

## Attachment 1

### An Example of the LWG process for Mythical SWCD

Mythical LWG confirms that the priority resource concerns for its county are, in order of priority: soil erosion, water quality, and invasive species. They determine they want to give the highest scores to all applications that address soil erosion with particular emphasis on no till/ridge till and terrace systems.

Of those applications addressing water quality, they want animal waste practices to get priority over other practices.

Finally, they want to encourage applications that address invasive species control.

Just like in previous EQIP years, applications may be submitted to address other resource concerns. These will still be scored and ranked, and depending on the funding available, may be selected for funding.

Mythical LWG sets up the following as local issues:

1. The application includes terrace, residue management – no till, or residue management - ridge till. 100 points
2. The application addresses soil erosion and reduces erosion to T. 50 points
3. The application addresses soil erosion of gully or ephemeral erosion. 40 points
4. The application address water quality issues associated with livestock feeding operations. 30 points
5. The application addresses any other water quality issue. 20 points.
6. The application addresses invasive species control. 10 points.

These questions would be available to all applications, regardless of the funding pool selected. So an application for 512, 382, and 528 would be placed in the Pasture/hayland funding pool and could score local points for questions #2 and #5. An application for a farmstead windbreak would be under the general funding pool and might not score any local points even though all these questions would be available for it.

At the end of the scoring period, Mythical County ends up with:

- 8 - cropland funding pool applications ranging from 850 points to 440 points and needing \$150,000 total.
- 2 - livestock concern applications of 480 points and 400 points needing \$145,000 and 55,000, respectively.
- 2 - HU applications of 500 points and 320 points needing \$45,000 and 20,000, respectively.
- 1 - pasture/hayland application of 500 points needing \$75,000.

Of total funding available to Mythical County of \$300,000, 60% (\$180,000) is allocated to “livestock”, 10% (\$30,000) to HU, and 30 % (\$90,000) to cropland.

Depending on the definition of “livestock” one might end up with the top 3-4 cropland applications and the 1 pasture application being accepted, and all other applications being deferred until funding is re-allocated. In this case the county’s water quality priority would be second fiddle to the state allocation formula – “livestock” trumping the local water quality priority.

Or one might fund the 3-4 cropland applications and 1 livestock concern application and be more in line with the Mythical LWG. In either case funds would be returned and no HUs would be funded in the initial allocation for the Mythical location.

The state office is considering ways to help insure the highest priority applications are funded with the initial allocations. In the long run, with fund re-allocation, one might still end up both meeting state funding goals for livestock and HUs, and accommodate the Mythical LWG priorities. And we may not know until we try it. But, unless we attempt to make fund allocations match LWG priorities, there certainly appears to be potential for many unfunded apps and yet significant fund balances after the first ranking.