



2018 Annual Report

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Acronyms

1W1P	One Watershed, One Plan	MOU	Memorandum of Understanding
BRRWD	Buffalo-Red River Watershed District	MPCA	Minnesota Pollution Control Agency
BWSR	Board of Water & Soil Resources	M.S.A.	Minnesota Statutes Annotated
C.D.	County Ditch	NRCS	Natural Resources Conservation Service
COE	Army Corps of Engineers	nre	natural resource enhancement
CPA	Certified Public Accountant	PE	Professional Engineer
C.R.	County Road	PRAP	Performance Review and Assistance Program
CREP	Conservation Reserve Enhancement Program	PT	Mediation Project Team
CSAH	County State Aid Highway	RRBC	Red River Basin Commission
CWF	Clean Water Fund	RRBFDRWG	Red River Basin Flood Damage Reduction Work Group
DNR	Minnesota Department of Natural Resources	RRWMB	Red River Watershed Management Board
EPA	Environmental Protection Agency	R/W	Right-of-Way
EQIP	Environmental Quality Incentive Program	RWMP	Revised Watershed Management Plan
fdr	flood damage reduction	SWCD	Soil & Water Conservation District
FEMA	Federal Emergency Management Agency	T.H.	Trunk Highway
FIS	Flood Insurance Study	TMDL	Total Maximum Daily Load
FM DA	Fargo-Moorhead Diversion Authority	USGS	United States Geographical Survey
FY	Fiscal Year	WMD	Water Management District
HEI	Houston Engineering, Inc.	WRAPS	Watershed Restoration and Protection Strategy
IWI	International Water Institute	WRMP	Water Resource Management Project
J.D.	Judicial Ditch	WRP	Wetland Reserve Program
JPA	Joint Powers Agreement		
LCCMR	Legislative-Citizen Commission on Minnesota Resources		
LOMR	Letter of Map Revision		
LSOHC	Lessard-Sams Outdoor Heritage Council		
MAWD	Minnesota Association of Watershed Districts		

Letter from the President

I took over as Board President in January, following Gerry van Amburg's tenure of 17 years as President. Gerry has been a BRRWD manager for 33 years. Gerry's legacy of Board leadership leaves us in a great position to continue managing water and related natural resources in the best interests of the residents of the District. It goes without saying that the Watershed had another busy year in 2018. It seems like every year is busier than the last. We were busy with people issues, administrative issues, and the day-to-day task of carrying out our mission.

In December, our administrator, Bruce Albright, was recognized by the Minnesota Association of Watershed Districts with a Lifetime Achievement Award—well done and well deserved. Bruce has been with BRRWD for 40 years. The Watershed added an Assistant Administrator position, which was filled internally by Kathleen Fenger--it's good to take advantage of her knowledge of the Watershed and natural resources management, as she has worked with BRRWD for 3 years. One of the Watershed's long-time friends, Arvid Thompson, retired after serving as a Viewer/Appraiser for 29 years and as an Advisory Committee member for 35 years. We will miss Arvid's insights, experience, local knowledge, and fishing stories! We added Sally Casey, rural Glyndon, to the Watershed's Citizen's Advisory Board. Sally has a graduate degree in river hydrology and should be an excellent addition to the Advisory Board.

The Watershed began work on two major administrative issues in 2018. First, we are one of nine partners in the Buffalo-Red One-Watershed-One-Plan effort involving the four counties (Clay, Becker, Wilkin, and Otter Tail) and their respective SWCDs to write a 10-year plan for the entire 1780 square mile watershed. 1W1P is a state-level initiative and is supported in large part by a grant from Minnesota's Board of Water and Soil Resources. Secondly, after 40 years, and circumstances required, it was time to upgrade our Watershed *Rules*, which were first developed in 1979. The rule change was brought about by having to include a section on buffer strips, as mandated by the State in 2016; and by having to include a section on patterned tile drainage, something that was unknown in the Watershed in 1979. Our *Rules* went from two sides of one page to a draft (for approval in 2019) of over 30 pages.

A long-awaited project to restore Wolverton Creek started this year and is expected to be completed in 2019. The Board had discussions of several other much needed projects similar to Wolverton Creek restoration, which we hope to accomplish soon. A good deal of Watershed time and energy was also spent bringing the Watershed into compliance with Minnesota's Buffer Law, which requires a one rod (16.5 foot) vegetated buffer. BRRWD has more than 80 public ditches, totaling more than 543 miles! Those buffers will provide numerous water quality and natural resources benefits. We also approved 90 permits for work around the Watershed ranging from installing subsurface tile, to replacing culverts, to permitting utility line crossings of our ditches, and more.

Please read more details about all of what BRRWD is doing at our website: www.brrwd.org. We look forward to another busy and productive year in 2019.

Jay A. Leitch, President
Buffalo-Red River Watershed District

Office Location and Hours

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



Meetings

The Board holds regular business meetings on the second and fourth Monday of each month, starting at 7:00 PM in the BRRWD office. The Annual Meeting is held in January and the Annual Budget Hearing is held in August. Regular meetings are open to the public. In 2018, the BRRWD held 24 business meetings. Minutes for each of these meetings are available at www.brrwd.org.

<i>January 8, 2018-Annual Meeting</i>	<i>April 23, 2018</i>	<i>August 27, 2018-Budget Hearing</i>
<i>January 22, 2018</i>	<i>May 14, 2018</i>	<i>September 10, 2018</i>
<i>February 8, 2018-Special</i>	<i>May 29, 2018</i>	<i>September 24, 2018</i>
<i>February 12, 2018</i>	<i>June 11, 2018</i>	<i>October 9, 2018</i>
<i>February 26, 2018</i>	<i>June 25, 2018</i>	<i>October 22, 2018</i>
<i>March 12, 2018</i>	<i>July 9, 2018</i>	<i>November 12, 2018</i>
<i>March 26, 2018</i>	<i>July 23, 2018</i>	<i>November 26, 2018</i>
<i>April 9, 2018</i>	<i>August 13, 2018</i>	<i>December 10, 2018</i>

2018 Annual Report Summary

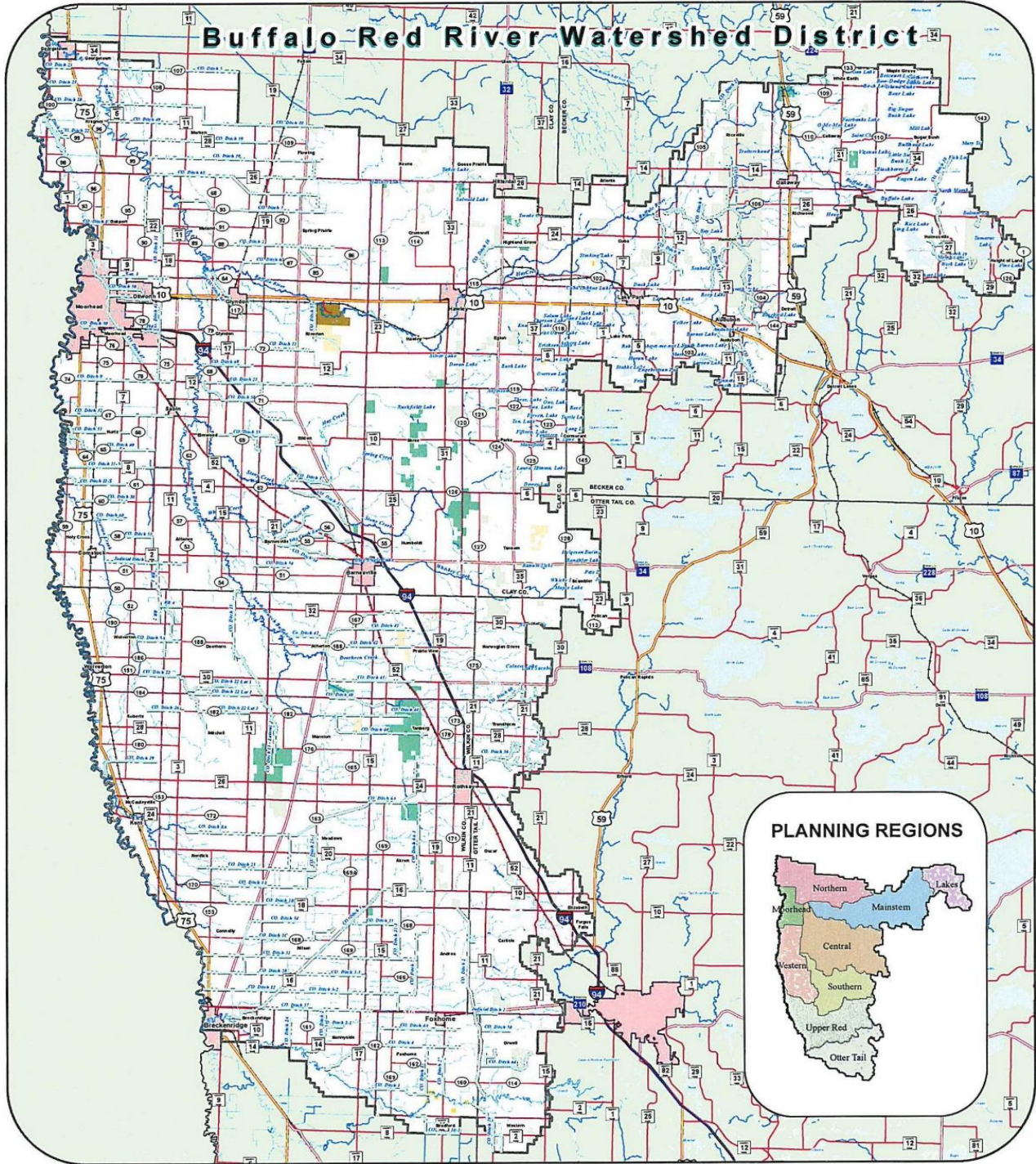
Pursuant to *M.S.A. 103D.351*, we hereby submit the 2018 Annual Report of the Buffalo-Red River Watershed District. The Report contains a summary of the District's activities, projects, and programs for the past year and includes a summary of the District's financial condition/audit. The BRRWD's Mission Statement is "to alleviate flooding and to manage the water resources of the District in a manner that best protects this valuable resource." This Annual Report reflects the Board of Managers' commitment toward serving the residents of the BRRWD to provide efficient management of our water resources. The BRRWD is focused on providing the leadership and resources needed to fulfill these water management goals and objectives. A summary of the BRRWD's goals, as stated the 2010 RWMP, include:

- ◆ Opportunistically manage floodplains for multiple, non-development use
- ◆ Minimize existing and future potential damages to property, public safety, and water resources due to flood events in urban and agricultural areas
- ◆ Manage legal drainage systems in accordance with *M.S.A. 103E*, while recognizing the need for agricultural drainage and sensitivity to environmental concerns
- ◆ Maintain and, where practical, improve the water quality of rivers, streams, lakes, and groundwater resources within the District
- ◆ Manage the quantity and quality of wetlands within the watershed for their best function in a rapidly changing landscape
- ◆ Participate in the restoration, conservation, and protection of key areas providing unique ecological values and recreational opportunities
- ◆ Pursue a sustainable balance between surface water management, land use activities, and groundwater integrity
- ◆ Facilitate the use of erosion and sediment control practices to reduce the impacts to channel stability, water quality, and wetlands from sedimentation
- ◆ Heighten the awareness of key constituencies within the District, sufficient to modify behavior to improve the recognition of Water Management through implementation of District policies, programs, and activities
- ◆ Use District funds to initiate or support long-range work plan programs, projects, and activities to improve the resources of the District
- ◆ Collect and manage data in a manner that maximizes the availability to, and use by, constituents of the District and enhances decision-making

Watershed Description

Established in 1960, the BRRWD covers an area of approximately 1,780 square miles in Clay, Becker, Otter Tail, and Wilkin Counties. The principal watercourse is the Buffalo River, located in parts of Becker and Clay Counties. The South Branch of the Buffalo River is a tributary to the Buffalo River and is located in parts of Clay, Wilkin, and Otter Tail Counties. Tributaries to the South Branch include Stony Creek, Hay Creek, Whisky Creek, and Deerhorn Creek. Other major tributaries to the Buffalo River include Hay Creek, east of Hawley, and Becker C.D. No. 15, north of Audubon. Direct tributaries to the Red River of the North include Wolverton Creek, located in parts of Wilkin and Clay Counties; Whiskey Creek near Kent, MN, in Wilkin County; and the Otter Tail River, downstream of Orwell Dam to Breckenridge, MN, in Otter Tail and Wilkin Counties.

BRRWD Map



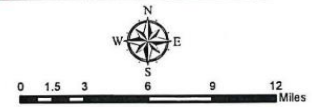
PLANNING REGIONS



Legend

- State Land**
 - State Park
 - Scientific Natural Area
 - Wildlife Management Area
 - Bureau of Land Management
 - U.S. Fish & Wildlife Service
- Federal Land**
- BRRWD Legal Boundary
- County Boundary
- Municipality
- Township

- Water Features**
 - Centerline (River)
 - Stream (Perennial)
 - Drainage Ditch (Perennial)
 - Stream (Intermittent)
 - Drainage Ditch (Intermittent)
 - Waterbody



District Base Map						
Scale: AS SHOWN	Drawn by: GSK	Checked by:	Project No: 1915-000	Date: 7/6/2014	Sheet:	
Houston Engineering Inc. 1201 21st Avenue North • Fargo, ND 58102						

District History

The BRRWD, formerly known as the South Buffalo Watershed District, was established on August 31, 1960, and covered approximately 344 square miles in Clay, Otter Tail, and Wilkin Counties (primarily the South Branch of the Buffalo River watershed). Following a severe summer flood in 1975, it became apparent that any rational approach to address flooding needed to include all the area contributing runoff to the Buffalo River. By Order, dated September 17, 1976, the State of Minnesota expanded the District and changed the name to the Buffalo-Red River Watershed District. The same Order expanded the representation on the Board of Managers. The newly formed Board of Managers adopted their first Overall Plan on January 9, 1978 and submitted the plan to BWSR for approval. BWSR approved the Overall Plan on July 26, 1978. The most recent RWMP was approved by BWSR on June 23, 2010. In 2011, Wilkin and Otter Tail Counties petitioned BWSR to expand the BRRWD to include lands within the pre-expansion south border of the BRRWD and the Bois de Sioux Watershed District. By Order of BWSR on April 25, 2012, the State of Minnesota expanded the BRRWD to its current size. The same Order expanded the representation on the Board of Managers to include seven Managers: three from Clay County, two from Wilkin County, one from Becker County, and one from Otter Tail County.

Board of Managers

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



Jay A. Leitch
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Clay County

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Staff and Consultants

Administrator

Bruce E. Albright

Assistant Administrator

Kathleen K. Fenger
(7/23/18)

Consulting Engineer

Erik S. Jones, PE
Houston Engineering, Inc.

Civil Engineering Technician

Wade S. Opsahl

Senior Administrative Assistant

Julie M. Jerger

Administrative Assistant

Danielle E. Scheffler
(left 4/20/18)

Administrative Assistant

Katie H. Melquist
(left 10/17/18)



Lobbyist

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Auditor

Harold J. Rotunda, CPA
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Consulting Attorney

Tami L. Norgard
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Rules and Bylaws

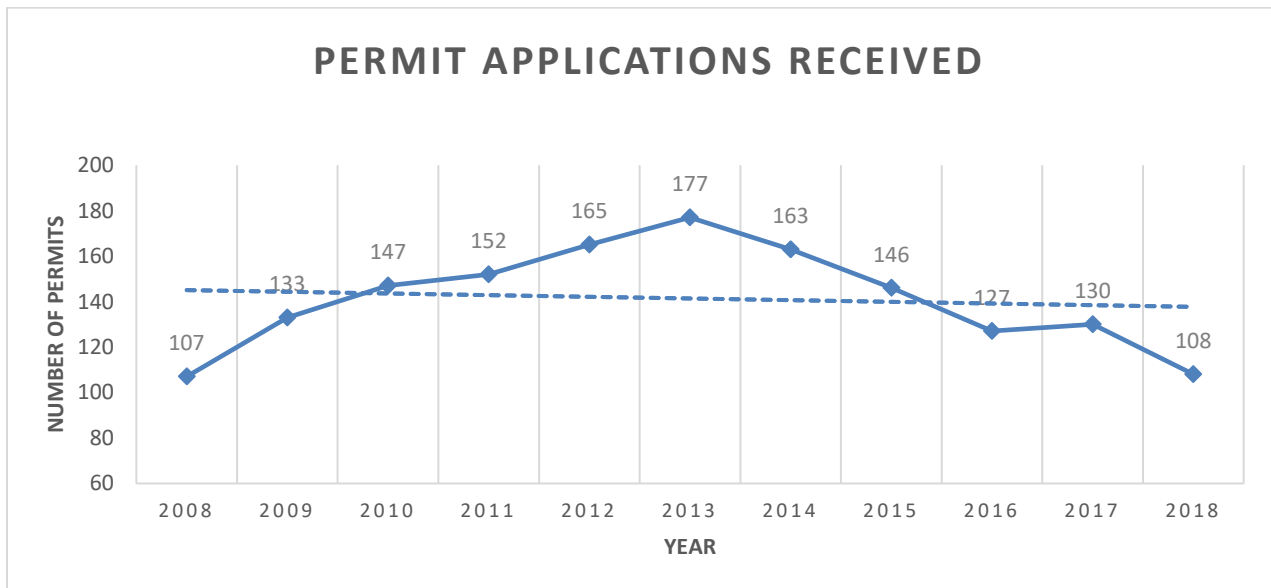
The original Rules of the BRRWD (*M.S.A. 103D.341*) were adopted by the Board of Managers, BRRWD, on May 21, 1979. In 2018, the BRRWD continued their work to revise their Rules, which will include two new sections on regulating agricultural drain tile installation/operation and the implementation of the 2015 Buffer Law. On April 9, 2018, the BRRWD adopted their revised Bylaws. The BRRWD's current Rules and revised Bylaws can be found on our Website at www.brrwd.org.

Permits & Applications

In 2018, the BRRWD reviewed 108 permit applications for a variety of projects and approved 90 of those applications. The Board considers all permit applications at their regular meetings. Anyone contemplating any of the work described below is urged to contact the BRRWD office for further information. No fee is required. The BRRWD's online permit application and Data Practices Policy can be found on our Website at www.brrwd.org.

ACTIVITIES THAT REQUIRE A BRRWD PERMIT (*M.S.A. 103D.345*):

- Pattern or random tiling
- Construction of an artificial drainageway across a subwatershed into another watershed
- Diversion of water into a legal drainage system from lands not assessed for the drainage system
- Works or alterations of any legal drainage system under the jurisdiction of the Board of Managers
- Drainage of any wetland
- Construction, removal, or abandonment of a reservoir having a surface area of five acres or more
- Construction of a bridge or placement of a culvert on any natural or legal drainage system
- Change in the bed, banks, or shores of natural drainageways, lakes, or wetlands
- Placement of obstructions or disposal of wastes directly or indirectly into a natural or legal drainage system
- Excavation, grading, or placing fill in or near any natural or legal drainage system
- All water uses other than domestic use; domestic use is limited to sources serving twenty-five or fewer people
- Crossing of natural drainageways or established legal drainage systems by pipelines or underground utility lines



Organizations

Citizen Advisory Committee

To ensure public input and fulfill the needs of the community, the Board of Managers, BRRWD, appointed a Citizens' Advisory Committee (*M.S.A. 103D.331*) to provide recommendations on matters affecting the BRRWD, including projects, improvements, and activities. The BRRWD does annual work planning with its Advisory Committee, as required by Minnesota Statutes. This year, the Advisory Committee held their annual meeting on March 23, 2018, at the BRRWD Office. The group reviewed the BRRWD's 2018 activities and the proposed 2019 projects.

2018 Advisory Committee members include:

Ross Aigner	SWCD Supervisor, Wilkin County
Don Bajumpaa	SWCD Office Manager, Wilkin County
John Boen	Landowner, Otter Tail County
Wayne Brendemuhl	Landowner, Clay County
Jon Evert	Former Commissioner, Clay County
Jerome Flottesmesch	SWCD Supervisor, Becker County
Roger Haglund	Landowner, Clay County
Lyle Hovland	Commissioner, Wilkin County
Wayne D. Johnson	Commissioner, Otter Tail County
Edwin Johnson, Jr.	Landowner, Otter Tail County
Jenny Mongeau	Commissioner, Clay County
Barry Nelson	Commissioner, Becker County
Gerald Nordick	Landowner, Wilkin County
Charles Piekarski	Landowner, Otter Tail County
Orrin B. Sorum	Landowner, Otter Tail County
William D. Steffl	Former BRRWD Manager, Becker County
Arvid Thompson	Landowner, Clay County
Russ Wilson	Mayor, City of Breckenridge

2018 River Keepers Highlights

The Board of Managers continues to support the efforts of River Keepers. This organization is an advocate for the Red River in the Fargo/Moorhead community. River Keepers identifies several goals they have set to realize their role as a Red River advocate:

- Increase public awareness of the Red River, its uses, and water related issues by disseminating accurate information and engaging in educational activities.
- Maintain and increase appropriate recreational use of the Red River.
- Advocate land use, river use, and environmental practices that contribute to a sustainable, safe, and economically beneficial river ecosystem.
- Provide financial sustainability of River Keepers by securing adequate funding.

In 2018, the BRRWD contributed \$55,000 to River Keepers from revenue levied in accordance with our *M.S.A. 103D.905, Subd. 3, ad valorem* taxing authority. At their annual Budget Hearing on 8/27/18, the BRRWD included River Keepers in the 2019 General Levy at the same level.

2018 RRBC Highlights



The Board of Managers continues to support the efforts of Red River Basin Commission with a \$25,000 contribution in 2018 from revenue levied in accordance with our *M.S.A. 103D.905, Subd. 3, ad valorem* taxing authority. Administrator Albright and Managers Fjestad and Hanson attended RRBC's 35th Annual Red River Basin Land & Water International Summit Conference on January 23-25, 2018, at the Fort Garry Hotel in Winnipeg. Albright made two presentations at the Conference regarding the BRRWD's Oakport Flood Mitigation project and our Barnesville River Watch water monitoring program in conjunction with Barnesville High School students and staff. The Board also approved a \$7,500 contribution to update the RRBC's 2011 Long Term Flood Solutions as a match for a MPCA grant application.

Minnesota Association of Watershed Districts

2018 Legislative Reception, Breakfast, and Day at the Capitol

BRRWD Managers Gerald L. Van Amburg, Peter V. Fjestad, BRRWD Administrator Bruce E. Albright, and Assistant Administrator Kathleen K. Fenger attended the 2018 MAWD Legislative Reception and Day at the Capitol on March 7-8 in St. Paul. The purpose of the Legislative Day is for Watershed Managers to meet with their Legislators to get better acquainted and to make them aware of Watershed Districts' perspectives on key issues.



2018 Summer Tour



John Hanson, Peter Fjestad, Bruce Albright, and Gerry Van Amburg

The 2018 MAWD Summer Tour was held on June 20-22 at the Country Inn and Suites in Chanhassen, hosted by the Carver County Water Management Organization and the Riley Purgatory Bluff Creek Watershed District. BRRWD Managers John E. Hanson, Peter V. Fjestad, Gerald L. Van Amburg, and Administrator Bruce E. Albright attended the event.

2018 MAWD Annual Meeting and Trade Show

The MAWD Annual Meeting and Trade Show was held at the Arrowwood Conference Center in Alexandria, MN, on November 19 through December 1. BRRWD Managers Gerald L. Van Amburg, Peter V. Fjestad, John E. Hanson, Jay A. Leitch, BRRWD Administrator Bruce E. Albright, and Assistant Administrator Kathleen K. Fenger attended. Managers Anderson and Hanson were meeting delegates, and Van Amburg was the alternate. Albright was presented with a Lifetime Achievement Award for his 40+ years of service as the BRRWD's Administrator.



Mediation Project Team

In 1997, the Legislature mandated formation of the RRBFDROW to resolve grid lock over state/federal permitting of flood damage reduction projects in the Red River Valley. The resulting agreement was intended as the framework for a new, collaborative approach to implement both flood damage reduction and natural resource protection and enhancement in ways that benefit all Minnesota citizens. The keys to this new approach are comprehensive watershed planning, clearly identified goals, early consultation and collaboration on flood damage reduction projects among the stakeholders' representatives, who comprise the BRRWD's Mediation Project Team. This group works to achieve a cooperative approach to project permitting and development. The purpose of the Mediation Agreement is:

To reach consensus agreements on long term solutions for reducing flood damage and for protection and enhancement of natural resources. Such agreements should balance important economic, environmental, and social considerations, and must provide for fair and effective procedures to resolve future conflicts related to flood damage reduction.

Since 1998, the BRRWD's PT meets as needed throughout the year. The result of their work has been several multipurpose projects, incorporating both fdr and nre features. In 2018, the Mediation PT worked on several projects, including the Stony Creek Comprehensive Project, Barnesville Township Area Drainage Study, Wolverton Creek/Comstock Coulee, Glyndon Waterway, South Branch of the Buffalo River, Otter Tail River Erosion, and Whiskey Creek Restoration near Kent, MN. PT meetings were held on February 22, April 26, and August 9.

Fall Tour

The BRRWD held their Fall Tour on Thursday, September 6, 2018. The BRRWD Advisory Committee, Mediation PT members, County Commissioners, State Legislators, SWCD Supervisors and staff, and other agency personnel were invited. The group took a bus tour of BRRWD projects that included the Stony Creek Water Resource Management project, Oakport Flood Mitigation project, Clay/Wilkin J.D. No. 1-Improvement, and Wolverton Creek Restoration. Dinner was served at The 34 in Barnesville upon conclusion of the tour. Approximately 40 people attended.

Viewer Arvid Thompson Retires



After serving 29 years as a BRRWD Viewer/Appraiser and 35 years as a BRRWD Advisory Committee member, Arvid Thompson decided to retire from both positions in May 2018. During his tenure as a Viewer, Thompson worked with Viewers Eddie Bernhardson and Lauren Peterson to determine benefits for the majority of the BRRWD's drainage projects. As a member of the Advisory Committee, he provided valuable support and assistance to the BRRWD Board of Managers. In recognition of his dedicated service, the BRRWD presented Thompson with a commemorative plaque at their May 14, 2018, Board meeting.

Arvid Thompson and BRRWD President Jay Leitch

2018 BRRWD Activities

January 2018

- Held Annual Meeting. Board elected new President: Jay Leitch. Other Officers elected: Peter Fjestad, Vice President; Mark Anderson, Treasurer; and John Hanson, Secretary. Renewed contracts for Engineering services, HEI; Legal services, Vogel Law Firm; Accounting services, Harold J. Rotunda, CPA; and Lobbyist, Joel Carlson.
- Appointed Managers Leitch, Affield, and Van Amburg to Administrative Hiring Committee.
- Met with Dr. Steven J. Taff, who developed a method to estimate easement values.
- Held meeting with Clay/Wilkin J.D. No. 1 Petitioners.
- BRRWD was awarded a BWSR 2018 Drainage Records Modernization Grant for \$50,000.
- Completed annual BWSR Level 1 PRAP check list.
- MPCA approved WRAPS for Upped Red River. TMDL forwarded to EPA for review and approval.

February 2018

- Hiring Committee met with Jeff LeDoux, HEI President.
- Accepted Damages Statements for Clay C.D. Nos. 5, 10, 22, 23, 28, & 59.
- J.D. No. 1 Petitioners circulate a revised petition for ditch improvement.
- FEMA certified Pj. No. 49, Oakport Flood Mitigation west levee, effective 06/15/18.
- Administrator Albright presented 2018 tax levy petitions to Clay County Commissioners.

March 2018

- Attended RRWMB/RRBFDRWG Conference in Moorhead.
- Stony Creek Project submitted for LCCMR funding.
- MPCA meeting to start next TMDL/WRAPS phase monitoring.
- F-M Diversion Authority project presentation.

April 2018

- Richland-Wilkin JPA representatives presented alternative plans for the FM Diversion project and discussed objections to the DA's Plan B.
- Reviewed the Hiring Committee's report regarding the question of whether the BRRWD should hire an Assistant Administrator as a Watershed employee or to continue to contract with HEI. Board voted to hire the new BRRWD Assistant Administrator as a HEI employee.
- Approved the 2018 IWI water quality monitoring agreement.
- Met with City of Georgetown about their 2018 assessment, closeout of the FEMA projects, transfer of BRRWD buyout properties, and the bond sale payoff.
- Harold J. Rotunda, CPA, presented the draft 2017 audit.
- Discussed interior diking design options for the Stony Creek Comprehensive Project.

May 2018

- Approved Georgetown's request for \$27,000 to cover their remaining project account balance. Agreed to transfer the DNR funded project buyout properties to the City.
- Adopted Alternative 1 for the Stony Creek Comprehensive Project with one retention pool area. Permanent construction easements valued at the County Tax Assessment Value multiplied by 1.2 plus the drain tile value (\$900/acre if tile exists). Storage easement valued

at the Tax Assessment Value plus drain tile value. Authorized preparation of easement options.

- 1W1P Policy Committee approved the draft workplan, budget, and schedule. Forwarded documents to BWSR for approval and grant allocation.
- Approved Conservation Practice Assistance cost share contract with the Wilkin SWCD for seeding the buffers on Wilkin C.D. Nos. 40, 41, 42, 43, 13, and 13-Lateral.
- Approved agreement with the Wilkin SWCD for a 75% cost share for side inlets along Wilkin C.D. No. 40 estimated to cost \$30,000.
- Accepted Viewers' Reports for the redetermination of benefits for Becker C.D. No. 9 and Clay C.D. No. 16 and authorized ditch hearings.
- Met with landowners about tiling project installed in the SW¹/₄, Section 21, Hamden Township, Becker County, that may have exceeded the scope of the original 2016 permit.
- Authorized field review on Wilkin C.D. No. 13-Lateral in Section 36, Deerhorn Township, regarding spoil placement and inlets along the ditch, ditch system assessments, downstream control structures maintenance, and beaver dam removal.
- Authorized survey along the east ditch of 90th ST N to address a drainage concern in the SW¹/₄, Section 11, Morken Township, Clay County.
- Approved 2018-2019 River Watch water quality sampling budget for \$5,402.57.
- Authorized HEI to contact the MPCA about a new water quality program to develop a detailed Focus Grant Plan for improvement projects that could receive up to 16 years of funding.

June 2018

- Received summary from Pete Waller on the 2018 Legislation Session and funding allocations related to BWSR programs.
- Received update from Rob Sip regarding RRWMB activities since he took over his position and a RRWMB questionnaire.
- Discussed ongoing drainage dispute in Section 3, Callaway Township, Becker County, regarding two unpermitted tile outlets installed to discharge onto downstream property without the landowner's approval.
- Held landowner informational meeting to discuss downstream ditch grading and wetland issues for 2017 tiling project in the SW¹/₄, Section 26, Manston Township, Wilkin County.
- Authorized letters to the landowners in Sections 20 and 21, Hamden Township, Becker County, to advise them the terms of Permit No. 16-123 were not violated, and the tile project in Section 21 only contributes approximately 7% of the total drainage entering the low area in Section 20.
- Discussed landowner informational meeting held regarding Wilkin/Otter Tail J.D. No. 2 and appointed Managers Anderson, Fjestad, and Larson to serve on the ditch committee.
- Accepted Pj. No. 78, Clay/Wilkin J.D. No. 1-Improvement petition and bond. Authorized HEI to prepare the Preliminary Engineer's Report, subject to Attorney's review, and scheduled a petitioners' meeting to discuss the project development process.
- Approved repairs for Clay C.D. Nos. 20, 23, and 32, and crossing replacements for Clay C.D. No. 28, Becker C.D. No. 15, and Wilkin C.D. No. 12.
- Held landowner informational meeting for a proposed ditch along 220th ST to route water west in Sections 31, 32, 33, 34, and 35, Mitchell Township, Wilkin County, outletting to Whiskey Creek.
- Discussed Humboldt Township's permit application to replace an existing 60" dia. culvert and two lines of 48" dia. pipe with two lines of 64" x 43" corrugated metal arch pipe and one line of 77" x 52" pipe for the Pearl View Estates subdivision in Section 27, which will require a DNR permit to work in protected waters.

- Approved Prairie Restorations, Inc. proposal to restore a wetland mitigation site in Oakport that isn't meeting the Wetlands Conservation Act establishment criteria. Subject to a cost share agreement with Audubon Dakota and agency approval to retain full wetland credits.
- Held hearing to review two petitions to add and remove lands in Wilkin C.D. Nos. 44, 13, and 13-Lateral.
- Approved Clay C.D. No. 40 bridge removal project, Section 27, Kurtz Township, for \$2,000.
- Approved \$200 contribution to the Becker SWCD Annual Soil Health event in Lake Park.
- Approved Percent Based Conservation Practices contract with the Clay SWCD for partial funding for the Clay C.D. No. 23 outlet stabilization repairs.
- Reviewed HEI's preliminary survey and drone flight for waterway in Sections 1, 2, and 12, Glyndon Township, Section 7, Riverton Township, and Section 35, Moland Township, Clay County. Survey was forwarded to the City of Glyndon.

July 2018

- Received update regarding revised FM Diversion Project (Plan B), with tieback levee extending from T.H. No. 75 east 3.5-4 miles, crossing Wolverton Creek south of Comstock with three lines of 10' x 10' ungated box culverts to meter the water potentially entering the Creek and Comstock during the probable maximum flood event.
- Authorized HEI to prepare revised cost estimate for an alternative alignment for the 220th ST Ditch investigation in Sections 31, 32, 33, 34, and 35, Mitchell Township, Wilkin County, outletting to Whiskey Creek.
- Approved Order for the redetermination of benefits and reduction of Shawn Norman's current Wilkin C.D. No. 44 benefits from \$40/acre to \$20/acre to reflect the subsurface drainage from his tiling project. The same lands would be added to Wilkin C.D. Nos. 13 and 13-Lateral at \$10/acre to each system for future maintenance.
- Reviewed 0.5-mile survey of 200th ST S from T.H. No. 34 in Section 28, Humboldt Township, Clay County, south to Whiskey Creek, to investigate drainage/seepage concerns from the Nichols Wetlands Reserve Program site at the intersection of C.R. No. 25 and T.H. No. 75, associated with Pj. No. 54, Whiskey Creek Tributaries.
- Agreed to pay 50% (\$55,000) of Clay County's Flood Insurance Study cost overruns in accordance with our 2017 cost-share agreement to prepare and submit a LOMR to the FEMA to extend their 2008 FIS hydraulic analysis for a small portion of the Buffalo River upstream of T.H. No. 10 and to conduct an unsteady HEC-RAS analysis of the river from T.H. No. 10 downstream to C.R. No. 19 north of Glyndon, which was not remapped in 2008.
- Approved the 2017 Annual Report.
- Accepted Pj. No. 78, Clay/Wilkin J.D. No. 1 Improvement Preliminary Engineer's Report.
- Approved Pay Request No. 1 and Change Order No. 1 for Gladen Construction, Inc., to remove construction material from the Pj. No. 49, Oakport Flood Mitigation, stockpiles for a total of \$130,762.05, including 5% retainage.
- Approved contract with the Wilkin SWCD for seeding and mowing maintenance on Pj. No. 79, Wolverton Creek Restoration, Phase 1.
- Prepared two applications for BWSR FY 2019 CWF Competitive Grant for best management practices implementation for Wilkin/Ottertail J.D. No. 2 outlet repair and Whiskey Creek Enhancement.

August 2018

- Held the Preliminary Hearing for Pj. No. 78, Clay/Wilkin J.D. No. 1 Improvement.
- Noted that the NRCS plans to mow the Nichols WRP site east of Barnesville associated with Pj. No. 54, Whiskey Creek Tributaries, this fall and conduct a controlled burn on the site next

- spring. They also plan to address muskrat infestation problems on the berm. Cattle are grazing the site for the first time in several years.
- Sent letter of interest to the COE regarding a Flood Risk Reduction Section 205 program for the City of Hawley's Phase 3 Buffalo River Flood Protection work for existing and future dikes to protect residential and business structures and sewer system. COE pays 100% of the study costs up to \$100,000.
 - Approved BWSR MOU to use CREP funding for future restoration project easement acquisitions, starting with the proposed Whiskey Creek Restoration near Kent.
 - Adopted Order to redetermine benefits for Becker C.D. No. 9 and a one-time \$25,000 outlet fee for Pj. No. 64, LaBelle/Boyer Lakes Outlet, subject to a 30-day appeal period.
 - Approved Clay SWCD request for a \$3,698 contribution to the Wyland Streambank Erosion project in the NE¼, Section 1, Glyndon Township. NRCS EQIP cost share for this project was \$7,396, but their 2018 funding was not approved. The SWCD contributed the balance of the shortfall.
 - Discussed the BRRWD's practice of contracting for staff and engineering services from HEI.
 - Held Annual Budget Hearing. The 2019 administrative levy set at \$250,000, plus an annual administrative fee to be assessed to projects, based on a project's account expenditures (\$100,000). Insurance fund levy set at \$21,000. General levy was approved for \$668,066, as was a second special levy for Pj. No. 79, Wolverton Creek Restoration (\$500,000). Board also set 2019 project/ditch system levies.
 - Received a LSOHC grant for Phase 1 in the upper reaches of the South Branch east of T.H. No. 9 in Wilkin County. Staff is still working with landowners on possible easements.
 - Approved the signature of LSOHC grant contract for the Buffalo River Watershed Stream Habitat Program-Phase 1 in the amount \$1,195,000.
 - Approved repairs for washed-out crossing on Pj. No. 27, Clay C.D. No. 55 in Section 22, Elmwood Township, where water has undermined the culvert bedding material, causing a crossing failure. A ditch system landowner also requested a clean-out of approximately 0.25 miles of the ditch from his yard downstream to the referenced crossing. Estimated repair cost is \$8,000-\$10,000.
 - Adopted Viewers' Report and proposed benefit area for Clay C.D. No. 16 redetermination of benefits, subject to a 30-day appeal period.
 - Approved Pay Request No. 4 (Final) (\$9,934.78) and Change Order No. 3 (\$988.00) to States Borders Construction for the Wilkin C.D. No. 7 repair.
 - Approved purchase of one solar module for \$775 to participate in the City of Barnesville's solar garden project.

September 2018

- Approved partnership with the Wilkin SWCD to provide engineering services for surveys, designs, and cost estimates for approximately 30 erosion sites in northern part of the County within the BRRWD. Don Bajumpaa, District Manager, Wilkin SWCD, received a CWF grant for this project.
- Discussed scheduling the Preliminary Resolution Hearing for the proposed Stony Creek Restoration project.
- Approved a Clay SWCD request to contribute \$2,166 to fund their Pheasants Forever Farm Bill Biologist position to promote CREP and buffer installations.
- Approved Clay/Wilkin J.D. No. 1 Order to proceed with the development of the proposed improvement along the east-west quarter line of Sections 25, 26, and 27, Holy Cross Township, and part of Section 30, Alliance Township, Clay County, outletting to Wolverton

Creek (Comstock Coulee). Authorized HEI to prepare the Detailed Engineer's Report and the appointment of Viewers.

- Authorized HEI to conduct CSAH No. 52 survey near Lawndale to find potential ditch obstructions in response to the Otter Tail Valley Railroad concerns about water/icing overtopping CSAH No. 52 last winter.
- Approved Pay Request No. 1 to Sellin Brothers, Inc. in the amount of \$154,390.10 for Phase 1 construction work on Pj. No. 79, Wolverton Creek Restoration.
- Approved repairs for the East Tributary of Whiskey Creek in Sections 13 and 24, Barnesville Township, Clay County, to remove built-up sediment in the channel and remove sediment and brush from 175th ST S upstream through C.R. No. 55. The spoil would be spread on the adjacent field and the existing 50' project buffers. The estimated repair cost is \$8,000-\$10,000.
- Awarded contract to Asplin Excavation, Fargo, ND, for the removal of the northwest spoil stockpile associated with Pj. No. 49, Oakport Flood Mitigation, for their low bid of \$102,108.20. Contract deadline is 11/30/18.

October 2018

- Authorized slope repairs along Pj. No. 24, Wilkin C.D. No. 44, on the north line of Section 12, Manston Township, along 170th ST.
- Authorized repairs, including installation of three inlet culverts (two 18" dia. x 76' corrugated metal pipe and one 18" dia. x 66' pipe, all with flapgates) along Wilkin C.D. No. 6A in the NE¼, Section 14, Nordick Township.
- Approved Pay Request No. 2 for \$391,310.42 to Sellin Brothers, Inc., and Change Order No. 1 for the Wolverton Creek Restoration project.
- Approved Final Pay Request to Gladen Construction, Inc. for \$6,822.10 and Change Order No. 2, which will add \$285 to their contract for the spoil pile removal last summer, associated with Pj. No. 49.
- Received MPCA 319 Small Watersheds Program Grant for up to 16 years of dedicated funding (\$150,000-\$300,000 per year) for the Whiskey Creek Enhancement project near Kent, MN, to install best management practices along the Whiskey Creek alignment and to help construct a channel restoration project.
- Approved Pay Request No. 3 (\$5,051.02) for Sellin Brothers, Inc., to replace the power take-off driven lift station pumps with permanent electric motors for Pj. No. 71, 50th AVE Flood Mitigation, in compliance with the FEMA levee certification process.
- Authorized the installation of two rock drop structures downstream of the Otter Tail Valley Railroad tracks associated with Pj. No. 31, Deerhorn Creek Levees, in Section 29, Prairie View Township, Wilkin County, for approximately \$3,000-\$3,500.

November 2018

- Approved Pay Request No. 3 in the amount of \$315,825.41 to Sellin Brothers, Inc. for their work on Pj. No. 79, Wolverton Creek Channel Restoration.
- Approved the buyout and sale of a farmstead and surrounding property in Section 10, Wolverton Township, Wilkin County, associated with the Wolverton Creek Restoration project easement acquisitions.
- Approved \$750 contribution to the IWI's River Watch Forum, scheduled for February 27, 2019, at the Alerus Center in Grand Forks, ND.
- Approved ditch cleaning and beaver dam removal for Pj. No. 19, Becker County Ditch No. 21 in Section 3, Riceville Township, estimated to cost \$10,000-\$12,000.
- Reviewed the RRWMB Strategic Plan Input questionnaire.

December 2018

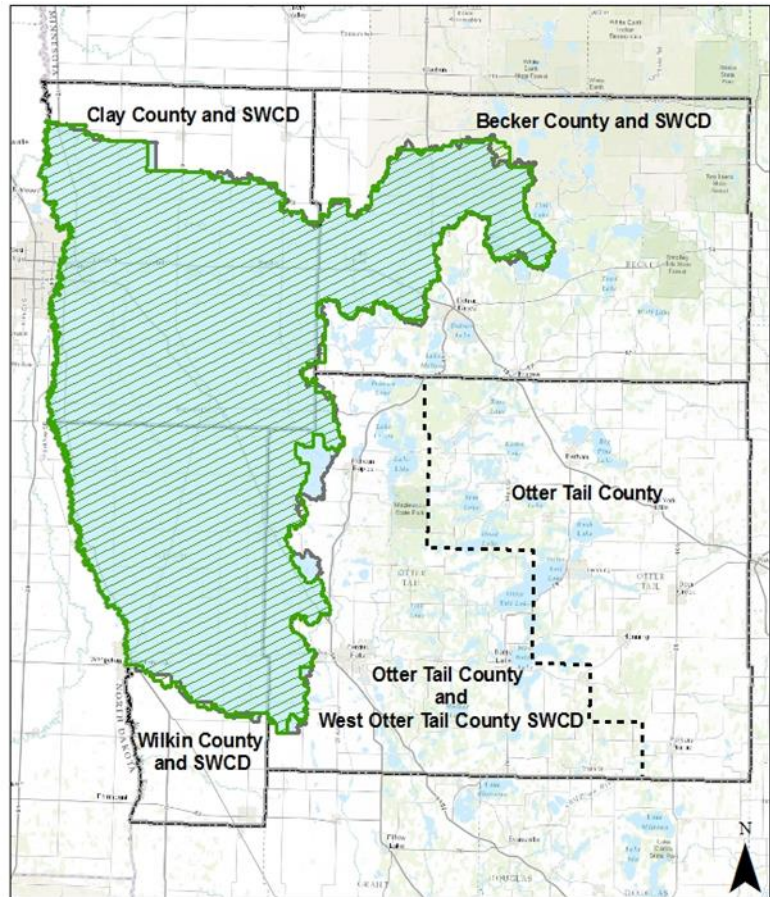
- Accepted Viewers' Report and Engineer's Detailed Survey Report for Pj. No. 78, Clay/Wilkin J.D. No. 1-Improvement. Scheduled Final Hearing for Monday, January 7, 2019, at 7:00 PM in the BRRWD Barnesville Office. Viewers will meet with project landowners prior to the Hearing.
- Pj. No. 79, Wolverton Creek Restoration update: Phase 2 easements have been forwarded to the landowners, and staff will contact landowners who haven't signed. BRRWD plans to advertise for Phase 2 bids in March/April 2019. Staff is also working on the Phase 3 easement options in Clay County to start the CREP process.
- Approved motion to submit DNR Stream Restoration Priority List application for the Whiskey Creek Restoration project near Kent, MN.
- Scheduled bid opening for Pj. No. 78, Clay/Wilkin J.D. No. 1-Improvement, on March 8, 2019.
- Approved Pay Request No. 1 (Final) and Change Order No. 1 to Asplin Excavating, Inc. for \$102,108.20 for the Pierce stockpile removal associated with Pj. No. 49, Oakport Flood Mitigation, subject to the contractor providing the required payroll information and other paperwork.
- Authorized signature of Voucher and Practice Certification reimbursement request to Wilkin SWCD to release funding to the BRRWD in accordance with our CWF cost-share agreements for repairs to Wilkin C.D. Nos. 7 and 40, totaling \$187,541.96.
- Completed review of the RRWMB Strategic Plan Input questionnaire.
- Approved a MPCA Surface Water Assessment Grant agreement for \$40,000 to fund TMDL studies for nine BRRWD sites where insufficient data was collected during the previous TMDL studies.

2018 Project Highlights

One Watershed, One Plan

The BRRWD's One Watershed, One Plan (1W1P) effort geared up into full swing in 2018. As one of seven areas participating in the second round of BWSR's approved 1W1P effort, we are working with local government agencies from Becker, Clay, Wilkin, and Otter Tail Counties, local government officials and regular citizens to create a single plan for the three watersheds within the BRRWD: the Red River, Otter Tail River, and the Buffalo River. Cooperation throughout multiple, connected jurisdictions is important because water management in one county affects the waters of all the other counties. Combining multiple water planning efforts will create a more efficient and cooperative plan for water management. The Plan will include goals and implementation actions that are prioritized and targeted on a watershed basis with measurable results, instead of the present individual plans that are restricted to political boundaries.

Three groups will be tasked with developing the 1W1P: the Policy Committee, Planning Team, and Advisory Committee. The Policy Committee is made up of County Commissioners, SWCD Board Supervisors, and one Watershed District Manager. They are responsible for reviewing and approving the draft components and the final, completed 1W1P, and will provide consensus direction on Plan development matters to the Planning Team. The Planning Team, comprised of one staff lead from each of the local Counties, Watershed District, SWCDs, and BWSR, will guide the planning process and review draft material. They are responsible for providing information for the planning process, reviewing draft Plan related information, and assisting in the Plan development. The Advisory Committees will be made up of members from the Planning Team, local government staff, state agencies, main water agencies/plan review agencies, the general public/landowners, trade organizations, nonprofit organizations, and special interest groups. They will make recommendations on Plan content and communicate concerns during Plan development. In addition, public meetings/hearings will be held as part of the Plan development process to ensure that a complete list of priority resources and concerns is compiled regarding issues impacting the community and watershed. The Initial Planning Kickoff Meeting was held on 9/28/19, following the 60-day stakeholder notification comment period. The Public Open House will be held early in 2019 to inform the public about the 1W1P planning process. A final public hearing will be held prior to the 1W1P adoption.



Project No. 79, Wolverton Creek Restoration

The BRRWD has developed a multi-phase comprehensive strategy to improve water quality and protect the valuable resource of Wolverton Creek in an extensively drained agricultural watershed. Wolverton Creek is a 23.5-mile long tributary to the Red River of the North with 8.2 miles of the Creek in Clay County and the remaining 15.3 miles in Wilkin County. The watershed is approximately 104 square miles and is located within Holy Cross and Alliance Townships of Clay County and Wolverton, Deerhorn, Roberts, and Mitchell Townships of Wilkin County. About two-thirds of the downstream stretch of Wolverton Creek is Public Water. The section



line between Sections 26 and 35, Wolverton Township, is the divide where Wolverton Creek becomes Public Water. There are several County Ditch Systems in the project area (Wilkin County Ditch Nos. 5A, 22, and 26; Clay County Ditch Nos. 36, 53, and 60; and Clay/Wilkin Judicial Ditch No. 1) as well as several natural waterways that flow into Wolverton Creek. Wolverton Creek is the outlet for these ditch systems and natural waterways.

Beginning over a century ago, streams in the Red River Basin have been straightened, ditched, cleared, and snagged with the goal of improving drainage and agricultural production. Wolverton Creek is one of the streams that has experienced these impacts. For some time now, the BRRWD) has been looking at options to improve wildlife habitat, increase wildlife habitat connectivity, improve water quality, and to reduce flooding conditions in the Wolverton Creek drainage area. Landowners in the area requested that the Watershed District investigate the problems associated with Wolverton Creek and find solutions to correct





these problems. The BRRWD along with the Clay and Wilkin SWCDs' goal is to reduce erosion and sedimentation in Wolverton Creek. A watershed-wide solution has been developed to correct the current issues being experienced along the creek and its tributaries. The solution includes channel restoration, installation of side inlets and other sediment control BMPs within the Wolverton Creek Watershed, and installation of expanded bufferstrips. The outlet reach of Wolverton Creek downstream of T.H. No. 75 was previously restored through the installation of a series of rock riffles,

vegetative buffers, and sediment BMPs. Previous work also included installing vegetative buffers, erosion control, and sediment BMPs on all legal drainage systems draining into Wolverton Creek.

Our focus in 2018 is on Phase 1 of the overall project (3 phases), which is in the middle reach of the Wolverton Creek and is critical for completion of project features upstream. The sediment reduction project is a three-pronged attack: install sediment BMP controls, expand riparian buffers to significantly reduce sediment loading to Wolverton Creek and its tributaries, and restore Wolverton Creek to improve channel stability and reduce the in-stream sediment loading. The total estimated Phase 1 (Reach B) costs are \$3,700,000. The project was awarded \$2.8 million from the Targeted Watershed Program fund, \$1.877 million from the LSOHC Fund, and \$100,000 from the Enbridge Eco-Footprint Grant Program. The required local match (25% of grant funds) is \$700,000. In April, the Board authorized signature of the Wolverton Creek Restoration MOU with BWSR for access to existing and newly enrolled CREP lands for construction and maintenance, and in June, the Board awarded the Phase 1 construction contract to Sellin Brothers, Inc., for their bid of \$1,813,440.40, subject to the completion of the Phase 1 temporary easement acquisitions. The Engineer's estimate was \$2,180,510. As wet weather was a factor in the fall of 2018, the construction contract was extended until June 30, 2019.

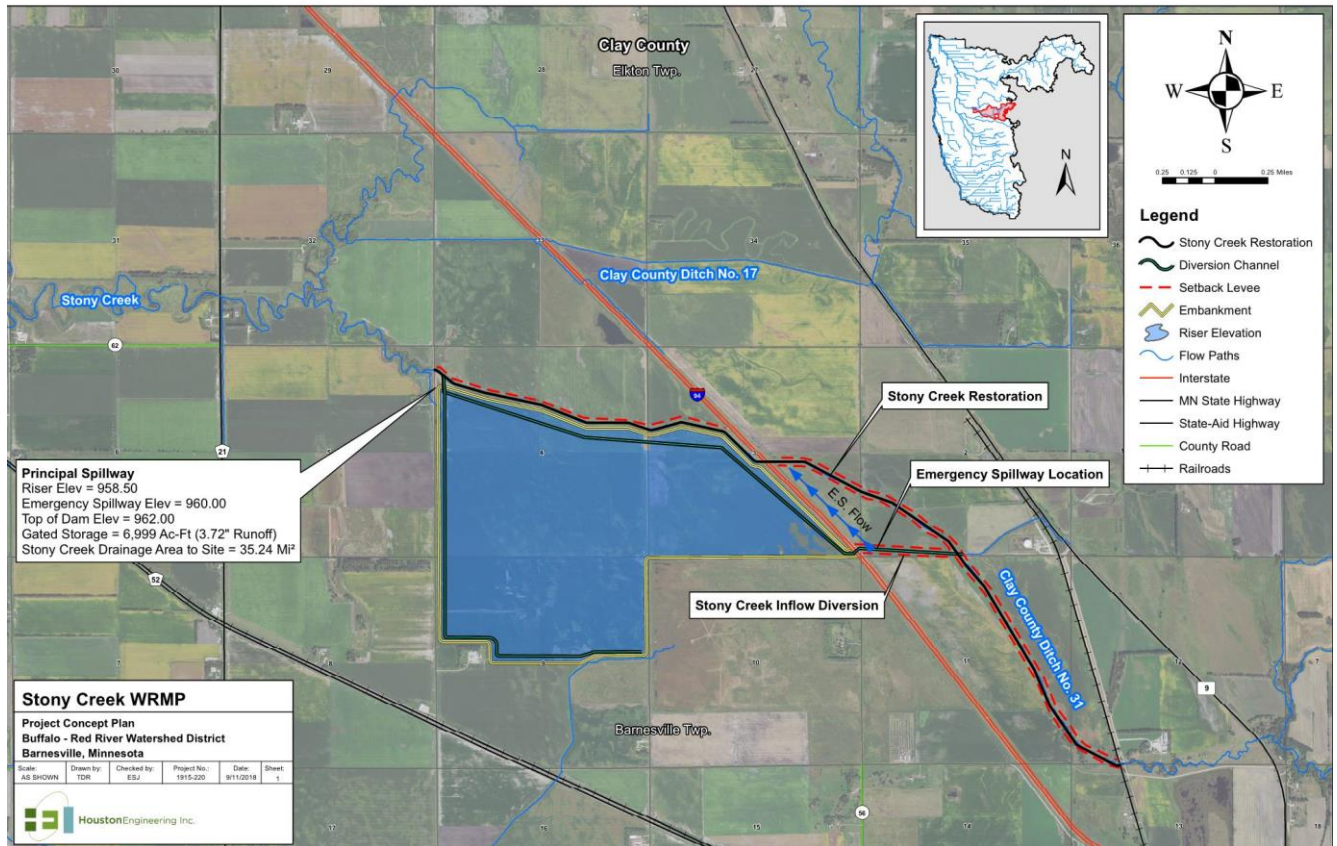


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Project Partners:

- BRRWD
- Wilkin SWCD
- Clay SWCD
- NRCS
- Landowners

Stony Creek Water Resource Management Project



Description/Location:

The project area is approximately 5 miles to the northwest of Barnesville, MN, on Clay County Ditch No. 31 (also known as Stony Creek). The watershed is steep and flashy and has a drainage area of 35 square miles and is currently in its study phase. The project consists of numerous features: 4.5 mile long river corridor restoration enclosed by setback levees, a floodwater impoundment and expansion of buffers along Stony Creek and its tributaries. The proposed 7,000 acre-feet of gated storage will provide more than 80% reduction to the peak flow contributed by Stony Creek. Reductions to peak flows downstream on the South Branch Buffalo River are expected to be around 5%.

Flood Control Goal	80%+ reduction in the 10-yr & 100-yr spring flood discharges from contributing drainage area
Habitat Restoration	Reduced turbidity, enhanced fish habitat, stream restoration along Stony Creek and riparian buffer corridor.
Erosion Reduction	Reduction in riverbank erosion and bank sloughing; buffering (89 acres) along the stream restoration reach, reduction of overland flooding and reduction in turbidity and suspended solids thereby improving water quality.

Project Cost: \$15 Million State DNR (\$7.50M) / WD (\$7.00M) / USDA (\$0.50M)

Key: WD=Watershed District; DNR=Minnesota DNR HMGP

Status: Currently in Design Phase, Land Acquisition in 2019, Construction Ready in 2020

2018 Financial Audit

BUFFALO-RED RIVER WATERSHED DISTRICT
BARNESVILLE, MINNESOTA

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

ALSO AVAILABLE ON THE BRRWD WEBSITE:

<http://www.brrwd.org/district-audits/>

BUFFALO - RED RIVER WATERSHED DISTRICT

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BUFFALO - RED RIVER WATERSHED DISTRICT
LIST OF OFFICIALS
DECEMBER 31, 2018

Governing Board

Jay A. Leitch
Peter V Fjestad
Mark T. Anderson
John E. Hanson
Gerald L. Van Amburg
Catherine L. Affield
Troy E. Larson

Office

Chair
Vice-chair
Treasurer
Secretary
Manager
Manager
Manager

Administration

Bruce E. Albright
Kathleen K. Fenger
Julie M. Jerger

Office Administrator
Assistant Administrative
Administrative Assistant

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

Governing Board
Buffalo-Red River Watershed District
Barnesville, Minnesota

I have audited the accompanying cash basis financial statements of the governmental activities, each major fund and aggregate remaining fund information of Buffalo-Red River Watershed District as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Buffalo-Red River Watershed District as of December 31, 2018, and the changes in cash basis financial position for the year then ended, in conformity with U.S. generally accepted accounting principles.

Basis of Accounting

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

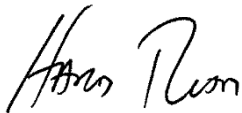
Other Matters

Management has omitted the management discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Buffalo-Red River Watershed District basic financial statements. The Schedule of Activity and transfers is presented for purposes of additional analysis and is not a required part of the basis financial statements.

The Schedule of Activity and transfers is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basis financial statements. Such 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 my opinion, the Schedule of Activity and Transfers is fairly stated, in all material respects, in relation to the basis financial statements as a whole.



West Fargo, North Dakota
June 19, 201

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

BUFFALO-RED RIVER WATERSHED DISTRICT
STATEMENT OF NET ASSETS- CASH BASIS
DECEMBER 31, 2018

ASSETS

Cash and investments	2,643,764.52
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Total Assets	2,643,764.52
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LIABILITIES

Accounts Payable	
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-

Total liabilities	
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NET ASSETS

Unrestricted	2,643,764.52
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Total net assets	2,643,764.52
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The accompanying notes are an integral part of these financial statements. -

BUFFALO-RED RIVER WATERSHED DISTRICT
 STATEMENT OF ACTIVITIES- CASH BASIS YEAR
 ENDED DECEMBER 31.2018

		Program Revenues		Net (expense) Revenue & Changes in Net Assets
	Expenses	Charges for Services	Operating and Contributions	grants Governmental Activities
Governmental Activities:				
General government	258,671.23			(258,671.23)
Project expense	3,685,404.43		518,903.20	(3,166,501.23)
Interest expense	121,702.07			(121,702.07)
Total Activities	Governmental 4,065,777.73		518,903.20	(3,546,874.53)
	General Revenues			
	Property taxes			1,282,843.45
	Special assessments			1,674,742.59
	CWF			
	State aid			141,584.48
	Interest income			121,702.07
	RRWMB share			
	Other revenue			786,022.94
	Total General revenues			4,006,895.53
	Change in Net Assets			460,021.00
	Net Assets- January 1			2,183,743.52
	Net Assets- December 31			2,643,764.52

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

BUFFALO-RED RIVER WATERSHED DISTRICT
 BALANCE SHEET- GOVERNMENTAL FUNDS- CASH BASIS
 DECEMBER 31, 2018

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	PROJECT 79 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and investments	84,840.00	1,335,400.57	72,692.59	923,286.91	227,544.45	2,643,764.52
Total Assets	84,840.00	1,335,400.57	72,692.59	923,286.91	227,544.45	2,643,764.52
LIABILITIES						
Accounts Payable						
Total liabilities						
FUND BALANCE						
Restricted for Capital Projects						
Restricted for Debt Service						
Unassigned	84,840.00	1,335,400.57	72,692.59	923,286.91	227,544.45	2,643,764.52
Total fund balance	84,840.00	1,335,400.57	72,692.59	923,286.91	227,544.45	2,643,764.52

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

BUFFALO-RED RIVER WATERSHED DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES- GOVERNMENTAL FUNDS- CASH BASIS
YEAR ENDED DECEMBER 31, 2018

	GENERAL FUND	CONSTRUCTION FUND	103 D FUND	Pj. 79 FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Property taxes	225,409.03	-	585,458.31	439,620.62	32,355.49	1,282,843.45
Special assessments				114,561.00	1,560,181.59	1,674,742.59
Grant income				100,000.00	418,903.20	518,903.20
State aid	24,876.39		64,774.90	49,752.79	2,180.40	141,584.48
CWF						
Charges for services	2,700.00	-				2,700.00
Interest and other	35,334.67	34,910.93	6,025.03	33,131.63	795,622.75	905,025.01
Total Revenues	288,320.09	34,910.93	656,258.24	737,066.04	2,809,243.43	4,525,798.73
Current:						
General government	95,950.80				162,720.43	258,671.23
Engineering	266,660.90	1,093.55	8,726.74	230,470.83	1,240,419.59	1,747,371.61
Buy out costs				-		-
Capital outlay		-	148,041.21	947,347.91	842,643.70	1,938,032.82
Debt Service						
Principal						
Interest expense					121,702.07	121,702.07
Total Expenditures	362,611.70	1,093.55	156,767.95	1,177,818.74	2,367,485.79	4,065,777.73
Excess revenues (expenditures)	(74,291.61)	33,817.38	499,490.29	(440,752.70)	441,757.64	460,021.00
Other Financing Sources (Uses):						
Transfers in	50,000.00				733,692.85	783,692.85
Transfers out			(577,980.47)		(205,712.38)	(783,692.85)
Total other financing source	50,000.00		(577,980.47)		527,980.47	
Net change in fund balances	(24,291.61)	33,817.38	(78,490.18)	(440,752.70)	969,738.11	460,021.00
Fund balance- beginning	109,131.61	1,301,583.19	151,182.77	1,364,039.61	(742,193.66)	2,183,743.52
Fund balance- ending	84,840.00	1,335,400.57	72,692.59	923,286.91	227,544.45	2,643,764.52

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

BUFFALO - RED RIVER WATERSHED DISTRICT
BARNESVILLE, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Based on these criteria, there are no component Units.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

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

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

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

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

The District reports the following major governmental fund types:

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

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

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

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

The District also reports the following fund types:

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

BUFFALO - RED RIVER WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS- CONTINUED
C. Measurement Focus, Basis of Accounting, and Financial
Statement Presentation

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

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

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

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

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

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

D. Budgets

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

E. Cash and Investments

At year end, the bank balance was \$2,183,744. The entire bank balance was covered by federal depository insurance or was collateralized with securities by the pledging financial institution's agent in the District's name.

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

Investments consist of certificates of deposits stated at cost.

F. Capital Assets

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

G. Long-Term Obligations

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

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

H. Fund Balance

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

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

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

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

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

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

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

I. Interfund Transactions

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

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

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

J. Use of estimates

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

NOTE 2: LEGAL COMPLIANCE - BUDGETS
BUDGET AMENDMENTS

The board did not amend the District's budget in 2018.

EXPENDITURES OVER APPROPRIATIONS

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

NOTE 3 DEPOSITS AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is risk associated with the failure of a depository financial institution to recover its deposits or collateralized securities that are in the possession of outside parties. The District does not have a formal policy that addresses custodial credit risk for deposits. However, in accordance with state statutes, the District maintains deposits at those depository banks and savings and loans authorized by the District, all of which are covered by federal deposit insurance. These statutes also require that the deposits be protected by insurance, collateral or surety bond. The fair value of the collateral pledged must be equal to or greater than 110% of the deposits not covered by insurance or bonds. As of December 31, 2018, the District's deposits were either fully insured or properly collateralized, and have no custodial risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of debt security typically moves in the opposite direction of the change in interest rate. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. As of December 31, 2018, the District had no debt securities investments.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal investment policy that specifically addresses credit risk. As of December 31, 2018, the District had no debt securities investments.

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer. As of December 31, 2018, the District had no debt securities investments.

NOTE 4: RISK MANAGEMENT

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

NOTE 5: TRANSFERS

Transfers are used to 1)move unrestricted revenues to finance various programs 2)move property tax revenues to fund programs and projects. A schedule of the transfers is on page 20.

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

NOTE 6. DEFICIT FUND BALANCES

The following fund balances had deficits at December 31, 2018:

Project #02	35	243	Will be eliminated by specials.
Project #14	18	267	Will be eliminated by specials.
Project #21	106	609	Will be eliminated by specials.
Project #30	12	084	Will be eliminated by specials.
Project #39	21	544	Will be eliminated by specials/MSA 103D.
Project #49	364	500	Will be eliminated by specials/grant.
Project #50	7	578	Will be eliminated by specials.
Project #52	1	742	Will be eliminated by specials.
Project #54	3	983	Will be eliminated by specials/MSA 103D.
Project #61	120	578	Will be eliminated by specials.
Project #62		422	Will be eliminated by specials.
Project #72		170	Will be eliminated by specials.
Project #71	86	286	Will be eliminated by specials/grant.
Project #78	51	394	Will be eliminated by specials/bond sale.
Becker Ditch #5	22	136	Will be eliminated by specials.
Becker Ditch #7	4	204	Will be eliminated by specials.
Becker Ditch #9	111	765	Will be eliminated by specials.
Becker Ditch 19	2	889	Will be eliminated by specials.
Clay Ditch #03	2	045	Will be eliminated by specials.
Clay Ditch #16	54	890	Will be eliminated by specials.
Clay Ditch #17	5	655	Will be eliminated by specials.
Clay Ditch #23	49	062	Will be eliminated by specials.
Clay Ditch #31	4	352	Will be eliminated by specials.
Clay Ditch #40	13	352	Will be eliminated by specials.
Clay Ditch #51	18	119	Will be eliminated by specials.
Clay Ditch #65	2	786	Will be eliminated by specials.
Clay Ditch #58	15	523	Will be eliminated by specials.
Clay Ditch #60	2	480	Will be eliminated by specials.
Wilkin Ditch #1C	2	948	Will be eliminated by specials.
Wilkin Ditch #5A	3	767	Will be eliminated by specials.
Wilkin Ditch #6A	36	161	Will be eliminated by specials.
Wilkin Ditch #22	47	788	Will be eliminated by specials.
Wilkin Ditch #26	29	097	Will be eliminated by specials.
Wilkin Ditch #40	27	687	Will be eliminated by specials.
Wilkin Ditch #41	150	964	Will be eliminated by specials.
Wilkin Ditch #43	51	556	Will be eliminated by specials.
Wilkin Ditch #44	77	723	Will be eliminated by specials.
Wetland restoration	2	176	Will be eliminated by MSA 103D/WLA fees.
S&D Acquisition	18	041	Will be eliminated by specials.
Glyndon East	13	285	Will be eliminated by specials.
Upper Buffalo	2	885	Will be eliminated by MSA 103D.
Otter tail BMP	19	436	Will be eliminated by specials.
Mediation PT	11	090	Will be eliminated by MSA 103D/RRBFDRWG.
BWSR CWF	49	477	Will be eliminated by MSA 103D/grant.
RRBC		36	Will be eliminated by MSA 103D.
Wilkin BMP	12	130	Will be eliminated by MSA 103D.
Upper S Branch	100	356	Will be eliminated by FMDA/MSA 103D.
Whiskey creek	37	705	Will be eliminated by Wilkin CWF grant.
Wilkin/Otter JD	24	182	Will be eliminated by specials.
Stony Creek	20	718	Will be eliminated by MSA 103D/BWSR.
Otter Tail Ping	119	587	Will be eliminated by MSA 103D/BWSR/EPA 319.

BUFFALO- RED RIVER WATERSHED DISTRICT
 FUND EQUITY
 DECEMBER 31, 2018

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
GENERAL	109,131.61	288,320.09	362,611.70	50,000.00	84,840.00
NEW OFFICE		139.75	108.32		31.43
RRWMB	69.45		-		69.45
CONSTRUCTION	1,301,583.19	34,910.93	1,093.55		1,335,400.57
MSA 103D	151,182.77	656,258.24	156,767.95	(577,980.47)	72,692.59
INSURANCE	0.00	21,767.98	20,981.86		786.12
BECKER DITCH #5	(40,886.99)	25,072.59	6,321.24		(22,135.64)
BECKER DITCH #6	4.08	0.11			4.19
BECKER DITCH #7	(4,033.42)		170.21		(4,203.63)
BECKER DITCH #9	(30,638.04)	18,649.45	99,776.53		(111,765.12)
BECKER DITCH# I 0	(638.04)	2,957.28	1,746.28		572.96
BECKER DITCH#15-PJ 23	30,110.56	15,586.06	9,032.82		36,663.80
BECKER DITCH#19	(5,195.05)	10,067.92	7,761.48		(2,888.61)
CLAY DITCH #03	(5,807.12)	15,588.15	11,826.21		(2,045.18)
CLAY DITCH #05	129.56	13,800.81	8,141.84		5,788.53
CLAY DITCH #09	(3,913.84)	14,995.43	4,080.80		7,000.79
CLAY DITCH #16	(35,404.03)	4,834.55	24,320.73		(54,890.21)
CLAY DITCH #17	(8,511.81)	6,344.87	3,487.76		(5,654.70)
CLAY DITCH #20	8,491.64	5,625.70	13,581.02		536.32
CLAY DITCH #21	21,158.90	12,484.61	7,522.89		26,120.62
CLAY DITCH #22	7,167.54	718.31	3,746.32		4,139.53
CLAY DITCH #23	12,806.47	6,405.19	68,273.60		(49,061.94)
CLAY DITCH #28	3,642.34	9,070.15	4,948.77		7,763.72
CLAY DITCH #31	(4,828.13)	3,031.85	2,556.00		(4,352.28)
CLAY DITCH #32	(486.21)	29,391.54	5,967.82		22,937.51
CLAY DITCH #33	(8,911.33)	25,107.98	11,076.71		5,119.94
CLAY DITCH #34	14,741.86	10,667.20	4,517.04		20,892.02
CLAY DITCH #35	38,503.10	926.38	5,222.24		34,207.24
CLAY DITCH #36	13,962.20	11,846.08	3,503.60		22,304.68
CLAY DITCH #39- PJ 7	26,710.49	12,740.92	17,310.39		22,141.02
CLAY DITCH #40	9,778.13	545.04	23,675.16		(13,351.99)
CLAY DITCH #49	1,115.61	5,361.50	3,725.87		2,751.24
CLAY DITCH #51	(24,383.54)	17,489.39	11,225.12		(18,119.27)
CLAY DITCH #53-PJ 47	22,152.93	10,567.69	5,242.46		27,478.16
CLAY DITCH #54	(757.83)	3,217.10	1,846.65		612.62
CLAY DITCH #57	5,564.25	3,673.48	409.61		8,828.12
CLAY DITCH #58	(21,637.36)	14,584.46	8,469.70		(15,522.60)
CLAY DITCH 59-PJ 48	66,306.13	4,620.28	20,483.09		50,443.32
CLAY DITCH #60	(3,283.47)	5,269.28	4,466.05		(2,480.24)
CLAY DITCH #63	19,254.36	8,359.80	4,389.93		23,224.23
CLAY DITCH #65- PJ 3	25,997.64	691.20	29,474.59		(2,785.75)
WILKIN DITCH#0 IA	36,735.93	957.97	2,101.63		35,592.27
WILKIN DITCH#01B	19,647.33	593.86	2,141.54		18,099.65
WILKIN DITCH#01C	(20,340.47)	20,965.22	3,572.35		(2,947.60)

BUFFALO- RED RIVER WATERSHED DISTRICT
 FUND EQUITY
 DECEMBER 31, 2018

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
WILKIN DITCH#03	(64,122.57)	135,524.37	8,960.08		62,441.72
WILKIN DITCH#04	1,666.83	19,739.70	4,553.48		16,853.05
WILKIN DITCH#07	(102,440.66)	183,831.22	19,168.54		62,222.02
WILKIN DITCH#12	23,227.48	490.18	11,068.45		12,649.21
WILKIN DITCH#15	83,570.09	1,096.21	74,587.58		10,078.72
WILKIN DITCH#22-PJ1	(53,941.80)	75,863.99	69,709.82		(47,787.63)
WILKIN DITCH#23	1,824.34	20,013.03	4,495.87		17,341.50
WILKIN DITCH#26	(35,887.43)	10,100.56	3,309.92		(29,096.79)
WILKIN DITCH#27	63,418.14	1,323.66	20,634.10		44,107.70
WILKIN DITCH#28	14,879.62	5,395.59	3,379.61		16,895.60
WILKIN DITCH#29	50,456.22	1,316.49	3,025.59		48,747.12
WILKIN DITCH#31	(667.15)	24,929.23	4,890.60		19,371.48
WILKIN DITCH#34	56,472.06	1,494.00	1,461.09		56,504.97
WILKIN DITCH#37	36,475.67	945.53	1,811.03		35,610.17
WILKIN DITCH/140	(23,338.16)	32,517.39	43,466.49	6,600.00	(27,687.26)
WILKIN DITCH#41	(185,699.86)	52,899.94	30,609.06	12,445.36	(150,963.62)
WILKIN DITCH#42-PJ 25	(18,320.95)	30,401.03	6,202.74		5,877.34
WILKIN DITCH#43	(192,057.51)	29,920.42	11,519.57	122,100.50	(51,556.16)
WILKIN DITCH#44-PJ 24	(58,787.55)	14,750.67	39,681.44	5,995.00	(77,723.32)
WILKIN DITCH#5A	(3,767.42)	20,358.73	4,111.64		12,479.67
WILKIN DITCH#02	42,494.23	1,085.88	3,778.76		39,801.35
WILKIN DITCH#06A	(54,210.79)	45,062.99	24,554.35	(2,459.00)	(36,161.15)
PROJECT #02- W 22	(35,921.15)	24,770.26	24,092.42		(35,243.31)
PROJECT #04	8,094.10	217.04	59.84		8,251.30
PROJECT #05	1,192.77	31.79	94.94		1,129.62
PROJECT #08	528.14		1,800.31	2,000.00	727.83
PROJECT #13	484.50		4,005.12	4,000.00	479.38
PROJECT #14	(61,933.55)	59,210.32	15,544.20		(18,267.43)
PROJECT #16	(404.87)		6,654.45	8,000.00	940.68
PROJECT #19	21,313.94	15,682.64	3,540.05		33,456.53
PROJECT #20	57,799.48	1,440.37	5,886.16		53,353.69
PROJECT #21	(145,242.73)	48,538.60	31,194.03	21,289.14	(106,609.02)
PROJECT #27-C 55	31,427.87	14,718.39	29,585.15		16,561.11
PROJECT #28- C 2	(1,423.54)	15,474.07	8,903.14		5,147.39
PROJECT #29	-	-	1,818.39	1,818.39	-
PROJECT #30-CW JD!	(38,099.45)	39,730.88	13,715.37		(12,083.94)
PROJECT #31	887.24		22,359.98	21,472.74	0.00
PROJECT #32	3,839.80	133.39	2,742.10		1,231.09
PROJECT #33	57,012.31	14,102.40	12,981.12		58,133.59
PROJECT #34	11,211.66	49,515.58	30,352.48		30,374.76
PROJECT #35	57,843.07	51,156.83	18,574.85		90,425.05
PROJECT #36	10,680.59	7,022.46	4,926.08		12,776.97
PROJECT #37	7,091.22	20,532.39	13,683.35		13,940.26
PROJECT #38	55,587.71	1,474.48	1,475.43	403.34	55,990.10

BUFFALO- RED RIVER WATERSHED DISTRICT
 FUND EQUITY
 DECEMBER 31, 2018

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
PROJECT #39	(125,852.45)	88,875.12	11,566.64	27,000.00	(21,543.97)
PROJECT #40	127,892.58	3,426.43	639.43		130,679.58
PROJECT #42	2,463.03	7,768.33	6,781.62		3,449.74
PROJECT #43	68,480.41	1,813.21	5,530.57		64,763.05
PROJECT #44	-				
PROJECT #45					
PROJECT #46- TLO	35,899.41	1,030.67	12,378.97		24,551.11
PROJECT #49-OAK	(234,949.86)	226,189.41	355,739.87		(364,500.32)
PROJECT #50	(3,630.71)		3,947.58		(7,578.29)
PROJECT #51	12,510.42	326.85	587.20		12,250.07
PROJECT #52	(1,899.94)	6,328.63	6,171.10		(1,742.41)
PROJECT #54	15,265.73	13,088.66	32,337.62		(3,983.23)
PROJECT #55	22,202.54	595.71			22,798.25
PROJECT #56	(191,025.48)	109,895.54	179.29	200,000.00	118,690.77
PROJECT #57	6,057.16	1,799.16	195.54		7,660.78
PROJECT #58	27,722.13	683.81	638.67		27,767.27
PROJECT #61	(164,782.71)	53,292.97	9,088.29		(120,578.03)
PROJECT #62	(253.77)		168.25		(422.02)
PROJECT #63-GROVE	20,084.93	992.58	3,385.77		17,691.74
PROJECT #64	14,924.74	10,546.59	1,951.95		23,519.38
PROJECT #65	(7,990.93)	14,535.83	1,055.76		5,489.14
PROJECT #67	961.74	18,463.26	2,557.49		16,867.51
PROJECT #68	3,348.49	4,975.53	702.35		7,621.67
PROJECT #70	8,087.79	210.85	614.38		7,684.26
PROJECT #71	(152,515.66)	98,594.66	32,365.14		(86,286.14)
PROJECT #72	(163.75)		6.55		(170.30)
PROJECT #73	1,890.98	2,068.59	17.68		3,941.89
PROJECT #74	(0.00)				(0.00)
PROJECT #75	(0.00)				(0.00)
PROJECT #77	-	-	178.20	178.20	-
PROJECT #78	(31,036.16)		20,357.81		(51,393.97)
HAY CREEK STINKING LK		13.20			13.20
UPPER BUFFALO SEDIMENT	(0.00)		2,884.66		(2,884.66)
HAWLEY BUFF RIV RES	(0.00)	33.88	1,005.00	971.12	(0.00)
MEDIATION PT	-	16,385.99	77,475.88	50,000.00	(11,089.89)
SWPPP	(6,004.33)		3,565.24	9,569.57	
STREAMBANK EROSION-PJ 26	9,874.43	264.73	92.92		10,046.24
RIVERKEEPERS	0.40	0.01			0.41
RWMP COMP PLANNING	78,947.42	2,122.96			81,070.38
COE DIVERSION	-	3.83	4,358.36	4,354.53	
CLAY COUNTY BUYOUT	20,601.50	551.91	42.42		21,110.99
UPPER S BRANCH BMP	(67,995.87)	168,434.01	32,363.98	(168,430.00)	(100,355.84)
BWSR CWF GRANT 17	(4,980.47)		44,496.47		(49,476.94)
FEMA 2009	2,164.71	58.08			2,222.79

**BUFFALO- RED RIVER WATERSHED DISTRICT
FUND EQUITY
DECEMBER 31, 2018**

	BEGINNING BALANCE	REVENUES	EXPENSES	TRANSFERS IN (OUT)	ENDING BALANCE
BWSR FY 18 DRAINAGE	0.00	25,379.57	13,390.08		11,989.49
UPPER RED TMDL		-	428.37	428.37	
GLYNDON EAST TRIBUTA			13,284.67		(13,284.67)
WETLAND RESTORATION	14,253.62	140.27	16,570.24		(2,176.35)
RED RIVER BASIN	(0.00)		35.49		(35.49)
S&D ACQUISITIONS	1,424.62	70.83	19,535.98		(18,040.53)
WHISKEY CREEK ENHANC	(109,494.41)	57,891.02	36,101.44	50,000.00	(37,704.83)
STAKKE LAKE		-	17.74	17.74	
WILKIN CTY BMP			12,130.12		(12,130.12)
WOLVERTON CREEK-PJ 79	1,364,039.61	737,066.04	1,177,818.74		923,286.91
WATERSHED DISTRICT EN	0.00		225.47	225.47	0.00
WILKIN SWCD CWF	19,325.39	518.51			19,843.90
OTTER TAIL RIVER BMP			19,435.63		(19,435.63)
RIM/WRP FLOOD INVEST	47,943.04	1,334.26	35.35		49,241.95
RED RIVER STRESSOR	1,844.47	49.47	8.84		1,885.10
BARNES VILLE DRAINAGE	95,397.47	2,330.73	13,358.77		84,369.43
OTTER TAIL RIVER PLNG	(95,972.98)	65,360.42	188,974.08	100,000.00	(119,586.64)
STONY CREEK COMP PLAN	13,199.04	70.28	83,986.90	50,000.00	(20,717.58)
SABIN COULEE	3.30	0.09			3.39
ONE WATERSHED ONE PL,	(12,230.03)	117,126.48	43,882.65		61,013.80
BUFFER INITIATIVE 2015	8211.55	183,130.51	35,361.11		155,980.95
WILKIN/OTTER JD #2	(2.96)	54,940.17	79,119.21		(24,182.00)
TOTAL	2,183,743.52	4,525,798.73	4,065,777.73		2,643,764.52

BUFFALO- RED RIVER WATERSHED DISTRICT
 SCHEDULE OF TRANSFERS
 YEAR ENDED DECEMBER 31, 2018

	TRANSFERS IN	TRANSFERS OUT
GENERAL	50,000.00	
MSA 103D	2,459.00	580,439.47
WILKIN DITCH#40	6,600.00	
WILKIN DITCH#41	12,445.36	
WILKIN DITCH#43	122,100.50	
WILKIN DITCH#44-PJ 24	5,995.00	
WILKIN DITCH#06A		2,459.00
PROJECT #08	2,000.00	
PROJECT #13	4,000.00	
PROJECT #16	8,000.00	
PROJECT #21	21,289.14	
PROJECT #29	1,818.39	
PROJECT #3I	21,472.74	
PROJECT #38	403.34	
PROJECT #39	27,000.00	
PROJECT #56	200,000.00	
PROJECT #77	178.20	
HAWLEY BUFF RIV RES	971.12	
MEDIATION PT	50,000.00	
SWPPP	9,569.57	
COE DIVERSION	4,354.53	
UPPER S BRANCH BMP		168,430.00
UPPER RED TMDL	428.37	
WHISKEY CREEK ENHANCE	50,000.00	
STAKKE LAKE	17.74	
WATERSHED DISTRICT ENLARGEMENT	225.47	
OTTER TAIL RIVER PLNG	100,000.00	
STONY CREEK COMP PLAN	50,000.00	
TOTAL	751,328.47	751,328.47