

Cass
County
Land
Department
Annual
Report

2014

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

2014

District 1

Neal Gaalswyk

District 2

Robert Kangas*

District 3

Jeff Peterson

District 4

James Dowson

District 5

Dick Downham

*CHAIRMAN

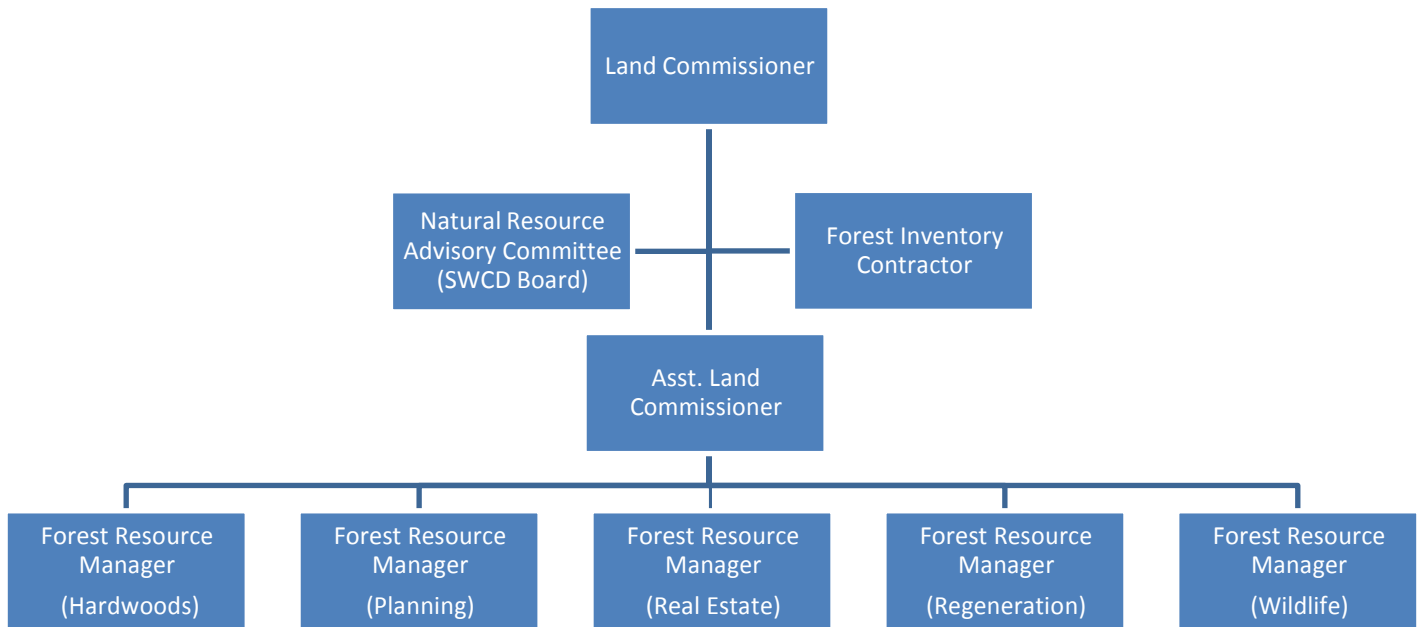
NATURAL RESOURCE ADVISORY COMMITTEE

2014 SWCD BOARD

District 1	Thomas Kuschel
District 2	Kenneth LaPorte
District 3	James Ballenthin*
District 4	Clifton Peterson
District 5	Willard Pehling

*CHAIRMAN

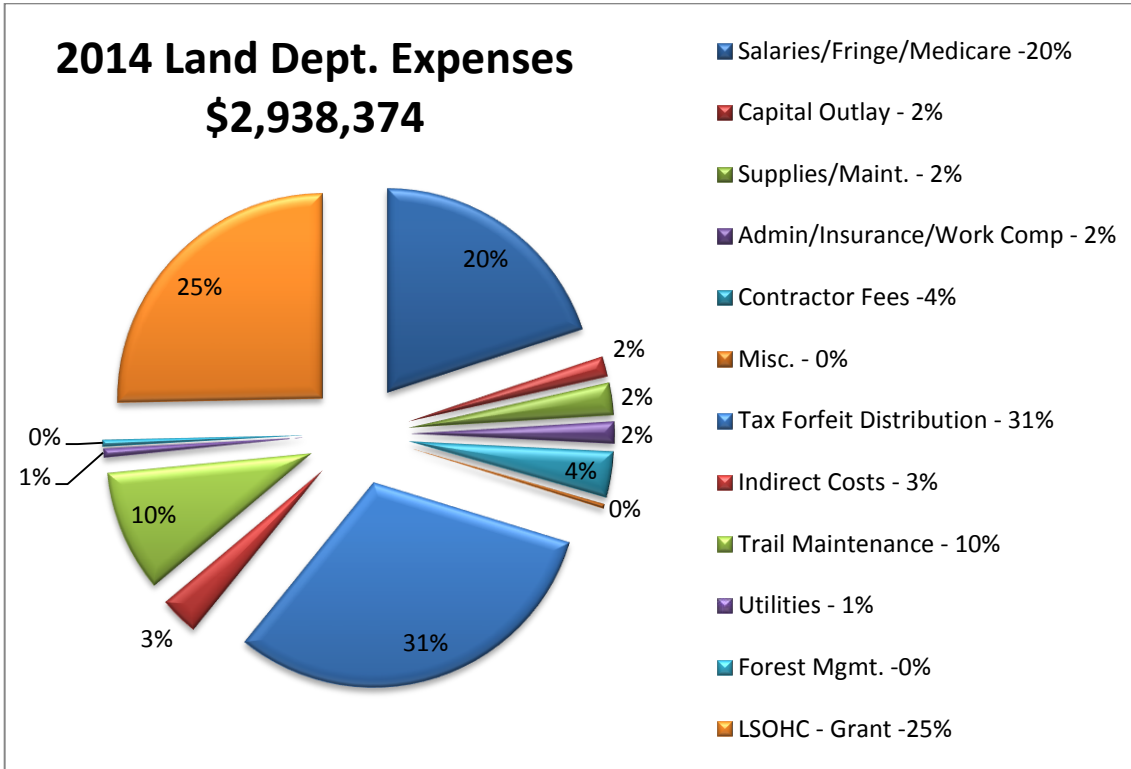
2014 Cass County Land Department Organizational Chart



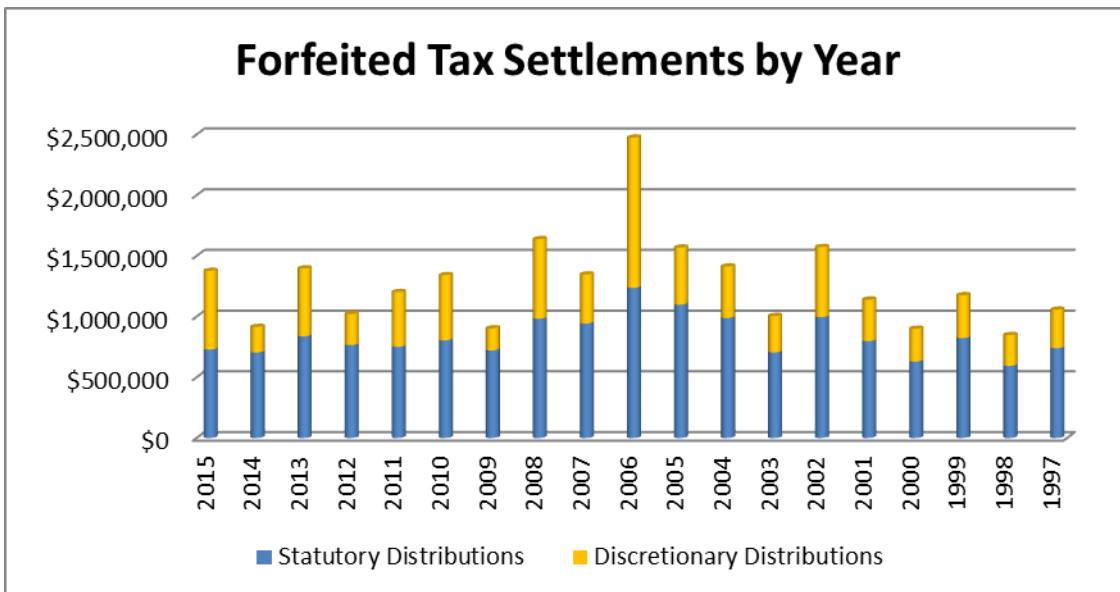
Expenses:

Land Department Expenses			
	2012	2013	2014
Permanent Salaries	\$420,940	\$408,998	\$408,821
IRS 125 - Flex	\$213	\$147	\$237
Fringe Benefits and PERA	\$106,462	\$110,629	\$111,598
Retired Employee Benefits	\$21,355	\$33,117	\$35,229
FICA / Medicare	\$31,383	\$30,929	\$30,538
Unemployment Compensation	\$0	\$0	\$0
Workers Compensation	\$13,698	\$9,732	\$16,520
County Uniforms & Clothing	\$1,140	\$1,548	\$1,334
Postage & PO Box Rental	\$2,689	\$970	\$1,940
Telephone / Internet	\$6,407	\$2,188	\$2,071
Printing, Publishing, Graphics	\$2,651	\$1,450	\$2,263
Committee, Membership Dues, and Licenses	\$7,483	\$6,756	\$6,477
Utilities	\$14,826	\$14,789	\$18,250
Trail Maintenance (Snowmobile/ATV/Ski)	\$160,223	\$271,671	\$280,955
Professional, Technical, Contract Service	\$283,176	\$278,761	\$104,991
Repairs, Maintenance & Janitorial - Building	\$28,013	\$33,864	\$29,061
Travel Expenses	\$1,037	\$517	\$1,080
Equipment Rental / Lease	\$8,126	\$8,043	\$8,685
Insurance (Property/Casualty)	\$24,529	\$24,247	\$26,475
Misc. Charges	\$2,213	\$16,062	\$2,972
Office Supplies	\$1,509	\$740	\$1,031
Field Supplies	\$8,755	\$5,264	\$10,210
Vehicle Repair and Expense	\$14,025	\$10,005	\$9,592
Vehicle Fuel	\$17,087	\$14,890	\$16,040
Capital Outlay, Equipment, Fixtures	\$40,342	\$37,893	\$46,781
Refunds & Remittance	\$6,105	\$5,369	\$0
Forest Management	\$44,238	\$31,168	\$9,140
Wildlife Management	\$0	\$0	\$6,069
Land Asset Mgmt.	\$263	\$0	\$900
Interfund Transfer (out)	\$1,021,682	\$1,396,809	\$915,231
Indirect Costs (out)	\$90,000	\$90,000	\$90,000
Sub Total	\$2,380,570	\$2,846,556	\$2,194,491
LSOHC - Grant**	\$658,853	\$359,697	\$743,883
Total Expenses	\$3,039,423	\$3,206,253	\$2,938,374

** The LSOHC-Grant is listed here as a pass through grant in the overall fiscal management of the department.

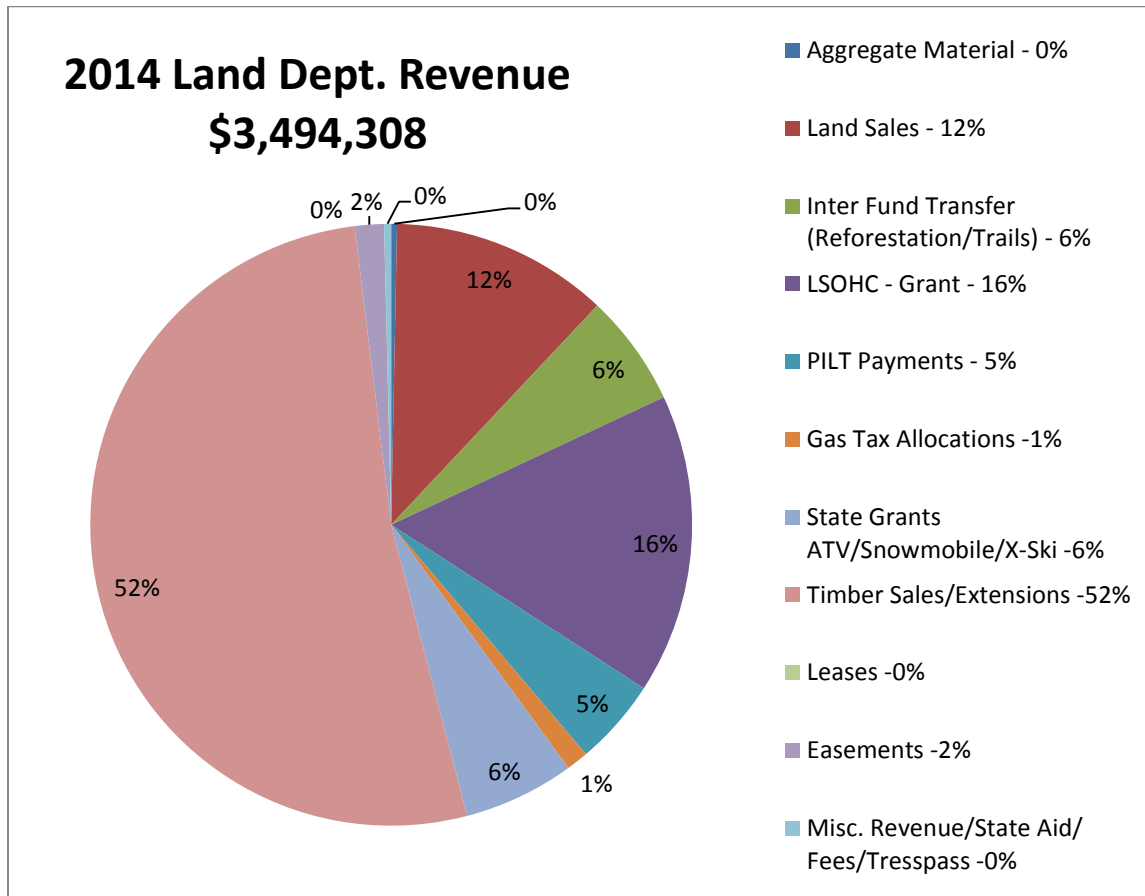


Note: 31% of the Department's expense accounts for \$915,231 transferred back as tax forfeited settlements to townships, towns/cities, schools, reforestation, trails, and general fund.



Revenue:

Land Department Revenue			
	2012	2013	2014
Aggregate Material - 0%	\$0	\$26,536	\$10,830
Land Sales - 12%	\$750,175	\$480,700	\$408,775
Inter Fund Transfer (Reforestation/Trails) - 6%	\$255,420	\$558,723	\$210,504
LSOHC - Grant - 16%	\$619,633	\$480,000	\$563,000
PILT Payments - 5%	\$162,851	\$162,839	\$162,550
Gas Tax Allocations -1%	\$40,347	\$40,176	\$41,254
State Grants ATV/Snowmobile/X-Ski -6%	\$161,928	\$212,686	\$208,241
Timber Sales/Extensions -52%	\$1,501,604	\$1,356,809	\$1,821,278
Leases -0%	\$11,510	\$11,622	\$0
Easements -2%	\$48,901	\$46,823	\$54,638
Misc. Revenue/State Aid/ Fees/Trespass -0%	\$16,446	\$24,061	\$13,238
Total	\$3,568,815	\$3,400,975	\$3,494,308



TIMBER SOLD - ALL SALES

From: 1/1/2014 to 12/31/2014

Product	Amount Sold	Value \$	Avg. Price 2014	Avg. Price 2013	Avg. Price 2012
ASPEN	27927	\$745,890.67	\$26.71	\$22.17	\$25.32
BIRCH	10456.5	\$176,753.96	\$16.90	\$14.23	\$17.45
BLACK SPRUCE	48	\$674.00	\$14.04	\$0.00	\$0.00
MAPLE	5043.5	\$74,794.38	\$14.83	\$12.56	\$14.23
ASH	2440	\$28,190.51	\$11.55	\$8.29	\$22.40
BALSAM FIR	2235.5	\$31,278.69	\$13.99	\$12.36	\$21.53
BALSAM POPLAR	53	\$657.05	\$12.40	\$7.96	\$19.86
BASSWOOD	4776	\$55,800.49	\$11.68	\$10.22	\$12.67
JACK PINE	2262	\$70,095.65	\$30.99	\$21.59	\$27.70
JACK PINE PULP	133	\$1,179.71	\$8.87	\$10.08	\$22.90
MIXED HARDWOOD	42	\$348.56	\$8.30	\$0.00	\$0.00
PINE PULP	0	\$0.00	\$0.00	\$23.06	\$15.83
R.PINE BOLTS & PULP	2707	\$52,749.10	\$19.49	\$25.84	\$49.96
RED OAK	16309	\$467,688.24	\$28.68	\$22.89	\$24.76
SPRUCE	300	\$6,156.63	\$20.52	\$4.25	\$16.57
TAMARACK	805	\$2,844.28	\$3.53	\$3.52	\$5.60
R & W PINE BOLTS	4.5	\$81.90	\$18.20	\$12.00	\$0.00
RED PINE PULP	364	\$3,912.43	\$10.75	\$16.85	\$16.03
WHITE SPRUCE	962	\$27,850.86	\$28.95	\$18.45	\$33.99
BUR OAK	847	\$10,785.55	\$12.73	\$10.01	\$13.16
YELLOW BIRCH	13	\$145.00	\$11.15	\$14.39	\$2.50
Total Cords	77,728.00	\$1,757,877.66	\$22.62		
RED PINE SAWTMBR	472.2	\$63,965.92	\$135.46	\$111.05	\$158.68
R&W PINE SAWTMBR	332.3	\$40,097.58	\$120.67	\$117.47	\$137.84
Total MBF	804.5	\$104,063.50	\$129.35		

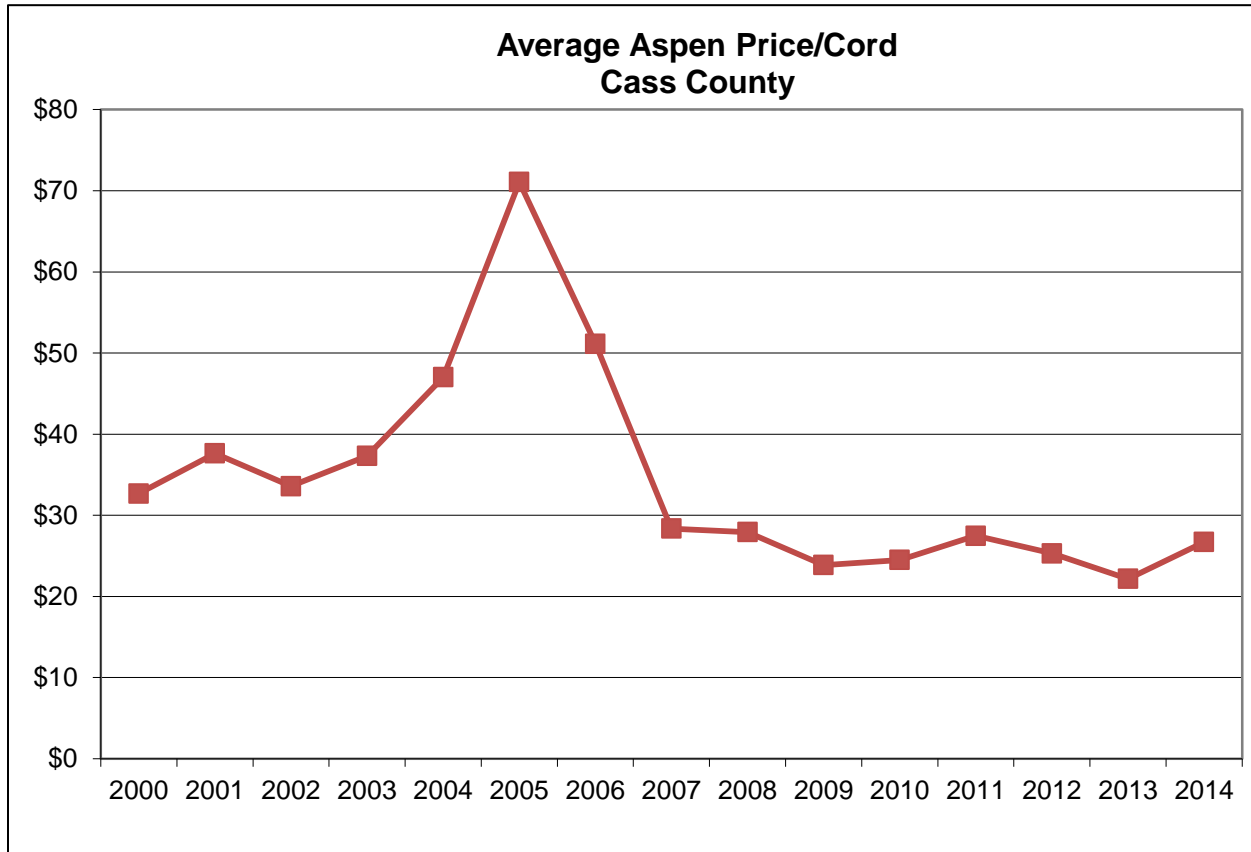
<p>Number of Timber Tracts Sold : 103</p> <p>Timber Acres Sold: 4,596.6</p> <p>Avg. Value per Acre Sold: \$405.07</p> <p>Avg. Revenue per Auction: \$155,161.75</p> <p>Avg. Revenue per Tract Sold: \$18,077.10</p>
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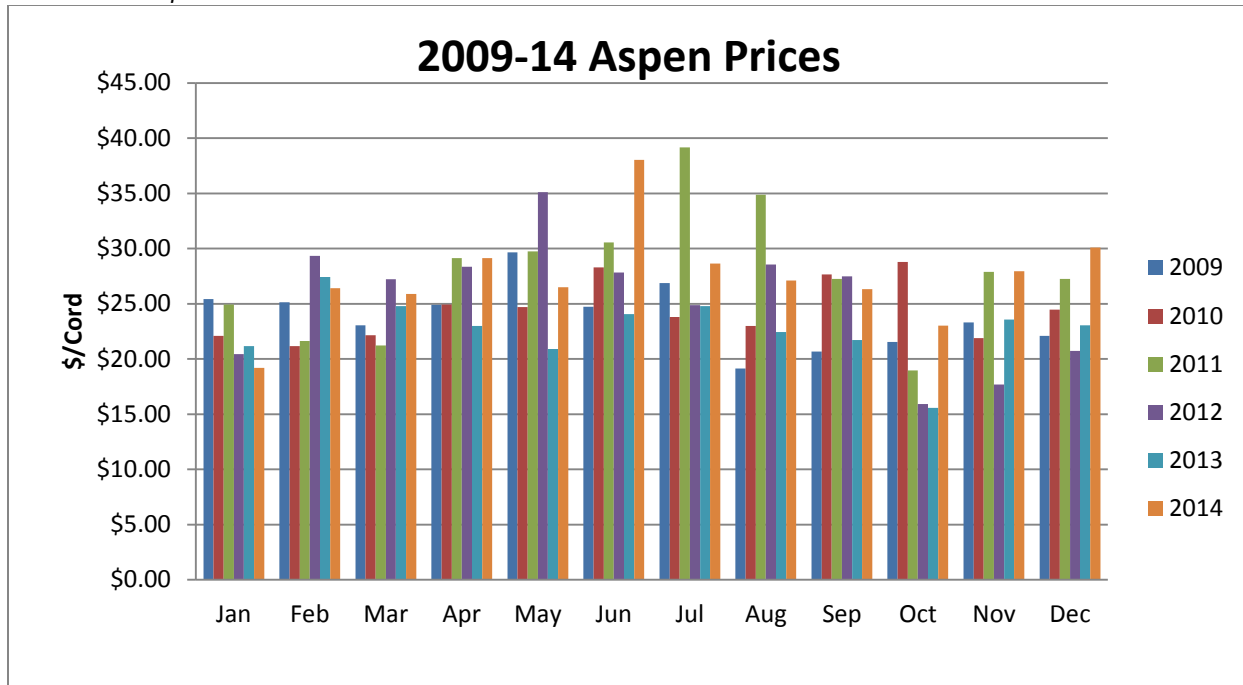
***Grand total sold will not match Timber Sale Revenues due to 2 year sales.*

Grand Totals: \$1,861,941.16

Total Acres Sold Between 1/1/2014 and 12/31/2014			
Timber Type	Acres	Timber Type	Acre
BLACK ASH	48.2	WHITE SPRUCE	20.5
LOWLAND HARDWOOD	164.1	WHITE CEDAR	11.1
QUAKING ASPEN	1,108.1	BALSAM FIR	208.7
PAPER BIRCH	667	BLACK SPRUCE	23.7
BALSAM POPLAR	40.2	TAMARACK	131.2
NORTHERN HARDWOOD	664.1	UPLAND GRASS	29.2
OAK	651.7	LOWLAND BRUSH	5.0
WHITE PINE	40.8	MARSH	6.7
RED PINE	564.2	NOT LISTED	27.7
JACK PINE	184.4	Total Acres For All Timber Types:	4,596.6

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 \$100.0K per year) are available to Cass County for “improvement of natural resources”. The financial activity is designated locally as Fund 73.

2014 Conservation Trust Fund Account 73	
Interest Earned in 2001-2013	\$1,878,470.96
Interest Earned in 2014	\$98,446.65
Total Interest Earned	\$1,972,917.61
Less Expenditures from 2003-13	-\$1,328,528.84
Less Expenditures from 2014	-341,261.29
Total Expenditures	\$1,669,790.13
Total Revenues Reserved for Natural Resources	\$582,616.27
Permanent Trust Funds	\$4,124,700.00
Fund 73 Total Cash	\$4,707,316.27

This fund was used for the following projects in 2014:

1. Phase 4 & 5 Shingobee Trail Project
2. Project Match- AIS Mgmt. / Prevention
3. CSAH 75 (Casino Rd) Trail Project

Firewood Permit Sales:

82 Permits Issued	820 cords	\$2,050.00
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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 2014. Additionally, 13 road access permits were issued during 2014. 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 \$208,241 in state aid grants and spent \$280,955 on snowmobile, ATV, and cross country ski trails in 2014. 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 monitoring programs. The Land Department worked with 4 snowmobile, 2 ATV, and 1 cross-country ski club in 2014. State aid and local club involvement is needed annually to sustain the County trail system.

Cass County Trail Maintenance 2014			
<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 2014		
<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 total cost of the project.

Forest Stewardship Council (FSC) Certification:

In 2014, the Land Department completed an annual audit using Rainforest Alliance under the Forest Stewardship Council standard. 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 no new observations noted by the auditor. The Land Department retained its certification of the forested lands within Cass County.

Public Land Surveys:

The Land Department completed 9 survey projects for 31.75 miles of property line certified and posted. The total cost was \$99,479.74 with an average cost of \$3,133.22/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 provides better public access opportunities and defines the property lines into the future.

Land Purchases:

The Land Department was successful in obtaining Lessard-Sams Outdoor Heritage Fund grants for \$480,000 in 2013 and \$563,000 in 2014 to purchase key tracts of forest habitat land. In 2014, 388.22 acres of land were acquired in Cass County with the consent of Townships. The acquired lands will be managed under the County's Forest Resource Management Plan and are open to the public for hunting, fishing and the taking of game. The land purchases provide upland access to 161.8 acres of existing public land. County General Fund dollars were not used to purchase the properties.

Land Sales:

The Land Department hosted one public tax-forfeited land auction in 2014. 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 26 parcels were sold in 2014 for \$392,775 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 422.08 acres in 2014. The Department plans on holding a Land Sale Auction during the summer of 2015 with new parcels available for purchase. Parcels continue to be available over-the-counter year-around.