

AREA II

MINNESOTA RIVER BASIN PROJECTS

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DATE: March 7, 2023
 TO: Senate Environment, Climate and Legacy Committee
 FROM: Kerry Netzke, Executive Director
 RE: Appropriation and Local Match History to Area II Minnesota River Basin
Senate File 542 / House File 793

Prior to my testimony on March 9, 2023, I would like to provide background information regarding State appropriations to Area II Minnesota River Basin Projects (Area II).

Area II was formed in 1978 by statute as a nine-county joint powers organization in southwestern Minnesota for the purpose of floodwater retention and retardation. The organization received \$250,000 per year from the State of Minnesota until the mid-1980's when a 25% reduction occurred due to economic conditions. The reduced level of \$189,000 was maintained until 2002, and since then, the annual appropriation has varied ever since. As the table below illustrates, the dedication of the nine member counties has not waived once by continuing to provide more than the required 25% match to the State funds.

Fiscal Year	State (General) Funds	Local Match Funds	Additional Local Funds
2023	\$140,000.00	\$92,000.00	\$0.00
2022	\$140,000.00	\$92,000.00	\$55,000.00
2021	\$140,000.00	\$87,000.00	\$9,621.00
2020	\$140,000.00	\$87,000.00	\$17,305.05
2019	\$140,000.00	\$87,000.00	\$73,094.43
2018	\$140,000.00	\$87,000.00	\$168,999.73
2017	\$140,000.00	\$87,000.00	\$119,533.39
2016	\$140,000.00	\$87,000.00	\$219,240.13
2015	\$140,000.00	\$87,000.00	\$21,670.46
2014	\$120,000.00	\$87,000.00	\$70,602.17
2013	\$120,000.00	\$87,000.00	\$95,080.16
2012	\$120,000.00	\$85,157.00	\$108,830.79
2011	\$120,000.00	\$85,157.00	\$39,956.96
2010	\$130,000.00	\$85,157.00	\$208,985.87
2009	\$140,000.00	\$85,157.00	\$48,380.40
2008	\$140,000.00	\$83,487.00	\$135,831.84
2007	\$105,000.00	\$83,487.00	\$64,064.54
2006	\$105,000.00	\$81,850.00	\$41,352.42
2005	\$105,000.00	\$81,850.00	\$20,069.85
2004	\$105,000.00	\$81,850.00	\$23,086.69
2003	\$140,000.00	\$81,850.00	\$11,466.54
TOTALS	\$2,710,000.00	\$1,802,002.00	\$1,552,172.42
			\$3,354,174.42

Required 3:1 Match to \$2,710,000 is \$903,333.33; actual match provided is **\$3,354,174.42**.

Brown County, New Ulm, MN
 Lincoln County, Ivanhoe, MN
 Pipestone County, Pipestone, MN

Cottonwood County, Windom, MN
 Lyon County, Marshall, MN
 Redwood County, Redwood Falls, MN

Lac qui Parle County, Madison, MN
 Murray County, Slayton, MN
 Yellow Medicine County, Granite Falls, MN

With floodwater storage being widely recognized as a key component in the solution to Minnesota's water quality problems, Area II is recognized as a regional leader in this effort due to its decades of experience and success stories. The wide array of floodwater retention projects are impressive, but not as impressive as the collaboration that takes place among the organization, its member counties and SWCDs, and the state/county/local road authorities who seek the engineering and financial assistance from Area II to achieve their water retention and storage goals.

I look forward to speaking with the committee to elaborate on why continued funding of Area II is crucial to maintain the momentum for creating water storage in Minnesota.