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June 27, 2023

**CORRECTED**

City Clerks  
Member Cities  
West Mississippi Watershed Management Commission  
Hennepin County, Minnesota

via email

RE: West Mississippi Watershed Management Commission  
2024 Operating Budget and Member Assessments

At its May 11, 2023, meeting, the West Mississippi Watershed Management Commission adopted an operating budget for calendar year 2024. The budget is in the amount of \$193,000 and is outlined in Table 1 on the following pages.

The 2024 budget generally continues the same activities at the same level of effort as in 2023. Each line item is explained in the 2023 Budget Explanation (Table 2).

Table 3 shows the 2024 assessments to the member cities. The 2024 budget provides for an assessment of \$160,000, a 2.4% increase following several years of no or minimal change in the assessment.

Article VIII, Subdivision 4 of the Joint Powers Agreement (JPA) that established the Commission provides that a member city may object to the budget by giving written notice to the Commission before August 1, 2023. If any objections are received, the Commission will hear the objections at its August 10, 2023, meeting and may modify the budget.

The West Mississippi Watershed Management Commission requests approval of its 2024 Operating Budget. Your cooperation in continuing the important work of the Commission is greatly appreciated. Questions may be directed to this office or to your representative.

Sincerely,

Judie A. Anderson

Administrator

JAA:tim

Cc via email: City Managers  
Commissioners  
TAC Members  
Commission Staff

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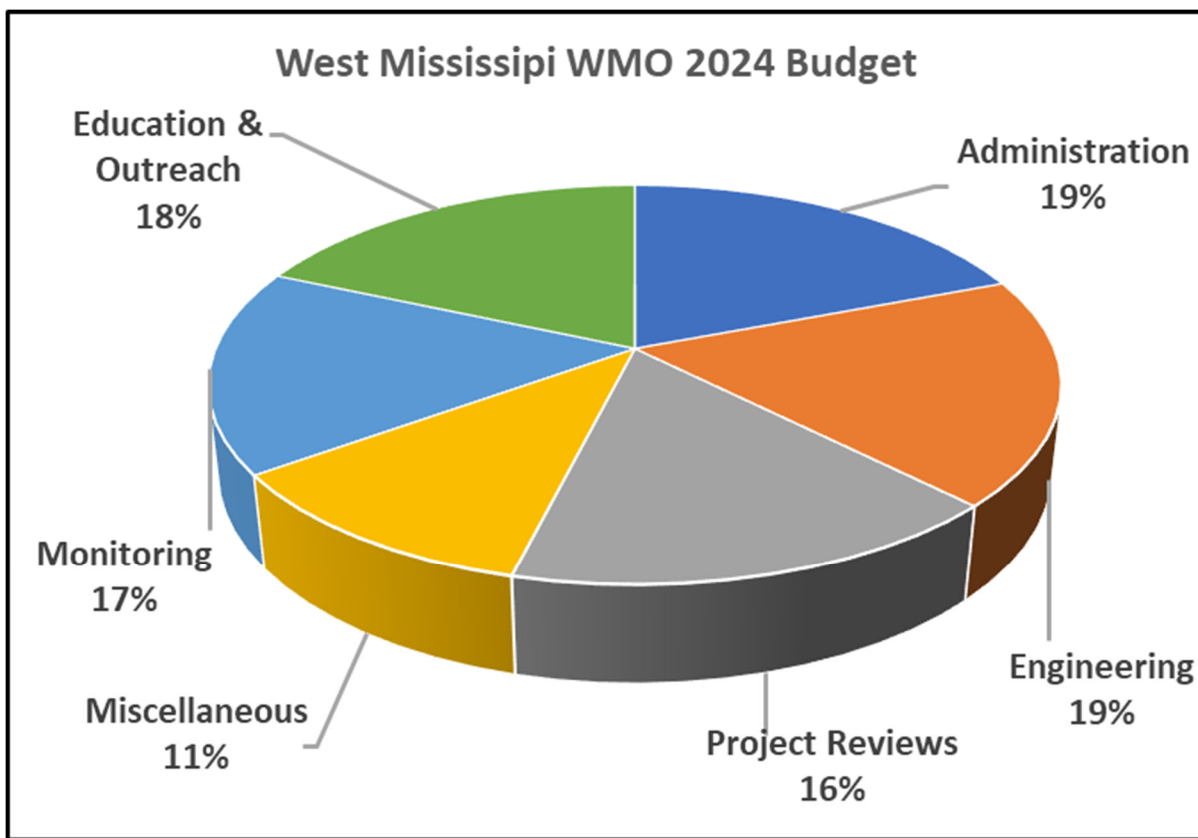
**Expenses**

With a few notable exceptions the proposed budget shown in Table 1 generally continues the same activities at the same level of effort as 2024. Some of the line items have been adjusted and reallocations made. Each line item is explained in the 2024 Budget Explanation below. Figure 1 shows the proposed 2024 expenditures by category. A few lines require more explanation:

*Meeting Expense (line 15).* The new meeting location at the Plymouth Community Center charges a monthly room rental, which together with the lunch cost are the primary meeting expenses. This cost is split between Shingle Creek at 70% and West Mississippi at 30%. The budget assumes that in 2024 the Commission will continue to meet in-person.

*Volunteer Stream and Wetland Monitoring (lines 16-17).* In the past one site on Mattson Brook site has been monitored for macroinvertebrates by high school students through the Hennepin County River Watch program. However, for the last few years County staff have been unable to recruit a group to participate. They are in the process of trying to recalibrate the program, and, until we know, we recommend the Commission not budget to participate in 2024. The volunteer wetland monitoring program was discontinued in 2022.

*Education Program (line 20).* The Fourth Generation Plan placed a renewed emphasis on education and outreach, especially in two areas: outreach to underserved communities and education regarding chloride management. The Commission increased its 2024 budget to take on these new activities.



**Figure 1. Proposed 2024 West Mississippi operating budget by program area.**

Note: "Miscellaneous" includes legal, bookkeeping, audit, insurance, and meeting expense.



**Table 1. Approved West Mississippi Watershed Management Commission 2024 operating budget.**

		2022 Budget	2023 Budget	Approved 2024
<b>INCOME</b>				
1	Application fees	\$18,000	\$20,000	\$20,000
2	Interest income	2,500	100	5000
3	Assessment	156,200	156,200	160,000
4	Reserve - general	5,000	0	8,000
	<b>TOTAL INCOME</b>	<b>\$181,700</b>	<b>\$176,300</b>	<b>\$193,000</b>
<b>EXPENSES</b>				
	<i>Administration:</i>			
5	Administrative services	\$32,000	\$32,000	\$32,000
6	TAC/engineering support	4,000	4,000	4,000
7	Project reviews/WCA	1,500	1,500	1,500
	<b>Subtotal</b>	<b>\$37,500</b>	<b>\$37,500</b>	<b>\$37,500</b>
	<i>Engineering:</i>			
8	Engineering services	\$33,500	\$32,300	\$35,000
9	Grant writing	500	0	500
10	Project reviews/WCA	30,000	25,000	30,000
	<b>Subtotal</b>	<b>\$64,000</b>	<b>\$57,300</b>	<b>\$65,500</b>
	<i>Legal:</i>			
11	Legal services	\$4,500	\$5,000	\$5,000
	<b>Subtotal</b>	<b>\$4,500</b>	<b>\$5,000</b>	<b>\$5,000</b>
	<i>Miscellaneous:</i>			
12	Accounting	\$3,300	\$3,400	\$4,000
13	Audit	5,000	6,500	6,500
14	Insurance & bonding	3,100	3,000	3,000
15	Meeting expense	2,700	3,000	3,000
	<b>Subtotal</b>	<b>\$14,100</b>	<b>\$15,900</b>	<b>\$16,500</b>
	<i>Monitoring:</i>			
16	Vol stream monitoring	\$0	\$0	\$0
17	Vol wetland monitoring	2,000	2,000	0
18	Outfall & stream monitoring	22,600	22,600	24,000
19	Annual monitoring report	8,000	7,500	8,000
	<b>Subtotal</b>	<b>\$32,600</b>	<b>\$32,100</b>	<b>\$32,000</b>
	<i>Education:</i>			
20	Education program	\$16,500	\$17,000	\$24,000
21	WMWA implementation activities	11,500	11,500	11,500
	<b>Subtotal</b>	<b>\$28,000</b>	<b>\$28,500</b>	<b>\$35,500</b>
	<i>Management Plans:</i>			
22	Plan amendments	\$1,000	\$0	\$1,000
23	Subwatershed BMP assessment	0	0	0
	<b>Subtotal</b>	<b>\$1,000</b>	<b>\$0</b>	<b>\$1,000</b>
24	Contribution to 5th Gen Plan	0	0	0
25	To reserves (pre-audit)	0	0	0
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$181,700</b>	<b>\$176,300</b>	<b>\$193,000</b>

To (from) reserves (lines 4 and 25). When setting the 2022 budget, to avoid increasing the city assessments the Commission planned to dip into the cash reserves by \$5,000 to balance budgeted costs and revenues. At the end of 2022, the Commission collected more revenue than expected, mainly in interest earned on its significant fund balance. It also spent less than budgeted, including less on administration than expected, and less for stream monitoring. Therefore, the Commission will not need to allocate any funds from the cash reserve to balance the 2022 budget.

The 2022 actual figures shown on Table 1 are pre-audit. Following completion of the audit, the excess balance, which is estimated at \$41,892, will accrue to the cash reserves.

**Table 2. Budget line item descriptions.**

*Income (see Table 1)*

Line	Explanation
1	The application fee structure is intended to recover the cost of completing current project reviews. While the fees do not fully fund that activity, they are set and periodically reviewed and adjusted to recover a majority of the cost. It is difficult to predict and budget for project review revenues and fees because it varies based on the economy.
2	The Commission earns interest on its fund balance, which is held in the secure 4M Fund managed by the League of Minnesota Cities. The amount of interest earned varies based on the interest rate and on the balance, which varies throughout the year as city assessments are received early in the year and then expended throughout the year, and as levy and grant funds are received and held until project work is complete and the participating cities request reimbursement.
3	Annual assessments to the member cities to pay the operating expenses of the Commission. Assessments are apportioned 50 percent based on land area within the watershed and 50 percent based on tax capacity of land within the watershed. Assessments did not increase 2022-2023. The 2024 assessment is proposed to increase 2.4%.
4	The Commission has in the past maintained a very healthy cash reserve. In previous years, those reserves were used to subsidize the assessments. As the reserves have been drawn down, the assessments are now funding most of the operating expenses. In 2022, the Commission budgeted \$5,000 from cash reserves to limit an assessment increase; in 2024 that amount is proposed as \$8,000.

*Expenditures (see Table 1)*

Line	Explanation
5-7	These line items are to provide administrative support (scheduling, minutes, etc.) for regular Commission and TAC meetings and any Commission, TAC, or other meetings that require support, as well as general administrative duties such as notices, mailings, and correspondence. The Engineer continues to request the administrator to take on tasks that she can perform more cost effectively.
8-9	This line item includes general engineering support, including preparation for and attendance at Commission and TAC meetings, general technical and engineering assistance, minor special projects, writing and administering grants, etc. There has been an increasing amount of work including more frequent TAC meetings, more technical assistance to the member cities, managing the CIP process, etc., so this line item is proposed for increase.
10	The Commission conducts reviews of development projects; Local Water Management Plans and Comprehensive Plan amendments and updates; environmental assessments; large projects such as the Blue Line Extension and general inquiries about past and upcoming projects. This activity has noticeably increased in the past few years, as there have been more planning and pre-submittal meetings and reviews. It is difficult to predict what the expense for a coming year will be, as it is based on the number of project reviews, inquiries, etc. received.
11-15	Legal: general counsel: preparing for and attending meetings, drafting policies and variances, reviewing contracts and agreements. Misc: annual audit, bookkeeping services, insurance and bonding, and meeting expenses. The cost of the required annual audit has increased.



Line	Explanation
16-17	At this time we are not recommending budgeting for the volunteer stream and wetland programs administered by Hennepin County.
18	Routine flow and water quality monitoring at two stream and/or outfall sites each year on a rotating basis.
19	This line is the Commission’s contribution to the Annual Shingle Creek and West Mississippi Water Quality Report that presents data gathered in the previous year and evaluates whether water quantity and quality goals are being achieved
20	General public information and NPDES education program: target one or two messages per year; coordinate messages with cities; prepare materials for distribution by member cities; work with lake associations; Great Shingle Creek Watershed Cleanup; work with Watershed Partners; coordinate with the West Metro Water Alliance (WMWA) (with Shingle, Bassett, and Elm WMOs); work with area schools; maintain Web site. The cost of the Education program is split 50/50 between Shingle Creek and West Mississippi.
21	The Commission participates in the West Metro Water Alliance (WMWA), contributes to funds to support classroom activities, joint education messaging, and special projects on a regional basis.
22	The Commission reviews its Capital Improvement Program (CIP) annually, and periodically formally revises the CIP through major and minor plan amendments.
23	Completion of subwatershed BMP assessments systematically in the areas of the watershed that could benefit from additional treatment as recommended in the Third Generation Plan. No assessments have been requested for 2024, thus no funds are budgeted.
24	No contributions are proposed to a dedicated 5th Generation Watershed Management Plan account.
25	When expenses are less than collected revenues, the balance is transferred to the cash reserves.

**Table 3. 2024 member city assessments.**

2022 Community	Acreage	2021 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	9,968,236	10.46%	8,169	11.10%	8,666	10.78%	16,835
Brooklyn Park	9,880	53,164,616	62.26%	48,623	59.18%	46,220	60.72%	94,843
Champlin	3,620	21,941,714	22.81%	17,815	24.42%	19,076	23.62%	36,891
Maple Grove	530	3,264,297	3.34%	2,608	3.63%	2,838	3.49%	5,446
Osseo	180	1,495,320	1.13%	885	1.66%	1,300	1.40%	2,185
<b>Totals</b>	<b>15,870</b>	<b>89,834,183</b>	<b>100.00%</b>	<b>78,100</b>	<b>100.00%</b>	<b>78,100</b>	<b>100.00%</b>	<b>156,200</b>
2023 Community	Acreage	2022 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	1,660	12,143,055	10.46%	8,169	10.41%	8,128	10.43%	16,298
Brooklyn Park	9,880	70,196,684	62.26%	48,623	60.16%	46,988	61.21%	95,611
Champlin	3,620	28,305,110	22.81%	17,815	24.26%	18,947	23.54%	36,762
Maple Grove	530	4,218,843	3.34%	2,608	3.62%	2,824	3.48%	5,432
Osseo	180	1,811,681	1.13%	885	1.55%	1,213	1.34%	2,098
<b>Totals</b>	<b>15,870</b>	<b>116,675,373</b>	<b>100.00%</b>	<b>78,100</b>	<b>100.00%</b>	<b>78,100</b>	<b>100.00%</b>	<b>156,200</b>
2024 Community	Acreage	2023 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center*	1,660	12,820,589	10.46%	8,368	10.04%	8,031	10.25%	16,399
Brooklyn Park	9,880	76,834,739	62.26%	49,806	60.16%	48,128	61.21%	97,933
Champlin*	3,620	30,101,719	22.81%	18,248	23.57%	18,855	23.19%	37,103
Maple Grove*	530	6,081,491	3.34%	2,672	4.76%	3,809	4.05%	6,481
Osseo	180	1,880,088	1.13%	906	1.47%	1,178	1.30%	2,084
<b>Totals</b>	<b>15,870</b>	<b>127,718,626</b>	<b>100.00%</b>	<b>80,000</b>	<b>100.00%</b>	<b>80,000</b>	<b>100.00%</b>	<b>160,000</b>

\*Includes WS 0: parcels with no assigned watershed