

CASS
COUNTY
LAND
DEPARTMENT
ANNUAL
REPORT

2018



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
2018

District 1	Neal Gaalswyk
District 2	Robert Kangas*
District 3	Jeff Peterson
District 4	Scott Bruns
District 5	Dick Downham

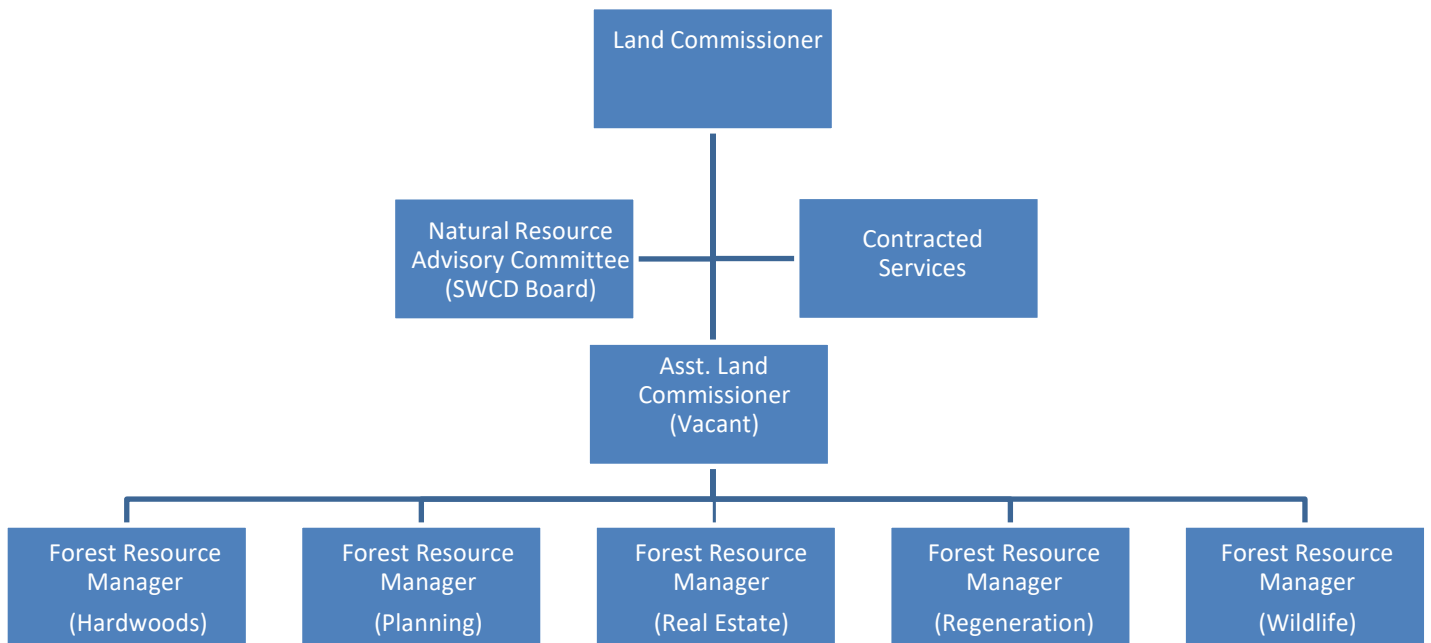
*CHAIR

NATURAL RESOURCE ADVISORY COMMITTEE
2018 SWCD BOARD

District 1	Thomas Kuschel
District 2	Kenneth LaPorte
District 3	James Ballenthin
District 4	David Peterson
District 5	Jane Ekholm*

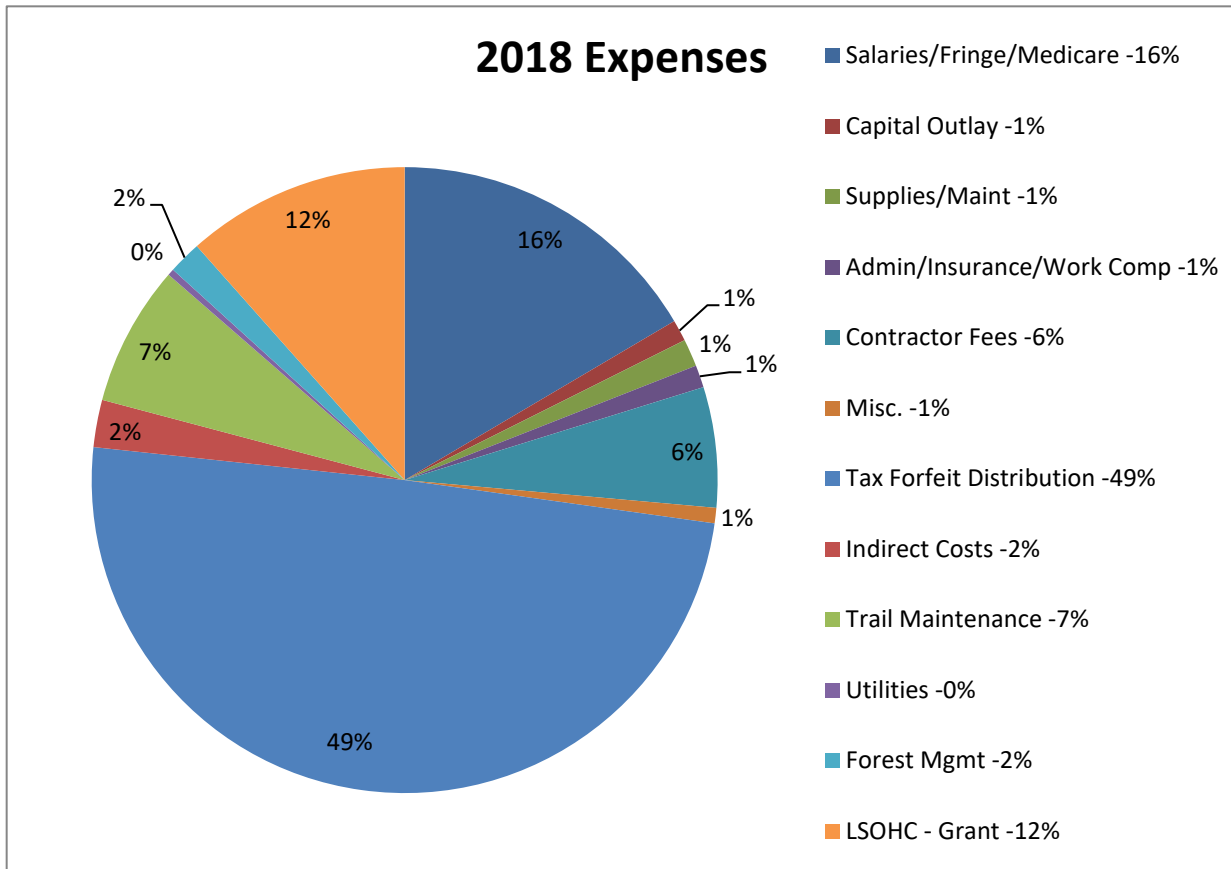
*CHAIR

2018 CASS COUNTY LAND DEPARTMENT ORGANIZATIONAL CHART

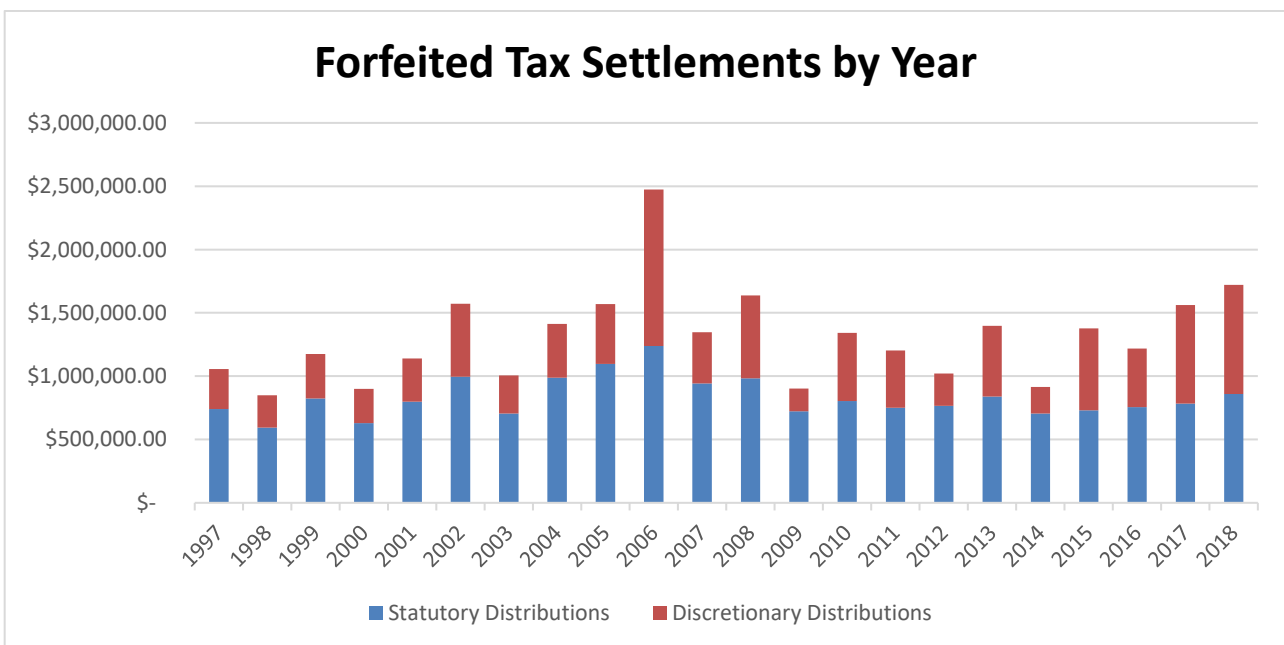


Land Department Expenses			
	2016	2017	2018
Permanent Salaries	\$402,923	\$403,525	\$418,105
IRS 125 - Flex	\$124	\$0	\$0
Fringe Benefits and PERA	\$106,858	\$105,504	\$106,598
Retired Employee Benefits	\$35,313	\$35,089	\$35,074
FICA / Medicare	\$30,376	\$30,289	\$31,753
Unemployment Compensation	\$0	\$0	\$0
Workers Compensation	\$14,411	\$20,852	\$14,578
County Uniforms & Clothing	\$1,683	\$1,917	\$1,749
Postage & PO Box Rental	\$1,887	\$1,274	\$2,033
Telephone / Internet	\$1,797	\$2,137	\$1,747
Printing, Publishing, Graphics	\$2,145	\$0	\$0
Committee, Membership Dues, and Licenses	\$3,899	\$5,873	\$6,270
Utilities	\$14,172	\$14,441	\$10,034
Trail Maintenance (Snowmobile/ATV/Ski)	\$289,962	\$244,069	\$252,696
Professional, Technical, Contract Service	\$144,564	\$152,712	\$216,183
Repairs, Maintenance & Janitorial - Building	\$27,248	\$24,430	\$19,653
Travel Expenses	\$1,724	\$1,722	\$1,874
Equipment Rental / Lease	\$6,339	\$6,230	\$7,346
Insurance (Property/Casualty)	\$28,034	\$22,602	\$20,600
Misc. Charges	\$1,211	\$3,781	\$19,591
Office Supplies	\$533	\$260	\$1,087
Field Supplies	\$6,100	\$3,807	\$4,735
Vehicle Repair and Expense	\$7,695	\$6,235	\$5,371
Vehicle Fuel	\$8,790	\$9,558	\$12,335
Capital Outlay, Equipment, Fixtures	\$51,801	\$44,936	\$38,318
Refunds & Remittance	\$310	\$0	\$0
Forest Management	\$46,868	\$56,489	\$59,320
Wildlife Management	\$7,400	\$6,115	\$0
Land Asset Mgmt.	\$0	\$2,960	\$0
Interfund Transfer (out)	\$1,219,192	\$1,562,050	\$1,720,188
Indirect Costs (out)	\$85,000	\$85,000	\$85,000
Sub Total	\$2,548,359	\$2,853,857	\$3,092,238
LSOHC - Grant**	\$465,070	\$63,672	\$401,971
Total Expenses	\$3,013,429	\$2,917,529	\$3,494,209

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



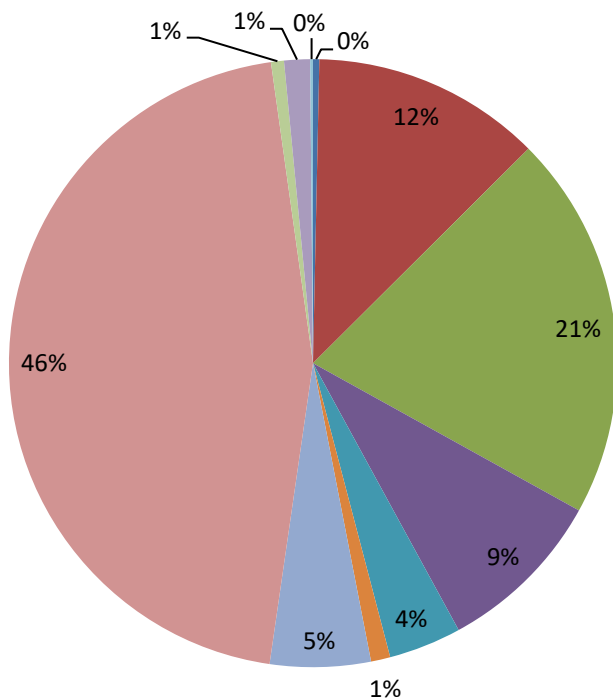
Note: 49% of the Department’s expense accounts for \$1,720,188 transferred back as tax forfeited settlements to townships, towns/cities, schools, reforestation, trails, and general fund.



Land Department Revenue

	2016	2017	2018
Aggregate Material	\$24,455	\$3,206	\$13,997
Land Sales	\$483,210	\$378,872	\$511,733
Inter Fund Transfer (Reforestation/Trails)	\$464,269	\$779,463	\$860,094
LSOHC - Grant	\$948,650	\$400,000	\$377,350
PILT Payments	\$162,267	\$162,198	\$162,071
Gas Tax Allocations	\$42,202	\$47,798	\$43,002
State Grants ATV/Snowmobile/X-Ski	\$174,390	\$241,670	\$224,131
Timber Sales/Extensions	\$1,833,007	\$2,098,296	\$1,908,160
Leases	\$16,490	\$28,322	\$28,795
Easements	\$84,186	\$63,287	\$57,650
Misc. Revenue/State Aid/ Fees/Trespass	\$2,629	\$45,536	\$6,262
Total	\$4,235,755	\$4,248,648	\$4,193,245

2018 Land Dept Revenue



- Aggregate Material - 0%
- Land Sales - 12%
- Inter Fund Transfer (Reforestation/Trails) - 21%
- LSOHC - Grant - 9%
- PILT Payments - 4%
- Gas Tax Allocations - 1%
- State Grants ATV/Snowmobile/X-Ski - 5%
- Timber Sales/Extensions - 46%
- Leases - 1%
- Easements - 1%
- Misc. Revenue/State Aid/ Fees/Trespass - 0%

Timber Sold - All Sales (1/1/18-12/31/18)

Product	Cords sold (2018)	Total Price (2018)	Average Price/Cd (2016)	Average Price/Cd (2017)	Average Price/Cd (2018)
Aspen	39,879	\$1,465,811.15	\$39.52	\$38.40	\$36.76
Birch	6,517	\$139,144.49	\$25.81	\$23.64	\$21.35
Black Spruce	203	\$2,436.00	\$15.94	\$20.15	\$12.00
Maple	3,966	\$77,093.94	\$21.37	\$19.96	\$19.44
Ash	1,949	\$32,259.84	\$15.69	\$13.26	\$16.55
Balsam Fir	1,144	\$18,680.31	\$18.36	\$14.82	\$16.33
Balsam Poplar	112	\$2,214.56	\$16.97	\$30.06	\$19.77
Basswood	4,257	\$69,220.07	\$20.73	\$20.11	\$16.26
Cedar	0	\$0.00	\$8.50	\$0.00	\$0.00
Jack Pine	2,548	\$51,719.14	\$27.28	\$36.22	\$20.30
Jack Pine Pulp	255	\$3,059.99	\$20.90	\$12.28	\$12.00
Mixed Hardwood	110	\$2,080.00	\$15.00	\$16.00	\$18.91
R. Pine Bolts	317	\$15,049.09	\$41.05	\$67.05	\$47.47
Red Oak	9,462	\$358,406.39	\$48.57	\$38.35	\$37.88
Spruce	244	\$5,214.49	\$22.79	\$13.39	\$21.37
Tamarack	161	\$1,188.00	\$3.67	\$6.62	\$7.38
R&W Pine Bolts	12	\$295.92	\$30.00	\$0.00	\$24.66
R. Pine Bolts & Pulp	2,588	\$140,393.58	\$120.40	\$67.22	\$54.25
R. Pine Pulp	102	\$2,100.01	\$13.47	\$12.14	\$20.59
White Spruce	47	\$1,531.25	\$28.11	\$36.18	\$32.58
Bur Oak	1,620	\$30,699.59	\$19.67	\$17.02	\$18.95
Total Cords	75,493	\$2,418,597.81	\$34.65	\$34.12	\$22.61
R. Pine Sawtimber	133.50	\$18,597.16	\$139.13	\$124.09	\$139.30
R&W Pine Sawtimber	0.00	\$0.00	\$105.12	\$114.33	\$0.00
Total MBF	133.50	\$18,597.16	\$121.48	\$119.56	\$139.30
Salvage Acres	7.6	\$91.20			
Grand Total		\$2,437,286.17			

Timber Sold (2018)

Number of Timber Tracts Sold	90
Timber Acres Sold	3,206
Average Value per Acre Sold	\$760.23
Average Revenue per Auction	\$201,466.43
Average Revenue per Tract Sold	\$27,080.96

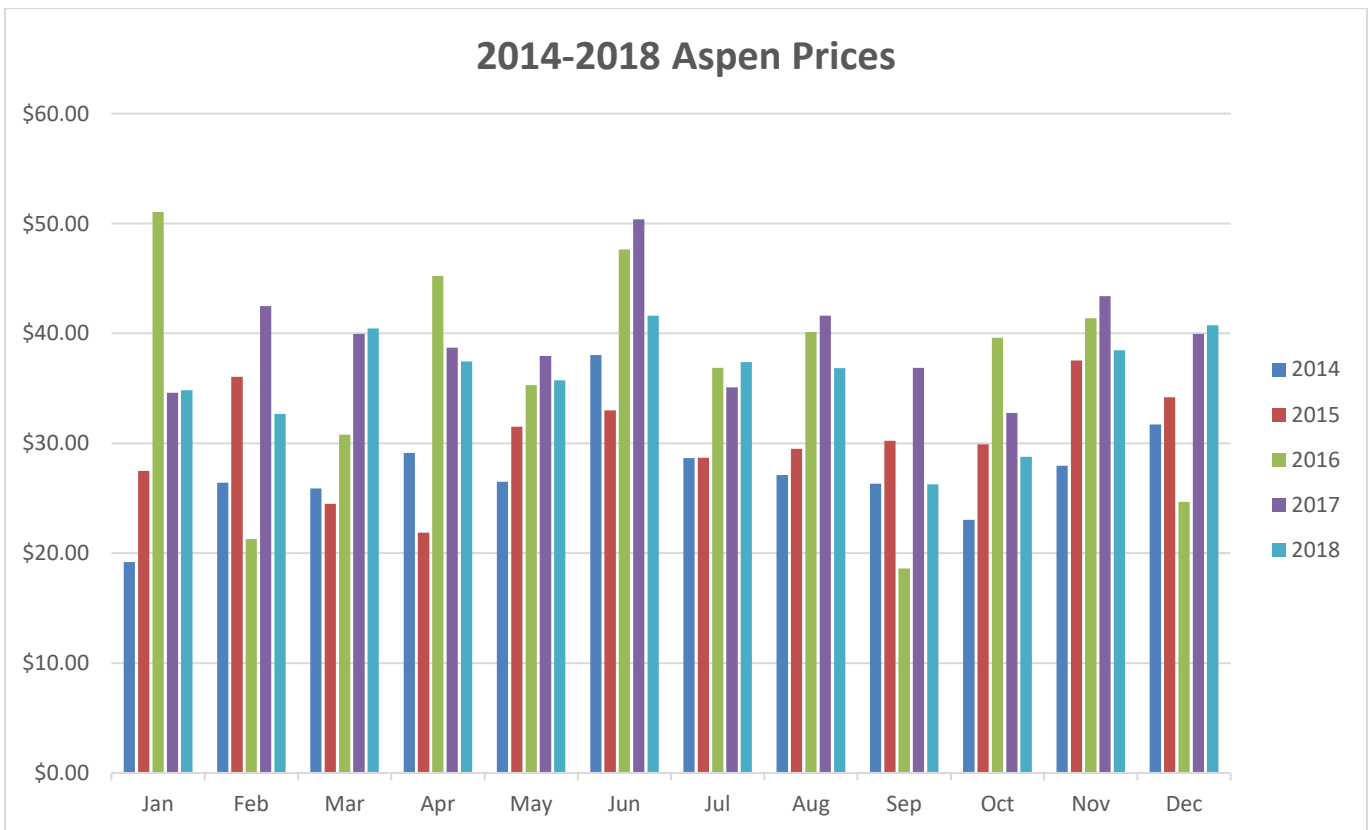
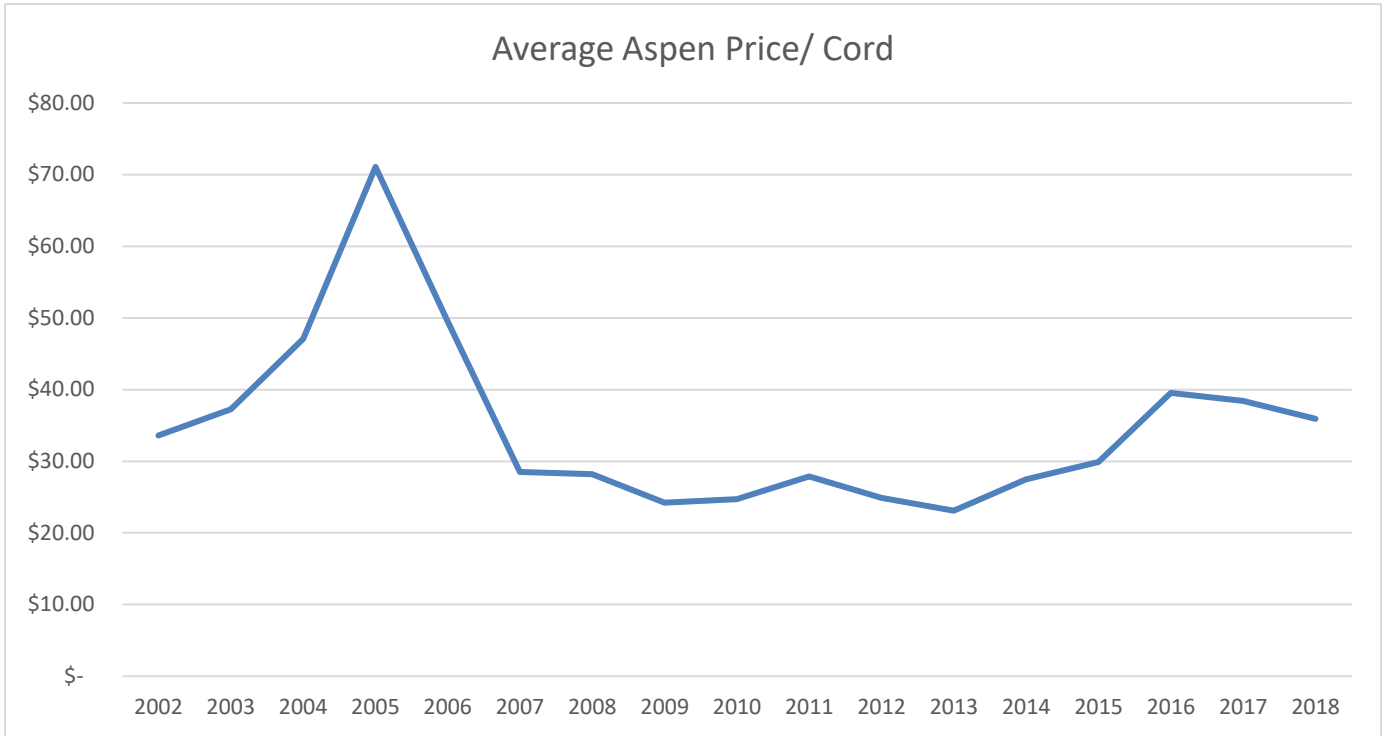
**** Grand total of timber sold will not match Timber Sale Revenues due to 2-year sales.**

The Land Department contacted 72 private landowners in 2018 regarding timber management adjacent to their property.

Timber Types Sold by Acres

Between 1/1/2018 and 12/31/2018			
<i>Timber Type</i>	<i>Acres</i>	<i>Timber Type</i>	<i>Acres</i>
ASH	77.5	WHITE SPRUCE	5.2
LOWLAND HARDWOOD	5.1	WHITE CEDAR	0
ASPEN	1898.8	BALSAM FIR	62
PAPER BIRCH	118	BLACK SPRUCE	20.2
BALSAM POPLAR	14.9	TAMARACK	19
NORTHERN HARDWOOD	280.5	UPLAND GRASS	2.1
OAK	269.7	LOWLAND BRUSH	6.5
WHITE PINE	18	MARSH	2
RED PINE	268.5	NOT LISTED	16.5
JACK PINE	121.9	<i>Total Acres for All Timber Types:</i>	3206.4

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.

2018 Conservation Trust Fund Account 73	
Interest Earned in 2001-2017	\$2,217,820.90
Interest Earned in 2018	\$94,971.45
Total Interest Earned	\$2,312,792.35
Less Expenditures from 2003-2017	\$1,769,090.13
Less Expenditures from 2018	\$0.00
Total Expenditures	\$1,769,090.13
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Total Revenues Reserved for Natural Resources	\$823,191.01
Permanent Trust Funds	\$4,124,700.00
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Fund 73 Total Cash	\$4,947,891.01

This fund was used for the City of Hackensack fishing pier.

Firewood Permit Sales

30 Firewood Permits with a total amount of \$1,635.28 were issued in 2018. Firewood permits are available over the counter on a first come first served basis. Permits are written up post-timber harvest for the public to purchase. Not all sales have firewood permits filed. If merchantable timber is left on the site after the logger has completed the sale, 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 2018 (31 miles). Mowing and brushing occurred on 52 miles of forest roads and hunter hiking trails. Additionally, 19 road access permits were issued during 2018. 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.

The 2017 legislative session resulted in an appropriation for county forest road maintenance in fiscal years 2018 and 2019. The distribution was made to the 14-member counties in the Minnesota Association of County Land Commissioners and is based on the commercial forested acres in each county. The July 2018 distribution to Cass County Land Department was in the amount of \$42,665. These dollars are being used for forest road maintenance activities like grading, culverts, gravel and brushing.

On July 11 2018, heavy rains caused approximately \$50,000 in damage to county managed forest roads and trails. The event was added to the state disaster declaration. Staff is working with FEMA on reimbursement which is expected in 2019.

Grants and Trails

Cass County received \$224,131 in state aid grants and spent \$242,422 on snowmobile, ATV, and cross-country ski trails in 2018. 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 works with four snow mobile, two ATV, and one cross-country ski clubs in 2018. State aid and local club involvement is needed annually to sustain the County trail system. The state grant in aid trail systems are funded by vehicle registrations, trail pass fees and non-highway gas tax dollars from each of the motorized groups.

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 provides 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.

Cass County Trail Inventory 2018		
<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 Managed Lands

The Cass County Land Department manages 252,580 acres of tax forfeit lands and 4,361 acres of fee owned lands.

Forest Stewardship Council (FSC) Certification

In 2018, the Land Department completed a surveillance audit using NEPCon formerly known as Rainforest Alliance under the Forest Stewardship Council (FSC) 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 an independent third party that evaluates whether the Land Department’s forest practices and operations align with the FSC standard. The audit resulted in no major or minor non-conformances and no new observations. The Land Department retained its FSC certification of the county managed forest lands.

This certification continues to validate that the county’s forest lands are sustainably managed and will continue to provide multiple benefits for future generations, based on principles that promote sustainable forest management, including objective standards and measures to protect water quality, biodiversity wildlife habitat and species at risk.

Public Land Surveys

The Land Department completed 9 survey projects for 11.5 miles of property line certified and posted. The total cost was \$76,935 with an average cost of \$6,690 per 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 feet. with 'Welcome to Cass County Land' signs. The projects have provided an opportunity to set-up timber sales in areas where unknown property lines prevented forest management in the past. Through signing and monumentation, the parcels will provide better public access opportunities and define the property lines into the future.

Land Purchases

The Land Department was successful in obtaining Lessard-Sams Outdoor Heritage Council grants for \$442,000 in 2016 to purchase key tracts of forest habitat land. In 2018, 200 acres of land were acquired with LSOHC funds in Cass County with the consent of Townships. 160 acres were acquired in Birch Lake Township while 40 acres were acquired in Bull Moose. This grant was closed in 2018

The County has been asked to partner on two different Outdoor Heritage Fund grants. The grants have been approved by the Lessard Sams Outdoor Heritage Council and will need legislative approval in 2019.

The first project is an 80-acre acquisition on Ten Mile Lake in partnership with the Leech Lake Area Watershed Foundation. The second grant, from the Conservation Fund is a multi-county effort with Cass ,Morrison and Crow Wing Counties along with Camp Ripley.

These types of project align with the Cass County Forest Resources Management Plan by consolidating the land base, providing increased wildlife habitat protection and public access for recreational opportunities like hunting, fishing and the taking of game. More importantly, by permanently protecting these forest lands into the future, then good quality water will continue to benefit the community and the people who live here.

Land Sales

The Land Department hosted one public tax-forfeited land auction in 2018. In addition, unsold parcels from previous land sales were available for over-the-counter purchase on a first come, first served basis. A total of 30 parcels were sold in 2018 for \$511,723 of revenue. The lands 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 317 acres in 2018. The Department plans on holding a Land Sale Auction during the summer of 2019 with new parcels available for purchase. Parcels continue to be available over-the-counter year-around.

Reforestation

The Land Department planted 114,000 trees on 140 acres in the spring of 2018. In the fall, 255 acres were bud capped to help prevent deer browse. In addition, 122 acres were site prepped for planting in the spring of 2019.

Easements

1. Transfer right of way easement #90-4-140-28-11 granted to Merwin W. Chambers to under the agreement dated September 4, 1990 to Robert Bruckbauer and Stacey Ann Bruckbauer
2. Ingress egress easement to Mark N. Ewoldt and Lynn A. Wells to access adjoining private lands in Section 13 of Wabedo Township
3. An easement to Janice Kollar for the use and maintenance of an individual septic system on County Administered Land to Kollar. The easement is located in Government Lot 8, Section 10, Township 139 North, Range 30 West. The easement fee is \$109.00 per year. The easement expires with the life of the septic system.