



LOWER MINNESOTA RIVER WATERSHED DISTRICT

Executive Summary for Action

Lower Minnesota River Watershed District Board of Managers Meeting

Wednesday, July 17, 2024

Agenda Item

Item 8. A. 2025 LMRWD Budget

Prepared By

Linda Loomis, Administrator

Summary

A draft of the proposed 2025 LMRWD budget is attached along with supporting documentation. A preliminary levy must be submitted to the counties by September 30, 2024. The Board should review the proposed budget. The proposed budget can be discussed at both the August and September Board of Manager meetings. Once the Board is satisfied with the proposed budget, resolutions will be drafted for adoption by the Board. A public hearing must be noticed and held before preliminary certification of the levy.

A copy of Table 4-1 of the Implementation Program from the LMRWD Watershed Management Plan is attached. 2025 budget items are highlighted. The line for administration expenses is shown in the plan as \$250,000. In 2023 the MN Legislature increased the amount watershed districts can levy for administration from the previous maximum of \$250,000 to 0.096 percent of estimated market value, or \$500,000, whichever is less. In the LMRWD \$500,000 is less than 0.096 percent of the estimated market value of the LMRWD. The proposed General Fund levy for 2025 is \$428,450.00.

The amount included in the budget for Education and Outreach was doubled. It is not clear the direction the Board want to go with education, so the budget was increased to give the Board flexibility.

The line item for project and permit reviews has been increased. When the LMRWD Watershed Management was updated and rules were formulated, the LMRWD had no experience reviewing projects and issuing permits. Estimated amounts were used in the implementation table. Experience has shown that the amount estimated is too low for a few reasons. The LMRWD anticipated that all municipalities would be granted LGU permits; not all the municipalities have received those permits, so the LMRWD reviews projects in those municipalities. The LMRWD does not charge permit review fees to state agencies, particularly MN Department of Transportation and Counties. There have been a significant number of projects within the LMRWD that are projects of other governmental units. The LMRWD does not expect this trend to decrease, so the budgeted amount for project and permit reviews was increased to \$100,000.

Lastly, \$5,000 was included for local plan reviews. While none of the municipalities are scheduled to update plans, there are always amended plans that must be reviewed and approved (by MN Statute) by the LMRWD. So a nominal amount was added to the 2025 budget for local surface water management plan reviews.

An explanation of certain line items will be shared with the Board once it is finalized.

Attachments

Draft proposed 2025 LMRWD budget – total organization
Draft proposed 2025 LMRWD Administrative budget – general fund
Draft proposed 2025 Levy Allocation
Table 4.1: Lower Minnesota River Watershed District – Implementation Program Budget for 2023-2027
Preliminary Certificate of Apportioned Levy

Recommended Action

No action recommended – for review only

2025 LMRWD Budget for Administration Operations
2023 Adopted Budget/2023 Actuals/2024 Adopted/ 2024 YTD/2024 Projected/2025 Proposed

Account	Adopted 2023	2023 Actuals	2024 Adopted	2024 Actual YTD (Through 6/30/24)	Projected 2024	Proposed 2025
Revenues:						
General Property Tax						
1 Carver County	\$ 42,871.43	\$ 46,558.34	\$ 76,691.08	\$ 437.77	\$ 76,691.08	\$ 112,273.20
2 Dakota County	\$ 72,959.65	\$ 76,518.99	\$ 112,757.70	\$ 1,559.33	\$ 112,757.70	\$ 171,268.20
3 Hennepin County	\$ 318,293.13	\$ 286,572.54	\$ 473,452.15	\$ 6,311.06	\$ 473,452.15	\$ 697,615.20
4 Scott County	\$ 290,875.80	\$ 332,061.92	\$ 512,099.08	\$ 263,729.67	\$ 512,099.08	\$ 818,843.40
Total Levy:	\$ 725,000.01	\$ 741,711.79	\$ 1,175,000.01	\$ 272,037.83	\$ 1,175,000.01	\$ 1,800,000.00
5 Interest Income	\$ -	\$ 61,326.62	\$ -	\$ 23,869.18	\$ -	\$ -
6 MCES WOMP Grant	\$ 5,000.00	\$ 4,500.00	\$ 5,000.00	\$ 5,500.00	\$ 5,500.00	\$ 4,500.00
7 State of MN Grant for Dredge Material Management	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$ -	\$ 240,000.00	\$ 240,000.00
8 Metro-Area Watershed Based funding grants	\$ -	\$ 91,021.00	\$ -	\$ 96,866.00	\$ 96,866.00	\$ -
9 License Revenue from placement of dredge	\$ 25,000.00	\$ 20,513.00	\$ 25,000.00	\$ 11,979.00	\$ 25,000.00	\$ 25,000.00
10 Revenues from sale of dredge material	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 109,778.00	\$ -	\$ 5,000.00
11 Permit Fees	\$ -	\$ 7,400.00	\$ -	\$ 1,500.00	\$ 5,000.00	\$ -
12 Miscellaneous Income	\$ -	\$ 11,279.44	\$ -	\$ -	\$ -	\$ -
Total Revenues:	\$1,000,000.01	\$ 1,177,751.85	\$1,450,000.01	\$521,530.01	\$ 1,547,366.01	\$ 2,074,500.00
Expenses:						
13 Administration (from Administrative Budget Page)	\$ 250,000.00	\$ 297,304.50	\$ 377,838.00	\$ 146,032.64	\$ 377,838.00	\$ 428,450.00
Cooperative Projects						
14 Eden Prairie Bank Stabilization -Area #3	\$ -	\$ 154,736.24	\$ 100,000.00	\$ 78,282.08	\$ 100,000.00	\$ 100,000.00
15 Gully Erosion Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16 Seminary Fen Ravine C-2	\$ 20,000.00	\$ -	\$ 90,000.00	\$ -	\$ 90,000.00	\$ 80,000.00
17 Eagle Creek Bank Restoration Town & Country RV Park Study	\$ -	\$ -	\$ 30,000.00	\$ -	\$ 30,000.00	\$ 69,800.00
18 Shakopee River bank Stabilization Project	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 50,000.00
509 Plan Budget						
Resource Plan Implementation						
19 Watershed Resource Restoration Fund	\$ 100,000.00	\$ -	\$ 82,500.00	\$ -	\$ 82,500.00	\$ 100,000.00
20 Fen Private Land Acquisition Study	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 25,000.00
21 Gully Inventory	\$ 90,500.00	\$ 81,264.54	\$ 150,000.00	\$ 16,329.00	\$ 150,000.00	\$ 150,000.00
22 Minnesota River Corridor Management Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23 Gun Clun Fen Intrusion Investigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24 Assumption Creek Hydrology Restoration Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 Groundwater Screening Tool Model	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26 Minnesota River Floodplain Model Feasibility Study	\$ 75,000.00	\$ 9,547.85	\$ -	\$ 3,073.00	\$ -	\$ -
27 Schroeder's Acres Park/Savage Fen Stormwater Management P	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28 Downtown Shakopee Stormwater BMPs	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -
29 PLOC Realignment/Wetland Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30 Spring Creek Project	\$ 90,000.00	\$ 54,396.52	\$ 100,000.00	\$ 656.25	\$ 100,000.00	\$ 100,000.00
31 West Chaska Creek Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32 Sustainable Lakes Management Plan (Trout Lakes)	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 50,000.00
33 Geomorphic Assessments (Trout Streams)	\$ -	\$ -	\$ 100,000.00	\$ 13,658.00	\$ 100,000.00	\$ -
34 Fen Stewardship Program	\$ 75,000.00	\$ 51,540.00	\$ 75,000.00	\$ 33,757.47	\$ 75,000.00	\$ 75,000.00
35 District Boundary Modification Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36 East Chaska Creek Bank Stabilization Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37 Minnesota River Sediment Reduction Strategy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38 Local Water Management Plan reviews	\$ 5,000.00	\$ 31.25	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00
39 Project Reviews	\$ 50,000.00	\$ 108,379.50	\$ 50,000.00	\$ 47,735.85	\$ 50,000.00	\$ 100,000.00
40 Monitoring	\$ 75,000.00	\$ 48,750.94	\$ 75,000.00	\$ 6,020.75	\$ 75,000.00	\$ 75,000.00
41 Watershed Management Plan						
42 Legal expense related to rule enforcement & implementation	\$ -	\$ -	\$ -	\$ 1,869.00	\$ 1,869.00	\$ -
43 Technical expense related to plan & rule development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44 Municipal Coordination	\$ -	\$ -	\$ -	\$ 3,041.25	\$ 3,041.25	\$ -
45 Rule Enforcement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46 Public Education/Citizen Advisory Committee/Outreach Program	\$ 85,000.00	\$ 78,753.95	\$ 115,000.00	\$ 25,121.89	\$ 115,000.00	\$ 150,000.00
47 Cost Share Program	\$ 20,000.00	\$ 20,586.50	\$ 20,000.00	\$ 940.00	\$ 20,000.00	\$ 20,000.00
Nine Foot Channel						
48 Dredge site operations	\$ 240,000.00	\$ 305,473.35	\$ 240,000.00	\$ 17,920.98	\$ 240,000.00	\$ 240,000.00
49 Dredge Site Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bonded Debt Levy						
50 Area #3 Bonds	\$ -	\$ -	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 300,000.00
51 Total Non-administrative Expenses:	\$ 975,500.00	\$ 913,460.64	\$ 1,432,500.00	\$ 248,405.52	\$ 1,437,410.25	\$ 1,689,800.00
52 Total Administrative Expenses (from line 13)	\$ 250,000.00	\$ 297,304.50	\$ 377,838.00	\$ 146,032.64	\$ 377,838.00	\$ 428,450.00
53 Total Expenses	\$ 1,225,500.00	\$ 1,210,765.14	\$ 1,810,338.00	\$ 394,438.16	\$ 1,815,248.25	\$ 2,118,250.00
54 Revenue less Expenses	\$ (225,499.99)	\$ (33,013.29)	\$ (360,337.99)	\$ 127,091.85	\$ (267,882.24)	\$ (43,750.00)
55 Beginning Fund Balance - January 1		\$ 1,953,659.65		\$ 1,376,420.36		\$ 1,503,512.21
56 Total Revenue		\$ 1,177,751.85		\$ 521,530.01		\$ 2,074,500.00
57 Total Expenses		\$ 1,210,765.14		\$ 394,438.16		\$ (2,118,250.00)
58 Ending Fund Balance - December 31 (bold figures are projected)		\$ 1,953,659.65		\$ 1,376,420.36		\$ 1,459,762.21

2024 proposed LMRWD Budget for Administration Operations
2023 Adopted Budget/2023 Actuals/2024 Adopted/ 2024 YTD/2024SProjected/2024 Proposed

Account	Adopted 2023	2023 Actual (unaudited)	Adopted 2024	YTD 2024 (Through 6/30/24)	Projected 2024	Adopted 2025
Expenses:						
59 Wages-General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
60 Severance Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61 Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62 PERA Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
63 Payroll Tax (FICA/Medicare)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
64 Unemployment compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
65 Manager Per Diem	\$ 11,250.00	\$ 4,500.00	\$ 15,000.00	\$ 375.00	\$ 15,000.00	\$ 15,000.00
66 Manager Expense (mileage/food/registrations)	\$ 3,000.00	\$ 549.20	\$ 4,500.00	\$ 75.43	\$ 4,500.00	\$ 4,500.00
67 Telecommunications-Cell-Internet/Phone	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00
68 Office Supplies	\$ 300.00	\$ 181.68	\$ 300.00	\$ 186.35	\$ 300.00	\$ 300.00
69 Meeting Supplies/Expense	\$ 100.00	\$ 94.25	\$ 100.00	\$ -	\$ 100.00	\$ 300.00
70 Rent	\$ 7,800.00	\$ 6,500.00	\$ 7,800.00	\$ 3,250.00	\$ 7,800.00	\$ 7,800.00
71 Dues	\$ 7,500.00	\$ 1,300.00	\$ -	\$ -	\$ -	\$ -
72 Miscellaneous-General	\$ 3,000.00	\$ 2,086.00	\$ 3,000.00	\$ 694.50	\$ 3,000.00	\$ 3,000.00
73 Training & Education	\$ 1,500.00	\$ 330.00	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
74 Insurance & Bonds	\$ 11,000.00	\$ 10,318.00	\$ 12,000.00	\$ 180.00	\$ 12,000.00	\$ 12,000.00
75 Postage	\$ 375.00	\$ 21.63	\$ 300.00	\$ -	\$ 300.00	\$ 300.00
76 Photocopying	\$ 875.00	\$ 171.34	\$ 750.00	\$ -	\$ 750.00	\$ 500.00
77 Legal Notices-General	\$ 1,500.00	\$ 800.40	\$ 2,000.00	\$ 67.50	\$ 2,000.00	\$ 2,000.00
78 Subscriptions & License Fees	\$ 250.00	\$ 580.99	\$ 400.00	\$ 162.00	\$ 400.00	\$ 500.00
79 Mileage	\$ 5,000.00	\$ 2,433.80	\$ 5,000.00	\$ 599.12	\$ 5,000.00	\$ 4,000.00
80 Taxable meal reimbursement	\$ 500.00	\$ 59.99	\$ 500.00	\$ 7.03	\$ 500.00	\$ 500.00
81 Lodging/ Staff Travel	\$ 1,500.00	\$ -	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00
82 Accounting/Financial Services	\$ 5,580.00	\$ 26,436.71	\$ 25,438.00	\$ 12,220.43	\$ 25,438.00	\$ 30,000.00
83 Audit Fees	\$ 15,000.00	\$ 3,279.81	\$ 30,000.00	\$ 3,000.00	\$ 30,000.00	\$ 30,000.00
84 Professional Services-General	\$ 104,970.00	\$ 98,718.75	\$ 153,000.00	\$ 57,000.00	\$ 153,000.00	\$ 175,000.00
85 Legal Fees-General	\$ 10,000.00	\$ 21,634.00	\$ 15,000.00	\$ 4,999.00	\$ 15,000.00	\$ 15,000.00
86 Engineering-General	\$ 35,000.00	\$ 100,290.05	\$ 75,000.00	\$ 55,062.37	\$ 75,000.00	\$ 100,000.00
87 Equipment-Maintenance	\$ 500.00	\$ 3,405.34	\$ 500.00	\$ -	\$ 500.00	\$ 500.00
88 Equipment-Lease	\$ 2,500.00	\$ 1,739.12	\$ 2,500.00	\$ 1,327.23	\$ 2,500.00	\$ 2,500.00
89 Lobbying	\$ 20,000.00	\$ 11,873.44	\$ 20,000.00	\$ 6,666.68	\$ 20,000.00	\$ 20,000.00
90 Bank fees and charges	\$ -	\$ 5,080.01	\$ 750.00	\$ 160.00	\$ 750.00	\$ 750.00
91 Total Expense for Administration:	\$ 250,000.00	\$ 297,304.50	\$ 377,838.00	\$ 146,032.64	\$ 377,838.00	\$ 428,450.00

Proposed Levy 2025

General Fund	428,450.00
Planning and Implementation Fund	1,071,550.00
Debt Service on Bond repayment	<u>300,000.00</u>
Apportioned Payable 2025 Levy	1,800,000.00

<u>County</u>	<u>Net Tax Capacity % Distribution</u>	<u>Apportioned Payable 2025 Levy</u>
Carver	6.2374%	112,273.20
Dakota	9.5149%	171,268.20
Hennepin	38.7564%	697,615.20
Scott	45.4913%	818,843.40
Watershed Total	100.0000%	1,800,000.00

Table 4-1: Lower Minnesota River Watershed District - Implementation Program Budget for 2023 - 2027

ACTION	Year				
	2023	2024	2025	2026	2027
EXPENDITURE					
Administrative and Managerial					
General Administrative Services, Conferences, Coordination with LGUs, Stakeholders and other Project Partners, LGU Program Reviews, 9-Foot Channel, and Advisory Committees (Technical and Citizen)	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Administrative/Managerial Budget Total	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Studies and Programs					
Cost Share Incentive and Water Quality Restoration Program	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Dredge Management	\$240,000	\$240,000	\$240,000	\$126,000	\$240,000
Eagle Creek Bank Restoration at Town & Country RV Park Feasibility Study		\$30,000			
Education and Outreach Program	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Fen Private Land Acquisition Study		\$50,000	\$25,000		
Fen Stewardship and Management Program	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Gully Inventory and Assessment Program	\$90,500	\$150,000	\$150,000	\$150,000	\$150,000
Trout Streams Geomorphic Assessments		\$100,000			\$100,000
Monitoring Program and Detailed Data Assessments	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Project and Permit Reviews	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Implementation of the Sustainable Lake Management Plans		\$50,000	\$50,000		\$50,000
Seminary Fen Ravines Site C-2 Feasibility Study	\$20,000	\$40,000			
Spring Creek Site 3 Design Feasibility Study	\$50,000				
Watershed Management Plan				\$50,000	\$100,000
Water Resources Restoration Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Studies and Programs Budget Total	\$795,500	\$1,055,000	\$860,000	\$721,000	\$1,035,000
Capital Improvements					
Minnesota River Study Area 3 – Bluff Stabilization Project		\$100,000	\$100,000		
Seminary Fen Restoration Site B		\$50,000	\$25,000		
Seminary Fen Ravines Site C-2 and C-3 Design and Construction			\$55,000	\$50,000	\$65,000
Dredge Site Culvert Replacement				\$51,500	
Eagle Creek Bank Restoration at Town & Country RV Park Project			\$69,800	\$90,200	
Eagle Creek Brown Trout Habitat Improvements Project					\$70,000
Minnesota River Floodplain Modeling	\$75,000				
Shakopee Riverbank Stabilization Project		\$50,000	\$50,000		
Spring Creek Sites 1 and 2 Design and Construction Stabilization Project	47,100	\$100,000	\$100,000	\$70,000	
Spring Creek Vegetation Management Project	\$40,000				
Stormwater BMP at Parking Lot near Lewis Street West and Second Avenue West Project	\$50,000	\$50,000			
Vernon Avenue Upgrade at the Dredge Site				\$62,500	
Capital Improvements Budget Total	\$212,100	\$350,000	\$399,800	\$324,200	\$135,000
TOTAL EXPENDITURES	\$1,257,600	\$1,655,000	\$1,509,800	\$1,295,200	\$1,420,000
General Levy	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Planning and Implementation Levy	\$525,000	\$625,000	\$650,000	\$675,000	\$700,000
Metropolitan Council Grant	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Dredge Material Management Grant	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
Grants	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Closed or Unrealized Projects	\$137,100	\$434,500	\$264,300	\$24,700	\$124,500
TOTAL REVENUE	\$1,257,600	\$1,655,000	\$1,509,800	\$1,295,200	\$1,420,000

