

Cass
County
Land
Department
Annual
Report

2013

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.”

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COUNTY COMMISSIONERS

2013

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

2013 SWCD BOARD

District 1

Thomas Kuschel

District 2

Kenneth LaPorte*

District 3

James Ballenthin

District 4

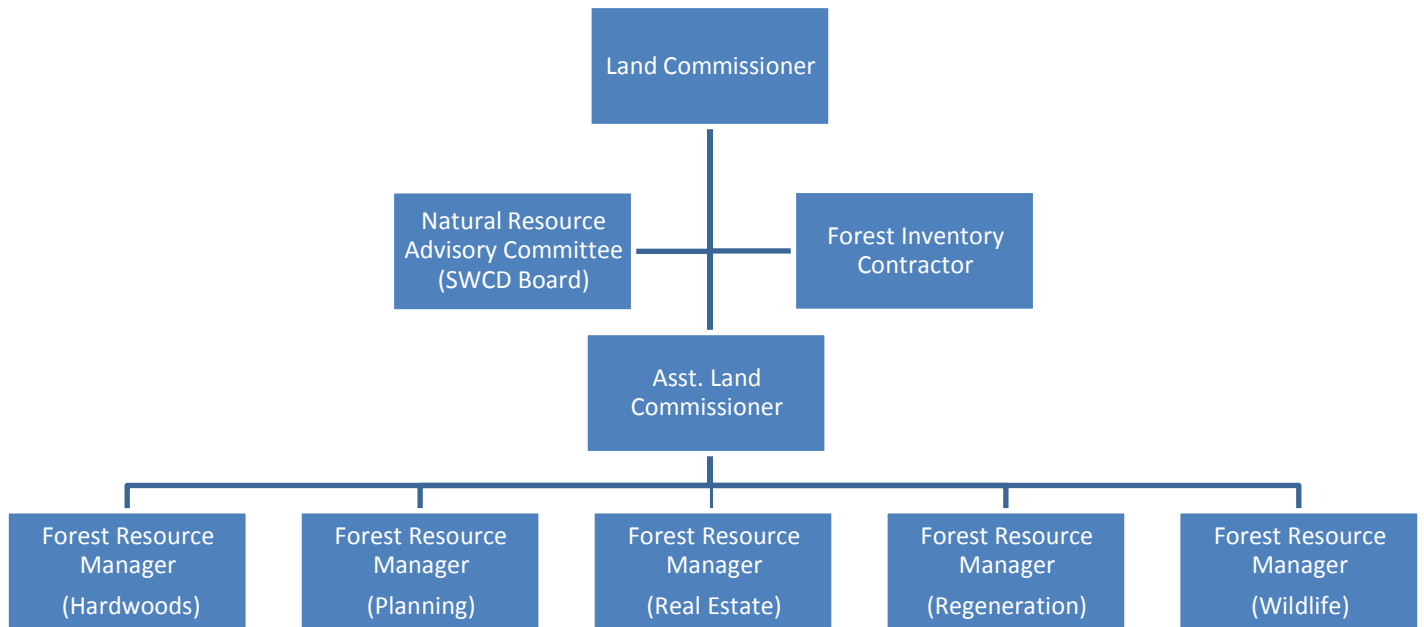
Clifton Peterson

District 5

Willard Pehling

*CHAIRMAN

2013 Cass County Land Department Organizational Chart

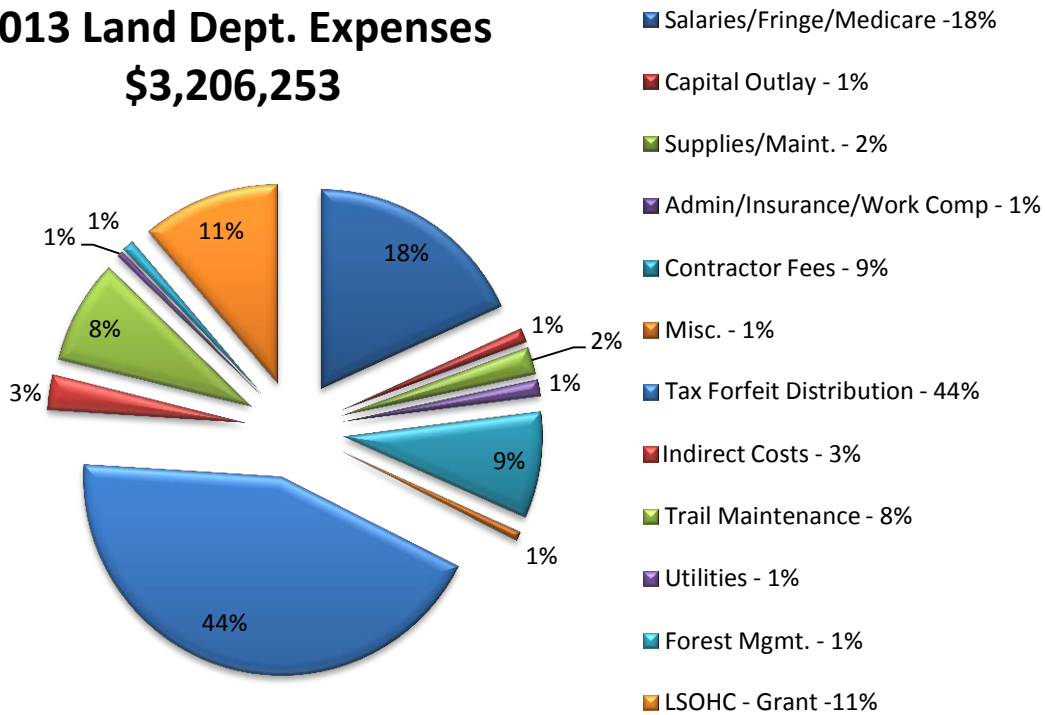


Expenses:

Land Department Expenses			
	2011	2012	2013
Permanent Salaries	\$420,238	\$420,940	\$408,998
IRS 125 - Flex	\$159	\$213	\$147
Fringe Benefits and PERA	\$111,114	\$106,462	\$110,629
Retired Employee Benefits	\$18,401	\$21,355	\$33,117
FICA / Medicare	\$31,015	\$31,383	\$30,929
Unemployment Compensation	\$0	\$0	\$0
Workers Compensation	\$7,746	\$13,698	\$9,732
County Uniforms & Clothing	\$1,338	\$1,140	\$1,548
Postage & PO Box Rental	\$1,204	\$2,689	\$970
Telephone / Internet	\$9,442	\$6,407	\$2,188
Printing, Publishing, Graphics	\$1,562	\$2,651	\$1,450
Committee, Membership Dues, and Licenses	\$6,299	\$7,483	\$6,756
Utilities	\$7,521	\$14,826	\$14,789
Trail Maintenance (Snowmobile/ATV/Ski)	\$255,905	\$160,223	\$271,671
Professional, Technical, Contract Service	\$115,863	\$283,176	\$278,761
Repairs, Maintenance & Janitorial - Building	\$22,029	\$28,013	\$33,864
Travel Expenses	\$95	\$1,037	\$517
Equipment Rental / Lease	\$8,525	\$8,126	\$8,043
Insurance (Property/Casualty)	\$27,148	\$24,529	\$24,247
Misc. Charges	\$1,267	\$2,213	\$16,062
Office Supplies	\$2,296	\$1,509	\$740
Field Supplies	\$7,841	\$8,755	\$5,264
Vehicle Repair and Expense	\$10,051	\$14,025	\$10,005
Vehicle Fuel	\$14,533	\$17,087	\$14,890
Capital Outlay, Equipment, Fixtures	\$22,300	\$40,342	\$37,893
Refunds & Remittance	\$15,699	\$6,105	\$5,369
Forest Management	\$38,984	\$44,238	\$31,168
Wildlife Management	\$500	\$0	\$0
Land Asset Mgmt.	\$3,293	\$263	\$0
Interfund Transfer (out)	\$1,201,930	\$1,021,682	\$1,396,809
Indirect Costs (out)	\$90,000	\$90,000	\$90,000
Sub Total	\$2,454,298	\$2,380,570	\$2,846,556
LSOHC - Grant**	\$575,960	\$658,853	\$359,697
Total Expenses	\$3,030,258	\$3,039,423	\$3,206,253

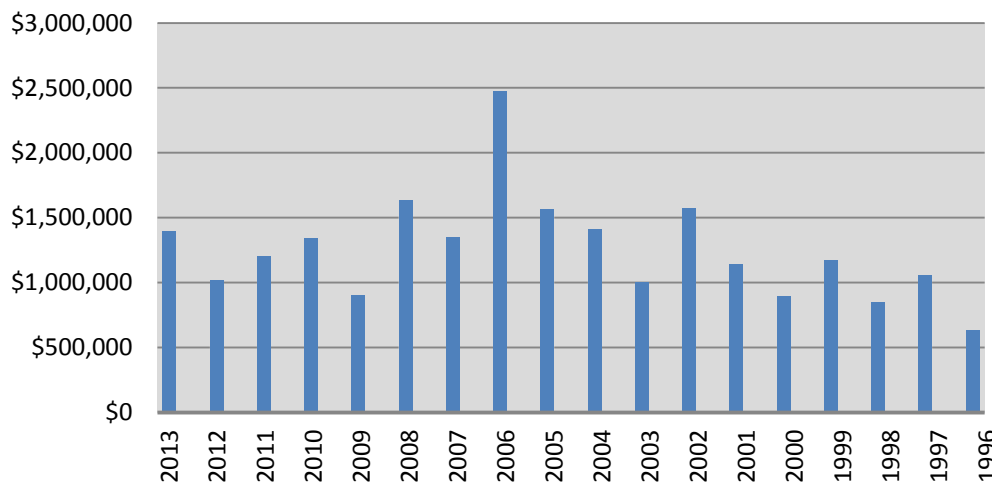
** The LSOHC-Grant is listed here as a pass through grant in the overall fiscal management of the department. The Land Department had a reduction of \$20,589.00 in expenses from 2012.

2013 Land Dept. Expenses \$3,206,253



Note: 44% of the Department's expense accounts for \$1,396,809 transferred back as tax forfeited settlements to townships, towns/cities, schools, reforestation, trails, and general fund.

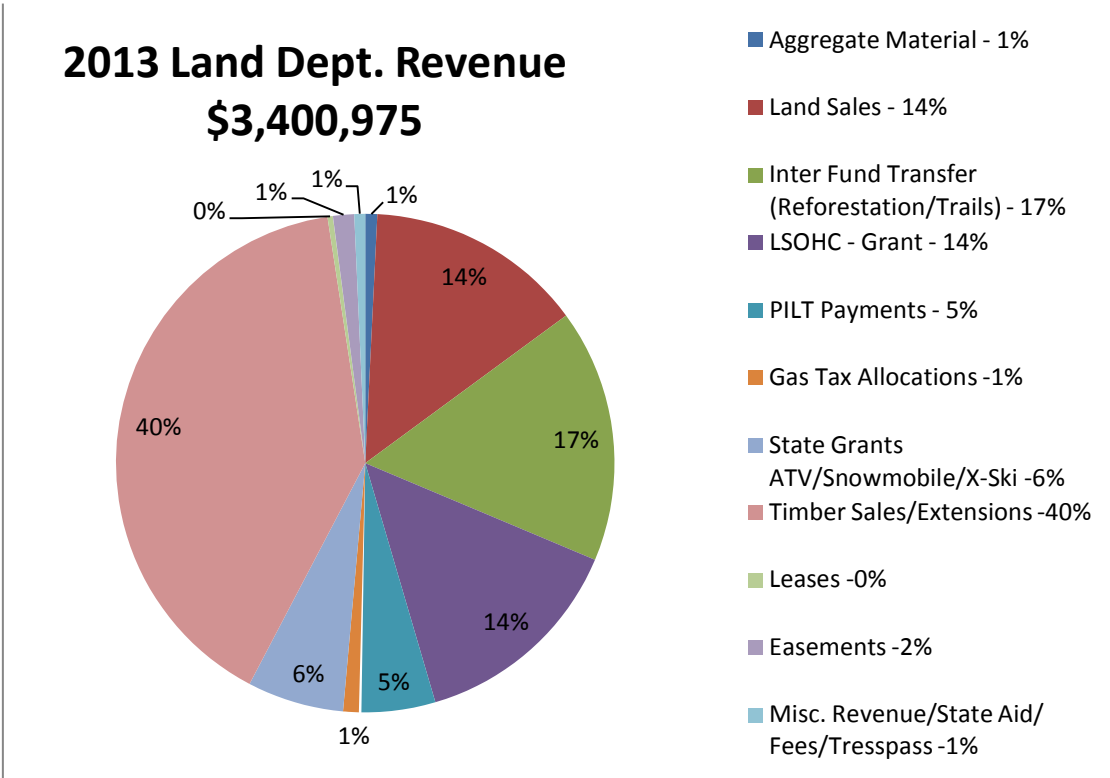
Forfeited Tax Settlements



Revenue:

Land Department Revenue			
	2011	2012	2013
Aggregate Material - 1%	\$3,996	\$0	\$26,536
Land Sales - 14%	\$35,800	\$750,175	\$480,700
Inter Fund Transfer (Reforestation/Trails) - 17%	\$450,724	\$255,420	\$558,723
LSOHC - Grant - 14%	\$557,000	\$619,633	\$480,000
PILT Payments - 5%	\$162,824	\$162,851	\$162,839
Gas Tax Allocations -1%	\$41,118	\$40,347	\$40,176
State Grants ATV/Snowmobile/X-Ski -6%	\$211,244	\$161,928	\$212,686
Timber Sales/Extensions -40%	\$1,785,382	\$1,501,604	\$1,356,809
Leases -0%	\$11,492	\$11,510	\$11,622
Easements -2%	\$55,802	\$48,901	\$46,823
Misc. Revenue/State Aid/ Fees/Trespass -1%	\$3,286	\$16,446	\$24,061
Total	\$3,318,668	\$3,568,815	\$3,400,975

****Decreased revenue is largely attributed to a lower land sales, lower timber revenue, and a decrease in the Lessard-Sams Outdoor Heritage Grant awarded in 2013.**



TIMBER SOLD - ALL SALES					
<i>From: 1/1/2013 to 12/31/2013</i>					
Product	Amount Sold	Value \$	Avg. Price 2013	Avg. Price 2012	Avg. Price 2011
ASPEN	33504	\$743,033.92	\$22.17	\$25.32	\$27.47
BIRCH	12799	\$182,089.60	\$14.23	\$17.45	\$18.39
MAPLE	7701	\$96,688.02	\$12.56	\$14.23	\$14.39
ASH	780	\$6,470.32	\$8.29	\$22.40	\$9.45
BALSAM FIR	870	\$10,749.71	\$12.36	\$21.53	\$20.34
BALSAM POPLAR	107	\$851.43	\$7.96	\$19.86	\$14.47
BASSWOOD	4233	\$43,262.39	\$10.22	\$12.67	\$12.25
JACK PINE	2531	\$54,631.96	\$21.59	\$27.70	\$25.97
JACK PINE PULP	267	\$2,692.05	\$10.08	\$22.90	\$10.35
PINE PULP	37	\$853.05	\$23.06	\$15.83	\$32.00
R.PINE BOLTS & PULP	600	\$15,506.73	\$25.84	\$49.96	\$33.67
RED OAK	14727	\$337,096.02	\$22.89	\$24.76	\$29.30
SPRUCE	163	\$692.52	\$4.25	\$16.57	\$15.87
TAMARACK	49	\$172.62	\$3.52	\$5.60	\$4.06
R & W PINE BOLTS	4.5	\$54.00	\$12.00	\$0.00	\$0.00
RED PINE PULP	7	\$117.92	\$16.85	\$16.03	\$13.02
WHITE SPRUCE	369	\$6,808.13	\$18.45	\$33.99	\$28.28
BUR OAK	176	\$1,761.20	\$10.01	\$13.16	\$10.81
YELLOW BIRCH	190	\$2,734.14	\$14.39	\$2.50	\$2.50
Total Cords	79,114.50	\$1,506,265.73	\$19.04		
RED PINE SAWTMBR	277	\$30,760.43	\$111.05	\$158.68	\$158.68
R&W PINE SAWTMBR	28.1	\$3,300.86	\$117.47	\$137.84	\$137.84
Total MBF	305.1	\$34,061.29	\$111.64		

Number of Timber Tracts Sold: 139

Timber Acres Sold: 4,367.60

Avg. Value per Acre Sold: \$352.67

Avg. Revenue per Auction: \$128,360.60

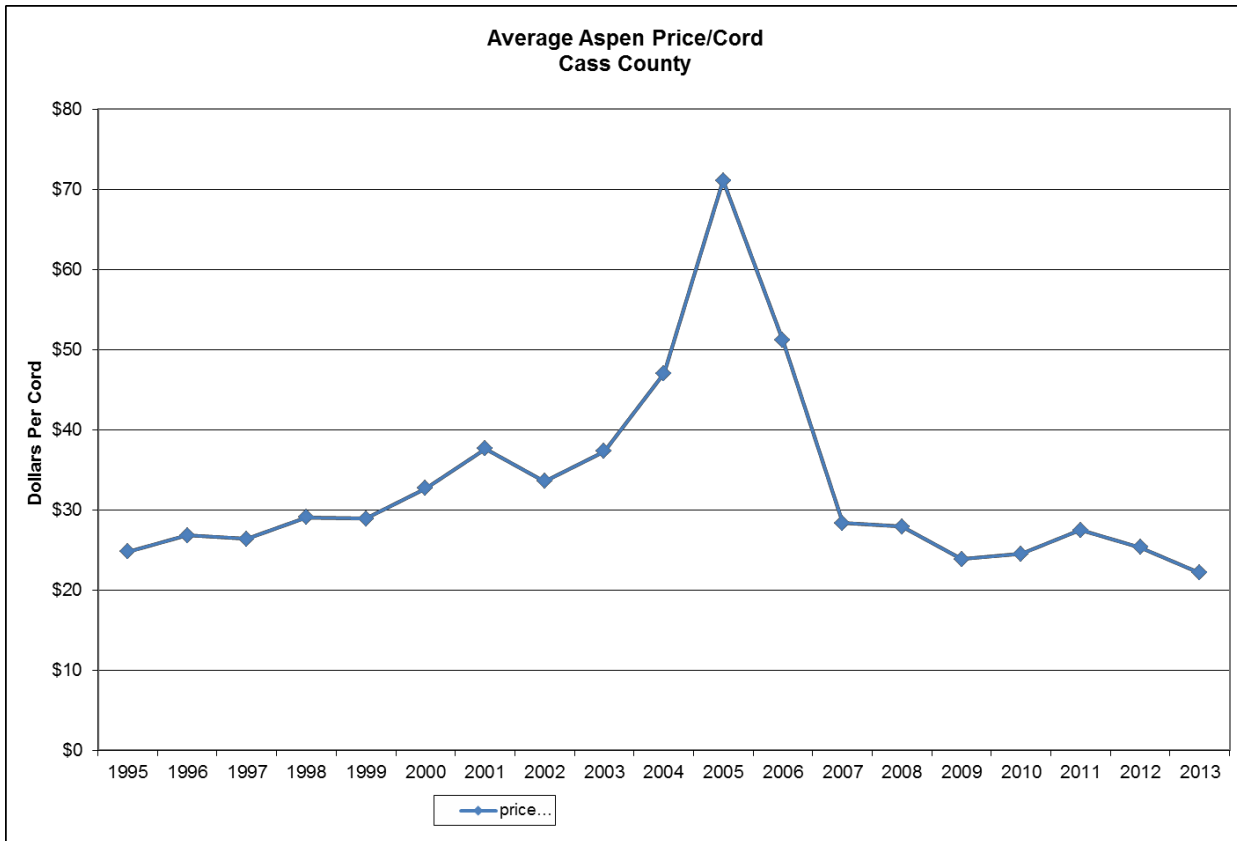
Avg. Revenue per Tract Sold: \$11,081.04

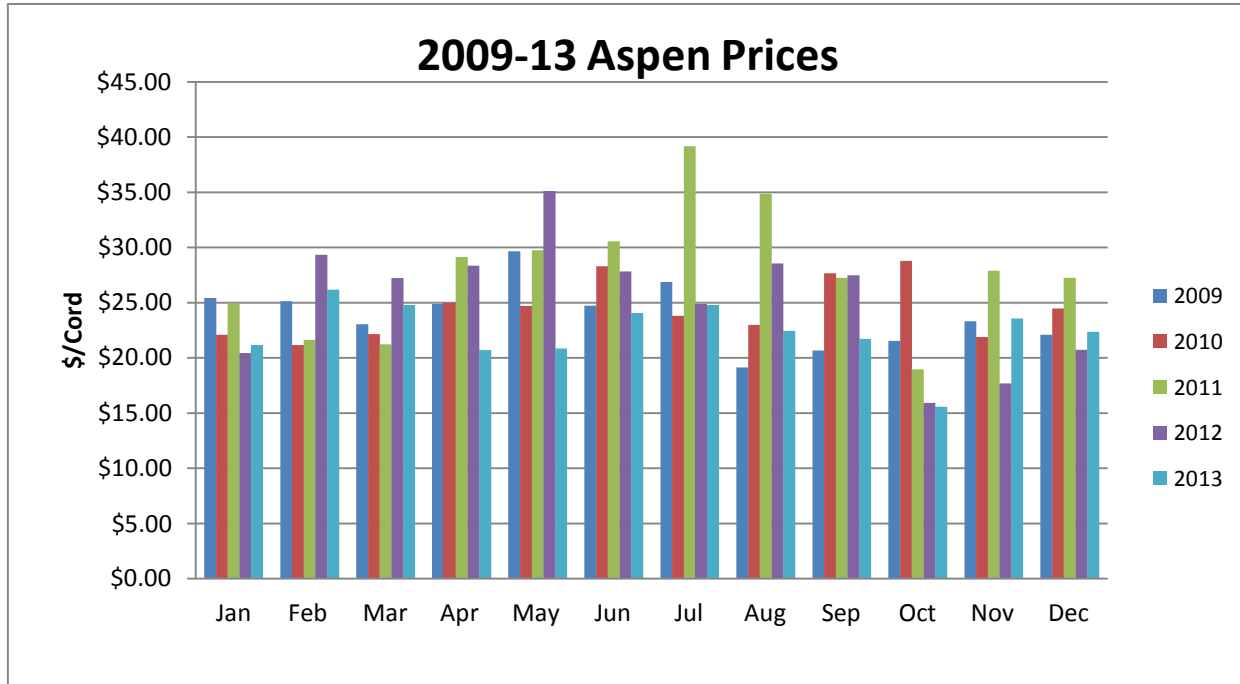
Grand Totals: \$1,540,327.02

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

Total Acres Sold Between 1/1/2013 and 12/31/2013			
Timber Type	Acres	Timber Type	Acres
BLACK ASH	36.3	WHITE SPRUCE	6.8
LOWLAND HARDWOOD	51.2	WHITE CEDAR	0.1
QUAKING ASPEN	1,772.50	BALSAM FIR	37.7
PAPER BIRCH	637.4	BLACK SPRUCE	3.4
BALSAM POPLAR	31.4	TAMARACK	0.6
NORTHERN HARDWOOD	604.2	UPLAND GRASS	30.1
OAK	400.2	LOWLAND BRUSH	3.6
WHITE PINE	7.5	MARSH	11.2
RED PINE	600.9	NOT LISTED	21.6
JACK PINE	110.9	Total Acres For All Timber Types:	4,367.60

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.

2013 Conservation Trust Fund Account 73	
Interest Earned in 2001-2012	\$1,799,722.91
Interest Earned in 2013	\$78,748.05
Total Interest Earned	\$1,878,470.96
Less Expenditures from 2003-12	-\$1,212,812.92
Less Expenditures from 2013	-\$57,080.00
Revenues from 2009-2012	\$138,852.87
Revenues from 2013	\$82,000.00
Total Revenues Reserved for Natural Resources	\$829,430.91
Permanent Trust Funds	\$4,124,700.00
Fund 73 Total Cash	\$4,954,130.91

This fund was used for the following projects in 2013:

1. City of Pine River - Preliminary Dam Engineering
2. Deep Portage - Bog walk Replacement

Firewood Permit Sales:

49 Permits Issued	490 cords	\$1,225.00
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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, Bull Moose, Moose Lake –Bungo and Old Grade forest access roads twice during 2013. Additionally, 22 road access permits were issued during 2013. 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.

Grants and Trails:

Cass County received \$212,686 in state aid grants and spent \$271,671 on snowmobile, ATV, and cross country ski trails in 2013. There is carryover in grants due to the difference in the fiscal year versus the calendar year. 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 7 snowmobile, 2 ATV, and 1 cross-country ski club in 2013. State aid and local club involvement will be needed annually to sustain the County trail system.

Cass County Trail Maintenance 2013			
<i>Trail Designation</i>	<i>Activity</i>	<i>Mileage Completed</i>	<i>Trail Miles</i>
Snowmobile Trails	Grooming	127	434
ATV Trails	Grading	165	55
X Ski Trails	Grooming	25.9	25.9
Hunter Walking	Mowing	20	20

Cass County Trail Inventory 2013		
<i>Trail Designation</i>	<i>Surface</i>	<i>Trail Miles</i>
Snowmobile Trails	Natural	443
Snowmobile / Bike Trails	Paved	114
ATV Trails	Natural	55
X Ski Trails	Natural	26
Hunter Walking Trails	Natural	20
Horse Trails	Natural	7
State Forests - DNR		
ATV and OHM Trails	Natural	70
OHV Trails	Natural	11
Horseback/Mountain Bike	Natural	27
County Totals		773

Cass County does not maintain any paved or natural surface trails. All paved trails in Cass County are built and maintained by the local taxing districts or the State of MN. Natural surface trails are maintained by the State of MN or local clubs. The County offers assistance to clubs with some matching dollars for grants and bidding out projects. The match is normally about 35% of the cost via Capital Improvement Grants.

Forest Stewardship Council (FSC) Certification:

In 2013, 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 no new nonconformity reports 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 Land Department completed 13 survey projects for 25 miles of property line certified and posted. The total cost was \$73,862 with an average cost of \$2,954.48/mile. The contracts require the survey companies to find or restore all controlling corners of the project corridor, provide a signed certificate of survey, and post the boundary inter-visibly every 330' ft. with Welcome to Cass County Land signs. The projects have provided an opportunity to paint and set-up timber sales in areas where unknown property lines prevented management. Signing and monumenting the parcels will provide for better public access opportunities and secure the property line into the future.

Land Purchases:

The Land Department was successful in obtaining Lessard-Sams Outdoor Heritage Fund grants for \$619,633 in 2012 and \$344,400 in 2013 to purchase key tracts of forest land equaling 176 acres in Cass County. The acquired lands will be managed under the County's Forest Resource Management Plan and open to the public. The land purchases opened up an additional 840 acres of previously inaccessible public land that now has public access. County General Fund dollars were not used to purchase the properties.

Land Sales:

The Land Department hosted one public tax-forfeited land auction in 2013. 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 2013 for \$480,700 of revenue. The land being sold are parcels classified as non-conservation land and identified in the Forest Resource Management Plan to return to the tax rolls. These parcels may have no public access, public access surrounded by private property, platted land, or isolated acreage. The Land Department sold 204 acres in 2013. The Department plans on holding a Land Sale Auction during the summer of 2014 with new parcels available for purchase. Parcels continue to be available over-the-counter year-around.