The Heron Lake Watershed District (HLWD) budget outlines the annual financial plan for project implementation, surface water monitoring, education events, and general operations. The budget is structured with a responsible, long-term management perspective based upon the HLWD Watershed Management Plan.

The HLWD general operating levy is funded through local property taxes. We work hard to be accountable to our residents, as well as state and local governments. The annual plan and budget, annual audit, and monthly treasurer’s reports are posted on the HLWD website. The annual financial newsletter is published as another avenue for financial transparency.

The HLWD Treasurer and District Administrator work together to create a draft budget that is submitted to the board of managers for review. In July, the HLWD adopts a preliminary budget and levy. In August, a public hearing is held to solicit input from watershed residents. After the hearing, a final budget is adopted.

The chart below shows the breakdown of expenditures based upon the 2015 audit of HLWD. The expenditures include the general operating levy, grants, and public drainage systems.

Best Management Practices (BMP) Implementation funds consist of the actual costs associated with “on-the-ground” BMPs. These include cost-share dollars, engineering, travel, and vehicle maintenance. Monitoring is made up of water sample analysis, shipping, and supplies. The Total Maximum Daily Load (TMDL) category reflects grant funds to cover the Watershed Coordinator’s wages and benefits, as well as several feedlot upgrades. General operations consist of board members’ wages, office expenses, legal fees, dues, and financial audits. Education includes any endeavor that builds awareness of the water quality problems within the watershed. No funds were allocated for Flood Damage Reduction or Capital Improvement. Staff time is allocated in each category according to the percentage of time spent.

The outlays for Public Drainage were a result of the improvement process for Jackson County JD #19, #30, and #31 and County Ditch (CD) #3. The ditch system will repay the JD #30 and #31 expenditures. Depending upon the outcome of the improvement processes for these ditch systems, the funds will be repaid to the HLWD by either the petitioners or the ditch systems.
**Proposed 2017 General Operating Levy**

The chart below shows the breakdown for the proposed 2017 general operating levy and the proposed Survey and Data Acquisition Fund (SADF).

The general operating levy for all watershed districts is set by Minnesota statute. The ad valorem tax levy may not exceed 0.048 percent of estimated market value, or $250,000, whichever is less. The HLWD general operating levy of $250,000 has remained unchanged for the last eight years.

To make the best use of funds within the watershed, it is necessary that each project be prioritized, targeted, and show measured results. In order to prioritize, target, and measure, the HLWD has hired a firm to develop a tool that will describe the suitability for BMP placement, the effect of implementation on priority resources, and the measurable cost-effectiveness of pursuing opportunities to implement BMPs. Without the capability to prioritize, target, and measure, it will be nearly impossible to access grant funds.

Because the need for additional data collection is so great, the HLWD Advisory Committee, the HLWD Treasurer, and the HLWD Administrator have recommended that the HLWD implement the SADF. This fund can only be accessed once every five years. The fund balance can never exceed $50,000. The revenue generated from the SADF in 2017 would make available $50,000. These funds would be used within the next five years to gather accurate data for developing project implementation in prioritized and targeted areas to make the best possible use of tax dollars.

**Implementation and Education Undertakings**

Efforts to reduce nonpoint source pollution in the Heron Lake watershed are crucial. Personal contact is made with landowners to offer technical assistance and information about available funding. The HLWD works cooperatively with agency partners and private citizens to complete projects. This is done to maximize the benefits of the efforts and available resources while providing the best possible avenues to address the environmental, educational, economic, and agricultural needs of the watershed, its communities, and its residents.

The HLWD’s general operating funds are limited in comparison to what is needed for implementation and education. The HLWD actively pursues outside funding. A brief description of current grant and loan programs follows.

**$20,600 Grant from the EPA 319 Program**

The HLWD was awarded $20,600 from the EPA for the Jack and Okabena Creek Sediment Reduction Project. Through this effort, the HLWD will install two streambank stabilization projects – one on Jack Creek and two on Okabena Creek. These projects reduce sediment loading by 170 tons per year and phosphorus loading by 170 pounds per year. The results of these projects were summarized in a newsletter and in the local newspapers.

**Our Mission**

The mission of the HLWD is to protect and improve the water resources within its boundaries by supporting watershed residents through the use of education and financial programs.
$175,000 from the Minnesota Pollution Control Agency (MPCA)
The HLWD was awarded $175,000 for the WFDMR Watershed Project – Phase 2. The purpose of this effort is to work with local government, state agencies, and citizen groups in developing strategies to protect or restore the waters in the WFDMR Watershed Project over the next three years. The framework will involve developing opportunities to engage local stakeholders at the onset of the watershed effort and utilize their capacity to continue projects through the implementation stages.

$33,120 from EPA 319 Grant
The HLWD was awarded $33,120 for the Heron Lake Third Crop Phosphorus Reduction Effort. This project will engage four farmers who will implement cover crops for water quality improvement over the three-year grant period. It also established a steering committee to focus on cover crops.

$16,814 from Minnesota Department of Agriculture
Through the Soil Health Research in Southwest Minnesota grant, research is being conducted through the Haney Soil Test and Soil Nitrate Test on cover crop fields established through an EPA 319 grant. Project partners will also hold a field day at the end of the grant period.

$21,955 from MPCA CWP Program
The HLWD was awarded $21,955 through the CWP program for the WFDMR Targeting and Prioritizing Endeavor. This effort proposes to build upon the terrain analysis products developed by Southwest Prairie Technical Service Area 5. The outcome will be GIS datasets, summary maps, and a technical memorandum describing the suitability for BMP placement, the effect of targeted implementation on priority resources, and the measurable cost-effectiveness to implement BMPs.

$5,015 from National Wildlife Federation
The Champions for this grant are Jerry Ackermann, Dave Christoffer, Catherine Wegehaupt, and Jan Voit. Dave and Catherine participated in media training sponsored by the National Wildlife Federation. Through this effort, the Champions will be reaching out to local co-ops and landowners about conservation efforts - especially the implementation of cover crops.

$7,398 from Sustainable Agriculture Research and Education (SARE)
This grant will help measure the benefits of cover crops focusing on increasing soil health and infiltration by using the Haney Soil Test and infiltration test.

$450,000 from MPCA Clean Water Partnership (CWP) Program 2
The HLWD was awarded $450,000 in low interest loan funds. Qualifying landowners can borrow up to $15,000 for a septic system replacement. A lien is assessed to the borrower’s property and is repaid over seven years with an interest rate of 3 ½ percent. Loan funds will be issued on a first-come, first-served basis and are only available through July of 2019. Landowners or contractors must contact the HLWD office before construction begins to qualify.
Help Reduce Water Pollution!

Projects and programs funded through the HLWD are voluntary. We need your help in order to make these efforts successful.

Please contact Catherine Wegehaupt at 507-376-9150 extension 111 or send an email to catherine.wegehaupt@noblesswcd.org or to: ross.behrends@noblesswcd.org or contact the HLWD at 507-793-2462 or send an email to jan.voit@mysmbs.com.

We cannot achieve success without your willingness to participate in water pollution-reducing efforts.

What’s Happening?

- **August 23, 2016** – HLWD Budget Hearing
  8:00 p.m. at the HLWD Community Center

- **August 23, 2016** – HLWD Board Meeting
  Immediately following the budget hearing at the HLWD Community Center

Contact us with your questions or concerns
- telephone 507-793-2462;
- Email jan.voit@mysmbs.com

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