Voting
- District Manager yearly performance review (10/15/12)

NOVEMBER

- Board meeting November 13
- Monthly financial reports
- Review Work Plan & Report narrative
- Renew Nursery Stock Dealer Certificate
- MACDE Membership Dues

DECEMBER

- State Convention December 8-10, 2019
- Board meeting December 11
- Approve annual work plan
- Quarterly tax reports
- Monthly financial reports
- End of year adjusting journal entries
- Review calendar for next year
- Sales and Use Tax use in January
- Look at By Laws for Annual Meeting (held in January on odd years)
- MASWCD Dues (due by 1/31)