

LMRWD Projected Fund Balance

	Projected 2016	Proposed 2017
Beginning Fund Balance - January 1	\$ 915,818.00	\$ 801,918.06
Total Revenue	\$ 657,309.00	\$ 760,500.00
Total Expenses	\$ 771,208.94	\$ 889,400.00
Ending Fund Balance - December 31	\$ 801,918.06	\$ 673,018.06
Fund Balance Assigned to projects		
Grant received from BWSR for Seminary Fen	\$ 109,860.00	\$ -
Grant received from MCES for WOMP	\$ 4,500.00	\$ 5,500.00
Seminary Fen ravine stabilization	\$ 134,706.00	\$ -
Watershed Management Plan	\$ 70,021.00	\$ 50,000.00
Gully Stabilization	\$ 21,651.00	\$ 40,000.00
Savage Fen ravine stabilization	\$ 5,000.00	\$ 5,000.00
Bluff Creek Cooperative project	\$ 50,000.00	\$ -
Riley Creek bank stabilization project		\$ 100,000.00
Eden Prairie Bank Stabilization		\$ 75,000.00
Fen Assessment/Analysis		\$ 75,000.00
Total Fund Balance Assigned to Projects	\$ (395,738.00)	\$ (350,500.00)
Reserve (6 months of budgeted expenditures)	\$ (447,500.00)	\$ (444,700.00)
	\$ (843,238.00)	\$ (795,200.00)
Estimated Unassigned Fund Balance	\$ (41,319.94)	\$ (122,181.94)

Final Levy 2017

General Fund	250,000.00
Planning and Implementation Fund	475,000.00
One time levy to balance channel fund	<u> </u>

Apportioned Payable 2017 Levy 725,000.00

<u>County</u>	Net Tax Capacity % Distribution	Apportioned Payable 2017 Levy
Carver	5.9529%	43,158.53
Dakota	10.9753%	79,570.93
Hennepin	44.8643%	325,266.18
Scott	38.2075%	277,004.38
Watershed Total	100.0000%	725,000.00

2016 Budget Summary			
	Revenue	Expenditure	Positive/(Negative) residual balance
Admin	72,500	21,025	51,475
Coop	170,500	170,500	-
509	407,000	416,400	(9,400)
9 Foot	83,000	80,000	3,000
	733,000	687,925	45,075

2017 proposed LMRWD Budget for Administration Operations

Account	Actual 2015	Adopted 2016	YTD 2016	Projected 2016	Proposed 2017
Revenues:					
General Property Tax		\$ 625,000.00	\$ 339,756.04	\$ 625,000.00	\$ 725,000.00
Interest Revenue		\$ -	\$ -	\$ -	\$ -
Grants		\$ 5,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
Revenue from private dredge placement		\$ -	\$ 2,794.00	\$ 26,041.00	\$ 25,000.00
Revenue from sale of dredge material		\$ -	\$ -	\$ 768.00	\$ 5,000.00
Total Revenues		\$ 630,500.00	\$ 348,050.04	\$ 978,550.04	\$ 760,500.00
Expenses:					
10 Wages-General	\$ 2,265.95	\$ -	\$ -	\$ -	\$ -
11 Severance Allowance					
12 Benefits	\$ 1,921.41	\$ -	\$ -	\$ -	\$ -
13 PERA Expense	\$ 1,210.70	\$ -			
14 Payroll Tax (FICA/Medicare)	\$ 2,695.58	\$ -	\$ -	\$ -	\$ -
15 Unemployment compensation		\$ -			
16 Manager Per Diem	\$ 6,375.00	\$ 9,000.00	\$ 1,950.00	\$ 9,000.00	\$ 9,000.00
17 Manager Expense (mileage/food/registrations)	\$ 2,462.00	\$ 3,500.00	\$ 519.33	\$ 3,500.00	\$ 3,500.00
18 Telecommunications-Cell-Internet/Phone	\$ -	\$ -	\$ -	\$ -	
19 Postage	\$ 82.00	\$ 500.00	\$ 13.72	\$ 500.00	\$ 500.00
20 Photocopying	\$ 1,390.00	\$ 500.00	\$ 652.20	\$ 600.00	\$ 1,000.00
21 Newsletter Expense(Web Articles)	\$ -	\$ 1,100.00		\$ -	\$ 1,000.00
22 Legal Notices-General	\$ 1,378.00	\$ 1,000.00	\$ 620.00	\$ 1,000.00	\$ 1,500.00
23 Dues	\$ 3,500.00	\$ 3,500.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
24 Publications	\$ -	\$ -	\$ -	\$ -	
25 Professional Services-General	\$ 110,196.00	\$ 130,000.00	\$ 63,585.00	\$ 97,858.75	\$ 131,900.00
26 Legal Fees-General	\$ 9,567.00	\$ 11,000.00	\$ 1,104.30	\$ 11,000.00	\$ 11,000.00
27 Accounting/Payroll Fees	\$ 4,391.00	\$ 4,700.00	\$ 3,478.87	\$ 4,578.00	\$ 4,700.00
28 Engineering-General	\$ 16,346.00	\$ 11,000.00	\$ 26,699.75	\$ 11,000.00	\$ 20,000.00
29 Audit Fees	\$ 12,550.00	\$ 13,000.00	\$ 13,212.00	\$ 13,212.00	\$ 13,500.00
30 Equipment-Maintenance	\$ (472.00)		\$ 266.27		\$ 500.00
31 Taxable meal reimbursement	\$ 278.00	\$ 500.00	\$ 212.19	\$ 300.00	\$ 500.00
32 Mileage	\$ 5,642.00	\$ 4,000.00	\$ 2,894.24	\$ 5,000.00	\$ 6,000.00
33 Training & Education	\$ 1,180.00	\$ 1,500.00	\$ 447.92	\$ 1,500.00	\$ 1,500.00
34 Lodging/ Staff Travel	\$ 715.00	\$ 1,500.00	\$ -	\$ -	\$ 1,500.00
35 Rent	\$ 8,668.00	\$ 7,800.00	\$ 7,150.00	\$ 7,800.00	\$ 8,000.00
36 Web Expense-Design & Hosting (Moved to E & O)	\$ 3,765.00	\$ 18,650.00	\$ 2,720.00	\$ 3,600.00	
37 Equipment-Lease	\$ 2,770.00	\$ 3,000.00	\$ 2,308.30	\$ 2,769.96	\$ 3,000.00
38 Insurance & Bonds	\$ 8,816.00	\$ 9,000.00	\$ 7,879.00	\$ 8,833.00	\$ 9,000.00
39 Bank Charges		\$ -		\$ -	\$ -
40 Cleaning Service	\$ -	\$ -	\$ -	\$ -	\$ -
41 Meeting Supplies/Expense	\$ -	\$ 100.00	\$ 28.00	\$ -	\$ 100.00
42 Office Supplies	\$ 339.00	\$ 150.00	\$ 294.89	\$ 250.00	\$ 300.00
43 Equipment-General	\$ -			\$ -	
44 Miscellaneous-General	\$ 2,557.00		\$ 1,724.50	\$ 2,600.00	\$ 3,000.00
45 Lobbying	\$ 14,200.00	\$ 15,000.00	\$ 10,300.00	\$ 15,000.00	\$ 15,000.00
Total Expense for Administration:	\$ 224,788.64	\$ 250,000.00	\$ 152,060.48	\$ 203,901.71	\$ 250,000.00

Non-Administrative Levy
2016 Adopted Budget - 2016 Actuals/Projected - 2017 Proposed

Account	2016 Adopted	YTD 2016	Projected 2016	Proposed 2017
Revenues:				
5 General Property Tax				
6 Carver County	\$ 37,520.63	\$36,915.38	\$ 37,520.63	\$ 43,158.53
7 Dakota County	\$ 76,003.75	\$38,837.54	\$ 76,003.75	\$ 79,570.91
8 Hennepin County	\$ 269,638.75	\$134,416.05	\$ 269,638.75	\$ 325,266.18
9 Scott County	\$ 241,836.87	\$129,587.07	\$ 241,836.87	\$ 277,004.38
10 Total Levy:	\$ 625,000.00	\$339,756.04	\$ 625,000.00	\$ 725,000.00
11 Interest Revenue				
12 Met Council Grant-(WOMP Station Monitoring)	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
13 Revenue for use of Vernon Avenue dredge for dewatering private material	\$ -	\$ 2,794.00	\$ 26,041.00	\$ 25,000.00
14 Revenues from sale of dredge material	\$ -	\$ -	\$ 768.00	\$ 5,000.00
16 Total Revenues:	\$ 630,500.00	\$348,050.04	\$ 657,309.00	\$ 760,500.00
Expenses:				
17 Cooperative Projects				
18 Eden Prairie Bank Stabilization -#3			\$ 1,810.00	\$ 75,000.00
19 Eagle Creek				\$ 12,000.00
20 Gully Erosion Contingency	\$ 40,000.00			\$ 40,000.00
21 USGS	\$ 10,000.00	\$ 13,641.00	\$ 18,188.00	\$ 18,500.00
22 Ravine Stabilization at Seminary Fen in Chaska			\$ 100,000.00	
23 Bluff Creek Cooperative Project with RPBCWD			\$ 50,000.00	
509 Plan Budget				
24 Resource Plan Implementation				
25 Fen assessment, analysis and management				\$ 75,000.00
26 Dean Lake Feasibility Study/Restoration				
27 Data Assessments and Program Reviews	\$ 20,000.00		\$ 21,000.00	
28 Dakota County groundwater modeling				\$ 35,000.00
29 East Chaska Creek	\$ 200,000.00			\$ -
30 Dred Scott Storm Water Reuse Feasibility Study	\$ -		\$ -	\$ -
31 Bloomington non-degradation volume reduction project	\$ 125,000.00		\$ -	\$ -
32 Riley Creek Cooperative Project with RPBCWD	\$ 45,000.00	\$ 22,362.00	\$ 62,900.00	\$ 100,000.00
33 Local Water Management Plan reviews	\$ 20,000.00			\$ 16,800.00
34 Project Reviews		\$ 200.00		\$ 20,000.00
35 Monitoring	\$ 50,000.00		\$ 78,600.00	\$ 65,000.00
36 Monitoring Data Analysis	\$ -		\$ 5,000.00	
37 Technical Assistance	\$ -		\$ 19,350.00	
38 Watershed Management Plan				
39 Next Generation Watershed Management Plan				\$ -
40 Plan Clarification and proposed rules	\$ 25,000.00	\$ 24,990.00	\$ 25,000.00	\$ -
41 Plan Amendment	\$ 10,000.00	\$ 2,754.00	\$ 2,754.00	\$ 50,000.00
42 Vegetation Management Standard/Plan	\$ 15,000.00			
43 Public Education/Citizen Advisory Committee/Outreach Program	\$ 65,000.00	\$ 4,860.00	\$ 31,333.00	\$ 32,100.00
44 Cost Share Program	\$ 20,000.00			\$ 20,000.00
45 Savage Fen/Dakota Avenue Ravine Stabilization Project			\$ -	
46 Nine Foot Channel		\$ 16,767.07		\$ 80,000.00
91 Total Non-administrative Expenses:	\$ 645,000.00	\$ 103,347.82	\$ 563,406.00	\$ 639,400.00
92 Administration	\$ 250,000.00	\$ 107,821.48	\$ 207,802.94	\$ 250,000.00
93 Total 2017 Expenses	\$ 895,000.00	\$ 211,169.30	\$ 771,208.94	\$ 889,400.00
95 Revenue less Expenses	\$ 630,500.00	\$348,050.04	\$ 657,309.00	\$ 760,500.00

2017 Budget Narrative

Administrative Budget Line Items

All items under this heading are spread across the other Departments of the District according to the following percentages: Administration: 29%; Cooperative Projects: 10%; 509 Plan: 41%; and Nine Foot Channel: 20%.

Line 16 - Manager Per Diem: Assumes 5 Managers at \$75 per meeting. Assumes 12 regular Board meeting per month, and allows for one additional meeting per month.

Line 17 - Manager Expense (mileage/food/registrations): This amount was increased in 2016 to account for new managers that would likely attend training sessions, such as MAWD Annual Conference.

Line 18 - Telecommunication - Cell phone/Internet: There has been no charge to the District for this expense. Currently there are no plans to change.

Line 21 - Newsletter Expense (web articles): This item has been moved to Public Education under the 509/Watershed Management Plan.

Line 22 - Legal Notices: This line item reflects the cost to the District of publishing legal notices for the budget hearings, as required by state law. Legal notices for Watershed Management Plan changes and capital projects can be charged to public education under the Watershed Management Plan.

Line 23 - Dues: Minnesota Association of Watershed Districts (MAWD) annual dues are charged to this line.

Line 25 - Professional Services-General: This line item is where Administrative Services appear. Services provided by Norm Senjem are charged to this line item.

Line 26 - Legal Fees: This line is for general legal fees that cannot be assigned to a particular projects and include charges for attendance at Manager meetings.

Line 27 - Accounting/Payroll Fees: This line is for accounting/bookkeeping services provided to the District by Carver County.

Line 28 - Engineering-General: This line represents general engineering services provided to the District for attendance at Board meetings, preparing materials for the Board meeting and consulting with the District Administrator.

Line 29 Audit Fees: This line shows the cost to the LMRWD for the annual financial audit required by state law.

Line 30 - Equipment - Maintenance: This line represents the fee charged to the LMRWD for maintenance of the leased copier.

Line 31 - Taxable Meal Reimbursement: This line represents charges to the LMRWD for meals in the course of the business of the District, such and monthly meetings of the Upper Mississippi Waterway

2017 Budget Narrative

Association (UMWA), all day sessions at the MPCA or meetings of the MAWD Association of District Administrators.

Line 32 - Mileage: This line represents mileage (not Manager's) incurred in operation of the District.

Line 33 - Training & Education: This line represents costs incurred by the District for the Administrators to attend educational conferences.

Line 34 - Lodging/Staff Travel: - This line item represents costs incurred by the LMRWD for staff travel. Example would be lodging to attend MAWD conferences.

Line 35 - Rent: This line is for the rent charged to the LMRWD for the office space in Chaska. The office space is on a month to month rental basis and is \$650 per month. This assumes a small increase.

Line 36 - Web Expense: - Design & Hosting: This item has been moved to Education and Outreach under the Watershed Management Plan.

Line 37 - Equipment Lease: This line represents the cost of the copier lease. This lease will expire in 2018.

Line 38 - Insurance & Bonds: This line represents the cost of insurance to the District. The LMRWD currently carries Error & Omissions Insurance, Directors and Officers Insurance, and general Liability Insurance. The Board of Managers opted to drop automobile coverage from the insurance policy.

Line 39 - Bank Charges: The LMRWD funds are pooled with funds from Carver County, so the District will not incur any bank charges.

Line 40 - Cleaning Service: The LMRWD does not use a cleaning service for the office.

Line 41 - Meeting Supplies/Expenses: - This line is for meeting expenses that do not fall under another category, like the cost of name plates for Managers.

Line 42 - Office Supplies: This line represents office supplies like paper, file folders, labels, etc.

Line 43 - Equipment: - General: This line is not used

Line 44 - Miscellaneous - General: - This line item has been used for the cost of meeting minute preparation.

Line 45 - Lobbying: This line represents the cost to retain a lobbyist to work at the State Legislature. This item was previously listed under Nine Foot Channel expenses, but the Managers decided lobbying expenses should be spread across all the departments.

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Other Department

Department 701 - Cooperative Projects

Items listed under this department are projects where the LMRWD is not leading the projects, but only participating financially with cities and other watershed districts.

Line 18 - Eden Prairie Bank Stabilization Area #3: The amount for this line is based on the discussion the Board held with Leslie Stovring of the city of Eden Prairie. It is estimated that \$75,000 would be the cost to update the study and begin the process to find additional funding for the project.

Line 19 - Eagle Creek: Mark Nemeth of DNR Fisheries inquired about the LMRWD's interest in a project to repair active erosion of the Eagle Creek stream bank in Savage, where 128th Street crosses the creek. Mr. Nemeth said MN Trout Unlimited is interested in participation also. I have not received anymore detail from Mr. Nemeth.

Line 20 - Gully Erosion Contingency: This line item comes from the LMRWD Watershed Management Plan. Amounts levied for this line will be accrued every year and is available to cities to help with the cost to repair/stabilize gullies and ravines that were identified through the District's gully inventory prepared by the MN Conservation Corps.

Line 21 - USGS: This amount represents contractual agreements the LMRWD has with the USGS.

Department 702 - 509 Plan Budget

Items under this Department are costs incurred to update, clarify, amend and implement the Watershed Management Plan of the District.

Line 25 - Fen assessment, analysis and management: Larissa Mottl, DNR, indicated she would like certain information about Seminary Fen. The LMRWD suggested that perhaps an analysis of information already available be assembled and evaluated to see what information data may be missing. The District hopes to discuss this with the DNR to see if they will fund the gap analysis.

Line 28 - Dakota County Groundwater modeling: This line item represents the next phase of the data assessment project for the fens in Dakota County. Staff will discuss the possibility of DNR funding for this project. If funding is available from the DNR it will enable the LMRWD to move ahead with more of the proposal. \$35,900 is the estimated cost of the next phase of the Burns & McDonnell proposal to develop a groundwater model.

Line 32 - Riley Creek Cooperative Project with RPBCWD: The LMRWD has reviewed the feasibility report for this project. Managers suggested funding the reaches of Riley Creek within the Riley/Purgatory/Bluff Creek Watershed District (RPBCWD). Managers also requested LMRWD staff to get further detail from Hennepin County to see if work done in the reconstruction of Flying Cloud Drive could reduce the cost of the project on the reach of Riley Creek within the LMRWD. RPBCWD ordered

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Other Department

the project at its December 7th meeting. RPBCWD expects this project to be funded over the course of 3 years. The LMRWD budget includes \$100,000 for Riley Creek in 2017.

Line 33 - Local Water Management Plan reviews: This line represents costs to the LMRWD to review local water management plans (LWMPs). The LMRWD anticipates most cities within the LMRWD will update their LWMPs, because of the changes made to MN Rule 8410. LWMP plans must be reviewed and approved by the Watershed District.

Line 34 - Project Reviews: This line represents the cost the LMRWD anticipates it will incur to review projects within the District. A review has been developed and will be distributed to the cities to take effect in early 2017.

Line 35 - Monitoring: This line item represents all the cost incurred by the LMRWD to monitor water resource within the District. Monitoring is currently being performed by the Scott County SWCD, Carver County WMO and the Dakota County SWCD. This line also includes the cost of providing technical assistance to residents under and agreement with Carver and Scott Counties. Staff is assessing the need for additional monitoring of resource as part of the Major Plan amendment.

Line 41 - Plan Amendment: The Managers decided that rather than prepare a complete update of the LMRWD Watershed Management Plan, the District should prepare a Major Plan Amendment. The amount of this line is the anticipated cost to prepare the Major Plan Amendment.

Line 43 - Public Education/Citizens Advisory Committee/Outreach Program: This line item includes the following costs:

• Master Water Steward	\$2500
• Minnesota River Congress	\$300
• Freshwater Society Ice Out/Loon In	\$800
• Metro Children's Water Festival	\$1500
• Scott County Outdoor Education Days	\$1500
• LMRWD website maintenance & updates	\$8,000
• Minnesota River Tour	\$7,500
• Friends of the MN River Valley	<u>\$10,000</u>
TOTAL	\$32,100

The Friends of the MN River Valley has requested the LMRWD participate in a River Watch Program that would work with high school aged students to collect samples for monitoring the MN River. Additionally LMRWD staff has spoken to the Friends and the Isaac Walton League to develop an education program for the LMRWD.

Since the preliminary budget was put together, the city of Shakopee inquired about the LMRWD participating in a tree sales program for the city. Staff would recommend participating in the Shakopee program in 2017 and then evaluating the program to see if it would be worthwhile for the District to research if other cities have similar programs and offer to participate in their programs.

2017 Budget Narrative

Other Department

Line 44 - Cost Share Program: This line represents funding to support efforts in the communities within the LMRWD to help improve water quality and educate the public. The LMRWD had one application in 2016 and hopes to have another project in 2017. The district is working to promote this program to the public by working with the cities.

Department 703 - Nine Foot Channel

All costs incurred by the District for maintaining the Nine Foot Channel are assigned to this fund.

Line 46 - Nine Foot Channel: This amount in this line will be used to pay for the determination of benefits the channel provides to businesses located along the channel and others.