

Cass
County
Land
Department
Annual
Report

2011

Cass County Mission:

“The mission of Cass County is to deliver quality public services to the citizens in an effective, professional, and efficient manner.”

Cass County Land Department Mission:

“Manage the County’s forest land base within the confines of MN Statutes 282 and to improve the quality and value of the County’s forest land resources.”

Table of Contents

County Commissioners.....2

Natural Resource Advisory Committee- Cass County SWCD Board.....3

Cass County Land Department Org Chart.....4

Expense Report.....5

 Expense and Tax Settlement Graphs.....6

Revenue Report.....7

 Timber Sold per Species and Acreage.....8

 Aspen Prices last 16 years in Cass County (Graph).....9

 Conservation Trust Fund Account 73.....10

Firewood Permits, Forest Road Maintenance, Easements, Grants and Trails.....11

Forest Certification, Public Land Surveys, Land Purchases and Sales.....12

COUNTY COMMISSIONERS

2011

District 1	Neal Gaalswyk
District 2	Robert Kangas
District 3	Jeff Peterson
District 4	James Dowson*
District 5	Dick Downham

*CHAIRMAN

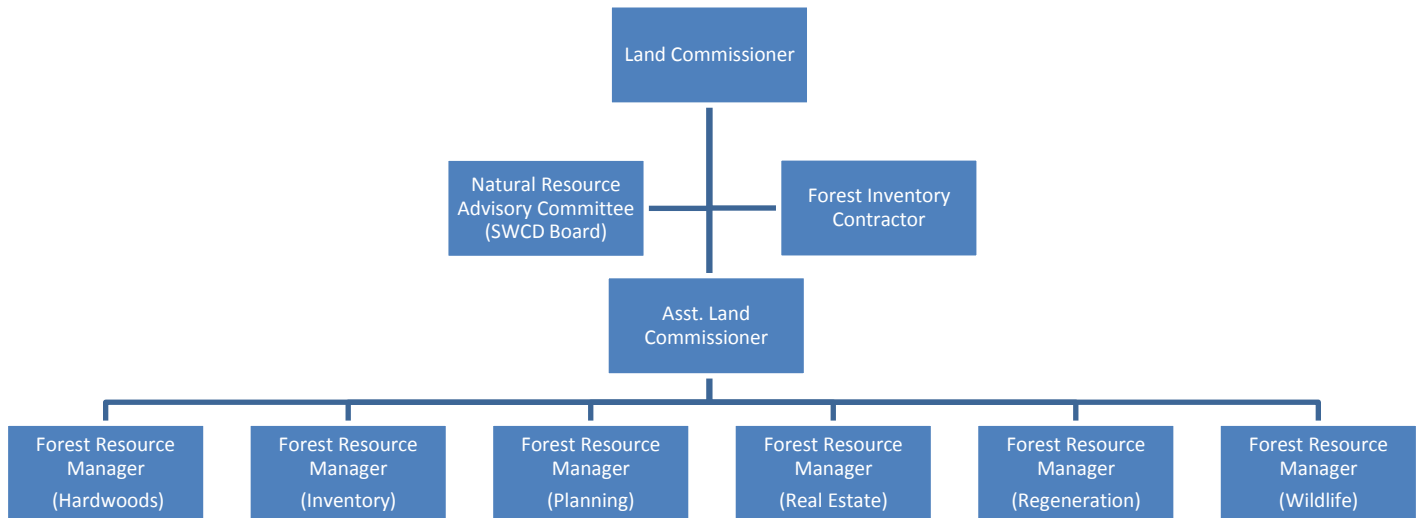
NATURAL RESOURCE ADVISORY COMMITTEE

2011 SWCD BOARD

District 1	Thomas Kuschel
District 2	Kenneth LaPorte
District 3	James Ballenthin
District 4	J. David Harder
District 5	Willard Pehling*

*CHAIRMAN

2011 Cass County Land Department Organizational Chart

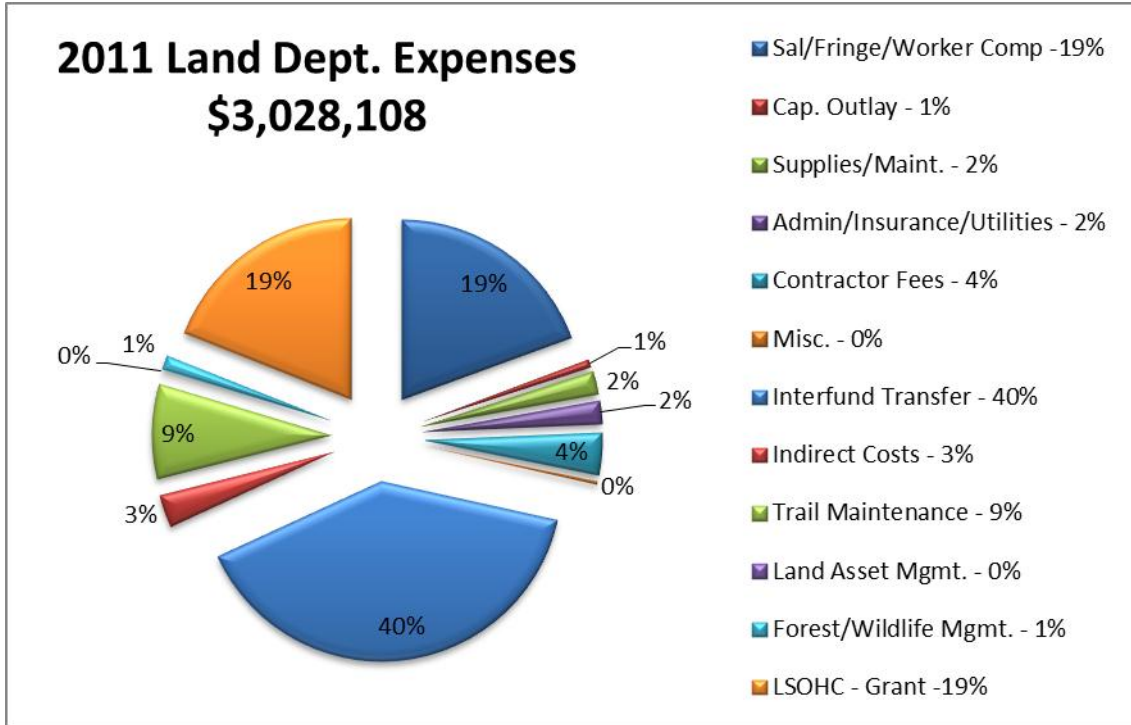


****2011** marks the year of retirement for Jerry Lamon. Jerry retired at the year's end with 32 years of service for Cass County and the Land Department. Jerry's experience, wisdom, and personality will be greatly missed. The Land Department wishes him the best in retirement and good luck in his future pursuits.

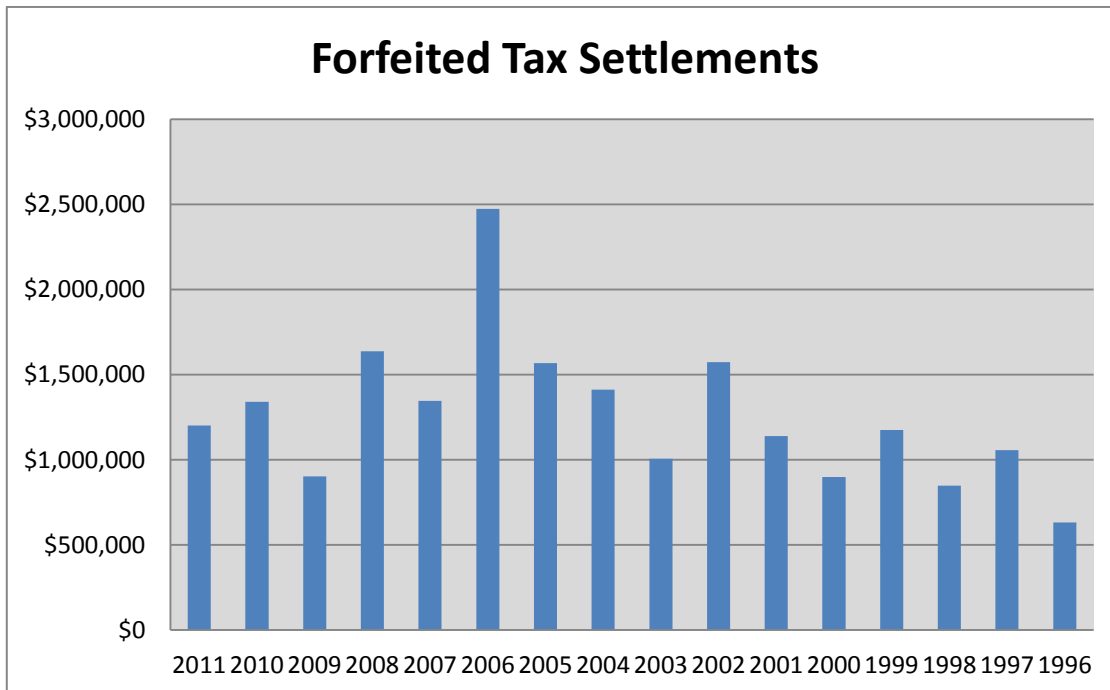
Expenses:

Land Department Expenses		
	2010	2011
Permanent Salaries	\$383,171	\$419,292
IRS 125 - Flex	\$184	\$159
Fringe Benefits and PERA	\$103,386	\$111,114
Retired Employee Benefits	\$15,855	\$18,401
FICA / Medicare	\$28,097	\$31,015
Unemployment Compensation	\$19,987	\$0
Workers Compensation	\$11,914	\$7,746
County Uniforms & Clothing	\$1,461	\$1,338
Telephone / Internet	\$8,965	\$9,442
Printing, Publishing, Graphics	\$7,557	\$1,562
Committee, Membership Dues, and Licenses	\$4,011	\$6,299
Utilities	\$14,005	\$7,521
Trail Maintenance (Snowmobile/ATV/Ski)	\$254,064	\$255,905
Professional, Technical, Contract Service	\$157,788	\$115,863
Repairs & Maintenance - Building	\$31,537	\$22,029
Travel Expenses	\$961	\$95
Equipment Rental / Lease	\$7,507	\$8,525
Insurance (Property/Casualty)	\$29,420	\$27,148
Misc. Charges	\$1,889	\$1,267
Office Supplies	\$3,984	\$2,296
Field Supplies	\$9,447	\$7,841
Vehicle Repair and Expense	\$11,463	\$10,051
Vehicle Fuel	\$11,841	\$14,533
Capital Outlay, Equipment, Fixtures	\$22,539	\$22,300
Refunds & Remittance	\$1,533	\$15,699
Forest Management	\$16,132	\$38,984
Wildlife Management	\$10,150	\$500
Land Asset Mgmt.	\$102,598	\$3,293
Interfund Transfer (out)	\$1,341,021	\$1,201,930
Indirect Costs (out)	\$70,000	\$90,000
Sub Total	\$2,682,467	\$2,452,148
LSOHC - Grant**	\$0	\$575,960
Total Expenses	\$2,682,467	\$3,028,108

** The LSOHC-Grant is listed here as a pass through grant in the overall fiscal management of the department. The Land Department had a reduction of \$230,319 in expenses from 2010.



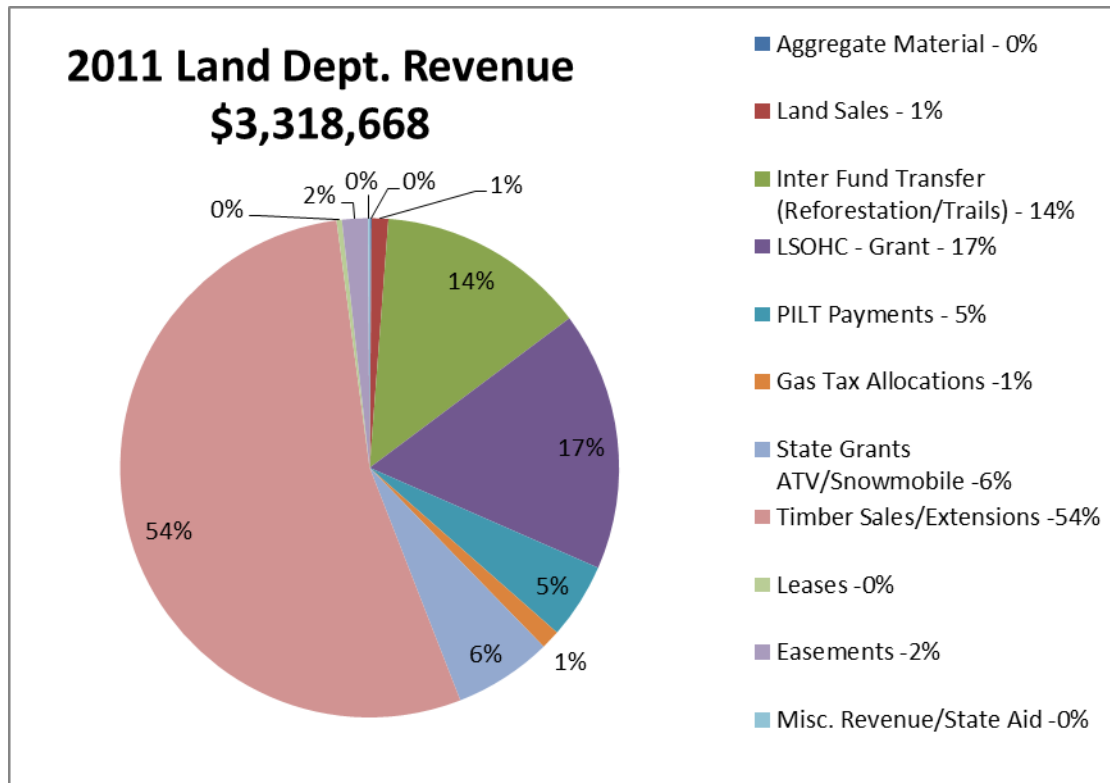
Note: 40% of the Department's expense accounts for \$1,201,930 transferred back as tax forfeited settlements to townships, towns/cities, schools, reforestation, trails, and general fund.



Revenue:

Land Department Revenue		
	2010	2011
Aggregate Material	\$0	\$3,996
Land Sales	\$37,900	\$35,800
Inter Fund Transfer (Reforestation/Trails)	\$335,430	\$450,724
LSOHC - Grant	\$0	\$557,000
PILT Payments	\$158,271	\$162,824
Gas Tax Allocations	\$36,846	\$41,118
State Grants ATV/Snowmobile	\$180,596	\$211,244
Timber Sales/Extensions	\$1,893,591	\$1,785,382
Leases	\$17,247	\$11,492
Easements	\$65,148	\$55,802
Misc. Revenue/State Aid	\$1,804	\$3,286
Total	\$2,726,833	\$3,318,668

****Increased revenue in 2011 is largely attributed to a Lessard-Sams Outdoor Heritage Grant awarded to Cass County for the purchase of 4 land parcels totaling 400 acres in the County.**



TIMBER SOLD - ALL SALES				
<i>From: 1/1/2011 to 12/31/2011</i>				
Product	Amount Sold	Value \$	Avg. Price 2011	Avg. Price 2010
ASPEN	37348.5	\$1,025,919.50	\$27.47	\$24.51
BIRCH	12872	\$236,654.93	\$18.39	\$16.42
BLACK SPRUCE	14	\$70.00	\$5.00	\$0.00
MAPLE	5721	\$82,352.70	\$14.39	\$12.81
ASH	892	\$8,430.23	\$9.45	\$9.37
BALSAM FIR	1083	\$22,025.96	\$20.34	\$19.75
BALSAM POPLAR	379.5	\$5,490.51	\$14.47	\$12.60
BASSWOOD	4483.5	\$54,938.69	\$12.25	\$12.99
JACK PINE	1903	\$49,419.48	\$25.97	\$26.93
JACK PINE PULP	392	\$4,057.38	\$10.35	\$12.92
RED PINE BOLTS	3.5	\$79.88	\$22.82	\$26.80
PINE PULP	29	\$928.09	\$32.00	\$8.54
R.PINE BOLTS & PULP	3418	\$115,067.55	\$33.67	\$24.60
RED OAK	12456	\$365,004.69	\$29.30	\$24.71
SPRUCE	145	\$2,301.59	\$15.87	\$24.96
TAMARACK	391	\$1,589.31	\$4.06	\$6.10
RED PINE PULP	1014	\$13,206.03	\$13.02	\$14.29
WHITE SPRUCE	323	\$9,134.50	\$28.28	\$25.98
BUR OAK	78	\$843.23	\$10.81	\$13.63
FIREWOOD	480	\$1,200.00	\$2.50	\$2.50
Total Cords	82,946.00	\$1,998,714.25		
RED PINE SAWTMBR	136.6	\$21,675.62	\$158.68	\$133.49
R&W PINE SAWTMBR	78.2	\$10,779.44	\$137.84	\$129.69
Total MBF	214.8	\$32,455.06		

Grand Totals: **\$2,031,169.31**

***Grand total sold will not match Timber Sale Revenues due to 2 year sales.*

Number of Timber Tracts Sold: 117

Timber Acres Sold: 4,112.80

Value per Acre Sold: \$493.87

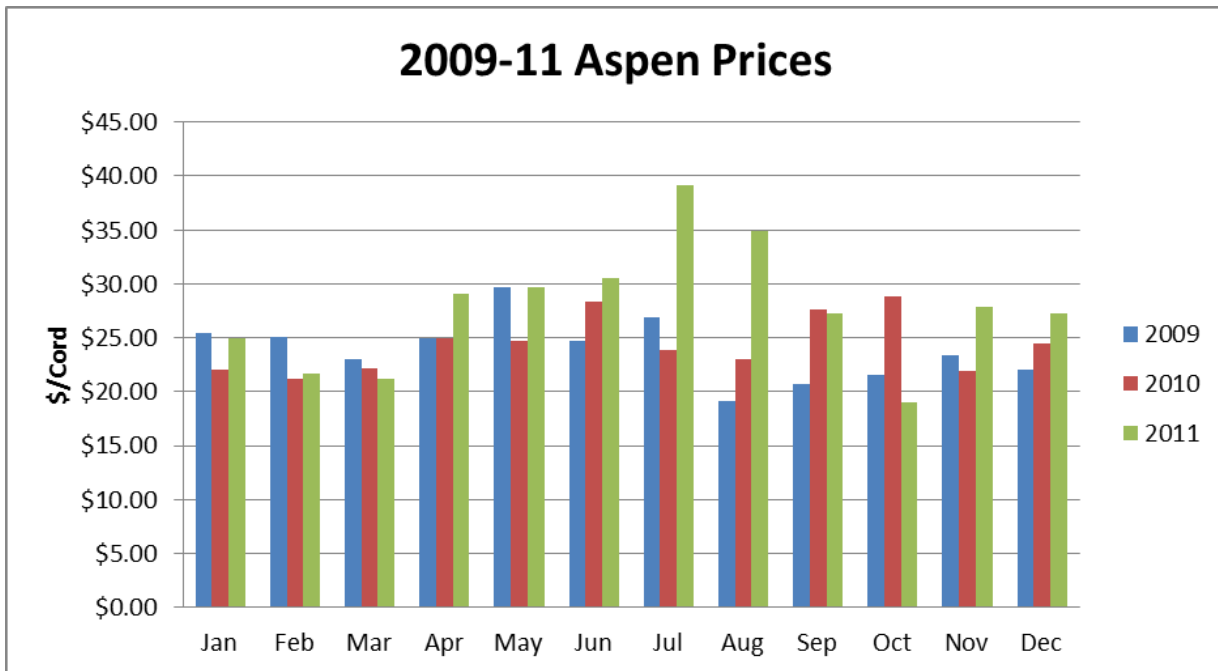
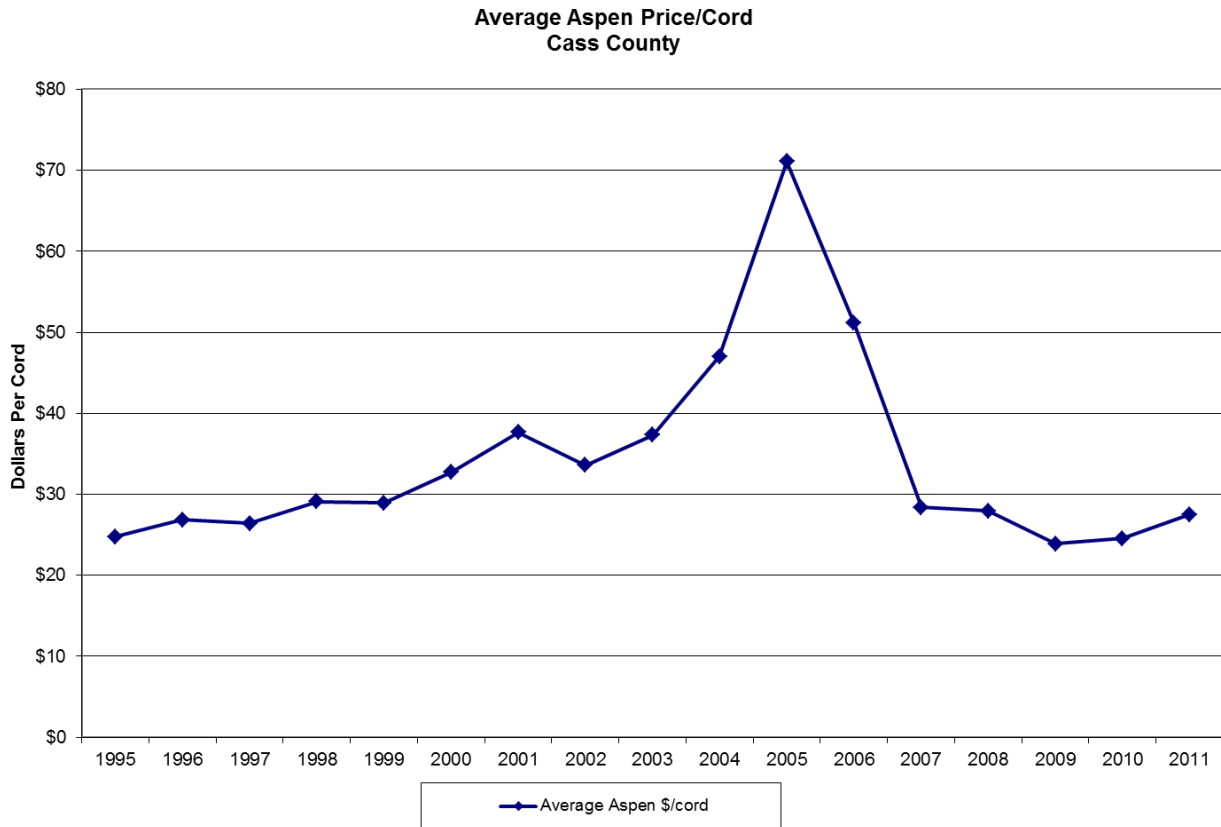
Avg. Revenue per Auction: \$169,264.11

Avg. Revenue per Tract Sold: \$17,360.42

Total Acres Offered (Between 1/1/2011 and 12/31/2011)			
Timber Type	Acres	Timber Type	Acres
BLACK ASH	22.8	WHITE SPRUCE	35.6
QUAKING ASPEN	1,688.10	BALSAM FIR	96.5
PAPER BIRCH	387.7	BLACK SPRUCE	122
BALSAM POPLAR	80.1	TAMARACK	68.4
NORTHERN	561.2	UPLAND GRASS	8.3
OAK	474.7	LOWLAND BRUSH	12.1
WHITE PINE	22.2	MARSH	8.8
RED PINE	486.4	NOT LISTED	5.9
JACK PINE	169.5	Total Acres For All Timber Types:	4,250.30

A total of 4,023.90 acres were new sales set-up and offered in 2011. An additional, 226.4 acres were sales re-offered in 2011.

Aspen Market Trends:



Conservation Trust Fund 73

Background:

The MN legislature in the years 1998 - 2000 directed Cass County and other counties to sell former State lakeshore lease lots and to legally reserve the principal amount of the proceeds in perpetuity (approximately \$4.1M). The interest earnings on the principal amount (approximately \$140.0K per year) are available to Cass County for “improvement of natural resources”. The financial activity is designated locally as Fund 73.

Conservation Trust Fund Account 73		
Interest Earned in 2001-2010	\$1,539,317.03	
Interest Earned in 2011	\$145,710.16	
Total Interest Earned		\$1,685,027.19
Less Expenditures from 2003-10		-\$719,472.14
Less Expenditures from 2011		-\$173,082.00
Revenues from 2009-2010		\$43,250.01
Revenues from 2011		\$0.00
Total Revenues Reserved for Natural Resources		\$835,723.06
Permanent Trust Funds		\$4,124,700.00
Fund 73 Total Cash		\$4,960,423.06

--Revenue in 2009-10 was from a Federal Timber Permit bought and sold with proceeds returning to Fund 73. The permit has been closed and there are no more outstanding projects.

Discussion:

This fund was used for the following projects in 2011:

1. A multiuse year-round recreation trail adjacent to CSAH #77 and CR #118 in the City of East Gull Lake.
2. The Pughole Road culverts and road reshaping project.
3. Shingobee Trail Connection beginning west of Christmas Point Road to C.R. #163.
4. Camp Ripley/Veterans Trail Corridor Feasibility Study.
5. Engineering costs for potential grant in aid ATV trail routes on CSAH 5 (between USFS Road #2100 and the City of Longville) and CSAH 58 (between 73rd Avenue and 75th Avenue east of Outing).

**At the end of 2011, the useable fund balance had been allocated to projects.

Firewood Permit Sales:

48 Permits Issued	480 cords	\$1,200.00
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Firewood permits are available over the counter on a first come first served basis. Permits are written up post-timber harvest for the general public to purchase. Not all sales have firewood permits filed. If merchantable timber is left on the site after the logger closes the sales, then permits are written.

Forest Road Maintenance:

The Land Department graded the Deerfield, Beuber, Bull Moose, and Old Grade forest access roads twice during 2011, while the Moose Lake - Bungo Trail was graded once in 2011. Additionally, 23 road access permits were issued during 2011. Access permits are issued to residents who need to travel along forest access roads for trapping or hunting purposes during break-up or trail closure periods.

Easements:

The Land Department with the consent of the County Board issued the following easements in 2011.

Private Property – Ingress/Egress	2 New/2 Transferred
Utility Easements	2 New

*The Land Department generated \$55,802 in revenue for easement fees in 2011. These fees are based off County Board recommendations and included in the Department’s Policy and Procedures Manual.

[CCLD Procedures All 6-2-10.pdf](#)

In addition to granting easements, the Land Department obtained 56 prescriptive easements across private land on existing forest access roads that provide public access to public land. Of the 56 easements obtained, 38 were on Potlatch parcels.

Grants and Trails:

Cass County received \$211,244 in state aid grants and spent \$254,905 on snowmobile, ATV, and cross country ski trails in 2011. The majority of the difference between the grant amount received and expenses can be attributed to the fiscal year calendar of the State verses that of the County. The funds are received by the Land Department and dispersed to local clubs around the county to do trail grooming, signing, grading, brush work, and mentoring programs. The Land Department worked with 6 snowmobile, 2 ATV, and 1 cross-country ski club in 2011. State aid and local club involvement will be needed annually to sustain the County trail system.

Cass County Trail Maintenance 2011			
<i>Trail Designation</i>	<i>Activity</i>	<i>Mileage Completed</i>	<i>Trail Miles</i>
Snowmobile Trails	Grooming	1,764	434
ATV Trails	Grading	153	51
X Ski Trails	Grooming	31.5	31.5
Hunter Walking	Mowing	20	20

Forest Stewardship Council (FSC) Certification:

In 2011, the Land Department completed its annual audit through the SmartWood program of the Forest Stewardship Council. The County has been certified since 2001 and sought this certification to assure the public and consumers of products from the forest that the lands are being managed in an environmentally, economically, and socially sound manner. The auditing process is conducted by a third party and evaluates whether Site-level Forest Management Guidelines are being followed in the field and the office. The audit resulted in the closure of 6 minor corrective actions that were ratified since the 2010 audit and 1 new observation noted by the auditor. The Land Department retained its certification of the forested lands within Cass County.

Public Land Surveys:

The original public land surveys were conducted in Cass County between 1857 and 1871. The State of Minnesota assigned over maintenance responsibilities of this system to county governments. In an effort to update survey monuments to increase the accuracy and efficiency of conducting surveys within the county; the Land Department contracted out several projects in 2011 to private vendors. The largest project was to identify every NE corner in each township and place monuments with recorded coordinates. This project has created a verified and certified starting point at all four corners of each township in Cass County. Additional projects were site specific in scale and lend themselves to solving property line discrepancy, establishing boundaries for timber cruising and sale administration, or establishment of a parcel boundary for land sales.

Land Purchases:

The Land Department was successful in obtaining a Lessard-Sams Outdoor Heritage Fund grant for \$557,000 to purchase four key tracts of forest land equaling 400 acres in Cass County. The acquired lands will be managed under the County's Forest Resource Management Plan and open to the public. County General Fund dollars were not used to purchase the properties. More information on the project locations and descriptions can be obtained at:

<http://www.gis.leg.mn/php/Ischc/projects11.php>

Land Sales:

The Land Department hosted a public tax-forfeited land auction in 2011. In addition, parcels were available over the counter on a first come first served basis for parcels offered in prior year auctions that were not purchased. A total of 8 parcels were sold in 2011 for \$35,800 of revenue. The Land Department plans on holding a Land Sale Auction during the summer of 2012 with new parcels available for purchase.