



2006 Annual Report

Freeborn County Soil & Water
Conservation District
(SWCD)

Freeborn County SWCD is organized under provisions of MN Statute Chapter 103C and is governed by a board of five elected supervisors.



On May 15th, a Special Event was held in Freeman Township celebrating the enrollment of 50,000 acres (statewide) in the Wetland Reserve Program (WRP). A sixth grade class from a local school was invited to attend and participate in an outdoor environmental learning experience. Two boys pictured above are enjoying the day (see more on page 7).

From The Chairman. . .

by Jerry Demmer



Another year has gone by and its time to report on the accomplishments of our programs, events and happenings of 2006. Our Soil & Water Conservation District (SWCD) uses this report to highlight our activities, describe our programs and services and give a full financial accounting of our revenues and expenditures.

This past year has seen several personnel changes in our office. Mr. Myron Taylor NRCS District Conservationist has taken a new position in St. Paul and is no longer with us. His successor is Mr. Edward Moffett, coming to us from a similar position in Watertown, New York. Mr. Rick Bersheid, NRCS Soil Conservationist and Mr. Lenny Hulburt, Farm Bill Technician have also taken new jobs and are no longer here. One new staff person, Mr. Mark Schaetzke has joined us as a SWCD Technician.

Despite smaller staff numbers, we're still able to provide a large number of programs and services through our local office. This is a result of "partnering" with NRCS, FSA, Ducks Unlimited and others. These programs include the State Cost Share Program, Environmental Quality Incentives Program (EQIP), Conservation Reserve Program (CRP), Continuous Conservation Reserve Program (CCRP), Conservation Reserve Enhancement Program (CREP), Wetlands Reserve Program (WRP) and the Conservation Security Program (CSP). These programs either offer cost sharing for conservation practice application or contract and easement options for land use change from cropland to wildlife land. The CSP program is one exception in that it offers rewards for individuals who practice good conservation on their land.

In addition to these basic programs, we also work with two local Watershed Districts and are part of two Joint Powers Boards. Because of all this involvement, "partnering and cooperation is a must".

On behalf of our SWCD Board of Supervisors, I would like to thank to all the local agencies, organizations, other local units of government and individuals that helped us make 2006 another successful year. We appreciate their support and look forward to a continued good working relationship in 2007. They include the following:

- Landowners & Operators
- Freeborn County Board of Commissioners
- Freeborn County Environmental Services
- Minnesota Board of Water & Soil Resources (BWSR)
- USDA Natural Resources Conservation Service (NRCS)
- USDA Farm Service Agency (FSA)
- Ducks Unlimited, Pheasants Forever, MN Waterfowl Assn., MN DNR, US Fish & Wildlife, Shell Rock River Watershed District, Turtle Creek Watershed District and others.
- SE Tech Support Joint Powers Board.
- Greater Blue Earth River Basin Alliance JPB.

We hereby submit the following Annual Report of Soil & Water Conservation Activities for calendar year 2006.

Jerry L. Demmer, Chairman

Freeborn County Soil & Water Conservation District Supervisor Nomination Districts



District 1
David Ausen
Supervisor



District 3
Obert Haldorson
Secretary



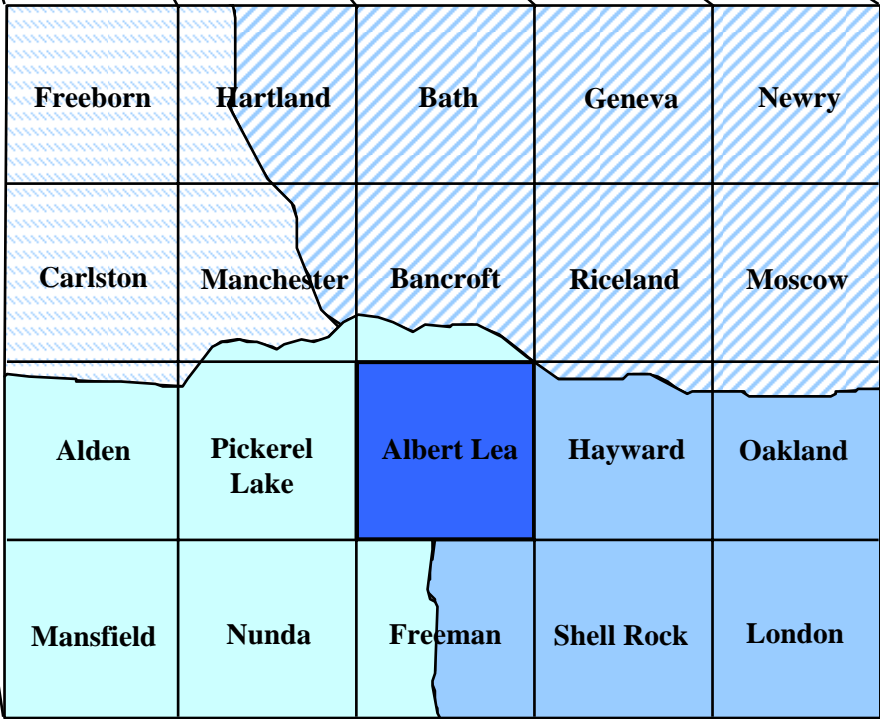
District 2
Jerry Demmer
Chairman













District 4
Cole Pectorious
Vice-Chairman



District 5
Don Kropp
Treasurer



Services Provided by Freeborn County Soil & Water Conservation District

-  Engineering planning, layout and construction supervision of conservation practices such as waterways, water and sediment control basins, grade stabilizing structures and tile drainage.
-  Administration of the State Cost-Share Program for conservation practices.
-  Administration of the Conservation Reserve Enhancement Program (CREP II) Easement Program.
-  Maintenance supervision and final practice application in the Minnesota River Watershed (CREP I) area in northwest Freeborn County.
-  Farmstead and field windbreak design, species selection, tree sales, on site layout and planting equipment rental.
-  Assisting with the implementation of the Ag Best Management Practices loan program. These funds are made available through the State Revolving Fund and are administered by the MN Dept. of Ag.
-  Assisting landowners with compliance issues with the Minnesota Wetland Conservation Act (WCA) which was passed in 1991. This may include reviewing maps, etc. to determine potential applicability of the Act or discussing alternatives in cooperation with the LGU.
-  Conservation compliance planning and assistance with other aspects of the current Farm Bill.
-  Consultations for the Rural Finance Authority Young Farmer Program.
-  Conservation education projects, demonstrations, workshops and contests.

Mission Statement:

To serve the residents of Freeborn County by creating an awareness of soil and water resource concerns, by offering practical alternatives to manage these concerns, and by providing technical assistance (as local resources allow) to apply and maintain best management practices (BMPs) that impact water quality while sustaining soil productivity and land-user profits.

Freeborn County Soil & Water Conservation District



Board Members (L to R):

Don Kropp, Treasurer
Cole Pectorious, Vice-Chairman
Jerry Demmer, Chairman
Obert Haldorson, Secretary
David Ausen, Supervisor



SWCD Staff : (L to R):

Brenda Lageson, District Admin. Assist.
Don Flatness, District Manager/Tech.
Mark Schaetzke, District Technician

NRCS Staff:

Edward Moffett, District Conservationist
Brian Jensen, Soil Conservation Technician

Ducks Unlimited Staff:

Tony Reali, Wetland Restoration Specialist

*Technical Assistance was furnished to the district by NRCS Area Office, Rochester, MN:

John T. Nicholson, Assistant State Conservationist
Lawrence Svien, Area Resource Conservationist
John Beck, Area Resource Soil Scientist
Robert Romocki, Area Engineer
Willis Goll, Agricultural Engineer
Elizabeth Oolman, Agricultural Engineer
Amy Dessner, Civil Engineer

Larry Peterson, Civil Engineering Technician
Mary Weiss, Civil Engineering Technician
Chris Nelson, Civil Engineering Technician
Christiane Roy, GIS Specialist
Judy Lambert, Area Adm. Coordinator
Jayne Piepenburg, Accounting Technician



District Conservationist Report By Edward Moffett, USDA-NRCS

CONSERVATION SECURITY PROGRAM (CSP)

No new watersheds were funded in Freeborn County for 2006. The Blue Earth Watershed currently has 16 landowners with active contracts within Freeborn County. Payments were processed for each contract participant who has stewardship and enhancement practices in their CSP contracts. The payments totaled \$168,000 on 6965 acres for the 16 contract participants. The anticipated total payments for all contracts for the contract length will be \$1,640,000, a large portion of which is reinvested in Freeborn County business.

ENVIRONMENTAL QUALITY INCENTIVES PROGRAM (EQIP)

The EQIP program continues to fund many needed conservation practices for farm owners and operators in Freeborn County. EQIP is a voluntary conservation program which supports needs of agriculture and environmental concerns through financial incentives and cost share payments. Another big benefit of EQIP is that all technical planning and engineering is completed by NRCS and our SWCD partners. This technical assistance provides the planning, survey, engineering design, design layout, and engineering oversight. Projects may take 10 to over 200 hours which with a conservative estimate would cost the landowner \$500 to \$10,000. Many projects would not get done if the landowner had to pay for this service.

There were 22 newly funded contracts with a funding total for all contracts equaling \$415,000 in 2006. Funding the past five years for EQIP is \$1,200,000 for 105 contract participants. EQIP provides 50% cost share for most practices. Therefore, the economic impact can be doubled when considering the landowner share and much more when considering other economic factors of each dollar spent in Freeborn County.

Payments processed for contract participants who implemented a practice totaled \$210,000 in 2006. More than 85 individual practices were certified for payment which included 60 incentive payments for no till, pest management, organic crop rotation, nutrient management, and irrigation water management; 17 grassed waterways; 6 Water & Sediment Basins; 2 Animal Mortality Facilities; and 2 grazing systems (fencing, pipeline, water tanks, etc.).

WILDLIFE HABITAT INCENTIVE PROGRAM (WHIP)

WHIP is another cost share program which assists landowners through financial and technical planning. The goal is to develop or improve wildlife habitat on private lands. Most projects are in upland landscapes and forested areas. Funding for our current projects is for timber stand improvement, control of noxious weeds and new grass seeding. There was one new contract developed in 2006 for \$5000 on 14 acres. There are 5 total contracts for Freeborn County funded at \$20,000 on 45 acres.

WETLAND RESERVE PROGRAM (WRP)

WRP is a voluntary program that offers landowners financial and technical assistance to enroll land into an easement (30 year or permanent) or develop a restoration agreement (10 year-no easement). The goal is to protect, restore or enhance wetlands for the many environmental benefits which are provided by wetland habitat. Each option provides planning and technical assistance associated with implementing the plan which generally includes various degrees of engineering for construction of the wetland practices. The easement options also provide a financial settlement based on a land appraisal for the property rights on the easement. The program also covers legal, land survey, and land appraisal cost which can be significant.

There were 300 acres of wetland habitat constructed on projects which accounted for more than 600 acres of WRP easements. The implemented practices were processed for payment which totaled \$161,400 for 2006. Also, there were 360 acres of WRP easements which "closed" making the sites ready for the survey and construction phase. Typical practices are low embankments, water control structures, tile breaks, scrapes, weed control, and new grass seeding.

2006 in Review. . .

Ted and Judy Hellie receive “Outstanding Conservation Farmer” Award. . .



Ted and Judy pictured here in their backyard garden.

Ted & Judy Hellie, rural Albert Lea were chosen as this year’s winner of the “Outstanding Conservation Farmer” Award. Our district presents this annually to a farming operation whom we feel is doing an extraordinary job of soil & water conservation practice application and maintenance. The Hellies have installed a number of practices on their land and do a very good job of maintaining and protecting them.

Practices installed include Grass Waterways, Grass Filter Strips along open ditches, Water & Sediment Control Basins and Tree Plantings. Ted and Judy were guests of our SWCD at the 2006 Annual Convention of the Minnesota Association of Soil & Water Conservation Districts (MASWCD) held in early December in Bloomington, MN.

We congratulate them on this award and wish them continued success in the future.



Ted inspecting a new seeding along an open ditch. Note: side inlet pipe that serves as an outlet for a waterway.

Greater Blue Earth River Basin Alliance (GBERBA). . .

Our SWCD continues to partner with 10 other counties in the Minnesota River Watershed in an effort to accelerate soil erosion reduction, water quality improvement and conservation practice application. This effort is managed by a Joint Powers Board comprised of SWCD Supervisors and County Commissioners. The board is supported by a technical advisory committee, whose members include individuals from SWCDs, County Water Planning/Environmental Services, various state agencies and MN State University, Mankato.

The Alliance Coordinators applied for a Clean Water Legacy Grant in 2006. They were successful in getting approved and will receive \$873,000.00 in grant dollars and loan dollars for use in the next couple of years. The Technical Assistance portion of the grant (\$510,000) will be used to hire a Nutrient Management Specialist, an



Water & Sediment Basins installed in 2005 with EPA Watershed Initiative Grant Funds.

Urban Outreach Specialist and pay a portion of a shared Agronomist salary. Another part of the grant will provide \$184,000 in cost sharing on conservation practice installations, \$133,000 in AgBMP Loan Money and offer each county \$10,000 for a Septic System Inventory. Water quality improvement and soil erosion reduction benefits will be significant as a result of this grant.

Conservation Education

50,000 Acre WRP Celebration held in May. . .



Opening Ceremonies for the WRP 50K Celebration held May 15th, 2006 in Freeborn County, MN.



Ron Harnack, BWSR Exec. Director addressing the 50K Celebration crowd.



Learn by doing - Sixth grade students erect a wood duck house on a post near the waterfowl pond on the Bhagyam Property – Rick Berscheid, NRCS Soil Con., supervising.



On Monday, May 15th Freeborn County NRCS, SWCD and Mr. Ranjit Bhagyam were hosts to an event celebrating the enrollment of \$50,000 acres statewide in the federal “Wetlands Reserve Program” (WRP). Special guests included Mr. Ranjit Bhagyam (landowner), NRCS Chief Bruce Knight, NRCS State Conservationist Bill Hunt, FSA State Director John Munson, Minnesota Board of Soil & Water Resources Executive Director Ron Harnack and Congressman Gil Gutknecht. Others present included students and their teachers from a local elementary school, various agency people with NRCS, FSA, BWSR, our local SWCD Supervisors and interested neighbors.

Chief Knight and Bill Hunt spoke on the significance of the event and the importance of restoring wetland and associated upland buffer areas. Mr. Bhagyam stated the he considered tiling and draining the wet areas on the farm and decided instead to enroll it in a permanent easement program. A carved wood duck was presented to Mr. Bhagyam in appreciation for his interest in conservation.

Freeborn County has approximately 4,650 acres in WRP and RIM/WRP Easements. This particular easement is a RIM/WRP combination. Reinvest in Minnesota (RIM) Program dollars are used to leverage federal dollars thereby increasing the number of acres being enrolled. Both NRCS and BWSR then share in the planning, installation and maintenance of the projects. Hundreds of acres of previously drained wetlands have been restored through the program.

Conservation Education continued. . .

“Party For The Lakes”. . .



This display included various programs and services provided by our Ag Service Center.

On August 26th, 2006 another “Party for the Lakes” event was held at the Albert Lea City Arena. This is a fund raiser for lake improvement projects and watershed education. Our district along with other businesses and agencies put up informational displays. There were approximately 200 in attendance. The Lakes Restoration Committee gave a report on its annual shore land clean-up day, about 200 volunteers worked on the shores of Fountain and Albert Lea Lakes. A meal was served by the Freeborn County Pork Producers. Raffles were held including the number 1 coin designed by Marlys Webber of Albert Lea. This coin alone raised \$1,600.00.

Conservation on Wheels. . .

Conservation on Wheels, a traveling display promoting conservation of our natural resources, made several stops at local county fairs including the Freeborn County Fair on Sunday, August 6th. Children were quizzed with questions about trash, perennials, sedimentation, and mercury. Once they answered the questions correctly they had a chance to “take a shot” for conservation by shooting at the basketball into the hoop or tossing the disc into the chains. All winners were awarded conservation beads to remind them about conserving our natural resources. This display is put on by The Blue Earth River Basin Initiative (BERBI) staff with help from our district employees.



Freeborn County Area kids enjoyed the games and information provided by the conservation on wheels display.



County Fair Booth. . .

Our 2006 Fair Booth Display promoted the CREP II Program. The display explained program eligibility requirements, provided picture illustrations of eligible land types and included a sample easement area scenario with estimated payments the landowner would receive. Our booth is located in the Conservation Building and has heavy people traffic during the fair.

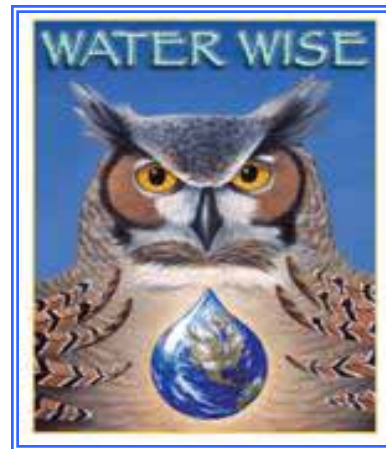


Every year staff and supervisors create a display highlighting programs & services of our SWCD. It's located in the Conservation Building at the Fairgrounds.

Soil and Water Stewardship. . .

Our district again provided area churches with soil and water stewardship materials.

Did you know a single drop of water can help quench a child's thirst, clean a smiling face, or grow a tree that will feed dozens. But it can only do so if we conserve and protect the vital water which makes it our home. Each of us holds that single drop, and the future of the world in our hands.



The 2006 theme "Water Wise".

Stewardship week is celebrated the last week of April.

Tree Program Remains Popular with Local Residents. . .

Our tree sales program continues to be popular with local landowners. Our SWCD offers a good selection of trees and shrubs suited for windbreaks, shelterbelts and wildlife habitat plantings etc. We also offer planning assistance, make recommendations on spacing and location etc., and have planting equipment available for jobs large or small. Several related tree products including fabric mulch and fertilizer etc. are offered in an effort to help achieve planting success.

In 2006 we sold over 15,000 trees and shrubs to local landowners and or/operators.



Every year staff work to get the trees ready for spring pick-up at the Freeborn County Fairgrounds in the Swine Barn.

Cost Share & Permanent Easement Program Activity. . .

State Cost Share Program. . .

Landowners were paid a total of \$8,000.00 in state cost share dollars in calendar year 2006. Practices installed included water & sediment basins, grass waterways and side inlet pipes. Based on the dollar amount mentioned above, landowners installed over \$10,000.00 worth of practices as a result of this cost share program.

Environmental Quality Incentives Program (EQIP). . .

Practices funded with federal EQIP Program cost share included no-till, nutrient management, water & sediment basins, grazing systems and animal waste management. Total amount expended by the program was \$415,000.

Wildlife Habitat Incentives Program (WHIP). . .

Practices funded with federal WHIP Program cost share dollars included forest stand improvements and upland wildlife habitat management. Freeborn County currently has five (5) contracts for a total of 45 acres and \$20,000.00.

A summary of RIM, RIM/WRP, WRP, EWP and WREP Easements to Date (12/31/06) is as follows:

Twenty year easements –	
Two (2) Marginal Ag Land Easements	10.5 acres
Perpetual Easements --	
Four (4) RIM Riparian Easements	276.6 acres
Six (6) RIM Marginal Ag Land Easements	87.1 acres
Eleven (11) Permanent Wetland Preserve (PWP) Easements	221.8 acres
Six (6) RIM Wetland Restoration Easements	105.9 acres
Nineteen (19) CREP Conservation Reserve Enhancement Program	598.7 acres
Twenty-eight (28) RIM/WRP Wetland Restoration Easements	1,918.4 acres
Forty (44) WRP Wetland Restoration Easements	2,739.1 acres
Four (4) WREP Wetland Reserve Enhancement Program Easements	273.0 acres
Five (5) EWP Emergency Watershed Protection	250.2 acres
Total	6,481.39 acres

SOIL AND WATER CONSERVATION DISTRICT
FREEBORN COUNTY, MINNESOTA

STATEMENT OF ACTIVITIES AND
GOVERNMENTAL REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2006

	General Fund	Adjustments See Notes	Statement of Net Assets
Revenues			
Intergovernmental	\$232,856.93	\$0.00	\$232,856.93
Charges for services	\$33,680.82	\$0.00	\$33,680.82
Investment earnings	\$2,994.27	\$0.00	\$2,994.27
Miscellaneous	\$97.25	\$0.00	\$97.25
Total Revenues	<u>\$269,629.27</u>	<u>\$0.00</u>	<u>\$269,629.27</u>
Expenditures			
Conservation			
Current	\$233,285.53	\$6,829.11	\$240,114.64
Capital outlay	\$320.99	(\$320.99)	\$0.00
Total Expenditures	<u>\$233,606.52</u>	<u>\$6,508.12</u>	<u>\$240,114.64</u>
Excess of Revenues Over (Under)			
Expenditures	\$36,022.75	(\$6,508.12)	\$29,514.63
Fund Balance/Net Assets January 1	<u>\$154,633.67</u>	<u>\$0.00</u>	<u>\$154,633.67</u>
Fund Balance/Net Assets December 31	<u>\$190,656.42</u>	<u>(\$6,508.12)</u>	<u>\$184,148.30</u>

Notes are an integral part of the basic financial statements.

SOIL AND WATER CONSERVATION DISTRICT
FREEBORN COUNTY, MINNESOTA

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2006

	General Fund	Adjustments See Notes	Statement of Net Assets
<u>Assets</u>			
Cash and investments	\$242,056.29		242,056.29
Accounts receivable	\$0.00		\$0.00
Due from other governments	\$0.00		\$0.00
Compensated Absences	\$0.00		\$0.00
Capital Assets:	\$0.00		\$0.00
Equipment (net of accumulated depreciation)	\$10,718.36	\$10,718.36	\$10,718.36
Total Assets	\$242,056.29	\$10,718.36	\$252,774.65
<u>Liabilities</u>			
Current liabilities:	\$0.00		\$0.00
Accounts payable	\$0.00		\$0.00
Salaries payable	\$2,118.40		\$2,118.40
Deferred revenue	\$53,763.02		\$53,763.02
Due to other governments	\$0.00		\$0.00
Long-term liabilities:	\$0.00		\$0.00
Due within one year		\$0.00	\$0.00
Due after one year	\$12,744.93	\$12,744.93	\$12,744.93
Total Liabilities	\$55,881.42	\$12,744.93	\$68,626.35
<u>Fund Balance/Net Assets</u>			
Fund Balance/Net Assets			
Reserved for prepaid items	\$0.00	\$0.00	\$0.00
Unreserved			
Designated for future projects	\$15,000.00	(\$15,000.00)	\$0.00
Undesignated	\$171,174.87	(\$171,174.87)	\$0.00
Total Fund Balance	\$186,174.87	(\$186,174.87)	\$0.00
Net Assets			
Invested in capital assets		\$10,718.36	\$10,718.36
Unrestricted		\$173,429.94	\$173,429.94
Total Net Assets		\$184,148.30	\$184,148.30

Notes are an integral part of the basic financial statements.

Average level of conservation assistance provided by staff in FY2006*

Item	Number	Units
Clients Assisted	14,800	Persons
Conservation Crop Rotation	8,000	ac.
Farmable Wetland Pilot (Wetlands & Buffers)	15	ac.
Fencing (constructed)	12,100	ft.
Filter Strips	134	ac.
Grade Stabilization Structures	1	ea.
Grassed Waterway	13	ac.
Living Snow Fence	4	ac.
Native grasses	195	ac.
Pest Management	436	ac.
Prescribed Grazing	130	ac.
Residue Management, Mulch Till	2,100	ac.
Residue Management, No-Till	7,000	ac.
Restoration & Management of Rare & Declining Habitats	924	ac.
Riparian Forest Buffer	5	ac.
Subsurface Drainage	1,300	ft.
Tree Planting	10	ac.
Tree/Shrub Establishment	19	ac.
Upland Wildlife Habitat	6,200	ac.
Water & Sediment Control Basins	23	ea.
Wetland Restoration	494	ac.
Wildlife Food Plots	4	ac.

All Figures taken from Field Office FY2006 accomplishment as reported to the USDA, except as noted. Field Office estimate not measured by the USDA system.