

# Middle Snake Tamarac Rivers Watershed



2024



# Annual Report



**2024 Annual Report**  
Middle-Snake-Tamarac Rivers Watershed District

<b>MISSION STATEMENT .....</b>	<b>4</b>
<b>LETTER FROM THE CHAIRMAN .....</b>	<b>5</b>
<b>BOARD OF MANAGERS.....</b>	<b>6</b>
<b>BOARD MEETINGS.....</b>	<b>7</b>
<b>DISTRICT STAFF .....</b>	<b>8</b>
<b>OFFICE .....</b>	<b>8</b>
<b>WEBSITE .....</b>	<b>9</b>
<b>LinkedIn.....</b>	<b>9</b>
<b>Engineering Services.....</b>	<b>10</b>
<b>Legal Services .....</b>	<b>10</b>
<b>Accounting Services .....</b>	<b>10</b>
<b>HISTORY OF THE MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT .....</b>	<b>11</b>
<b>ANNUAL REPORT .....</b>	<b>13</b>
<b>WATERSHED DISTRICT ADVISORY COMMITTEE.....</b>	<b>13</b>
<b>ONGOING PROJECTS .....</b>	<b>14</b>
Lilac Ridge Water Management Project.....	14
Nelson Slough (JD #19 RCPP).....	15
Newfolden / Middle River Sub-Watershed Flood Damage Reduction Project .....	17
Swift Coulee / Marshall County Ditch #3 Project.....	19
One Watershed One Plan .....	21
Head Waters.....	22
Lower Tamarac .....	22
Lower Middle.....	22
Snake River .....	22
<b>JUDICIAL DRAINAGE SYSTEMS .....</b>	<b>23</b>
<b>DITCH MAINTENANCE .....</b>	<b>24</b>
Watershed Ditch #8.....	24
Judicial Ditch #14.....	25
Judicial Ditch #15 .....	25
Judicial Ditch #21 .....	26

Judicial Ditch #28 .....	27
Polk County Ditch #43 .....	27
Judicial Ditch #75 .....	28
Beavers .....	28
<b>RAINFALL PROGRAM.....</b>	<b>29</b>
<b>WATERSHED DISTRICT RULES AND REGULATIONS .....</b>	<b>30</b>
<b>PERMITS .....</b>	<b>30</b>
<b>Agassiz Valley Water Resources Management Project .....</b>	<b>31</b>
<b>SNAKE RIVER PL-566 PROJECT .....</b>	<b>33</b>
<b>Angus Oslo #4 Impoundment.....</b>	<b>35</b>
<b>Brandt/Angus Coulee Project .....</b>	<b>36</b>
<b>Angus Oslo Site #1 Impoundment .....</b>	<b>39</b>
<b>THE RED RIVER WATERSHED MANAGEMENT BOARD.....</b>	<b>40</b>
<b>MARSHALL COUNTY WATER RESOURCE ADVISORY COMMITTEE .....</b>	<b>40</b>
<b>POLK COUNTY WATER RESOURCE ADVISORY COMMITTEE .....</b>	<b>40</b>
<b>EDUCATION AND OUTREACH.....</b>	<b>41</b>
<b>Public Access .....</b>	<b>42</b>
<b>HUNTING .....</b>	<b>42</b>
<b>PROJECTIONS FOR 2025.....</b>	<b>43</b>
Impoundments .....	43
Ditch Maintenance .....	43
Water Quality .....	43
The Red River Watershed Management Board .....	43
Stream Maintenance .....	43
Outreach and Education .....	43
Drainage Management.....	43
<b>DITCH LEVIES .....</b>	<b>44</b>
<b>CONCLUSION .....</b>	<b>45</b>
<b>INDEPENDENT AUDITOR’S REPORT .....</b>	<b>46</b>

## **MISSION STATEMENT**

The mission of the Middle-Snake-Tamarac Rivers Watershed District is to manage the District's resources for the efficient movement of water across the District for purposes of reducing flooding, providing agricultural drainage and to protect and improve water quality.



## **LETTER FROM THE CHAIRMAN**

*Pursuant to the Minnesota Watershed Act, Chapter 103D, we submit this 54th Annual Report for the Middle-Snake-Tamarac Rivers Watershed District (MSTRWD) for the year 2024.*

Greetings to the citizens of the Middle Snake Tamarac Rivers Watershed District and other interested parties. Another year has passed and once again left behind so much for us to learn. As always we strive to improve our services to our communities and counties as a whole.

We have several projects in the works but funding through the state legislature remains a problem. In 2024 phase 2 of the Newfolden Impoundment Project was 84% complete. The remainder will be finished in 2025.

Using the Red Board's advance funding of 2022, helped us to progress in 2024 by securing 2 grants from Lessard Sams Outdoor Heritage Fund and all the required permits. The project is now Moving closer to construction pending funding needed from the Flood Hazard Mitigation and the Federal review of the project footprint easement.

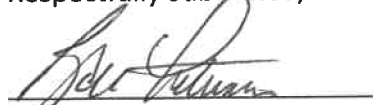
Progress is being made on the Swift Coulee Channel Restoration projects with Easements signed in 2024 and funding from the Board of Water and Soil Resources. This project will be put out for bid early 2025.

The district has also been busy with ditch repairs and maintenance on several of our ditch systems including JD #28, CD #43 and JD#14.

Our Staff continues to do a remarkable job keeping the day-to-day operations flowing smoothly with financial commitments being met and the continual permits addressed. Ditch inspections are always ongoing, and the staff address concerns as they arise in addition to the normal day to day activities. I would like to personally thank our staff Mori, Katrina, Danny, Kyle, and Tyler for their dedication to the public and our board and for keeping things moving forward.

If you have any concerns please continue to reach out to board members and staff so that we can continue to address them as we are able.

Respectfully Submitted,



Bill Petersen

Chairman

## **BOARD OF MANAGERS**

The MSTRWD is governed by a seven-member Board of Managers, appointed by the County Commissioners for Marshall and Polk Counties. Marshall County appoints six Managers and Polk County appoints one Manager. The terms are set so two Manager positions are appointed each year in August from Marshall County. Polk County's representative is appointed in January every 3 years.



*Brad Blawat, Lein Schiller, Jared Sands, Robert Kovar, Joey McGregor, Bill Petersen, and Keith Szczepanski*

### **The Middle-Snake-Tamarac Rivers Watershed District Board of Managers**

NAME	OFFICE	HOMETOWN	COUNTY REPRESENTED	TERM ENDS
BILL PETERSEN	President	Middle River	Marshall	Aug 27, 2026
ROBERT KOVAR	Vice President	E. Grand Forks	Polk	Jan 1, 2027
KEITH SZCZEPANSKI	Treasurer	Stephen	Marshall	Aug 27, 2026
BRAD BLAWAT	Secretary	Viking	Marshall	Aug 27, 2025
LEIN SCHILLER	Assistant Sec/Tre	Argyle	Marshall	Aug 27, 2025
JOEY MCGREGOR	Manager	Warren	Marshall	Aug 27, 2027
JARED SANDS	Manager	Alvarado	Marshall	Aug 27, 2027



## **BOARD MEETINGS**

The Board of Managers held 21 regular scheduled meetings in 2024. The regular scheduled meetings are normally held on the first and third Monday of each month, at the District Office, at 8:30 a.m., (unless the date falls on a federal holiday or postponement due to inclement weather).

The week prior to each meeting, the Watershed District posts a notice in the Watershed District office, publishes a notice in the Warren Sheaf and the Middle River Honker, posts a notice on the district website and the notice is sent by mail to those who request it.

Agendas for the upcoming meeting can be viewed here: <https://mstrwd.org/board-meeting-agendas/> Meeting minutes can be viewed here: <https://mstrwd.org/meeting-minutes/>

The public is welcome at meetings. Anybody wishing to address the Board can do so, although it is appreciated if the office is notified prior to the meeting and an “Address the Board” form is completed so guests can be placed on the agenda and Managers are aware of the topic.

## DISTRICT STAFF

Name	Position	Email	Phone
Morteza Maher	Administrator	<a href="mailto:Morteza.Maher@mstrwd.org">Morteza.Maher@mstrwd.org</a>	218-230-5703
Katrina Haugen	Administrative Assistant	<a href="mailto:Katrina.Haugen@mstrwd.org">Katrina.Haugen@mstrwd.org</a>	218-280-3452
Danny Omdahl	Technician	<a href="mailto:Danny.Omdahl@mstrwd.org">Danny.Omdahl@mstrwd.org</a>	218-201-0495
Kyle Schlomann	Technician	<a href="mailto:Kyle.Schlomann@mstrwd.org">Kyle.Schlomann@mstrwd.org</a>	218-230-4016
Tyler Larson	Technician	<a href="mailto:Tyler.Larson@mstrwd.org">Tyler.Larson@mstrwd.org</a>	218-230-1955

## OFFICE



*Middle-Snake-Tamarac Rivers Watershed District Office*

### Address

453 North McKinley Street  
Warren, MN 56762

### Office Hours

8:00 am to 4:30 pm  
Weekdays

### Mail

PO Box 154  
Warren, MN 56762

Phone: 218-745-4741

Fax: 218-745-5300

Email: [info@mstrwd.org](mailto:info@mstrwd.org)



## **WEBSITE**

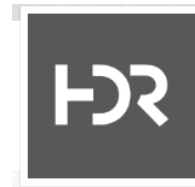
The district maintains a website (<https://mstrwd.org>) where staff posts notices, Board meeting agendas and minutes, reports, District Permits and updates on District Projects. The website also provides links to other websites that provide information of interest to our constituents.

## **LinkedIn**

The Watershed District Staff maintain LinkedIn and Facebook pages where meeting notices, photos, and updates are shared. Everyone is welcome to follow our page, you can find us by searching Middle Snake Tamarac Rivers Watershed District.



## Engineering Services



The district's designated consulting engineering firm is Houston Engineering Inc. The District also utilizes the services of HDR Engineering, both have local offices in Thief River Falls, MN.

## Legal Services



The District's general legal counsel is the law firm of [Brink Lawyers](#), located in Hallock, MN



The District also has Rinke Noonan, located in St Cloud, MN on retainer.

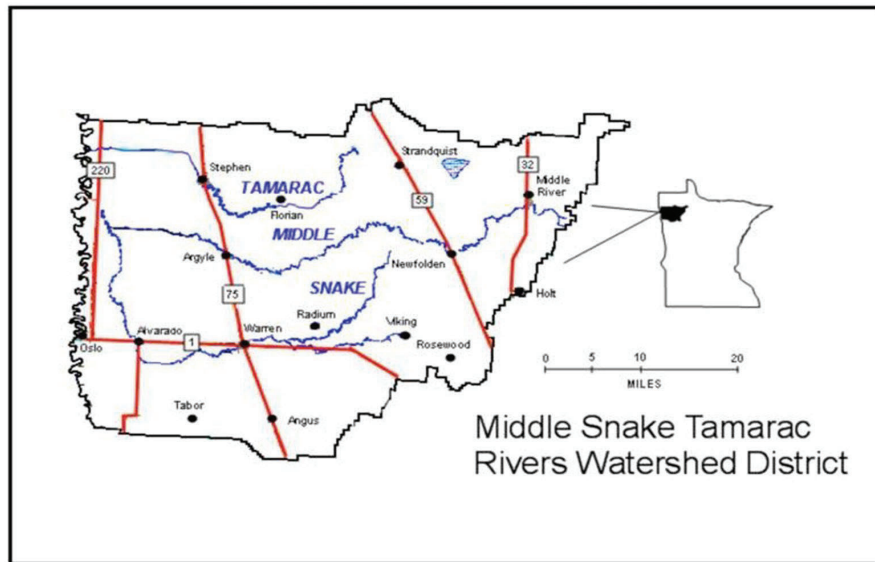
## Accounting Services



The district uses the accounting services of [Brady Martz & Associates](#), P.C.



## HISTORY OF THE MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT



*Map of the Middle-Snake-Tamarac Rivers Watershed District*

After a landowner petition, the Middle River Snake River Watershed District was established by an order of the Minnesota Board of Water and Soil Resources (BWSR) on August 28, 1970. The purpose was to address water resource management issues and to alleviate flooding in the Red River Valley. The district comprised 1,020 square miles. Since its establishment, the district has worked primarily to develop projects that manage surface water.

In 1973, jurisdiction over the judicial drainage systems within the district - Marshall County Ditch #1, Marshall County Ditch #4, Marshall County Ditch #39 and Lateral #7 of Marshall County Ditch #44 are some of the systems that have been transferred to the Watershed District. In 1974, the district adopted rules that regulate certain works in the District. These rules have been modified in 1978, 1999, 2004, 2018 and 2021.

In 1977, the Board entered a Joint Powers Agreement with eight other watershed districts in the Red River Basin to form the Lower Red River Watershed Management Board. That name was changed in 1991 to the Red River Watershed Management Board. The Red River Watershed Management Board currently consists of seven watershed districts. It has its own taxing authority, for which it contributes funds towards watershed flood damage reduction projects.

In April 2002, at the request of residents, the Marshall County Board of Commissioners successfully petitioned BWSR to add the Tamarac River Watershed area to the Middle River Snake River Watershed District jurisdiction.

The petition also requested two changes: increasing the number of District Managers from 5 to 7 members, and a new name: the Middle-Snake-Tamarac Rivers Watershed District. In September 2002, BWSR granted the petition, which increased the area of the Watershed District by about 44%. No legal drainage systems in the Tamarac Rivers Watershed were added.

Today, the District consists of approximately 1,476 square miles in Marshall, Polk, Pennington, Kittson, and Roseau Counties. The boundary of the district has been modified five times by boundary change proceedings. The district includes the drainage basin of the Snake River (approximately 750 square miles), the Middle River, a tributary of the Snake River, (approximately 295 square miles), the Tamarac Watershed Area (approximately 431 square miles), and the drainage basin of several Legal Drainage Systems draining directly into the Red River of the North.

In 2003, both the MSTRWD and the Two Rivers Watershed District successfully petitioned BWSR to change the district boundaries to follow a hydrologic boundary. The net effect of this petition was to move approximately 14 square miles into the Two Rivers Watershed District and to move about 2 square miles into the MSTRWD.

In 2004, the District petitioned BWSR to amend the *1994 Watershed Management Plan* to include the Tamarac River Watershed area in the district. A Hearing on the proposed Amended Plan was held in December 2004. In January 2005, the Board approved the Amended Plan. The Amended Plan was published in May of 2005.

In 2010, the Polk County Commissioners gave jurisdiction of Polk County Ditches #43 and #44 (approximately 16 square miles in Angus Township) to the District. This increased the total miles of the legal drainage system in the district to 336.

In 2020 the District was presented with plaques for 50 years of Watershed Management by the Minnesota Association of Watershed and the Board of Water and Soil Resources.

In 2021 the District began the planning process for a new Comprehensive Watershed Management Plan, One Watershed One Plan (1W1P). The plan was finalized and approved by BWSR in 2022, officially becoming the District's new 10 year plan.



## **ANNUAL REPORT**

Under MN Statute 103D.351 the watershed district board of managers are required to prepare a yearly report of the financial conditions of the watershed district, the status of all projects, the business transacted by the watershed district, other matters affecting the interest of the watershed district, and a discussion of the managers' plans for the succeeding year. Copies of the report must be transmitted to the Board of Water and Soil Resources, the commissioner, and the director within a reasonable time.

Copies of past annual reports are available online at <https://mstrwd.org/annual-reports/>.

## **WATERSHED DISTRICT ADVISORY COMMITTEE**

The Watershed District, on behalf of the Committee, holds at least one Advisory Committee meeting every year. Statutorily, the Advisory committee has, if possible, a supervisor of a SWCD, a County Commissioner, a representative of a sporting group, and a representative of a farm organization that are selected by the Managers to provide recommendations on matters affecting the watershed district, including all contemplated projects and improvements. Along with participatory landowners, this group can play an important role in ensuring that the Watershed District is fulfilling the needs of the communities and is aware of citizens' concerns. The meeting is advertised in each county newspaper within the District, and the District sends invitations to previous attendees and township officials. The Advisory Committee meeting is open to the public and anyone is encouraged to attend and participate.

On November 18, 2024, the Advisory Committee meeting was held at the Legacy Center, in Middle River, Minnesota. District Attorney, Jeff Hane, opened the meeting and election of officers ensued. Sharon Bring was chosen to serve as Chair and by acclamation, Tyler Larson, assumed the Secretary position.

After introductions, District Administrator, Mori Maher and Technician Tyler Larson presented a power point which reviewed projects undertaken this year and ditch maintenance works performed in 2024. An update was provided on the Swift Coulee/CD #3 project, Lilac Ridge, Nelson Slough, and Newfolden Flood Prevention projects.

Committee Chair Bring then opened the meeting to comments and questions from the participants. Discussion was held surrounding the Newfolden Flood Prevention Project, the benefits for downstream landowners and the progress on the Nelson Slough project.

With no further questions of District Staff or Board, it was consensus of the committee to hold the 2025 Advisory Board Meeting at the Stephen Community Center.

## 2024 ADVISORY COMMITTEE MEETING ATTENDEES

Committee Members	Affiliation
Brad Blawat	Secretary, MSTRWD
Bill Petersen	President, MSTRWD
Keith Szczepanski	Treasurer, MSTRWD
Lein Schiller	Asst. Sec/Treas, MSTRWD
Joey McGregor	Manager, MSTRWD
Tyler Larson	Technician, MSTRWD
Danny Omdahl	Technician, MSTRWD
Mori Maher	Administrator, MSTRWD
Katrina Haugen	Administrative Assistant, MSTRWD
Mark Holy	Polk County Commissioner
Sharon Bring	Marshall County Commissioner
Larry Nybladh	Marshall County Commissioner
Jeff Hane	Brink Lawyers
Matt Fischer	Board of Water and Soil Resources
Nate Dalager	HDR Engineering
David Johnson	Cedar Township Supervisor

## ONGOING PROJECTS

### Lilac Ridge Water Management Project

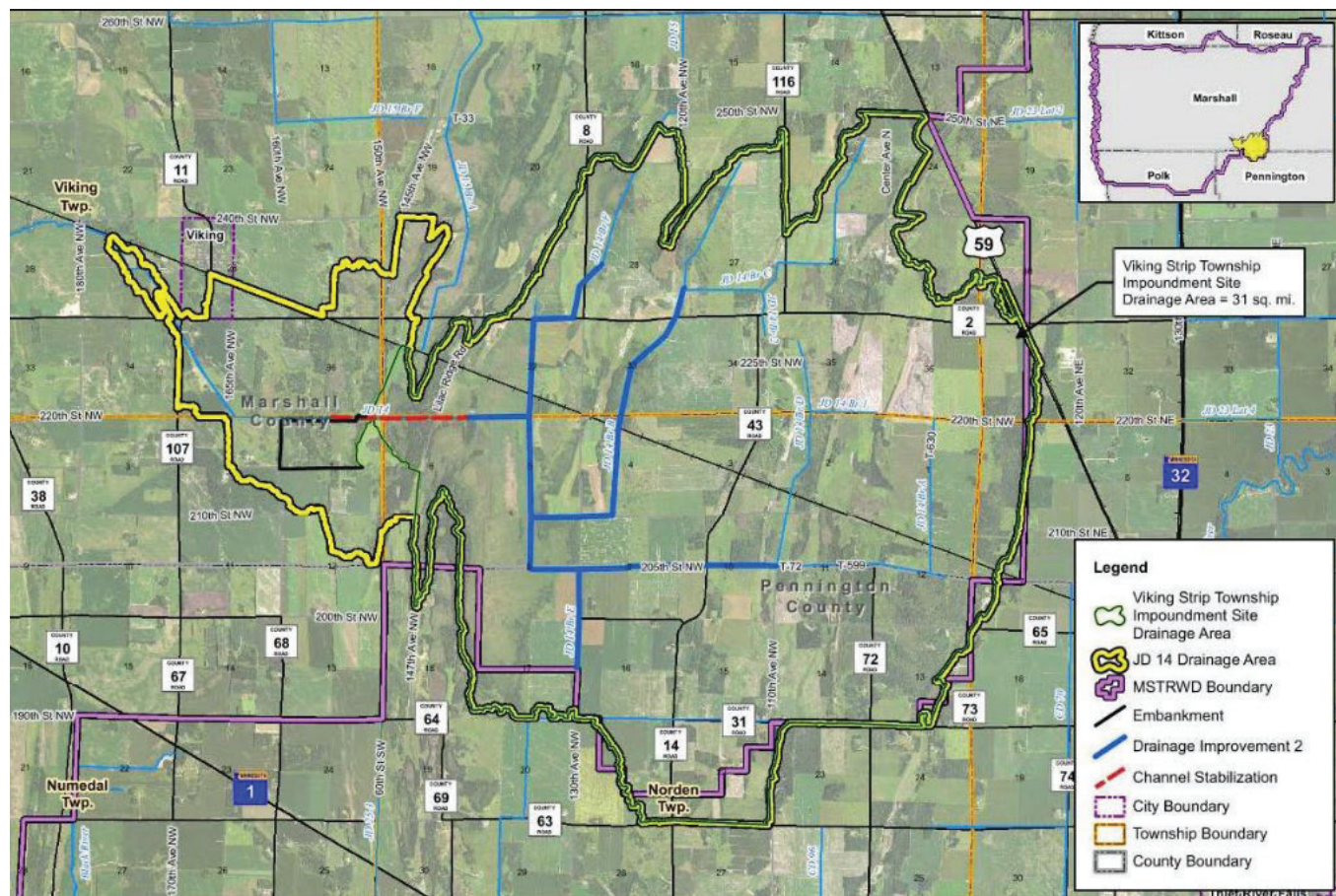
Spring and summer flooding have resulted in problems in the Judicial Ditch #14 sub watershed. The area is drained primarily by artificial channels which do not provide sufficient capacity for agricultural production. Roads and culverts in the area are also impacted.

Utilizing the Regional Conservation Partnership Program (RCPP), the District secured a funding agreement with the NRCS for watershed planning that funding ran from 2016 until Sep. 2021. As a result, the JD #14 Project Work Team was formed with Manager Brad Blawat and Manager Eric Johnson (since 2022) as the alternate, serving as the MSTRWD Team representatives. Landowner representatives are John Hams, Carl Roger Van Horn, and Gregory Dyrda.

The District used the project work team process to develop a project purpose and need, develop and analyze alternatives, and select a locally acceptable preferred alternative. The Board approved moving forward with preliminary design which was completed on the preferred alternative in 2021. The proposed project, known as Lilac Ridge Water Management Project, consists of an impoundment site with capacity to hold approximately 2,275 acre-feet of gated storage and a 2-mile grade stabilization of JD #14 that includes increasing the waterway opening through Lilac Ridge Road.

Through the WCA permit review, the Department of Natural Resources (DNR) raised concerns about a state endangered plant community. The project has been mostly idle since 2021 pending the final determination by DNR on this plant community. In 2023, DNR identified Calcareous Fen communities

on the proposed project site. Any mitigation/ solutions provided by the District Engineer was argued against by the DNR which ended up the MSTRWD Board to accept shelving the project on May 20<sup>th</sup> 2024. Up-to-date information about the project and project team can be found at <https://mstrwd.org/lilac-ridge/>



*Drainage area of Judicial Ditch #14*

## Nelson Slough (JD #19 RCPP)

JD #19 RCPP Project Team, formerly known as the Tamarac sub-watershed Project Work Team, had Managers Bill Petersen and Keith Szczepanski serving as the MSTRWD representatives. Neil Widner, Larry Eftefield, Ken Borowicz, Myron Larson, Mark Anderson, Dennis Olson, Richard Hanson, Paul St. Germain and Earl Anderson represent the landowner team members.

During the planning process, the District used the project team process to develop a project purpose and need, develop and analyze alternatives, and select a locally acceptable preferred alternative. This process included getting Concurrence Points 1-3 approval from the US Army Corps of Engineers and assisting the Department of Natural Resources (DNR) with completing an Environmental Assessment Worksheet (EAW).

In 2021, The District Board approved moving forward with preliminary design which was completed on the preferred alternative. The proposed project consists of improving flood damage reduction and natural resource benefits on the existing East Park Wildlife Management Area Nelson Slough



Impoundment. The improvement will provide the site with capacity to hold 6,837 acre-feet of gated storage in the spring and more flexibility to operate water levels during bird nesting season. The proposed project includes replacing the existing outlet structure, raising the existing levees approximately 3.5 feet, and stabilizing several miles of JD 19 upstream and downstream of Nelson Slough.

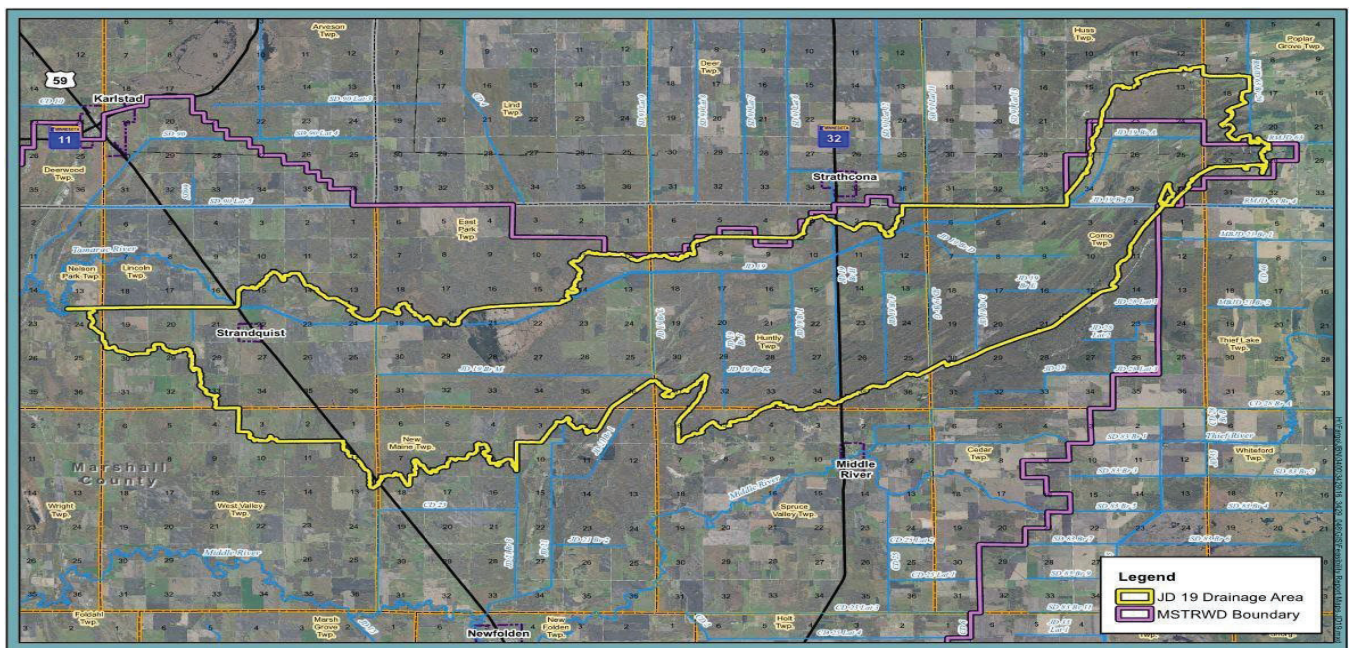
After more than two years of negotiations, a Joint Powers Agreement was signed in October 2024 between the Minnesota DNR, JD #19 Joint Drainage Authority, MSTRWD, and East Park Township. Enclosed to this JPA is an Operation and Maintenance (O&M) Plan, which is considered a living document and will be reviewed annually by all partner entities.

The DNR's Public Waters Work Permit, the last permit required for the project, was issued on December 20, 2024. Additionally, MSTRWD successfully secured \$4,174,000 in funding from the Lessard-Sams Outdoor Heritage Council (LSOHC) from ML2024, which was signed into law in 2024. Another successful LSOHC funding application for ML2025 in the amount of \$1,578,000 is pending approval and is expected to be signed into law in 2025.

The primary factors delaying the project's transition to construction by the end of 2024 are:

1. The Federal Review Process on land Easements,
2. MSTRWD's cash flow constraints due to multiple ongoing capital projects

Based on the current project schedule, construction is anticipated to begin in 2026.



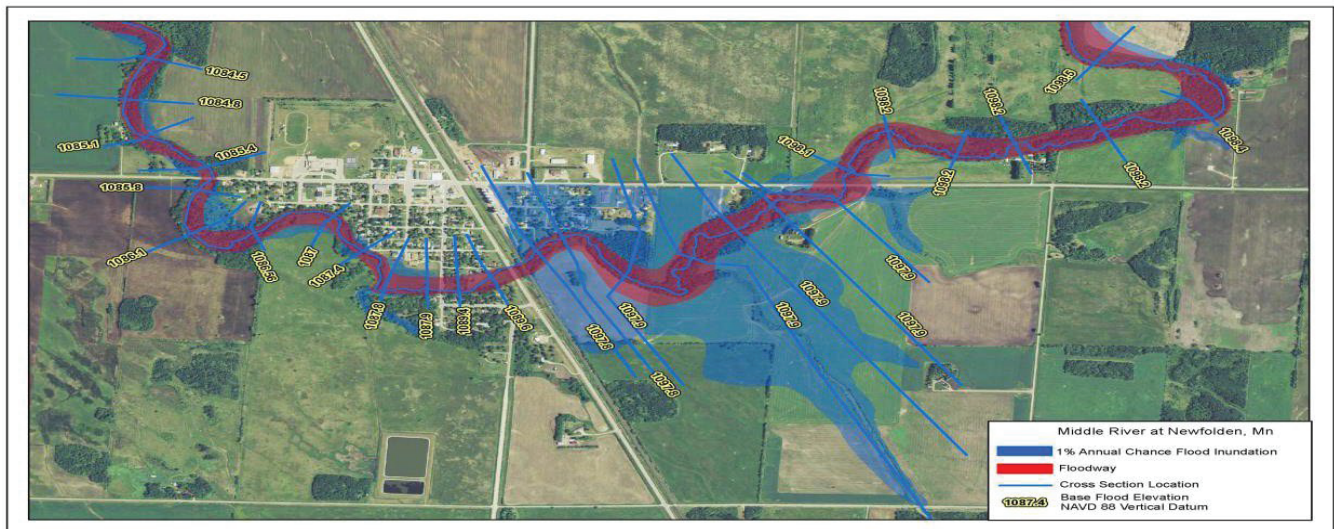
*Drainage area of Judicial Ditch #19*

Up-to-date information about the project and project work team can be found at <https://mstrwd.org/nelson-slough/>



## Newfolden / Middle River Sub-Watershed Flood Damage Reduction Project

In 2015 the City of Newfolden had been mapped for the 100-year Flood Plain Zoning (FPZ) for the first time. The Federal Emergency Management Agency (FEMA) and the MNDNR produce Digital Flood Insurance Rate Maps (DFIRM) for selected counties in the state. These maps are often referred to as FEMA Floodplain maps. This resulted in numerous properties with homes and businesses on the east side of US Highway 59 and some on the west side, being placed in the 100 year FPZ. The City contacted HDR Inc. and reached out to the MSTRWD for guidance and assistance. The City of Newfolden appealed the FEMA's determination twice, and neither one succeeded. A Project Work Team was developed for the Newfolden / Middle River Sub-Watershed Flood Damage Reduction project.



- Memorandum of Understanding with CP was signed in Feb 18<sup>th</sup>, 2021
- FEMA's new floodplain maps became effective March 23<sup>rd</sup>, 2021
- Petition to reroute/divert JD 21 was filed on Sep. 2021
- Construction Agreement with CP was signed on Apr. 6<sup>th</sup>, 2022.
- State and Federal permits were submitted and followed up. The Railroad Bridge Permits were received in 2022.
- Step 3 submitted and approved by the Red River Watershed Management Board in July 2022.
- Bridge Construction Started Nov. 2022 and completed June 2023.
- Bridge construction funders include: MNDOT, MSTRWD, RRWMB
- FHM funding request was submitted in 2021 and 2022. The State legislature didn't fund any Flood Hazard Mitigation (FHM) projects during those years.
- FHM fund became available in 2023 for \$5.45 million to be used only for the impoundment site.
- Wetland Credits purchased and WCA permit was received in 2023.
- Dam Safety Permit application submitted in 2023.

The Railroad Bridge construction was complete in July of 2023 with the punch list removal done in November of the same year.

The impoundment construction project was advertised in January 2024 which followed to a Groundbreaking on April 18<sup>th</sup> 2024. Amid several unfavorable rainfall events during normal construction season, due to above normal temperatures later in the year, construction progressed to 84% with the remaining work scheduled to be finished in 2025. The project is still in the list to receive state funding through the 2025 Bonding process.

Up-to-date information about the project and project team can be found at <https://mstrwd.org/newfolden/>



*Ground Breaking event at the Newfolden Impoundment site with representatives from the City of Newfolden, Davidson Construction, HDR Engineering, and MSTRWD*

## Swift Coulee / Marshall County Ditch #3 Project

The Swift Coulee's drainage area starts approximately ½ mile southeast of the Old Mill State Park. The flow in the drainage area is primarily to the southwest. The Coulee empties into CD #3, 1.2 miles west of US Hwy #75. The Coulee regularly overtops its banks causing local flooding. Sediment in the Swift Coulee causes a bottleneck to flow on the west side of US Hwy #75.

CD #3 drains westerly for 11 miles and into the Snake River. Flooding issues along CD #3 see water leaving the ditch both on the north and south sides, as there is no set spoil or road height to control outbreaks. Much of the drainage area of the Swift is not in the Benefited Area of the CD #3.

CD #3 is part of a MNDNR Protected Water, along with the lower approximate 7 miles of Coulee, extended across 5 sections.

The Project Work Team's District representatives are Brad Blawat and Joey McGregor. Landowner representatives are Ken L. Johnson, Stuart Nordling, Jim Vansickle, Mark Yutrzenka and Fred Nicholls.

In the summer of 2017, District staff assisted Houston Engineering in surveying the Swift Coulee/County Ditch #3 area. The generated information was used for the preliminary hydraulics and hydrology modeling report.

The District held a Project Work Team meeting in August 19, 2020 to discuss possible channel restoration along the Swift Coulee and possible impoundment sites within the area and how to proceed with moving the project forward. Landowners consensus was to let's share the burden if there is no individual owner willing to give up land for impoundment. Houston Engineering was directed to further study alternatives surrounding setback levees and culvert sizing changes due to a lack of interest for an impoundment site by several landowners.

A Project Work Team Meeting was held on February 11, 2021 to discuss the results of the new alternatives involving channel restoration and setback levees. It was noted that if landowner thoughts change, a future impoundment was still possible through the setback levee alternative. The PWT voted to move forward with the setback levee alternative.

Concurrence Points 1, 2 and 3 which include the Purpose and Need statement, development of alternatives with the last one being the Least Environmentally Damaging Practicable Alternative (LDPEA) approved by USACE in Apr. 2021.

The District held a landowners meeting on Dec. 19<sup>th</sup>, 2022 to inform them about the phasing approach, maintenance cost and levy through Water Management District (Stat. 103D. 729), RIM conditions and funding options and timelines.

At the end of 2022, the project had secured funding from different sources mostly for construction including: BWSR Stream Restoration.



In 2023, the Preliminary engineer's report was filed with the MSTRWD and approved to move forward. In 2024, the design and permitting and easements with BWSR and MSTRWD progressed.

- Final Engineering Report was filed with the Board and received favorable comments from BWSR and DNR (Nov. -Dec. 2024).
- As for permits, WCA permit secured in May 2024, with the DNR and USACE's permits planning to be issued in early 2025.
- Of the 12 landowner groups in phase 1, 10 signed easement agreements with the MSTRWD in 2024.
- The State RIM easement communication between SWCD and BWSR continued with MSTRWD being facilitator.

Swift Coulee phase 1 is scheduled to be in construction in 2025.

Up-to-date information about the project and project team can be found at <https://mstrwd.org/swift-coulee/>



Looking at the Swift Coulee in the SW quarter Section 2 McCrea



## One Watershed One Plan

The purpose of BWSR's One Watershed One Plan (1W1P) program is to develop a comprehensive watershed management plan that align local water planning purposes and procedures on watershed boundaries to create a systematic, watershed-wide, science-based approach to watershed management.

The Grant for the Middle Snake Tamarac Rivers 1W1P planning process was executed in February of 2021. With the help of Houston Engineering, the Steering Committee comprised of individuals from Marshall County, Marshall County SWCD, West Polk SWCD, Polk County, and the Middle Snake Tamarac Rivers Watershed District started working on putting the plan together. On June 23, 2021, a Public Kick-Off meeting was held in the basement of the Marshall County Courthouse for members of the public to give feedback on what they would like to see included in the plan.

This planning effort with the involvement of Advisory, Steering and Policy committees continued until the final plan received final approval by the BWSR at their Aug. 25, 2022, meeting in East Grand Forks. Following the approval, the 1W1P Comprehensive Watershed Management Plan replaced the District's previous 10 year management plan.

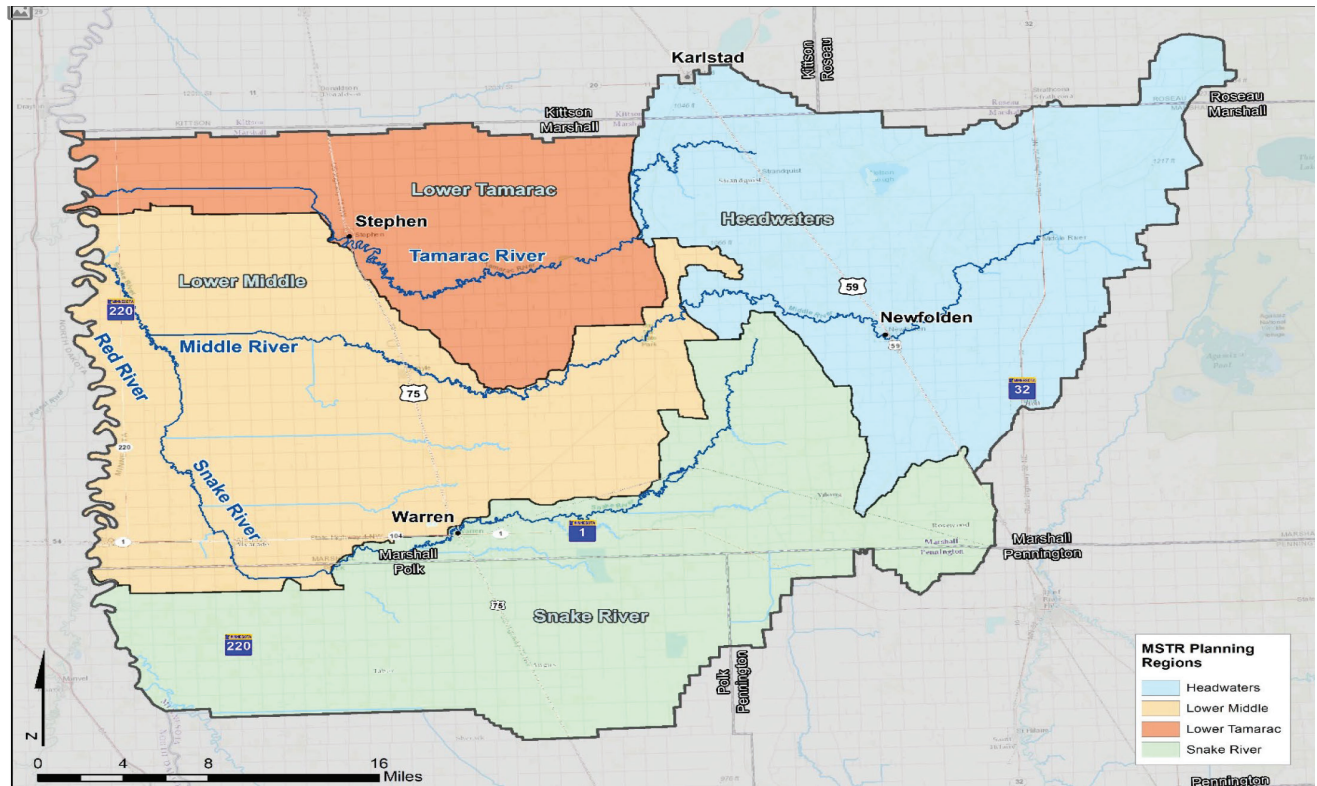
The Steering Committee submitted a Grant Funding Request for the Implementation of projects and Practices in December of 2022. With the hope of project implementation and funding beginning in 2023, contingent upon the funding approval. The District as the fiscal agent of the group received the first allocation (50% of the total allocation) of the Implementation funding in February 2023.

Multiple projects were completed in 2024 including well Sealings, and Streambank restoration projects. Additional funding was applied for and received for a feasibility Study for Marshall County Ditch 45 and repairs along State Ditch 3.

With multiple projects in the works Marshall County SWCD applied for a second round of funding on behalf of the 1W1P group in 2024. The second funding agreement for \$1,620,713 was executed in October 2024.

The watershed's topography, soils, and land use patterns change as one moves from the lake basin region in the west up into the higher headwaters region to the east. As such, resources and the issues impacting them also change from west to east. To accommodate this, four smaller planning regions were defined to focus planning on specific issues impacting specific regions of the watershed. These regions were defined based on land use, hydrology, geology, and vegetation. They provide the framework for this plan section on how issues are identified and prioritized. Until latest version of the Watershed Management Plan (2022) the watershed was divided into 5 planning regions. This change happened in the new Comprehensive Watershed Management Plan (CWMP) to integrate other aspects of soil conservation to water management as well.

Below are very brief descriptions about each planning region's characteristics. For more information, please visit our website at <https://mstrwd.org/one-watershed-one-plan/>



### Head Waters

Contains natural areas and streams, beach ridges, and prairie. Here, management is focused on surface water storage and protection for water quality and flood control.

### Lower Tamarac

Includes the majority of the Tamarac River as it flows to the Red River of the North in this agricultural planning region.

### Lower Middle

Includes the Middle and Snake rivers before reaching the Red River of the North, along with the network of drainage ditches that regulate water in agricultural fields.

### Snake River

The Snake River begins in this planning region and is joined by several tributaries before reaching the county seat, Warren and flowing north toward the Red River of the North.

## **JUDICIAL DRAINAGE SYSTEMS**

In 1973, the maintenance authority of some drainage systems within the District was transferred by the District Court to the District. The District is responsible for the maintenance and repair of these systems. Since that time, additional drainage systems have been transferred to the District and proceedings have been held concerning the establishment of legal drainage systems.

The following table lists the Public Drainage systems under the jurisdiction of the MSTRWD.

Drainage System	Date Established	Approximate Length (Miles)
JD 1	1903	15
JD 14	1912	30
JD 15	1911	39
JD 16	1910	11
JD 17	1910	6.5
JD 20	1910	36
JD 21	1910	13.5
JD 24	1911	3.5
JD 25-1	1912	12.5
JD 25-2	1912	17
JD 28	1913	16
JD 29	1917	40
JD 68	1919	1.5
JD 75	1928	21
MCD 39	1948	1.5
MCD 39 Improvement	1996	0.40
PCD 175	1969	10.5
SD 3	1896	10
SD 5	1896	3
WD 2	1992	1
WD 4	1902	2.5
WD 5	1999	14
WD 6	1999	15
WD 7	1999	3.25
WD 7 Improvement	2000	0.12
WD 8	2024	0.9
PCD 43	1903	10
PCD 44	1904	5
<b>Total # of Ditches: 28</b>		<b>Total Length: 340</b>

## **DITCH MAINTENANCE**

The District maintains the legal drainage systems under its jurisdiction. Sediment removal, mowing, spraying and beaver dam removal account for most of the maintenance work.

There are some designated ditches for which culvert replacement is performed, as needed. However, the District is responsible for maintaining culverts on all ditches that were established after March 25, 1947.

To control cattails, bulrushes and brush in 2024, the District hired an aerial applicator to spray legal drainage ditches under its jurisdiction and impoundment areas. The contractor sprayed 161.96 miles of ditch.

Beavers, beaver dams and gophers continue to be a problem in drainage systems and in project areas. In 2024, contractors removed beavers, their dams and debris from ditches, culverts and impoundment areas, while gophers continue to be trapped at the District Impoundment sites.

The District had approximately 248 miles of ditch grass strip and slopes mowed in 2024. The mowers also work at the District's impoundment properties. Typically, the related ditches, dikes and some areas of the impounds are mowed. Brushing and aerial spraying are also utilized, as needed, at the impoundments.

### **Watershed Ditch #8**

Originally the outlet of Polk County Ditch 175, what is now WD 8 had been cut off from the remainder of the CD 175 system following the establishment of WD 5 in 1999. As part of a petition to partially abandon the portions of CD 175 that ran concurrently with WD 5, the Board moved to separate the remainder of the Original CD 175 outlet from the CD 175 Ditch System into its own separate Ditch system for more efficient management of what had effectively been 2 ditch systems for the past 25 years. The Ditch System lies entirely within Section 4 Esther Township and outlets directly to the Red River. Triple D Excavation of Plummer was hired to remove sediment from the entirety of the channel.



WD #8 looking South in the S2 of Section 4 Esther Twp



### Judicial Ditch #14

Weleski Excavation of Thief River Falls was hired to remove sediment from 3 miles of JD 14 along the Branch E.



*JD #14 Br E looking West in Section 16 Norden Twp*

### Judicial Ditch #15

Weleski Excavating of Newfolden was hired to remove sediment from 6 miles of JD 15 along Branches D, F and 3.



*Looking East at JD 15 Br F in Section 14 Viking Twp*

Olson Construction of Thief River Falls was awarded a contract to repair the Outlet of the Main Branch of JD 15. The District received funding from 1W1P to complete the repair upstream of the Middle River.



*JD #15 outlet repair by Olson Construction*

### Judicial Ditch #21

Kraulik Excavation of Karlstad was hired to remove sediment from the upstream 2 miles of Branch 1. This was a continuation of work that started in 2016 and then delayed due to a lack of ditch funds.



*Looking Northeast at JD 21 Br 1 in Section 1 New Maine Twp*



### Judicial Ditch #28

Lunke Inc of Thief River Falls was hired to remove sediment from 2 miles of the Main. Due to the weather conditions, the sediment removal project will continue in 2025.



Looking East at JD 28 in Section 6 of Cedar Twp

### Polk County Ditch #43

Higher Ground was awarded a contract to repair channel undercutting in Lateral 1 of CD 43 in Section 16 Angus Township. The repair also saw rock grade stabilization structures installed along the main channel in Sections 6 of Angus Township.



Looking East at Lat 1 in Section 16 Angus Twp



A rock structure being installed in Section 6 Angus Twp



## Judicial Ditch #75

Sloughing and undercutting of the ditch channel was repaired along the downstream 2 miles of JD 75 in 2023. New sloughing occurred following the Spring runoff outside of the 2023 project limits along 160<sup>th</sup> St NW. The sluffs were repaired by installing layers of geogrid to provide additional stabilization of the slope by Anderson Excavation.



*Layers of Geogrid being installed in the Road Slope of JD 75*

## Beavers

Again in 2024, beavers continue to be a nuisance within the impoundments and legal drainage ditches of the District. The District hires trappers to remove the beavers and reimburses the trappers for each beaver trapped. The District also hired contractors to remove beaver dams at JD #21, JD #25-2, JD #28 and JD #75. Dams were also removed at the Angus Oslo #4 Impoundment and the Agassiz Valley Impoundment Project.

The District does not participate in the trapping of beavers in rivers unless they immediately affect a legal ditch or impoundment under the District's authority.

JD 28 Main look E dam ~Sta 269+18 NE SE 32 Como Twp. It is ~250' farther than machinery can travel. Will need to blow as lack of spoilbank prevents ingress.

Photo courtesy  
Brad Lunke with  
Lunke Inc.



9/15/20



## RAINFALL PROGRAM

The District has volunteers, throughout the Watershed, who record and submit monthly rainfall amounts. We appreciate our faithful reporters, and we are in need of others who would like to participate to be rainfall reporters. The District will supply the rain gauge, reporting forms, and stamped envelopes to mail your reports to the office. If you are interested in volunteering for the program, please contact the District office.

The following chart is the reported rainfall amounts for 2024:

2024 ANNUAL SUMMARY OF MONTHLY RAINFALL MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT													
Ref	Observer	Township	Sec	Twp	Rg	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
31	Ron Ueland	New Maine	22	157	44	1.81	4.07	6.82	4.60	3.15	2.79	0.84	24.08
33	RLWD	Rocksbury	4	153	43	1.76	5.85	6.88	4.86	4.06	0.33	0.87	24.61
36	Nick Drees	Excel	34	155	43	2.00	4.30	7.16	6.95	5.05	0.55	0.90	26.91
37	Harold Maijala	Spruce Valley	36	157	43	1.49	3.71	6.82	4.58	2.16	1.00	0.50	20.26
54	Nick Smieja	West Valley	28	157	45	1.57	3.54	4.83	4.62	2.33	4.77	0.81	22.47
56	Dennis Erickson	Foldahl	31	156	46	1.58	4.64	5.73	5.34	3.01	1.81	no report	22.11
90	Alvin Nybladh	Donnelly	35	158	49	1.70	4.85	3.45	3.05	3.47	6.38	0.70	23.60
91	Sharon Bring	West Valley	29	157	45	2.15	3.62	5.02	3.49	2.44	1.30	0.84	18.86
93	Peter Solem	Higdem	7	154	50	2.15	5.84	5.02	2.53	4.70	2.59	1.26	24.09
101	J Bolduc	Parker	7	157	49	1.63	4.87	3.70	2.95	3.46	1.72	0.70	19.03
102	MSTRWD	Warrenton	36	155	48	1.70	4.36	4.66	3.19	4.33	1.78	0.72	20.74
105	Dean Danielski	Farley	18	154	48	2.22	4.73	5.35	2.33	4.77	1.39	0.94	21.73
106	Rodney Larson	Brandt	27	153	46	2.05	5.10	6.33	5.99	5.35	0.17	0.82	25.81
107	John W Nelson	Oak Park	29	155	50	1.49	4.62	4.15	2.58	4.17	2.26	0.90	20.17
108	Ken Johnson	Big Woods	14	156	51	1.84	5.31	3.86	2.21	4.16	1.44	0.92	19.74
110	Ed Honek	Northland	14	153	49	1.93	4.97	5.74	2.27	4.62	1.19	1.02	21.74
111	Tony Johnson	Warrenton	8	155	48	1.68	4.14	4.66	2.39	4.55	2.70	no report	20.12

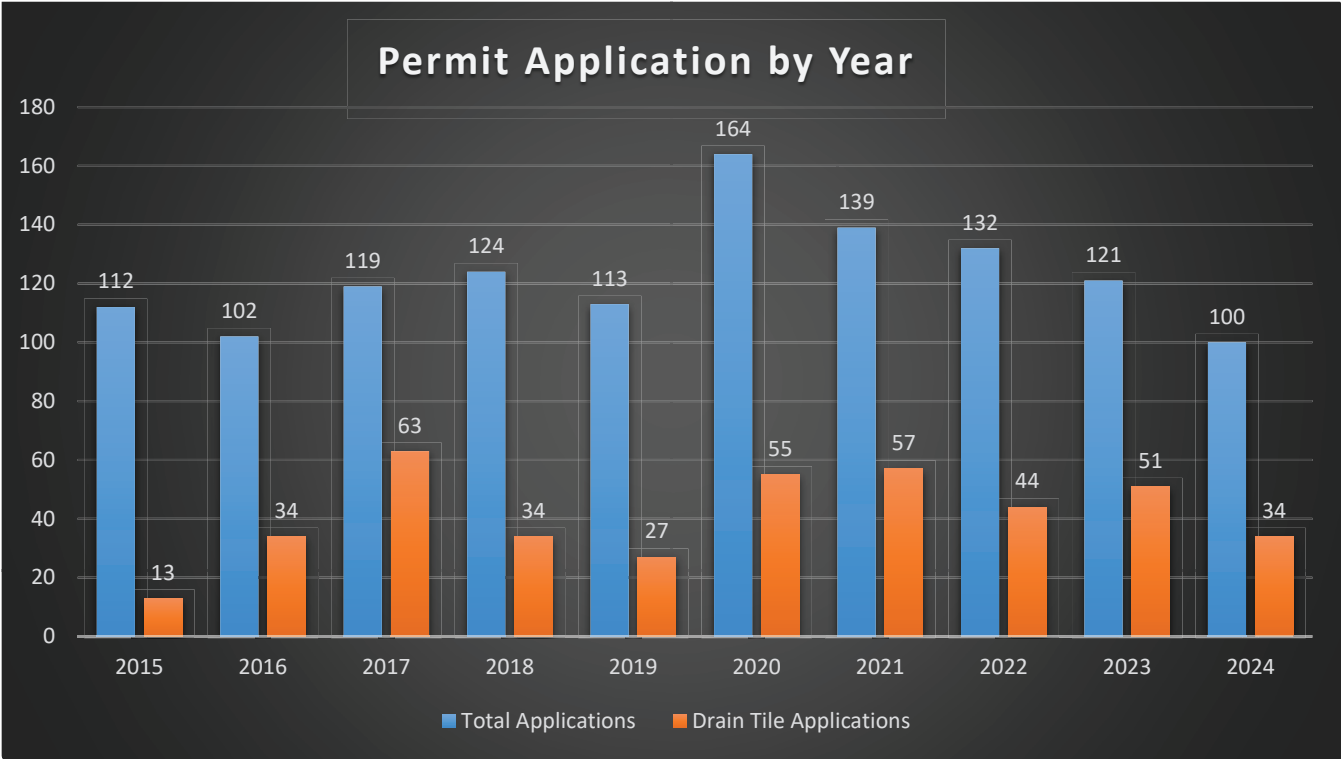
# WATERSHED DISTRICT RULES AND REGULATIONS

MSTRWD amended its rules and regulations last in 2021. To access the District rules please go to our website at: <https://mstrwd.org/wp-content/uploads/2024/02/2021-MSTRWD-Rules-approved.pdf>

## PERMITS

While any activity related to water can alter the hydrology of the district, the district enforces the permitting process to keep up with the changes and to be able to plan accordingly for water management purposes. The District Board requests that all permit applications be submitted by Wednesday, at noon, prior to the next Board Meeting to allow for staff to gather information for the Managers in a timely manner.

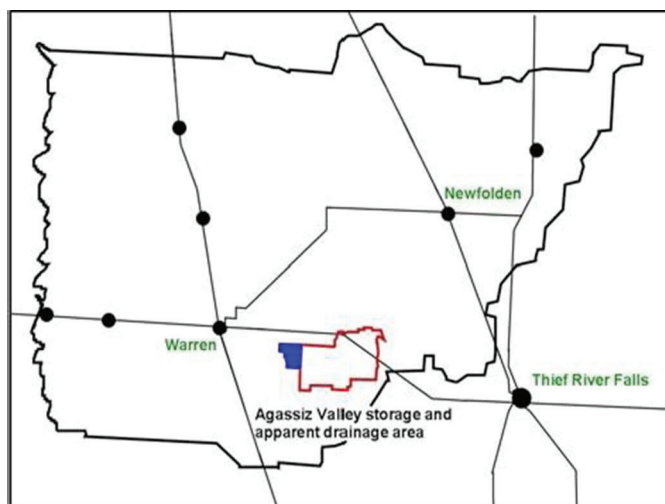
In 2024, the District received 100 permit applications of which 34 were for drain tile, and 17 were for new crossings that were reviewed by the Board. The following table demonstrates the number of permit applications per year from 2015 to 2024.



*Total number of permit applications per year*

## **Agassiz Valley Water Resources Management Project**

The Agassiz Valley (AGV) Water Resource Management Project was developed from the outcome of the Mediation Agreement between the State of Minnesota and the Red River Watershed Management Board. The project was one of four funded by the State Legislature at a costshare of 75% State and 25% local. A multi- purpose project, it combines flood control and environmental enhancement features. Groundbreaking for the project was held June 24, 2008 and the entire flood control project was operational in the spring of 2010.



*Agassiz Valley Water Resource Management Location and Drainage Area*

Project Statistics	
Drainage Area (square miles)	~31.6 square miles
Total Floodwater Storage (acre-feet)	10,670 acre-feet = 6.4 inches of runoff
Gated Flood Storage (acre-feet)	6,840 acre-feet = 4.1 inches of runoff
Temporary Flood Storage (acre-feet)	3,830 acre-feet = 2.3 inches of runoff
Approximate Land Requirements	2,600 acres
Prairie and Emergent Wetland Areas	~ 480 acres
Estimated Total Cost	\$10,700,000

Agassiz occupies four sections of land and includes inlet ditches to total approximately 2,600 acres in the vicinity of Comstock Strip Township & McCrea Strip Township in Marshall County and Helgeland Township & Brislet Township in Polk County. The impoundment temporarily stores floodwater originating in the drainage area of Judicial Ditch #25-1. The project included the construction of approximately 5.25 miles of embankment; associated inlet and outlet work; approximately 5.5 miles of inlet channels and approximately 2 miles of bypass channel.

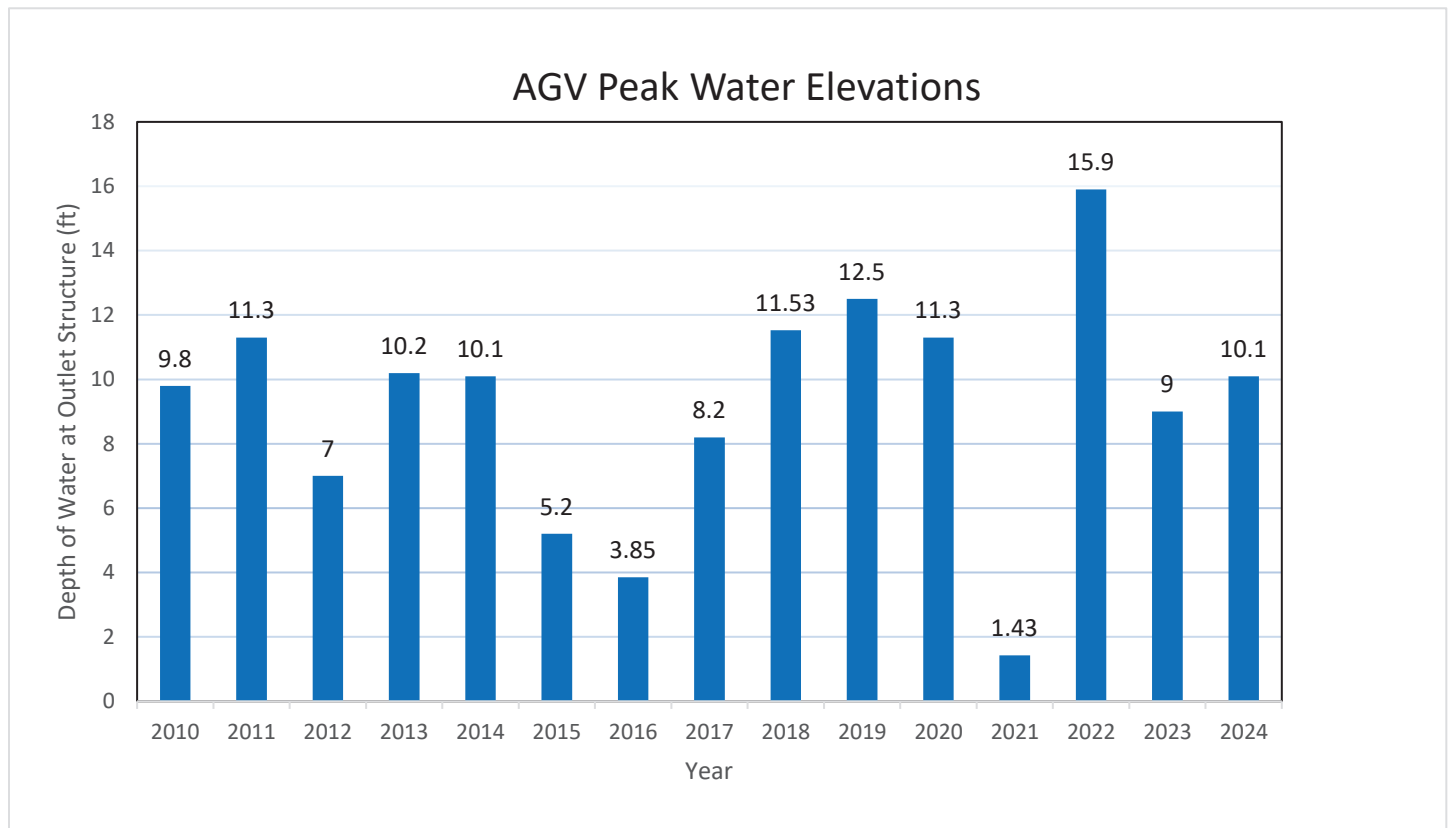
Agassiz Valley has a significant impact in reducing flood damage in the Snake River Basin and reduces flood damage in the Red River Basin. In addition to providing flood damage reduction, the project provides grassland and woodland habitat, increased species diversity, educational and recreational opportunities, trails and overlooks, and a summer base flow augmentation for the Snake River.





*Figure 1- Agassiz Valley aerial photo looking southeast. The outlet structure is located at the bottom of the photo. JD #25-1 is the ditch that Agassiz outlets into, which flows to the Snake River.*

In the Spring of 2023, due to mild winter, the impoundments hardly stored any water as to manage the flooding conditions downstream.



## Snake River PL-566 Project

Throughout its history, the City of Warren has endured numerous floods. In 1996 and 1997, the City suffered 3 major floods that caused an estimated \$12.7 million dollars in damages. The late Mayor of the City of Warren, Richard P Nelson, had a dream to spare his City from more years of ravaging floods from the Snake River. Mr. Nelson recognized the opportunity provided by the USDA/NRCS Small Watershed Program, and set out to make his dream become a reality.

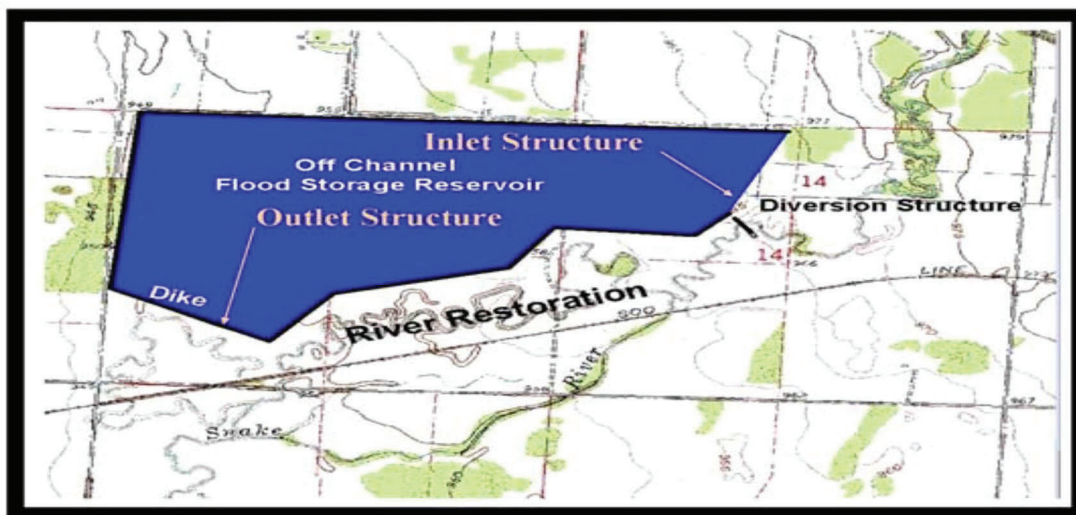


*PL-566 Richard P Nelson Floodway map*

In 1997, the City of Warren and the MSTRWD, the local sponsors of the project, asked the Natural Resources Conservation Service (NRCS) for assistance on planning and construction on the Snake River Watershed Project.

In November 1999, project plan consisted of 4 phases of construction: the lower mile of the floodway and outlet chute, the off-channel floodwater storage site, the Snake River diversion structure and upper 3 miles of floodway, and the establishment of the mitigation features. In 2000, the MSTRWD held two public hearings and unanimously passed the Order for the Establishment of the PL-566 Project. The Snake River PL-566 Project groundbreaking ceremony *“Soaring to a Bright Future”* was held on October 26, 2001.

Although the project was not totally complete, it was operational in the spring of 2006 and it saved the City of Warren from flooding. The NRCS’s estimation was approximately \$8.7 million of flood damages that could have occurred. The PL-566 Project was officially dedicated in the summer of 2010. The Natural Resources Conservation Service and the MSTRWD provided funding for the landscaping of the Richard P. Nelson monument.



*Map showing the location of the Off-Channel Flood Storage Reservoir located in Comstock Township*

The Off-Channel Flood Storage Reservoir and Diversion ditch were funded by PL-566 which requires that the NRCS do yearly inspections of the project. Cracking and deterioration along the inlet channel to the outlet drop structure has not changed from the 2016 inspection. Varmint digging continues to be an issue on the outside face of the embankment. This will require ongoing maintenance by the Watershed District. The NRCS also inspected the Richard P Nelson Diversion Ditch around Warren.



*Aerial photo of the Richard P Nelson Floodway located South of Warren*



# Angus Oslo #4 Impoundment

PROJECT STATISTICS			
Top of Dam			
Elevation	(ft-msl)	958.0	
Storage	(ac-ft)	8068	
Emergency Spillway			
Elevation	(ft-msl)	956.2	
Storage	(ac-ft)	6431	
Primary Spillway			
Elevation	(ft-msl)	954.0	
Storage	(ac-ft)	4505	
Gated Flood Control			
Storage	(ac-ft)	4505	
Runoff	(inches)	3.62	
Weir Flood Control			
Storage	(ac-ft)	1926	
Runoff	(inches)	1.55	
Drainage Area	(sq mi)	23.35	

In December 1994, the Board of Managers initiated by resolution for a new project to establish an off-channel impoundment in the vicinity of Sections 3 and 10 of Brandt Township, Polk County, Minnesota. Construction of the impoundment started in 1999 and has been operational since 2001. The total estimated cost of the project is \$3.3 million. The Red River Watershed Management Board funded approximately 85% of the construction cost. The Watershed paid approximately 15%, with additional funding from a State of Minnesota Flood Damage Reduction Program Grant.

The drainage area above the project is approximately 23.4 square miles. The project can store 4,500 acre-feet of water (5.2 inches of runoff) - up to the emergency spillway.

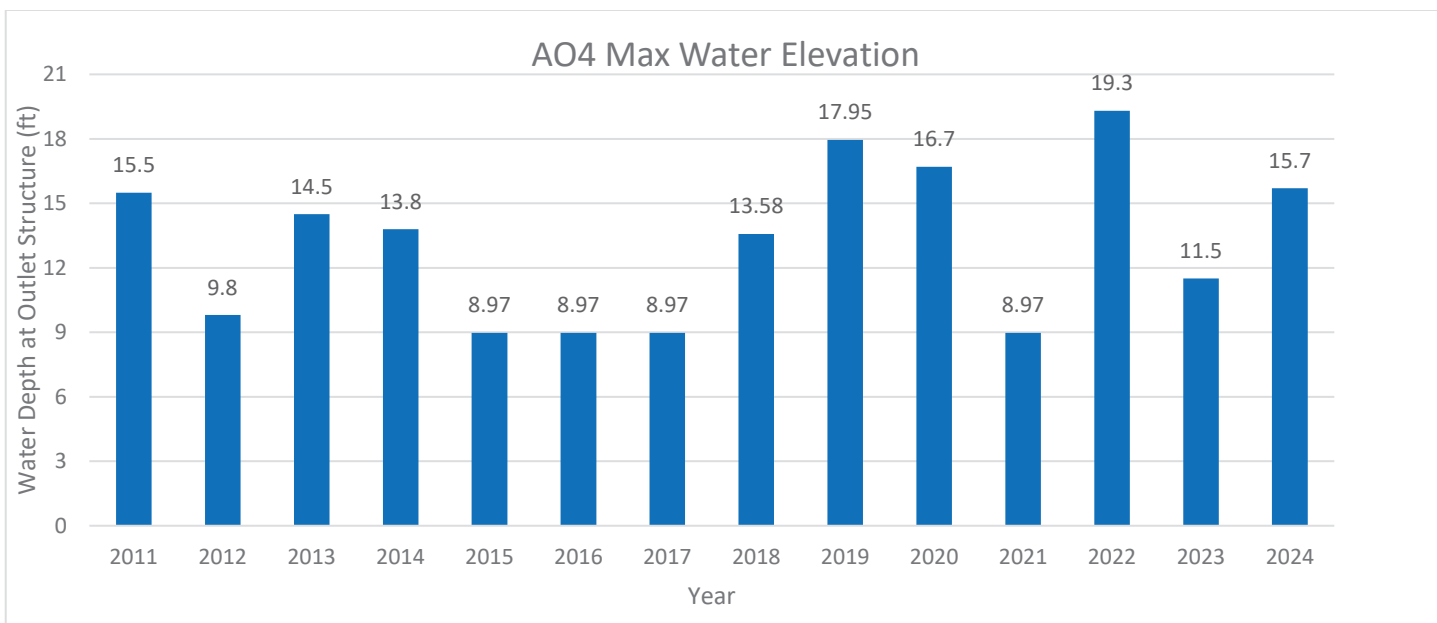
Angus Oslo #4 Project Statistics

Following the impoundment construction, downstream landowners had expressed concerns about water leaving the bypass ditch during

previous high flow events. In 2020 the exterior spoil bank was built up upwards of 2.5’ and was tied back into the existing ridge. Clay from a borrowpit inside the impoundment was used to build up the dike. Minor wave erosion occurred because of high winds during the spring of 2022 in the Northwest corner of the impoundment. Following debris removal along the interior of the dike, the erosion was repaired for the 2022 spring runoff.



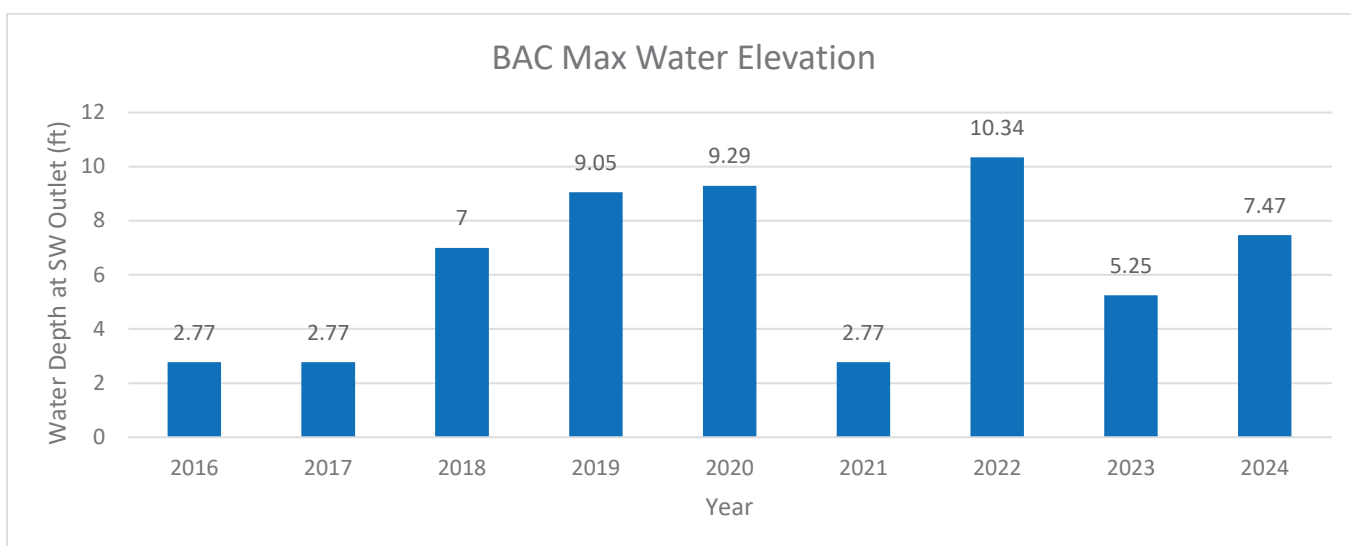
Angus Oslo #4 Outlet Structure



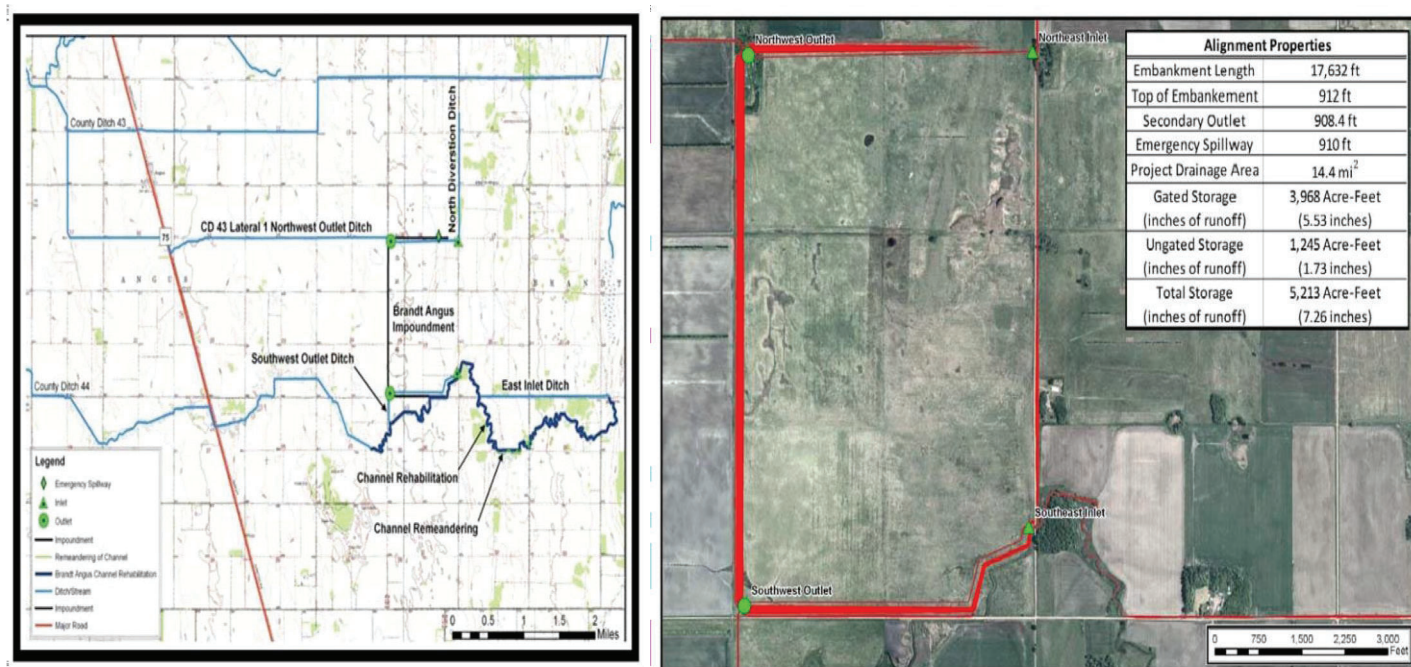
### **Brandt/Angus Coulee Project**

The Brandt/Angus impoundment is a multi-purpose off channel flood control project combining both flood control and environmental enhancement features through Wetland Reserve Program (WRP). It became operational in 2012 and it occupies approximately 1.5 sections of land (960 acres) 3.5 miles southeast of Angus in Polk County. The impoundment can hold 5,213 acre-feet of water (3,968 acre feet of gated and 1,245 of un-gated to the emergency spillway) from a calculated 7.26" of runoff.

The primary purpose of the Brandt-Angus project is to reduce flood damage downstream, reduce the frequency of summer storm flooding of agricultural land and to restore/maintain/enhance the natural stream habitat in the Brandt Angus Coulee. Secondary features are to provide for environment enhancement features such as wet prairies, stream restoration and water quality benefits.



The Red River Watershed Management Board and the MN Department of Natural Resources partnered with the Brandt/Angus Project through the Flood Damage Reduction Program and the MSTRWD.



Maps of Brandt-Angus Impoundment



In 2010, the Project received Step II approval from the RRWMB and entered into a Flood Damage Reduction grant agreement with the MNDNR. With the natural resource enhancements that have been incorporated into the project, a 65% State 35% local cost share was obtained.

In addition, the District was able to utilize the Natural Resource Conservation Service Wetland Restoration Program (WRP) to offset land acquisition costs. Over 575 acres were enrolled into a conservation easement at a savings of over \$450,000 to the Project. Restoration of wetlands relates to the District's management plan by increasing quality wetlands.

*Wetland Reserve Programs signs are posted around the property mapping the boundaries of the wetland restoration*



Following the wet fall of 2019, landowners upstream of the impoundment inquired if there was a way to get water into the impoundment faster. In 2020 the District hired Kraulik Excavating to regrade the northeast inlet ditch allowing water to enter the impoundment at a quicker rate. In 2023, upstream landowners again met with the Board and requested an additional culvert be installed in the North Inlet Ditch to reduce the ponding of water just upstream of the project. The Board agreed to have an additional 48" culvert installed under 260<sup>th</sup> Ave NW. RJ Zavoral was hired to install the additional culvert.

*Looking NE at BAC North Inlet. A third 48" culvert was installed under 260<sup>th</sup> Ave. Upstream landowners had expressed concerns to the District with ponding that was occurring on their property from water that could not enter the project quick enough.*



Since the construction of the project landowners have discussed with the District about how to improve the release of water from the impoundment and the ongoing issue of water leaving the Coulee and flooding their properties following any sizeable rainfall events. After surveying the coulee, the District hired Triple D Excavation to remove sediment from the 4 miles of the Coulee upstream of Polk County Ditch 44 that had not seen maintenance since the project had been constructed.



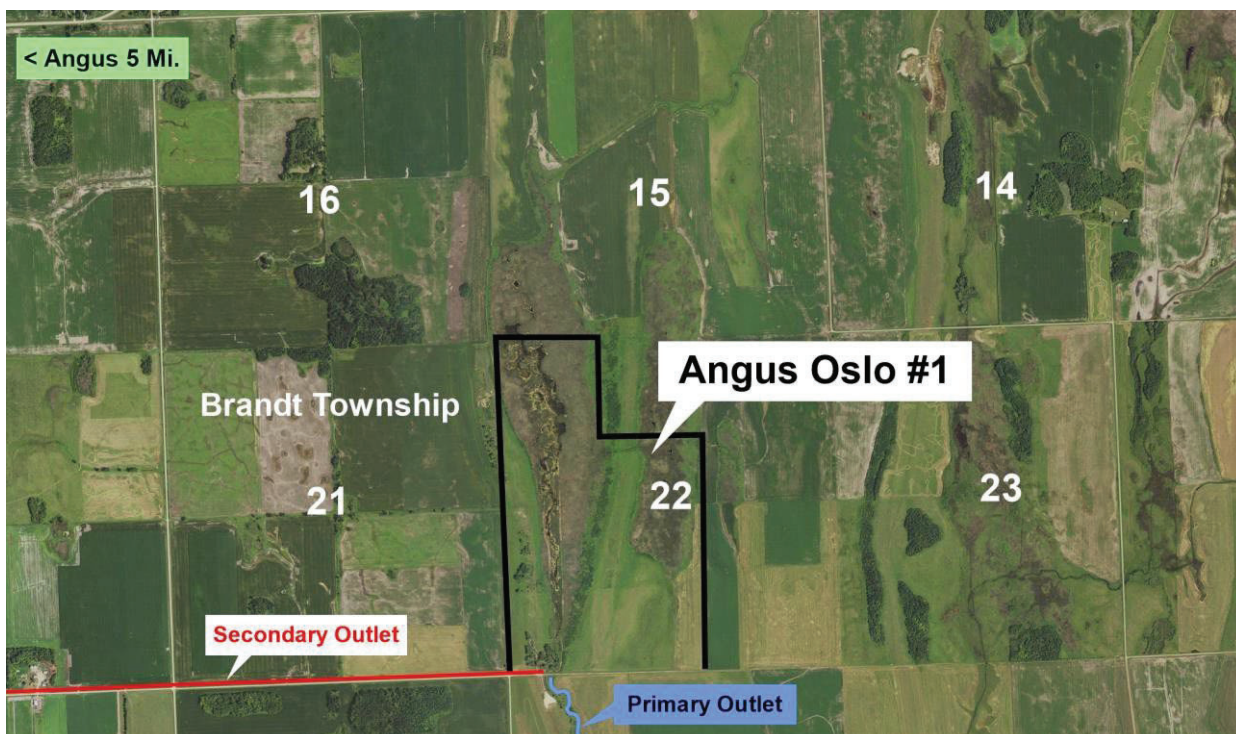
*Looking East at the Brandt Angus Coulee following sediment removal in Section 28 Angus Township. Most of the Coulee downstream of the Impoundment had not seen any maintenance since planning for the Project had begun in the mid-2000s.*

## Angus Oslo Site #1 Impoundment

SELECTED STATISTICS		
100 yr		
Storage	(ft.-msl)	941.8
Volume	(ac-ft)	570
10 yr		
Storage	(ft.-msl)	940.8
Volume	(ac-ft)	340
Gated Storage		
Storage	(ft.-msl)	940.5
Volume	(ac-ft)	295
Drainage area	(sq mi)	3.1

The Board of Managers of the Middle River Snake River Watershed District (now the Middle-Snake-Tamarac Rivers Watershed District) established the Angus Oslo Site #1 Impoundment in 1982. Primarily a flood control project, Angus-Oslo #1 also provides incidental wildlife benefits. The affected area includes a wetland area totaling approximately 125 acres and approximately 145 acres of cropland. Completed in 1983, the \$152,000 project was funded by the Legislative Commission on Minnesota Resources (LCMR), the Red River Watershed Management Board and the Middle River Snake River Watershed District project fund.

*Angus Oslo 1  
statistics*



*Map of Angus Oslo #1 Impoundment*



## **THE RED RIVER WATERSHED MANAGEMENT BOARD**



The MSTRWD is a member of the Red River Watershed Management Board. In 2022, Manager Bill Petersen was appointed as the District's representative and Manager Lein Schiller as the alternate.

As a member, the District coordinates with the RRWMB on the following projects:

- The District cost-shares with the RRWMB on Flood Damage Reduction Projects.
- The District supports the RRWMB River Watch program with high schools in the Red River Basin. Students from Warren-Alvarado-Oslo, Marshall County Central and Stephen-Argyle Central collect water samples in the District. The resulting data is forwarded to the International Water Institute.
- The District partners with the RRWMB on cost-sharing with the US Geological Survey in the maintenance and operation of stream gauges.
- In 2010, the RRWMB entered into an agreement with the Red River Joint water resources Board in North Dakota to form the Red River Retention Authority (RRRA) whose purpose is to seek funds to construct flood retention projects on both sides of the Red River of the North.

The RRWMB website <https://www.rrwmb.us/> features RRWMB news, current projects, meeting documents, governing documents, policies, maps, contact information of RRWMB members and more!

## **MARSHALL COUNTY WATER RESOURCE ADVISORY COMMITTEE**

The District is a member of the Marshall County Water Resources Advisory Committee (WRAC). District staff attends quarterly WRAC meetings along with landowner and Marshall County Township Association representatives and staff from the Minnesota Pollution Control Agency, Red Lake Watershed District, the Soil & Water Conservation District, the Natural Resources Conservation Services, US Fish & Wildlife Service, Board of Water and Soil Resources, Agassiz National Wildlife Refuge, MN DNR and the Marshall County Commissioners.

## **POLK COUNTY WATER RESOURCE ADVISORY COMMITTEE**

The District is a member of the Polk County Water Resources Advisory Committee (WRAC). District staff attend quarterly WRAC meetings along with Polk County Commissioners, East Polk Soil & Water Conservation District, West Polk Soil & Water Conservation District, Board of Water & Soil Resources, Polk County Environmental Services, MN Department of Natural Resources, Sand Hill River Watershed District, Red Lake Watershed District, MN Pollution Control Agency, The Nature Conservancy, River Watch, and International Water Institute.



## **EDUCATION AND OUTREACH**

District staff encourage college and high school students, birdwatchers, community groups, outdoor recreation clubs and tourists to contact the District for tours of the MSTRWD flood control projects.

The MSTRWD and the Red Lake Watershed District have 5 locations where informational kiosks have been placed along impoundment sites to aid in educating bird enthusiasts and others interested in the natural resource enhancements impoundment sites have to offer within the area. The 5 locations are listed below.

### **Agassiz Valley Water Resource Management Project**

5 miles east of Warren on 280<sup>th</sup> Ave NW and 1 mile south of Warren on 210<sup>th</sup> ST NW.

### **Agassiz Audubon**

5 miles east of Warren on 280<sup>th</sup> Ave NW and 3 miles south of Warren on 190<sup>th</sup> ST NW.

### **Brandt-Angus Impoundment**

2 miles south of Angus on US HWY #75 and 2.5 miles east of Angus on 120<sup>th</sup> St NW.

### **Euclid East Impoundment**

1 mile east of Euclid on County Road #19.

### **Parnell Impoundment**

4.5 miles south of Euclid on US HWY #75 and 2.5 miles east on County Road #17.

The Agassiz Valley Water Resource Management Project, Angus Oslo #4 Impoundment and the Brandt/Angus Impoundment sites were added to the Pine to Prairie Birding Trail. The Minnesota Trail is over 200 miles in length with 45 sites to view birds. The Pine to Prairie International Birding Trail extends another 300 miles north of Minnesota into Manitoba, Canada with an additional 23 sites and bird species.

Additional information can be found on the Pine to Prairie International Birding Trail website.



## **Public Access**

The District encourages the public to use the District properties for recreation opportunities such as canoeing, hiking, bird watching, photography, horseback riding, fishing, trapping and hunting. No motorized vehicles or boat motors are allowed on the properties.

## **HUNTING**

The District has a public access permit procedure whereby an applicant reads and understands the District's access rules. The rules were developed from citizens within the District and based upon MNDNR hunting regulations, which were edited and approved of by the District Board. There were 160 people that obtained permits to hunt, trap and fish on the District's properties in 2024.

## **PROJECTIONS FOR 2025**

### **Impoundments**

Routine maintenance of existing impoundment will continue.

OCSS (Warren Diversion Impoundment) is planned to receive major structural repair plans and funds from the NRCS. There is no definitive timeline for that as of now.

### **Ditch Maintenance**

The MSTRWD will continue to maintain ditch systems to keep them in good conditions based on District staff inspections and reports received from citizens and based on priorities set forth and on the financial standing of the ditch system.

### **Water Quality**

The 1W1P plan focus on water quality and the information available through WRAPS reports on different sub-watersheds, the District will continue to incorporate Water Quality benefits into the design of its future maintenance, repair and capital improvement projects and measure its progress against the plans using the PTMApp.

### **The Red River Watershed Management Board**

The District will continue to work with the Red Board in constructing flood control projects through the Mediation Agreement of 1998. The MSTRWD is committed to the RRWMB goal of 20% reduction of Red River peak flows from its tributaries into the Red River.

### **Stream Maintenance**

The rivers and streams in the MSTRWD are important to the managing of surface water in the MSTRWD. Therefore, we will continue to assist landowners and agencies in the removal of deadfall trees from the channels, using programs such as Sentence to Serve (STS). The District historically has expended up to \$5,000 per year contracting with STS cleaning rivers and streams.

### **Outreach and Education**

Tours of the PL-566 Richard P Nelson Floodway and Off Channel Storage Site, the Agassiz Valley Water Resources Management Project can be arranged. Trail kiosks installed at Agassiz Valley and Brandt/Angus are available for viewing. To go along with the installation of the kiosks, all of these sites including Angus/Oslo #4 have been designated bird friendly sites mapped out by Pine to Prairie.

### **Drainage Management**

Whether staff and the Board are working on the next flood damage reduction project, a ditch maintenance project or stream debris removal, the District will strive to incorporate its management plan. While the District's funding partners have been an important ally towards improving our natural resources, we anticipate further future opportunities in coordinating approaching projects with fellow agencies.



## DITCH LEVIES

The following page has the list of the 2024 ditch levies for the drainage systems under the jurisdiction of the District and the “Independent Auditors Report” for the year ending December 31, 2024. Once the levies are set, they are given to the Marshall, Pennington and Polk County Auditors.

### 2024 Ditch Levies for Drainage Systems under the Jurisdiction of the MSTRWD

System	County	Portion	Redetermination of Benefits		2024 Levy	
			Year	Benefits	%	(\$)
JD #1	Marshall	13.56%	1993	\$497,195	2.00%	\$9,944
	Polk	86.44%	1992	\$3,168,795	5.00%	\$158,440
WD #2	Marshall	100.00%	1991	\$40,513	4.00%	\$1,621
SD #3	Marshall	100.00%	1958	\$98,435	MAX	\$40,000
WD #4	Marshall	73.33%	1990	\$97,791	6.00%	\$5,867
	Polk	26.67%	1990	\$35,575	6.00%	\$2,135
WD #5	Polk	100.00%	1999	\$2,568,049	0.50%	\$12,840
WD #6	Polk	100.00%	1999	\$1,940,736	0.50%	\$9,704
WD #7	Marshall	58.40%	2000	\$304,504	0.25%	\$761
	Polk	41.60%	2000	\$34,063	11.00%	\$3,747
WD #7 Imp	Marshall	58.40%	2000	\$76,133	0.25%	\$190
	Polk	41.60%	2000	\$54,237	5.50%	\$2,983
JD #14	Marshall	74.92%	2014	\$983,879	4.50%	\$44,275
	Pennington	25.08%	2014	\$329,416	2.50%	\$8,235
JD #15	Marshall	100.00%	1980	\$1,535,665	3.50%	\$53,748
JD #16	Marshall	100.00%	1987	\$929,352	5.00%	\$46,468
JD #17	Marshall	6.48%	1982	\$43,470	3.00%	\$1,304
	Polk	93.52%	1982	\$627,149	1.00%	\$6,271
JD #20	Marshall	100.00%	1985	\$2,354,906	3.60%	\$84,777
JD #21	Marshall	100.00%	1985	\$279,838	6.00%	\$16,790
JD #24	Marshall	72.78%	1990	\$247,353	1.00%	\$2,474
	Polk	27.22%	1990	\$92,494	1.00%	\$925
JD #25-1	Marshall	38.34%	2014	\$388,653	4.00%	\$15,546
	Polk	56.33%	2014	\$571,047	4.00%	\$22,842
JD #25-2	Pennington	5.33%	2014	\$54,032	4.00%	\$2,161
	Marshall	9.21%	1989	\$70,810	8.00%	\$5,665
	Polk	55.66%	1989	\$427,954	8.00%	\$34,236
JD #25-2	Pennington	35.13%	1989	\$270,062	8.00%	\$21,605
JD #28	Marshall	100.00%	1913	\$55,990	MAX	\$40,000
JD #29	Marshall	100.00%	1981	\$2,237,910	2.50%	\$55,948
CD #39	Marshall	100.00%	1990	\$125,681	6.00%	\$7,541
CD #39i	Marshall	100.00%	1996	\$108,466	1.00%	\$1,085
CD #43	Polk	100.00%	1989	\$1,176,137	5.50%	\$64,688
CD #44	Polk	100.00%	1989	\$1,001,112	2.50%	\$25,028
JD #68	Polk	100.00%	1995	\$248,110	2.50%	\$6,203
JD #75	Polk	100.00%	1990	\$3,653,439	3.50%	\$127,870
CD #175	Polk	100.00%	2019	\$1,288,554	0.50%	\$34,069



Photo of the SD #3 Hearing for the Redetermination of Benefits held in Argyle

## **CONCLUSION**

2024 was marked by significant accomplishments for the District. Key highlights include:

- Completion of the State Ditch 3 (SD#3) Redetermination of Benefits, a complex and demanding task successfully carried out by District staff.
- Ongoing maintenance of drainage systems to ensure their efficiency and functionality.
- Continued progress on clean water projects, reinforcing the district's commitment to environmental stewardship.
- Substantial progress in securing grant funding for the Nelson Slough project.
- Execution of a Joint Powers Agreement (JPA) with all project partners, along with securing the necessary permits for the Nelson Slough project.
- Obtaining permits for Phase 1 of the Swift Coulee Channel Restoration Project and Finalizing easement agreements with landowners.
- Successful construction of the Newfolden Impoundment, despite challenging weather conditions.

While we take great pride in these accomplishments, they would not have been possible without the collective efforts of all stakeholders. The success of our projects is a testament to the dedication and collaboration of our board staff, managers, partners, and the broader community in advancing our mission.

## **INDEPENDENT AUDITOR'S REPORT**

Management's Discussion and Analysis

Basic Financial Statements

Notes to Basic Financial Statements

Supplementary Information

Supplementary Statements

Independent Auditor's Report on Legal Compliance



## TABLE OF CONTENTS

	Page
<b>OFFICIALS DIRECTORY (UNAUDITED)</b>	<b>47</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>48</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)</b>	<b>51</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Net Cash Position	55
Statement of Activities Arising from Cash Transactions	56
Statement of Balances Arising from Cash Transactions - Governmental Funds	57
Statement of Cash Receipts, Disbursements and Changes in Fund Balance - Governmental Funds	58
Statement of Net Cash Position- Fiduciary Fund	59
Statement of Changes in Net Cash Position- Fiduciary Fund	60
Notes to the Basic Financial Statements	61
<b>SUPPLEMENTARY INFORMATION</b>	
Budgetary Comparison Schedule - Cash Basis - General Fund	70
Notes to the Budgetary Comparison Schedule	72
Schedule of Fund Balance by Project – Cash Basis	73
<b>INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE</b>	<b>74</b>

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
OFFICIALS DIRECTORY – (UNAUDITED)  
DECEMBER 31, 2024

**BOARD OF MANAGERS**

Bill Petersen	President
Robert Kovar	Vice-President
Brad Blawat	Secretary
Keith Szczepanski	Treasurer
Lein Schiller	Assistant Secretary/Treasurer
Joey McGregor	Manager
Jared Sands	Manager

## INDEPENDENT AUDITOR'S REPORT

Board of Managers  
Middle-Snake-Tamarac Rivers Watershed District  
Warren, Minnesota

### Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of the Middle-Snake-Tamarac Rivers Watershed District as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities and each major fund of the Middle-Snake-Tamarac Rivers Watershed District, as of December 31, 2024, and the respective changes in the cash basis financial position for the year then ended in accordance with the cash basis of accounting described in Note 1.

### Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Middle-Snake-Tamarac Rivers Watershed District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Emphasis of Matter – Basis of Accounting

We 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 accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### Emphasis of Matter – Change in Basis of Accounting

As discussed in Note 2 to the financial statements, the District adopted a change of accounting from modified cash basis to cash basis in the current year. Our opinions are not modified with respect to this matter.



## **Responsibilities of Management 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, and for 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted accounting principles will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Middle-Snake-Tamarac Rivers Watershed District's basic financial statements. The budgetary comparison schedule and schedule of fund balances by project are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule and schedule of fund balances by project are fairly stated in all material respects in relation to the basic financial statements as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the officials directory and the management's discussion and analysis but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

March 25, 2025

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – (UNAUDITED)**  
**DECEMBER 31, 2024**

As management of the Middle-Snake-Tamarac Rivers Watershed District, we offer readers of the Middle-Snake-Tamarac Rivers Watershed District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements following this section.

**FINANCIAL HIGHLIGHTS**

- The net cash position of Middle-Snake-Tamarac Rivers Watershed District at the close of the recent fiscal year was \$4,888,169.
- The District's total net cash position decreased by \$611,515.
- The District's general fund balance increased by \$327,036 and ended the year with a fund balance of \$1,348,571.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis are intended to serve as an introduction to the Middle-Snake-Tamarac Rivers Watershed District basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Basis of Accounting.** The District has elected to present its financial statements on a cash basis of accounting. The cash basis of accounting is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and their related assets and liabilities. Under the District's cash basis of accounting, revenues and expenses are recognized when cash transactions occur.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts and taxes receivable and related revenue not collected yet) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not paid yet) are not recorded in these financial statements. Therefore when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to display information about the Middle-Snake-Tamarac Rivers Watershed District taken as a whole.

Over time, increases or decreases in net position – cash basis may serve as a useful indicator of whether the financial cash position of the Middle-Snake-Tamarac Rivers Watershed District is improving or deteriorating.

The government-wide financial statements can be found on pages 9 and 10 of this report.



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – (UNAUDITED) - CONTINUED**  
**DECEMBER 31, 2024**

**Fund Financial Statements.** The fund financial statements focus on the individual parts of the District. 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. Middle-Snake-Tamarac Rivers Watershed District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's two kinds of funds – governmental and fiduciary – use different accounting principles.

**Governmental Funds**

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 present 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.

Middle-Snake-Tamarac Rivers Watershed District maintains two major governmental funds. Information is presented separately in the governmental fund statement of balances arising from cash transactions and in the governmental fund statement of cash receipts, disbursements, and changes in fund balance for the General Fund and Capital Projects Fund.

The basic governmental fund financial statements can be found on pages 11 through 12 of this report.

**Fiduciary Funds**

These fund types are often used to account for assets that are held in a trustee or fiduciary capacity such as pension plan assets, assets held per trust agreement and similar arrangements.

The fiduciary fund financial statements can be found on pages 13 through 14 of this report.

**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. The notes to the financial statements can be found on pages 15 through 23 of this report.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT'S NET CASH POSITION**

	2024	2023
ASSETS:		
Current assets	\$ 4,888,169	\$ 5,499,684
Total Assets	<u>\$ 4,888,169</u>	<u>\$ 5,499,684</u>
NET CASH POSITION		
Restricted for Capital Projects	\$ 3,539,598	\$ 5,519,735
Unrestricted	<u>1,348,571</u>	<u>(20,051)</u>
Total Net Cash Position	<u>\$ 4,888,169</u>	<u>\$ 5,499,684</u>

At the end of 2024 and 2023, the Middle-Snake-Tamarac Rivers Watershed District is able to report positive balances in net cash position.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – (UNAUDITED) - CONTINUED**  
**DECEMBER 31, 2024**

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT'S CHANGE IN NET CASH POSITION**

Governmental activities resulted in a decrease of \$611,515 of Middle-Snake-Tamarac Rivers Watershed District's net position from the year ended December 31, 2023 to the year ended December 31, 2024. The details of the change are as follows:

	<u>2024</u>	<u>2023</u>
<b>RECEIPTS</b>		
Special assessments and charges for services	\$ 1,158,060	\$ 1,178,889
Capital grants	5,588,965	4,831,622
General revenues:		
Property taxes	1,006,842	744,028
Other intergovernmental	27,243	20,650
Interest	165,875	105,923
Total Receipts	<u>7,946,985</u>	<u>6,881,112</u>
<b>DISBURSEMENTS</b>		
Administration	500,013	470,788
Professional	945,025	892,952
Project Costs	6,902,173	4,723,208
Operations and Miscellaneous	211,289	256,167
Total Disbursements	<u>8,558,500</u>	<u>6,343,115</u>
Change in Net Cash Position	<u>(611,515)</u>	<u>537,997</u>
Net Position - January 1	<u>5,499,684</u>	<u>4,961,687</u>
Net Position - December 31	<u>\$ 4,888,169</u>	<u>\$ 5,499,684</u>

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

At the end of the current fiscal year, Middle-Snake-Tamarac Rivers Watershed District's governmental funds reported combined ending fund balances (cash basis) of \$4,888,169. The total fund balance can be attributed to 1) General Fund, \$1,348,571 and 2) Capital Projects Fund, \$3,539,598.

The general fund increased by \$327,036 in 2024, mainly from an increase of \$212,000 in the general fund levy and higher interest rates leading to more interest income.

The capital projects fund decreased by \$938,551 mainly from expending costs for projects in late 2024 and submitting reimbursement requests to governmental agencies in 2025.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – (UNAUDITED) - CONTINUED**  
**DECEMBER 31, 2024**

**BUDGETARY HIGHLIGHTS**

**General Fund.** The General Fund actual receipts were less than budget by \$21,858 and actual disbursements were under budget by \$365,370 for the year ended December 31, 2024.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

See letter from the chairman.

**ADDITIONAL INFORMATION**

**Requests for Information.** This financial report is designed to provide a general overview of Middle-Snake-Tamarac Rivers Watershed District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Middle-Snake-Tamarac Rivers Watershed District, PO Box 154, Warren, Minnesota or by telephone at (218) 745-4741.



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF NET CASH POSITION**  
**DECEMBER 31, 2024**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	<u>\$ 4,888,169</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 4,888,169</u></u>
<b>NET CASH POSITION</b>	
Restricted for Capital Projects	\$ 3,539,598
Unrestricted	<u>1,348,571</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 4,888,169</u></u>

See Notes to the Basic Financial Statements

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF ACTIVITIES ARISING FROM CASH TRANSACTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

FUNCTION	Disbursements	Program Receipts and Sources		Net Cash Sources (Uses) and Change in Net Cash Position
		Fees, Assessments and Charges for Services	Capital Grants and Contributions	Governmental Activities Total
Governmental Activities:				
Administration	\$ 500,013	\$ -	\$ -	\$ (500,013)
Professional	945,025	-	-	(945,025)
Project costs	6,902,173	980,039	5,588,965	(333,169)
Operations and miscellaneous	<u>211,289</u>	<u>178,021</u>	<u>-</u>	<u>(33,268)</u>
Total Governmental Activities	<u>\$ 8,558,500</u>	<u>\$ 1,158,060</u>	<u>\$ 5,588,965</u>	<u>(1,811,475)</u>
General Receipts:				
Property taxes				1,006,842
Intergovernmental (not restricted for special program)				
MV Credits				27,243
Interest earnings				<u>165,875</u>
Total General Receipts				<u>1,199,960</u>
Changes in Net Cash Position				(611,515)
Net Cash Position, January 1				<u>5,499,684</u>
Net Cash Position, December 31				<u>\$ 4,888,169</u>

See Notes to the Basic Financial Statements

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2024**

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 1,348,571	\$ 3,539,598	\$ 4,888,169
 <b>TOTAL ASSETS</b>	 <u>\$ 1,348,571</u>	 <u>\$ 3,539,598</u>	 <u>\$ 4,888,169</u>
 <b>CASH FUND BALANCE</b>			
Restricted for capital projects	\$ -	\$ 3,539,598	\$ 3,539,598
Unassigned	<u>1,348,571</u>	<u>-</u>	<u>1,348,571</u>
 <b>TOTAL CASH FUND BALANCE</b>	 <u>\$ 1,348,571</u>	 <u>\$ 3,539,598</u>	 <u>\$ 4,888,169</u>

See Notes to the Basic Financial Statements

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Total</u>
RECEIPTS			
Taxes	\$ 430,381	\$ 576,461	\$ 1,006,842
Special assessments	-	980,039	980,039
Intergovernmental:			
Federal	-	6,467	6,467
State	11,913	5,329,377	5,341,290
RRWMB	-	244,209	244,209
County	-	24,242	24,242
Interest	128,442	37,433	165,875
Other	906	177,115	178,021
TOTAL RECEIPTS	<u>571,642</u>	<u>7,375,343</u>	<u>7,946,985</u>
DISBURSEMENTS			
Administration	39,565	460,448	500,013
Professional	110,508	834,517	945,025
Project costs	-	6,902,173	6,902,173
Operations and miscellaneous	94,533	116,756	211,289
TOTAL DISBURSEMENTS	<u>244,606</u>	<u>8,313,894</u>	<u>8,558,500</u>
Receipts Over (Under) Disbursements	327,036	(938,551)	(611,515)
Cash Fund Balance (Deficit) - January 1	<u>1,021,535</u>	<u>4,478,149</u>	<u>5,499,684</u>
Cash Fund Balance (Deficit) - December 31	<u>\$ 1,348,571</u>	<u>\$ 3,539,598</u>	<u>\$ 4,888,169</u>

See Notes to the Basic Financial Statements



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF NET CASH POSITION**  
**FIDUCIARY FUND**  
**DECEMBER 31, 2024**

	<u>Custodial Fund</u>
ASSETS	
Cash	<u>\$ 16,917</u>
 NET CASH POSITION	
Restricted for Red River Watershed Management Board	<u>\$ 16,917</u>
TOTAL NET CASH POSITION	<u>\$ 16,917</u>

See Notes to the Basic Financial Statements

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**STATEMENT OF CHANGES IN NET CASH POSITION**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Custodial Fund</u>
ADDITIONS	
Taxes	
Kittson County	\$ 3,558
Marshall County	450,932
Pennington County	16,214
Polk County	85,814
Roseau County	691
Intergovernmental	
MV credits	<u>15,330</u>
TOTAL ADDITIONS	<u>572,539</u>
DEDUCTIONS	
Red River Watershed Management Board	<u>562,477</u>
TOTAL DEDUCTIONS	<u>562,477</u>
CHANGE IN NET POSITION	10,062
NET POSITION - BEGINNING	<u>6,855</u>
NET POSITION - ENDING	<u><u>\$ 16,917</u></u>

See Notes to the Basic Financial Statements

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

The Middle-Snake-Tamarac Rivers Watershed District, (the "District") was established under the Minnesota Watershed Act as an agency of the State of Minnesota. The purpose of the District is to carry out conservation of the natural resources of the State of Minnesota through land utilization, flood control, and other needs upon sound scientific principles for the protection of the public health and welfare and the provident use of natural resources. The District serves an area in Northwestern Minnesota. The District is governed by the Board of Managers, which is composed of seven members appointed by the county boards in accordance with Minnesota Statutes.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are presented on a cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements are followed.

**Reporting Entity**

The financial statements of the District include all organizations, funds and account groups over which the Board of Managers exercises significant influence or financial accountability. The District uses criteria established by GASB in determining financial accountability, which includes: the District's appointment of an entity's governing board; ability of the District to impose its will on that entity; or the potential for the entity to provide specific financial benefits or financial burdens on the District. Currently, the District does not have any component units.

**Basis of Presentation**

*Government-Wide Financial Statements*

The Statement of Net Cash Position and Statement of Activities Arising From Cash Transactions display information about the reporting government taken as a whole. They include all funds of the reporting entity except any fiduciary funds. The statements distinguish between governmental and business-type activities (if any). The District displays all operations as governmental activities, because governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange receipts.

*Fund Financial Statements*

Fund financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues (receipts) and expenditures (disbursements). Funds are typically organized into three categories: governmental, fiduciary and proprietary. The District currently has no proprietary funds.

An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

Total assets, liabilities, revenues (receipts) or expenditures (disbursements) of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that type, AND

Total assets, liabilities, revenues (receipts) or expenditures (disbursements) of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

*Governmental Funds*

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.

Capital Projects Fund

The capital projects fund is used to account for the financial resources to be used for the acquisition or construction of capital projects. The reporting entity includes the capital projects fund as a major fund.

*Fiduciary Fund*

Custodial Fund

The custodial fund accounts for assets held by the District in a purely custodial capacity on behalf of the Red River Watershed Management Board. Since this fund is custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. This fund is used to account for property taxes levied by the District and submitted to the Red River Watershed Management Board.

**Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe the recognition of revenues and expenditures within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

*Measurement Focus*

In the government-wide Statement of Net Cash Position and Statement of Activities Arising From Cash Transactions, governmental activities are presented using the economic resources measurement focus, within the limitations of the 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



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.

*Basis of Accounting*

In the government-wide Statement of Net Cash Position and Statement of Activities Arising From Cash Transactions, governmental activities are presented using the cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues and expenditures when they result from cash transactions, therefore revenues and expenditures are referred to as receipts and disbursements, respectively. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or unbilled services provided in current year) and certain liabilities and their related expense (such as accounts payable, unpaid goods or services received in the current year and accrued expenses) 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 and the government-wide financials would be presented on the accrual basis of accounting.

**Budgets**

The budget is prepared using the same method of accounting as the financial statements. The annual adopted budget is not legally binding to the District, with the exception of the budget for the levy in the administrative fund, which is limited by state statute at \$500,000 and set by the Board for 2024 at \$462,000.

**Revenues**

In the Statement of Activities Arising From Cash Transactions, cash basis revenues (receipts) that are derived directly from each activity or from parties outside the District's taxpayers are reported as program revenues. The District has the following program revenues: direct project cost reimbursements and project special assessments, rental income and operating and capital grants specific to projects. All other governmental revenues and general tax levies are classified as general revenue.

**Property Taxes**

The District levies property taxes on property owners within the District, which is set by the Board in September and are certified to the County for collection in the subsequent year. In Minnesota, counties act as collection agents for all property taxes.

The approved levy becomes an enforceable lien as of January 1 in the subsequent year. Property taxes may be paid by taxpayers in two equal installments on May 15 and October 15 (November 15 for farm property). The counties typically provide tax settlements to the District in January, June and December. Property taxes are recognized when received from the counties under the cash basis of accounting.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

The District also levies special assessments through the counties against property owners who obtain direct benefits from projects or property owners who request, through the petition process, to have a project undertaken. The special assessment collections are recorded in a manner similar to that for property taxes.

### **Cash and Investments**

Cash balances from all funds are pooled and invested to the extent available in authorized investments authorized by Minnesota statutes. Earnings from such investments are allocated to the respective funds on the basis of average cash balance participation by each fund. It is the policy of the District in which funds with deficit averages are not charged with the investment earnings lost in financing the deficits.

### **Equity**

In the government-wide financial statements, equity is classified as “net position” and displayed in two components:

Restricted Net Position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

### **Cash Fund Balance**

In the governmental fund financial statements, cash fund balances are classified as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable cash fund balance represents a portion of fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted cash fund balance represents a portion of fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed cash fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority which is the Board of Managers through an ordinance or resolution.

Assigned cash fund balance represents amounts constrained by the government’s intent to be used for specific purposes, but neither restricted nor committed.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

Unassigned cash fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and not restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it would be necessary to report a negative unassigned fund balance.

The first priority is to utilizing the restricted before unrestricted fund balance when both are available. Committed funds will be considered spent first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used like assigned or unassigned.

**Interfund Balances**

In the process of aggregating the fund information for the government-wide Statement of Net Cash Position and Statement of Activities Arising From Cash Transactions, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

**NOTE 2 CHANGE IN ACCOUNTING PRINCIPLE**

In 2024, the District elected to change from a modified cash basis of accounting to a cash basis of accounting. These financial statements are presented on a cash basis of accounting. No changes to the beginning balances were needed to reflect this change. This basis of accounting differs from the accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

**NOTE 3 CASH**

Minnesota Statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC (140% if collateralized with notes secured by first mortgages and 100% if secured by a letter of credit).

At December 31, 2024, the District's carrying amount of deposits was \$4,905,086 and the bank balance was \$4,986,298. All of the deposits were covered by Federal Depository Insurance or with securities held by the pledging financial institution's agent in the government's name.

**Interest Rate Risk**

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

**Credit Risk**

The District is authorized by Minnesota Statutes to invest in the following: direct obligations or obligations guaranteed by the federal government or its agencies; share of investment companies registered under the Federal Investment Company Act of 1940 and is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better, general obligations of Minnesota Housing Finance Agency rated “A” or better; commercial paper issued by United States’ corporations or their Canadian subsidiaries, of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank or insurance company, domestic branch of a foreign bank and with a credit quality in one of the top two highest categories; repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The District has no investment policy that would further limit its investment choices.

**Custodial Risk**

The District does not have a formal policy that would limit the amount invested in any single financial institution.

**NOTE 4    DEFINED BENEFIT PENSION PLANS – STATEWIDE**

**A.    Plan Description**

The District participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan’s financial reporting requirements. PERA’s defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

**B.    Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is “vested,” they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

### **C. Contributions**

*Minnesota Statutes* chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the District was required to contribute 7.50 percent for General Plan members. The District's contributions to the General Employees Fund for the year ended December 31, 2024, were \$27,253. The District's contributions were equal to the required contributions as set by state statute.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the General Employees Plan. That report may be obtained on PERA's website at [www.mnpera.org](http://www.mnpera.org).

## **NOTE 5 CONTINGENCIES**

### **Grants**

The District participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of money received may be required and the collectability of any related receivable at December 31, 2024, may be

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

impaired. The District is not aware of any significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

**Claims and Litigation**

The District may be involved in some legal actions relating to projects undertaken or attempted to be undertaken. Although the outcomes cannot be determined, the District believes any potential liability would not have a material impact on the financial condition of the District.

**NOTE 6 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries insurance for risks of loss considered necessary, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 7 DEFICIT FUND BALANCES**

The following capital projects had deficit fund balances as of December 31, 2024:

<u>Fund</u>	<u>Project</u>	<u>Total</u>
Capital Projects	Agassiz Valley	\$ (68,087)
Capital Projects	Angus-Oslo #1	(605)
Capital Projects	Angus-Oslo #4	(8,373)
Capital Projects	Brandt/Angus	(149,177)
Capital Projects	Lilac Ridge WMP	(16,347)
Capital Projects	PL-566	(153,304)
Capital Projects	Newfolden/Middle River FPZ	(2,244,005)
Capital Projects	JD #21	(11,408)
Capital Projects	JD #25-2	(5,819)
Capital Projects	JD #75	(140,788)
Capital Projects	WD #4	(2,819)
Capital Projects	WD #8	(1,333)
Capital Projects	SD #3	(379,060)
Capital Projects	CD #43	(84,968)

The deficits are expected to be eliminated through future receipts or transfers.

**NOTE 8 CONSTRUCTION COMMITMENTS**

The District had approximately \$1,000,000 in construction commitments for capital projects as of December 31, 2024.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2024**

**NOTE 9 NEW PRONOUNCEMENTS**

GASB Statement No. 102, *Certain Risk Disclosures*, requires entities to disclose critical information about their exposure to risks due to certain concentrations or limitations that could lead to financial distress or operational challenges. This statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*, revises the requirements for management's discussion and analysis with the goal of making it more readable and understandable, requires unusual or infrequent items to be presented separately, defines operating and nonoperating revenues, includes a new section for noncapital subsidies for proprietary funds' statement of revenues, expenses and changes in net position, removes the option to disclose major component information in the notes and requires them to be shown individually or in combine financial statements following the fund financial statements and requires budgetary comparisons to be presented as RSI with new columns for variances between original-to-final budget and final budget-to-actual results. This statement is effective for fiscal years beginning after June 15, 2025.

Management has not yet determined what effect these statements will have on the District's financial statements.

**NOTE 10 SUBSEQUENT EVENTS**

The District has signed a contract for an office remodel for approximately \$650,000. Subsequent events have been evaluated through March 25, 2025 which is the date these financial statements were available to be issued.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE – CASH BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Original & Final Budgeted Amounts	Actual Amounts	Final Budget to Actual Variance
<b>RECEIPTS</b>			
Property taxes:			
Kittson County	\$ 2,898	\$ 2,727	\$ (171)
Marshall County	376,026	347,417	(28,609)
Pennington County	12,922	12,600	(322)
Polk County	69,540	66,340	(3,200)
Roseau County	614	529	(85)
Total property taxes	<u>462,000</u>	<u>429,613</u>	<u>(32,387)</u>
Intergovernmental:			
State:			
Other state aid	-	11,913	11,913
Total Intergovernmental	<u>-</u>	<u>11,913</u>	<u>11,913</u>
Other:			
In Lieu of Taxes	1,500	768	(732)
Interest	2,000	128,442	126,442
Reimbursed Expenses and Miscellaneous:	128,000	906	(127,094)
Total Other	<u>131,500</u>	<u>130,116</u>	<u>(1,384)</u>
TOTAL RECEIPTS	<u>593,500</u>	<u>571,642</u>	<u>(21,858)</u>
<b>DISBURSEMENT</b>			
Administrative Personnel Costs:			
Salaries	525,000	389,597	(135,403)
Managers Expense	35,000	8,895	(26,105)
Employee Benefits	-	65,797	65,797
Payroll Costs	6,000	37,765	31,765
Total Administrative Personnel Costs	<u>566,000</u>	<u>502,054</u>	<u>(63,946)</u>
Professional:			
Accounting	12,000	13,250	1,250
Consulting	-	7,600	7,600
Engineering	-	55,360	55,360
Legal	13,000	34,298	21,298
Total Professional	<u>25,000</u>	<u>110,508</u>	<u>85,508</u>

See Notes to the Budgetary Comparison Schedule



**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE – CASH BASIS**  
**GENERAL FUND – CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Original & Final Budgeted Amounts	Actual Amounts	Final Budget to Actual Variance
Operations:			
Insurance	\$ 26,000	\$ 25,840	\$ (160)
Dues	7,000	-	(7,000)
Printing and Advertising	6,000	4,375	(1,625)
Supplies & Miscellaneous	12,000	28,491	16,491
Telephone	7,500	3,381	(4,119)
Vehicle Expense	20,000	11,455	(8,545)
Postage	1,500	2,277	777
Miscellaneous	700	637	(63)
Property Taxes	150	74	(76)
Total Operations	<u>80,850</u>	<u>76,530</u>	<u>(4,320)</u>
Facilities:			
Maintenance	145,333	13,581	(131,752)
Utilities	6,500	4,422	(2,078)
Total Operations	<u>151,833</u>	<u>18,003</u>	<u>(133,830)</u>
Projects and Stream Maintenance	<u>28,867</u>	<u>-</u>	<u>(28,867)</u>
<b>TOTAL DISBURSEMENTS</b>	<u>852,550</u>	<u>707,095</u>	<u>(145,455)</u>
Less: Allocated Expenses	<u>(390,550)</u>	<u>(462,489)</u>	<u>174,322</u>
Net Total Disbursements	<u>462,000</u>	<u>244,606</u>	<u>(217,394)</u>
Excess Receipts Over Disbursements	131,500	327,036	195,536
Cash Fund Balance, January 1	<u>1,021,535</u>	<u>1,021,535</u>	<u>-</u>
Fund Balance, December 31	<u><u>\$ 1,153,035</u></u>	<u><u>\$ 1,348,571</u></u>	<u><u>\$ 195,536</u></u>

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**NOTES TO THE BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 – BUDGETARY COMPARISON**

The budget is prepared using the same method of accounting as the financial statements. The budget presented for the general fund is presented in accordance with the cash basis of accounting. All appropriations lapse at year-end.

The budget is adopted through passage of a resolution by the board. Administration can authorize the transfer of budgeted amounts with the general fund. The State imposed an administrative budget limit of watershed districts of \$500,000. Any revisions that alter total expenditures must be approved by the Board of Managers.

**MIDDLE-SNAKE-TAMARAC RIVERS WATERSHED DISTRICT**  
**SCHEDULE OF FUND BALANCES BY PROJECT- CASH BASIS**  
**DECEMBER 31, 2024**

	Fund Balance 1/1/2024	Receipts and Other Sources					Disbursements					Transfers	Fund Balance 12/31/2024
		Taxes and Special Assessments	Capital & Operating Grants	Other Receipts	Interest	Total	Administrative	Professional	Project Costs	Operations & Miscellaneous	Total		
<b>GENERAL FUND:</b>													
Administrative	\$ 1,021,535	\$ 430,381	\$ 11,913	\$ 906	\$ 128,442	\$ 571,642	\$ 39,565	\$ 110,508	\$ -	\$ 94,533	\$ 244,606	\$ -	\$ 1,348,571
<b>CAPITAL PROJECTS FUND:</b>													
Administrative Construction	2,997,534	557,209	1,041,441	1,224	16,770	1,616,644	135,522	17,526	108,781	-	261,829	(277,037)	4,075,312
Agassiz Valley	(35,464)	-	-	10,063	-	10,063	4,527	-	31,887	6,272	42,686	-	(68,087)
Angus-Oslo #1	(407)	-	-	1,877	-	1,877	1,297	-	-	778	2,075	-	(605)
Angus-Oslo #4	5,959	-	-	31,192	-	31,192	4,885	-	24,015	16,624	45,524	-	(8,373)
Brandt/Angus	(22,128)	-	-	49,976	-	49,976	12,642	21,172	124,998	18,213	177,025	-	(149,177)
Lilac Ridge WMP	(9,789)	-	7,437	-	-	7,437	2,038	11,957	-	-	13,995	-	(16,347)
March Impoundment	100,751	-	6,467	45,307	-	51,774	1,149	-	13,497	5,497	20,143	-	132,382
Nelson Slough	336,971	-	20,347	-	-	20,347	16,838	265,088	-	-	281,926	-	75,392
PL-566	(141,176)	19,252	-	31,038	9,914	60,204	5,573	1,669	46,666	18,424	72,332	-	(153,304)
Riparian Aid	239,694	-	24,242	-	-	24,242	3,430	275	-	-	3,705	-	260,231
Newfolden/Middle River FPZ	342,901	-	3,315,617	-	-	3,315,617	26,551	249,593	5,625,539	840	5,902,523	-	(2,244,005)
Swift Coulee	(222,582)	-	1,188,742	-	5,464	1,194,206	29,512	150,171	119,316	-	298,999	-	672,625
<b>Judicial Ditch Maintenance:</b>													
JD # 1	23,336	167,304	-	-	530	167,834	8,284	11,467	18,651	-	38,402	-	152,768
JD # 14	61,447	63,516	-	3,533	297	67,346	21,989	2,072	52,659	-	76,720	-	52,073
JD # 15	68,427	51,759	-	2,780	82	54,621	16,934	16,676	211,673	-	245,283	123,521	1,286
JD # 16	40,792	44,842	-	-	249	45,091	6,476	413	6,034	-	12,923	-	72,960
JD # 17	63,168	7,595	-	-	213	7,808	618	-	202	-	820	-	70,156
JD # 20	6,458	80,124	-	-	251	80,375	7,421	-	7,263	-	14,684	-	72,149
JD # 21	6,784	17,088	-	-	27	17,115	5,652	-	29,655	-	35,307	-	(11,408)
JD # 24	40,190	3,056	-	-	126	3,182	314	-	2,764	-	3,078	-	40,294
JD # 25-1	57,584	39,339	-	-	273	39,612	1,922	-	12,871	-	14,793	-	82,403
JD # 25-2	(20,763)	69,105	-	-	68	69,173	5,001	-	20,059	29,169	54,229	-	(5,819)
JD # 28	19,107	40,058	-	-	153	40,211	16,239	-	17,158	-	33,397	-	25,921
JD # 29	107,027	53,246	-	-	452	53,698	4,993	-	21,409	-	26,402	-	134,323
JD # 68	7,659	6,015	-	-	35	6,050	443	-	3,977	-	4,420	-	9,289
JD # 75	53,233	126,080	-	-	93	126,173	23,372	37,034	259,788	-	320,194	-	(140,788)
Total Judicial Ditch Maint:	534,449	769,127	-	6,313	2,849	778,289	119,658	67,662	664,163	29,169	880,652	123,521	555,607
<b>Watershed Ditch Maintenance:</b>													
WD # 2	5,014	1,623	-	-	19	1,642	96	-	577	-	673	-	5,983
WD # 4	(9,603)	7,115	-	-	12	7,127	343	-	-	-	343	-	(2,819)
WD # 5	353,390	17,458	-	-	1,078	18,536	3,480	-	27,975	-	31,455	-	340,471
WD # 6	274,058	10,319	-	-	809	11,128	2,809	-	32,827	-	35,636	-	249,550
WD # 7	33,165	4,115	-	-	108	4,223	779	-	3,036	-	3,815	-	33,573
WD # 7 IMP	33,843	3,128	-	-	106	3,234	97	-	3,703	-	3,800	-	33,277
WD # 8	-	-	-	-	-	-	1,333	-	-	-	1,333	-	(1,333)
Unapportioned	29,071	-	-	125	(125)	-	-	-	-	-	-	-	29,071
Total Watershed Ditch Maint:	718,938	43,758	-	125	2,007	45,890	8,937	-	68,118	-	77,055	-	687,773
<b>County and State Ditch Maintenance:</b>													
SD # 3	(456,111)	39,074	-	-	(3,338)	35,736	60,714	25,227	26,260	-	112,201	153,516	(379,060)
CD # 39	19,372	7,500	-	-	81	7,581	1,560	-	319	-	1,879	-	25,074
CD # 39 IMP	10,522	1,380	-	-	36	1,416	-	-	-	-	-	-	11,938
CD # 43	(74,897)	62,608	-	-	(335)	62,273	13,153	16,905	32,310	9,976	72,344	-	(84,968)
CD # 44	18,665	23,395	-	-	108	23,503	1,997	-	2,854	9,662	14,513	-	27,655
CD # 175	114,947	33,199	-	-	3,877	37,076	10,465	7,272	13,450	1,301	32,488	-	119,535
Total County and State Ditch Maint:	(367,502)	167,156	-	-	429	167,585	87,889	49,404	75,193	20,939	233,425	153,516	(279,826)
Total Capital Project Fund	4,478,149	1,556,502	5,604,293	177,115	37,433	7,375,343	460,448	834,517	6,902,173	116,756	8,313,894	-	3,539,598
<b>TOTAL</b>	<b>\$ 5,499,684</b>	<b>\$ 1,986,883</b>	<b>\$ 5,616,206</b>	<b>\$ 178,021</b>	<b>\$ 165,875</b>	<b>\$ 7,946,985</b>	<b>\$ 500,013</b>	<b>\$ 945,025</b>	<b>\$ 6,902,173</b>	<b>\$ 211,289</b>	<b>\$ 8,558,500</b>	<b>\$ -</b>	<b>\$ 4,888,169</b>

## INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Managers  
Middle-Snake-Tamarac Rivers Watershed District  
Warren, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America the cash basis financial statements of the governmental activities and each major fund of the Middle-Snake-Tamarac Rivers Watershed District, as of and for the year ended December 31, 2024, and the related notes to the financial statements, and have issued our report thereon dated March 25, 2025. Middle-Snake-Tamarac Rivers Watershed District prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### Legal Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

### Purpose of the Report

The report is intended solely for the information and use of those charged with governance and management of Middle-Snake-Tamarac Rivers Watershed District and the State Auditor and is not intended to be and should not be used by anyone other than those specified parties.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

March 25, 2025