



West Mississippi Watershed Management Commission

2019 Annual Activity Report

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This report was prepared for the
West Mississippi Watershed Management Commission
by JASS

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We gratefully acknowledge the assistance of
Diane Spector

ANNUAL ACTIVITY REPORT

This annual report has been prepared by the West Mississippi Watershed Management Commission in accordance with the annual reporting requirements of Minnesota Rules Chapter 8410.0150, Subps. 2 and 3. It summarizes the activities undertaken during calendar year 2019.

THE COMMISSION

The West Mississippi Watershed Management Commission is governed by a five-member board comprised of representatives from each member city who are appointed for terms of three years. The five member cities are Brooklyn Center, Brooklyn Park, Champlin, Maple Grove, and Osseo. Commissioners who served in 2019 are shown in *Appendix 1*. Also shown there are the members of the Technical Advisory Committee (TAC) from each city.

CONSULTANTS

The Commission has no employees. The names of the consultants currently retained by the Commission are also listed in *Appendix 1*.

MEETINGS

The Commission meets monthly at 12:45 p.m. on the second Thursday at the Clubhouse at Edinburgh, USA, 8700 Edinbrook Crossing, Brooklyn Park. The meetings are open to the public. Meeting notices, agendas and approved minutes are posted on the Commission's website, www.shinglecreek.org.

WATERSHED MANAGEMENT PLAN

In 2013 the Shingle Creek and West Mississippi Watershed Management Commissions adopted their joint 2013-2022 Third Generation Watershed Management Plan. The Plan, approved by the Board of Water and Soil Resources (BWSR) on March 27, 2013, is the culmination of a nearly two-year planning effort by the two Commissions, the cities that are members of these Joint Powers Organizations, state agencies, and the public. The Plan sets forth goals and strategies that will guide water resources management activities in the two watersheds over the coming decade. Over the years the Commission, either individually or together with the Shingle Creek Commission, has adopted a number of amendments to the Plan. They are described briefly in *Appendix 2*.

LOCAL PLANS

Revisions to Minnesota Rules 8410 adopted in 2015 included significant changes in the timing of local water plan revisions. Per 8410.0105 subp. 9 and 8410.0160 subp. 6:

- Local water plans must be prepared by metropolitan cities and towns (municipalities) and a local water plan must become part of the local comprehensive plan for a municipality.
- Under the amended rule, local water plans must be revised essentially once every ten years in alignment with the local comprehensive plan schedule.

- A municipality has two years before its local comprehensive plan is due to adopt its local water plan.
- Prior to adoption, a municipality must prepare their local water plan, distribute it for comment, and have it approved by the organization with jurisdiction in the municipality.
- The most recent local comprehensive plans were due December 31, 2018. As of that date, the local plans of all member cities had been reviewed and approved by the Commissions.
- Local water plans may be updated more frequently by a municipality at its discretion.

At a minimum, Local Plans are required to:

1. Update the existing and proposed physical environment and land use. Information from previous plans that has not changed may be referenced and summarized but does not have to be repeated. Local Plans may adopt relevant sections of the Commission's Watershed Management Plan (WMP) Section 2.0 Inventory and Condition Assessment by reference unless the member city has more recent information.
2. Update the existing and proposed hydrology and provide subwatershed, storm drainage system, and installed BMP figures and Shapefiles.
3. Explain how the goals and policies and rules and standards established in the WMP will be implemented at the local level.
4. Show how the member city will take action to achieve the load reductions and other actions identified in and agreed to in TMDL Implementation Plans, including identifying known upcoming projects, including street reconstruction projects, that will provide opportunities to include load and volume reduction BMPs.
5. Explain how the City will implement the City Review project review requirements of the revised Rules and Standards.
6. Update existing or potential water resource related problems and identify nonstructural, programmatic, and structural solutions, including those program elements detailed in MN Rules 8410.0100, Subp. 1-6.
7. Summarize the estimated cost of implementation.
8. Set forth an implementation program including a description of adoption or amendment of official controls and local policies necessary to implement the Rules and Standards; programs; policies; and a capital improvement plan.

STATUS OF 2019 WORK PLAN

The joint Third Generation Watershed Management Plan states that the Shingle Creek and West Mississippi Commissions will annually review progress toward their Third Generation goals, and that this evaluation will become part of the Annual Activity Report. There is no specific format for such a review.

The purpose of the annual review is twofold -- to determine progress towards the goals and to be

sure the Commissions stay on track to reach them. The annual review is also an opportunity to discuss whether the goals and actions in the Plan still make sense or if they should be considered for modification or enhancement, perhaps to add new priorities. Ideally, this annual review is also an opportunity to start thinking about the following year's work plan. Some highlights of the past year include:

- Completed effectiveness monitoring of biochar- and iron-enhanced sand filters on three ponds, two catch basins, and a filter box in the Shingle Creek/ West Mississippi watersheds. The catch basin filters and the filter box have been removed and monitoring is complete.
- Participate in the West Metro Water Alliance (WMWA) joint education and outreach group. The Commissions' Education and Public Outreach Committee (EPOC) is charged with developing and implementing an annual education and public outreach plan. Most of the EPOC business is done in conjunction with WMWA. *The Commission continues to participate in WMWA, with a primary activity being the 4th Grade education program called Watershed PREP. WMWA's 2019 Annual Report is found at <http://www.westmetrowateralliance.org/>. It describes in more detail all of the programs and activities of the alliance and is provided to the cities for the NPDES annual report..*
- Continually updated the WMWA website, registering 9,000 unique pageviews in the first 11 months of 2019. Posted to social media and achieved 156 Facebook followers.
- In the joint Shingle Creek/West Mississippi watershed about 587 fourth grade students in 23 classrooms participated in a Watershed PREP classroom lesson one (What is a watershed?) though November 2019, and 477 of those students in 19 classrooms learned lesson two (The incredible journey).
- The West Mississippi Commission completed ten reviews of development/ redevelopment projects acted as the WCA LGU for four wetland delineation/wetland type reviews; four no or incidental loss determinations; one exemption; and one mitigation plan (for the TH 169 and 101st Avenue N interchange). (*Appendix 3*)
- The Commissions continue to work cooperatively with the Metropolitan Council and Hennepin County on the Blue Line LRT Extension project, and with the Metropolitan Council on the C Line Bus Rapid Transit project.

For the most part the Commissions are on track to meet goals, with the following exceptions:

- Work has not yet begun on the "sustainable water budget" project. There have been some discussions with USGS staff about this, but a funding source for this project has not yet been identified. Will be completed in the 2020-2022 time frame.
- The Commissions have a goal to complete subwatershed assessments for at least 25% of that part of the watersheds that developed prior to Commission rules in 1984. West Mississippi is on track to complete this goal.
- The Commissions also have a goal of maintaining the functions and values of priority wetlands, but have not established a process by which that would be evaluated.

WATER MONITORING

The West Mississippi watershed is comprised of 25 square miles of 25% high impervious urban development and 38% low-moderate impervious urban development, with 18.3 miles of stream. There are still approximately 1,000 acres of agricultural land still in production within the city of Brooklyn Park in the western portion of the watershed. Most of the developed land in the watershed is single-family residential. Due to soil conditions within the watershed, there are no lakes and very few wetlands.

One of the defining characteristics of the West Mississippi watershed is its sandy, well-draining soils. Much of the watershed is located within the Anoka Sand Plain and, therefore, approximately 88% of the management unit contains type A, A/D, or B soils.

Surface water quality in the watershed is typical of urban lakes and streams in the Twin Cities metropolitan area. Agriculture followed by urban development have changed drainage patterns, increased pollutants to the waters, and reduced habitat for aquatic and terrestrial life. Diagnostic and feasibility studies completed between 2007 and 2011 have identified actions that can be taken in the watershed to help improve water quality.

Minnesota Administrative Rule 8410.0100 Subp.5 requires watershed management organizations to conduct monitoring programs “capable of producing accurate data to the extent necessary to determine whether the water quality and quantity goals of the organization are being achieved.”

The Shingle Creek and West Mississippi Watershed Management Commissions (WMCs) annually monitor water quality in the lakes, streams and outfalls of the watersheds. A joint Water Quality Report summarizing current and historic conditions in the watersheds has been published annually since 1998. The 2019 report is found on the Shingle Creek/West Mississippi website, www.shingle.creek.org.

Together the Commissions have established monitoring objectives to guide their monitoring programs:

- To quantify the current status of streams/outfalls and lakes throughout the watersheds in comparison to state water quality standards established for nutrients, turbidity, chloride, bacteria, and other parameters currently regulated by the State.
- To quantify changes over time, or trends, in stream and lake water quality in the Shingle Creek and West Mississippi watersheds.
- To quantify the effectiveness of implemented BMPs throughout the watersheds for the protection of water quality.

There are four major outfalls in the West Mississippi watershed: Oxbow, Environmental Preserve, Mattson Brook, and 65th Avenue outfalls.

- Located in Champlin, the Oxbow storm sewer outfall consists of a series of storm sewer pipes that drain approximately 1,167 acres of land in Champlin and Maple Grove.
- The Environmental Preserve is a small stream located in Brooklyn Park. This stream drains

approximately 2,160 acres upstream of Brooklyn Park's Environmental Preserve and outlets to a small wetland in the Coon Rapids Dam Regional Park.

- Mattson Brook is another small surface channel/stream that drains most of central Brooklyn Park (approximately 3,500 acres) and includes a tributary, Edinbrook/Century Channel.
- The 65th Avenue outfall is the outlet of the storm sewer trunk line that runs beneath 65th Avenue North in Brooklyn Center

Data has been collected from West Mississippi river outfalls since 2010, monitoring water quality and flow at two of the four outfall monitoring sites per year. Stream monitoring efforts consist of continuous flow measurements and water quality samples. Four main water quality parameters are sampled at each of the outfall monitoring stations – TSS, TP, bacteria (*E. coli*), and chloride. In 2019, stream monitoring occurred monthly from April through October in the Environmental Preserve (ENVP) and at Mattson Brook in Brooklyn Park.

In past years, high school volunteers coordinated by Hennepin County Environmental and Energy (HCEE) have performed macroinvertebrate monitoring at a site on Mattson Brook through the River Watch program. However, due to a lack of volunteers, no macro-invertebrate monitoring occurred in the West Mississippi watershed in 2019.

HCEE also coordinated wetland monitoring by adult volunteers through WHEP (Wetland Health Evaluation Program). In 2019, wetland monitoring was performed at two locations in the West Mississippi watershed – the Environmental Preserve and the Zane Sports Park, both in Brooklyn Park.

CONSULTANT SERVICES SELECTION

A solicitation of interest proposals for technical, legal and administrative services was published in January 14, 2019 edition of the *State Register*. Six responses were received – two each for technical and wetland consulting, and one each for legal and administrative support. At their February 14, 2019 meeting the Commissioners voted to retain the services of their current providers. They are listed in *Appendix 1*. This biennial process will be repeated in 2021.

FINANCIALS

The Commission's Joint Powers Agreement provides that each member city contributes toward the annual operating budget based 50% on the area located within the watershed boundary and 50% on the tax capacity of all property within the watershed. The 2019 cost allocations to the members are shown as part of the Operating Budget found in *Appendix 4*.

Of the \$200,600 operating budget approved by the Commission for 2019, income of \$20,000 was projected as proceeds from application fees and reimbursements and \$2,000 as interest income, resulting in assessments to the members totaling \$153,000. \$25,000 was taken from reserves for the Flood Mapping project. The funds were budgeted but the project was not initiated and the funding was reverted to Reserves.

The West Mississippi Watershed Management Commission maintains a checking account at US Bank for current expenses and rolls uncommitted monies to its account in the 4M Fund, the Minnesota Municipal Money Market Fund. Amounts paid by the Commission per the Commission's 2018 Audit Report are as follows:

General engineering	\$ 57,282
General administration	\$ 50,822
Education	\$ 21,221
Programs	\$ 25,064
Projects and Management Plans	<u>\$ 125,124</u>
Total	\$ 279,513

General engineering work includes review of local plans, review of development/ redevelopment projects, tracking grant opportunities, attendance at meetings and other technical services. General administration includes support to technical staff, attendance at meetings, insurance premiums, annual audit, legal counsel, and other non-engineering services.

An amendment of Minnesota Rules, Chapter 8410 became effective July 13, 2015. One of the revisions to the Rules extends the annual audit due date to 180 days after the end of the fiscal year; in the case of the West Mississippi Commission, to June 30, 2020. The 2018 Audit Report, prepared by Johnson & Company, Ltd., Certified Public Accountants, is included in this report.

The Commission follows Rule 54 of the Government Accounting Standard Board (GASB) to report Fund Balances. The fund balance classifications include:

- > *Nonspendable* – amounts that are not in a spendable form. The Commission does not have any items that fit this category.
- > *Restricted* – amounts constrained to specific purposes by their providers. One example would be ad valorem levy funds received from the County for capital improvement projects. The unused portion of these funds must be set aside in a restricted account for similar projects. Another example would be BWSR Legacy Grant proceeds where the funds are received prior to the onset of a project and where any unused portion must be returned to the grantor.
- > *Committed* – amounts constrained to specific purposes by the Commission itself. An example would be residual funds carried over from one year to the next for Studies, Project Identification and Subwatershed Assessments.
- > *Assigned* – amounts the Commission intends to use for specific purposes. Most line items in the Commission's Operating Budget fall under this category.
- > *Unassigned* – amounts that are available for any purpose. These amounts are reported only in the general fund.

Amounts paid by the Commission per the 2018 Audit are categorized as General Engineering, General Administration, Education, Programs, Projects, or Capital Projects.

PROJECTED 2020 WORK PLAN

At their January 9, 2020 meeting the West Mississippi Watershed Management Commission identified the following activities for inclusion in their 2020 Work Plan. Most are ongoing activities, although some rotate around the watershed.

1. Continue to stay abreast of regional TMDLs.

- Continue to identify, pursue grant funding for, and implement projects and programs addressing the bacterial impairment in the Mississippi River.
- Stay abreast of other regional and state TMDLs.
- Identify boundaries of the untreated areas directly connected to the Mississippi River or other conveyances.

2. Partner with other organizations to increase reach and cost effectiveness.

- Participate in the West Metro Water Alliance joint education and outreach group.
- Partner with the USGS, DNR, and other interested parties to stay abreast of groundwater issues.
- Partner with the MWMO to undertake monitoring at the 65th Avenue outfall.
- Partner with a member city to complete a subwatershed BMP analysis.

3. Continue ongoing administration and programming.

- Undertake routine flow and water quality at two outfalls into the Mississippi River.
 - Sponsor volunteer stream monitoring through RiverWatch and wetland monitoring through WHEP (Hennepin County).
 - Complete reviews of development and redevelopment projects as necessary.
 - Prepare an annual water quality report.
 - Solicit cost-share projects from member cities funded from the Cost Share Fund and the annual \$50,000 levy.
 - Review feasibility studies for 2020 proposed capital projects, undertake Plan Amendments, hold public hearings, order projects and certify levies.
 - Prepare a 2021 annual budget and begin scoping the Fourth Generation Plan, which will be completed in 2022.
 - Invite three guest speakers to make lunchtime water resources presentations.
 - Tour project sites in the watershed.
-

APPENDICES

2019 West Mississippi Commissioners and Technical Advisory Committee

Representing	Name	Address	Telephone	Email	Term Expires
Commissioners	Brooklyn Center	David Vlasin Vice Chair	5712 Colfax Avenue N Brooklyn Center, MN 55430	651.792.7972(w) 612.810.5885(c)	david.vlasin@rwmwd.org 2021
	Brooklyn Park	Steve Chesney	8172 Zenith Court North Brooklyn Park, MN 55443	763.561-2512	Steven.Chesney@outlook.com 2021
	Champlin	Gerry Butcher Chair	11467 Preserve Lane N Champlin, MN 55316	763.557.1451	JG_Butcher@yahoo.com 2022
	Maple Grove	Karen Jaeger Sec/Treas	8459 Rice Lake Road Maple Grove, MN 55369	763.420.3838	kjaeger@ci.maple-grove.mn.us 2022
	Osseo	Harold E. Johnson	12-Sixth Street NE Osseo, MN 55369	763.424.3707	HJohnson@ci.osseo.mn.us 2023
Technical Advisory Committee	Brooklyn Center	Andrew Hogg	City of Brooklyn Center 6301 Shingle Creek Pkwy Brooklyn Center, MN 55430	763.569.3327	ahogg@ci.brooklyn-center.mn.us
	Brooklyn Park	Mitchell Robinson	City of Brooklyn Park 5200 85th Avenue North Brooklyn Park, MN 55443	763.493.8291	Mitchell.Robinson@brooklynpark.org
	Champlin	Todd Tuominen	City of Champlin 11955 Champlin Drive Champlin, MN 55316	763.923.7120	ttuominen@ci.champlin.mn.us
	Maple Grove	Derek Asche	City of Maple Grove 12800 Arbor Lakes Pkwy Maple Grove, MN 55313	763.494.6354	dasche@maplegrovemn.gov
	Osseo	Nancy Abts	City of Osseo 415 Central Avenue Osseo MN 55369	763.425.1454	nabts@ci.osseo.mn.us

2019 West Mississippi Commission Staff

Name	Address	Telephone	Email
Technical			
Ed Matthiesen	Wenck Associates, Inc.	763.252.6851	ematthiesen@wenck.com
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Jeff Strom	Golden Valley, MN 55427	763 252.6833	jstrom@wenck.com
Katie L. Kemmitt		763.252.6879	kkemmitt@wenck.com
Legal			
Troy Gilchrist	Kennedy & Graven, 470 Pillsbury Center Minneapolis, MN 55402	612.337.9214	tgilchrist@kennedy-graven.com
Administrative			
Judie Anderson	JASS	763.553.1144	judie@jass.biz
Amy Juntunen	3235 Fernbrook Lane		amy@jass.biz
Beverly Love	Plymouth, MN 55447		beverly@jass.biz

2019 AMENDMENTS TO THE JOINT WATERSHED MANAGEMENT PLAN

In 2013 the Shingle Creek and West Mississippi Watershed Management Commissions adopted their joint *2013-2022 Third Generation Watershed Management Plan*. The Plan sets forth goals and strategies that will guide water resources management activities in the two watersheds over the coming decade. Over the years the Commission, either individually or together with the Shingle Creek Commission, has adopted a number of amendments to the Plan. They are described below:

In 2013 the Commissions adopted a minor amendment to the Plan which revised the Commissions' Rules and Standards to adopt the new National Oceanic and Atmospheric Administration (NOAA) Atlas 14 precipitation frequency standards, replacing the outdated Weather Bureau Technical Paper 40 (TP-40) standards.

In 2014 the Commissions adopted a second minor amendment to the Plan. It revises the estimated cost and provides more description and detail about one proposed Shingle Creek project in the Commissions' Capital Improvement Program (CIP).

In December 2014 the Commissions adopted a major amendment to the Plan which added five projects to the Commissions' CIP - three pond retrofits in the Shingle Creek watershed and Priority BMP Retrofits in both watersheds.

On May 14, 2015, the Commissions adopted a minor Plan amendment to 1) increase the annual levy for city cost-share projects from \$50,000 to \$100,000, 2) increase the (Shingle Creek) Commission cost share for lake internal load projects from 25% to 100%; and 3) specify that the potential 2015 lake internal load project (in the Shingle Creek watershed) would be the proposed Twin Lake Carp Tracking and Removal project.

On November 12, 2015, the Commissions amended their joint *Third Generation Watershed Management Plan* to adopt a revision to the plan amendment process to conform to 2015 revisions to MN Rules 8410. In part, the revisions will allow the Commission to modify the CIP with only minimal need for plan amendments.

On June 9, 2016, the Commissions adopted a minor amendment to the Plan which amended the Shingle Creek 2016 CIP to include: 1) an annual levy for city cost-share projects of \$200,000 with Commission cost-share of \$100,000; 2) Iron and Biochar-Enhanced Sand Filter Retrofits of \$210,000 with Commission cost-share at 100%; and 3) Partnership cost share (private projects) of \$100,00, with Commission cost-share of \$50,000; and further amended the West Mississippi 2016 CIP to include: 1) an annual levy for city cost-share projects of \$50,000 with Commission cost-share at 100%; and 2) Iron and Biochar-Enhanced Sand Filter Retrofits of \$80,000 with Commission cost-share at 100%.

On May 11, 2017, the Commissions adopted a seventh minor amendment to their joint Plan. In Shingle Creek a second phase to the Reaeration Project was added to the CIP at a project cost/Commission contribution of \$145,000; and specificity of description was added to the Shingle/Bass Creek project, now known as the Palmer Creek Estates Bass Creek Stream Restoration. Three other projects were moved to future years. In West Mississippi the 2017 CIP was revised to move three projects to future years.

AMENDMENTS TO THE JOINT WATERSHED MANAGEMENT PLAN, *cont'd.*

On May 10, 2018, the Commissions adopted a minor amendment to the Plan which amended the Shingle Creek CIP to substitute the Bass and Pomerleau Lakes Alum Treatment Project for the generic Lake Internal Load Project in 2018 and added the SRP Reduction Project to the CIP, also in 2018. Two other projects were moved to future years. No revisions were made to the West Mississippi CIP.

On May 9, 2019, the Commission adopted the first of four new amendments to the Plan. The first amendment revised the CIP to add specificity to a project and to revise certain cost-share policies.

The second, adopted August 8, 2019, revised the CIP to reschedule and add specificity to a project and to adopt a cost-share policy for capital improvements.

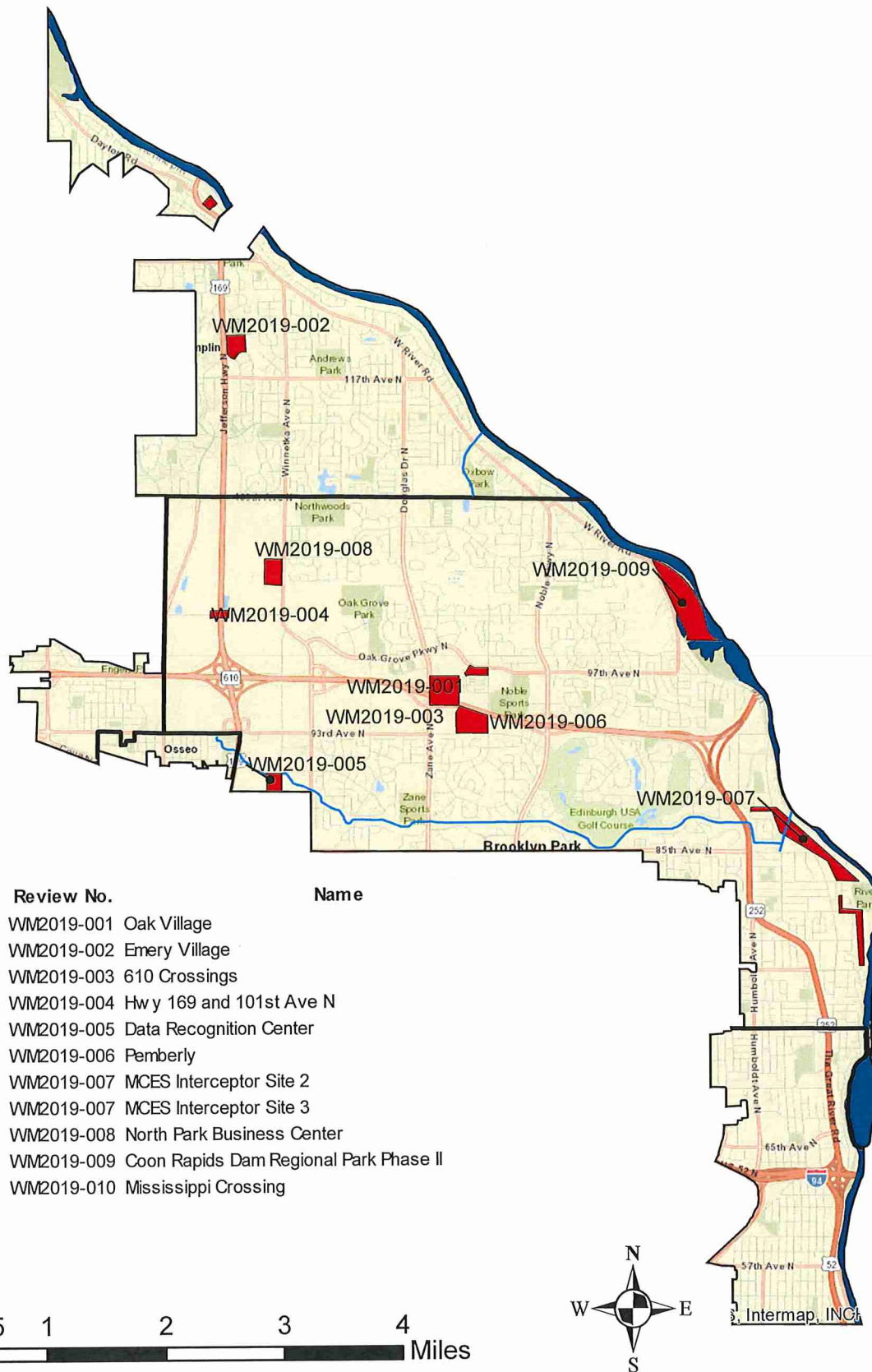
The third amendment, adopted September 12, 2019, ordered four improvements, designating the members responsible for construction and certifying them for ad valorem levy. One improvement, City Cost Share Best Management Practices (BMP) Projects (\$53,025.00), was located in the West Mississippi watershed.

On October 10, 2019, the Plan was amended to add one West Mississippi project— River Park Storm Approvements - to its 2020 CIP.

2019 Project Reviews							
Number	Project	Community	WCA LGU	Project Description	Impervious Area	Approved	Variance
2019-001	Oak Village	Brooklyn Park	Comm	Construction of 56 townhomes on 5.36 acres of undeveloped land	53% impervious with 2.85 acres of impervious surface, increase of 2.85 acres	14-Feb-19	no
2019-002	Emery Village Reserve 3rd Addition	Champlin	Comm	Construction of 52 multi-family units on 4.4 acres	62.6% impervious with 2.53 acres of impervious surface, increase of 2.53 acres	11-Apr-19	no
2019-003	610 Crossings 2nd Addition Regional Pond	Brooklyn Park	Comm	Construction of 960 LF of storm sewer, grading of regional pond, and lowering of existing culvert pipe in anticipation of development of 18.56-acre site with up to 80% impervious. The site currently has no impervious area.	Following development, site could have up to 14.85 acres of impervious area.	13-Jun-19	no
2019-004	TH169 and 101st Ave Interchange	Brooklyn Park	Comm	Construction of bridge across TH169; construction of entrance and exit ramps/loops; reconstruction of 101 st Ave from Jefferson Hwy to 2,000 ft east of TH 169, including land and shoulder widening on TH169 to accommodate proposed entrance and exit ramps and loops. The site is 39.9 acres.	32% impervious with 12.7 acres of impervious surface, an increase of 5.7 acres.	13-Jun-19	no
2019-005	Data Recognition Center Addition	Brooklyn Park	Comm	Demolition of existing parking lot and construction of building addition and parking on 10.7 acres	49.3% impervious with 5.3 acres of impervious surface, an increase of 1.5 acres.	11-Jul-19	no
2019-006	Pemberly	Brooklyn Park	Comm	Construction of residential townhomes on 14.9 acres	41% impervious with 14.2 acres of impervious surface, an increase of 14.1 acres.	8-Oct-18	no

2019 Project Reviews

Number	Project	Community	WCA LGU	Project Description	Impervious Area	Approved	Variance
2019-007	Brooklyn Park-Champlin Interceptor Renewal Phase II	Brooklyn Park, Champlin	Comm	Rehabilitation of existing sanitary sewer interceptor on 17,318 linear feet at two sites totaling 14.2 acres	Negligible increase in impervious. 7.0 acres of impervious, 49.2% impervious	12-Sep-19	no
2019-008	North Park Business Center Building 3	Brooklyn Park	Comm	Construction of 204,000 SF building with parking on 14.4 acres	73% impervious with 10.55 acres of impervious surface, increase of 10.45 acres	10-Oct-19	no
2019-009	Coon Rapids Dam Regional Park Phase II	Brooklyn Park	Comm	Redevelopment of park facilities on 6 acres of 160 acre park.	Disturbed area will be 43% impervious, 2.6 acres impervious surface, increase of 1.6 acres	10-Oct-19	no
2019-010	Graco	Champlin	Comm	Construction of apartment complex on 4.72 acres - 4.25 acre site	Following development, site will be 64% impervious with 2.73 acres of impervious surface, an increase of 2.6 acres.	14-Nov-19	no



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2019 Project Reviews



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Figure 1

FINANCIAL REPORTS

West Mississippi Watershed Management Commission 2019-2020 Operating Budget					2019 Budget	2020 Budget
REVENUE						
31001	Application Fees				20,000	18,000.00
	Blue Line Extension					500.00
30001	Assessments				153,600	153,600.00
32001	Interest & Dividend Income				2,000	5,000.00
	CIP Assessments					
	From Reserve - Special Monitoring					
	From Reserve - BMP Assessment					
	From Reserve - flood Mapping				25,000	
	From Reserve					
					200,600	177,100
	To (from) Grants					
	To (from) CIPs					
				Total	200,600	177,100
EXPENSES						
ADMINISTRATION						
53001	Administrative Services				31,000	31,000.00
53004	Engineering Support				4,500	4,500.00
53002	Project Reviews/WCA				1,500	1,500.00
	Blue Line Extension					
	Third Generation Plan/Amendments					
				Subtotal	37,000	37,000
ENGINEERING						
51001	Administration				30,000	31,000.00
51005	Grant Application Writing				1,500	1,000.00
53002	Project Reviews/WCA				27,000	27,600.00
	Blue Line Extension					500.00
	Third Generation Plan					
				Subtotal	58,500	60,100
LEGAL						
52001	Legal Services				5,000	5,000.00
				Subtotal	5,000	5,000
MISCELLANEOUS						
54002	Bookkeeping				2,800	3,000.00
54003	Audit				5,000	5,500.00
54099	Contingency					
54004	Insurance & Bonding				2,800	2,800.00
54001	Meeting Expense				2,500	2,700.00
				Subtotal	13,100	14,000
PROGRAMS						
	Monitoring Program				18,000	20,000.00
56001	Macroinvertebrate Monitoring				1,000	1,000.00
56006	Vol Wetland Monitoring				2,000	2,000.00
58002	Annual Water Quality Report				6,000	8,000.00
				Subtotal	27,000	31,000

West Mississippi Watershed Management Commission 2019-2020 Operating Budget				
			2019 Budget	2020 Budget
		Water Quality Education		
57008		WM Education Program	15,000	15,000
57010		WMWA Admin/Technical	5,000	5,000
57008		WMWA Implementation Activities	2,000	2,000
57013		WMWA Educator Program	4,500	4,500
57002		Rain Garden Workshops	2,000	2,000
57007		Education Grants	500	500
		Subtotal	29,000	29,000
		MANAGEMENT PLANS		
		Third Genera Management Plan/Amendments	1,000	1,000.00
		Intensive BMP Implementation		
		Subwatershed BMP Assessments		
		Subtotal	1,000	1,000
		Cost share Retrofit CIP		
		Mill Pond Stream Stabilization		
59001		Construction/Matching Grant Fund	5,000	
		Contribution to 4th Genera Mgmt Plan		
		To (From) Reserves		
		Subtotal	5,000	0
			175,600	177,100
		To Management Plans		
		To (from) Grants		
		To (from) CIPs		
		Flood modeling and mapping	25,000	
		To (from) Reserves		
		Total Operating Expense	200,600	177,100
		(From) to Reserves	-	-

**West Mississippi
2019 - 2020 Member Assessments**

2019 Community	Acreage	2018 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	7,564,860	10.46%	8,033	10.40%	7,991	10.43%	16,024
Brooklyn Park	9,880	43,288,903	62.26%	47,813	59.54%	45,726	60.90%	93,539
Champlin	3,620	17,450,312	22.81%	17,518	24.00%	18,433	23.41%	35,951
Maple Grove	530	3,185,119	3.34%	2,565	4.38%	3,364	3.86%	5,929
Osseo	180	1,217,352	1.13%	870	1.67%	1,286	1.40%	2,157
Totals	15,870	72,706,546	100.00%	76,800	100.00%	76,800	100.00%	153,600
2020 Community	Acreage	2019 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	8,058,439	10.46%	8,033	10.92%	8,386	10.69%	16,419
Brooklyn Park	9,880	42,590,111	62.26%	47,813	57.71%	44,321	59.98%	92,134
Champlin	3,620	19,143,084	22.81%	17,518	25.94%	19,921	24.37%	37,440
Maple Grove	530	2,686,113	3.34%	2,565	3.64%	2,795	3.49%	5,360
Osseo	180	1,322,328	1.13%	870	1.79%	1,376	1.46%	2,247
Totals	15,870	73,800,075	100.00%	76,800	100.00%	76,800	100.00%	153,600
				76,800		76,800		153,600

WEST MISSISSIPPI WATERSHED
MANAGEMENT COMMISSION

Financial Statements and
Supplemental Information
For the Year Ended
December 31, 2018

WEST MISSISSIPPI WATERSHED MANAGEMENT COMMISSION

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Dwaine C. Johnson (Retired)
Lisa M. Roden, CPA, MST
Brad R. Cohrs, CPA

INDEPENDENT AUDITORS' REPORT

Commissioners
West Mississippi Watershed Management Commission
Plymouth, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the West Mississippi Watershed Management Commission (the Commission), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Commission's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Commission as of December 31, 2018, the respective changes in the financial position thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (MD&A) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The Commission has not presented the MD&A that accounting principles generally accepted in the United States of America have determined necessary to supplement, although not required to be part of, the basic financial statements.

Prior Year Comparative Information

We have previously audited the Commission's financial statements for the year ended December 31, 2017 and, in our report dated June 14, 2018, we expressed an unqualified opinion on the financial statements of the governmental activities and major fund. The financial statements include prior year partial comparative information, which does not include all of the information required in a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Commission's financial statements for the year ended December 31, 2017, from which such information was derived.

Other Reporting

We have also issued our report dated June 13, 2019 on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance.

Johnson & Company Ltd.

June 13, 2019

BASIC FINANCIAL STATEMENTS

West Mississippi Watershed Management Commission

Statement of Net Position and
Governmental Fund Balance Sheet

As of December 31, 2018

(with Partial Comparative Actual Amounts as of December 31, 2017)

	Governmental Activities	
	2018	2017
Assets		
Cash and investments	\$ 479,512	\$ 477,140
Accounts receivable	544	664
Total assets	<u>\$ 480,056</u>	<u>\$ 477,804</u>
Liabilities and Fund Balances/Net Position		
Liabilities		
Accounts payable	\$ 16,223	\$ 7,917
Fund balances/net position		
Restricted fund balances/net position		
Restricted for capital improvement projects	54,206	121,308
Restricted for cost share projects	149,413	149,413
Restricted for cost share BMPs	49,560	-
Total restricted fund balance/net position	<u>253,179</u>	<u>270,721</u>
Assigned fund balances/net position		
Assigned for subwatershed assessments	40,000	30,000
Assigned for construction/grant match funds	84,320	79,320
Unrestricted/unassigned fund balances/net position	86,334	89,846
Total assigned and unrestricted fund balances/net position	<u>210,654</u>	<u>199,166</u>
Total fund balances/net position	<u>463,833</u>	<u>469,887</u>
Total liabilities and fund balances/net position	<u>\$ 480,056</u>	<u>\$ 477,804</u>

West Mississippi Watershed Management Commission

Statement of Activities and
Governmental Fund Revenues, Expenditures, and
Changes in Fund Balances/Net Position
Budget and Actual
Year Ended December 31, 2018

(with Partial Comparative Actual Amounts for the Year Ended December 31, 2017)

	Governmental Activities			2017
	2018			
	Original and Final Budget	(Audited)	Over (Under)	(Audited)
Revenue				
General				
Member assessments	\$ 150,000	\$ 150,000	\$ -	\$ 145,000
Property taxes (ad valorem)	-	104,146	104,146	130,929
Charges for services - project and wetland review fees	20,000	11,700	(8,300)	27,467
Interest income	500	7,613	7,113	3,075
Total revenue	170,500	273,459	102,959	306,471
Expenditures				
Current				
Administration	40,700	39,453	(1,247)	40,328
Education	30,500	21,221	(9,279)	24,633
Insurance	2,800	2,466	(334)	2,086
Professional fees	10,000	8,281	(1,719)	8,260
Technical support	64,500	57,282	(7,218)	64,233
Water monitoring	19,000	25,064	6,064	25,517
Watershed programs	5,000	-	(5,000)	-
Watershed plan	11,000	622	(10,378)	122
Capital outlay				
Improvement projects	-	125,124	125,124	86,374
Total expenditures	183,500	279,513	96,013	251,553
Net change in fund balances/net position	\$ (13,000)	(6,054)	\$ 6,946	54,918
Net fund balances/net position				
Beginning of year		469,887		414,969
End of year		\$ 463,833		\$ 469,887

West Mississippi Watershed Management Commission
Notes to Financial Statements
December 31, 2018

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Organization

The West Mississippi Watershed Management Commission is formed under a Joint Powers Agreement, as amended according to Minnesota Statutes Sections 103B.201 through 103B.255 and Minnesota Rules Chapter 8410 relating to Metropolitan Area Local Water Management and its reporting requirements. West Mississippi Watershed Management Commission was established in 1984 to protect and manage the natural resources of the West Mississippi Watershed.

The Commission is considered a governmental unit, but is not a component unit of any of its members. As a governmental unit, the Commission is exempt from federal and state income taxes.

Reporting Entity

A joint venture is a legal entity resulting from a contractual agreement that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain either an ongoing financial interest or an ongoing financial responsibility. The Commission is considered a joint venture.

As required by accounting principles generally accepted in the United States of America, these financial statements include the Commission (the primary government) and its component units. Component units are legally separate entities for which the primary government is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the voting majority of the potential component's unit board, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit. Based on these criteria, there are no component units required to be included in the Commission's financial statements.

Government-Wide and Fund Financial Statement Presentation

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information about the reporting government as a whole. These statements include all the financial activities of the Commission. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and grants or contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other internally directed revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Fund Financial Statement Presentation

The accounts of the Commission are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures. Resources are allocated to, and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The resources of the Commission are accounted for in one major fund:

- **General Fund (Governmental Fund Type)** - This fund is used to receive dues and miscellaneous items which may be disbursed for any and all purposes authorized by the bylaws of the Commission.

Typically, separate fund financial statements are provided for Governmental Funds. However, due to the simplicity of the Commission's operation, the Governmental Fund financial statements have been combined with the Government-Wide statements.

Budgets

The amounts shown in the financial statements as "budget" represent the budget amounts based on the modified accrual basis of accounting. A budget for the General Fund is adopted annually by the Commission. Appropriations lapse at year-end and encumbrance accounting is not used. Budgetary control is at the fund level.

Investments

Investments are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Members' Contributions

Members' contributions are calculated based on the member's share of the area and tax capacity of all real property within the watershed to the total area and tax capacity of all real property in the watershed.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The Commission follows the policy of expensing any supplies or small equipment at the time of purchase. The Commission currently has no capitalized assets.

Risk Management

The Commission is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; error and omissions; and natural disasters. The Commission participates in the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool for its general property, casualty, and other miscellaneous insurance coverages. LMCIT operates as a common risk management and insurance program for a large number of cities in Minnesota. The Commission pays an annual premium to LMCIT for insurance coverage. The LMCIT agreement provides that the trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in insurance coverage during the year ended December 31, 2018.

Receivables

The Commission utilizes an allowance for uncollectible accounts to value its receivables; however, it considers all of its receivables to be collectible as of December 31, 2018 and 2017.

Net Position

In the government-wide financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.

Restricted Net Position - Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

The Commission applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

Prior Period Comparative Financial Information/Reclassification

The basic financial statements include certain prior year partial comparative information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Commission's financial statements for the year ended December 31, 2017, from which the summarized information was derived. Also, certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

In accordance with applicable Minnesota Statutes, the Commission maintains a checking account authorized by the Commission.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk - In the case of deposits, this is the risk that in the event of a bank failure, the Commission's deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The Commission has no additional deposit policies addressing custodial credit risk.

At year-end, the Commission had no funds held in its bank account. All funds were transferred to their MBIA investment account. (see below)

Investments

The Commission held \$479,512 and \$477,140 (approximate cost and fair value) in investments with MBIA in Minnesota 4M Funds Holdings on December 31, 2018 and 2017, respectively.

The 4M fund is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. The 4M Fund is a customized cash management and investment program for Minnesota public funds that is allowable under Minnesota Statutes. The fair value of the position in the pool is the same as the value of the pool shares.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk - For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the Commission would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commission does not have a formal investment policy addressing this risk, but typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Credit Risk - This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the Commission's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. The Commission's investment policies do not further address credit risk.

Concentration Risk - This is the risk associated with investing a significant portion of the Commission's investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The Commission does not have an investment policy limiting the concentration of investments.

Interest Rate Risk - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The Commission does not have an investment policy limiting the duration of investments.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 3 - FUND BALANCE CLASSIFICATION

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable** - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- **Restricted** - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- **Committed** - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- **Assigned** - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- **Unassigned** - amounts that are available for any purpose; these amounts are reported only in the general fund.

The Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Commission through adoption or amendment of the budget as intended for specific purpose.

NOTE 4 - COMMITMENTS AND CONTRACTS

Restricted fund balance - capital improvement projects

During 2013, the Commission assessed \$125,000, but received \$123,053 from tax levies that is to be used by the City of Champlin for the Mill Pond Dam Stabilization project. As of December 31, 2018, the Commission had expended all of the tax levies and the project was substantially complete.

During 2018, the Commission assessed \$54,750, but received \$54,458 from tax levies that is to be used by the City of Champlin for the Mississippi Crossings Rain Garden project. The Commission will hold the funds until completion.

Restricted fund balance - cost share projects

At December 31, 2018 and 2017, the Commission retained unspent funds collected through tax levies that exceeded the project costs and administrative fees totaling \$149,413. The use of those funds is restricted for other cost share projects.

Restricted fund balance - cost share BMPs

At December 31, 2018, the Commission retained unspent funds collected through tax levies that exceeded the project costs and administrative fees totaling \$49,560. The use of those funds is restricted for other cost share BMP projects.

West Mississippi Watershed Management Commission
Notes to Financial Statements (continued)
December 31, 2018

NOTE 5 - MEMBERS' ASSESSMENTS

The five member cities support the Commission through annual member dues, which are based on the taxable market value of each member city. Annual member dues are assessed on a yearly basis.

Dues received from members were as follows:

	For the year ended December 31			
	2018		2017	
	Amount	Percentage	Amount	Percentage
Brooklyn Center	\$ 15,741	10.49 %	\$ 15,366	10.60 %
Brooklyn Park	91,372	60.91	88,187	60.82
Champlin	35,453	23.64	34,245	23.62
Maple Grove	5,300	3.53	5,302	3.66
Osseo	2,134	1.42	1,900	1.30
	<u>\$ 150,000</u>	<u>100.00 %</u>	<u>\$ 145,000</u>	<u>100.00 %</u>

OTHER REQUIRED REPORTS

Thomas J. Oplitz, CPA, CVA
Bridget K. McKelvey, CPA, MBT, CVA
Thomas D. Johnson, CPA
Thomas A. Barber, CPA

MEMBER
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Dwaine C. Johnson (Retired)
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Brad R. Cohrs, CPA

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

Board of Directors
West Mississippi Watershed Management Commission
Plymouth, MN

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the governmental activities and the major fund of the West Mississippi Watershed Management Commission (the Commission) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated June 13, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified. We did identify the following deficiencies in internal control that we consider to be significant deficiencies:

Because of the limited size of your office staff, your organization has limited segregation of duties. A good system of internal accounting control contemplates an adequate segregation of duties so that no one individual handles a transaction from inception to completion. While we recognize that your organization is not large enough to permit an adequate segregation of duties in all respects, it is important that you be aware of the condition.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.



Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

Johnson & Company, Ltd.

June 13, 2019

Thomas J. Opitz, CPA, CVA
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INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Directors
West Mississippi Watershed Management Commission
Plymouth, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities and major fund of the West Mississippi Watershed Management Commission (the Commission) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated June 13, 2019.

MINNESOTA LEGAL COMPLIANCE

The *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. 6.65, contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the applicable listed categories, except that we did not test for compliance in tax increment financing, because the Commission does not utilize tax increment financing.

In connection with our audit, nothing came to our attention that caused us to believe that the Commission failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Commission's noncompliance with the above referenced provisions.

PURPOSE OF THIS REPORT

This report is intended solely for the information and use of those charged with governance and management of the West Mississippi Watershed Management Commission and the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Johnson & Company, Ltd.

June 13, 2019

