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<http://www.bwsr.state.mn.us/>

### AT A GLANCE

- Small agency of conservation professionals
- Local conservation delivery system
- Governing board of local officials, citizens, and agency partners
- Focus on Minnesota's private lands (78 percent of the state)
- Collaboration model for results including, since 1987:
  - 28,300 conservation practices installed
  - 7,195 easements funded
  - 275 local water management plans approved
  - 14,680 acres of wetland credits deposited into wetland bank
- 240 local government accountability assessments completed annually

### PURPOSE

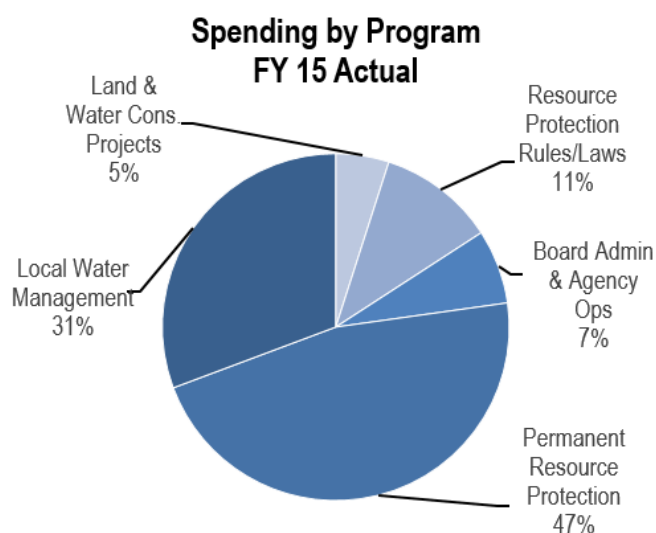
Our mission is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners. Our agency has a unique business model that is designed to:

- Operate as an efficient state-level source of technical and financial assistance to a local government delivery system
- Emphasize implementation of conservation practices and projects that meet state objectives
- Centered around Minnesota's private lands

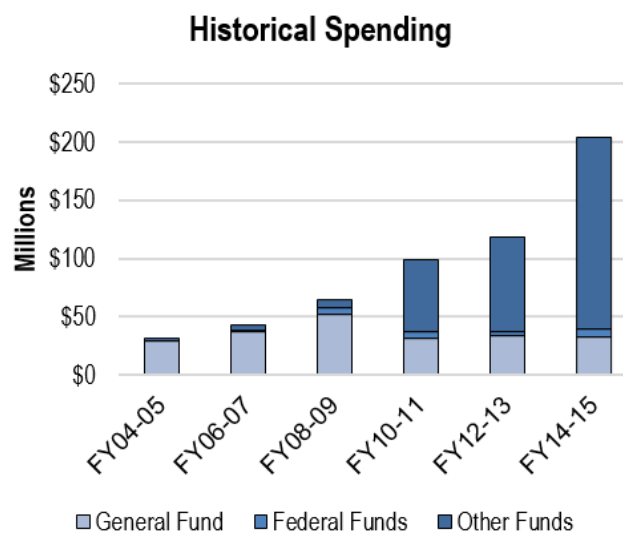
We contribute to the statewide outcome of "a clean, healthy environment with sustainable uses of natural resources" by providing for targeted resource planning, protecting and restoring important water and habitat resources, and ensuring compliance with environmental laws, rules, and regulations.

We also contribute to the statewide outcomes of "efficient and accountable government services" by maximizing local and federal partnerships and evaluating the effectiveness of local governments and conservation outcomes.

### BUDGET



Source: SWIFT



Legacy Funds are reflected in FY10-11, FY12-13, and FY14-15 "Other Funds"

Source: Consolidated Fund Statement

Funding for agency operations and conservation activities comes from a mix of state and federal funds. General Fund support has declined in recent years, and today the Clean Water Fund and Outdoor Heritage Fund make up the majority of our current budget. The Other Funds category is made up of these two legacy funds in addition to transfers from other agencies, Environment and Natural Resources Trust Fund, and special revenue funds.

Approximately 85 percent of our budget results in grants to local governments for approved conservation programs and projects. The remaining 15 percent is retained for agency programs and agency operations, of which personnel is the largest expenditure.

## STRATEGIES

BWSR's mission is implemented through the following core functions:

- Serve as the statewide soil conservation agency.
- Direct private land soil and water conservation programs through the actions of soil and water conservation districts, counties, cities, townships, watershed districts, and water management organizations.
- Link water resource planning with comprehensive land use planning.
- Provide resolution of water policy conflicts and issues.
- Oversee comprehensive local water management.
- Provide a forum (through the board) for local issues, priorities, and opportunities to be incorporated into state public policy.
- Coordinate state and federal resources to realize local priorities.
- Administer implementation of the Wetland Conservation Act and Riparian Protection laws.

We accomplish our mission through these key strategies:

- Developing programs that address priority state and local resource concerns (such as keeping water on the land; maintaining healthy soils; reducing pollutants in ground and surface water; assuring biological diversity; and reducing flood potential).
- Prioritizing on-the-ground conservation projects in the best locations to achieve multiple benefits and measurable improvements to water and habitat resources.
- Ensuring compliance with environmental laws, rules, and regulations.
- Implementing agency operations through board and administrative leadership, internal business systems, planning and effectiveness evaluation, and operational support. This includes the board and board management, financial and accounting services, legislative and public relations, communications, and human resources.

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The legal authority for the Board of Water and Soil Resources comes from the following Minnesota Statutes:

M.S. 103A (<https://www.revisor.mn.gov/statutes/?id=103A>)

M.S. 103B (<https://www.revisor.mn.gov/statutes/?id=103B>)

M.S. 103C (<https://www.revisor.mn.gov/statutes/?id=103C>)

M.S. 103D (<https://www.revisor.mn.gov/statutes/?id=103D>)

M.S. 103E (<https://www.revisor.mn.gov/statutes/?id=103E>)

M.S. 103F (<https://www.revisor.mn.gov/statutes/?id=103F>)

M.S. 103G (<https://www.revisor.mn.gov/statutes/?id=103G>)

(Dollars in Thousands)

**Expenditures By Fund**

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base	
					FY18	FY19
1000 - General	18,298	14,778	13,117	14,458	24,435	24,164
2000 - Restrict Misc Special Revenue	593	693	519	498	453	473
2001 - Other Misc Special Revenue	5,786	6,749	4,150	3,675	3,453	3,411
2050 - Environment & Natural Resource	3,361	1,015	1,504	1,961	0	0
2300 - Outdoor Heritage Fund	44,878	31,480	22,768	35,691	0	0
2302 - Clean Water Fund	34,269	35,589	37,820	84,146	0	0
3000 - Federal	2,304	4,235	3,849	3,583	2,486	2,486
<b>Total</b>	<b>109,489</b>	<b>94,539</b>	<b>83,726</b>	<b>144,010</b>	<b>30,827</b>	<b>30,534</b>
<i>Biennial Change</i>				23,709	(166,374)	
<i>Biennial % Change</i>				12	(73)	

**Expenditures by Program**

Program: Land & Water Cons. Projects	8,199	4,370	2,127	2,303	1,801	1,561
Program: Resource Protection Rules/laws	8,996	10,128	7,610	7,588	7,335	7,327
Program: Board Admin & Agency Ops	6,145	6,562	6,699	7,274	4,384	4,339
Program: Permanent Resource Protection	54,851	44,037	28,027	76,615	2,379	2,382
Program: Local Water Management	31,298	29,442	39,264	50,231	14,929	14,926
<b>Total</b>	<b>109,489</b>	<b>94,539</b>	<b>83,726</b>	<b>144,010</b>	<b>30,827</b>	<b>30,534</b>

**Expenditures by Category**

Compensation	7,267	7,606	8,551	15,505	4,691	4,607
Operating Expenses	4,234	4,976	3,613	6,322	1,676	1,518
Other Financial Transactions	88	3,113	3,805	2,246	20	20
Grants, Aids and Subsidies	44,878	38,732	45,095	53,971	22,266	22,215
Capital Outlay-Real Property	53,022	40,112	22,662	65,965	2,175	2,175
<b>Total</b>	<b>109,489</b>	<b>94,539</b>	<b>83,726</b>	<b>144,010</b>	<b>30,827</b>	<b>30,534</b>
Total Agency Expenditures	109,489	94,539	83,726	144,010	30,827	30,534
Internal Billing Expenditures	11	13	19	14	0	0
<b>Expenditures Less Internal Billing</b>	<b>109,477</b>	<b>94,525</b>	<b>83,707</b>	<b>143,996</b>	<b>30,827</b>	<b>30,534</b>

**Full-Time Equivalents**

<b>79.3</b>	<b>78.3</b>	<b>87.3</b>	<b>88.0</b>	<b>46.6</b>	<b>45.6</b>
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**1000 - General**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	3,077	3,814	715	935	272	0
Direct Appropriation	13,001	14,757	13,337	13,794	24,164	24,164
Receipts	(1)	0	1	0	0	0
Net Transfers	5,893	(146)	0	0	0	0
Cancellations	0	3,187	0	0	0	0
<b>Expenditures</b>	<b>18,298</b>	<b>14,778</b>	<b>13,117</b>	<b>14,458</b>	<b>24,435</b>	<b>24,164</b>
Balance Forward Out	3,673	460	935	272	0	0
<i>Biennial Change in Expenditures</i>				(5,502)		21,025
<i>Biennial % Change in Expenditures</i>				(17)		76
Full-Time Equivalents	35.4	35.2	35.0	36.6	36.6	35.6

**2000 - Restrict Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	291	288	107	27	27	73
Receipts	570	505	440	499	499	499
Net Transfers	0	0	0	0	0	0
<b>Expenditures</b>	<b>593</b>	<b>693</b>	<b>519</b>	<b>498</b>	<b>453</b>	<b>473</b>
Balance Forward Out	269	100	27	27	73	99
<i>Biennial Change in Expenditures</i>				(268)		(92)
<i>Biennial % Change in Expenditures</i>				(21)		(9)
Full-Time Equivalents	4.1	5.4	4.8	4.8	4.8	4.8

**2001 - Other Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	3,675	3,342	2,690	2,574	2,256	2,159
Receipts	5,227	5,717	4,034	3,356	3,356	3,311
Net Transfers	(310)	377	0	0	0	0
<b>Expenditures</b>	<b>5,786</b>	<b>6,749</b>	<b>4,150</b>	<b>3,675</b>	<b>3,453</b>	<b>3,411</b>
Balance Forward Out	2,806	2,687	2,574	2,256	2,159	2,059
<i>Biennial Change in Expenditures</i>				(4,709)		(961)
<i>Biennial % Change in Expenditures</i>				(38)		(12)
Full-Time Equivalents	5.5	3.6	3.6	3.0	3.0	3.0

**2050 - Environment & Natural Resource**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	1,471	820	761	1,418	0	0
Direct Appropriation	3,771	957	2,203	543	0	0
Net Transfers	(970)	0	0	0	0	0
Cancellations	91	1	42	0	0	0
<b>Expenditures</b>	<b>3,361</b>	<b>1,015</b>	<b>1,504</b>	<b>1,961</b>	<b>0</b>	<b>0</b>
Balance Forward Out	820	761	1,418	0	0	0
<i>Biennial Change in Expenditures</i>				(912)		(3,464)
<i>Biennial % Change in Expenditures</i>				(21)		(100)
Full-Time Equivalents	1.5	1.4	0.1	0.1	0.0	0.0

**2300 - Outdoor Heritage Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	29,031	35,405	27,987	12,632	0	0
Direct Appropriation	21,690	16,422	7,513	23,061	0	0
Net Transfers	0	(377)	0	0	0	0
Cancellations	212	93	100	3	0	0
<b>Expenditures</b>	<b>44,878</b>	<b>31,480</b>	<b>22,768</b>	<b>35,691</b>	<b>0</b>	<b>0</b>
Balance Forward Out	5,630	19,877	12,632	0	0	0
<i>Biennial Change in Expenditures</i>				(17,900)		(58,458)
<i>Biennial % Change in Expenditures</i>				(23)		(100)
Full-Time Equivalents	4.6	5.7	12.9	12.5	0	0

**2302 - Clean Water Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	8,607	10,673	12,072	27,918	0	0
Direct Appropriation	32,792	34,037	56,841	56,322	0	0
Receipts	0	0	17	0	0	0
Net Transfers	842	0	500	0	0	0
Cancellations	145	1,000	3,691	94	0	0
<b>Expenditures</b>	<b>34,269</b>	<b>35,589</b>	<b>37,820</b>	<b>84,146</b>	<b>0</b>	<b>0</b>
Balance Forward Out	7,828	8,267	27,918	0	0	0

**2302 - Clean Water Fund**

<i>Biennial Change in Expenditures</i>				52,108	(121,965)
<i>Biennial % Change in Expenditures</i>				75	(100)
Full-Time Equivalents	22.1	23.3	26.5	26.5	0

**3000 - Federal**

	<b>Actual</b>		<b>Actual</b>	<b>Estimate</b>	<b>Forecast Base</b>	
	<b>FY14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>
Balance Forward In	528	1,528	136	150	0	0
Receipts	1,923	2,821	3,864	3,433	2,486	2,486
<b>Expenditures</b>	<b>2,304</b>	<b>4,235</b>	<b>3,849</b>	<b>3,583</b>	<b>2,486</b>	<b>2,486</b>
Balance Forward Out	146	115	150	0	0	0
<i>Biennial Change in Expenditures</i>				892	(2,460)	
<i>Biennial % Change in Expenditures</i>				14	(33)	
Full-Time Equivalents	6.0	3.7	4.5	4.5	2.2	2.2

## Program: Land and Water Conservation Projects

[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

### AT A GLANCE

- Deliver conservation programs through local governments, in cooperation with private landowners.
- Implement high priority erosion control, native buffers, feedlot, and weed management projects.
- Leverage local and federal funds.
- FY16 Stats: 105 grants to local governments; over \$450,000 local funds leveraged; over \$350,000 federal funds leveraged.

### PURPOSE & CONTEXT

The goal of this program is to meet state objectives for clean water, productive soil, and abundant fish and wildlife habitat. Focused on partnerships with local governments, we meet these objectives by implementing targeted projects and practices on private lands to prevent soil erosion and pollution from entering surface and ground water.

Projects are implemented through grants to local governments, including soil and water conservation districts, counties, cities, watershed districts, and watershed management organizations

### SERVICES PROVIDED

#### Conservation Projects Cost Share Program

This program “shares” the cost of implementation between the state and local resources. Grants to local governments provide funding for a variety of on-the-ground projects that address state conservation objectives. Specifically, these projects:

- *Keep water on the land*: natural hydrology restoration and runoff reduction is achieved by restoring wetlands, installing raingardens, constructing stormwater treatment ponds, and implementing conservation drainage practices.
- *Maintain healthy soils*: healthy soils are supported through conservation tillage and erosion control projects.
- Reduce pollutants in surface and ground water: reducing pollution in sensitive ecological areas is accomplished by upgrading feedlots and subsurface sewage treatment systems, and sealing abandoned wells.
- *Ensure biological diversity*: protection of native plants and animals and their habitats is accomplished through the installation of permanent buffers of native vegetation and cooperative weed management programs that address invasive species management.
- *Maintain stream integrity*: healthy stream hydrology and abundant fish populations are achieved through streambank and shore stabilization.

We work through local governments to ensure private landowners have access to a local, trusted resource that can help address conservation needs. We provide funds to local governments for the costs of constructing conservation projects and practices in addition to the costs of project design, construction oversight, and fiscal and outcomes reporting. Eligibility for funding is contingent on a state approved and locally adopted water management plan that links scientific information with local priorities to ensure state funds are targeted to the most critical needs. Local governments also leverage local and federal funds for these projects.

#### Grant Management

We use a comprehensive grant management system to track the use of state funds in the most efficient manner possible. We establish eligibility criteria, determine grant program policies, review work plans, issue grant agreements, and conduct close-out reviews upon project completion. This grant management system is compliant with the policies adopted by the Department of Administration and the Office of Grants Management.



## RESULTS

The measures below represent our two key goals of this budget program: to reduce water pollutants to improve water quality and to deliver services that encourage trust in government. Specifically, projects funded under this program contribute toward meeting the state's pollution reduction goals for sediment, phosphorus, and nitrogen. It's also important that landowners have access to a trusted, local resource that is responsive to conservation needs. Experience (and research) supports the notion that landowners trust local government more than state government and, therefore, are more likely to engage in a conservation activity if they have access to a valued and credible resource within their own community. For example, data from an annual Pew Report shows that trust in local government has largely been stable over the years, while trust in state and federal government has shown considerably more variation, with the current level at 57% trusting in state government, and 28% trusting in the legislative branch of the federal government.

<b>Type of Measure</b>	<b>Name of Measure</b>	<b>Previous</b>	<b>Current</b>	<b>Dates</b>
Result	Amount of nutrients removed compared to state goals			2011, 2015
	Phosphorus	2.2% 24,495 lbs/yr	6.37% 79,313 lbs/yr	
	Nitrogen	0.09% 49,160 lbs/yr	0.22% 93,667 lbs/yr	
Quality	Trust in local government (Gallup Poll*)	71%	72%	2013, 2014

\*[Americans Still Trust Local Government More Than State](http://www.gallup.com/poll/176846/americans-trust-local-government-state.aspx?g_source=local%20government&g_medium=search&g_campaign=tiles) (Gallup, 2014) [http://www.gallup.com/poll/176846/americans-trust-local-government-state.aspx?g\\_source=local%20government&g\\_medium=search&g\\_campaign=tiles](http://www.gallup.com/poll/176846/americans-trust-local-government-state.aspx?g_source=local%20government&g_medium=search&g_campaign=tiles)

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The legal authority for Land and Water Conservation projects comes from Minnesota Statutes, chapter 103C.501 (<https://www.revisor.mn.gov/statutes/?id=103C.501>) and Minnesota Administrative Rules, chapter 8400 (<https://www.revisor.mn.gov/rules/?id=8400>).

(Dollars in Thousands)

**Expenditures By Fund**

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	6,552	3,408	1,706	2,293	1,801	1,561
2001 - Other Misc Special Revenue	197	108	223	2	0	0
2050 - Environment & Natural Resource	22	0	0	0	0	0
2302 - Clean Water Fund	1,427	854	199	8	0	0
<b>Total</b>	<b>8,199</b>	<b>4,370</b>	<b>2,127</b>	<b>2,303</b>	<b>1,801</b>	<b>1,561</b>
Biennial Change				(8,139)		(1,068)
Biennial % Change				(65)		(24)

**Expenditures by Budget Activity**

Budget Activity: Projects And Project Mgmt	8,199	4,370	2,127	2,303	1,801	1,561
<b>Total</b>	<b>8,199</b>	<b>4,370</b>	<b>2,127</b>	<b>2,303</b>	<b>1,801</b>	<b>1,561</b>

**Expenditures by Category**

Compensation	133	84	159	228	237	110
Operating Expenses	74	233	13	264	98	4
Other Financial Transactions	0	0	1	0	0	0
Grants, Aids and Subsidies	7,991	4,053	1,954	1,810	1,466	1,446
<b>Total</b>	<b>8,199</b>	<b>4,370</b>	<b>2,127</b>	<b>2,303</b>	<b>1,801</b>	<b>1,561</b>

**Full-Time Equivalents**

	1.2	0.8	1.0	2.0	2.0	1.0
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**1000 - General**

	Actual		Actual FY 16	Estimate FY17	Forecast Base	
	FY14	FY 15			FY18	FY19
Balance Forward In	36	1,378	640	595	241	0
Direct Appropriation	1,920	3,676	1,660	1,939	1,560	1,560
Net Transfers	5,893	0	0	0	0	0
Cancellations	0	1,261	0	0	0	0
<b>Expenditures</b>	<b>6,552</b>	<b>3,408</b>	<b>1,706</b>	<b>2,293</b>	<b>1,801</b>	<b>1,561</b>
Balance Forward Out	1,297	386	595	241	0	0
<i>Biennial Change in Expenditures</i>				(5,961)		(637)
<i>Biennial % Change in Expenditures</i>				(60)		(16)
Full-Time Equivalents			0.4	2.0	2.0	1.0

**2001 - Other Misc Special Revenue**

	Actual		Actual FY 16	Estimate FY17	Forecast Base	
	FY14	FY 15			FY18	FY19
Balance Forward In	862	434	204	2	0	0
Receipts	270	184	20	0	0	0
Net Transfers	(310)	0	0	0	0	0
<b>Expenditures</b>	<b>197</b>	<b>108</b>	<b>223</b>	<b>2</b>	<b>0</b>	<b>0</b>
Balance Forward Out	624	509	2	0	0	0
<i>Biennial Change in Expenditures</i>				(81)		(224)
<i>Biennial % Change in Expenditures</i>				(27)		(100)
Full-Time Equivalents	1.0	0.8	0.7	0.0	0.0	0.0

**2050 - Environment & Natural Resource**

	Actual		Actual FY 16	Estimate FY17	Forecast Base	
	FY14	FY 15			FY18	FY19
Balance Forward In	22	0	0	0	0	0
<b>Expenditures</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Biennial Change in Expenditures</i>				(22)		
<i>Biennial % Change in Expenditures</i>				(100)		
Full-Time Equivalents	0.2					

**2302 - Clean Water Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	85	672	243	8	0	0
Direct Appropriation	1,700	1,700	0	0	0	0
Net Transfers	160	(363)	0	0	0	0
Cancellations	0	1,000	36	0	0	0
<b>Expenditures</b>	<b>1,427</b>	<b>854</b>	<b>199</b>	<b>8</b>	<b>0</b>	<b>0</b>
Balance Forward Out	518	156	8	0	0	0
<i>Biennial Change in Expenditures</i>				(2,074)		(207)
<i>Biennial % Change in Expenditures</i>				(91)		(100)

## Program: Resource Protection Rules and Law

[www.bwsr.state.mn.us](http://www.bwsr.state.mn.us)

### AT A GLANCE

- State laws and rules implemented by local governments with state assistance and oversight:
  - Wetland Conservation Act
  - Drainage Law
  - Shoreland Management
  - Subsurface Sewage Treatment Systems
  - Riparian Protection and Soil Loss
- Emphasizes interagency coordination

### PURPOSE & CONTEXT

This program supports state and local implementation of and compliance with environmental protection laws, rules and regulations such as the Wetland Conservation Act, drainage law, shoreland rules, subsurface sewage treatment system rules, riparian protection and soil loss.

Local implementation of state laws and resource management programs allows for regulation to occur in close proximity to the program activity and is more efficient and effective than state implementation alone. Our agency

provides important coordination, program development, implementation assistance, and oversight to ensure that local governments have current knowledge as well as financial and staff capacity to properly implement state programs.

### SERVICES PROVIDED

#### Oversight of the Wetland Conservation Act

In 1991 Minnesota enacted the Wetland Conservation Act (WCA), one of the most sweeping comprehensive wetlands protection laws in the country, the purpose of which was to retain the benefits of wetlands and attain no-net-loss of wetlands. WCA requires anyone proposing to drain, fill, or excavate a wetland first to try to avoid disturbing the wetland; second, to try to minimize any impact on the wetland; and, finally, to replace any lost wetland acres, functions, and values. Local governments—cities, counties, watershed management organizations, soil and water conservation districts, and townships—implement the act locally; we administer the Act statewide, and it is enforced by the Department of Natural Resources.

We support local implementation of WCA by providing:

- technical and administrative assistance
- oversight through project review and annual reporting
- administration of the state wetland banking system by approving wetland bank applications and managing credit accounting.
- an appeals process when disputes occur regarding local decisions

We also implement the Local Government Roads Wetland Replacement Program, which requires us to replace wetlands impacted as part of local transportation improvement projects. This approach consolidates the necessary technical, financial and record-keeping components to provide high quality, cost-effective wetland replacement.

#### Riparian Protection and Soil Loss

The purposes of Minnesota Statutes 103F.48, Riparian Protection and Water Quality Practices – commonly referred to as the Buffer Law – is to:

- Protect state water resources from erosion and runoff pollution;
- Stabilize soils, shores, and banks; and
- Protect or provide riparian corridors (the land area adjacent to water).

The original law was signed by Governor Dayton in June 2015. The law was amended by the 2016 Legislature and provides clarifications to several provisions, including the riparian protection requirement by ensuring it only applies to public waters and public ditches, and compliance and enforcement responsibilities and processes.

BWSR is charged with oversight and implementation of the law, which also includes a new approach to soil loss. Minnesota's previous soil erosion law, enacted in 1984, stated that a person may not cause excessive soil loss. The law encouraged local governments to adopt soil erosion ordinances and could not be implemented without one. Under the revised law, implementation moves from a county ordinance approach to a complaint-based process. BWSR is charged with implementing these changes.

### Drainage Management

We provide essential support to public drainage authorities and stakeholders through:

- advisory review of watershed district engineers' reports and plans for drainage, flood damage reduction, water quality, and other natural resource enhancement projects
- collection of Ditch Buffer Strip Annual Reports, a requirement of county and watershed district public drainage authorities to report miles of buffer strips established in accordance with statute, as well as system inspections and enforcements actions
- facilitation of the Drainage Work Group, which provides a forum for agency and stakeholder representatives to discuss and develop recommendations for updates to drainage law, and the Drainage Management Team, which coordinates information and technical assistance to local governments

### Natural Resources Block Grants

A number of state resource management programs are implemented by counties, as required by statute. To create efficiency, we coordinate and package the financial support for these programs in cooperation with the Department of Natural Resources (DNR) and the Pollution Control Agency (PCA). These programs include:

- Comprehensive Local Water Management
- Wetland Conservation Act
- Shoreland Management
- Subsurface Sewage Treatment Systems

## RESULTS

The measures detailed below represent the key goal of this budget program, which is to ensure effective local implementation of state resource management laws, rules, and programs. Specifically, we aim to maintain and protect Minnesota's wetlands and the benefits they provide, as well as to ensure that Minnesota has an effective stakeholder forum (the Drainage Work Group) through which consensus can be achieved on issues related to drainage law and policy and an updated Public Drainage Manual that promotes uniformity in interpretation and implementation of drainage law. We also strive for agency coordination and efficiency through a composite of five grants to local governments that helps reduce the administrative costs of these state natural resource programs

<b><i>Type of Measure</i></b>	<b><i>Name of Measure</i></b>	<b><i>Previous</i></b>	<b><i>Current</i></b>	<b><i>Dates</i></b>
Result	Percent gain of wetland acres between 2006 and 2011*	NA	0.02%	2006-2011
Quality	Number of wetland appeals	9	11**	2013, 2015
Quality	Percent Road Program credit demand met	100% (161 credits)	69%*** (57 credits)	2013,2015

<b>Type of Measure</b>	<b>Name of Measure</b>	<b>Previous</b>	<b>Current</b>	<b>Dates</b>
Quantity	Percent of drainage authorities reporting on ditch buffers	100% counties 100% watershed districts	100% counties 100% watershed districts	2013, 2015
Result	Success of Drainage Work Group legislative initiatives	Passed - split vote	Passed - unanimous	2007, 2014
Result	Percent of Public Drainage Manual updated	2%	20%	2014, 2015
Quantity	Number of block grants issued to local governments for state resource management programs	87	87	2014, 2015
Result	Percent of required buffers installed	NA	TBD****	

\*Status and Trends of Wetlands in Minnesota: Wetland Quantity Trends from 2006-2011. Minnesota Department of Natural Resources. May 2013.

\*\*The number of wetland appeals can be used as one measure of the effectiveness of local Technical Evaluation Panels implementing the Wetland Conservation Act (a low number of appeals is desirable). A statewide increase of only two appeals statewide does not demonstrate a significant increase.

\*\*\*The decrease in Road Program credit demand met is a result of availability of funding.

\*\*\*\* Measuring the status of MS103F.48 will require BWSR to track buffer installation over the next two years.

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The legal authority for the Resource Protection Rules and Laws program comes from Minnesota Statutes, Chapter 103E (<https://www.revisor.mn.gov/statutes/?id=103E>) and 103G, (<https://www.revisor.mn.gov/statutes/?id=103G>) Minnesota Administrative Rules, chapter 8420 (<https://www.revisor.mn.gov/rules/?id=8420>)

(Dollars in Thousands)

**Expenditures By Fund**

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	3,974	3,976	4,258	4,496	4,381	4,350
2000 - Restrict Misc Special Revenue	559	633	469	437	410	433
2001 - Other Misc Special Revenue	4,396	5,290	2,883	2,545	2,545	2,545
2050 - Environment & Natural Resource	0	230	0	110	0	0
3000 - Federal	67	0	1	0	0	0
<b>Total</b>	<b>8,996</b>	<b>10,128</b>	<b>7,610</b>	<b>7,588</b>	<b>7,335</b>	<b>7,327</b>
<i>Biennial Change</i>				(3,927)		(535)
<i>Biennial % Change</i>				(21)		(4)

**Expenditures by Budget Activity**

Budget Activity: Resource Protection Rules/Laws	8,996	10,128	7,610	7,588	7,335	7,327
<b>Total</b>	<b>8,996</b>	<b>10,128</b>	<b>7,610</b>	<b>7,588</b>	<b>7,335</b>	<b>7,327</b>

**Expenditures by Category**

Compensation	1,033	1,059	1,145	1,223	1,117	1,140
Operating Expenses	133	354	164	247	219	219
Other Financial Transactions	0	0	11	0	0	0
Grants, Aids and Subsidies	7,819	8,714	6,289	6,117	5,999	5,968
Capital Outlay-Real Property	11	2	0	0	0	0
<b>Total</b>	<b>8,996</b>	<b>10,128</b>	<b>7,610</b>	<b>7,588</b>	<b>7,335</b>	<b>7,327</b>

**Full-Time Equivalents**

	11.4	11.3	10.7	10.7	10.7	10.7
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**1000 - General**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	0	57	56	187	31	0
Direct Appropriation	3,975	3,975	4,389	4,339	4,350	4,350
<b>Expenditures</b>	<b>3,974</b>	<b>3,976</b>	<b>4,258</b>	<b>4,496</b>	<b>4,381</b>	<b>4,350</b>
Balance Forward Out	1	56	187	31	0	0
<i>Biennial Change in Expenditures</i>				804		(23)
<i>Biennial % Change in Expenditures</i>				10		0
Full-Time Equivalents	5.7	5.9	5.9	5.9	5.9	5.9

**2000 - Restrict Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	251	227	72	2	24	73
Receipts	516	471	399	459	459	459
<b>Expenditures</b>	<b>559</b>	<b>633</b>	<b>469</b>	<b>437</b>	<b>410</b>	<b>433</b>
Balance Forward Out	208	66	2	24	73	99
<i>Biennial Change in Expenditures</i>				(286)		(63)
<i>Biennial % Change in Expenditures</i>				(24)		(7)
Full-Time Equivalents	4.0	5.4	4.8	4.8	4.8	4.8

**2001 - Other Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	1,698	1,778	1,244	1,736	1,736	1,736
Receipts	4,407	4,756	3,375	2,545	2,545	2,545
<b>Expenditures</b>	<b>4,396</b>	<b>5,290</b>	<b>2,883</b>	<b>2,545</b>	<b>2,545</b>	<b>2,545</b>
Balance Forward Out	1,710	1,244	1,736	1,736	1,736	1,736
<i>Biennial Change in Expenditures</i>				(4,258)		(338)
<i>Biennial % Change in Expenditures</i>				(44)		(6)

**2050 - Environment & Natural Resource**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Direct Appropriation	0	230	0	110	0	0

**2050 - Environment & Natural Resource**

<b>Expenditures</b>	0	<b>230</b>	0	<b>110</b>	0	0
<i>Biennial Change in Expenditures</i>				(120)		(110)
<i>Biennial % Change in Expenditures</i>				(52)		(100)

**3000 - Federal**

	<b>Actual</b>		<b>Actual</b>	<b>Estimate</b>	<b>Forecast Base</b>	
	<b>FY14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>
Balance Forward In	0	1	1	0	0	0
Receipts	67	0	0	0	0	0
<b>Expenditures</b>	<b>67</b>	0	<b>1</b>	0	0	0
Balance Forward Out	0	1	0	0	0	0
<i>Biennial Change in Expenditures</i>				(67)		(1)
<i>Biennial % Change in Expenditures</i>				(99)		(100)
Full-Time Equivalents	1.6	0.0				

**Program: Board Administration and Agency Operations**

<http://www.bwsr.state.mn.us/>

**AT A GLANCE**

- 20-member governing board includes local officials, citizens, and agency partners
- 104 staff in 9 offices
- 1,061 grants to local governments issued in 2015

**PURPOSE & CONTEXT**

Our goal is to advance the agency mission by providing high quality, timely and cost-effective operational and administrative service.

In addition to providing resources to agency staff, we provide direct support to the 20-member Board, as well as support

and information to external partners such as local governments, non-governmental and other community groups, businesses, legislators, and citizens.

**SERVICES PROVIDED**Administrative Services

We provide human resources, labor relations, budgeting, payroll, purchasing, contracting, accounting, facilities, motor pool service, and financial reporting services to the agency.

Board Operations

The Board, as appointed by the governor, provides direction and governance on policy development, grant funds to implement the state's conservation programs, and regulatory decisions. The 20-member board is comprised of citizens, representatives from local governments (city, county, township, watershed district and soil and water conservation district), and a state agency representative from Department of Agriculture, Department of Natural Resources, Pollution Control Agency, Department of Health, and University of Minnesota Extension Service. Staff provides operational and logistical support to the Board.

Agency Leadership and External Relations

Our Executive Team provides leadership and direction for the agency, develops and implements Board policies, manages regulatory and legislative affairs, and represents the agency in interactions with stakeholders and local, state and federal agencies.

Internal Controls/ Evaluation

We provide appropriate internal control policies and related oversight and accountability for agency programs, financial oversight and verification of grants to local governments, and assessment of local government performance.

Information Technology

We provide direction to MN.IT@BWSR and the business-side expertise to develop and implement essential programming systems, coordinate geographic information systems, and manage telecommunication and network infrastructure.

Communications

We provide for strategic agency communication, including implementing the Governor's directive to use social media as part of the agency's External Communications Plan.

Training

We provide high quality and intentional training for both our staff and our local government partners to increase their effectiveness in implementing their work to improve and protect our state's soil and water resources.

## RESULTS

To understand the impact of this budget program, we review agency operations for efficiency and adequate internal controls. This includes completing our agency Risk Management Plan and implementing an annual internal control self-assessment certification. We also seek to understand the public's awareness of our work. Our communications work is directed by an External Communications Plan. Finally, we also review the efficiency and program effectiveness of our local government grantees. Since 2007, we have been methodically assessing the performance of the local units of government that constitute Minnesota's delivery system for conservation of water and soil resources. We also review grants for full compliance with the Office of Grants Management policy and other management best practices.

<b>Type of Measure</b>	<b>Name of Measure</b>	<b>Previous</b>	<b>Current</b>	<b>Dates</b>
Quality	Percent of total budget spent on local program implementation (grants/projects)	88%	85%	2013, 2015
Quantity	Number of overdue local water plans	7	6	2013, 2015
Quantity	Media Coverage			
	Print Media (population reached)	2.8 million	5.5 million	2014, 2015
	Social Media (Facebook/Twitter followers)	576	911	2014, 2015
Quality	Number of findings in internal controls audits	9 (all resolved)	2 (all resolved)	2010,2014
Quality	Percent grant funds to local governments reconciled (should be at least 10% per Office of Grants Management policy)	11.84%	10.69%	2012,2014

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The legal authority for the Board of Water and Soil Resources comes from Minnesota Statutes Chapter 103B (<https://www.revisor.mn.gov/statutes/?id=103B>).

(Dollars in Thousands)

**Expenditures By Fund**

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	3,708	3,836	3,898	4,195	3,898	3,898
2001 - Other Misc Special Revenue	0	0	40	47	45	0
2302 - Clean Water Fund	2,437	2,726	2,761	2,851	0	0
3000 - Federal	0	0	0	182	441	441
<b>Total</b>	<b>6,145</b>	<b>6,562</b>	<b>6,699</b>	<b>7,274</b>	<b>4,384</b>	<b>4,339</b>
<i>Biennial Change</i>				1,266		(5,251)
<i>Biennial % Change</i>				10		(38)

**Expenditures by Budget Activity**

Budget Activity: Board Admin & Agency Ops	6,145	6,562	6,699	7,274	4,384	4,339
<b>Total</b>	<b>6,145</b>	<b>6,562</b>	<b>6,699</b>	<b>7,274</b>	<b>4,384</b>	<b>4,339</b>

**Expenditures by Category**

Compensation	4,685	4,957	5,091	5,533	2,886	2,902
Operating Expenses	1,426	1,536	1,540	1,696	1,228	1,167
Other Financial Transactions	32	68	67	46	20	20
Grants, Aids and Subsidies	3	1	0	0	0	0
Capital Outlay-Real Property	0	0	0	0	250	250
<b>Total</b>	<b>6,145</b>	<b>6,562</b>	<b>6,699</b>	<b>7,274</b>	<b>4,384</b>	<b>4,339</b>
Total Agency Expenditures	6,145	6,562	6,699	7,274	4,384	4,339
Internal Billing Expenditures	11	13	(1)	0	0	0
<b>Expenditures Less Internal Billing</b>	<b>6,134</b>	<b>6,548</b>	<b>6,700</b>	<b>7,274</b>	<b>4,384</b>	<b>4,339</b>

**Full-Time Equivalents**

	51.4	52.1	53.6	53.6	28.7	28.7
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**1000 - General**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	0	66	0	34	0	0
Direct Appropriation	3,770	3,770	3,932	4,160	3,898	3,898
Receipts	0	0	1	0	0	0
Cancellations	0	0	0	0	0	0
<b>Expenditures</b>	<b>3,708</b>	<b>3,836</b>	<b>3,898</b>	<b>4,195</b>	<b>3,898</b>	<b>3,898</b>
Balance Forward Out	62	0	34	0	0	0
<i>Biennial Change in Expenditures</i>				548		(297)
<i>Biennial % Change in Expenditures</i>				7		(4)
Full-Time Equivalents	29.2	28.8	28.7	28.7	28.7	28.7

**2001 - Other Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	0	0	0	1	0	0
Receipts	0	0	41	46	46	0
<b>Expenditures</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>47</b>	<b>45</b>	<b>0</b>
Balance Forward Out	0	0	1	0	0	0
<i>Biennial Change in Expenditures</i>				87		(42)
<i>Biennial % Change in Expenditures</i>						(48)

**2302 - Clean Water Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	1,476	1,300	1,120	0	0	0
Net Transfers	2,220	2,525	1,984	2,851	0	0
Cancellations	0	0	343	0	0	0
<b>Expenditures</b>	<b>2,437</b>	<b>2,726</b>	<b>2,761</b>	<b>2,851</b>	<b>0</b>	<b>0</b>
Balance Forward Out	1,259	1,099	0	0	0	0
<i>Biennial Change in Expenditures</i>				449		(5,613)
<i>Biennial % Change in Expenditures</i>				9		(100)
Full-Time Equivalents	22.1	23.3	24.9	24.9	0.0	0.0

**3000 - Federal**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Receipts	0	0	0	182	441	441
<b>Expenditures</b>	0	0	0	<b>182</b>	<b>441</b>	<b>441</b>
<i>Biennial Change in Expenditures</i>				182		701
<i>Biennial % Change in Expenditures</i>						386

## Program: Permanent Resource Protection

<http://www.bwsr.state.mn.us/>

**AT A GLANCE**

- Uses science-based conservation methods to achieve multiple benefits:
  - Creates and restores wildlife habitat
  - Improves hunting and fishing
  - Reduces soil erosion and improves water quality
  - Provides flood retention
  - Enhances groundwater recharge
  - Creates and sustains Minnesota jobs
- Funded more than 7,000 easements, protecting more than 250,000 acres

**PURPOSE & CONTEXT**

This program is a critical component of the state's goals to protect and improve water quality, protect and enhance wildlife habitat, and reduce flooding. Through the Reinvest in Minnesota (RIM) Reserve program, we acquire conservation easements to permanently protect, restore, and manage resources while keeping private ownership of the land. Specifically, RIM easements protect the state's water and soil resources by:

- Retiring marginal agricultural lands
- Restoring drained wetlands and associated buffers
- Acquiring buffers in sensitive landscapes
- Reducing flood potential by expanding flood retention areas along rivers

Today, RIM is the largest non-federal private lands permanent protection program in the country. Anchored in the work of local soil and water conservation districts, the program uses an effective system of local delivery and key federal and non-governmental organization partnerships.

**SERVICES PROVIDED**Conservation Easement Acquisition

The RIM program consists of several sub-programs aimed at protecting and restoring wetlands, wild rice lakes, and areas along lakes, rivers, and streams. We also work to protect lands from intensive development within a three-mile radius around Camp Ripley, ensuring both the protection of high quality wildlife habitat and continued use of Camp Ripley as a National Guard training facility. RIM targets the highest priority areas through science-based conservation methods. Conservation activities are prioritized based on a methodology that determines the areas where dollars spent maximize return on investment. Agency staff provide the necessary administrative, legal, and engineering expertise to secure perpetual conservation easements with private landowners through local soil and water conservation districts (SWCDs). The thousands of acres of restored wetlands, adjacent native grassland and buffers on privately-owned lands remain on local tax rolls. RIM dollars are primarily used for easement payments to landowners, project construction costs associated with restoring wetland basins and establishing native vegetation, and program implementation (surveying, engineering designs, and realty transactions).

Conservation Easement Management

Effective long-term easement management requires documenting baseline conditions at the time of acquisition as well as regular ongoing monitoring, and enforcement when necessary, to ensure compliance. Local SWCDs perform regular monitoring inspections of all conservation easements. We maintain baseline, monitoring, and geospatial data.

**RESULTS**

Measuring performance of this program is guided by progress toward goals outlined in state habitat and water quality plans and strategies, like the Minnesota Prairie Conservation Plan and Nutrient Reduction Strategy, which call for increasing connected areas of wildlife habitat and using conservation easements in strategic locations to reduce the amount of pollutants reaching Minnesota's waters. For example, according to the MPCA study on Nitrogen in Minnesota Surface Waters, the two most



significant treatments for reducing nitrogen are putting riparian land that is currently in corn into grass and putting into perennials those areas where corn grows only marginally. We also aim to create and sustain Minnesota jobs. Based on a report from the Natural Resources Conservation Service (NRCS), for every \$100,000 in RIM funding, one new job is created or maintained and \$128,000 in total economic output is achieved. Finally, in order to make sure this program is effective into the future, we need to ensure the long-term integrity of conservation easements. We accomplish this through regular monitoring.

<b><i>Type of Measure</i></b>	<b><i>Name of Measure</i></b>	<b><i>Previous</i></b>	<b><i>Current</i></b>	<b><i>Dates</i></b>
Quantity	Acres protected under RIM Reserve	277,411	263,750	2014, 2015
Quality	Percent easements monitored on schedule	100% (2,337)	100% (3,105)	2013,2015
Quality	Percent of easements with compliance issues (should be <5%)	0.15%	0.5%	2014, 2015

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The legal authority for the Permanent Resource Protection Program is found in Minnesota Statutes, Chapter 103F.501-103F.535 (<https://www.revisor.leg.state.mn.us/statutes/?id=103F>).

(Dollars in Thousands)

**Expenditures By Fund**

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	728	223	0	0	0	0
2000 - Restrict Misc Special Revenue	0	19	10	4	0	0
2001 - Other Misc Special Revenue	698	877	244	479	334	337
2300 - Outdoor Heritage Fund	44,878	31,480	22,768	35,691	0	0
2302 - Clean Water Fund	6,310	7,202	1,158	37,040	0	0
3000 - Federal	2,237	4,235	3,848	3,401	2,045	2,045
<b>Total</b>	<b>54,851</b>	<b>44,037</b>	<b>28,027</b>	<b>76,615</b>	<b>2,379</b>	<b>2,382</b>
<i>Biennial Change</i>				5,754		(99,880)
<i>Biennial % Change</i>				6		(95)

**Expenditures by Budget Activity**

Budget Activity: Permanent Protection	54,851	44,037	28,027	76,615	2,379	2,382
<b>Total</b>	<b>54,851</b>	<b>44,037</b>	<b>28,027</b>	<b>76,615</b>	<b>2,379</b>	<b>2,382</b>

**Expenditures by Category**

Compensation	1,209	1,404	1,799	6,638	444	447
Operating Expenses	1,582	1,542	933	268	11	11
Other Financial Transactions	54	2,754	3,613	2,200	0	0
Grants, Aids and Subsidies	3,123	944	1,079	1,544	0	0
Capital Outlay-Real Property	48,882	37,392	20,603	65,965	1,925	1,925
<b>Total</b>	<b>54,851</b>	<b>44,037</b>	<b>28,027</b>	<b>76,615</b>	<b>2,379</b>	<b>2,382</b>

**Full-Time Equivalents**

<b>12.7</b>	<b>12.5</b>	<b>19.7</b>	<b>19.4</b>	<b>4.6</b>	<b>4.6</b>
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**1000 - General**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	3,022	2,295	0	0	0	0
Receipts	(1)	0	0	0	0	0
Net Transfers	0	(146)	0	0	0	0
Cancellations	0	1,926	0	0	0	0
<b>Expenditures</b>	<b>728</b>	<b>223</b>	0	0	0	0
Balance Forward Out	2,295	0	0	0	0	0
<i>Biennial Change in Expenditures</i>				(950)		
<i>Biennial % Change in Expenditures</i>				(100)		
Full-Time Equivalents	0.5	0.4	0.0	0.0	0.0	0.0

**2000 - Restrict Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	12	33	14	4	0	0
Receipts	21	0	0	0	0	0
<b>Expenditures</b>	0	<b>19</b>	<b>10</b>	<b>4</b>	0	0
Balance Forward Out	33	14	4	0	0	0
<i>Biennial Change in Expenditures</i>				(6)		(14)
<i>Biennial % Change in Expenditures</i>				(29)		(100)

**2001 - Other Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	560	704	711	717	488	404
Receipts	250	250	250	250	250	250
Net Transfers	0	377	0	0	0	0
<b>Expenditures</b>	<b>698</b>	<b>877</b>	<b>244</b>	<b>479</b>	<b>334</b>	<b>337</b>
Balance Forward Out	112	454	717	488	404	317
<i>Biennial Change in Expenditures</i>				(852)		(51)
<i>Biennial % Change in Expenditures</i>				(54)		(7)
Full-Time Equivalents	3.3	2.8	2.4	2.4	2.4	2.4

**2300 - Outdoor Heritage Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	29,031	35,405	27,987	12,632	0	0
Direct Appropriation	21,690	16,422	7,513	23,061	0	0
Net Transfers	0	(377)	0	0	0	0
Cancellations	212	93	100	3	0	0
<b>Expenditures</b>	<b>44,878</b>	<b>31,480</b>	<b>22,768</b>	<b>35,691</b>	<b>0</b>	<b>0</b>
Balance Forward Out	5,630	19,877	12,632	0	0	0
<i>Biennial Change in Expenditures</i>				(17,900)		(58,458)
<i>Biennial % Change in Expenditures</i>				(23)		(100)
Full-Time Equivalents	4.6	5.7	12.9	12.5	0.0	0.0

**2302 - Clean Water Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	0	2,361	4,802	20,785	0	0
Direct Appropriation	7,800	7,800	16,625	16,625	0	0
Receipts	0	0	16	0	0	0
Net Transfers	262	165	500	(276)	0	0
Cancellations	0	0	0	94	0	0
<b>Expenditures</b>	<b>6,310</b>	<b>7,202</b>	<b>1,158</b>	<b>37,040</b>	<b>0</b>	<b>0</b>
Balance Forward Out	1,752	3,269	20,785	0	0	0
<i>Biennial Change in Expenditures</i>				24,685		(38,198)
<i>Biennial % Change in Expenditures</i>				183		(100)

**3000 - Federal**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	528	1,528	135	150	0	0
Receipts	1,856	2,821	3,864	3,251	2,045	2,045
<b>Expenditures</b>	<b>2,237</b>	<b>4,235</b>	<b>3,848</b>	<b>3,401</b>	<b>2,045</b>	<b>2,045</b>
Balance Forward Out	146	114	150	0	0	0
<i>Biennial Change in Expenditures</i>				777		(3,159)
<i>Biennial % Change in Expenditures</i>				12		(44)
Full-Time Equivalents	4.4	3.6	4.5	4.5	2.2	2.2

**Program: Local Water Management**

<http://www.bwsr.state.mn.us/>

**AT A GLANCE**

- One Watershed One Plan begins transition from five pilots to statewide program
- 90 Conservation Delivery grants issued in 2015, totaling \$1,765,001
- 64 grants to improve and protect Minnesota's waters issued in 2016, totaling \$11,979,333.
- \$11 million in capacity funding for soil and water conservation districts statewide

**PURPOSE & CONTEXT**

The goal of this program is to develop and maintain local capacity to protect and enhance Minnesota's water and soil resources. We do this by ensuring adequate technical resources and capacity are in place to implement protection and restoration projects at the local level and by providing adequate training, oversight, and accountability.

This includes the capacity to plan and implement local water management plans. We have oversight responsibilities to ensure that local water plans are prepared and coordinated

with existing local and state efforts and that plans are implemented effectively. These local plans focus on priority concerns, defined goals and objectives, and measurable outcomes.

**SERVICES PROVIDED**Conservation Delivery Grants

These grants represent a long-standing partnership between state, local and federal governments to provide base-level resources for operating expenses associated with the local delivery of state conservation programs by providing each soil and water conservation district (SWCD) with a certain degree of funding stability. These funds help provide shared engineering and technical assistance for SWCDs through eight regional Technical Service Areas (TSA). They also provide resources for SWCD staff to monitor Reinvest in Minnesota (RIM) Reserve conservation easements to ensure compliance with those easements.

Water Management Planning

Protecting and restoring Minnesota's water resources relies on the knowledge, authorities, partnerships, commitment and resources of state and local governments. Working with local governments on their water management plans ensures the water resources of the state will be effectively managed. Specifically, we guide local government staff and boards as they develop comprehensive water management plans that address local priorities while meeting state requirements and goals. Local water plans include Comprehensive Local Water Management Plans (County Water Plans), Watershed District Watershed Management Plans, Metro Watershed Management Plans, Metro County Groundwater Management Plans, and Soil and Water Conservation Comprehensive Plans. Our Board reviews and approves local water plans. Agency staff provide overall program guidance, process affiliated grants, and provide plan review and comments.

The One Watershed, One Plan concept was initiated in 2011 by the Local Government Water Roundtable, authorized by the Legislature in 2012, and formally launched in 2013. We now have started the transition from its pilot phase (which included five watersheds), to a statewide program. The program moves the planning and implementation of water management from county boundaries to a watershed scale.

Water Management Implementation

Working through the local conservation delivery system, we provide grants that allow local governments to fund water quality projects that are prioritized and targeted to the most critical source areas. These grants include projects and practices that protect and restore surface and drinking water, water quality-focused easements, conservation drainage, and work that accelerates implementation. This strategic approach helps to meet locally-identified water quality goals within the larger scope of Minnesota's clean water efforts, helping to meet statewide water quality goals through the prevention and reduction of non-point source pollution.

### Pass-through Grant Management

This area includes pass-through funding for two local water entities: Area II and the Red River Basin Commission. Area II was formed in 1978 as a non-profit organization and works to alleviate the recurrent flood problems in southwestern Minnesota – specifically in Brown, Cottonwood, Lac qui Parle, Lincoln, Lyon, Murray, Pipestone, Redwood, and Yellow Medicine counties. The Red River Basin Commission works toward comprehensive and integrated natural resource planning, management and implementation in the Red River Basin.

## RESULTS

This program aims to ensure that SWCDs have a base level of capacity to address water and soil resource concerns. Since 2007 we have been methodically assessing the performance of the local units of government that constitute Minnesota's delivery system for conservation of water and soils resources through the Performance Review and Assistance Program (PRAP). We also aim to enhance management of water resources due to long-range plans being in place according to the 10-year planning cycle. Plans are improving by becoming more focused and watershed-based: The One Watershed One Plan program was adopted by the Board in April 2016 and anticipates providing funding for 12-14 new watershed planning areas over FY16-FY17.

<b><i>Type of Measure</i></b>	<b><i>Name of Measure</i></b>	<b><i>Previous</i></b>	<b><i>Current</i></b>	<b><i>Dates</i></b>
Quality	SWCDs meeting basic performance and accountability requirements	82%	87%	2013, 2015
Quantity	Number of overdue water plans	7	6	2013, 2015

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Minnesota Statutes, Chapter 103B (<https://www.revisor.mn.gov/statutes/?id=103b>); Minnesota Statutes, Chapter 103C (<https://www.revisor.mn.gov/statutes/?id=103c>); Minnesota Statutes, Chapter 103D (<https://www.revisor.mn.gov/statutes/?id=103d>)

**Expenditures By Fund**

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	3,336	3,336	3,256	3,474	14,356	14,356
2000 - Restrict Misc Special Revenue	34	41	41	57	43	40
2001 - Other Misc Special Revenue	495	473	761	602	529	529
2050 - Environment & Natural Resource	3,338	785	1,504	1,851	0	0
2302 - Clean Water Fund	24,094	24,807	33,702	44,246	0	0
<b>Total</b>	<b>31,298</b>	<b>29,442</b>	<b>39,264</b>	<b>50,231</b>	<b>14,929</b>	<b>14,926</b>
<i>Biennial Change</i>				28,755		(59,641)
<i>Biennial % Change</i>				47		(67)

**Expenditures by Budget Activity**

Budget Activity: BWSR Operations	133	886	466	5,348	0	0
Budget Activity: Grants To Local Govt	31,165	28,556	38,798	44,883	14,928	14,925
<b>Total</b>	<b>31,298</b>	<b>29,442</b>	<b>39,264</b>	<b>50,231</b>	<b>14,929</b>	<b>14,926</b>

**Expenditures by Category**

Compensation	207	101	357	1,884	8	8
Operating Expenses	1,019	1,310	964	3,847	120	117
Other Financial Transactions	2	291	112	0	0	0
Grants, Aids and Subsidies	25,941	25,021	35,773	44,500	14,801	14,801
Capital Outlay-Real Property	4,129	2,718	2,059	0	0	0
<b>Total</b>	<b>31,298</b>	<b>29,442</b>	<b>39,264</b>	<b>50,231</b>	<b>14,929</b>	<b>14,926</b>
Total Agency Expenditures	31,298	29,442	39,264	50,231	14,929	14,926
Internal Billing Expenditures	0	0	21	14	0	0
<b>Expenditures Less Internal Billing</b>	<b>31,298</b>	<b>29,442</b>	<b>39,243</b>	<b>50,217</b>	<b>14,929</b>	<b>14,926</b>

**Full-Time Equivalents**

<b>2.5</b>	<b>1.5</b>	<b>2.3</b>	<b>2.4</b>	<b>0.6</b>	<b>0.6</b>
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**1000 - General**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	19	19	18	118	0	0
Direct Appropriation	3,336	3,336	3,356	3,356	14,356	14,356
<b>Expenditures</b>	<b>3,336</b>	<b>3,336</b>	<b>3,256</b>	<b>3,474</b>	<b>14,356</b>	<b>14,356</b>
Balance Forward Out	19	18	118	0	0	0
<i>Biennial Change in Expenditures</i>				58		21,982
<i>Biennial % Change in Expenditures</i>				1		327

**2000 - Restrict Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	29	27	20	20	3	0
Receipts	33	34	41	40	40	40
Net Transfers	0	0	0	0	0	0
<b>Expenditures</b>	<b>34</b>	<b>41</b>	<b>41</b>	<b>57</b>	<b>43</b>	<b>40</b>
Balance Forward Out	27	20	20	3	0	0
<i>Biennial Change in Expenditures</i>				23		(15)
<i>Biennial % Change in Expenditures</i>				31		(15)
Full-Time Equivalents	0.0					

**2001 - Other Misc Special Revenue**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	555	426	532	118	32	19
Receipts	300	527	348	516	516	516
<b>Expenditures</b>	<b>495</b>	<b>473</b>	<b>761</b>	<b>602</b>	<b>529</b>	<b>529</b>
Balance Forward Out	360	480	118	32	19	6
<i>Biennial Change in Expenditures</i>				396		(305)
<i>Biennial % Change in Expenditures</i>				41		(22)
Full-Time Equivalents	1.2	0.1	0.5	0.6	0.6	0.6



**2050 - Environment & Natural Resource**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	1,449	820	761	1,418	0	0
Direct Appropriation	3,771	727	2,203	433	0	0
Net Transfers	(970)	0	0	0	0	0
Cancellations	91	1	42	0	0	0
<b>Expenditures</b>	<b>3,338</b>	<b>785</b>	<b>1,504</b>	<b>1,851</b>	<b>0</b>	<b>0</b>
Balance Forward Out	820	761	1,418	0	0	0
<i>Biennial Change in Expenditures</i>				(769)		(3,354)
<i>Biennial % Change in Expenditures</i>				(19)		(100)
Full-Time Equivalents	1.2	1.4	0.1	0.1	0.0	0.0

**2302 - Clean Water Fund**

	Actual		Actual	Estimate	Forecast Base	
	FY14	FY 15	FY 16	FY17	FY18	FY19
Balance Forward In	7,047	6,340	5,908	7,125	0	0
Direct Appropriation	23,292	24,537	40,216	39,697	0	0
Receipts	0	0	1	0	0	0
Net Transfers	(1,800)	(2,327)	(1,984)	(2,575)	0	0
Cancellations	145	0	3,312	0	0	0
<b>Expenditures</b>	<b>24,094</b>	<b>24,807</b>	<b>33,702</b>	<b>44,246</b>	<b>0</b>	<b>0</b>
Balance Forward Out	4,299	3,743	7,125	0	0	0
<i>Biennial Change in Expenditures</i>				29,048		(77,948)
<i>Biennial % Change in Expenditures</i>				59		(100)
Full-Time Equivalents			1.7	1.7	0.0	0.0