

2023 Annual Report Red Lake Watershed District

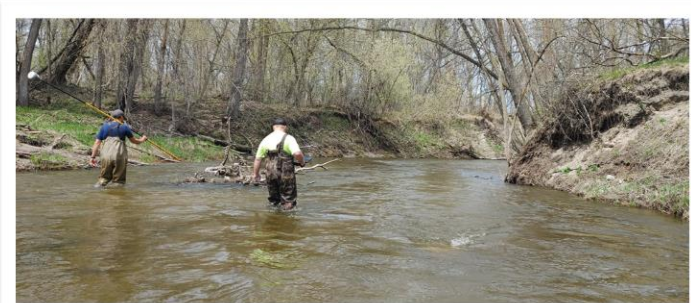
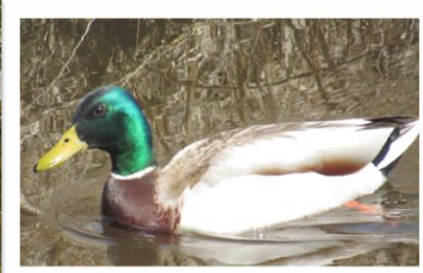


Table of Contents

Letter from the President	3
Board of Managers – 2023	4
Staff – 2023	4
Myron Jesme Retires after 20 Years with the District	5
2023 Advisory Committee	6
History of the Red Lake Watershed District	7
2023 District Projects	8
Pine Lake Flood Damage Reduction and Habitat Project (RLWD Project No. 26B)	8
Turtle Cross Connection Project, RLWD Project No. 114	9
Erosion Control (RLWD Project No. 164).....	9
Petition for the Improvement to Polk County Ditch No. 39 (RLWD Project No. 179).....	9
Fladeland Ring Dike (RLWD Project No. 129AX)	10
Beich Ring Dike (RLWD Project No. 129AY).....	11
2022 Flooding	11
Flood Control Impoundments	12
Non-gated – Fixed Crest Weir Type Structures	12
Storage Volume & Operations	12
Gated /Stop-log Type Structures	13
Miller Dam (RLWD Project No. 50C).....	14
Knutson Dam (RLWD Project No. 50F).....	16
Euclid East Impoundment (RLWD Project No. 60C).....	17
Brandt Impoundment (RLWD Project No. 60D)	19
Parnell Impoundment (RLWD Project No. 81)	20
BWSR Flood Storage Easement Pilot Site 1 “Tiedemann Site” (RLWD Project No. 133C).....	21
North Parnell Site 2 “Gasper Site” (RLWD Project No. 154)	22
Louisville/Parnell Project (RLWD Project No. 121)	23
Pine Lake (RLWD Project No. 35)	26
Little Pine Lake (RLWD Project No. 26A).....	28
Elm Lake-Farnes Pool (RLWD Project No. 52)	29
Lost River Impoundment (RLWD Project No. 17).....	30
Good Lake Impoundment (RLWD Project No. 67).....	32
Moose River Impoundment (RLWD Project No. 13).....	34
Moose River Impoundment – North Pool.....	36
Schirrick Dam (RLWD Project No. 25).....	37
Black River Impoundment (RLWD Project No. 176).....	38
Water Quality Program	40
Long-Term Water Quality Monitoring Program.....	40
Surface Water Assessment Grant (SWAG)	48
Dissolved Oxygen Logger Deployments	49
Blue Green Algae Sampling.....	55
Public Education	56
One Watershed One Plan (1W1P) Projects.....	57
Red Lake River One Watershed One Plan (1W1P)	57
Polk County Ditch 99 Outlet Channel Stabilization	59
Demarais-Hanson Channel Stabilization	61
Red Lake River Small Watersheds Focus 319 Grant.....	65

Thief River 1WIP	66
Clearwater River Stabilization Project – Greenwood 27 Phase III.....	70
Red River Watershed Management Board Water Quality Funding.....	73
Chief’s Coulee Stormwater Project.....	73
Water Quality Partnerships	75
2024 Plans	76
Website.....	77
River Watch.....	78
River of Dreams	78
Aquatic Invasive Species (AIS) Taskforce	79
Project 60F Grand Marais Restoration Project	80
Maintenance of Drainage Systems	81
RLWD Project #14, State Ditch 83, Marshall County	85
RLWD Project 36, RLWD #8.....	86
RLWD Project #49, JD #2A	87
RLWD Project #175, Ditch 15	88
RLWD Project #171A, Ditch 14.....	91
RLWD Project 171, Ditch 14.....	92
RLWD Project #177, Ditch 16.....	93
RLWD Project #113, Winsor-Hangaard	94
RLWD Project 134, Polk County Ditch 63 Improvement	95
Other Watershed Activities.....	96
Permits (RLWD Project No. 90).....	96
Wild Rice Water Allocation (RLWD Project No. 45)	97
Stream Flow & Pool Elevation Monitoring (RLWD Project No. 21).....	98
Snow Surveys.....	101
Geographic Information Systems-GIS (RLWD Project No. 145)	101
Financial Report.....	102

Letter from the President

Greetings to all the citizens of the Red Lake Watershed District and other interested parties.

Please take some time to review the 2023 Annual Report to get a first-hand view of work the Red Lake Watershed District has completed this year.

In 2023, we had two members of the Red Lake Watershed Board of Managers who were re-appointed by their respective counties. LeRoy Ose, Thief River Falls, was reappointed to a three-year term by the Marshall County Board of Commissioners. Brian Dwight, Waskish, was appointed by the Beltrami County Commissioners to serve his 2nd three-year term. Both Brian and LeRoy bring a wealth of knowledge to our Board, and we look forward to continuing our working relationship with them.

2023 found many changes for the district staff. Christina Traner resigned from the district; however, we still can work with her as she accepted a job at Houston Engineering, Inc., at the Maple Grove office. We welcomed Lindsey Kallis who was raised in Roseau, to replace Christina. In April, Administrator Myron Jesme presented his notice of retirement effective June 30th. Myron came to the watershed with a wealth of knowledge in surveying, project construction, and project operation. We replaced Myron's position internally and offered the Administrators position to long time employee Tammy Audette. Tammy took over the reins on July 1st. Gratefully, Myron will assist the district in the transition of training Tammy into his position. With the change in Administrators, Melissa Bushy from Thief River Falls was hired as the Office Manager. One would have hoped that there would have been enough changes in staff, but unfortunately Ann Joppru presented her resignation and took a position with the Northwest Regional Development Commission. The district hired Elaine Rychlock from the Grygla area to replace Ann. We wish only the best to Christina and Ann in their future endeavors, and to Myron, a well-deserved retirement filled with lots of fishing and golf.

The district continues to work on three sub-watershed One Watershed One Plan areas, and with the development of the Upper/Lower Red Lake Watershed Based Implementation Plan, this will complete the entire watershed. We have witnessed the development and installation of projects that have true water quality benefits within our area and look forward to the additional cooperation between the local counties and SWCD offices to continue moving forward.

2023 also brought on the development of the Turtle Cross Connection (TCC) Project Work Team. The TCC is a series of lakes located in Polk County that need replacement or removal of the outlet structures. Area landowners would like to see higher lake levels, which would give the district potential for Flood Damage Reduction benefits.

Included in the 2023 Annual Report, you will find the many additional projects that the district has worked on, along with water quality information and project maintenance that the district has jurisdiction over.

The Watershed District office is located at 1000 Pennington Avenue South, Thief River Falls, MN. A hard copy of the 2023 Annual Report and 2023 Annual Audit may be obtained by visiting the district office or on our website <http://www.redlakewatershed.org>.

In closing, I would like to remind the citizens that the goals of a watershed district are to manage water in the areas of flood control, drainage, and water quality. We continue to hold our meetings on the second and fourth Thursday of each month and welcome public interest and/or attendance at these meetings.

I would like to thank the citizens of the district for being supportive of our mission and it was a pleasure to serve as President of the Board in 2023.

Sincerely,



Dale M. Nelson, President

Board of Managers – 2023



Front Row (left to right): Terry Sorenson, Treasurer; Dale M. Nelson, President; and Gene Tiedemann, Vice President. **Second Row** (left to right): Tom Anderson, Brian Dwight, Allan Page; and LeRoy Ose, Secretary. Brian Dwight, representing Beltrami County; LeRoy Ose, representing Marshall County; were both reappointed to serve an additional 3-year term for the years 2023-2025.

Staff – 2023



Front Row (left to right): Corey Hanson, Melissa Bushy, Tammy Audette, Ann Joppru and Lindsey Kallis
Back Row (left to right): Erick Huseeth, Nate Koland, Myron Jesme, Tony Olson and Christina Slowinski.

Myron Jesme Retires after 20 Years with the District

After 20 years of dedicated service to the Red Lake Watershed District, Myron Jesme retired from full-time employment on June 30, 2023.

Myron started with the District in 2003, after 20 years with the Middle Snake Tamarac Rivers Watershed District in Warren, MN as a Surveyor and Engineer Technician. Myron is one that accepts a challenge, and makes it happen. He was instrumental in the development and construction of the Black River Impoundment and Thief River Falls



Myron in his early years worked for Volcanic Suvey, Jackson Hole, Wyoming

Westside Flood Damage Reduction Project. Myron could always tell us to the exact date or year of events when

something took place. As an example, as a local high school referee he would remember the year he was referring a high school basketball or football game, and what took place at that event or whose child was playing. Myron also had a knack for working well with local, state and federal agencies, which helped immensely in moving forward with projects. The District Board and Staff would like to congratulate Myron on his retirement! His dedication to the mission of the District will be greatly missed but so well deserved. Enjoy your retirement Myron, whether you are on the golf course, out fishing or a lazy day watching a football game at home!



Retirement party with lots of family and friends.



Myron with John Finney, RRWMB. The RRWMB recognized Myron on his retirement and commitment to flood control projects.

Red Lake Watershed District Office

1000 Pennington Avenue South
Thief River Falls, MN 56701
Office Hours: Monday – Friday 8:00 a.m.– 4:30 p.m.
Phone: 218-681-5800 ~ Fax: 218-681-5839
Website: redlakewatershed.org
E-Mail: RLWD@redlakewatershed.org

Meetings

The Board of Managers held twenty-three regularly scheduled board meetings and one Special Meetings in 2023. These regular meetings are normally held the 2nd and 4th Thursday of each month at the District office at 9:00 a.m. Notice of these meetings are mailed or e-mailed to the Advisory Committees, county auditors, county commissioners, and SWCD/NRCS offices and by request. The agenda, minutes and Board meeting packet from board meetings are available by visiting our website at www.redlakewatershed.org/minutes.



The 2023 General Fund budget was set at \$200,000. The General Fund Budget hearing for 2023 was held on August 25, 2022. Notice for the General Fund Budget hearing was published in at least one newspaper in each of the 10 counties within the District.

2023 Advisory Committee

Moose River

Wayne Larson
Elroy Aune

Lost River Area

Gary Mathis
Mark Larson

Walker Brook Area

John A. Nelson

Sportsman Clubs

Jim Counter
Larry Peterson

Thief River Area

Dave Rodahl
Trent Stanley
Steve Holte
Jim Sparby
Loiell Dyrud

Upper Red Lake Area

John Ungerecht
Wayne Skoe
Shane Bowe
Robin Dwight

Black River

Dan Schmitz
Curt Beyer
Greg Dyrud

Grand Marais/Red Area

Roger Love
Eugene “Jeep” Mattson

Pine Lake Area

Dave Dalager
Mike Solsten

Clearwater River Area

Steve Linder
John Gunvalson

Hill River Area

Jake Martell

Red Lake River Area

Poplar River Area

Clearwater Lake Area

Burnham Creek Area

Members of the local SWCD’s offices are also asked to participate on the Advisory Committee. Members of the Advisory Committees met at the District office on March 20, 2023. On June 8, 2023, the Advisory Committee members were invited on a bus tour of RLWD projects.

History of the Red Lake Watershed District

The Red Lake Watershed District (District) covers an area of approximately 5,990 square miles in northwestern Minnesota and includes all Red Lake County, most of Pennington County, and parts of Mahnomon, Polk, Itasca, Marshall, Clearwater, Beltrami, Roseau, and Koochiching Counties.

A governmental unit known as the Red Lake Drainage and Conservancy District preceded the District, whose territory included approximately the same land. Under the Conservancy District, three major improvement projects were completed: dredging of the Clearwater, Red Lake, and Lost Rivers.

The Board of Directors of the Red Lake Drainage and Conservancy District felt the District could better function under the Minnesota Watershed Act. The Board petitioned the District Court for the right to operate under Chapter 112, the Minnesota Watershed Act. A hearing was held in Thief River Falls on January 25, 1969, and the Conservancy District was authorized to operate under and exercise all the rights and authorities contained in the Minnesota Watershed Act.

The Board petitioned the Minnesota Water Resources Board (now the Board of Water and Soil Resources) on July 24, 1969, amended January 20, 1970, for a change of name, review of boundary, and distribution of managers of the District. A hearing on the matter was held at Thief River Falls on March 31, 1970, and at Kelliher on April 2, 1970. In their Order, the Water Resources Board stated that the principal place of business shall be at Thief River Falls; that a description of the land within the District be written; specified that the Board of Managers be seven members, the procedure by which county boards shall appoint managers and terms of office for the Managers.

On March 25, 1975, the District adopted the Rules and Regulations pursuant to Minnesota Statutes. They were amended on May 12, 1978; December 14, 1978; August 10, 1989; and reviewed and updated on June 24, 1993, and again in 2015 to be entitled "Permit and Drainage Rules of the Red Lake Watershed District."

In 1977, the District signed a Joint Powers Agreement with other watershed districts in the Red River Basin to form the Lower Red River Watershed Management Board. In 1991, the name was changed to the Red River Watershed Management Board. This organization currently consists of eight watershed districts in the Red River Basin and provides funding to member districts, primarily for floodwater detention structures, which benefit more than one-member district. The levy collected is used for funding the development, construction, and maintenance of projects of common benefit to the Red River Basin.

The District currently is governed by Minnesota Statutes 103D, which provides a broader scope for a local unit of government to manage quantity and quality of water within the hydrological boundaries.

2023 District Projects

Pine Lake Flood Damage Reduction and Habitat Project (RLWD Project No. 26B)

As a result of the comprehensive study that was completed on the Pine Lake Watershed, RLWD Project No. 26 in 2019, it was determined there may be a few components of the RCPP study that could be used to capture a few of the goals listed in the report. The Project Work Group continued to work on portions of the study they could reach a consensus on. One item agreed on was the replacement of the old sheet piling stoplog structure at the outlet of Pine Lake and replacing it with a more operational structure to better reduce lake elevations in the fall thus capturing additional FDR benefits in the spring. There was also interest in designing a fish passage structure to allow migration of fish to and from Pine Lake. At a hearing held on March 11, 2021, the Red Lake Watershed District Board of Managers approve the establishment of the Pine Lake Flood Damage Reduction and Fish Habitat, RLWD Project 26B. On July 22, 2021, bids were opened with the low bid being awarded to Wright Construction of Thief River Falls upon final audit by Engineering staff, RLWD staff and legal counsel. Upon completion of the audit, there were various issues of concern with the bid. On August 5, 2021, the Board of Managers held a special hearing to discuss concerns with the bid. Upon considerable discussion, the bid was awarded to Davidson Construction, Inc. in the amount of \$342,162.00. Construction of the project was substantially completed in the fall of 2021, with the Final Payment Hearing to Davidson Construction, Inc., held on August 25, 2022.



Looking North at the outlet channel



Fish passage structures



Outlet structure without steel gates and catwalk

In June of 2022, the Red Lake Watershed District hired HDR Engineering, Inc. for the Pine Lake Project, Phase II – Lost River Bridge Replacement at 486th Street which is located immediately downstream of the Pine Lake Outlet Structure. Replacement of the Lost River Bridge will provide additional improvements along the Lost River which will increase the flood protected benefits to Pine Lake, flow capacities within the Lost River and allow for fish passage. Bids for the project were opened in December 2023, with Houle Excavating, Little Falls, MN being awarded the project in the amount of \$395,023. Construction on the project will take place in 2024.

Turtle Cross Connection Project, RLWD Project No. 114

In 2023, the Red Lake Watershed District was contacted by staff from the Minnesota Department of Natural Resources regarding a series of lakes located northeast of Fosston, MN in Polk County with failed or near failing outlet structures thus lowering the lakes to elevations not consistent with past levels or history. To gather information, a meeting was held with local landowners on April 11, 2023, in Fosston to better understand the area and determine the desire of the landowners' wishes. On April 27, 2023, the Board of Managers appointed individuals to serve on a Project Work Team to further look into the possibilities of a potential project. The first Project Work Team meeting was held on July 21, 2023, with two additional meetings held later in 2023. The RLWD contracted with HDR Engineering, Inc. to investigate options for addressing water levels, fish passage and potential flood storage opportunities associated with the three lakes and Polk County Ditch 68. Funding for the Project Work team process was shared with the RLWD and the Flood Damage Reduction Work Group. The Project Work Team will continue to meet in 2024.

Erosion Control (RLWD Project No. 164)

This project program was established in 2004 and is used on a yearly basis to provide cost share funding for various erosion control projects usually initiated and developed by local Soil and Water Conservation Districts (SWCD). In 2023, there were various cost share funding requests from local SWCD offices. Total requests match for project cost share totaled over \$31,220.



Outlet to Red Lake County Ditch 62

Petition for the Improvement to Polk County Ditch No. 39 (RLWD Project No. 179)

On October 26, 2017, at the RLWD regularly scheduled Board meeting, a petition was received for the improvement to Polk County Ditch #39 in Polk County was presented to the RLWD Board of Managers. Upon review of the petition and receipt of the bond, the RLWD Board of Managers, by order, appointed Pribula Engineering to complete a preliminary survey. April 11, 2019 a Preliminary Hearing for the Improvement of Polk County Ditch #39, RLWD Ditch No. 17, Project 179 was held. Upon completion of the hearing, the Board of Managers by motion, approved moving forward with the appointment of viewers and instructed the engineer to proceed with the final detailed survey report.

The final hearing was held July 24, 2020, at the Red Lake Watershed District. At their regular board meeting held August 24, 2020, the Red Lake Watershed District Board of Managers approved the Finding and Order for the improvement petition. The construction of the project is presently being delayed for various legal appeals. The first appeal was filed by various landowners (appellants) to the Ninth Judicial District Court State of Minnesota. On July 22, 2022, the District Court submitted the Order Granting Summary Judgement in favor of the appellants on July 22, 2022. The second appeal delaying this project was filed with the Minnesota Court of Appeals and was heard by the appellant court on January 19, 2023. On April 17, 2023, the Minnesota Court of Appeals reversed and remanded for consideration of any challenges to the watershed district's decision. On May 25, 2023, Keystone Township, et.al. filed a petition to the Minnesota Supreme court. In August the Minnesota Supreme Court granted review of the Court of Appeals decision.

Fladeland Ring Dike (RLWD Project No. 129AX)

In April 2023, the Fladeland Ring Dike was awarded a MnDNR LCCMR Grant for construction around the Robert and Nancy Fladeland residence located in Section 31, Rocksbury Township, Pennington County. The MnDNR LCCMR Grant covers 50% of the project cost with the Red River Watershed Management Board (RRWMB) paying 25%, and the RLWD and landowner both paying 12.5%.



After final design review and acceptance, bids were opened June 6, 2023, with the low quote being awarded to Quality Spray Foam/Anderson Excavating in the amount of \$141,284.60.

Construction started in early July 2023 and was completed on November 3, 2023. Work completed included levees built to specified elevation, centerline culverts with waterman gates installed, interior & exterior drainage, topsoil spreading, and turf establishment. The total project cost was \$166,475.80, which included construction, engineering and wetland delineation.



Beich Ring Dike (RLWD Project No. 129AY)

In April 2023, the Beich Ring Dike was awarded a MnDNR LCCMR Grant for construction around the Terry and Sandra Beich residence located in Section 8, Agder Township, Marshall County. The MnDNR LCCMR Grant covers 50% of the project cost with the Red River Watershed Management Board (RRWMB) paying 25%, and the RLWD and landowner both paying 12.5%.

After final design review and acceptance, bids were opened June 6, 2023, with the low quote being awarded to Lunke's Inc., in the amount of \$115,423. Construction started in early June 2023 and was completed on November 3, 2023. Work completed included levees built to specified elevation, centerline culverts with waterman gates installed, interior & exterior drainage, topsoil spreading, and turf establishment. The total project cost was \$166,475.80, which included construction and engineering.



2022 Flooding

Throughout the Watershed District we experienced significant rainfall in the spring of 2022. In April of 2022, we measured 5.96" of rainfall here at the office, which most of it came the last full weekend of the month. Almost 5" above our monthly average. Which caused significant damage to our impoundments and infrastructure. We had so much damage system wide that a FEMA declaration was established. All the data has been collected and organized for FEMA and we will be completed with our FEMA declaration in early 2023. Some pictures of the damage and repaired projects in 2023 are listed under each project within this report. Finalization of the total project costs will be completed in 2024.

Flood Control Impoundments

The 2023 spring melt and runoff was basically a “non-event” in the basin. By the middle of April, the landscape was void of measurable snow cover and the surface water was mostly gone. Although we made it through the spring melt relatively unscathed did not mean we were out of the woods. The amount of moisture in the snow we received throughout the winter season was just one of the reasons we had a few locations with localized flooding. Although we had some localized flooding, we had to operate just one impoundment during the spring melt according to the operating plans.

Impoundments operated by the District are quite diverse and actual project operations are based on available flood storage, outlet structure facilities, and outlet channel capacity. Each impoundment is designed, based on upstream drainage area, topography, and runoff conditions. Some of the flood storage facilities are operated with adjustable stop-logs, adjustable flood gates, and some are non-gated fixed crest weir structures.

Non-gated – Fixed Crest Weir Type Structures

“Fixed crest” structures store water to the specific elevation of a weir. When the water surface raises above the weir elevation, outflows occur automatically. Most of the non-gated projects were constructed in the 1970’s and early 1980’s by the former Soil Conservation Service (SCS), known today as the Natural Resource Conservation Service (NRCS).



**Latendresse Dam located in Red Lake Falls
Township, Red Lake County**



**Odney Flaata Dam located in Onstad
Township, Polk County**

Storage Volume & Operations

Water storage is calculated in acre feet, which is a volume measurement that is one acre in area by one foot deep. Storage capacity in impoundments varies depending on the size in acres and depth of the storage area. One foot of water depth in an impoundment can be many thousands of acre feet of storage. Some impoundments are considered “dry” which means that the pool is drained dry after stored flood waters are released. Other impoundments are operated with a small permanent pool throughout the year.

Operation and maintenance vary, depending on the specific project. Some are operated solely by the District, and others are operated cooperatively with the Minnesota Department of Natural Resources,

U.S. Fish and Wildlife Service, Natural Resource Conservation Service, and local Soil and Water Conservation Districts.

Routine inspections are performed, and the condition of the embankment and control structures are evaluated. Typical maintenance includes flood damage repairs, debris removal, removal of beaver dams/debris, nuisance beaver, and vegetation control.

Gated /Stop-log Type Structures

Projects with ‘adjustable flood gates and/or stop-logs’ have more flexibility for storage and for controlling outflows from flood events. During large runoff events, flood waters are stored within the impoundments and as downstream conditions allow, the stored water is released in a controlled manner. This is done by operating flood gates or by adjusting stop-logs, depending on the respective flood storage facility. Water levels are typically lowered during the fall season. This ‘fall drawdown’ is performed to create additional flood storage for next spring’s runoff.



Example of a “Dry” Impoundment. Stored flood water is released as soon as downstream channel conditions are acceptable to pass flows.

Example of an Impoundment with a permanent pool



Miller Dam (RLWD Project No. 50C)

GENERAL: Miller Dam was constructed in 1976. It was part of a group of dams that were constructed in Red Lake and Polk Counties to help slow water down by holding it back until it reaches a set elevation. Once the water has reached that elevation, it will flow into a vertical pipe down into the outlet pipe and discharge out to the water tributary that will take the water away, usually a river or stream.

LOCATION: The project is in Section 26, Gervais Township, in Red Lake County, approximately 7 miles East of Red Lake Falls.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to approximately 155 acre-feet of floodwater storage.

PROJECT COMPONENTS: The project has a drainage area of 4.4 square miles. The embankment and reservoir are constructed of earthen clay with a vertical riser with a debris catch that will allow water to pass once the water has reached a set elevation to flow into the vertical pipe. The operable components are the structure which releases water from the impoundment into an outlet channel. This water then flows northwesterly through ditch systems and eventually to the Red River of the North.

FUNCTIONAL DESIGN DATA

	Elevation (ft.- msl)	Storage (ac.ft.)
Top of Dam (Total Storage)	1086.0	155 ac. ft. (.5" in runoff)
Gated Storage (Perm. Pool)	1076.0	32 ac. ft.
Ungated Storage to Emergency Spillway	1082.5	123 ac. ft.

Miller Dam was one of our locations that received local flooding and created some erosion on the grass spillway. During the 2022 and 2023 Spring flood event, high flows passed through the emergency spillway which caused erosion damage. The spillway got repaired to 'pre' disaster condition. The repair in 2022 was done later in the year which didn't allow the grass seed to establish. Which was the biggest contributor to the damage done in 2023.





Knutson Dam (RLWD Project No. 50F)

GENERAL: Knutson Dam was constructed in 1980. It was part of a group of dams that were constructed in Red Lake and Polk Counties to help slow water down by holding it back until it reaches a set elevation. Once the water has reached that elevation, it will flow into a vertical pipe down into the outlet pipe and discharge out to the water tributary that will take the water away, usually a river or stream.

LOCATION: The project is in Section 26, Red Lake Falls Township, in Red Lake County, approximately 1 mile South and East of Red Lake Falls.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to approximately 55 acre-feet of floodwater storage.

PROJECT COMPONENTS: The project has a drainage area of 2.7 square miles. The embankment and reservoir are constructed of earthen clay with a vertical riser with a debris catch that will allow water to pass once the water has reached a set elevation to flow into the vertical pipe. The operable components are the structure which releases water from the impoundment into an outlet channel. This water then flows northwesterly through ditch systems and eventually to the Red River of the North.



Euclid East Impoundment (RLWD Project No. 60C)

GENERAL: Construction of the Euclid East Impoundment began on June 15, 2006. Due to excellent working conditions, it was substantially completed by the middle of November. The project became functional for operation in the spring of 2007. This project is funded jointly between the State of Minnesota, Red River Watershed Management Board, and the Red Lake Watershed District.

LOCATION: The project is in Section 24, Euclid Township, and Section 19, Belgium Township, Polk County, approximately 12 miles north of Crookston.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to approximately 2,443 acre-feet of floodwater. The storage of water in the reservoir will reduce peak discharges on downstream legal ditch systems, Branch C of County Ditch #66, County Ditch #66 (Main), and County Ditch #2.

PROJECT COMPONENTS: The project has a drainage area of 17.1 square miles. The embankment and reservoir are constructed of approximately 3.6 miles of earthen clay embankment (332,681 cubic yards and approximately 12 feet at highest point), a grass lined emergency spillway, 2.4 miles of inlet channels and culvert work, 0.8 mile of outlet channel, and a gated concrete outlet structure. The operable components are the gated structure which releases water from the impoundment into an outlet channel. This water then flows northwesterly through legal ditch systems and eventually to the Red River of the North.

FUNCTIONAL DESIGN DATA

	Elevation (ft.- msl)	Storage (ac.ft.)
Top of Dam (Total Storage)	908.0	2,443 (2.68 in. runoff)
Gated Storage (Structure Crest)	905.0	1,878 (2.06 in. runoff)
Ungated Storage to Emergency Spillway	906.0	565 (0.62 in. runoff)
October 13, 2019 was recorded as the highest pool elevation at 905.90’		



Principal Outlet Structure
April 9, 2020

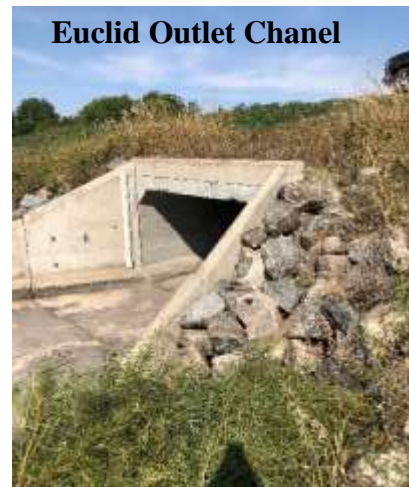
Flood gate operation was not required during the spring melt of 2023.



Euclid Outlet Chanel



Beaver Dam Removal



Euclid Outlet Chanel

Brandt Impoundment (RLWD Project No. 60D)

GENERAL: Construction of the Brandt Impoundment began on July 31, 2006, and was substantially completed by the middle of November and functional for operation in the spring of 2008. The project is funded by the State of Minnesota, Red River Watershed Management Board, and the District.

LOCATION: Section 7, Belgium Township, Polk County, approximately 14 miles north of Crookston, or 1 ½ miles east and 1 mile north of Euclid.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to approximately 3,912 acre-feet of floodwater. The storage of water in the reservoir also reduces peak discharges on the downstream “Brandt Channel,” RLWD Ditch 15 and Polk County Ditch #2 system.

PROJECT COMPONENTS:

The project has a drainage area of 23.6 square miles. The embankment and reservoir are constructed of approximately 3.5 miles of earthen clay embankment (492,579 cubic yards & approx. 19 feet at highest point), a grass lined emergency spillway, 2 – lines of 6 x 8 concrete box culverts and a gated concrete outlet structure.

Operable components are the gated structure which releases water from the impoundment into an outlet channel. This water then flows west - northwest through the “Brandt Channel” legal County Ditch #2 system and eventually to the Red River of the North.



In 2023, flood gate operation was not required during the spring melt of ‘23. The Highest recorded level was 913.5’ which was observed on May 3rd, 2022. There as some debris left on the dike banks that needed to be piled and burned, so it would not kill the grass that it was covering.

FUNCTIONAL DESIGN DATA

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam (total Storage)	918.0	3,912 (3.1 in. runoff)
Gated Storage (Secondary Spillway)	914.5	3,126 (2.48 in. runoff)
Ungated Storage to Emergency Spillway	916.0	786 (0.62 in. runoff)
October 13, 2019 was recorded as the highest pool elevation at 915.45		

Parnell Impoundment (RLWD Project No. 81)



GENERAL: Construction of the Parnell Impoundment began in 1997 and was completed in 1999. In 2004, modifications were made to the original design by lowering the emergency spillway 1.5 feet, expanding the inter-pool connecting channel, and installing an operable screw gate on the weir structure in the JD #60 outlet. The impoundment is now better utilized to store floodwater by operating control gates. In 2009, excavation of an east pool interior channel, along with an inter-pool structure, consisting of 2-48” diameter culverts with operable gates were installed. The channel enhances flow conveyance to J.D. #60 and the inter-pool structure will be beneficial in managing west pool water levels and help reduce flooding in County Ditch #126.

LOCATION: Sections 3 and 4, Parnell Township, Polk County, approximately 12 miles northeast of Crookston.

PURPOSE: The project will reduce flooding on downstream agricultural lands and urban areas by retaining up to approximately 4,000 acre-feet of floodwater. The storage of water in the reservoir will also reduce peak discharges on four legal ditch systems, County Ditch #126, Judicial Ditch #60, County Ditch #66, and County Ditch #2.

PROJECT COMPONENTS: The project has a drainage area of 23 square miles. The impoundment incorporates a two-pool design (no permanent pool), with two separate outlets, and an inter-pool connecting channel. The embankment and reservoir are constructed of approximately 5 miles of earthen embankment (approx. 18 feet at highest point), a concrete emergency spillway and two gated concrete outlet structures.

Operable components are the two gated structures which release water from the impoundment into two separate outlet channels. One of these channels is JD #60, which flows south to the Red Lake River and the other is CD #126, which flows west and eventually to the Red River of the North.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam (total Storage)	943.0	4,000 (3.2 in. runoff)
Emergency Spillway	939.5	3,000 (2.4 in. runoff)
April 8, 2020 was recorded as the highest pool elevation at 940.6		

In 2023, flood gate operation was not required during the spring flood.

BWSR Flood Storage Easement Pilot Site 1 “Tiedemann Site” (RLWD Project No. 133C)

GENERAL: Construction of the “Tiedemann Site” began in the spring of 2002 and was substantially completed by the summer of 2002 and functional for operation in the spring of 2003. The project is funded by the Minnesota Board of Water & Soil Resources (BWSR) and the District.

LOCATION: Section 5, Parnell Township, Polk County, approximately 12 miles northeast of Crookston.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to 247 acre-feet of floodwater. The storage of water in the reservoir also reduces peak discharges on the downstream ditches; Polk County Ditch 126 and the Grand Marais.

PROJECT COMPONENTS: The project is directly downstream of the Parnell West Pool outlet and the North Parnell Site 2 outlet. The embankment is constructed of approximately 0.75 miles of earthen clay embankment, 0.63 miles of raised township road, a grass lined emergency spillway, 1 – line of 6 x 5 concrete box culvert with a gated outlet structure.

Operable components are the gated structure which releases water from the impoundment into Polk County Ditch 126. This water then flows west to the Grand Marais Coulee eventually to the Red River of the North.

FUNCTIONAL DESIGN DATA

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam (total Storage)	925.5	324
Emergency Spillway	924.5	247 (1.6 in. runoff)

North Parnell Site 2 “Gasper Site” (RLWD Project No. 154)

GENERAL: Construction of the “Gasper Site” began in the spring of 2003 and was substantially completed by the summer of 2003 and functional for operation in the spring of 2004. The project is funded by the Minnesota Board of Water & Soil Resources (BWSR), Red River Management Board (RRWMD), and the District.

LOCATION: The Sections 3&4, Parnell Township, Polk County, approximately 12 miles northeast of Crookston.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to 324 acre-feet of floodwater. The storage of water in the reservoir also reduces peak discharges on the downstream ditches; Polk County Ditch 126 and the Grand Marais.

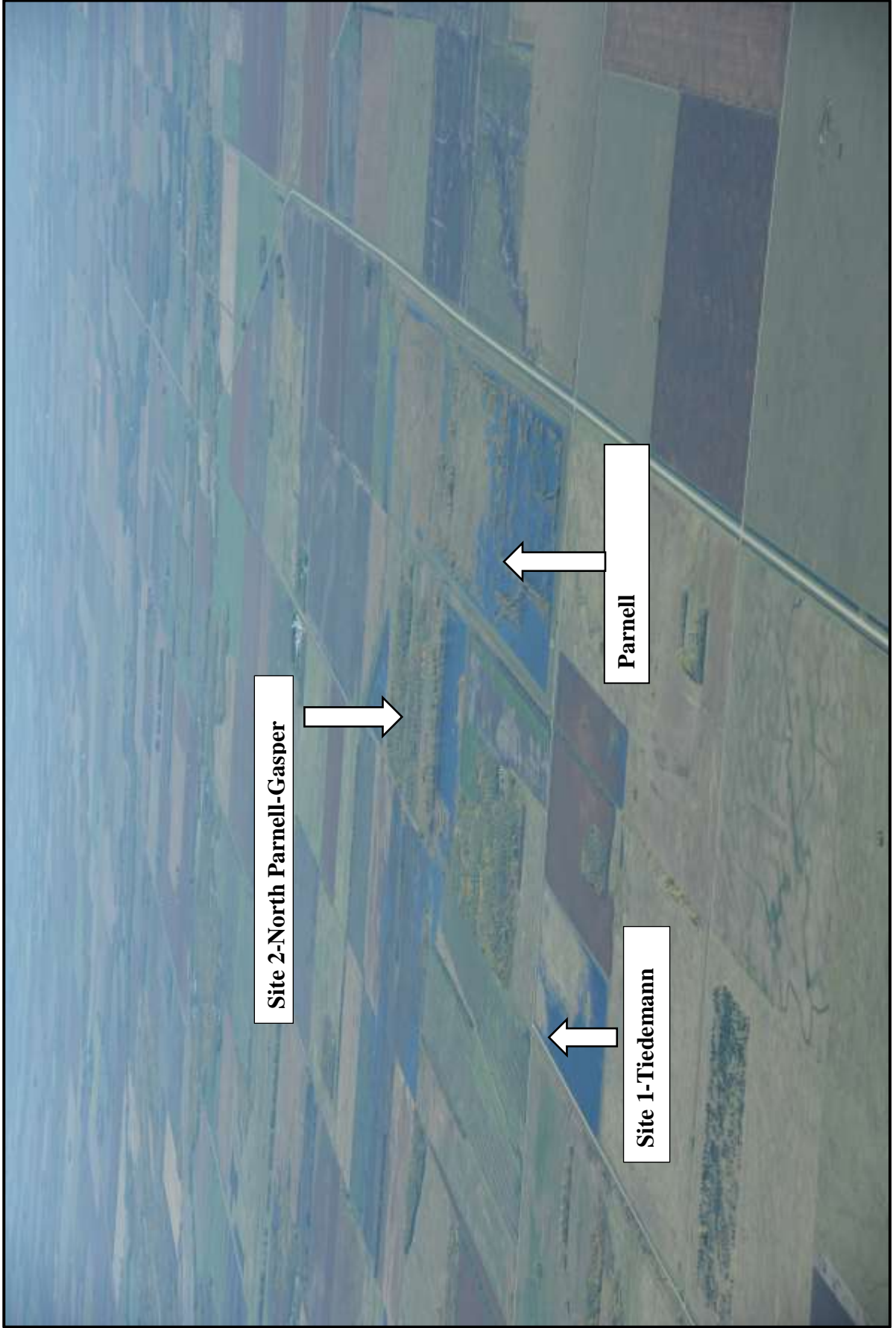
PROJECT COMPONENTS: The project is directly upstream and adjacent to the Parnell Impoundment. The embankment is constructed of approximately 1.0 miles of earthen clay embankment, a grass lined emergency spillway, 1 – line of 36” concrete pipe with a gated outlet structure.

Operable components are the gated structure which releases water from the impoundment into an outlet ditch which then goes into RLWD project 133C, from there the water flows into Polk County Ditch 126. This water then flows west to the Grand Marais Coulee eventually to the Red River of the North.

FUNCTIONAL DESIGN DATA

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam (total Storage)	938.0	324
Emergency Spillway	937.0	247 (2.7 in. runoff)

**Parnell Impoundment – Site 1 Tiedemann Site – Site 2 North Parnell Gasper Site
Looking Northeast**



Louisville/Parnell Project (RLWD Project No. 121)

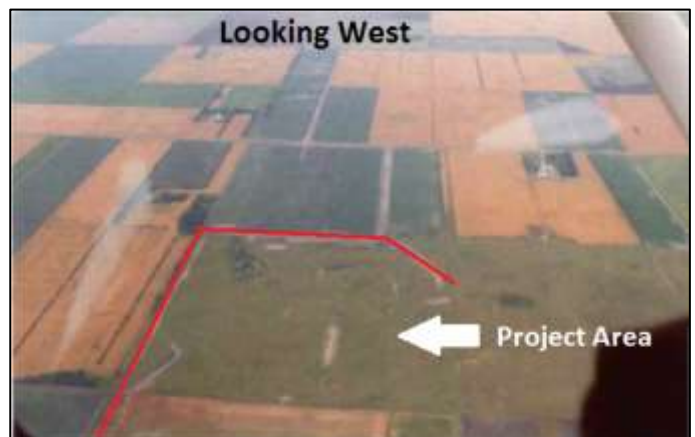


GENERAL: Construction of the Louisville/Parnell Impoundment began in mid-1998 and was substantially completed by the end of July 1998 and functional for operation in the fall of 1998. The District and HDR Engineering of Thief River Falls jointly performed construction surveying and inspection duties. The project is funded by the Red River Watershed Management Board, Department of Natural Resources, Minnesota Department of Transportation, and the District.

LOCATION: The project is located, approximately 12 miles northeast of Crookston, in Section 13 and 14 of Parnell Township in Polk County and Section 18 of Louisville Township in Red Lake County, Minnesota.

PURPOSE: The project will store runoff and reduce flooding on downstream agricultural lands and urban areas by retaining up to ten percent more storage (400 acre-ft) to the JD-60 Watershed. The storage of water will reduce peak discharges by .2 % in Crookston and .02% East Grand Forks. The project also created 37 acres of wetland banking.

PROJECT COMPONENTS: The drainage area above (upstream) of the impoundment is 5.1 square miles. The project controls break out flows from Lateral 2 of JD-60. It is designed to provide up to 25-yr flow control to the immediate drainage systems downstream of the project. The embankment is approximately 2,900 ft long along the west edge of the southeast quarter of Section 13. The project utilizes four gated outlet structures consisting of one principal outlet (STA 19+50) and three secondary outlets. Each control structure and storage site are designed to operate using passive



detention. The sluice gates are 18-inch diameter, Waterman Model C-20-C-Y and operated through a gate wheel. As well as providing local and regional flood mitigation, this project provides wetland banking for the Minnesota Department of Transportation. The project consists of five pools each designed to provide specific functions and benefits.

**Louisville/Parnell Impoundment and Wetland Bank
100 Year 30 Hour Summer Flood
Stage and Storage Summary**

Storage Site	Peak Elevation (ft-MSL)	Total Storage at Peak (ac-ft)	100-Year Bounce (ft)	Gated Storage Available (ac-ft)
A	965.19	89.9	2.8	15
B	954.16	24.2	2.2	0
D	952.21	47.6	1.7	47.6
C/E	949.21	207	5.3 (C) 1.3 (E)	190

FUNCTIONAL DESIGN DATA

	Elevation (ft.-msl)
Top of earthen embankment	951.0/952.0
Top of Spillway	949.0

Gate operation will be the responsibility of the Red Lake Watershed District, and gate operation will be coordinated with downstream elevation trigger points to help us determine when to operate the gate for storage or release of water.

Pine Lake (RLWD Project No. 35)

GENERAL: In 2021, the RLWD replaced the existing sheet pile dam with a concrete structure along with a rock riffle fish passage. Please see Project #26B for further information, which was a Capitol Improvement Project. Final Payment Hearing was held on Thursday, August 25th, 2022, and Project #26B was completed on that date.

LOCATION: The site is near the south center of section 21, Pine Lake Township, Clearwater County.

PURPOSE: This multi-purpose project is designed to provide the public with flood control and wildlife benefits. The Gonvick Area Lions Club has donated hundreds of man-hours and when necessary, members operate the aeration system, install, and maintain aeration signage.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.-msl)
Top of Dam	1285.0
Bottom of Bay	1281.0
Fish Passage Notch	1281.0
Typical summer-top of stop logs	1282.5
Typical winter	1282.5
April 26, 2022, was recorded as the highest pool elevation at 1286.22	

The new concrete structure has two - 5' X 4' bays. One bay has an adjustable sluiceway, the other is controlled by "stop-logs". A rock-riffle fish passage was also installed as part of the project. The stop-logs can be adjusted between elevations 1281.0 to 1285.0. The project has a drainage area of 45 square miles. Based primarily on lake elevation, stop-logs may be removed from the dam to allow additional outflow until the lake recedes, and then they are replaced to the typical summer or winter elevation. The dam is also designed with a fish passage notch at elevation 1282.5, which is one foot lower than the normal summer lake elevation. This is very important for keeping some flow in the Lost River especially during periods of low flow. Factors to consider when adjusting the stop-logs are monitoring "inflows" to the lake, existing lake elevation, downstream conditions, and predicted runoff. Staff personnel at the Sportsman's Lodge are very helpful in reading the lake elevation gauge located inside the business and a local resident records rainfall data at the lake.

In 2023, the local Sportsman's Club did not have to operate the aeration system. The Sportsman's Club has 4 sites on Pine Lake that they use for checking oxygen in the water, and the numbers for dissolved oxygen at the sites tested great this year and didn't require using the aeration system. Stoplogs were installed on May 1st to the typical summer elevation of 1283.5. Pine Lake crested at elevation 1283.90' on April 24th. On October 13th, we began the normal fall drawdown and have/will continue throughout the winter to collect data and understand how the new structure is going to maintain the winter and summer targets that are described in the operating plan.



New structure with gates and catwalk.



Winter Picture of frozen channel at structure.



Looking up-stream at fish passage.



Winter levels check.



Pine Lake Structure.



Surveying Fish Passage Elevation.

Little Pine Lake (RLWD Project No. 26A)

As a result of the RCPP Project Work Team meetings for Pine Lake, it was identified that the Minnesota Department of Natural Resources agreed to store an additional 250 acre-feet of water on Little Pine Wildlife Management Area (WMA) to assist in reducing flood flows to Pine Lake during flood events. Upon further discussion with the RLWD Board of Managers, the District agreed to construct a new outlet structure on the WMA to allow better operation for regulating water surface elevations. The District and MNDNR entered into a Joint Powers Agreement as well as drafting an operating plan which gives the MNDNR the responsibility for all operation and maintenance of the water control structure. Quotes for the project were opened at the District office on June 14, 2018, with the low quote awarded to Red Lake Builders in the amount of \$119,220. Project construction was completed November 14, 2018



Control Structure

Elm Lake-Farmes Pool (RLWD Project No. 52)

GENERAL: Elm Lake was drained around 1920 by the construction of Branch #200 of Judicial Ditch #11. The Elm Lake project is a cooperative effort of the U.S. Fish and Wildlife Service, MN Department of Natural Resources, Red Lake Watershed District, and Ducks Unlimited. Majority of funding for the project was provided by Ducks Unlimited and at the time Elm Lake was created, it was the largest Ducks Unlimited project in the lower 48 states.

LOCATION: Marshall County, approximately 17 miles northeast of Thief River Falls. The drainage area of Ditch 200 above Elm Lake is 63 square miles.

PURPOSE: Multi-purpose – designed to meet three major objectives: Flood control, increase wildlife values, and upstream drainage improvement.



PROJECT COMPONENTS: Approximately 9 miles of earthen embankment, an outlet control structure, rock lined emergency spillway, and an enlargement of a portion of Ditch 200.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam	1145.0	19,700
Emergency Spillway	1142.0	11,000 (8.9 in. runoff)
Max Summer	1141.0	7,500 (6.11 in. runoff)
Typical Summer	1140.0	5,500 (4.48 in. runoff)
Typical Winter	1139.0	3,500
Project Drainage Area 63.0 sq.mi.		
*Highest recorded pool elevation was 1143.30 on April 23, 1997		

OPERATIONAL: 1991

In 2009, repairs were made to the principal outlet structure. Work consisted of repairing stop-log bays and channels, removal of corroded stop-logs, and installation of new handrails and safety grates.

Agassiz National Wildlife Refuge staff performs the actual operation of the outlet structure with cooperation from the District.

2023 was an interesting year because of the amount of moisture that was stored in the snowpack. Within the operating plans for Elm Lake and Lost River Impoundment states that if the moisture in the snowpack measures more than 4” the District helps coordinate an early drawdown to make room for the anticipated spring melt. We had coordinated with Agassiz National Wildlife Refuge to assist in drawing down Elm Lake which began in the middle of March of '23. We had to start the drawdown in Elm Lake to make room for the water that would be released from Lost River Pool which is operated by the Minnesota Department of Natural.

Lost River Impoundment (RLWD Project No. 17)

GENERAL: In the mid-1970’s, the project was constructed by the Minnesota Department of Natural Resources to improve waterfowl habitat. On December 14, 1978, the District entered into a formal agreement with the Minnesota Department of Natural Resources to modify the original impoundment by raising the elevation of the dike and emergency spillway. Four - 48” diameter gated pipes and a spillway from Ditch 200 of JD #11 supply water to the impoundment which is an “off channel” reservoir.

LOCATION: Marshall County, Grand Plain Township, proximately 20 miles northeast of Thief River Falls. The drainage area above the impoundment is 53 square miles.

PURPOSE: Multi-purpose – designed to increase wildlife values and provide flood control.

PROJECT COMPONENTS:
Approximately 10 miles of earthen embankment, an outlet control structure, and an emergency spillway into Ditch 200.



FUNCTIONAL DESIGN DATA:

	Elevation (ft.msl)	Storage
Top of Dam	1150.2	14,600
Emergency Spillway	1148.2	10,000 (4.7 in.runoff)
Typical Summer	1146.2	5,500 2.6 in. runoff)
Typical Winter	1145.2	3700
Drainage Area 53.0 sq.mi.		
Highest recorded pool elevation (RLWD) was 1147.80 on April 14, 1999		

OPERATIONAL: 1978

In 2014, the MNDNR obtained funding to make repairs on the outlet end of the control structure. Most of the work consisted of sediment removal, re-shaping of the plunge pool and ditch banks, plus installing rock riprap. The Watershed District helped with the design, cost estimate, and partial funding. The work was completed late in the year.

The Minnesota Department of Natural Resources (MNDNR) staff perform the actual operation of the outlet structure with cooperation from the District.



Lost River Pool was operated in March of '23 to release water that had been stored within the impoundment over the winter. The reason for the release was our trigger of having more than 4" of moisture in the snowpack. The operating plan for Elm Lake and Lost River Pool states: "In the event of an anticipated spring flood with a snowpack water content of four inches or more, the pool will be lowered to a level below maximum winter surface elevations to provide additional storage for spring floods". Last winter season we measured 21.82" average snow depth with 4.52" of moisture in that snow. With the co-operation of the Minnesota DNR and Agassiz Refuge we were able to get both Elm Lake and Lost River pools drained down to below winter storage levels in anticipation of the spring melt.



Good Lake Impoundment (RLWD Project No. 67)

GENERAL: The Good Lake Project was a cooperative effort between the Red Lake Band of Chippewa Indians and the District.

LOCATION: The project area lies entirely within the Red Lake Indian Reservation. The impoundment is approximately 30 miles east of Thief River Falls, in Clearwater and Beltrami Counties. The drainage area above the dam is 73 square miles.

PURPOSE: Multi-purpose project to provide wetland habitat, flood water retention, and potential irrigation water supply. Enhanced wetland habitat for waterfowl, furbearers, and other wetland species. The reservoir also has the potential for seasonal rearing of northern pike. The project reduces flood peaks on both the Red Lake River and the Red River of the North. The dam stores runoff from the 73 square mile drainage area. Spring storage capacity is 11,300 acre-feet and is equal to 2.6 inches of runoff from the drainage area. The project will also reduce flooding on approximately 4,000 acres of private land immediately west of the project, by intercepting overland flows. The reservoir may be used as a water source for irrigation of wild rice paddies. Paddies have not been built, but there is potential for paddy development in adjacent areas.

PROJECT COMPONENTS: Approximately 9 miles of earthen embankment, 7.5 miles of inlet channels, a reinforced concrete outlet structure, and 2 miles of outlet channel. Water released from the impoundment, enters the Red Lake River approximately 2.5 miles downstream (south easterly) from the outlet control structure. The project was operational in 1996.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam	1178.5	27,500
Flood Pool (Emergency Spillway)	1176.1	13,100 (4.8 in. runoff)
Normal Summer Pool	1173.0	3,250 (1.2 in. runoff)
Normal Winter Pool	1172.0	1,800
Drainage Area – 73 sq.mi.		
Highest recorded pool elevation was 1176.80 on May 25, 1999		

On April 12, 2011, the Red Lake Tribal Council approved a new 5-year Special Land Permit (Resolution No. 61-11) granted to the District. The original permit had expired on January 12, 2010. In part, the permit states “The purpose of this permit is to facilitate cooperative management of the Good Lake Impoundment, where the District and the Red Lake Band will cooperatively inspect, supervise, and conduct necessary maintenance at the Good Lake Flood Control project site. Activities will be coordinated with the Red Lake Department of Natural Resources.” Also, as part of the land use permit, the District is granted a right of access to the land described for a period of five years, starting on the date the permit commenced. It was signed by the Tribal Chairman and Secretary on April 13, 2011 and expired on April 13, 2016.

On July 12, 2016, two District Board Managers and two Staff members met before the Red Lake Tribal Council to discuss and ask for a renewal of the Special Land Permit. On August 24, 2016, the office received a new 2-year



Special Land Permit (Resolution No. 138-16) signed by the Tribal Chairman and Secretary and dated July 12, 2016 (expires on July 12, 2018). The Special Land Permit (Resolution No. 138-16) with the Red Lake Nation expired on July 12, 2018. RLWD personnel have not been able to access the project since that time.

Kelly Dahlen was tasked as the gate tender for Good Lake Impoundment in the summer of 2023. He has also been taking care of some maintenance that is required to maintain an impoundment of this size. He has been mowing the dike, keeping debris away from the structure and checking elevations when needed. He has become a real asset to the Red Lake Watershed District and the Good Lake Impoundment



Moose River Impoundment (RLWD Project No. 13)

GENERAL: The project, which is a two-pool design, is the largest impoundment operated by the District. It was a cooperative effort of the District, Red River Watershed Management Board, and the Minnesota Department of Natural Resources for flood control and wildlife management. Flood damages will be reduced by storing floodwaters in the upper reaches of the watershed. Wildlife and associated recreational benefits will be enhanced by water retained in the two pools. The project is constructed on lands managed by the Minnesota Department of Natural Resources.

LOCATION: The project is located at the headwaters of the Moose and Mud Rivers in northwestern Beltrami County, approximately 15 miles northeast of Grygla, MN.

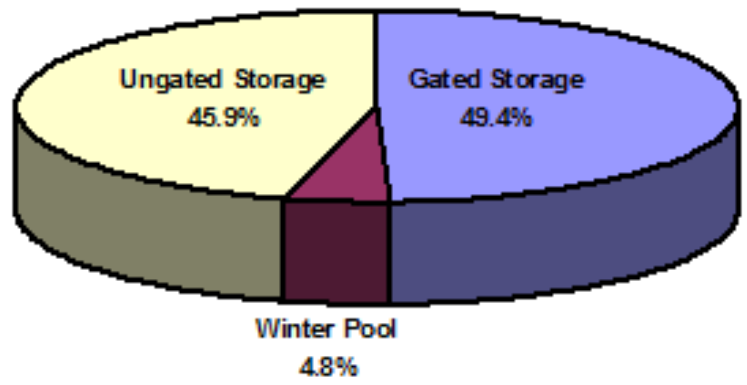
PURPOSE: Multi-purpose; designed to provide flood control, streamflow maintenance, increase wildlife values, and benefit fire control.

OPERATIONAL: 1988

FUNCTIONAL DESIGN DATA:

	North Pool	South Pool	Total
Top of Dam Elevation (ft.msl.)	1218.0	1220.0	
Freeboard Flood Elevation (ft.-msl)	1217.2	1219.3	
Freeboard Flood Storage (ac.ft.)	16,250	38,250	54,500
Emergency Spillway Elevation (ft.-msl)	1216.0	1218.0	
Emergency Spillway Storage (ac.ft.)	12,000	24,250	36,250 (5.4 in. runoff)
Gated Pool Elevation (ft.-msl)	1215.3	1217.4	
Gated Pool Storage (ac.ft.)	9,750	19,750	29,500 (4.4 in. runoff)
Typical Summer Elevation (ft.-msl)	1211.7	1213.6	
Typical Summer Storage (ac.ft.)	2,000	4,000	6,000 (2.1 in. runoff)
Typical Winter Elevation (ft.-msl)	1210.5	1212.4	
Typical Winter Storage (ac.ft.)	800	1,800	2,600
Max No-Flood Elevation (ft.-msl)	1212.5	1214.5	
Max No-Flood Storage (ac.ft.)	3,000	6,000	9,000
Project Drainage Area (sq.mi.)	41.7	83.3	125.0
*Highest Recorded Pool Elevation May 16, 1999	*1215.90	*1218.05	

This impoundment has a small permanent winter pool to allow for maximum storage capacity as indicated on the graph shown to the right.



Moose River Impoundment – North Pool

The North Pool outlets into the Moose River (JD #21). The major components of the north pool are: 5 miles of diversion ditch, 4 miles of earthen dike with a top elevation of 1218.0, one gated outlet structure, one rock lined emergency spillway at an elevation of 1216.0. Approximately 1/3 (41.7 sq. mi.) of the total project drainage area (125.0 sq. mi.) drains to the Moose River.

2023 Operation: The maximum North Pool elevation for 2023 was 1213.25'. Which occurred on April 26th, 2023. The North Pool can store approximately 12,000 ac/ft of water before reaching the emergency spillway. The gate(s) was/were operated throughout the year during periods of rain. Fall releases began October 12th, drawdown was complete October 16th.

The Watershed performed routine maintenance. Which included beaver dam removal & debris removal, along with mowing in selected areas.



Moose River Impoundment – South Pool

The South Pool outlets into the Mud River (JD #11 Main Branch). The major components of the south pool are: 3 miles of diversion ditch, 9 miles of earthen dike with a top elevation of 1220.0, 4 miles of earthen dike between the north and south pools, one gated outlet structure, two rock lined emergency spillways at an elevation of 1218.0. Between the North and South pools is an inter-pool structure which may be used to pass water between the pools. Approximately 2/3 (83.3 sq. mi.) of the total project drainage area (125.0 sq. mi.) drains to the Mud River.

2023 Operation: The maximum South Pool elevation for 2023 was 1218.85'. Which occurred on April 26, 2023. The South Pool can store approximately 24,250 ac/ft of water before reaching the emergency spillway. The gate(s) was/were operated throughout the year during periods of rain. Fall releases began October 8th and the drawdown was complete October 14th. The Watershed performed routine maintenance. Which included beaver dam removal & debris removal, along with mowing in selected areas.



Schirrick Dam (RLWD Project No. 25)

GENERAL: The Schirrick Dam Project was constructed on the Black River in 1984 and was operational in 1985.

LOCATION: Section 35, Wylie Township, Red Lake County, approximately 20 miles northeast of Crookston. The drainage area above the dam is 107.7 square miles.

PURPOSE: The primary purpose is to provide flood relief on the Red Lake River and the Red River of the North by controlling the flow contribution from the Black River. A small permanent pool is also provided.

PROJECT COMPONENTS: An earthen embankment (38 feet at highest point) and a gated concrete outlet structure. The reservoir has the capacity to detain up to 4,800 acre-feet of water. Operable components are stop-log bays to control the elevation of the permanent pool and hydraulic flood gates to control the flow contribution of the Black River during floods. The gates will normally be open and will only close in the event of severe mainstem flooding.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.- msl)	Storage (ac.ft.)
Top of Dam	992.5	6,000
Gated Storage	987.0	4,000
Emergency Spillway	989.3	4,800
Permanent Pool	962.0	70
Drainage Area 107.7 sq.mi.		
Highest recorded pool elevation was 988.75 on April 17, 1997		

Gate operation was not required this year. In late November, annual gate operation occurred. Both hydraulic gates were test operated (closed and opened) to make sure that they function properly. This is being done to be prepared in the event of a severe flood which would require closure. This dam and the timing of closure are vitally important for flood protection for the city of Crookston.



Black River Impoundment (RLWD Project No. 176)

GENERAL: Construction of the Black River Impoundment began October of 2020 and with the great working conditions, nearly half of the project was completed in the fall of 2020.

Construction resumed in the early summer of 2021 and continued to the late fall. The project was substantially completed and was completed by mid-summer of 2022. Black River

Impoundment received damages from

the flood of '22 that cost \$218,907.10 that was turned into FEMA for reimbursement. Most of the damage was located on the inlet ditches that flow into the impoundment, however there was some re-shaping and re-seeding that needed to take place on the levee itself.



LOCATION: Section 3 & 4, Polk Centre Township, Pennington County, approximately 9 miles west of St. Hilaire.

PURPOSE: The project stores runoff and reduces flooding on downstream agricultural lands and urban areas by retaining up to approximately 4,064 acre-feet of floodwater. The storage of water in the impoundment will reduce downstream river levels on the Black River, Red Lake River & Red River of the North.

PROJECT COMPONENTS: The project has a drainage area of 16.9 square miles. The embankment and reservoir are constructed of approximately 3.12 miles of earthen clay embankment (557,799 cubic yards and approximately 14 feet at highest point), a grass lined emergency spillway, 11.7 miles of inlet channels and culvert work, 0.53 miles of outlet channel, and a gated concrete outlet structure. The operable components are the gated structure which releases water from the impoundment into an outlet channel. This water then flows westerly into the Black River.

FUNCTIONAL DESIGN DATA:

	Elevation (ft.-msl)	Storage (ac.ft.)
Top of Dam	1023.50'	
Gated Storage	1019.00'	3,162
Emergency Spillway	1020.50'	4,064
Drainage Area 16.9 sq.mi.		

Downstream triggers in Oslo did require Red Lake Watershed District staff to operate the gate on April 24th 2023. The water stored in Black River Impoundment was minimal. The gate was also operated on July 26th, 2023, due to a localized rainfall of more than 2.5”.



The above pics are showing the water stored at the Black River Impoundment before and after closing the gate.

Water Quality Program

The District and other local organizations are working to protect and restore water quality in rivers, streams and lakes in the five major watersheds within the District's boundary. To protect water quality, it is important to have a confident understanding of current water quality conditions. District staff monitor water quality and flow conditions. Monitoring involves regular sample collection, investigative sampling, and event monitoring with autonomous sensors. The data is used to assess water quality conditions by comparing statistics to water quality standards that are established by the State of Minnesota. The results of data assessment and analysis are used to identify problem areas, trends, pollutant sources, and priority areas for implementation of projects that will improve water quality. In addition to the District's long-term monitoring program, water quality staff deployed and maintained dissolved oxygen and water level loggers.

Thanks to the Clean Water Land and Legacy Act, funding has been provided to local watersheds through Watershed Restoration and Protection Strategy (WRAPS) and One Watershed One Plan (1W1P) processes to identify, prioritize, plan, and implement projects that will improve water quality in streams and lakes. The WRAPS process and stakeholder involvement informed the 1W1P process, which has provided much funding for the implementation of on-the-ground projects that protect and improve water quality. Surface Water Assessment Grants (SWAG) from the MPCA help fund intensive monitoring of targeted watersheds.

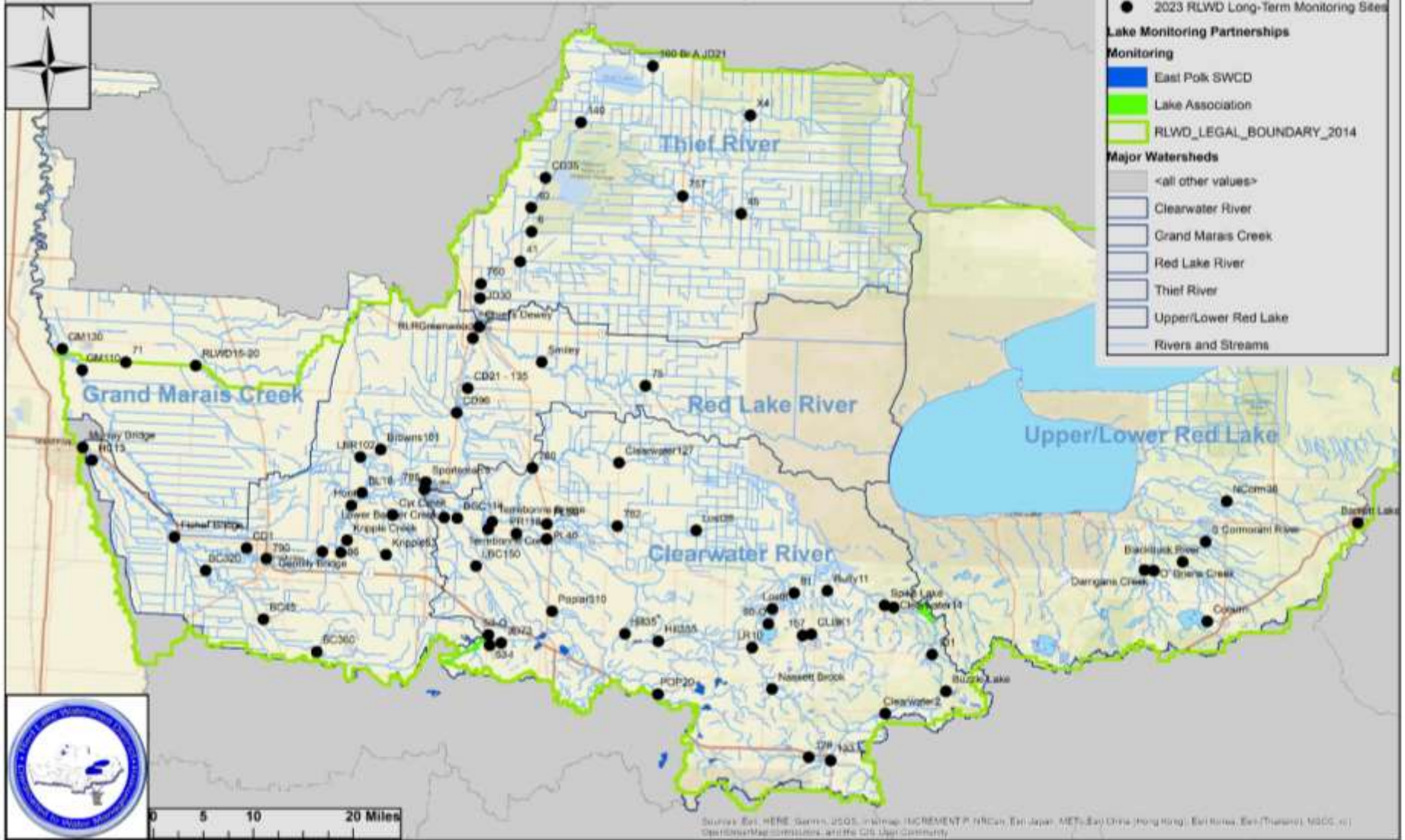
An important part of the District's water quality program is public education. The District supports River Watch programs at schools that monitor water quality in streams within its boundaries. The information collected by the District and others needs to be interpreted and shared for it to be most beneficial. Therefore, the District generates regular (monthly and annual) water quality reports, hosts or helps plan public events, and participates in other educational events like water festivals. Information is shared online. The creation of informative maps using GIS software is also used to attain a better understanding of water resources and watersheds.

The knowledge that is gained through the District's water quality program is also used for the planning of projects that will improve water quality conditions and comprehensive watershed planning efforts (1W1P). The District has identified sources of pollutants that can be addressed through large and small projects. The Board of Managers has approved financial support to projects and programs that will improve water quality. The success of those projects can also be monitored through the District's water quality program.

Long-Term Water Quality Monitoring Program

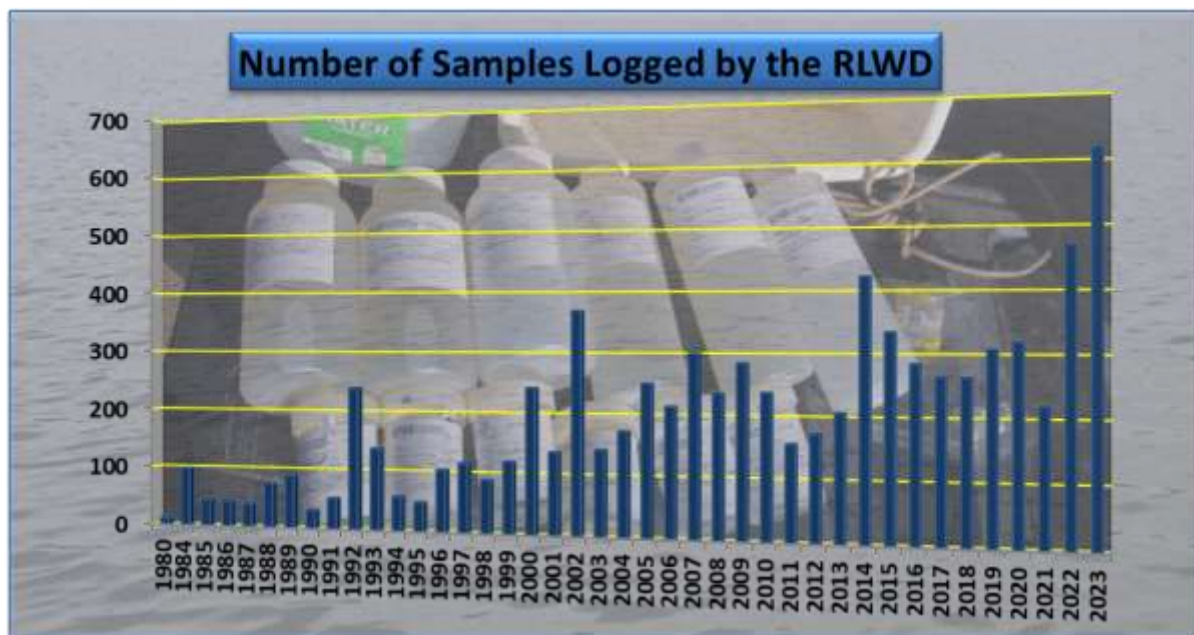
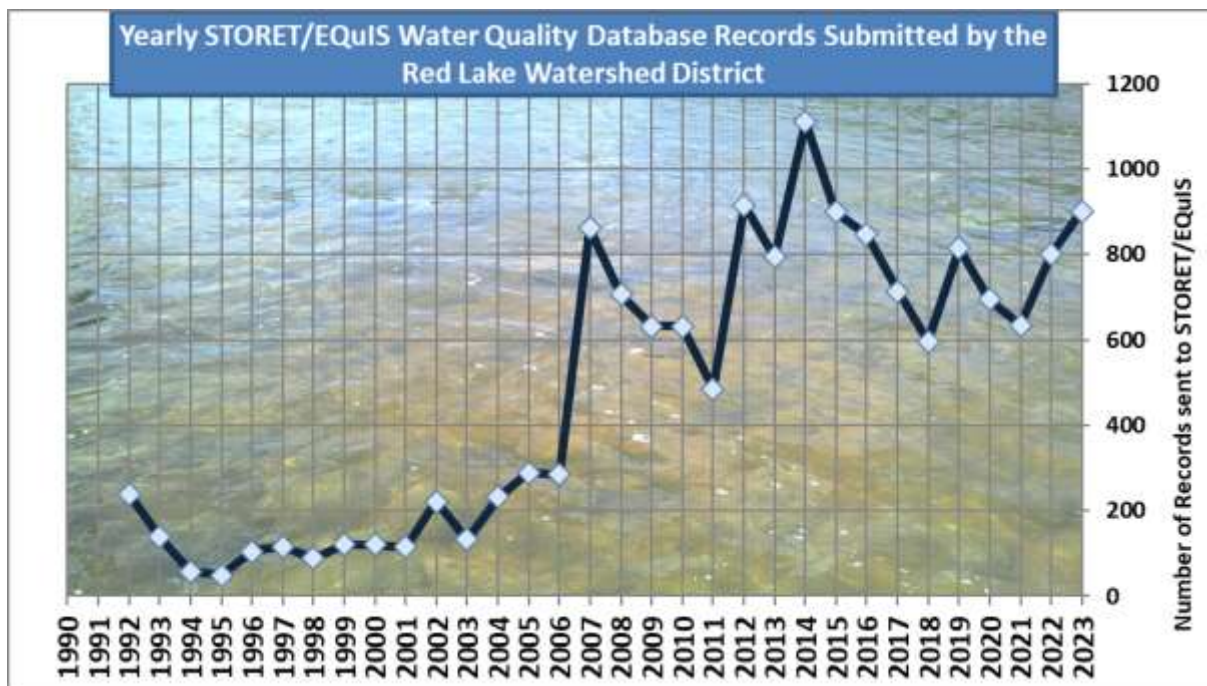
The District's long-term district monitoring program has collected water quality data throughout the district since 1980. Water quality monitoring was conducted at 78 stream crossings and two lakes as part of the District's regular monitoring program in 2023. The District partnered with other local organizations and volunteers to collect additional lake and stream data. Monitoring sites were selected so that data could be strategically collected from as many assessment units (reaches of rivers, streams, and ditches – delineated by the MPCA for assessment purposes) as possible. Generally, monitoring sites are located near the pour points (downstream ends) of rivers, streams, and ditches. Monitoring station locations can be changed to adapt to changes in MPCA assessment units. The four 2023 rounds of sampling occurred in May, June, July, and August. Locations of long-term monitoring stations are shown on the maps on the following page.

Red Lake Watershed District 2023 Water Quality Monitoring Sites



Field measurements of dissolved oxygen, temperature, turbidity, specific conductivity, pH, and stage were collected during each site visit if there was flowing water. Four rounds of samples were also collected and analyzed for total phosphorus, orthophosphorus, total suspended solids, total Kjeldahl nitrogen, ammonia nitrogen, nitrates + nitrites, and E. coli. Biochemical oxygen demand analysis was performed on samples from rivers and streams that were impaired by low dissolved oxygen levels or have high total phosphorus concentrations.

Field measurement data from 2023 water quality monitoring (including the Thief River SWAG) was entered into an EQUIS submittal template, reviewed for accuracy, then submitted to the MPCA for storage in the EQUIS database. Data from RMB Environmental Laboratories was electronically submitted directly to the MPCA. A total of 901 records were submitted to the MPCA. Of those records, 616 involved the collection of water quality samples.



Only four high biochemical oxygen demand (BOD) concentrations (>3.5 in the South and more than the laboratory's 3 mg/L (formerly 2 mg/L) minimum reporting limit in the Central or North River Nutrient Regions) were recorded in 2023 samples. Chief's Coulee, in northern Thief River Falls, accounted for two of those occurrences. Ammonia was also relatively high ammonia concentration (4.9 mg/L) in the June sample. The other two high BOD levels were found in April samples from the Clearwater River at CSAH 2 and the Poplar River at County Road 118.

The majority (63%) of nitrate and nitrite (inorganic nitrogen) concentrations measured in 2023 were lower than the laboratory's minimum reporting limit of 0.03 mg/L, a lower limit that is based on the accuracy of the laboratory method/equipment. Very high nitrate and nitrite concentrations (>10 mg/L) were found in June samples collected from Lower Badger Creek at CR 114, Terrebonne Creek at CSAH 92, and the Gentilly River at CSAH 11. Other relatively high (>1 mg/L) concentrations were found in the Mud River, Chief's Coulee (Thief River Falls stormwater), Lower Badger Creek, Lost River, Hill River, Clearwater River, Beau Gerlot Creek, Red Lake River, Thief River, Grand Marais Creek Judicial Ditch 30, Polk County Ditch 2, Branch 200 of JD 11, Moose River, Marshall County Ditch 20, Heartsville Coulee, and Terrebonne Creek – mostly in April, May, and June.

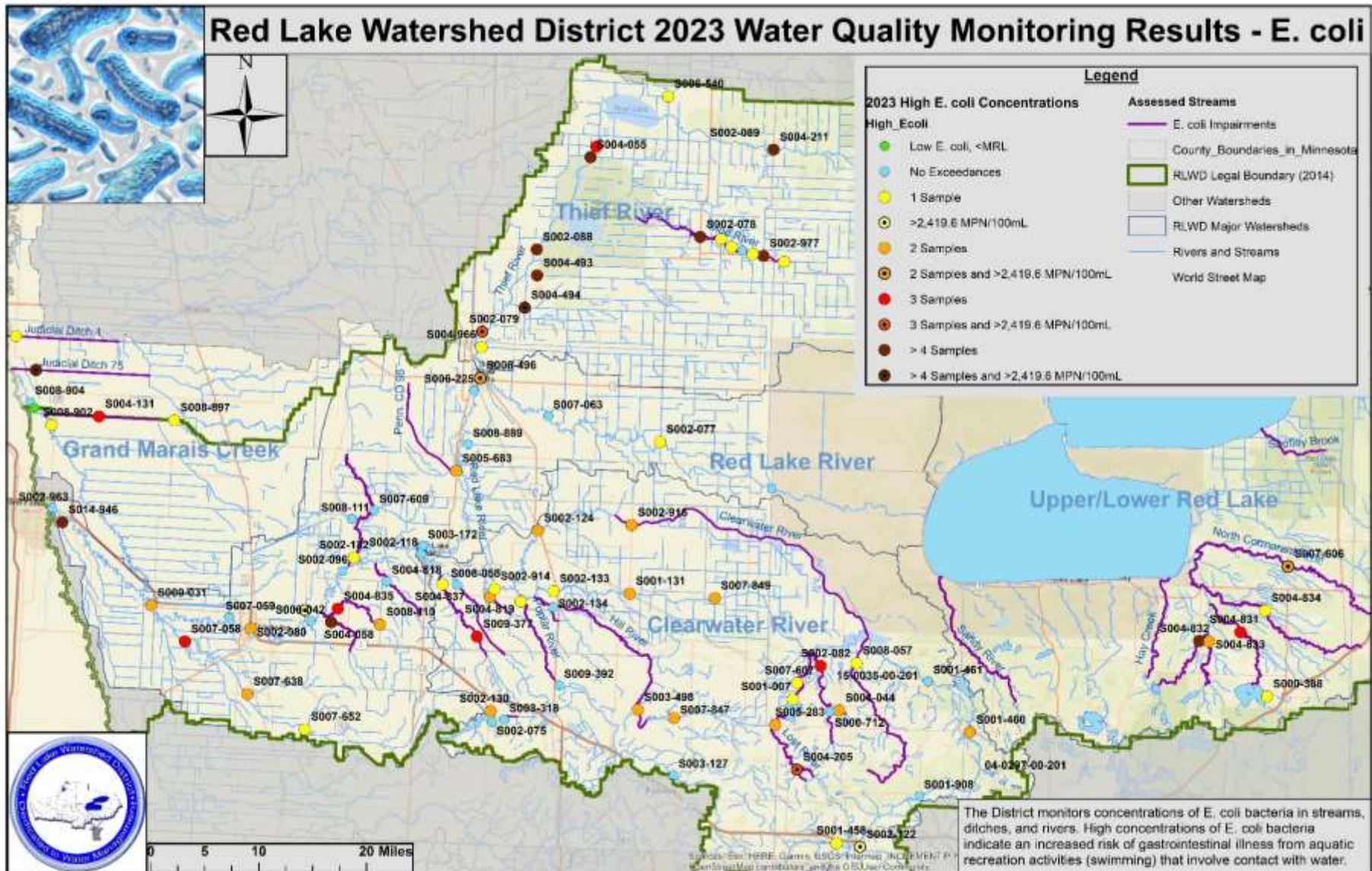
The district partnered with the East Polk SWCD and the Maple Lake Improvement District to collect water quality samples from lakes in the Clearwater River watershed. The District also supported the volunteer collection of samples from Bartlett Lake, near Northome. Those organizations and volunteers collect samples and send them to RMB Environmental Laboratories, and the District reimburses them for the laboratory analysis expenses. This was the sixth year of sampling for the East Polk SWCD partnership with watershed districts for lake monitoring (the SWCD also samples some lakes for the Sand Hill Watershed District). The East Polk SWCD's lake monitoring effort has found some nearly impaired and impaired lakes that weren't known at the time of the state's most recent water quality assessment but were able to be prioritized in the Clearwater River 1W1P (Turtle Lake, Hill River Lake, and Oak Lake, for example).

Data from the District's long-term monitoring program sites, Surface Water Assessment Grant monitoring, and dissolved oxygen deployments were compared to state water quality standards to create the following maps.



Red Lake Watershed District 2023 Water Quality Monitoring Results - Total Suspended Solids





Red Lake Watershed District 2023 Water Quality Monitoring Results - Total Phosphorus

The state's water quality standard for total phosphorous varies by river nutrient region. Rivers and tributaries in the western part of the District have to meet a 0.150 mg/l standard in the South River Nutrient Region. Rivers and tributaries assigned to the Central River Nutrient region have to meet a 0.100 mg/l standard. Rivers and tributaries in the eastern part of the District have to meet a more protective standard of 0.050 mg/l in the North River Nutrient Region. Some stations recorded extra high concentrations that exceeded standards by more than 0.050 mg/L.

Legend

2023 Frequency and Severity of High TP Concentrations

High_TP_20

- Met TP Standard
- 1 Sample
- 1 Sample, Exceeded Standard by > 50 ppb
- 2 Samples
- 2 Samples, Exceeded Standard by > 50 ppb
- 3 Samples, Exceeded Standard by > 50 ppb
- 4+ Samples, Exceeded Standard by > 50 ppb
- River Eutrophication Impairment

River Nutrient Standards

- North (0.050 mg/L)
- Central (0.100 mg/L)
- South (0.150 mg/L)

2023 Lake Monitoring - Summer Avg. TP

- OK
- >60 or >30 ppb Standard
- >90 ppb
- >120 ppb TP

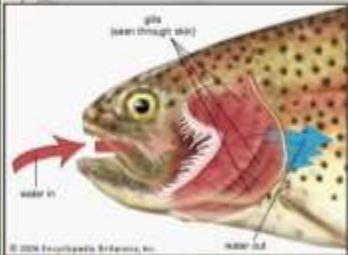
Major Watersheds

- Other Watersheds
- RLWD Major Watersheds
- World Street Map



Red Lake Watershed District 2023 Water Quality Monitoring Results - Dissolved Oxygen

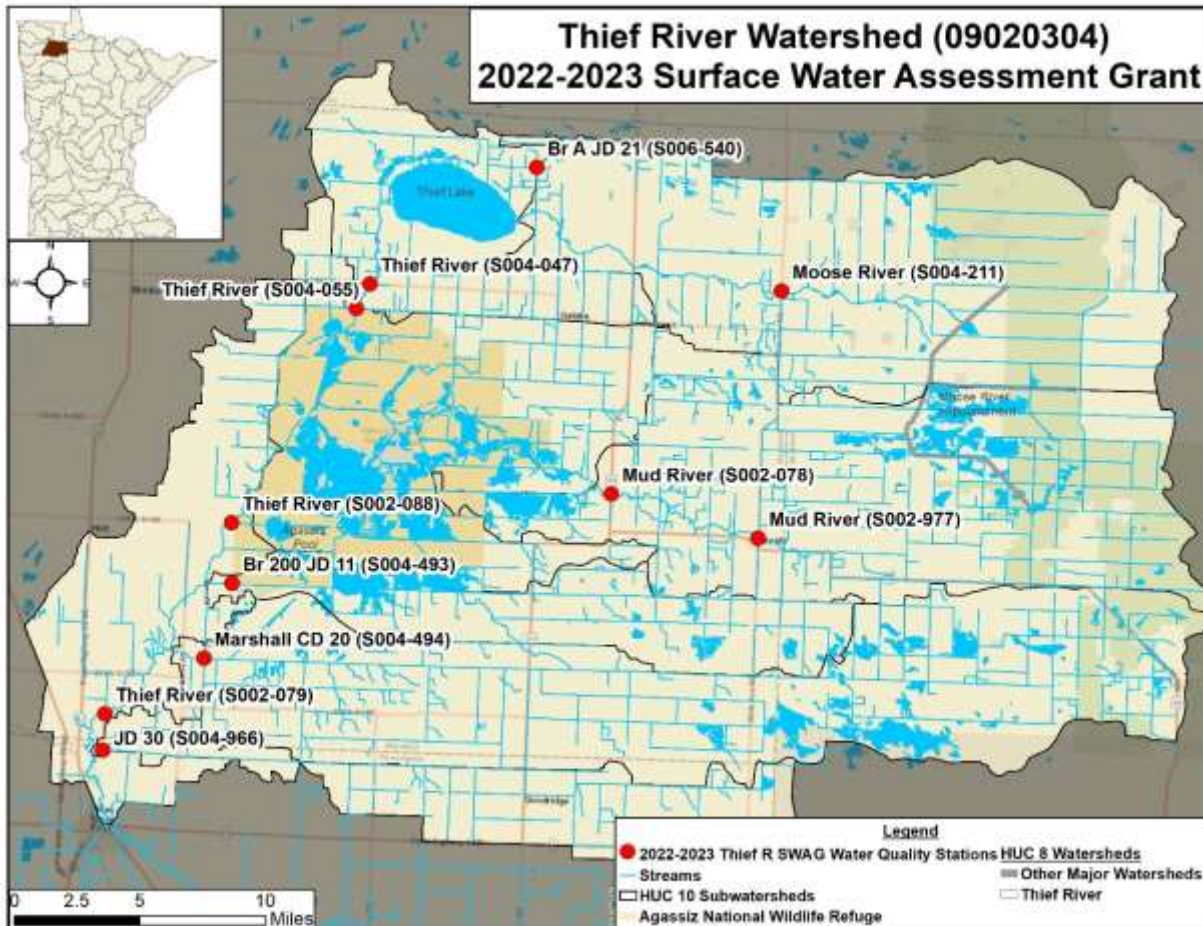
This map shows the number of low dissolved oxygen levels that were recorded by the RLWD long-term monitoring program (4 site visits per year), investigative sampling, dissolved oxygen logger deployments (approximately 2 months at each site), and the East Pok Watershed District monitoring effort.

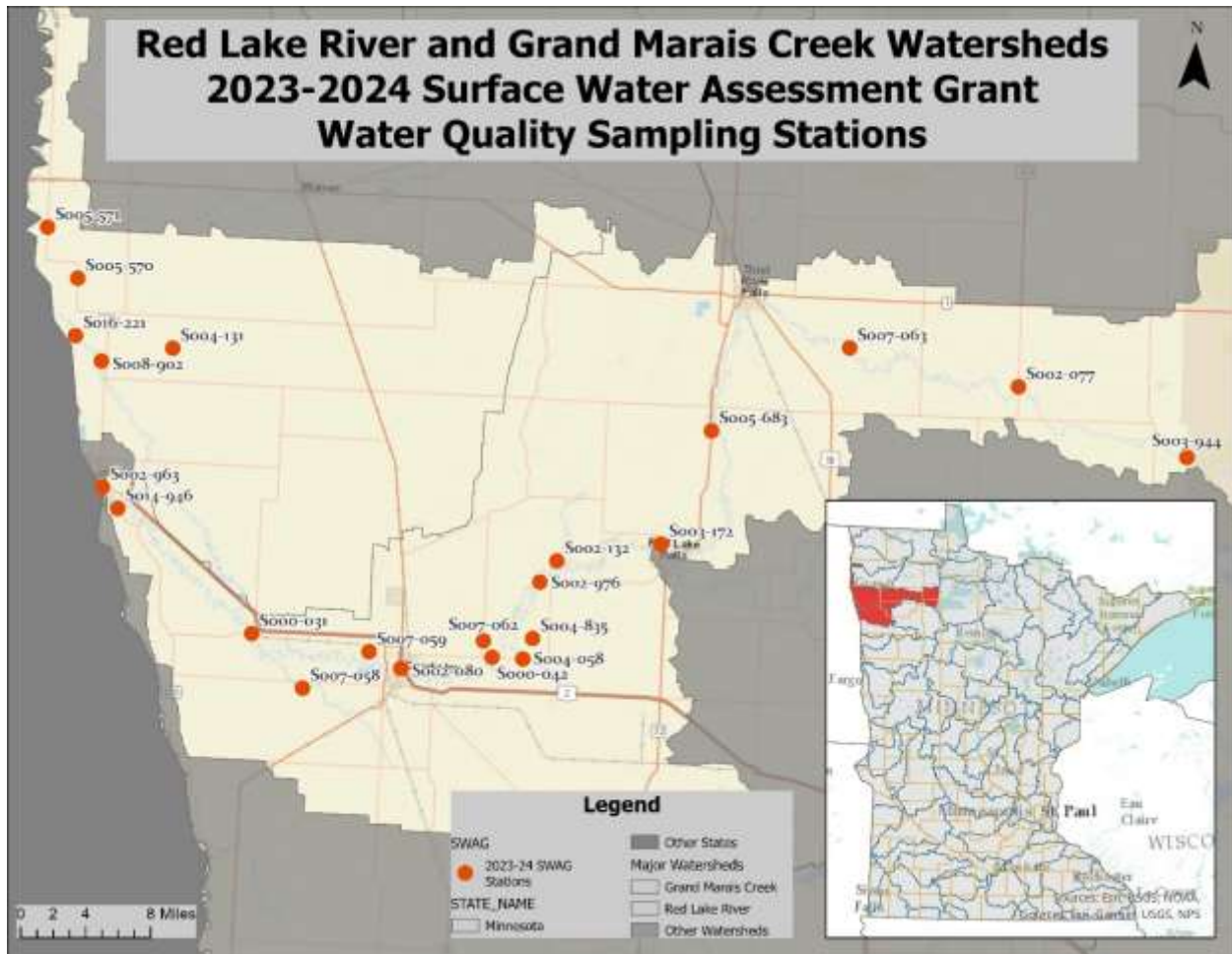


Aquatic fish and macroinvertebrates rely on dissolved oxygen in water for survival. Dissolved oxygen can enter the water through mechanical means (splashing over rocks, wave action) or through the photosynthesis process of aquatic vegetation.

Surface Water Assessment Grant (SWAG)

The District completed the second year of sampling for the MPCA's SWAG program in the Thief River Watershed in 2023. This was also the first year of sampling in the Red Lake River and Grand Marais Creek watersheds. The District is being assisted with Red Lake River Watershed sampling within Pennington County by the Pennington County SWCD. The inclusion of the SWCD provided an opportunity to use MPCA funding to equip them with new water quality equipment, including a new multiparameter sonde. The MPCA is funding the collection of water quality measurements and samples at strategic stations throughout each major watershed to ensure sufficient data for imminent water quality assessments. Sampling requirements vary by month and by site. Sites are visited as often as three times each month during the summer. Eleven stations were sampled in 2022-23 in the Thief River Watershed. Twenty-two stations are being sampled in the Red Lake River and Grand Marais Creek Watersheds in 2023 and 2024. Dry weather prevented sample collection during many site visits during the summer of 2023.





Dissolved Oxygen Logger Deployments

Dissolved oxygen (DO) loggers were deployed at seven sites throughout the District in 2023. These sites were monitored to provide a better understanding of conditions in streams that could be impaired by low dissolved oxygen, learn more about the conditions for aquatic life, measure the amount of daily fluctuation in DO levels, and have more confidence in dissolved oxygen data assessments. Sites selections for logger deployments are typically based on a 10-year schedule that was created to make sure that the District collected sufficient data for future water quality assessments. Discrete field measurements (DO, temperature, pH, specific conductivity, and stage) were recorded at the beginning, middle (approximately), and end of each deployment to aid the data review and correction process. The DO loggers were retrieved, cleaned, re-calibrated, and re-deployed after each two-week deployment.

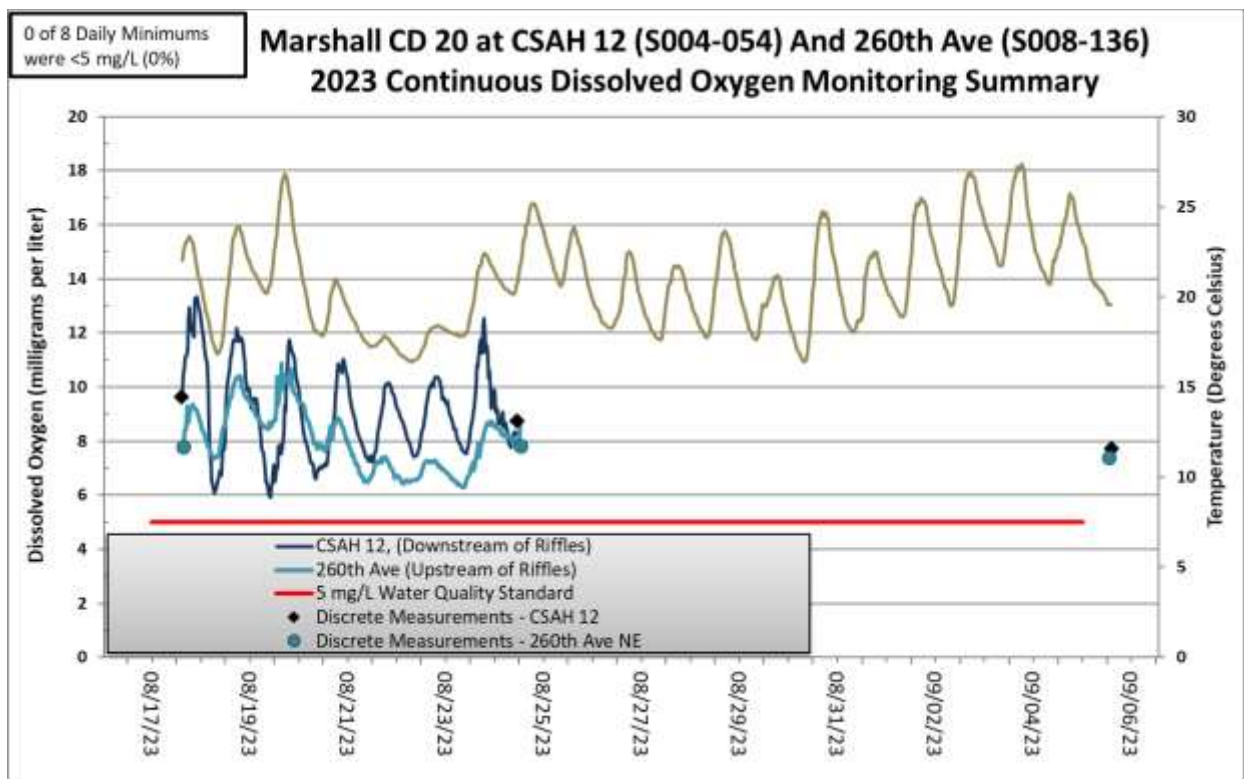


Marshall County Ditch 20 at CSAH 12 (Station S004-054 on Assessment Unit 09020304-510)

and

260th Ave NE (S008-136 on Assessment Unit 09020304-517):

In 2012, the District, with help from Marshall County, completed a project that constructed a series of rock riffles along Marshall County Ditch 20 (CD 20) to stabilize the channel and improve habitat. Dissolved oxygen loggers were deployed upstream and downstream of the project area. Unfortunately, last summer's conditions didn't provide enough flow to collect much data and provided mixed results. Dissolved oxygen was higher downstream of the riffles throughout most of the short period of usable data. The ditch stopped flowing sometime after the mid-deployment checkup.



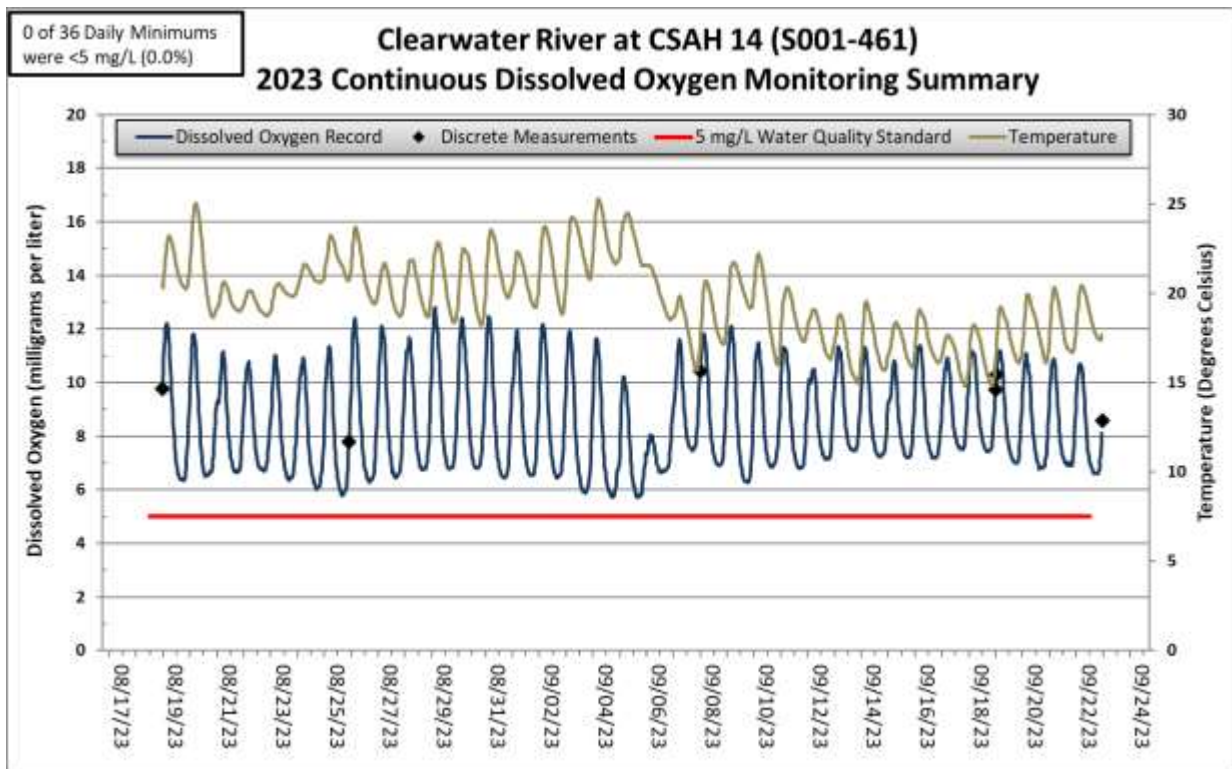
Clearwater River at County Road 15 (219th Ave) (Station S005-284 on AUID 09020305-650),

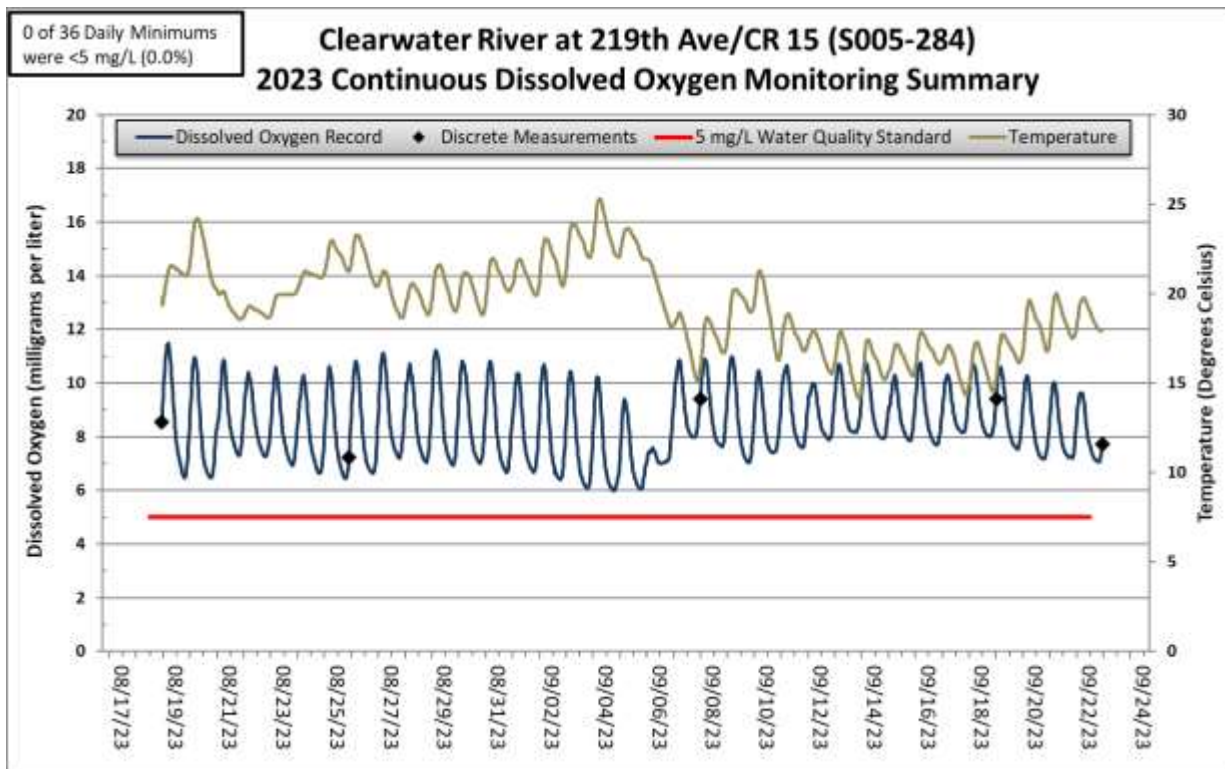
and

Clearwater River at CSAH 14 (Station S001-461 on AUID 09020305-649)

The portion of the Clearwater River that winds its way from Clearwater Lake to the confluence with Ruffy Brook is characterized by very clear water and riparian forests. What are dissolved oxygen levels like within one of the sections of the Clearwater River with the best water quality and habitat? The river maintained DO levels that were better than the 5 mg/L water quality standard at both locations. The daily fluctuation (DO flux) of DO levels was greater (4.62 mg/L average) at the upstream site (CSAH 14) compared to the 3.27 mg/L average DO flux at the downstream site (CR 15). Neither stream segment is in danger of a river eutrophication

impairment, though, because the TP concentrations are low compared to the most stringent of standards that could be applied to warm water streams in this area.

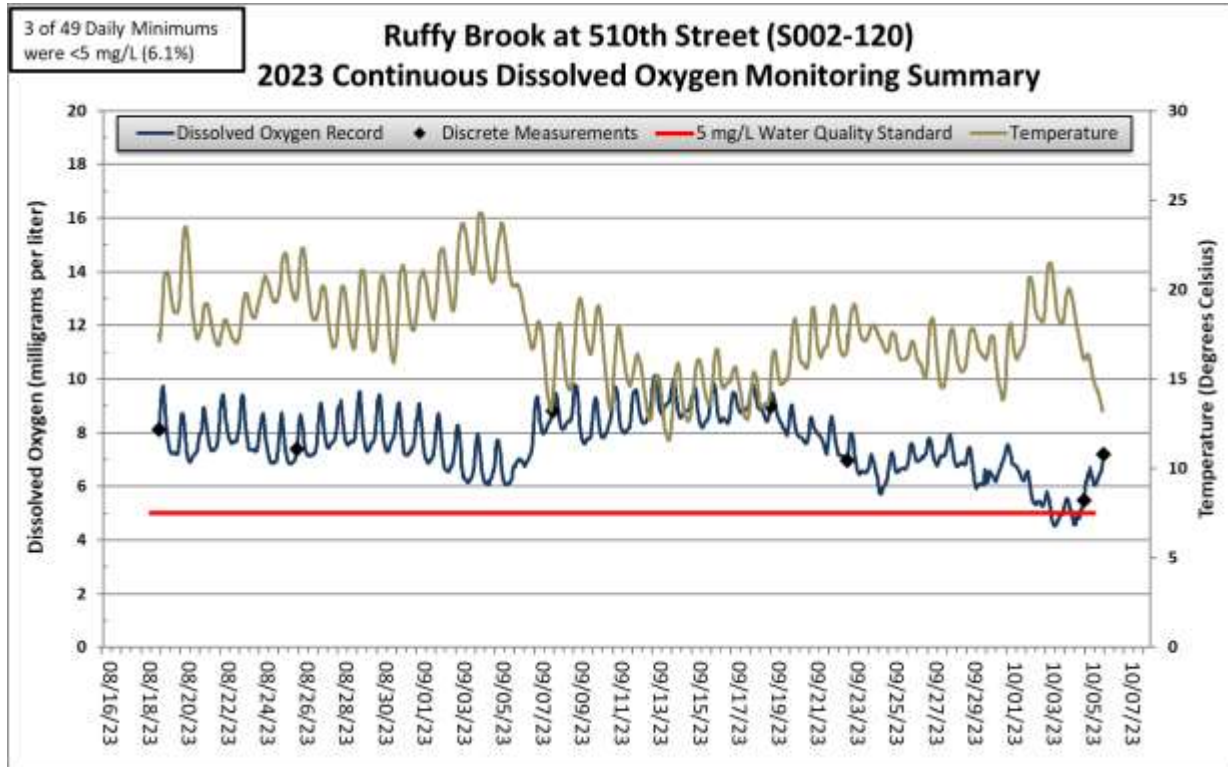




Ruffy Brook at 510th Street (Station S002-120 on Assessment Unit 09020305-513):

This logger deployment was made at a location within a wooded portion of Ruffy Brook, a mile south of the CSAH 11 crossing. There were a few days when DO fell below the 5 mg/L standard, but not enough to indicate that the stream is impaired by low DO. The DO flux at this station was low enough (1.59 average) to meet the most stringent of the state’s DO flux river eutrophication response indicator standards. This is notable because TP concentrations (0.146 mg/L) are high enough to exceed the central nutrient region water quality standard (0.100 mg/L) and an impairment could have been triggered if DO flux had been higher. There has been past

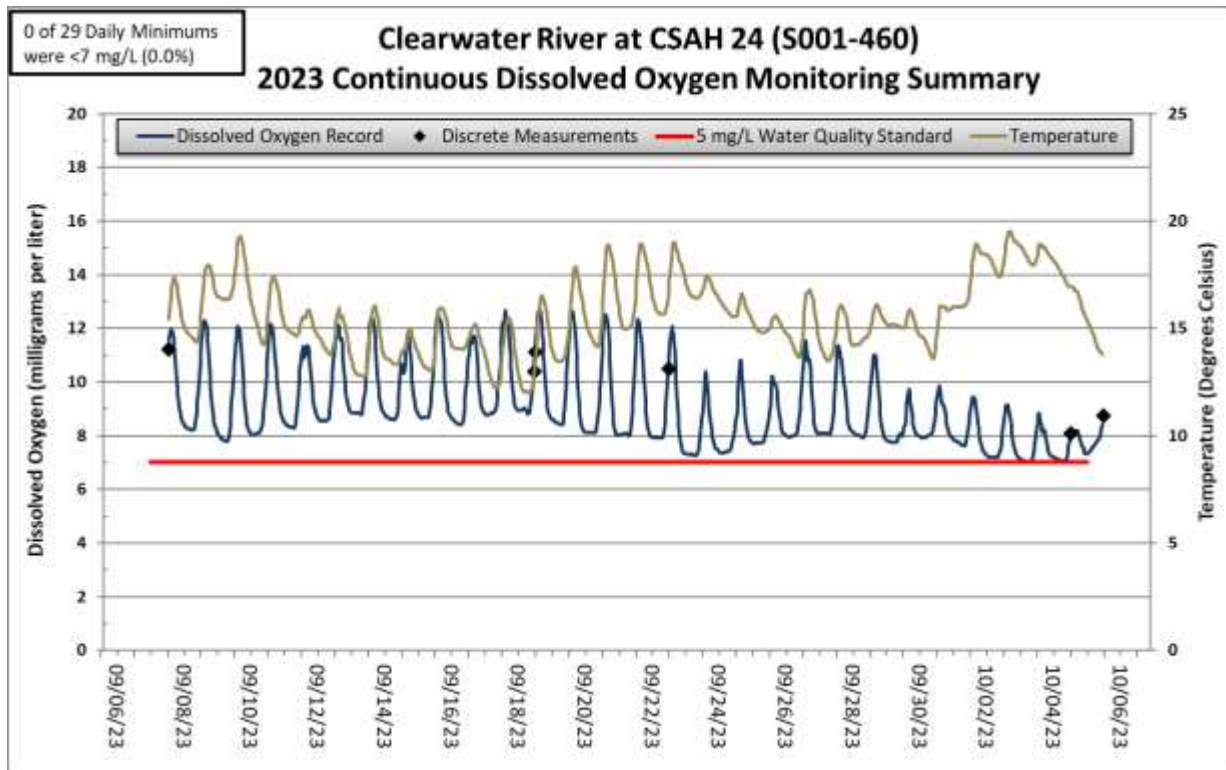
discussion about the history of Ruffy Brook as a trout stream. The 2023 data suggests that the DO levels in the stream are not close to supporting trout in its current state. The DO levels dropped below the 7 mg/L trout stream DO standard on nearly half of the days during the logger deployments. Daily average temperatures mostly remained within the 0-20°C range in which trout thrive during September, but regularly exceeded 20°C in August.



Clearwater River at County Road 24 (Aure Road NW) (Station S001-460 on Assessment Unit 09020305-653):

This monitoring site is located near the lower end of the portion of the trout stream portion of the river. The dissolved oxygen levels here were sufficient to support trout, remaining above the 7 mg/L threshold throughout the 2023 logger deployments. Temperatures remained below 20°C throughout the deployments, which is also good enough to support trout.

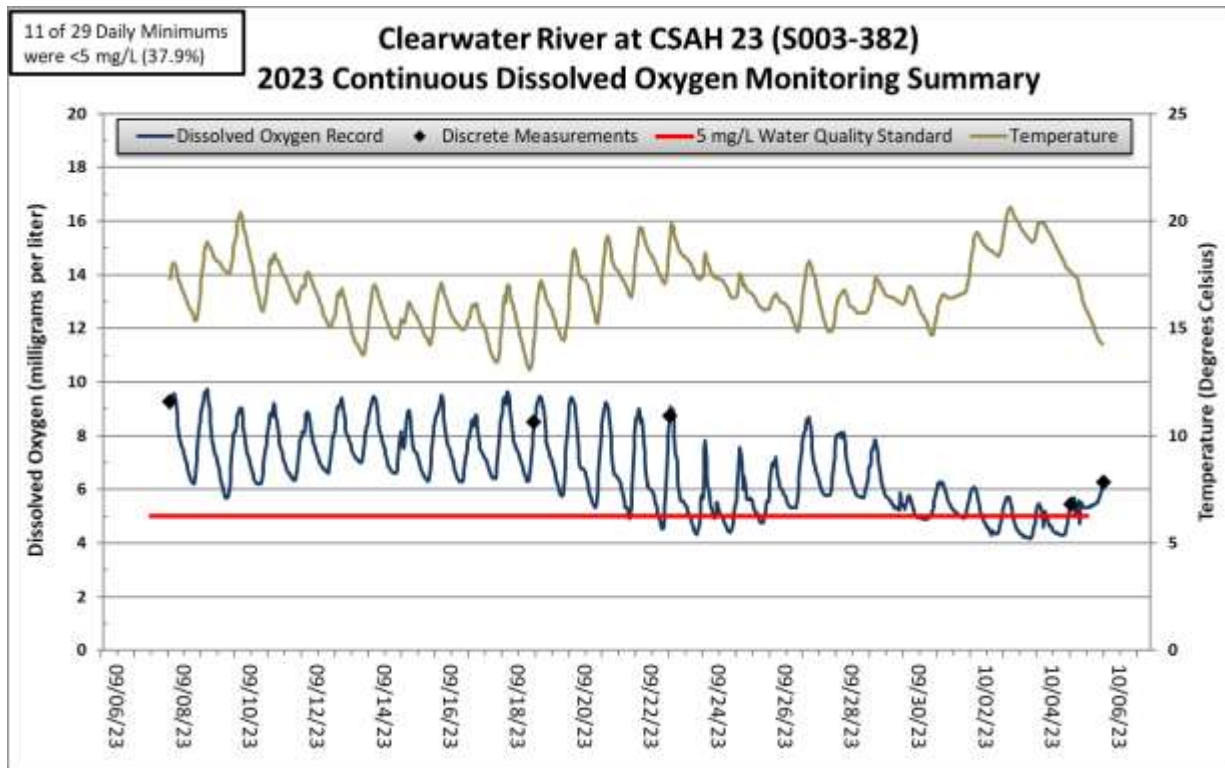




Clearwater River at CSAH 23 (Station S003-382 on Assessment Unit 09020305-517):

The headwaters of the Clearwater River have been impaired by low dissolved oxygen levels as long as the state has been conducting official assessment of water quality in our District. Studies have found that the Clearwater River and Walker Brook are significantly influenced by groundwater from springs and fens along the streams. Though the water is cool and clear, it is devoid of oxygen after being underground for a very long time. Monitoring of the Clearwater River at CSAH 23 showed that the low DO levels are also frequent in the downstream portion of the headwaters reach near the transition to the trout stream reach. On a positive note, the DO flux was lower than the 3 mg/L north river eutrophication region water quality standards. This is an indicator that the river is not being significantly affected by excess nutrients like phosphorus.



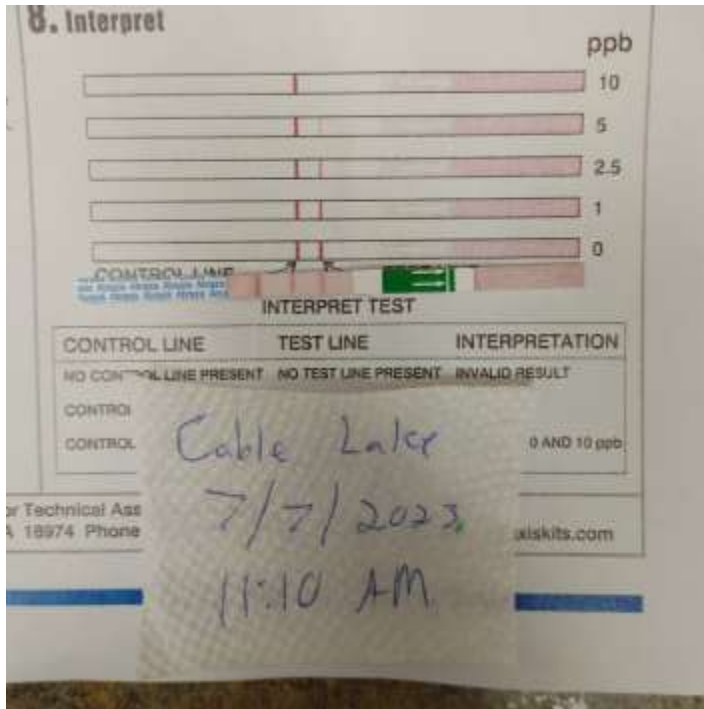


Blue Green Algae Sampling

Since the discovery of blue-green algae or algal toxins in lakes and reservoirs during the summer of 2018, regular sampling and monitoring has been conducted to discover algal blooms/toxins and learn more about the conditions that may lead to algal blooms. The District uses Abraxis kits to test the water for algal toxins. Previous blooms have been connected to high water temperatures and high concentrations of nutrients.

Available information from the EPA and WHO indicates that concentrations above 8-10 ppb create a moderate risk during recreational exposure. Measurable concentrations below that level would be classified as "low risk." It is advisable to recommend keeping animals away from the water with a measurable concentration because they could drink from an area where the blue-green algae may accumulate along the shoreline and they could also end up licking blue-green algae from their fur. Nutrients, light intensity, and temperature are the drivers behind blue-green algae blooms.

In 2023, the District responded to several reports of possible blue-green algae blooms in the Red Lake River near Finsbury Park, Thief River near the golf course, and Cable Lake. No algal blooms were found when staff tested samples from those locations. The homeowner's description of the problem at Cable Lake, including a dog getting sick from drinking lake water (fortunately, the dog recovered), matched the signs of a blue-green algae bloom. However, the bloom was no longer evident by the time District staff arrived to collect a sample. Jar tests at the three locations also did not indicate the presence of excess blue-green algae. In the photo below, no green specks can be seen near the top of the jar after it had sat in the refrigerator overnight.



Information about the confirmed blue-green algae blooms can be shared with MPCA staff that track Harmful Algal Blooms (HAB). The MPCA staff has a water quality hotline number (651-757-2822) and MN_MPCA_algae inbox (algae.mPCA@state.mn.us) that can be contacted report blue-green algae blooms. Results of the algal toxin tests are shared with the Maple Lake Improvement District and a Maple Lake, Mentor MN Facebook Group. A [website](#) was created in order to have a central location for sharing updates on the District's blue-green algae monitoring efforts and results. The webpage includes a link to instructions for the jar test, which is a very simple but informative method of testing a water sample from a suspected harmful algal bloom.

Public Education

Overall Advisory Committee bus tour stop at the Pine Lake Outlet



- The District continued to support the [River Watch](#) and River of Dreams programs, which are described in more detail in another section of this report.
- District staff participated in annual Northwest Minnesota Water Festivals (Warren and Fertile) and the Pennington County Outdoor Education Day.
- Information about the [Red Lake Watershed District](#), programs, and contacts is available on the District's website.
- Watershed-based information (reports, photos, projects, contacts) for the [Red Lake River](#), Upper/Lower Red Lakes, [Clearwater River](#), [Thief River](#), and [Grand Marais Creek](#) major watersheds can be found online at: www.rlwdwatersheds.org.
- The District maintains and posts to a [Facebook page](#).
- District staff hosted a tour of completed projects for Overall Advisory Committee members.
- Fact sheets about completed projects were created and posted online.

One Watershed One Plan (1W1P) Projects

Minnesota has a long history of water management by local governments. One Watershed, One Plan is rooted in this history. The Local Government Water Roundtable (Association of Minnesota Counties, Minnesota Association of Watershed Districts, and Minnesota Association of Soil and Water Conservation Districts) recommended, in 2011, that local water management organizations should organize and develop focused implementation plans based on watershed boundaries rather than political boundaries. That recommendation was followed by legislation that permitted BWSR to adopt methods to allow comprehensive plans, local water management plans, or watershed management plans to serve as substitutes for one another; or to be replaced with one comprehensive watershed management plan (CWMP). This legislation, and the associated BWSR program, is referred to as One Watershed, One Plan. Further Legislation was passed in 2015, defining purposes and outlining additional structure for the program. Funding was provided to local partnerships to develop a 10-year CWMP for their watershed.

The state then regularly provides each local watershed partnership with non-competitive watershed-based implementation funding (WBIF) to implement projects and practices in areas prioritized by the CWMP. Most of the funding received from WBIF grants is used for the implementation of best management projects and the costs of constructing projects that improve water quality. The WBIF grants also fund the costs of project development, technical/engineering assistance, and administrative costs associated with the grants.

Red Lake River One Watershed One Plan (1W1P)

The Red Lake River Watershed 1W1P developed a comprehensive water management plan in 2015-18 through the intensive efforts of the Planning Work Group (resource professionals from local government units, or LGUs), official approval of plan components by the Policy Committee (representatives appointed by participating LGUs), and input from an Advisory Committee (citizens and experts from state agencies). Since completion of the Plan and BWSR approval, BWSR has awarded multiple WBIF grants to the Red Lake River Watershed partnership:

- FY 2018: \$677,500

- FY 2020: \$1,071,149
- FY 2022: \$1,071,149
 - The watershed was awarded additional \$457,509 in supplemental funding for a Huot streambank stabilization project and a feasibility study of channel stabilization at the outlet of Judicial Ditch 60 (south of the CSAH 11 crossing between Crookston and Gentilly).
 - This is the grant that was actively funding partners' activities through the end of 2023 and into 2024.
- FY 2024: \$1,701,439

Priority projects and actions that are being planned or have been recently constructed include:

- Stabilization of a large gully between CSAH 19 and the Red Lake River, north of Red Lake Falls.
- Phase II of the Pennington County Ditch 96 Outlet Stabilization Project
- Grade stabilization projects (side water inlets, etc. to reduce gully erosion from ag drainage) in
 - Andover, Louisville, Gervais, and Red Lake Falls Townships in Red Lake County
 - Sanders Township in Pennington County
 - Hammond and Roome Townships in Polk County
- Streambank stabilization along the Voyageur's View campground.
- Mattison streambank stabilization project in Thief River Falls.
- Stabilization of the outlet of Red Lake County Ditch 62
- Erosion control projects and erosion repair from 2022 flooding along the Ditch 10 Outlet Stabilization Project.
- Stabilization of the outlet of Thibert Dam and a cleanout that will renew its sediment capturing capacity.
- Streambank stabilization of the Red Lake River upstream of the Hout (CSAH 3) Bridge.
- Investigation and project development of the Judicial Ditch 60 outlet, east of Crookston.

The partnership will likely finish spending the 2022 grant and begin spending the 2024 grant in 2024. In addition to projects similar to those in the list above, the 2024 round of funding will be used to leverage CCRP incentive program funds, installation of septic system upgrades, and analysis of new LiDAR topographic data that compares the new 2021 data with the data from 2008-09 to highlight areas that have experienced significant erosion between those two years.

District staff were involved in the implementation of the projects featured on the following pages.

Polk County Ditch 99 Outlet Channel Stabilization



A geomorphological study of the Red Lake River Watershed found that near-channel gully erosion, particularly along smaller natural watercourses and ditch systems, is a source of excess sediment in the Red Lake River. Watercourse outlets often lack grade control between the last road crossing (culvert) and the river, which makes the channels vulnerable to uncontrolled erosion when combined with steep slopes, weak soils, seepage, and other factors.

Polk County Ditch 99 (CD 99) is located near the east edge of the city of Crookston. The ditch collects drainage from the northeast corner of the city and agricultural land to the north and east. The Red Lake River One Watershed One Plan (1W1P) identified the Red Lake River between Thief River Falls and Crookston as one of the priority areas for reducing sediment loading. Annual work plans for 1W1P Watershed-Based Implementation Funding (WBIF) specifically identified the glaring erosion problem at the outlet of CD 99 as a priority ditch outlet stabilization project. The project was successfully coordinated among staff from Polk County, the West Polk Soil and Water Conservation District, landowners, and the Red Lake Watershed District. HDR Engineering was hired to plan and design the project. Well monitoring was conducted from the summer of 2022 until the summer of 2023 to understand water levels in the project area. The landowners were kept in the loop throughout the process. Plans were completed in May 2023 and bids were opened on June 16, 2023.

Contributions from multiple funding sources were necessary to complete the project on time. Much of the initial survey data collection work was conducted by Polk County. The design work from HDR Engineering was funded by Red Lake River WBIF. Construction costs were funded by:

1. Red Lake Watershed District
2. Small Watersheds Focus 319 Grant (From the Environmental Protection Agency)
3. Red River Watershed Management Board Base Water Quality funding

4. Polk County (ditch funds)
5. Federal Emergency Management Agency (FEMA)

Construction was completed in October 2023. Rip rap along the channel bottom, raising of the channel along residential property, and rock chutes to handle grade drops, key trenches, re-sloping, and side water inlets were incorporated into the design.

The project stabilized 1,050 feet of channel that had been contributing to excess sediment in the Red Lake River at an estimated rate of 704 tons/year. In addition to the water quality benefits, the county was able to protect their new 265th Street Southwest culvert from erosion, a home and yard along the west side of the channel were protected, and the homeowner's safety concerns about the steep gully were addressed.



Demarais-Hanson Channel Stabilization

Extreme erosion and large gully formation along a steep gradient downstream of a drainage system outlet near the Red Lake River, west of Red Lake Falls. Landowner conversations, surveying, a feasibility study, and engineering were completed in 2021 to see if it would be possible to stabilize this problem.

Once small enough for a person to jump over, this outlet channel had become a large ravine and a formidable erosion problem.



Construction began in fall 2021 but was postponed until May 2022 due to the arrival of winter weather. Seeding was completed in June 2022.

Demarais Hanson Project, after 2022 construction



Spring runoff in 2023 dislodged some of the rock. In addition to repairing the rock, the District plans to remove drifted snow from the upstream ditch so that it isn't able to build up pressure like it did in 2023.



Costs and Funding:

2020 Red Lake River WBIF

- \$19,464.85 for a feasibility study
- \$269,431.00 total, for initial construction and 2022 repairs

Red Lake Watershed District match contribution to 2022 Red Lake River WBIF

- \$23,835 for 2023 repairs

Crescent Avenue Streambank Stabilization

While inquiring about actively eroding streambanks within the City of Crookston, District staff were informed of a streambank erosion problem near Crescent Avenue that was located approximately 0.7 miles downstream of the Highway 2 bridge. A landowner was concerned about a large section of streambank that was slumping into the river. A large chunk of streambank had already washed-out along a neighboring property. The width of the new slump was approximately 15 feet. The height of the bank was approximately 8.5 feet, at the toe. The total length of the new erosion issue was approximately 75 feet. The bank had sloughed down approximately 2 feet as of July 15, 2022 and slumped several feet further by the end of the summer. This erosion problem had characteristics of a high priority streambank stabilization project because it was actively eroding at a high rate and was located within one of the Red Lake River 1W1P priority areas. The feasibility of the project seemed to be benefitted throughout the planning process by willing landowners and a relatively low bank height, though the weak Huot

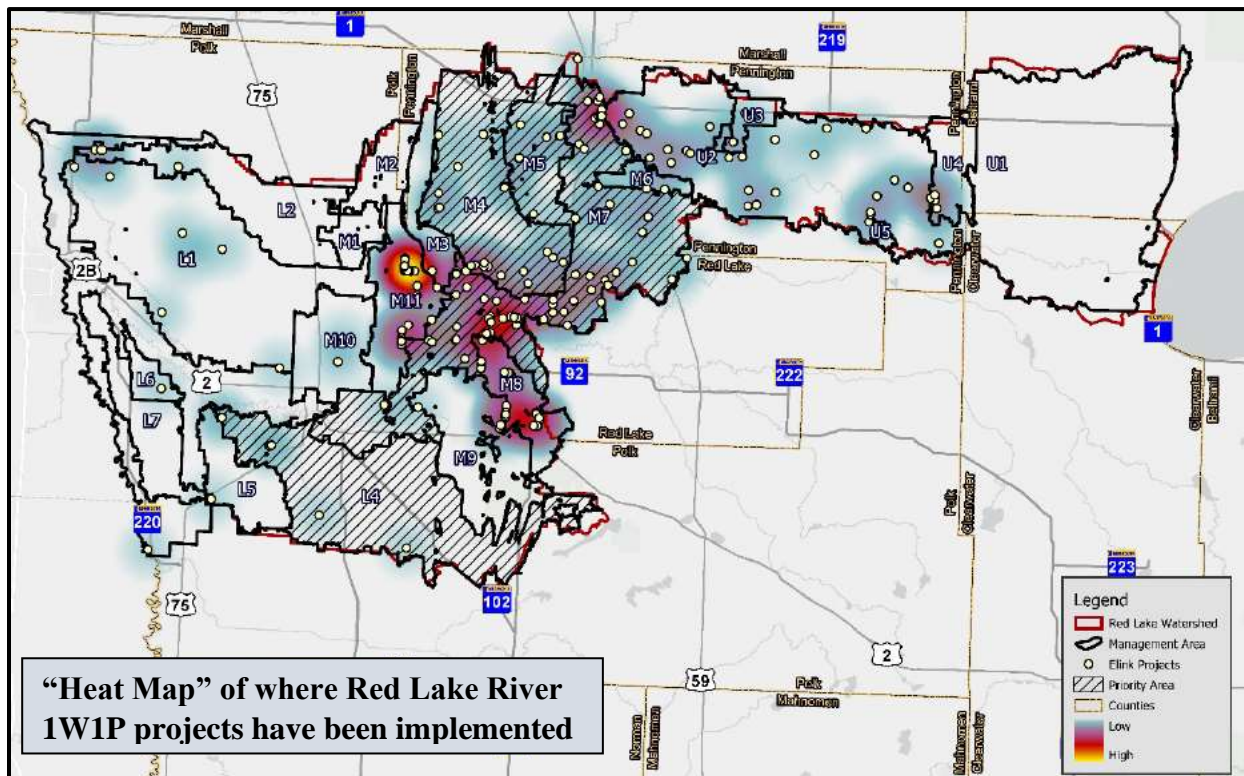
formation soils increased the cost and footprint of the project (more rock). Landowners were kept informed about the project concept. Much coordination and communication occurred to plan access to the project area and obtain permission for staging areas on neighboring property. Despite the effort, communication, expense, adjustments, and additional plans to preserve mature trees, the landowners balked at the final plans for the project and decided to back out of the project. The primary complaints were limited to the amount of rock that would replace lawn and concern about mature trees. The tree issue was addressed during a site visit with the project engineers and the homeowners. The reasons for the rock, and how it was the minimum amount needed, were thoroughly explained. The District has let the owners know that there is still (limited) time to complete the project before the bank erodes further. Further erosion would change the design of the project and a patio project planned by the upstream landowner would eventually block access to the site.



Red Lake River One Watershed, One Plan Midpoint Assessment and Update

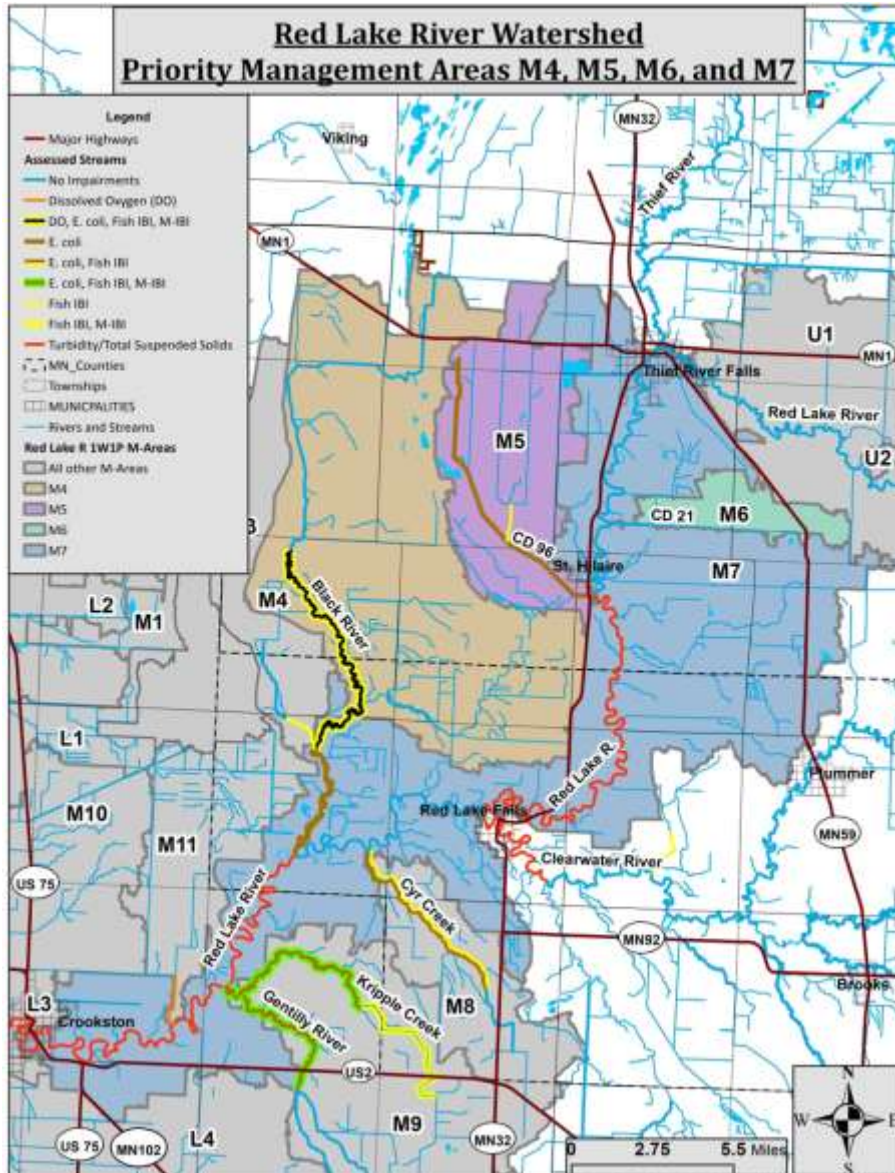
The Red Lake River Partnership received a grant to review progress and amend/revise the Red Lake River Watershed’s comprehensive water management plan. Houston Engineering was hired to complete the process, which began with an inventory of implementation efforts from 2017 through 2023. The midpoint evaluation will track progress toward goals and determine how well the priority subwatersheds have been targeted for implementation projects.

NRCS Code	BMP	Count	Acres	Linear Feet
126M	Septic System Improvement	16		
148M	Erosion Control	1		
155M	Storm Water Retention Basin		1	
164M	Sediment Removal		3	
327	Conservation Cover			7200
351	Well Decommissioning	11		2224
393	Filter Strip		9	
410	Grade Stabilization	363		
468	Lined Waterway or Outlet	1		1100
512	Forage and Biomass Planting		69	
580	Streambank and Shoreline Protection			2145
584	Stream Channel Stabilization			3785
587	Structure for Water Control	6		
613M	Cooperative Weed Management Area	18	1,926	
638	Water and Sediment Control Basin	10		



Red Lake River Small Watersheds Focus 319 Grant

In November 2018, ten watersheds were selected to be prioritized for funding in federal fiscal year 2020. The selections were part of the transition in the federal Clean Water Act Section 319 program from one-time grants to more reliable funding focused on small watersheds. The goal of the program is to help local governments make measurable changes toward water quality improvements. Based on input from many local governments, the program is designed to provide a reliable and longer-term funding source to address all pollutants in small watersheds.



The Red Lake River watershed was chosen to be one of the first 10 watersheds (Group A) to be eligible for this funding. The Red Lake River (Thief River Falls-Crookston) and Black River Environmental Protection Agency (EPA) Nine Element Plan (NEP) describes the water quality issues and actions to restore impaired waters. The NEP focuses on three planning areas that were

prioritized in the Red Lake River 1W1P because they were identified in the WRAPS as either impaired waters closest to meeting water quality standards or unimpaired waters at greatest risk of becoming impaired. Portions of the Red Lake River are impaired by high total suspended solids (TSS) concentrations. Portions of the Black River are nearly impaired by high TSS. All sampled segments to the Red Lake River from Pennington County Ditch 96 to the Red River of the North exceed the state’s TSS standards. Priority Management Area M7 contains multiple impaired reaches of the Red Lake River that are closest to meeting water quality standards (“barely impaired”). Unimpaired portions of the Black River were ranked as most in danger of becoming impaired by high TSS in the WRAPS.

In 2023, the District and its 1W1P partners finished spending the first round of funding from this program: a \$284,275 Fiscal Year 2020 Section 319 Small Watersheds Focus grant. The projects constructed with the Phase 1 319 Grant funding reduced sediment loading to the Black River and Red Lake River (951.5 tons/year) and stabilized at least 1,550 feet of streambank and outlet channel through resloping and rock riprap. This grant helped fund installation of 52 side water inlet grades stabilization structures and 39 in-channel rock drop grade stabilization structures in the Black River subwatershed. This grant also partially funded the design/construction of the Voyageur’s View Streambank Stabilization Project and Polk County Ditch 99 Outlet Stabilization projects. The projects involved mutual leveraging of funds, including this 319 Grant, 2018 Red Lake River Watershed-Based Implementation Funding (WBIF), 2020 WBIF, 2022 WBIF, Red River Watershed Management Board Base Water Quality Funding, funding from an MPCA enforcement agreement with Enbridge, RLWD Funding, Polk County, landowners, and FEMA. Additional funding (Phase 2) was provided in 2022 by the MPCA with the condition that it needed to be spent quickly on a shovel-ready project. Phase II of the Pennington County Ditch 96 Stabilization Project was chosen by the Red Lake River 1W1P PWG to be the primary project to be funded with the additional 319 grant funding.



Thief River 1W1P

The Thief River 1W1P was developed in 2017-2020 through the intensive efforts of the Planning Work Group (resource professionals from local government units, or LGUs), official approval of plan components by the Policy Committee (representatives appointed by participating LGUs), and an Advisory Committee (citizens and experts from state agencies). Since completion of the Plan and BWSR approval, BWSR has awarded multiple WBIF grants to the Thief River 1W1P:

- FY 2020: \$529,892
- FY 2022: \$529,892
- FY 2024: \$702,239

The last of the 2020 WBIF grant was spent in October 2023. Projects completed with that grant and matching funds included:

- Sealing of 8 abandoned wells in Marshall County
- Project Development and design
 - Mud River floodplain enhancement
 - Moose River stabilization projects
 - Judicial Ditch 30 outlet stabilization
- Planning and coordination for public outreach events
- Tree plantings in Marshall County
- Seeding for wetland restoration, pollinator plantings, and native grasses.
- Structural ag BMP (side water inlet) installations
- Stabilization of the outlet of Judicial Ditch 23
- Stabilization of six eroding streambanks along the State Ditch 83 portion of the Thief River completed in 2021 and 2022
- Stabilization of a badly eroding drainage outlet to the Thief River
- A portion of the costs of a Thief River streambank stabilization project completed in 2023

In 2023, the 2022 WBIF Funding was used to complete the construction of 3 streambank stabilization along the Thief River. Priority stream bank stabilization sites were chosen where relatively high bank erosion hazard index (BEHI) ratings were recorded during the Thief River Watershed Fluvial Geomorphology study.

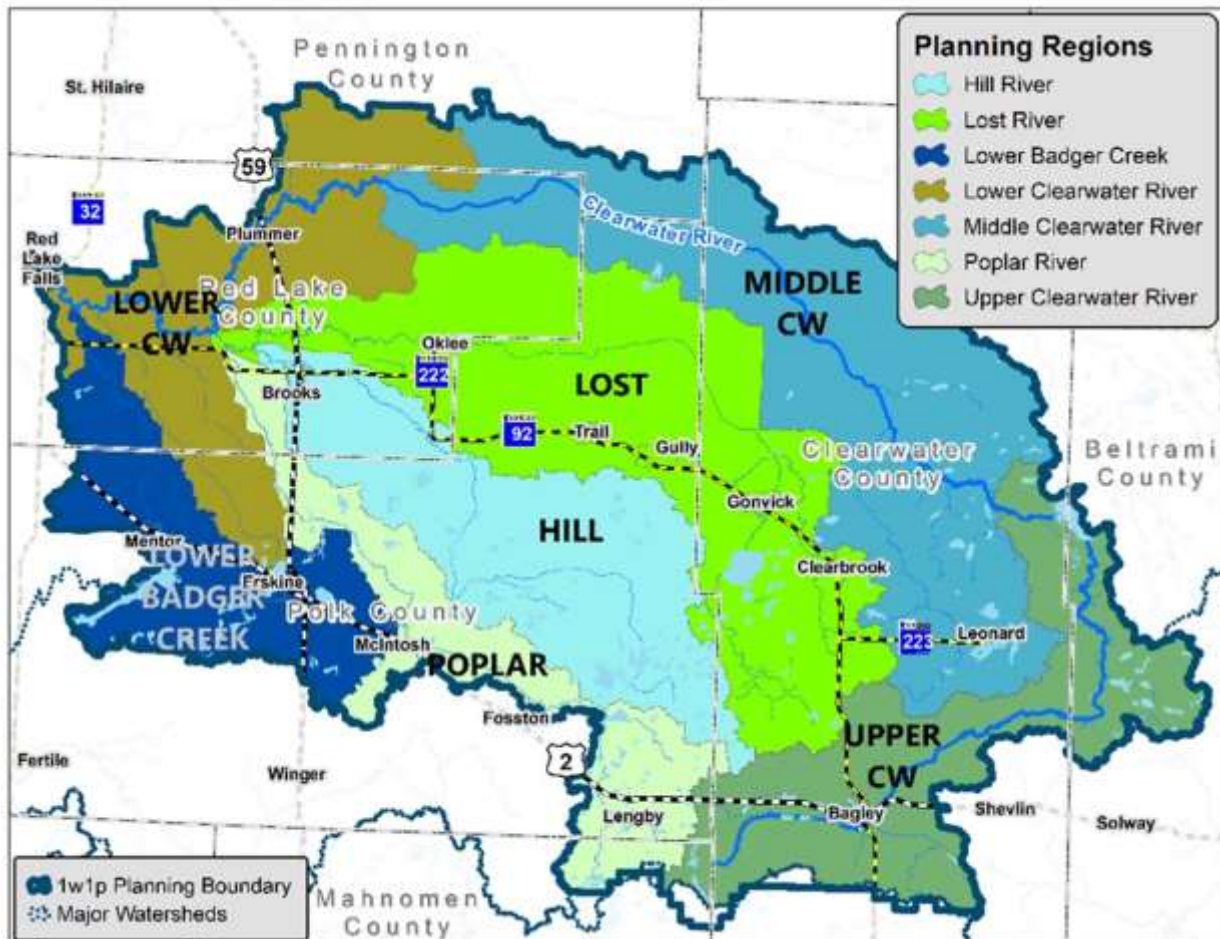


Houston Engineering and District staff completed a feasibility study for reducing erosion along the Moose River (JD 21). Drone data was collected and maps were drafted to show locations of potential streambank stabilization and channel restoration projects. District staff completed a detailed survey of the channel upstream of CSAH 54. That survey data was compared to historical profiles to see where channel degradation has occurred and recommend locations where grade stabilization structures could provide sediment reduction benefits. A memorandum

from Houston Engineering describes a variety of projects that can be installed, in a phased approach, to reduce erosion/soil loss, improve road safety, and improve habitat.

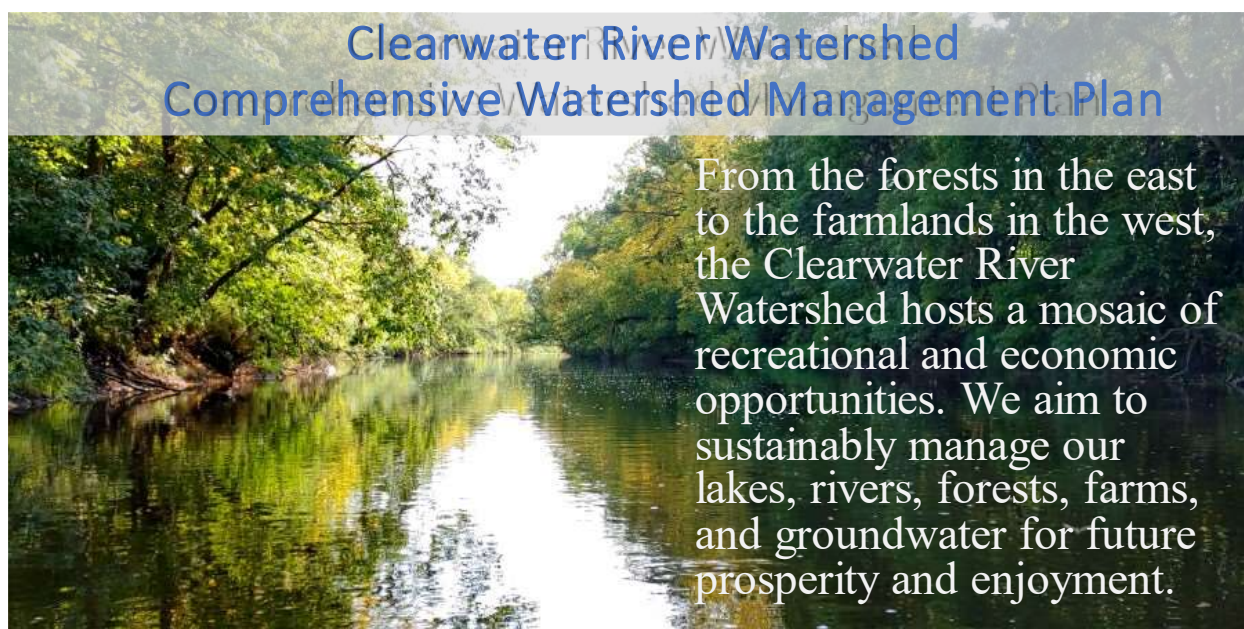


Clearwater River 1W1P



The Clearwater River Watershed Comprehensive Watershed Management Plan was completed in 2022 through the efforts of the Planning Work Group (LGU staff), Houston Engineering (consultant), Policy Committee, Advisory Committee and BWSR staff. Project partners include the Clearwater SWCD, Clearwater County, Pennington SWCD, Pennington County, East Polk SWCD, Polk County, Red Lake SWCD, Red Lake County, and the RLWD.

The plan prioritizes projects that will improve the quality of surface water, drinking water, land stewardship, and habitat. The Clearwater River Watershed Comprehensive Water Management Plan has been approved by the Minnesota Board of Water and Soil Resources, along with the first round of Watershed-Based Implementation Funding. The plan and other resources can be found on the [District's webpage](#) and the dedicated [Clearwater River IWIP webpage](#) that was developed by the Clearwater River SWCD during the latter stages of the planning process.



The planning process was completed under budget. With the remaining funds, the planning partners opted for the development of planning tools (developed by Houston Engineering), a comparison of 2021 and 2008-09 LiDAR data along river corridors, and an accelerated project planning effort for a Clearwater River stabilization project in Greenwood Township.

A work plan and a list of priority projects with projected costs was compiled. Implementation began in the spring and summer of 2023. Projects identified for the first round(s) of WBIF funding include:

- Streambank stabilization along the Clearwater River
 - Greenwood Township
 - Red Lake Falls
 - CR 120
- Grade stabilization of the Clearwater River in Greenwood Township
- Structural agricultural practices (WASCOBs and SWIs)

- Non-structural agricultural practices
- Livestock exclusion
- Forest stewardship plans
- Stabilization of the outlet of Judicial Ditch 2, Branch A
- Stabilization/restoration project along the channelized portion of the Lost River
- Technical & engineering work, project development, and administration

Clearwater River Stabilization Project – Greenwood 27 Phase III

Previous Clearwater River grade stabilization work in Section 27 of Greenwood Township installed 5 rock riffle and cross-vane weir structures along the upstream extent of channel erosion caused by the transition in slope between the natural channel and the channelized section of the river. The previous work (completed two phases in 2001-2003) also involved streambank stabilization and the installation of structures to slow the development of cross-floodplain channels and restore the floodplain.

Geomorphology reconnaissance and Bank Erosion Hazard Index (BEHI) assessments identified a striking contrast between channel and bank stability indicators recorded upstream and downstream of the installed structures. The previously completed work has been successful, but there is a dire need for extension of the work downstream. There is a section of channel that has evidence of headcutting along with rapidly eroding banks between the existing rock riffle structures and the confluence with Ruffy Brook. Evidence of channel degradation can be seen in layers of shell fragments and pebbles that have been revealed in eroded banks, high above the current streambed. There are deep gouges in the streambed downstream of the last grade stabilization structure and the slope of the last structure is now steeper than it should be.

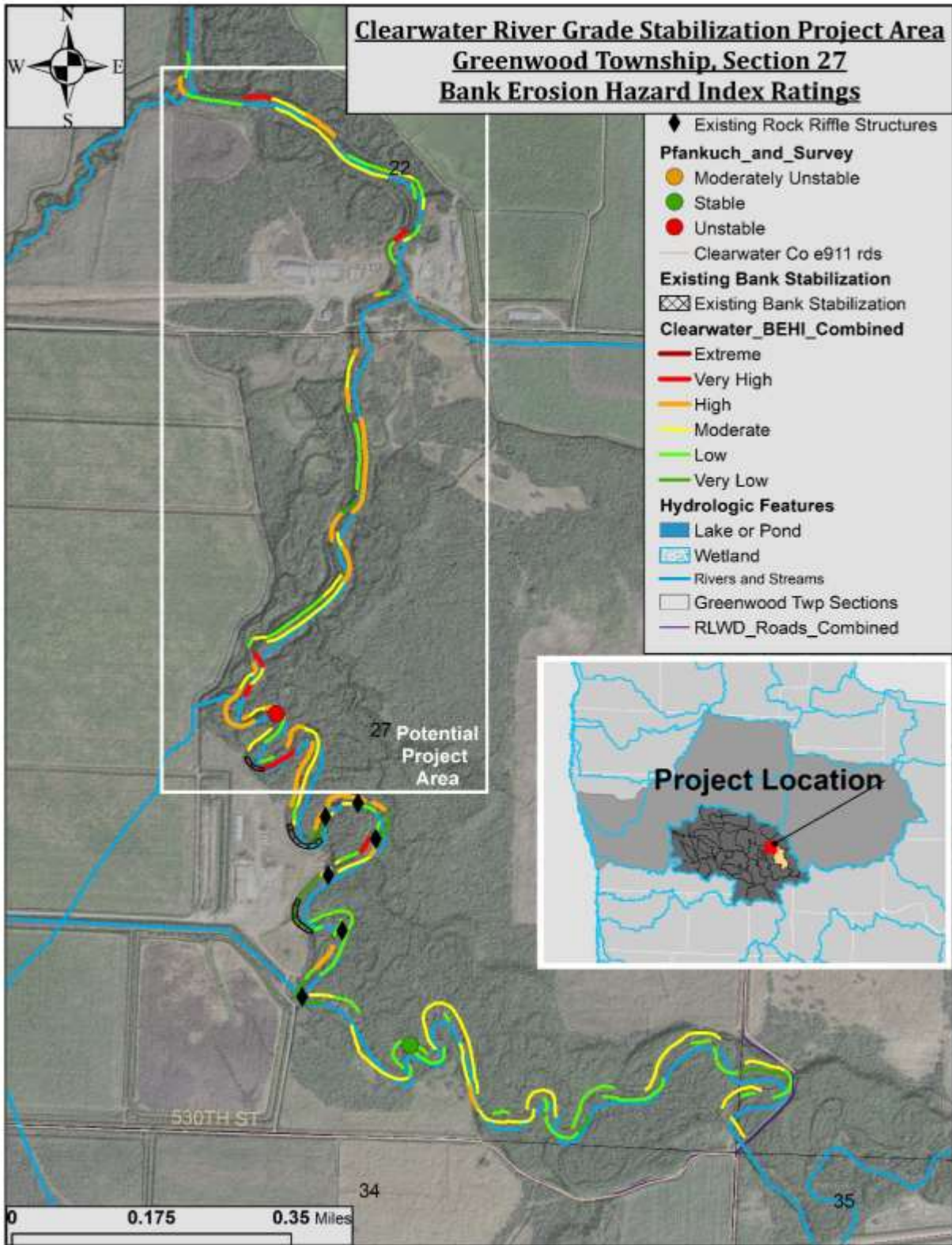


The primary focus of this stabilization project will be addressing the underlying cause of erosion by halting channel degradation, improving floodplain access, reducing flow velocity, and establishing a stable gradient through the natural-to-channelized transitional area. Houston Engineering and District staff have completed multiple rounds of surveying, concept development, HEC-RAS modeling, and consultations with DNR specialists. The final project will involve a series of in-channel grade stabilization structures and streambank stabilizations. A completed design is anticipated by mid-summer 2024.



2023 Survey of Floodplain, Channel, and Eroding





Red River Watershed Management Board Water Quality Funding

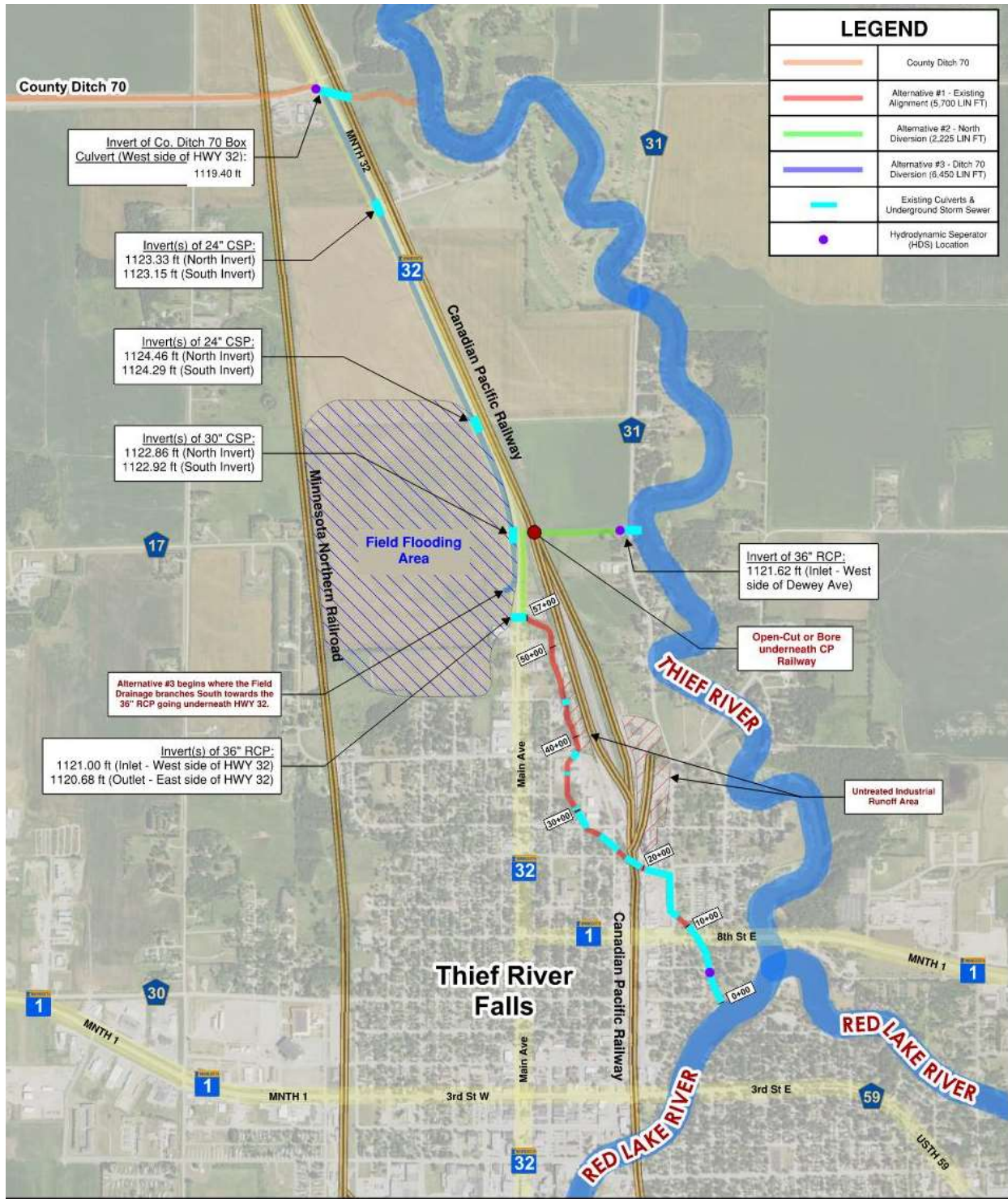
The Red River Watershed Management Board (RRWMB) approved funding to encourage and financially support water quality projects implemented by member watershed districts. In 2020-2022, each member watershed district could apply for up to \$100,000 of water quality base funding to fund a wide variety of water quality projects. In 2023, \$112,500 was available from the base funding for water quality projects. The District used this amount to help fund the Polk County\ Ditch 99 Outlet Stabilization Project.



Chief's Coulee Stormwater Project

The Red Lake Watershed District (RLWD) was awarded a \$428,750 Projects and Practices – Drinking Water grant from BWSR competitive Clean Water Funds for the Chief's Coulee Stormwater Project. Peter Nelson of the Pennington SWCD assisted with the submittal of the application. The SWCD will be working with landowners to install agricultural practices in the upstream portion of the Chief's Coulee drainage area. This proposal for the Chief's Coulee project aims to achieve improved water quality for waters entering the source area of the city's drinking water intake. The Chief's Coulee drainage area, in northern Thief River Falls, has been identified as a source of flooding and water quality concerns through inspection and water quality sampling. The proposed project will reduce 16.5 tons of sediment/year and 126.08 pounds of phosphorus/year.

Preliminary design of the project was funded by the Red Lake River 1W1P WBIF funding, the District, and the City of Thief River Falls. The total estimated cost of the stormwater infrastructure and water quality features is \$2.3 million. The District and the City of Thief River Falls have each approved a contribution of up to \$800,000. The District will look for additional funding from the RRWMB and DNR.



**CITY OF THIEF RIVER FALLS
CHIEF'S COULEE PROJECT
ALTERNATIVES MAP**

Water Quality Partnerships

The District provides support to other organizations that are working on projects that will improve water quality and habitat within the District’s boundaries. That support can come in the form of one watershed one plan collaboration, technical advice/information, financial support, and project administration support. The District considers collaborations to be very important and encourage local governmental units to continue their request for assistance from the District wherever possible.

- The Board approved \$86,082.93 in cost-share for SWCD erosion control projects.

2023 RLWD Erosion Control Cost-Share for SWCD Projects							1W1P Match?
Cost Share From RLWD	Total Project Cost (Est.)	SWCD	River/Watershed	Township	Section	Nearby Landmark	
\$ 5,000.00	\$ 109,780.38	Red Lake	Red Lake River	Louisville	34	Hout, CSAH 11	Y
\$ 20,753.52	\$ 55,023.47	East Polk	Poplar River	King	23	McIntosh	Y
\$ 7,920.00	\$ 8,800.00	West Polk	Red Lake River	Crookston	13	1.8 mi NW of Gentilly	Y
\$ 7,000.00	\$ 80,896.00	Red Lake	Hill River	Lambert	7	E of Brooks	Y
\$ 6,000.00	\$ 28,073.53	Red Lake	Clearwater River	Gervais	33	1.5 mi N of CSAH 92 near Terrebonne	N
\$ 10,000.00	\$ 69,265.00	Red Lake	Clearwater River	Terrebonne	2	.7 mi NE of Terrebone	N
\$ 21,609.41	\$ 75,820.00	Red Lake	Cyr Creek	Lake Pleasant	15	4 mi S of Red Lake Falls	Y
\$ 500.00	\$ 3,385.00	Red Lake	Clearwater River	Terrebonne	3	4.3 mi NW of Brooks	No
\$ 500.00	\$ 3,870.00	Red Lake	Clearwater River	Poplar River	6	1 mi NW of Terrebonne	No
\$ 2,800.00	\$ 15,469.00	Red Lake	Lost River	Lambert	3	2 mi W of Oklee	No
\$ 4,000.00	\$ 21,833.00	Red Lake	Clearwater River	Terrebonne	2	.7 mi N of Terrebonne	No
\$ 86,082.93	\$ 472,215.38	Totals					

- The Board of Managers approved \$38,400 in local cost share for an evaluation of the reservoir within Thief River Falls by the United States Corps of Engineers to determine the depth of sedimentation and see if an intake could be laid on the bottom of the river. The city received a \$153,600 grant. The District and the city are splitting the cost of the required matching funds.
- The District provided \$5,000 in cost share to help the City of Thief River Falls pay for additional riprap to stabilize riverbank, near the Red Lake River Fishing Pier, that was damaged during the flood of 2022.
- District staff participate in Water Resource Advisory Committee (SWCD water planning) meetings.
- District staff collected extra water quality samples from the Thief River to help with a study being conducted by Houston Engineering. The District was reimbursed by HEI for sample analysis and staff time costs.
- One Watershed One Plan committees (Planning Work Groups, Steering Committees, Policy Committees) meet regularly to discuss progress on the current work plans.
- Staff from the District, Pennington SWCD, city of Thief River Falls, and HDR Engineering are working together to plan the Chief’s Coulee Stormwater Project.
- District staff participates in the Polk County AIS Task Force that meets several times each year to discuss appropriation of AIS funds.
- The Board approved the reimbursement of analysis expenses for water quality samples that were collected in Maple Lake by the Maple Lake Improvement District.

- The District provides financial support for the analysis of lake samples collected by the East Polk SWCD. The East Polk SWCD will collect water quality samples on nine lakes within the District for a monitoring period of three years (2021-2023).
- The District funds the analysis of lake samples collected by a volunteer from Bartlett Lake, near Northome, MN.
- The District will be cooperating with the Pennington SWCD for the sampling of Pennington County sites for Surface Water Assessment Grant sampling of the Red Lake River Watershed.
- The Board approved \$5,400 in cost-share funding to the Beltrami Soil and Water Conservation District to help fund Forest Stewardship Plans
- The District continued to support the River Watch program.
- The District donated to the Area 1 Envirothon and staff assisted with the event.
- The Board approved funding (\$9,260) to support the Upper/Lower Red Lake Keep It Clean campaign. The Beltrami SWCD is partnering with the Upper Red Lake Area Association and local resorts to raise awareness of winter angling impacts to Upper Red Lake when dealing with human waste that is left behind on the ice. The amount approved by the Board will be used as the matching funds required for a BWSR Legacy Partners Grant awarded to the Beltrami SWCD.
- The District will be working with the MNDNR and landowners on the Turtle Lake, Connection Lake, and Cross Lake Project, which has potential to provide habitat, flood damage reduction, and water quality benefits.
- The District is serving as the fiscal agent for a \$30,000 2024 CRP State Incentives Pilot Program grant on behalf of the Red Lake River 1W1P partner SWCDs. Incentives will be provided to land occupiers within the Red Lake River riparian corridor priority areas that enroll, or reenroll, land into CCRP. A \$10/acre/year payment will be provided after the land occupier signs the CRP-1 contract. The maximum annual payment per land occupier will be \$5,000. The incentive payments will be provided on a first-come-first-serve basis for land within the riparian corridor areas.
- The District's Brandt Impoundment and Grand Marais Creek Outlet Channel Restoration projects will be part of a Flood Damage Reduction Work Group Five Year Monitoring Program. District staff are participating in the advisory committee for that monitoring effort. Moore Engineering, now with an office in Grand Forks, will be conducting the monitoring.



2024 Plans

- Sampling for the District's long-term monitoring program during the months of April, May, June, and August
- Continuous dissolved oxygen monitoring at a minimum of 5 locations.
- Collection of water quality samples and other data for the Thief River Surface Water Assessment Grant
 - Red Lake River Watershed in 2024
 - Planning for 2025 sampling in the Clearwater River Watershed

- Blue-green algae monitoring
 - Monitoring Maple Lake for algal blooms and toxins
 - Watching for blue-green algae blooms on the Thief River during low flows
 - Possible late-summer screening for algal toxins in shallow, eutrophic lakes
- Stage and flow monitoring
- Plan installation of real-time water level monitoring along the Clearwater River to assist water allocations for wild rice production.
- Implementation of projects for the Thief River 1W1P (streambank stabilization within the Lower Thief River subwatershed).
- Implementation of projects for the Red Lake River 1W1P (streambank stabilization along the Red Lake River near Huot). The District, its partners, and Houston Engineering will complete a midpoint assessment for the Red Lake River 1W1P and complete a revision of the plan.
- Work with the Beltrami SWCD, Red Lake DNR, Houston Engineering, and other partners to complete the Upper/Lower Red Lakes One Comprehensive Watershed Management Plan.
- Public education
- River Watch
- Lake sampling at Buzzle Lake in late July or early August to get full-depth dissolved oxygen and temperature profiles to see if it is still suitable to be designated as a Cisco coldwater lake. Our 2022-23 data suggested that the lake should still meet the qualifications to support tullibees with clean water, cold temperatures, and adequate dissolved oxygen.
- Regular lake sample collection in June, July, August, and September at Lindberg Lake, First Lake, and Second Lake.
- Bartlett Lake: Work with the current volunteer sampler, and possibly find an additional volunteer to assist with 2022 sample collection.
- Work with Beltrami County, through the Thief River 1W1P, to fund the design of erosion control projects along the Moose River/Judicial Ditch 21 channel.
- Increase flow monitoring along the Clearwater River and Lost River to help inform management of District projects (wild rice water allocations and Pine Lake FDR).
- Completed design and potential construction of the Chief's Coulee Stormwater Project.
- Continue to help find a solution for the Houston Avenue erosion problem in Crookston

Website

In 2023, the Red Lake Watershed District's website continues to evolve, making it more user friendly and easier for viewers to access information. Efforts have focused on streamlining navigation, ensuring One Watershed One Plan details are prominently featured. For instance, users can now swiftly access 1W1P by navigating to the "Admin" dropdown and selecting the dedicated section. Additionally, our website hosts comprehensive rainfall data records, comparing local measurements with regional averages dating back to 2016. To explore this data, simply visit the homepage and locate the "NEW DOCUMENTS" section on the right-hand side, selecting "RLWD Office Rainfall Data." We invite you to explore these updates and more at <http://redlakewatershed.org/default.html>. Your feedback on additional features you'd like to see is always welcome!

River Watch

The 28th annual River Watch Forum was held March 1st, 2023, at the Alerus Center in Grand Forks, ND. The forum assignment was for each team to analyze their watershed based on water quality data. All information was placed on a poster and each team presented to a panel of judges while at the forum.

Andy Ulven kicked off the forum by speaking to the students about his professional journey and how River Watch impacted his life and how collecting and interpreting data is extremely important in his job. Originally from Hawley, MN, Andy joined his River Watch team as a 7th grader, graduated with a B.A. in Geography from the University of Minnesota, Twin Cities and later a Master of Science degree in Environmental Science from Montana State University. He worked with the International Water Institute in 2012 and 2014-2019. He now resides in Helena, Montana working as the Water Quality Planning Bureau Chief for the Montana Department of Environmental Quality. After the keynote speaker, there were three breakout sessions that the kids participated in. One room was the poster judging and viewing room, another was hands-on demonstrations in Field Sciences and the last room was the River Arts project. The day ended with a Kahoot trivia game, and awards and scholarships being handed out. For the 2023 Forum Project Judge's first place was awarded to the Minto River Watch team. Second place was awarded to Cavalier River Watch team and third place was awarded to Norman County East River Watch team. For the People's Choice Award first place went to Cavalier, second place went to NCE and third place went to East Grand Forks Sacred Heart. The RRJWRD Manager's choice went to Larimore and the RRWMB Manager's choice went to Campbell-Tintah.

Most schools within RLWD are very active in the program. Each month, each school goes to an average of nine sites. Students become very familiar with their sites and learn observation skills as well as sampling skills. At each site they collect water samples and test for stage, water clarity, temperature, pH, conductivity, turbidity, and dissolved oxygen.

Participating schools that are located within the RLWD boundary include: Red Lake Falls, Red Lake County Central, Win-E-Mac, and Clearbrook-Gonvick.

River of Dreams

The River of Dreams program engages elementary age students to better understand their watershed through reading, writing, art, and geography. River of Dreams is inspired by "Paddle-to-the-Sea" a 1941 children's novel by Holling Clancy Holling that follows the journey of a wooden canoe through the Great Lakes, down the St. Lawrence Seaway and out to the Atlantic Ocean. River of Dreams students experience virtual tours of their watershed, see where their local rivers flow, and learn watershed terminology during the classroom visit by RLWD and/or IWI staff. The students decorate a trackable 14" cedar canoe and write a dream for its river journey. Canoes are then launched into the local river that students learned about during the classroom visit. A webpage is created for each canoe which includes the date and location of launch along with a picture of the canoe and its "dream". SArea residents can report canoe sightings into a database by following instructions and recording the unique ID number that accompanies each canoe. Anyone can view decorated canoes, read dream stories, and see where canoes are discovered at www.riverofdreams.org.

Participating schools that are located within the RLWD boundary include: Red Lake County Central, Win-E-Mac, Red Lake Falls, Clearbrook-Gonvick, Grygla, East Grand Forks, Sacred Heart (East Grand Forks), Thief River Falls, St. Bernards (Thief River Falls), Crookston, and Fisher.

The River of Dreams classroom portion was completed in person in January, February, March and April of 2023.

Aquatic Invasive Species (AIS) Taskforce



CD3 Station Purchased by Polk County

The Red Lake Watershed is a member of the Polk County AIS taskforce. Formed in 2015 to help fight the spread of aquatic invasive species in local waters. The task force consists of a collection of people from all around the county, with many local entities being represented. The focus of the taskforce is to educate the public on how they can mitigate the spread of various aquatic species. Examples being the Zebra Mussel, Eurasian Water Milfoil, Starry Stonewort and Faucet Snails. Efforts to spread the word consists of the use of

billboards, signs, and promotional items like bobbers and small towels. In 2023, the taskforce hired 3 seasonal inspectors, 2 full time, and 1 part time. They were tasked with inspecting boats and spreading the word about preventing the spread of AIS through the Clean, Drain and Dry method. Another tool that has been used in the fight against the spread is the CD3 Station. Equipped with a wet-dry vacuum, air hose, grabber tools, and a brush to scrub watercrafts. This tool is free to use by the public before and after they launch their boats and other watercraft. The reservoir of the device was filled to 26% this year, leaving plenty of room for more use after the boating season. Another tool used by the county are the Ilids. Ilids take video footage of the boat launch, recording if people are removing aquatic plants from their boats and trailers after landing their watercraft. Note that they do not take audio recordings, only video. This tool allows the county to ask a sheriff to issue a citation if necessary.

There was a request for \$11,344.32 from the county to spray 59 acres of Eurasian Watermilfoil to keep its population at bay. Other methods of weed control in addition to aquatic herbicides are being assessed.

For more information on Polk County's AIS Taskforce, please visit <https://www.co.polk.mn.us/282/Aquatic-Invasive-Species-AIS-in-Polk-Cou>. Also check out and "Follow" the new Polk County Environmental Services Facebook page for more AIS information.

There are a handful of lakes and rivers that are considered infested waters in our watershed. The Upper Red Lake was listed for starry stonewort and zebra mussels, Lake Lomond was listed for zebra mussels, Union Lake was listed for Eurasian watermilfoil and Blackduck Lake was listed for faucet snail and starry stonewort.

Project 60F Grand Marais Restoration Project

In 2023, minimal inspection was conducted on the RIM properties of the Grand Marais Restoration Project (Project 60F), with no herbicide application due to staffing changes. Despite this, the previously identified plants remained largely unchanged.

Native plants found during RIM inspection: Prairie Clover, Goldenrod, Wild Petunia, Common Milkweed, Swamp Milkweed, Big Blue Stem, Black-eyes Susan, Yarrow, False Aster, Panicle Aster, Canadian anemone, and Maximilian Sunflower. Overall, the Common Milkweed is spreading nicely throughout the RIM properties.



During inspection a lot of Native weeds and Non-native weeds were identified. These, while being a nuisance are not plants identified by the Department of Agriculture to manage. Some of these types of plants identified were: Perennial Sow thistle, Devil's Beggar tick, Swamp Smartweed, Lambs quarters, Amaranth, Curly Dock, Cocklebur, Ragweed, Giant Ragweed, Wild Cucumber and Bird's foot trefoil.

Two plants were identified during inspection that are in the Prohibited Control group, meaning that they must be controlled to prevent the maturation and spread of propagating parts. These plants are Canadian Thistle and Leafy Spurge

Looking ahead to 2024, RLWD plans to intensify inspections for prohibited noxious weeds, implementing comprehensive mapping and herbicide applications as necessary.

Maintenance of Drainage Systems

One of the many tasks of the Ditch Inspector at the Red Lake Watershed District (RLWD) is to inspect the legal drainage ditch systems that are under the jurisdiction of the district. The ditch inspector is responsible for annual maintenance of legal drainage systems. The annual maintenance includes mowing, cat tail spraying (when needed) and snow removal in areas where the ditch is plugged due to drifting snow (Figure 1). Semi-annual or annual inspections are conducted on these legal drainage systems to determine what type of repairs, or any maintenance may be needed to keep these ditches functioning in good working order. Some of the things that the Ditch Inspector looks for: erosion around culverts, damage to slopes or scouring of the ditch bottom, violations to the right-of-way or buffer strips, and cattails or other weeds that may need to be managed. The district has developed a 5-year rotating inspection plan, a more thorough inspection that includes: surveying the ditch systems, check flap gate function, side water inlet function, culvert markers, and Right of Way markers.

Larson Helicopters from Perham, Minnesota was contracted this year to spray the district's ditches. A helicopter is used because a lot of our ditches are not accessible to a ground sprayer due to fences, wet ground, and some of the ditches go cross country with no right of way to drive on. Due to regular rainfall this summer the district sprayed a total of 29.8 miles of ditch system in 2023. Larson Helicopter uses a combination of Imazapyr and Aquachem in their spray mixture to kill cat tail.

Most of the District's ditches have a permanent grass buffer strip on one or both sides. By state law the buffer strip is required to be a minimum of 16 ½ feet wide but is wider on some ditches. The district is required to inspect these grass strips and maintain them. Maintenance of these buffer strips will consist of mowing the ditch and its right-of-way at least once a year, starting around July 1st, and spraying for any noxious weeds. Four to five contractors are hired each year to mow the many watershed projects and the approximately 170 miles of accessible ditch right-of-way.

Figure 1

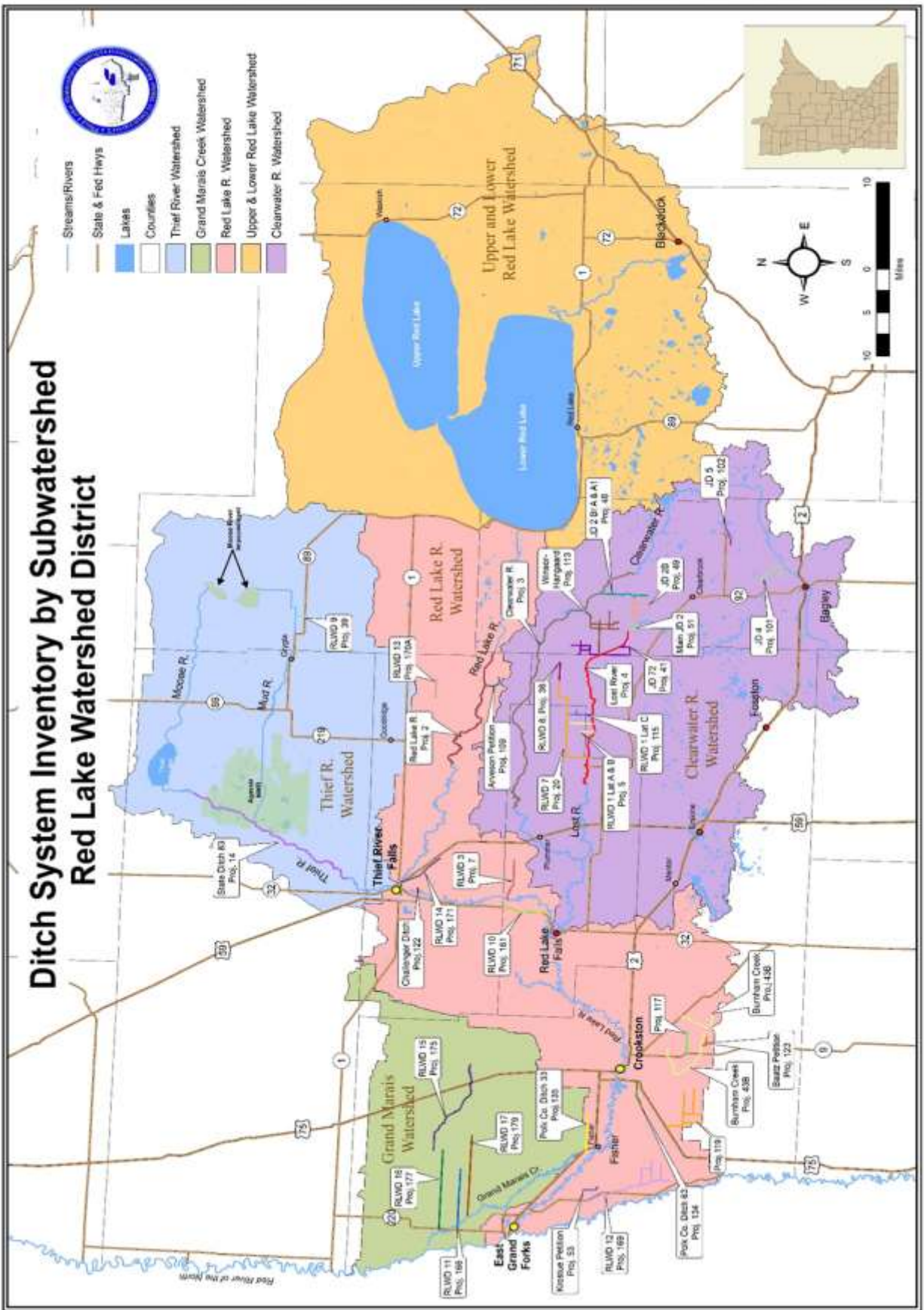


Legal Drainage Systems under jurisdiction of Red Lake Watershed District

The district at present has jurisdiction of approximately 288.21 miles of legal drainage systems throughout the Watershed. The list of all the systems is shown below.

Ditch #	County	Length (mi.)
Red Lake River	Pennington	18.88
Clearwater River	Clearwater, Polk, Pennington, Red Lake	38.24
Lost River	Clearwater, Polk, Red Lake	23.32
RLWD Ditch #9	Beltrami	1.0
State Ditch #83	Marshall, Beltrami	23.36
Clifford Arveson Ditch	Pennington	2.2
RLWD Ditch 13	Pennington	2.04
RLWD Ditch 14	Pennington	4.42
TRF Flood Damage Reduction	Pennington	1.84
Challenger Ditch	Pennington	.44
RLWD Ditch #10	Red Lake	4.59
Equality/RLWD Ditch #1	Red Lake	2.95
RLWD Ditch #3	Red Lake	4.98
RLWD Ditch #1, Lat A, B	Red Lake, Polk	4.0
RLWD Ditch #7	Red Lake, Polk	12.27
Main Judicial Ditch #2	Clearwater	1.6 (e)
Judicial Ditch #2A	Clearwater	5.44
Judicial Ditch #4	Clearwater	5.39
Judicial Ditch #5	Clearwater	2.72
County Ditch #1	Clearwater	5.5
Judicial Ditch 2B & C	Clearwater	5.52
Winsor-Hangaard	Clearwater, Polk	13.9
Judicial Ditch #72	Clearwater, Polk	14.51
RLWD Ditch #8	Polk	2.01
RLWD Ditch #11	Polk	6.36
RLWD Ditch #12	Polk	17.34
Polk County Ditch #63	Polk	2.91
Polk County Ditch #33	Polk	4.42
Polk County Ditch Improvement	Polk	13.42
Burnham Creek	Polk	14.43
Krostue Petition	Polk	1.7
Kenneth Johnson Petition	Polk	2.58
Scott Baatz Petition	Polk	1.47
RLWD Ditch #15	Polk	13.26
RLWD Ditch #16	Polk	9.2
Total Mile of Ditches	Polk	288.21

Ditch System Inventory by Subwatershed Red Lake Watershed District



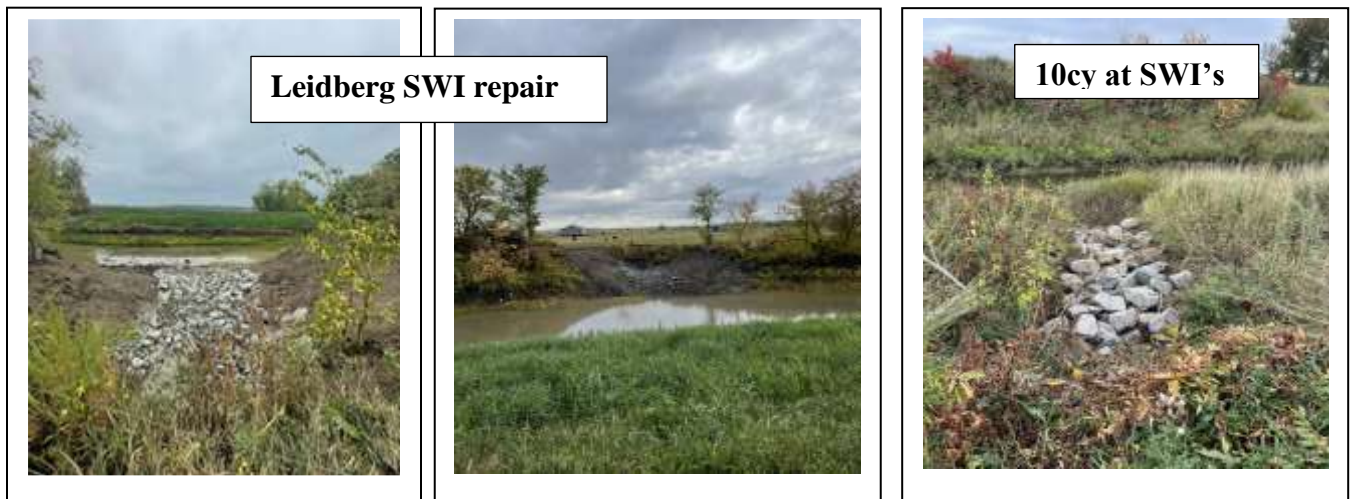
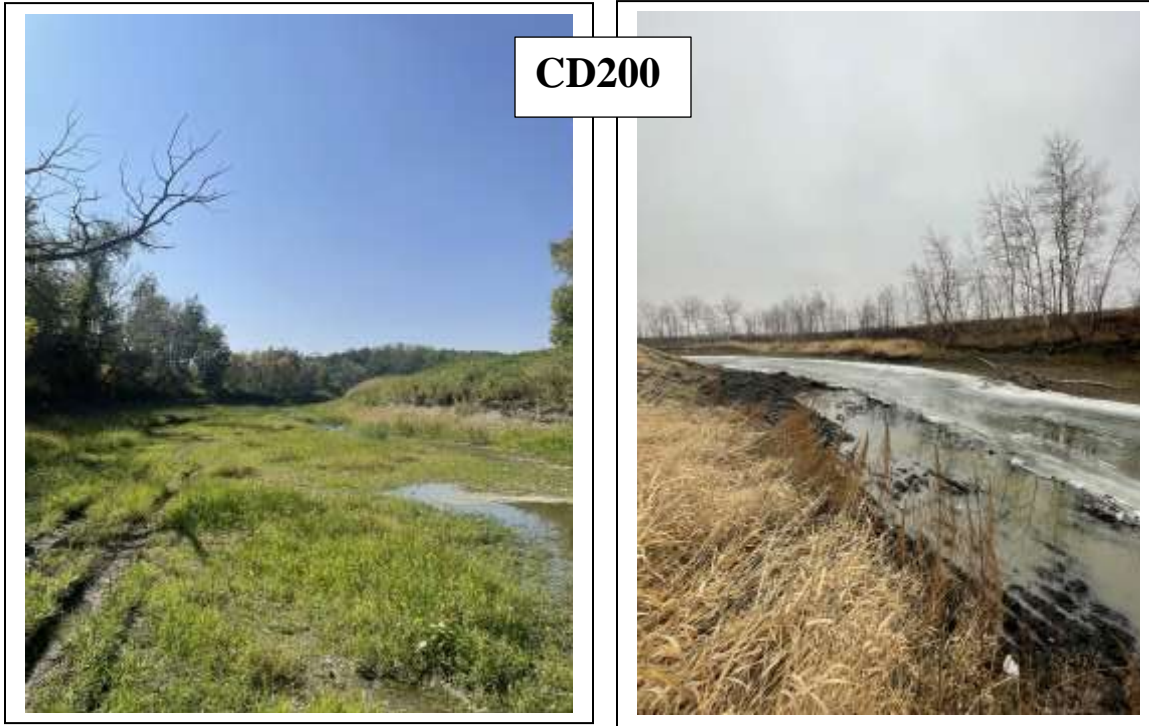
Due to the normal rain conditions in Summer of 2023, cat tail spraying was needed.

2023 Ditch Spraying by Larson Helicopters, LLC		
Project Number	System	Miles Sprayed
53	Krostue Petition	.94
169	RLWD #12	3.7
119	Polk Co. Ditch Improvement #'s 104, 61, 47, 94	1.93
123	Baatz Petition	.81
122	Challenger Ditch	.29
171A	RLWD #14	.66
20	RLWD #7	10.85
115	Equality/RLWD #1	1.62
5 lat A	RLWD #1	1.29
5 lat B	RLWD #1	1.11
178A	TRF Westside	1.51
113	Windsor Hangaard	2.55
7	RLWD #3	2.54
Total:		29.8

	A	B	C	D	E	F	G
1	Red Lake Watershed 2023						
2							
3	Product		Rate	EPA REG #	Applicator		
4	Imazapry 2 SL		1 qt/acre	81927-24	MICHAEL A LARSON		
5	Aquachem 90		1.6 oz		Applicator ID#		
6					20039242		
7	DITCH #	APP. DATE	TIME	TEMP	WIND	MILES	LOG FILE #
8	Project 60E	9/7/2023	11:20	68	5-10 @ 170	0.00	
9	Project 53	9/7/2023	11:00	68	5-10 @ 170	0.94	347.80
10	Project 169	9/7/2023	10:45	68	5-10 @ 170	3.70	1369
11	Project 119	9/7/2023	10:30	67	5-10 @ 170	1.93	714.10
12	Project 123	9/7/2023	10:15	67	5-10 @ 170	0.81	299.70
13	Project 122	9/7/2023	12:00	68	5-10 @ 170	0.29	107.30
14	Project 171A	9/7/2023	12:00	68	5-10 @ 170	0.66	244.20
15	Project 20	9/7/2023	12:30	68	5-10 @ 170	10.85	4,014.50
16	Project 115	9/7/2023	1:10	68	5-10 @ 170	1.62	599.40
17	Project 5 lat A	9/7/2023	12:40	68	5-10 @ 170	1.29	477.30
18	Project 5 lat B	9/7/2023	12:55	68	5-10 @ 170	1.11	410.70
19	Project 178A	9/7/2023	11:45	68	5-10 @ 170	1.51	558.70
20	Project 113	9/7/2023	1:20	68	5-10 @ 170	2.55	943.50
21	Project 7	9/7/2023	9:45	64	3-6@ 160	2.54	939.80
22							
23							
24	Total					29.80	11,026
25							

RLWD Project #14, State Ditch 83, Marshall County

During inspection, it was noted that a lot of erosion is occurring around most of the side water inlets. In the Summer of 2023, Lunke Construction Inc. was hired to do the annual mowing along the right of away. Lunke's were also hired to haul in and place rip rap at various side water inlet (SWI) sites. Approximately 10 cubic yards of fractured rip rap were placed at the outlets of each SWI to protect the integrity of the toe of the ditch. The district hired Quality Spray Foam/Anderson excavating to reshape a large SWI on the Nathan Leidberg property and removing several cubic yards sediment from State Ditch 83 near the outlet of CD 200.



RLWD Project 36, RLWD #8

In the late fall of 2021, RLWD received a request from a landowner to remove sediment along ¼ mile of the ditch along the NW4NE4 of sec 23 Johnson Township. RLWD staff hired Triple D construction from Plummer, MN to do the tree removal. There is a lack of plans in the office for this ditch system, so in the spring of 2024, a survey and a few soil borings will need to be done to create and establish ditch plans. Once plans are reestablished, the district will work to remove the sediment from the ditch.



RLWD Project #49, JD #2A

District staff was made aware of a beaver dam in the summer of 2023 on the east edge of Section 26 in Windsor township in Clearwater County. Two beavers were trapped by local trapper Erik Hammon, and the dam was removed by Dyrdaahl Construction from Leonard, MN.



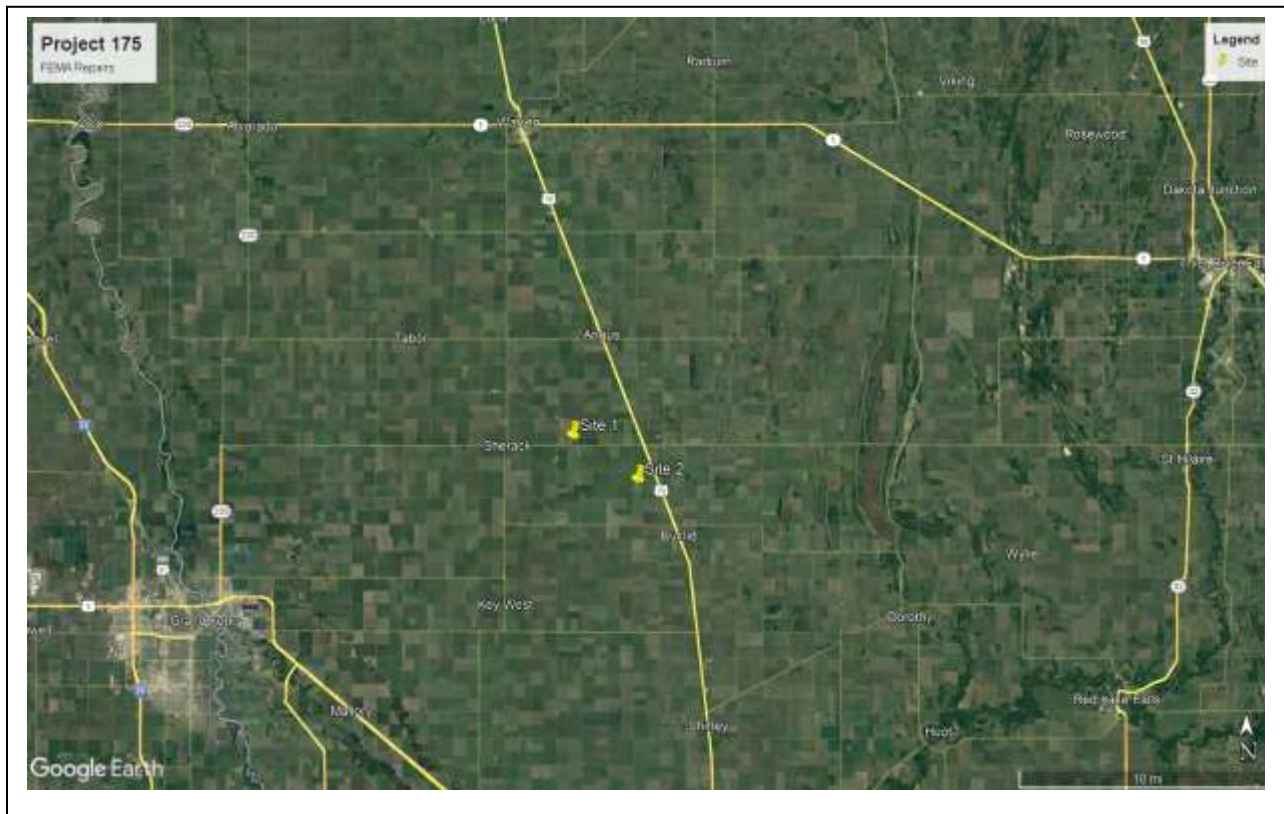
RLWD Project #175, Ditch 15

The system overall is functioning properly, but in the spring flood of 2022 there were two sites identified by RLWD staff that need repair. The two sites were submitted to FEMA and were repaired by Brault Construction of Crookston, MN. Both sites required quite a bit of fill due to the large washouts that were created.

Site 1-Rip rap was extended at Site 1 as part of mitigation. After the washout was filled and the ditch banks were brought back to their original 3:1 slope, Dale Berhow was subcontracted to lay erosion blanket, seed, and fertilize. The site will need to be carefully monitored after spring runoff and large rain events since it was a large repair.

Site 2- Site 2 was not quite as drastic as Site 1 but was still in desperate need of repair. Brault Construction hauled in many cubic yards of clay to fill the washouts. There was minimal repair to the banks compared to Site 1 so erosion control blanket wasn't used at this site, but the area was still seeded and fertilized upon completion. RLWD staff also directed Brault Construction to clean a small portion of the ditch down stream of site to ensure good flow away from the repaired site.

RLWD staff used the four-wheeler to ensure every SWI on the system was marked with a reflective marker to prevent getting hit by the mowing contractor. Olson Construction did the mowing on this ditch system and there was no cat tail sprayed due to drought in this area.





Site 1



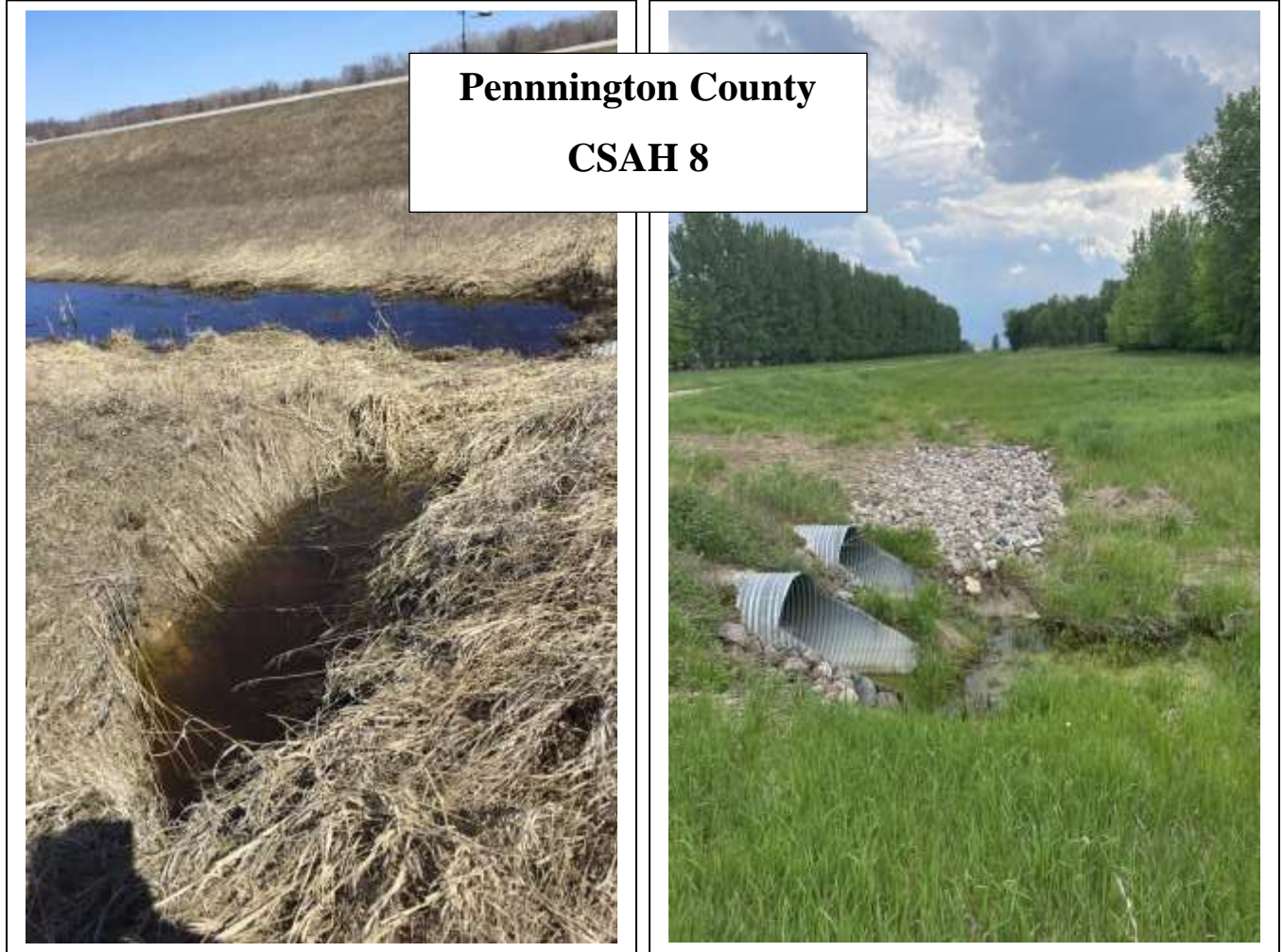


Site 2



RLWD Project #171A, Ditch 14

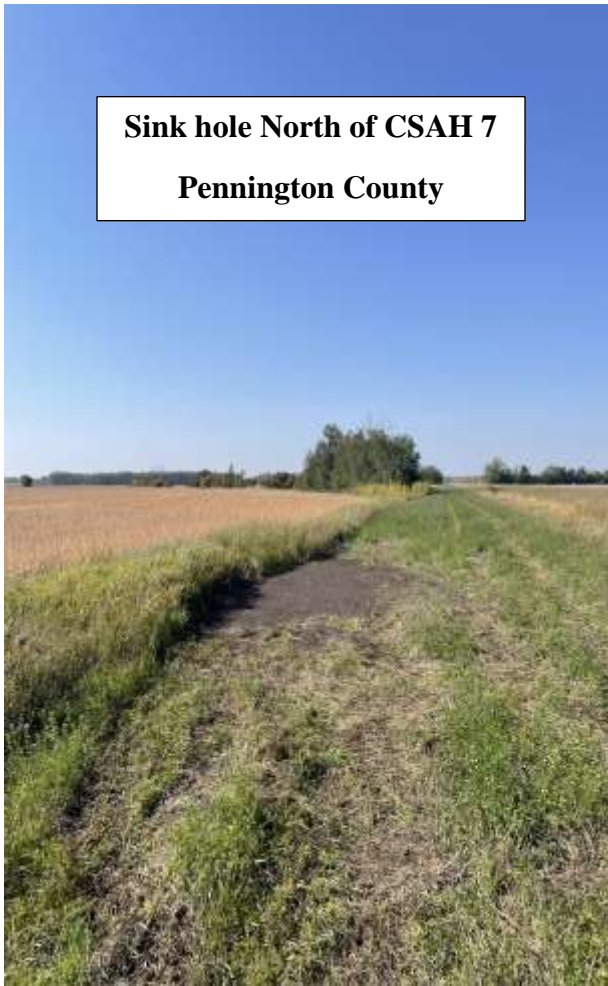
During a brief inspection of the system during the spring runoff, RLWD staff noticed a large wash out through the ditch bank. District staff hired Andy Anderson with Anderson Excavating to fix the wash out. The washout was filled back to as built elevation and a small rock chute (pictured below) was installed to prevent future erosion. Jeff Olson and Les Cota were responsible for mowing these portions of the drainage system. Cat tail was sprayed by Larson Helicopter LLC.



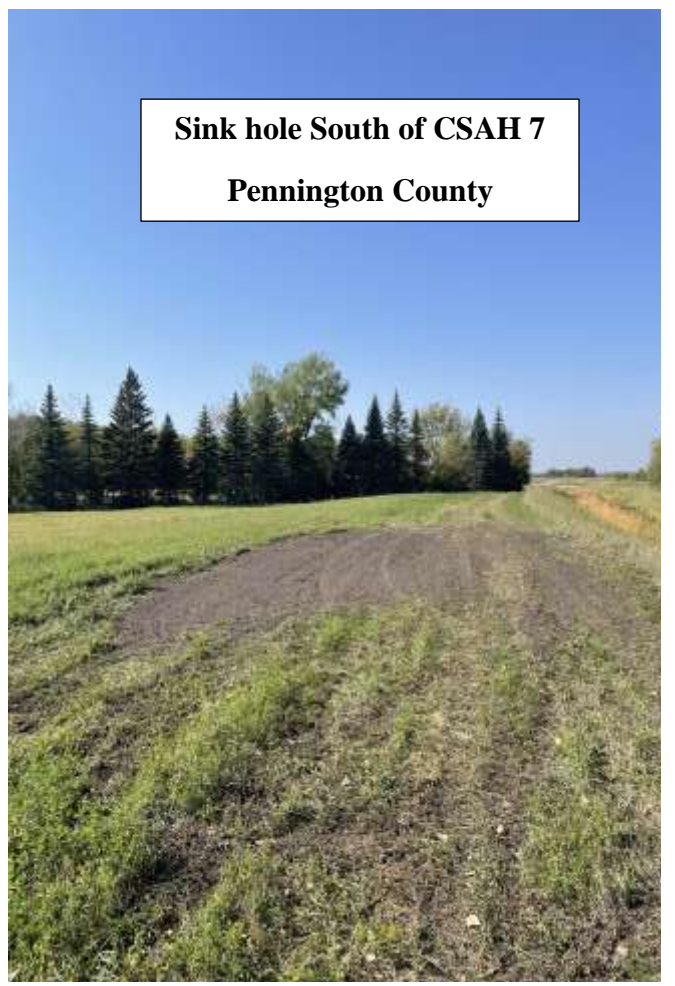
RLWD Project 171, Ditch 14

This ditch system has minimal mowing due to Brian Anderson haying a large portion of the ditch. During haying in 2023 Brian noticed 2 different sink holes on the spoil bank that were becoming safety hazards. The district hired Anderson Excavating to haul fill and repair the sink holes. Les Cota is hired by district staff to keep the portion of the ditch that passes through residential area in Thief River Falls mowed on a regular basis. Mowing these areas on a regular basis helps with noxious weed control in those areas.

**Sink hole North of CSAH 7
Pennington County**



**Sink hole South of CSAH 7
Pennington County**



RLWD Project #177, Ditch 16

The Spring flood of 2022 caused damage to this system from one end to the other. RLWD staff submitted over 80 sites of damage to FEMA. The types of damage that occurred on the ditch is small amounts of sediment deposit at the side water inlets, rilling, blowouts, cutting of the ditch bank, below the side water inlets. The sediment will be cleaned from the bottom of the ditch and cast on the ditch bank, the rills will be filled in, and ditch bank cutting will be repaired with rip rap where necessary. The district used a product called LandLok 400 at the outlets of the side water inlets because rip rap is so costly and was going to be very difficult to find an abundance for this repair.



RLWD Project #113, Winsor-Hangaard

In the Summer of 2022 RLWD staff were made aware by landowner Jim Sundquist of numerous trees growing through the middle of the ditch adjacent to his property along Branch B. The landowner said there was poor drainage in that area in the spring due to the snow drifting into the wooded area and compacting. RLWD hired Dyrdaahl Construction to remove the trees and put them in piles on Jim's property. Jim agreed to help the district by burning or burying the piles on his land when the work was complete. District staff also hired Dyrdaahl Construction to do some brush mowing along the township road on Branch A as we were getting complaints about snow piling on the road in these areas. A skid steer with a brush head was used to do this.



RLWD Project 134, Polk County Ditch 63 Improvement

The flood in 2022 caused a portion of this ditch system to fill in with sediment causing poor drainage. In addition to the ditch filling in with sediment, high flows caused a wash out at station 177+00. RLWD staff hired Brault Construction from Crookston, MN to clean the ditch to as-built grade. As part of mitigation, FEMA allocated extra funds to add rip rap to the area that was getting washed out due to a 90 degree turn in the ditch and a side water inlet in the same area.



STA 177+00



Other Watershed Activities

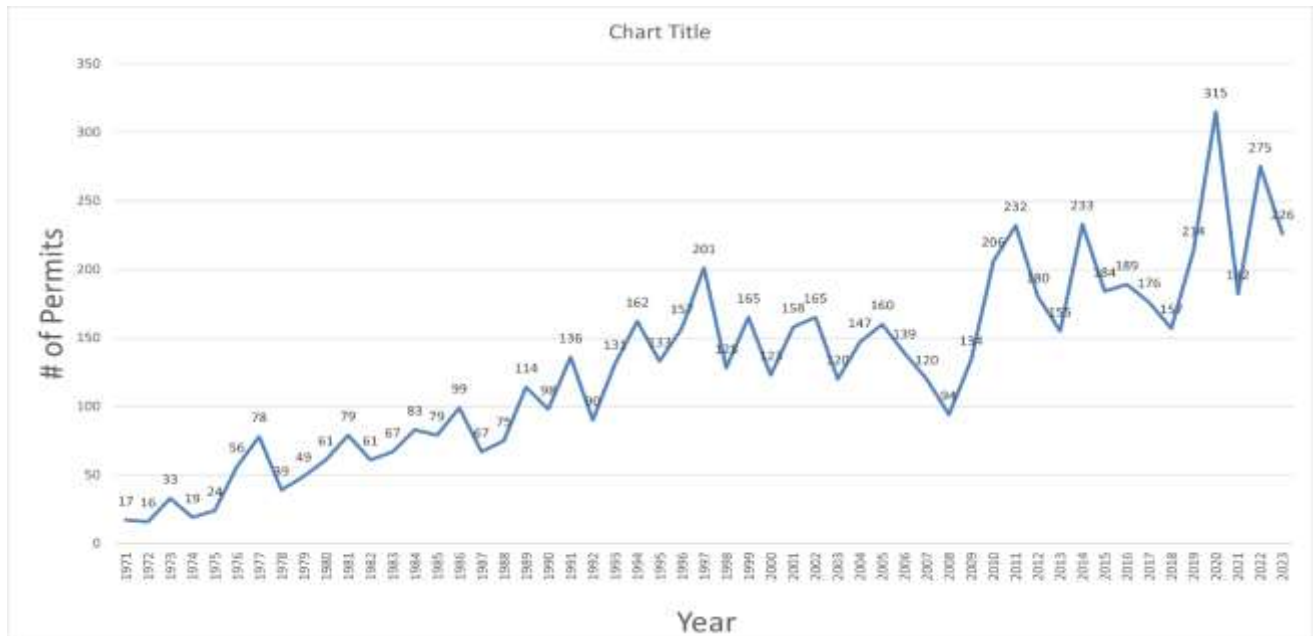
Permits (RLWD Project No. 90).

In 2023, a total of 226 permit applications were received, 53 were for subsurface tile projects. This year was the eighth full year of the District’s subsurface drain tile permitting policy. The numbers listed below indicate the permits and how they are categorized within our rules for permitting:

- 0 utilities
- 140 culvert/bridge
- 27 cleaning
- 53 drain tiles
- 2 grade Stabilization
- 2 bridge
- 0 flap gates
- 1 road
- 1 dikes

Applicants included state and county highway departments, railroads, townships, cities, utility & pipeline companies, State & Federal agencies, landowners, and private individuals. Permit applications are available on the District web site: www.redlakewatershed.org

Examples of permitted work consisted of road and bridge projects, wetland restorations, erosion control projects, culvert installations, and ditch cleaning. Work associated with permit review may involve watershed delineations, detailed surveys, drainage area and culvert sizing recommendations, and meetings. Plan and profile surveys are provided at no cost to the applicant.



'72 - '81' 10 Year Average	'82- '91 10 Year Average	'92 - '01 10 Year Average	'02 - '11 10 Year Average	'12 - '21 10 Year Average
45	88	145	152	199

The District also dealt with permit violations relating to unpermitted/unauthorized work. In those cases, written warnings are sent explaining that if there is a second offense, the person responsible or entity could possibly be subject to an administrative fee, re-storing the work to the original condition, and paying for any engineering and attorney's fees incurred by the District.

The District, at times, may perform surveys and establish proposed grades/elevations when necessary. Final approval for the work will be discussed with the proper public road authorities, whether it is the state, county, or township.

Wild Rice Water Allocation (RLWD Project No. 45)

As a domesticated agricultural grain crop, wild rice is grown in paddies, flooded with water to an average depth of about one foot.

Wild rice production along the Clearwater River began in 1968. The water allocation project was petitioned by the growers in 1984. This involves the appropriation of water from the Clearwater River, for production of wild rice on approximately 12,000 acres of paddies. Spring flood storage capacity in the paddies is substantial, and amounts to about 23,000 acre-feet, which is equivalent to 1.1 inches of runoff. This storage helps to reduce downstream flood flows/peaks.

When there is substantial flow in the river, no water allocation is necessary. the growers may pump as needed. However, during periods of low flow, the District allocates water to the growers. The allocation program ensures that each grower receives their appropriate share of available flow and that the protected flow of 36 cubic feet per second (cfs) is maintained in the Clearwater River.



Paddies are typically drained during July and August to facilitate harvest. Some growers partially flood paddies in the fall season through freeze up. By doing this, it helps to reduce the need of pumping activity in the spring, at which time, water supplies may not be enough to meet all their needs.

For parts of 2023, flows in the Clearwater River were below the minimum flow that initiates allocation. Allocation was necessary for a period in March and then from September through November for fall flooding of the paddies. Normal duties include correspondence with growers and recording river levels at various sites. The growers also provide valuable information on river conditions and stream gage data.



Stream Flow & Pool Elevation Monitoring (RLWD Project No. 21)

Stream flow monitoring is a vital on-going activity. The District has an active stream gauging program and local volunteers assist us in recording gauge readings and monitoring river conditions during runoff events. Approximately 160 gauges of various types (staff, wire weight, automated) are located throughout the District. Many automated river level gauges within the district can be accessed via the internet and are extremely valuable to obtain “real time” data.

The District deploys autonomous water level loggers in tributary streams and other important locations that are not gauged by state or federal flow monitoring stations. HOBO water level loggers were deployed at 14 sites in 2023. The District’s HOBO water level loggers were all retrieved in November as streams began to freeze. The loggers were cleaned, and data was downloaded from each logger. Flow monitoring results can be viewed within monthly water quality reports.



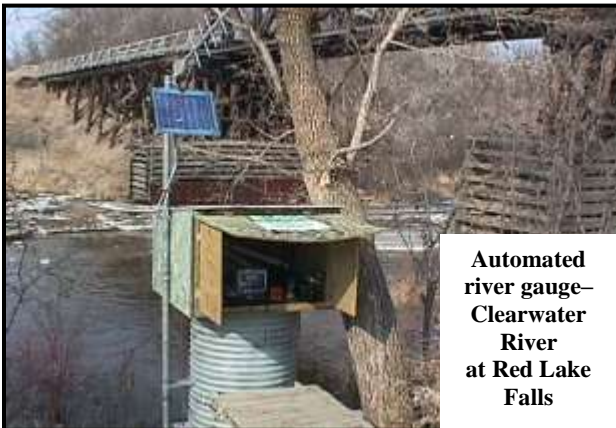
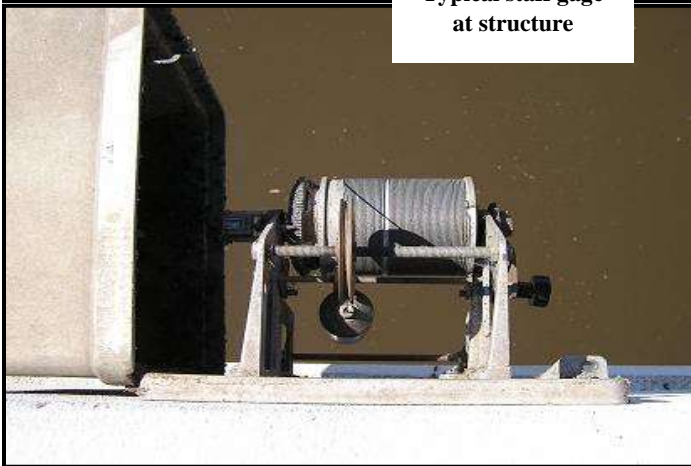
District staff performs flow measurements and continues to develop stage (gauge height) and discharge (flow in cubic feet per second) curves at many locations. This data, in conjunction with records and cooperative efforts from other agencies such as the U. S. Geological Survey (USGS), National Weather Service, and the MNDNR will help everyone better understand drainage and runoff characteristics within the district.

An In-Situ VuLink remote water level logging system was deployed in Pine Lake to give District staff the ability to check water levels in the lake from a computer at the office.

With several years of recorded data, it is increasingly valuable for the Board of Managers and staff, in the operation and maintenance of existing projects and for the development of potential projects.



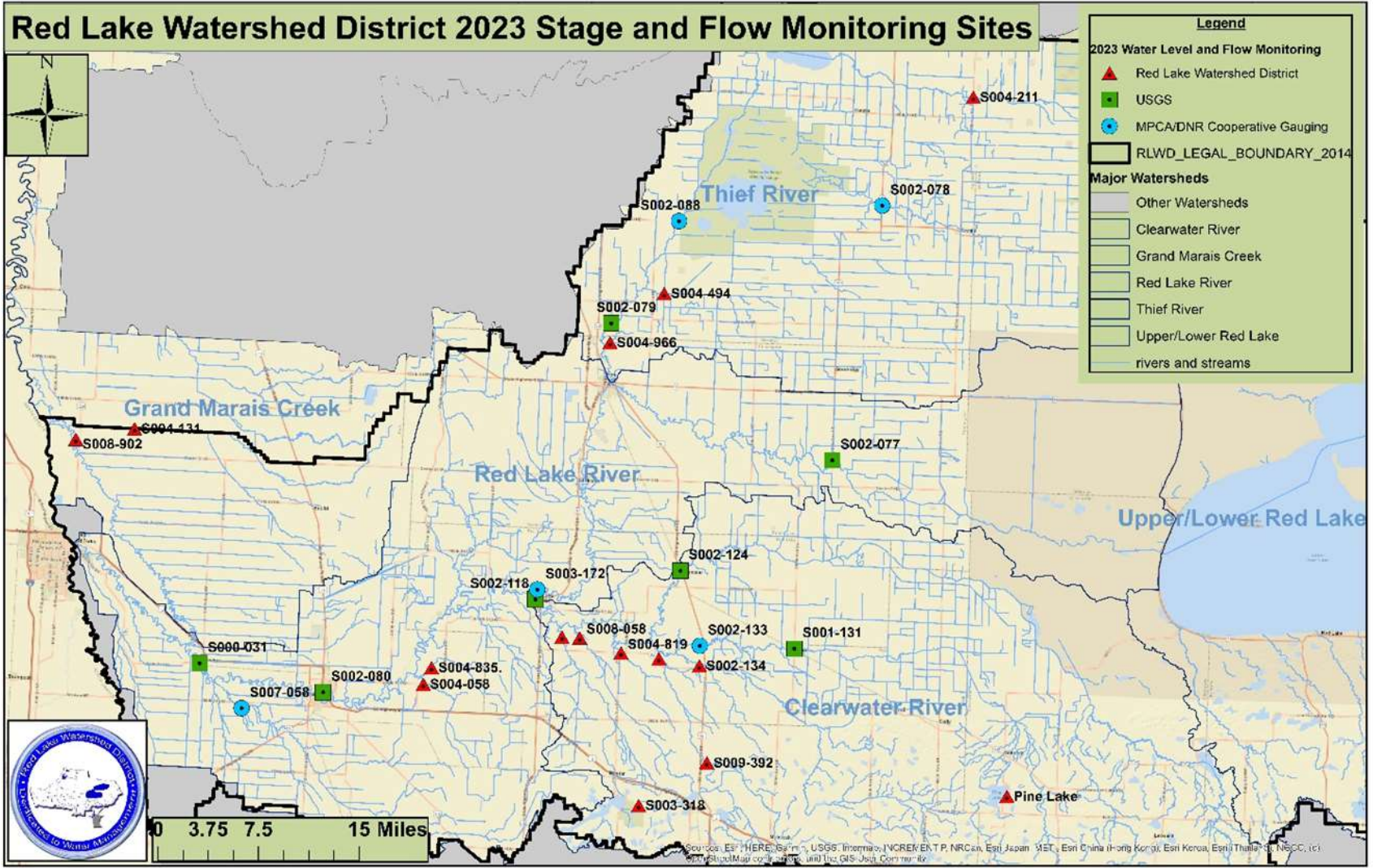
Typical staff gage at structure



Automated river gauge—Clearwater River at Red Lake Falls



Measuring flow Clearwater River at Plummer



Snow Surveys

Each year, the District performs snow surveys which usually begin in mid- February and continue through the spring melt on an as needed basis if snow conditions change. Seven sampling sites are monitored throughout the District. The locations of these sites are near impoundment facilities which are designed and operated for floodwater retention.

In 2023, we have not sampled any snow for moisture content due to lack of snow to sample.

Measuring Procedure: The depth of the snowpack is measured and a ‘core sample’ is obtained. The tube and snow core are weighed, and the “water content” of the snow is calculated. Five samples are taken at each site and averaged for the data.

This information is forwarded to the National Weather Service, the North Central River Forecast Center, and local officials. This helps them to estimate the amount of runoff and make flood forecasting predictions.

The relationship between snowpack and the amount of snowmelt runoff is complex and depends on many factors.

Some of the criteria used to determine flood potential of spring snowmelt are:

- Depth of existing snow cover and snow moisture content
- Existing soil moisture (was it wet or dry the previous fall?)
- Depth of frost - or is there any frost?
- River ice and ice jams

Fast and slow thaws:

- Gradual or intermittent thawing may reduce the potential for serious flooding, especially in areas with minimal frost depths.
- Flood potential usually increases with late season melting when a rapid melt is more likely; and if additional precipitation occurs during the runoff event.

Geographic Information Systems-GIS (RLWD Project No. 145)

Mapping: Maps are created as needed to accommodate requests by District staff. It should be noted that maps created are not to be used as legal survey maps, they are for reference use only.

A live working ArcGIS map that was created for tracking parcel splits for the Thief River Falls Water Management District, RLWD project 171A, is updated as new parcel splits occur.

Obtaining snow depth and core sample



Establishing weight of snow sample to calculate water content

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**RED LAKE WATERSHED DISTRICT
THIEF RIVER FALLS, MINNESOTA**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

	Page
OFFICIAL DIRECTORY	1
INDEPENDENT AUDITOR'S REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5
BASIC FINANCIAL STATEMENTS	
Statement of Net Cash Position	12
Statement of Activities Arising from Cash Transactions	13
Statement of Balances Arising From Cash Transactions - Governmental Funds	14
Statement of Cash Receipts, Disbursements, and Changes in Cash Fund Balances - Governmental Funds	15
Statement of Changes in Net Cash Position – Fiduciary Fund	16
Notes to the Basic Financial Statements	17
SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule – Cash Basis – General Fund	26
SUPPLEMENTARY STATEMENTS	
Schedule of Fund Balances by Project – Cash Basis	27
Statement of Direct Expenditures by Classification – Governmental Funds	30
INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE	31
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	32
Schedule of Findings and Responses	34
Corrective Action Plan	35

RED LAKE WATERSHED DISTRICT
OFFICIAL DIRECTORY
DECEMBER 31, 2023

Board of Managers

<u>Manager</u>	<u>County</u>	<u>Position</u>
Dale M. Nelson	Pennington	President
Gene Tiedemann	West Polk	Vice President
LeRoy Ose	Marshall	Secretary
Terry Sorenson	East Polk	Treasurer
Brian Dwight	Beltrami	Manager
Allan Page	Red Lake	Manager
Tom Anderson	Clearwater	Manager

INDEPENDENT AUDITOR'S REPORT

Board of Managers
Red Lake Watershed District
Thief River Falls, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the remaining fund information of the Red Lake Watershed District as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the remaining fund information of the Red Lake Watershed District, as of December 31, 2023, and the respective changes in cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Red Lake Watershed District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; 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 Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Red Lake Watershed District's basic financial statements. The budgetary comparison schedule, statement of fund balances by project, and the statement of direct expenditures by classification as listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule, statement of fund balances by project, and the statement of direct expenditures by classification are fairly stated in all material respects in relation to the basic financial statements as a whole as described in the basis of accounting described in Note 1.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2024 on our consideration of the Red Lake Watershed District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Red Lake Watershed District's internal control over financial reporting and compliance.



**BRADY, MARTZ & ASSOCIATES, P.C.
THIEF RIVER FALLS, MINNESOTA**

April 22, 2024

**RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Our discussion and analysis of the Red Lake Watershed District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2023, within the limitations of the District's cash basis of accounting. Please read it in conjunction with the District's financial statements following this section.

FINANCIAL HIGHLIGHTS

- The District's governmental funds total revenues exceeded total expenditures, on the cash basis of accounting, by \$2,579,592 for the year ended December 31, 2023.
- The general fund showed a decrease of cash basis fund balance in the amount of \$36,642.
- The District's General Fund ended the year with a fund balance of \$234,033.
- The District's combined fund balance at the close of the current year was \$8,095,418.

Overview of the Financial Statements

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

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

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

Government-Wide Financial Statements. The government-wide financial statements are designed to display information about the Red Lake Watershed District taken as a whole.

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

The government-wide financial statements can be found on pages 12 and 13 of this report.

RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Fund Financial Statements. The fund financial statements focus on the individual parts of the District. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Red Lake Watershed District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of Red Lake Watershed District are governmental funds.

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

Red Lake Watershed District maintains three major governmental funds. Information is presented separately in the governmental fund statement of balances arising from cash transactions and in the governmental fund statement of cash receipts, disbursements and changes in cash fund balance for the General Fund, Special Projects Fund, and Capital Projects Fund.

The basic government fund financial statements can be found on pages 14 through 15 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 25 of this report.

RED LAKE WATERSHED DISTRICT'S NET CASH POSITION

	<u>2023</u>	<u>2022</u>	<u>Change 22-23</u>
ASSETS			
Cash and Investments	<u>\$ 8,095,418</u>	<u>\$ 5,515,826</u>	<u>\$ 2,579,592</u>
NET CASH POSITION			
Restricted for Ditch Maintenance	\$ 550,543	\$ 589,247	\$ (38,704)
Unrestricted	<u>7,544,875</u>	<u>4,926,579</u>	<u>2,618,296</u>
	<u>\$ 8,095,418</u>	<u>\$ 5,515,826</u>	<u>\$ 2,579,592</u>

At the end of 2023 and 2022, the Red Lake Watershed District is able to report positive balances in net cash assets.

RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

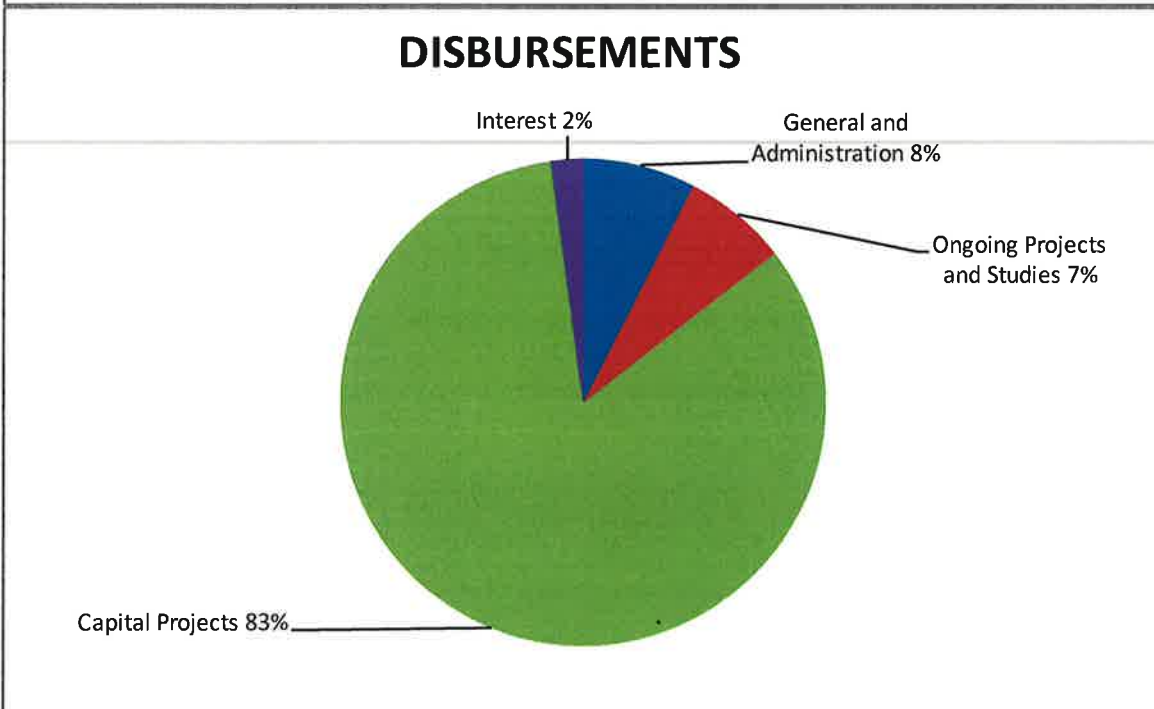
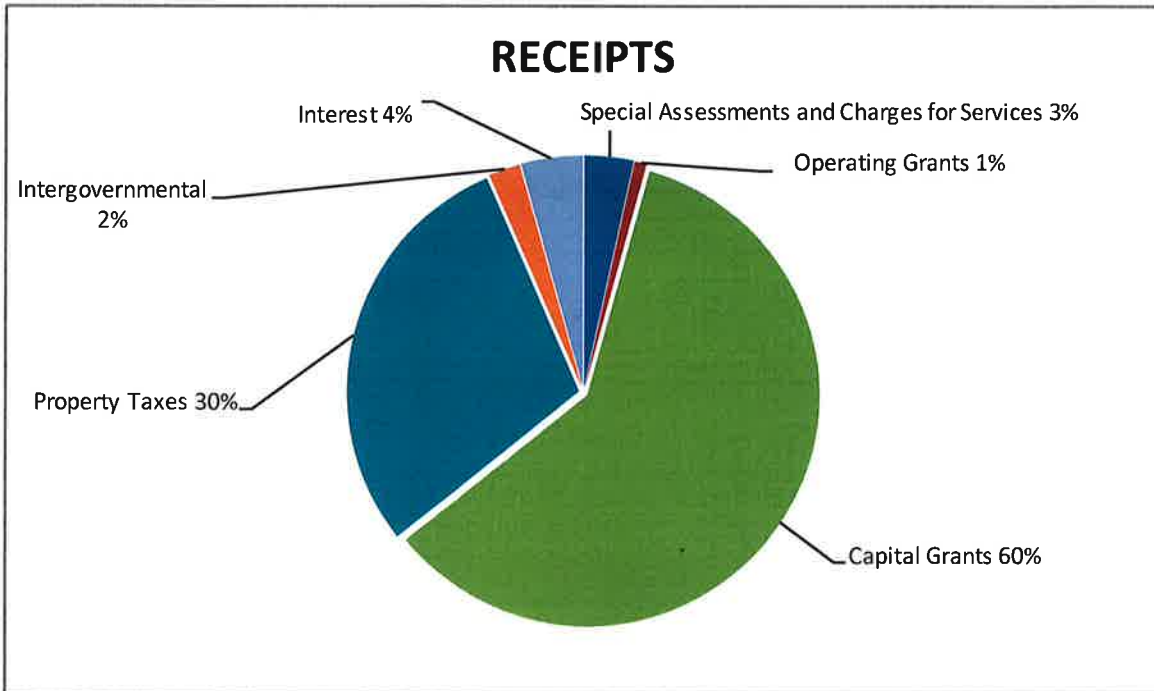
RED LAKE WATERSHED DISTRICT'S CHANGE IN NET CASH ASSETS

Governmental activities resulted in an increase of \$2,579,592 of Red Lake Watershed District's net cash position from the fiscal year 2022 to the current fiscal year. The details of the changes are as follows:

	<u>2023</u>	<u>2022</u>	<u>Change 22-23</u>
Receipts			
Program Revenues			
Special Assessments and Charges for Services	\$ 211,947	\$ 432,491	\$ (220,544)
Operating Grants	52,510	13,171	39,339
Capital Grants	3,659,622	5,024,774	(1,365,152)
General Revenues			
Property Taxes	1,785,340	1,710,045	75,295
Intergovernmental	133,418	140,101	(6,683)
Interest	267,525	115,904	151,621
Total Receipts	<u>6,110,362</u>	<u>7,436,486</u>	<u>(1,326,124)</u>
Disbursements			
General and Administration	267,119	140,188	126,931
Ongoing Projects and Studies	245,476	231,632	13,844
Capital Projects	2,911,454	3,643,960	(702,506)
Allocated Interest	76,721	67,686	9,035
Total Disbursements	<u>3,530,770</u>	<u>4,083,466</u>	<u>(552,696)</u>
Increase (Decrease) in Net Position	<u>2,579,592</u>	<u>3,353,020</u>	<u>(773,428)</u>
Net Position - January 1	<u>5,515,826</u>	<u>2,162,806</u>	<u>3,353,020</u>
Net Position - December 31	<u>\$ 8,095,418</u>	<u>\$ 5,515,826</u>	<u>\$ 2,579,592</u>

**RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Below are specific graphs which provide comparisons of the receipts and disbursements for the year ended December 31, 2023:



RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Governmental Activities

To aid in the understanding of the Statement of Activities Arising from Cash Transactions on page 13, some additional explanation is given. Of particular interest is the format that is significantly different from a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. This type of format highlights the relative financial burden of each of the functions on the District's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue, even if restricted for a specific purpose.

A FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

General Fund Budgetary Highlights

For the year ended December 31, 2023, General Fund expenditures were \$73,607 over final budget. The budget was not amended during the year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

As noted below, construction will begin on several projects as well as work on several water quality grants, flow through-grants, cooperative projects and grants with other agencies.

OTHER ITEMS OF INTEREST

Water Quality Projects

Thanks to the Clean Water Land and Legacy Act (CWLLA), the Minnesota Pollution Control Agency (MPCA) has been able to provide the District with funding for four watershed restoration and protection strategy (WRAPS) projects (Thief River, Red Lake River, Grand Marais Creek, and Clearwater River watersheds). Another WRAPS project, for the Upper/Lower Red Lakes Watershed, was completed by the Red Lake Department of Natural Resources. The WRAPS process and stakeholder involvement informed the 1W1P process, which has provided much of the funding for the implementation of on-the-ground projects that protect and improve water quality. Surface Water Assessment Grants (SWAG) from the MPCA (also funded by the CWLLA) help fund intensive monitoring of targeted watersheds. The targeting and prioritization work completed during the WRAPS and 1W1P processes have aided the acquisition of additional grant funding. The United States Environmental Protection Agency awarded a Small Watersheds Focus 319 Grant to the Red Lake River that has been used to install structural agricultural best management practices and streambank stabilization projects. Because of the Red Lake River 1W1P partners' accomplishments and active development of shovel ready projects, the MPCA awarded additional 319 Grant funding (funding that was unspent in another area of the state) to the Red Lake Watershed District (District) in 2023 to help fund the construction of a bank stabilization project.

Pine Lake Project – Phase II

Phase II of the Pine Lake Outlet Structure includes replacement of the existing arch pipe and replace it with a box culvert in the Lost River, downstream of the Pine Lake Outlet Structure. This structure is being designed by District engineering staff as well MnDNR staff to allow more flow capacity during flood events at the same time allowing proper fish passage on the Lost River. The District awarded the project in late 2023 with construction slated to be completed by the Fall of 2024.

RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Red Lake River One Watershed One Plan (1W1P)

In 2018, funding through the BWSR Clean Water Fund in the amount of \$677,551 was awarded to this planning region to complete various projects identified in the workplan approved by BWSR. It should be noted at the request of the Policy Committee formed to oversee the implementation of the plan; the District was appointed as the fiscal agent for the implementation of the plan. Implementation of the funds dispersed in the 2018 workplan started in 2019, continued into 2020 with 50% of the funds being spent. The reconciliation for the 2018 grant in the amount of \$667,551 was completed, closed and the remaining 10% of the grant in the amount of \$67,755 was dispersed in February 2022.

In 2020, funding through the BWSR Watershed Base Implementation Funding (WBIF) in the amount of \$1,071,149 was awarded by BWSR for the implementation of various projects identified in the workplan. The Policy Committee appointed the District as the fiscal agent for the implementation of the plan. Implementation of the funds dispersed in the 2020 workplan started in 2020, continued into 2021 with 50% of the funds being spent. In October 2022, BWSR dispersed 40% of the grant, in the amount of \$428,460. The reconciliation for the 2020 grant in the amount of \$1,071,149 was completed in December 2022, and the remaining funds was dispersed in 2023.

In 2022, another round of WBIF was awarded in the amount of \$1,071,149. The District and their partners continued to complete water quality projects in accordance with the approved 2022 work plan. The Policy Committee formed to oversee the implementation of the plan appointed the District as the fiscal agent for the implementation of the plan. BWSR dispersed 50% of the grant, in the amount of \$535,575, in March 2022.

In 2023, the District and their partners were awarded a \$50,000 Mid-Point Assessment Grant from BWSR, which allows for the assessment of the implementation process and plan amendment of the Red Lake River 1W1P. These additional funds were added to the 2022 Grant therefore a grant amendment was required, which also included extending the grant expiration date from June 30, 2024 to December 31, 2024. BWSR dispersed 50% of the grant, in the amount of \$25,000, in May 2023. The Policy Committee also appointed the District as Fiscal Agent for 2023.

In 2023, BWSR announced the availability of Supplemental Funds, with a deadline date of submittal of January 8, 2024.

Thief River One Watershed One Plan (1W1P)

In 2020, funding through the BWSR Clean Water Fund in the amount of \$529,892 was awarded to this planning region to complete various projects identified in the workplan approved by the BWSR. It should be noted at the request of the Policy Committee formed to oversee the implementation of the plan the District was appointed as the fiscal agent for the implementation of the plan. Implementation of the funds dispersed in the 2020 workplan started in 2021, continued into 2022 with 50% of the funds dispersed in July 2022.

In 2022, another round of WBIF was awarded in the amount of \$529,892. The District and their partners continued to complete water quality projects in accordance with the approved 2022 work plan. The Policy Committee formed to oversee the implementation of the plan appointed the Red Lake Watershed District as the fiscal agent for the implementation of the plan. BWSR dispersed 50% of the grant, in the amount of \$264,946, in June 2022.

In May 2023, BWSR dispersed 40% of the 2020 grant, in the amount of \$211,957. The reconciliation for the 2020 grant was completed in December 2022, and the remaining funds in the amount of \$52,989 will be dispersed early 2024.

RED LAKE WATERSHED DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Clearwater River One Watershed One Plan (1W1P)

In 2023, BWSR approved the Clearwater River 1W1P Comprehensive Plan, along with the Implementation workplan approved by BWSR. At the request of the Policy Committee, the District was appointed as the fiscal agent for the implementation of projects identified in the workplan. In March 2023, BWSR dispersed 50% of the grant payment in the amount of \$487,363.

In 2023, BWSR announced the availability of Supplemental Funds, with a deadline date of submittal of January 8, 2024.

Federal Emergency Management Funds (FEMA)

In early 2022, projects within the District sustained significant damage in the amount of \$580,557.16. The District applied for and was awarded funding for repairs to the projects from the Federal Emergency Management Agency (FEMA). Allocated funds, minus 10% were dispersed in 2023.

Legal Drainage Petitions

During the 2022 spring flood event, extensive damage was done to various ditch systems under jurisdiction of the District. The District applied for and was awarded funding for repairs to the project from the Federal Emergency Management Agency (FEMA). Repairs and funds were completed in 2023.

In 2022, the Red Lake Watershed District and petitioners, appealed a District Court decision for the Improvement of Polk County Ditch #39, RLWD, Project 179. The Appeal will be taken to the Minnesota Supreme Court in early 2024.

Chiefs Coulee Project

This project was initiated by the City of Thief River Falls, with the District being a project partner. The project located within and north of the City of Thief River Falls, will direct high flows from entering the city, along with improving serious water quality concerns within the city. The District and the city has each committed \$800,000 to the project, and will seek outside funding for the remainder of the costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Red Lake Watershed District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Red Lake Watershed District, 1000 Pennington Avenue South, Thief River Falls, Minnesota 56701.

BASIC FINANCIAL STATEMENTS

RED LAKE WATERSHED DISTRICT
STATEMENT OF NET CASH POSITION
DECEMBER 31, 2023

	Total
Assets	
Petty Cash	\$ 100
Pooled Cash and Investments	8,095,318
Total Assets	\$ 8,095,418
Net Cash Position	
Restricted for Ditch Maintenance	\$ 550,543
Unrestricted	7,544,875
Total Net Cash Position	\$ 8,095,418

See Notes to the Basic Financial Statements

RED LAKE WATERSHED DISTRICT
STATEMENT OF ACTIVITIES ARISING FROM CASH TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Disbursements			Program Receipts and Sources			Net Cash Sources (Uses) and Changes in Net Cash Position
	Direct	Allocated Salaries and Overhead	Total	Special Assessments and Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:							
General and Administrative	\$ (1,076,526)	\$ 809,407	\$ (267,119)	\$ 9,230	\$ -	\$ -	\$ (257,889)
Ongoing Projects and Studies	(178,759)	(66,717)	(245,476)	142,532	52,510	-	(50,434)
Capital Projects	(2,198,764)	(742,690)	(2,941,454)	60,185	-	3,659,622	778,353
Allocated Interest	(76,721)	-	(76,721)	-	-	-	(76,721)
Total Governmental Activities	\$ (3,530,770)	\$ -	\$ (3,530,770)	\$ 211,947	\$ 52,510	\$ 3,659,622	\$ 393,309
General Receipts:							
Tax Levies							\$ 1,785,340
Intergovernmental (not restricted to specific programs)							133,418
State MV and Disparity Reduction Credits							267,525
Allocated Interest							2,186,283
Total General Receipts							2,579,592
Change in Net Cash Position							5,515,826
Net Cash Position - Beginning							\$ 8,095,418
Net Cash Position - Ending							\$ 13,611,244

See Notes to the Basic Financial Statements

RED LAKE WATERSHED DISTRICT
STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS – GOVERNMENTAL FUNDS
DECEMBER 31, 2023

<u>ASSETS</u>	#1 General Fund	#2 Special Revenue Fund	#3 Capital Project Fund	Total Governmental Funds
Petty Cash	\$ 100	\$ -	\$ -	\$ 100
Pooled Cash and Investments	233,933	550,543	7,310,842	8,095,318
Total Assets	<u>\$ 234,033</u>	<u>\$ 550,543</u>	<u>\$ 7,310,842</u>	<u>\$ 8,095,418</u>
 <u>CASH FUND BALANCE</u>				
Restricted for Ditch Maintenance	\$ -	\$ 550,543	\$ -	\$ 550,543
Committed for Capital Projects	-	-	7,310,842	7,310,842
Unassigned	234,033	-	-	234,033
Total Cash Fund Balance	<u>\$ 234,033</u>	<u>\$ 550,543</u>	<u>\$ 7,310,842</u>	<u>\$ 8,095,418</u>

See Notes to the Basic Financial Statements

RED LAKE WATERSHED DISTRICT
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>RECEIPTS</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Property Taxes	\$ 217,104	\$ -	\$ 1,568,236	\$ 1,785,340
Special Assessments	-	137,127	1,120	138,247
Intergovernmental:				
Federal	-	11,507	492,550	504,057
State	-	19,915	2,100,912	2,120,827
Local	-	21,088	1,199,578	1,220,666
Other:				
Miscellaneous	9,230	5,405	59,065	73,700
Allocated Interest	42,264	24,677	200,584	267,525
 Total Receipts	 <u>268,598</u>	 <u>219,719</u>	 <u>5,622,045</u>	 <u>6,110,362</u>
 <u>DISBURSEMENTS</u>				
General and Administrative	267,119	-	-	267,119
Ongoing Projects and Studies	-	245,476	-	245,476
Capital Projects	-	-	2,941,454	2,941,454
Allocated Interest	38,121	12,947	25,653	76,721
 Total Disbursements	 <u>305,240</u>	 <u>258,423</u>	 <u>2,967,107</u>	 <u>3,530,770</u>
 Net Change in Cash Fund Balance	 (36,642)	 (38,704)	 2,654,938	 2,579,592
CASH FUND BALANCE JANUARY 1	<u>270,675</u>	<u>589,247</u>	<u>4,655,904</u>	<u>5,515,826</u>
CASH FUND BALANCE DECEMBER 31	<u>\$ 234,033</u>	<u>\$ 550,543</u>	<u>\$ 7,310,842</u>	<u>\$ 8,095,418</u>

See Notes to the Basic Financial Statements

RED LAKE WATERSHED DISTRICT
STATEMENT OF CHANGES IN NET CASH POSITION – FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Custodial Fund
<u>ADDITIONS</u>	
<u>Property Taxes</u>	
Beltrami County	\$ 108,346
Clearwater County	219,647
Itasca County	758
Koochiching County	8,586
Mahnomen County	2,460
Marshall County	70,243
Pennington County	293,425
Polk County	727,779
Red Lake County	136,691
Roseau County	185
State - MV	66,710
TOTAL ADDITIONS	1,634,830
<u>DEDUCTIONS</u>	
Red River Watershed Management Board	1,634,830
TOTAL DEDUCTIONS	1,634,830
CHANGE IN NET CASH POSITION	-
NET CASH POSITION - BEGINNING	-
NET CASH POSITION - ENDING	\$ -

See Notes to the Basic Financial Statements

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Red Lake Watershed District, (the "District"), was established under the Minnesota Watershed Act as an agency of the State of Minnesota. The purpose of the District is to carry out conservation of the natural resources of the State of Minnesota through land utilization, flood control, and other needs, upon sound scientific principles for the protection of the public health and welfare and the provident use of natural resources. The District serves an area in Northwestern Minnesota and includes all of Red Lake County and parts of the following counties: Beltrami, Clearwater, Itasca, Koochiching, Mahnomen, Marshall, Pennington, Polk, and Roseau. The District is governed by the Board of Managers, which is composed of seven members appointed by the county boards in accordance with Minnesota Statutes.

Reporting Entity

The financial statements of the District include all organizations, funds and account groups over which the District's Board exercises significant influence over and/or is financially accountable or organizations for which the nature and significance of their relationship with the District is such that exclusion would cause the Red Lake Watershed District's financial statements to be misleading. Currently, the District does not have any component units.

Basis of Presentation

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

- a. Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that type, AND
- b. Total assets, liabilities, revenues or expenditures of the individual governmental fund are at least 5% of the corresponding total for all governmental funds combined.

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

Governmental Funds

General Fund

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

Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue sources (other than capital projects) where the expenditures are legally restricted for purposes specified in the grant or project agreements. The reporting entity includes the special revenue fund as a major fund.

Capital Projects Fund

The Capital Projects Fund is used to account for resources committed for the acquisition, construction and maintenance of specific capital projects or items. The reporting entity includes the capital projects fund as a major fund.

Fiduciary Funds

Custodial Fund

The reporting entity includes one custodial fund and does not involve the measurement of results of operations. The custodial fund is as follows:

<u>Fund</u>	<u>Brief Description</u>
Red River Water Management Board	Property Taxes are levied by the District on behalf of the Board and submitted to the Management Board.

Measurement Focus and Basis of Accounting

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

Measurement Focus

In the government-wide Statement of Net Cash Position and the Statement of Activities Arising From Cash Transactions, governmental activities are presented using the economic resources measurement focus, within the limitations of the cash basis of accounting, as defined below.

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

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

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

Basis of Accounting

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

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable, property and related accumulated depreciation, and revenue for billed or unbilled services provided in current year) and certain liabilities and their related expense (such as accounts payables, unpaid goods or services received in the current year and accrued expenses) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the cash basis of accounting and the government-wide financials would be presented on the accrual basis of accounting.

Budgets

The budget is prepared using the same method of accounting as the financial statements. The annual adopted budget is not legally binding on the District, with the exception of the revenue budget for the general fund, which is limited by state statute at \$250,000 and set by the Board for 2023 at \$250,000. All appropriations lapse at year-end.

Revenues

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

Property Taxes

The District levies property taxes on property owners within the District, which becomes an enforceable lien as of January 1. Taxes are levied in September and are payable to counties on May 15 and October 15 (November 15 for farm property) of the following year. The District levies the tax, while the respective counties collect and remit the tax collections to the District. Property taxes are recognized when received from the counties under the cash basis of accounting. The District also levies special assessments through the counties against property owners who obtain direct benefits from projects or property owners who request, through the petition process, to have a project undertaken. The special assessment collections are recorded in a manner similar to that for property taxes.

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

Compensated Absences

Full-time employees starting on the date of employment will accrue 80 hours per year of vacation for the first five years of employment. During the next five years of employment, an employee accrues 120 hours per year, after ten years of employment but less than twenty, an employee accrues 160 hours per year of vacation, and after 20 years of employment an employee accrues 200. Qualifying part-time employees are entitled to vacation based on the percentage of hours worked per pay period. The maximum accumulation of vacation leave is 200 hours. Unused vacation leave is paid only upon termination of employment.

Full-time employees employed with the District accrue eight hours of sick leave per month. Part-time employees who have worked 60% of the time for a period of nine months shall be entitled to sick leave based on the percentage of hours worked per pay period. The maximum accumulation of sick leave is 400 hours and does not vest upon termination of employment. As of January 1, 2014, half of the employee's remaining sick leave will be paid at the employee's current hourly rate to the employee upon retirement. If the employee quits or is terminated for any reason, no payment shall be made to the employee. District Office shall maintain leave records by posting leave earned and taken, and calculating a current balance for each employee. There will be no payment in lieu of sick leave, except when retirement of employment occurs. No vested or accumulated liability has been recorded for accumulated compensated absences.

Pensions

Plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Equity

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

1. Restricted Net Cash Position – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
2. Unrestricted Net Cash Position – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

It is the District's policy to first use restricted Net Position prior to the use of unrestricted Net Position when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

Cash Fund Balance

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

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

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

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the District's policy to first use restricted resources, and then use unrestricted resources as they are needed. When committed, assigned or unassigned resources are available for use, it is the District's policy to use resources in the following order: 1) committed, 2) assigned and 3) unassigned.

Interfund Balances

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

Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the District is subject to various federal, state, and local laws and contractual regulations. There are no instances of noncompliance that are considered material to the financial statements.

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

NOTE 3 CASH

The District maintains cash accounts at its depository banks. Investments are carried at cost and consist of Certificates of Deposit.

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

At December 31, 2023, all deposits were covered by FDIC and pledged collateral as required by Minnesota Statute.

Interest Rate Risk

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

Credit Risk

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

Custodial Risk

The District does not have a formal policy which would limit the amount held by any one financial institution or investment type.

Related-Party Investments

As of December 31, 2023, the District held no related-party investments.

NOTE 4 DEFINED BENEFIT PENSION PLANS

Plan Description

All full-time and certain part-time employees of the Red Lake Watershed District are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Plan (accounted for

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

in the General Employees Fund), which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

PERA provides retirement, disability, and death benefits. Benefits are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

The benefit provisions stated in the preceding paragraphs of this section are current provisions and apply to active plan participants.

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

Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state Legislature. In 2023, Coordinated Plan members were required to contribute 6.5 percent of their annual covered salary.

The Red Lake Watershed District's contributions to the General Employees Fund for the years ended December 31, 2023, 2022, and 2021 were \$38,430, \$38,336, and \$36,147 respectively.

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

NOTE 5 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District manages these various risks of loss with the purchase of insurance through commercial insurance providers. The District carries commercial insurance coverage on its commercial property and for liability, personal and advertising injury, non-owned auto and a miscellaneous floater.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

NOTE 6 OVERHEAD COST ALLOCATION

Overhead costs are allocated to all projects at 150% of direct salaries to projects. Overhead costs represent those costs incurred by the District for administration, employee benefits, engineering, and related operating expenditures, which are not charged directly to the project. The total overhead costs charged to projects in 2023 was \$809,407.

NOTE 7 CONTINGENCIES

Grants

The District participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of money received may be required and the collectability of any related receivable at December 31, 2023, may be impaired. The District is not aware of any significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

Claims and Litigation

The District is not presently involved in any legal actions relating to projects undertaken or attempted to be undertaken that are deemed to be material to the financial statements.

NOTE 8 NEW PRONOUNCEMENTS

GASB Statement No. 99, *Omnibus 2022*, provides guidance on the following accounting matters:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

RED LAKE WATERSHED DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*, enhances the accounting and financial reporting requirements for accounting changes and error corrections. The statement is effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The statement is effective for fiscal years beginning after December 15, 2023.

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

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

NOTE 9 SUBSEQUENT EVENTS

No significant events occurred subsequent to the District's year end. Subsequent events have been evaluated through April 22, 2024, which is the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

RED LAKE WATERSHED DISTRICT
BUDGETARY COMPARISON SCHEDULE – CASH BASIS – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES	Original and Final Budget	Actual 2023	Variance
Tax Levies	\$ 250,000	\$ 217,104	\$ (32,896)
Miscellaneous	3,000	9,230	6,230
Allocated Interest	-	42,264	42,264
 Total Revenues	 <u>253,000</u>	 <u>268,598</u>	 <u>15,598</u>
 EXPENDITURES			
General and Administrative	231,633	267,119	35,486
Interest	-	38,121	38,121
 Total Expenditures	 <u>231,633</u>	 <u>305,240</u>	 <u>73,607</u>
 Expenditures Exceed Revenues	 21,367	 (36,642)	 <u>(58,009)</u>
 FUND BALANCE JANUARY 1	 <u>270,675</u>	 <u>270,675</u>	
 FUND BALANCE DECEMBER 31	 <u>\$ 292,042</u>	 <u>\$ 234,033</u>	

NOTE 1 – BUDGETARY COMPARISON

The budget is prepared using the same method of accounting as the financial statements. The annual adopted budget is not legally binding on the District, with the exception of the revenue budget for the general fund, which is limited by state statute at \$250,000 and set by the Board for 2023 at \$250,000. All appropriations lapse at year-end.

RED LAKE WATERSHED DISTRICT
SCHEDULE OF BALANCES BY PROJECT – CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Revenues				Expenses				Transfer		Fund Balance (Deficit) December 31
	Fund Balance (Deficit) January 1	Assessments and Other Charges for Services	Operating/ Capital Grants and Contribution	Allocated Interest Earned	Taxes	Direct	Allocated Interest Charged	Allocated Salary and Overhead	In (Out)		
GENERAL FUND	\$ 270,675	\$ 9,230	\$ -	\$ 42,264	\$ 217,104	\$ 1,076,526	\$ 38,121	\$ (809,407)	\$ -	\$ 234,033	
SPECIAL REVENUE FUND JOBS:											
Red Lake River Project	83,117	1,950	-	2,377	-	-	-	-	-	87,444	
Clearwater River Project	51,761	8,290	-	1,566	-	-	-	-	-	61,617	
Lost River Project	16,402	4,298	-	808	-	24	-	167	-	21,317	
RLWD Ditch #1	8,800	1,597	-	357	-	2,688	-	198	-	7,868	
RLWD Ditch #3	4,519	1,985	-	150	-	2,500	-	2,559	-	1,595	
State Ditch #83	101,621	32,159	20,596	3,241	-	27,377	-	16,148	-	114,092	
County Ditch #20/State Ditch #83	(417)	-	-	-	-	-	19	-	-	(436)	
RLWD Ditch #7	10,230	5,514	-	214	-	11,804	-	1,598	-	2,556	
Pine Lake Maintenance	(11,408)	10,027	-	-	-	3,081	941	11,899	-	(17,302)	
RLWD Ditch #8	3,722	2,500	-	13	-	8,060	-	1,734	-	(3,559)	
RLWD Ditch #9	611	246	-	15	-	525	-	152	-	195	
J.D. Ditch #72	3,377	(3,377)	-	-	-	-	-	-	-	-	
J.D. Ditch #100	(8,550)	701	-	-	-	-	378	-	-	(8,227)	
J.D. Ditch #100 Maint.	652	3,228	-	31	-	1,140	-	1,312	-	1,459	
J.D. Ditch #101	(6,787)	3,102	-	-	-	-	266	-	-	(3,951)	
J.D. Ditch #101 Maint	1,501	7,502	-	88	-	-	-	2,431	-	6,660	
Burnam Creek Channel	(20,725)	-	21,088	-	-	-	514	1,558	-	(1,709)	
Clearwater/Wild Rice River	(1,349)	980	-	-	-	-	44	2,872	-	(3,265)	
Branch A & 1, J.D. #2	2,824	5,473	-	135	-	960	-	152	-	7,320	
Main J.D. #2 and Branch B&C	3,031	475	-	46	-	2,220	-	394	-	938	
Main J.D., 2C, Eck	2,435	137	-	64	-	-	-	339	-	2,97	
Krostue Petition	6,171	5,186	-	226	-	1,839	-	289	-	9,455	
Clearwater County Joint Ditch #4	5,772	463	-	144	-	16	-	966	-	5,97	
Clearwater County Joint Ditch #5	(7,565)	2,404	-	-	-	-	306	304	-	(5,771)	
Clearwater County Ditch #1	(144)	473	-	-	-	120	-	-	-	207	
Clifford Arweson Ditch	9,931	227	-	271	-	1,000	2	107	-	9,322	
Winsor/Hangaard/Clearwater County Petition	12,105	1,194	-	294	-	9,184	-	1,534	-	2,875	
Equality RLWD Ditch #1, lat C	1,545	1,637	-	45	-	1,079	-	259	-	1,889	
K. Jonsson Petition	2,114	2,305	-	50	-	743	-	2,043	-	1,683	
Polk County Ditch #s 104, 61, 47, 94	11,382	17,191	-	532	-	714	-	502	-	27,889	
TRF Drainage Ditch (Challenger Ditch)	2,547	46	-	18	-	107	-	74	-	2,430	
Scott Baatz Petition	1,030	1,165	-	34	-	300	-	773	-	1,156	
Polk County Ditch #63 Improvement	16,012	311	-	414	-	15,690	-	606	-	441	
Polk County Ditch #33 Improvement	12,915	472	-	317	-	2,843	-	274	-	10,587	
RLWD Ditch #10	79,054	1,829	-	2,179	-	3,220	-	1,775	-	78,067	
RLWD Ditch #11	6,810	679	-	163	-	2,911	-	183	-	4,558	
RLWD Ditch #12	4,947	12,014	-	152	-	7,307	-	1,912	-	7,894	
RLWD Ditch #13	2,346	211	-	54	-	788	-	198	-	1,625	
RLWD Ditch #14	(7,303)	457	-	-	-	7,550	390	932	-	(12,478)	
TRF Damage Reduction Project	169	2,536	3,300	-	-	3,912	61	930	-	(2,198)	

RED LAKE WATERSHED DISTRICT
SCHEDULE OF BALANCES BY PROJECT – CASH BASIS– CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

	Revenues					Expenses			Transfer		Fund Balance (Deficit) December 31
	Fund Balance (Deficit) January 1	Assessments and Other Charges for Services	Operational/ Capital Grants and Contribution	Allocated Interest Earned	Taxes	Direct	Allocated Interest Charged	Allocated Salary and Overhead	In (Out)		
SPECIAL REVENUE FUND JOBS (Continued):											
RLWD Ditch #15	\$ 26,708	\$ 3,153	\$ -	\$ 707	\$ -	\$ 4,513	\$ -	\$ 2,330	\$ -	\$ -	\$ 23,725
Black River Diversion Ditches	(1,375)	-	-	-	-	6,980	311	2,440	-	-	(11,106)
RLWD Ditch #16	356,621	470	-	9,972	-	7,052	-	1,360	-	-	358,651
TRF Westside	(11,817)	1,322	7,526	-	-	8,898	560	2,000	-	-	(14,427)
Improv to Polk Co. #39	(186,095)	-	-	-	-	31,614	9,155	1,353	-	-	(228,217)
	589,247	142,532	52,510	24,677	-	178,759	12,947	66,717	-	-	550,543
CAPITAL PROJECT FUND JOBS:											
Administrative Construction	4,499,627	-	66,709	147,963	1,568,236	-	-	-	(1,180,301)	-	5,102,234
Web Page Development	1,200	-	1,500	41	-	2,594	-	1,470	-	1,323	-
Moose River Project	-	-	27,485	122	-	19,460	-	12,248	-	4,130	29
Lost River Improvement	-	-	-	-	-	3,695	357	10,296	-	15,535	1,187
Stream Gauging	-	-	-	-	-	14,374	702	3,566	-	18,291	(351)
Schirrick Dam	-	-	16,280	378	-	2,647	-	1,249	-	964	12,762
Pine Lake PWT	-	-	-	-	-	83	19	872	-	10	(10)
Little Pine Lake WWA	-	-	-	-	-	680	90	2,400	-	3,125	(45)
Pine Lake FDR	-	-	691,031	17,221	-	35,875	-	13,623	-	-	658,754
Hydrologic Analysis	-	-	-	-	-	42,767	2,361	23,254	-	66,807	(1,575)
Flood Control Study	-	-	165,186	2,298	-	23,862	-	26,428	-	-	117,194
RRWMB - Technical Com	-	-	-	-	-	821	405	15,308	-	16,332	(202)
Burnham Creek - BR6	-	-	-	-	-	13	15	601	-	621	(8)
Water Quality	-	-	51,193	-	-	63,472	789	107,282	-	120,650	300
TRF Oxbow Restore	-	-	-	-	-	2	-	66	-	68	-
Water Quality- RL River 319 Grant	-	-	52,214	-	-	-	232	1,754	-	512,409	562,637
Chief's Coulee	-	-	214,375	4,513	-	-	-	1,959	-	-	216,929
Maintenance Dams	-	-	-	-	-	-	91	2,360	-	2,406	(45)
Miller Dam	-	-	12,820	175	-	8,995	-	345	-	-	3,755
Knutson Dam	-	-	16,246	387	-	2,813	-	59	-	(13,671)	90
Thibert Dam	-	-	-	-	-	88,404	436	4,198	-	-	(93,038)
Elm Lake	-	-	-	-	-	8,955	394	6,844	-	-	(16,193)
Grand Marais Creek Subwatershed	-	-	-	-	-	-	1	30	-	31	-
Euclid East Impoundment	110	3,011	5,446	-	-	6,538	123	3,040	-	-	(1,244)
Brandt Impoundment	-	1,080	4,226	-	-	2,815	1	2,052	-	-	548
Brandt Channel Restoration	-	474	-	-	-	1,197	51	743	-	1,491	(26)
Grand Marais - Restoration	-	-	-	-	-	908	101	3,375	-	4,341	(43)
Grand Marais Cut Channel Stabilization	-	-	-	-	-	-	14	-	-	-	(14)
Red Lake Res/Good Lake	-	-	-	-	-	3,673	89	140	-	990	(2,912)
Parnell Impoundment	1,650	4,244	11,531	-	-	11,196	5	6,081	-	-	143
Cleanwater Public Education (River Watch)	-	598	-	-	-	1,278	471	18,146	-	19,061	(236)
Greenwood 27 Bank Stabilization	-	-	-	-	-	-	-	-	-	-	-

RED LAKE WATERSHED DISTRICT
SCHEDULE OF BALANCES BY PROJECT – CASH BASIS– CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2023

	Revenues				Expenses		Transfer		Fund Balance (Deficit) December 31	
	Fund Balance (Deficit) January 1	Assessments and Other Charges for Services	Operating/ Capital Grants and Contribution	Allocated Interest Earned	Taxes	Direct	Allocated Interest Charged	Allocated Salary and Overhead		In (Out)
CAPITAL PROJECT FUND JOBS (continued):										
Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,581	\$ 2,662	\$ 124,321	\$ 127,233	\$ (1,331)
Project Development	-	-	-	-	-	57,326	4,073	119,083	178,612	(1,870)
Red River Basin Long Term Flood Control	-	-	-	-	-	2,681	182	6,121	8,893	(91)
Red River Fishing Pier	-	-	-	-	-	5,000	168	415	5,498	(85)
Four Legged Lake PWT	-	-	-	-	-	-	11	564	575	-
Turtle Lake/Cross Lake Study	-	-	-	-	-	36,506	1,070	12,083	-	(49,659)
Louisville/Parnell Project	-	-	-	-	-	1,494	34	61	1,572	(17)
Challenger Ditch Realign	-	-	-	60	-	-	3	106	49	-
Ring Dike Program - General	-	-	7,897	-	-	180	239	23,453	-	(15,985)
Ring Dike Program - Fladland	-	21,824	10,894	-	-	159,745	2,994	6,730	-	(136,751)
Ring Dike Program - Beich	-	18,431	9,414	-	-	124,129	1,985	9,683	-	(107,952)
Ring Dike Program - Boll	-	-	-	-	-	2,005	103	1,328	3,384	(52)
Ring Dike Program - Hegge	-	-	-	-	-	-	108	2,458	-	(2,566)
Ring Dike Program - Cardinal	-	-	-	-	-	19,032	206	963	-	(20,201)
Ring Dike Program - Payment	-	-	-	-	-	24,967	325	2,423	-	(27,715)
Flood Storage Easmtc	-	-	-	-	-	284	8	94	386	-
G.I.S.	-	-	-	-	-	10,533	617	17,165	28,008	(307)
Wetland Banking	91,076	-	-	2,571	-	-	-	118	-	93,529
Ten Year Overall Plan	86,923	-	1,094,616	-	-	983,576	717	29,851	-	167,395
Thief River 1W1P	(24,898)	-	211,957	984	-	237,545	-	41,168	-	(90,670)
Clearwater River 1W1P	-	-	510,113	10,249	-	171,316	-	15,400	-	333,646
Upper/Lower RL1W1P	216	-	-	37	-	750	133	7,959	-	(7,469)
Parnell Storage Site	-	1,120	-	-	-	710	17	98	-	(825)
Red Lake River Watershed Assessment	-	-	-	-	-	-	1	22	23	-
Erosion Control Projects	-	-	-	-	-	18,000	253	592	18,719	(126)
Drainage- Inv & Insp	-	-	-	-	-	4,000	46	-	4,023	(23)
TR SWAGG	-	-	24,324	-	-	27,674	653	25,072	28,148	(327)
Black River Impoundment	-	9,403	543,404	13,585	-	(137,659)	-	4,983	-	699,068
TRF Westside FDR	-	-	-	-	-	8	4	111	123	-
Acassiz Grant SILT	-	-	-	-	-	-	-	125	151	26
Mud River Project Work Team	-	-	43,479	-	-	100,264	2,294	20,341	-	(79,420)
Total Capital Projects	4,655,904	60,185	3,793,340	200,584	1,568,236	2,198,764	25,653	742,690	-	7,310,842
Total All Funds	\$ 5,515,826	\$ 211,947	\$ 3,845,550	\$ 267,525	\$ 1,785,340	\$ 3,454,049	\$ 76,721	\$ -	\$ -	\$ 8,095,418

RED LAKE WATERSHED DISTRICT
STATEMENT OF DIRECT EXPENDITURES BY CLASSIFICATION –
GOVERNMENTAL FUNDS - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>DIRECT EXPENDITURES:</u>	<u>2023</u>
Salaries -	
Inspection	\$ 45,015
Survey - Preliminary	5,699
Survey - Construction	1,510
Drafting	439
Engineering	11,000
Project Administration	328,309
Field Work - Water Programs	53,396
Other	137,619
Compensated Absences	512
Payroll Taxes and Benefits	209,474
Manager's Expense	69,225
Travel, Mileage, Meetings and Per Diems	8,502
Audit	10,400
Legal	47,201
Other Professional Fees	255,262
Office Supplies	9,227
Office Equipment	35,372
Dues and Subscriptions	10,131
Insurance and Bonds	33,541
Repairs and Maintenance	41,091
Utilities	8,496
Telephone	8,454
Advertising and Publications	9,119
Truck Expense	14,344
Miscellaneous	901
Construction	1,553,209
Engineering Costs and Fees	16,809
Engineering Fees	482,097
Engineering Equipment	47,695
	<hr/>
Total Expenditures	\$ 3,454,049
	<hr/>

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Managers
Red Lake Watershed District
Thief River Falls, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, each major fund, and the remaining fund information of the Red Lake Watershed District of Thief River Falls, Minnesota as of and for the year ended December 31, 2023 and the related notes to the financial statements, and have issued our report thereon dated April 22, 2024.

Legal Compliance

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

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.



BRADY, MARTZ & ASSOCIATES, P.C.
THIEF RIVER FALLS, MINNESOTA

April 22, 2024

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Managers
Red Lake Watershed District
Thief River Falls, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the cash basis financial statements of the governmental activities, each major fund, and the remaining fund information of the Red Lake Watershed District, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Red Lake Watershed District's basic financial statements and have issued our report thereon dated April 22, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Red Lake Watershed District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Red Lake Watershed District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Red Lake Watershed District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Red Lake Watershed District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Red Lake Watershed District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the finding identified in our audit and described in the accompanying schedule of findings and response. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BRADY, MARTZ & ASSOCIATES, P.C.
THIEF RIVER FALLS, MINNESOTA

April 22, 2024

RED LAKE WATERSHED DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2023

2023-001 Finding – Significant Deficiency

Criteria

An appropriate system of internal control requires the District to prepare financial statements in compliance with the cash basis of accounting.

Condition

The District's personnel prepare periodic financial information for internal use that meets the needs of management and the Board. However, the District currently does not prepare the financial statements, including the accompanying note disclosures, as required by the cash basis of accounting. The District has elected to have the auditors assist in the preparation of the financial statements and notes.

Cause

The District elected to not allocate resources for the preparation of the financial statements.

Effect

There is an increased risk of material misstatement to the District's financial statements.

Recommendation

We recommend the District consider the additional risk of having the auditors assist in the preparation of the financial statements and note disclosures. As a compensating control, the District should establish an internal control policy to document the annual review of the financial statements and schedules and to review the financial statements disclosure checklist.

Views of Responsible Officials and Planned Corrective Actions

The District agrees with the recommendation and will review on an annual basis.

**RED LAKE WATERSHED DISTRICT
CORRECTIVE ACTION PLAN
DECEMBER 31, 2023**

2023-001 Finding

Contact Person – Tammy Audette, Administrator

Corrective Action Plan – Will establish a policy to document review of financial statements and notes.

Completion Date – Ongoing

