

## Watershed Management Commission

3235 Fernbrook Lane N • Plymouth, MN 55447  
Phone (763) 553-1144 • Fax (763) 553-9326  
[www.shinglecreek.org](http://www.shinglecreek.org)

June 27, 2024

City Clerks

Member Cities

via email

Shingle Creek Watershed Management Commission  
Hennepin County, Minnesota

RE: Shingle Creek Watershed Management Commission  
2025 Operating Budget and Member Assessments

At its June 13, 2024, meeting, the Shingle Creek Watershed Management Commission adopted its operating budget for calendar year 2025. The budget is in the amount of \$407,000 and can be viewed in Table 1 of this letter. The 2025 budget continues the same activities at the same level of effort as in 2024. Table 2 describes the line items in more detail.

The budget is separated into operating and project budgets. The operating budget revenue source is primarily city assessments and funds the Commission's core activities.

Projects and studies are funded through a variety of grants and other sources, most of which do not proceed on an annual fiscal year basis. Tracking these budgets separately provides more clarity as to the activities the cities are funding directly from their annual budgets.

The 2025 assessments to the member cities are shown in Table 3. The 2025 budget assumes an assessment of \$372,000, an increase of \$2,000 over the 2024 assessment, a less than one percent increase, and well below the current inflation rate. Under the JPA assessment cap, the Commission could have increased the annual assessments to cities over the years by 70.0% over the baseline year of 2004. However, the total assessment increase has been only 40.8%, which shows that the Commission has been careful to steward the cities' resources over the years. (See Table 4.) The Appendix attached to this letter explains the impact of the 2023 boundary changes on the member assessments in more detail.

Article VIII, Subd. 4 of the Joint Powers Agreement (JPA) establishing the Commission provides that a member city may object to the budget by giving written notice to the Commission before August 1, 2024. If any objections are received, the Commission will hear the objections at its August 8, 2024, meeting and may modify the budget.

The Shingle Creek Watershed Management Commission requests approval of its 2025 Operating Budget. Your support 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: Commissioners  
TAC Members  
Commission Staff

Z:\Shingle Creek\Financials\Financials 2025 SC\L-cities transmitting 2025 SC budget.doc



**Table 1. Approved Shingle Creek WMC 2025 operating budget.**

		2023 Budget	Unaudited 2023	2024 Budget	Approved 2025
<b>REVENUE</b>					
1	Application Fees	\$15,000	\$21,000	\$15,000	\$15,000
2	Member Assessments	370,000	370,000	370,000	372,000
3	Reserves-Highway 252/94 EIS Review		9,250		
4	Interest	250	166,054	20,000	20,000
<b>TOTAL REVENUE</b>		<b>\$385,250</b>	<b>\$566,304</b>	<b>\$405,000</b>	<b>\$407,000</b>
<b>EXPENSES</b>					
<b>ADMINISTRATION</b>					
5	Administrative Services	\$70,000	\$63,328	\$70,000	\$70,000
6	Engineering Support	15,000	13,444	15,000	15,000
7	Project Reviews/WCA	1,500	733	1,500	1,200
<i>Subtotal</i>		<b>\$86,500</b>	<b>\$77,505</b>	<b>\$86,500</b>	<b>\$86,200</b>
<b>ENGINEERING</b>					
8	Engineering Services	\$77,000	\$76,621	\$80,000	\$87,000
9	Grant Application Writing	11,000	12,60	12,000	12,000
10	Project Reviews/WCA	30,000	37,844	35,000	37,500
	Highway 252/94 EIS Review		8,239		
	Blue Line Extension		2,857		
11	TMDL 5 Year Reviews	5,000	4,215	5,000	5,000
<i>Subtotal</i>		<b>\$123,000</b>	<b>\$142,378</b>	<b>\$132,000</b>	<b>\$141,500</b>
<b>LEGAL</b>					
12	Legal Services	<b>\$6,000</b>	<b>\$6,221</b>	<b>\$6,000</b>	<b>\$6,500</b>
	Highway 252/94 EIS Review		1,011		
	Blue Line Extension		108		
	JPA Update		409		
<i>Subtotal</i>			<b>\$7,749</b>		<b>\$6,500</b>
<b>MISCELLANEOUS</b>					
13	Bookkeeping	8,000	9,101	8,000	10,500
14	Audit	7,500	6,300	7,500	7,500
15	Insurance & Bonding	3,200	3,142	3,200	3,400
16	Meeting Expense	5,000	6,300	6,000	6,500
<i>Subtotal</i>		<b>\$23,700</b>	<b>24,843</b>	<b>\$24,700</b>	<b>\$27,900</b>
<b>PROGRAMS</b>					
<i>Monitoring</i>					
17	Stream Monitoring	\$34,000	\$35,582	\$36,000	\$36,000
18	Stream Monitoring-USGS	4,200	0	4,200	4,200
19	Commission Lake Monitoring	28,000	28,709	30,000	28,000
20	Citizen Assisted Lake Monitoring	5,200	2,346	5,000	6,500
21	Vol Wetland Monitoring	0	0	0	0



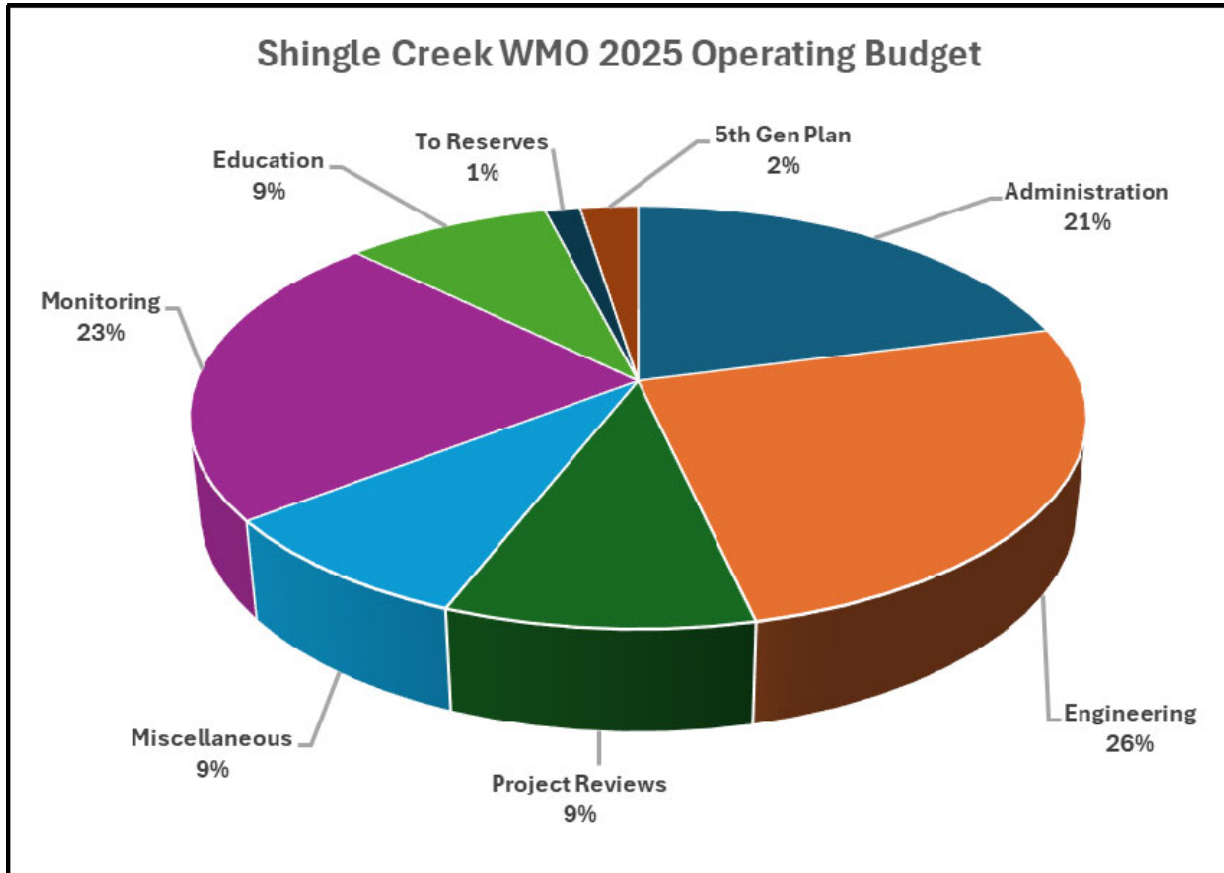
		<b>2023 Budget</b>	<b>Unaudited 2023</b>	<b>2024 Budget</b>	<b>Approved 2025</b>
22	Vol Stream Monitoring	2,000	0	2,000	0
23	Annual Monitoring Report	17,500	19,579	16,500	18,100
	<b>Subtotal</b>	<b>\$90,900</b>	<b>\$86,216</b>	<b>\$93,700</b>	<b>\$92,800</b>
	<i>Education</i>				
24	Education Program	17,000	\$16,296	\$24,000	\$24,000
25	WMWA SC Share	11,500	9,000	11,500	17,000
	<b>Subtotal</b>	<b>\$28,500</b>	<b>\$25,296</b>	<b>\$35,500</b>	<b>\$41,000</b>
	MANAGEMENT PLAN				
26	Plan Amendments	0	1,600	1,000	500
27	Subwatershed BMP Assessment	5,000	0	0	0
	<b>Subtotal</b>	<b>\$5,000</b>	<b>1,600</b>	<b>\$1,000</b>	<b>\$500</b>
	PROJECTS				
28	Contribution to 5 <sup>th</sup> Generation Plan	\$0	\$0	\$0	\$10,000
29	To/(From) Reserves	21,650	200,717	25,600	600
	<b>Subtotal</b>	<b>\$21,650</b>	<b>\$200,717</b>	<b>\$25,600</b>	<b>\$10,600</b>
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$385,250</b>	<b>\$566,304</b>	<b>\$405,000</b>	<b>\$407,000</b>

**Table 2 - 2025 Budget Explanation**

<b>Line</b>	<b>Explanation</b>
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 most of the cost. It is difficult to predict and budget for project review revenues and fees because it varies based on the economy.
2	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. A less than 1% increase is proposed for the 2025 assessments.
4	The Commission earns interest on its fund balance, which is held in the secure 4M Fund managed by the League of Minnesota Cities. Earnings depend on the interest rate and the fund balance, which varies throughout the year, e.g. city assessments are received early in the year and then expended throughout the year, and levy and grant funds are received and held until project work is complete and the participating cities request reimbursement.
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	These line items include 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. 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. 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.



Line	Explanation
12-16	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.
17-18	The Commission's routine stream monitoring program. Flow and water quality are monitored at two sites— SC-0 at Webber Park in Minneapolis and SC-3 at Brooklyn Boulevard in Brooklyn Park, and one site on Bass Creek – BC-1 in Bass Creek Park in Brooklyn Park. This also includes the Commission's share of operating the USGS real-time monitoring site at Queen Avenue in Minneapolis.
19	This line item is the routine lake water quality monitoring and aquatic vegetation surveys as set forth in the Fourth Generation Monitoring.
20-22	Volunteer monitoring. Lake monitoring is through the Met Council's Citizen Assisted Monitoring Program (CAMP), and the stream macroinvertebrate and wetland monitoring is coordinated by Hennepin County Environmental Services. The lake monitoring cycle is set forth in the Management Plan. The stream monitoring program is being reconfigured, and we hope to sponsor two sites in 2024.
23	This line item is the annual water quality report, which provides a record of all the monitoring results for the year as well as analysis of water quality trends and an overview of progress toward the TMDLs. West Mississippi also budgets funds for this report.
24	General public information and NPDES education program: develop and coordinate messages with cities; prepare materials for distribution by member cities; work with lake associations; work with Watershed Partners; coordinate with the West Metro Water Alliance (WMWA) (with West Mississippi, Bassett, and Elm WMOs); work with area schools; maintain Web site. The cost of the Education program is split 50/50 with West Mississippi.
25	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.
26	The Commission reviews its Capital Improvement Program (CIP) annually, and periodically formally revises the CIP through major and minor plan amendments.
27	Completion of subwatershed BMP assessments systematically in the areas of the watershed that could benefit from additional treatment. Two subwatershed assessments are being completed in 2023-20224 though grant funding.
28	This would be the first proposed contribution to a dedicated 5 <sup>th</sup> Generation Watershed Management Plan account.
29	When expenses are less than collected revenues, the balance is transferred to the cash reserves.



**Figure 1: Approved Shingle Creek 2024 operating budget by category.**

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



**Table 3. Approved 2025 member city assessments compared to previous years.**

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	3,720	24,644,155	13.07%	24,181	10.46%	19,344	11.76%	43,525
Brooklyn Park	7,080	53,297,576	24.88%	46,022	22.61%	41,835	23.75%	87,857
Crystal	2,480	17,648,187	8.71%	16,121	7.49%	13,853	8.10%	29,973
Maple Grove	5,020	47,582,121	17.64%	32,632	20.19%	37,349	18.91%	69,980
Minneapolis	1,950	15,730,473	6.85%	12,676	6.67%	12,347	6.76%	25,023
New Hope	2,070	21,261,174	7.27%	13,456	9.02%	16,688	8.15%	30,144
Osseo	300	2,799,609	1.05%	1,950	1.19%	2,197	1.12%	4,148
Plymouth	4,380	38,250,294	15.39%	28,472	16.23%	30,024	15.81%	58,495
Robbinsdale	1,460	14,476,873	5.13%	9,491	6.14%	11,363	5.64%	20,854
<b>Total</b>	<b>28,460</b>	<b>235,690,462</b>	<b>100%</b>	<b>185,000</b>	<b>100%</b>	<b>185,000</b>	<b>100%</b>	<b>370,000</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	3,720	25,567,389	13%	24,181	10%	18,689	12%	42,871
Brooklyn Park	7,080	56,705,102	25%	46,022	22%	41,451	24%	87,473
Crystal	2,480	18,739,269	9%	16,121	7%	13,698	8%	29,819
Maple Grove	5,020	53,080,785	18%	32,632	21%	38,801	19%	71,433
Minneapolis	1,950	16,419,161	7%	12,676	6%	12,002	7%	24,678
New Hope	2,070	22,759,451	7%	13,456	9%	16,637	8%	30,093
Osseo	300	3,099,165	1%	1,950	1%	2,265	1%	4,216
Plymouth	4,380	41,524,951	15%	28,472	16%	30,354	16%	58,826
Robbinsdale	1,460	15,187,729	5%	9,491	6%	11,102	6%	20,593
<b>Total</b>	<b>28,460</b>	<b>253,083,002</b>	<b>100%</b>	<b>185,000</b>	<b>100%</b>	<b>185,000</b>	<b>100%</b>	<b>370,000</b>
2025 Community	Acreage	2024 Tax Capacity	Cost Allocation Based on Area		Cost Based on Tax Capacity		Total Cost	
			%age	Dollars	%age	Dollars	%age	Dollars
Brooklyn Center	3,644	25,531,735	13.28%	24,704	10.02%	18,641	11.65%	43,345
Brooklyn Park	7,087	57,427,908	25.83%	48,046	22.54%	41,928	24.19%	89,974
Crystal*	2,447	18,567,549	8.92%	16,589	7.29%	13,556	8.10%	30,145
Maple Grove*	4,937	53,131,240	17.99%	33,470	20.86%	38,793	19.43%	72,263
Minneapolis	1,872	17,391,200	6.82%	12,691	6.83%	12,697	6.82%	25,388
New Hope	1,953	22,778,439	7.12%	13,240	8.94%	16,631	8.03%	29,870
Osseo	254	3,140,133	0.93%	1,722	1.23%	2,293	1.08%	4,014
Plymouth*	3,807	41,327,712	13.88%	25,809	16.22%	30,173	15.05%	55,983
Robbinsdale	1,435	15,463,104	5.23%	9,728	6.07%	11,290	5.65%	21,018
<b>Total</b>	<b>27,436</b>	<b>254,759,020</b>	<b>100%</b>	<b>186,000</b>	<b>100%</b>	<b>186,000</b>	<b>100%</b>	<b>372,000</b>



**Table 4. Calculation of allowable member city assessments according to JPA assessment cap.**

	June CPI-U	Annual CPI % Change	Cumul. CPI % Change	SC Allowed	SC Actual	Cumul. Assmnt % Change
2003	183.7					
2004	189.7			\$262,750	\$262,750	
2005	194.5	3.3%	3.3%	271,330	268,190	2.1%
2006	202.9	2.5%	5.9%	278,200	276,500	5.2%
2007	208.352	4.3%	10.5%	290,210	285,900	8.8%
2008	218.815	2.7%	13.4%	298,010	292,760	11.4%
2009	215.693	5.0%	19.1%	312,980	304,470	15.9%
2010	217.965	-1.4%	17.4%	308,510	304,400	15.9%
2011	225.722	1.1%	18.7%	311,760	304,400	15.9%
2012	229.478	3.6%	22.9%	322,850	321,400	22.3%
2013	233.504	1.7%	24.9%	328,230	321,400	22.3%
2014	238.343	1.8%	27.1%	333,990	329,600	25.4%
2015	238.638	2.1%	29.7%	340,910	337,970	28.6%
2016	241.018	0.1%	29.9%	341,330	337,970	28.6%
2017	243.801	1.0%	31.2%	344,730	340,610	29.6%
2018	251.989	1.6%	33.3%	350,360	348,710	32.7%
2019	254.202	1.9%	37.2%	360,430	356,900	35.8%
2020	258.115	0.9%	39.4%	366,370	363,590	38.4%
2021	264.877	0.6%	40.5%	369,190	363,590	38.4%
2022	287.504	5.4%	47.9%	378,860	363,590	38.4%
2023	301.836	9.1%	56.5%	411,220	370,000	40.8%
2024	312.332*	3.0%	64.3%	431,720	370,000	40.8%
2025		2.4%**	70.0%**	446,740**		

\*March 2024 CPI-U is the latest available \*\*June 2023 to March 2024

## **Appendix**

### **Supplemental Information on the Recent Boundary Change**

As part of their joint Third Generation Watershed Management Plan update, the Shingle Creek and West Mississippi (SCWM) WMOs reviewed and revised their legal boundaries with the adjacent Elm Creek, Bassett Creek, and Mississippi WMOs. The boundaries had been drawn in the early 1980s during the establishment of SCWM. Due to subsequent development and better data about topography and drainage over the years, it was known that the legal boundary deviated in some cases significantly from the hydrologic boundary.

The legal boundary is used to, among other things, apportion the costs of operating the WMOs between cities. Also, many of the affected WMOs rely on Hennepin County to levy the costs of capital projects across all the real property in the legal boundary. It is important that these costs be levied as accurately as possible only to property that is within the hydrologic boundary.

The affected cities and WMOs all had the opportunity to review and make corrections to the proposed boundary revisions, and all accepted the final boundaries. These boundaries were used as the basis for the proposed 2025 city assessments and will be used by Hennepin County to assign certified capital levies in Fall 2024 for collection in 2025.

The attached table compares the area of each city within the Shingle Creek, West Mississippi, and Elm Creek WMOs and how shifts in area may have affected the apportionment of that part of the city assessments based on area. The biggest shift was with parcels in Champlin and Maple Grove that moved from West Mississippi to Elm Creek. Brooklyn Park now represents a larger percent of the watershed. Most of the parcel reassignments were between the Shingle, Elm, and West Mississippi WMOs, but several parcels in Plymouth moved into Bassett Creek and several in Minneapolis moved to the Mississippi WMO.

The WMOs also use either net tax capacity or taxable market value to apportion part of the assessments. It's more difficult to parse the impact of the boundary change on those values because they change from year to year. We do not have an apples-to-apples comparison (i.e., 2024 net tax capacity using the old boundary compared to the new boundary.) However, it appears that most of the parcels moving between watersheds were residential and not large commercial or industrial properties where the values are more volatile. It is reasonable to assume that the tax capacity or market value change just due to the boundary change followed the same pattern as the areal change.



**Shingle Creek WMO change in area and tax capacity 2023 to 2024 and 2024 and proposed 2025 assessments.**

City	Area (acres)			% of watershed		Tax Capacity (\$)			% of watershed		Assessments		
	Old	New	Change	Old	New	Old (2023)	New (2024)	Change	Old	New	2024	2025	Change
Brooklyn Center	3,720	3,644	-2.0%	13.1%	13.3%	25,567,389	25,531,735	-0.1%	10.1%	10.0%	42,871	43,345	474
Brooklyn Park	7,080	7,087	0.1%	24.9%	25.8%	56,705,102	57,427,908	1.3%	22.4%	22.5%	87,473	89,974	2,501
Crystal	2,480	2,447	-1.3%	8.7%	8.9%	18,739,269	18,567,549	-0.9%	7.4%	7.3%	29,819	30,145	326
Maple Grove	5,020	4,937	-1.7%	17.6%	18.0%	53,080,785	53,131,240	0.1%	21.0%	20.9%	71,433	72,263	830
Minneapolis	1,950	1,872	-4.0%	6.9%	6.8%	16,419,161	17,391,200	5.9%	6.5%	6.8%	24,678	25,388	710
New Hope	2,070	1,953	-5.7%	7.3%	7.1%	22,759,451	22,778,439	0.1%	9.0%	8.9%	30,093	29,870	-223
Osseo	300	254	-15.3%	1.1%	0.9%	3,099,165	3,140,133	1.3%	1.2%	1.2%	4,216	4,014	-202
Plymouth	4,380	3,807	-13.1%	15.4%	13.9%	41,524,951	41,327,712	-0.5%	16.4%	16.2%	58,826	55,983	-2,843
Robbinsdale	1,460	1,435	-1.7%	5.1%	5.2%	15,187,729	15,463,104	1.8%	6.0%	6.1%	20,593	21,018	425
<b>TOTAL</b>	<b>28,460</b>	<b>27,436</b>		<b>100.0%</b>	<b>100.0%</b>	<b>\$253,083,002</b>	<b>\$254,759,020</b>		<b>100.0%</b>	<b>100.0%</b>	<b>370,000</b>	<b>372,000</b>	<b>2,000</b>

**West Mississippi WMO change in area and tax capacity 2023 to 2024 and 2024 and proposed 2025 assessments.**

City	Area (acres)			% of watershed		Tax Capacity (\$)			% of watershed		Assessments (\$)		
	Old	New	Change	Old	New	Old (2023)	New (2024)	Change	Old	New	2024	2025	Change
Brooklyn Center	1,660	1,736	4.6%	10.5%	11.7%	12,820,589	12,857,776	0.3%	10.0%	10.5%	16,208	17,773	1,565
Brooklyn Park	9,880	9,870	-0.1%	62.3%	66.4%	76,834,739	75,766,477	-1.4%	60.2%	62.1%	96,793	102,798	6,005
Champlin	3,620	2,591	-28.4%	22.8%	17.4%	30,101,719	26,961,713	-10.4%	23.6%	22.1%	36,657	31,622	-5,035
Maple Grove	530	441	-16.8%	3.3%	3.0%	6,081,491	4,559,884	-25.0%	4.8%	3.7%	6,391	5,363	-1,028
Osseo	180	226	25.6%	1.1%	1.5%	1,880,088	1,873,794	-0.3%	1.5%	1.5%	3,951	2,444	-1,507
<b>TOTAL</b>	<b>15,870</b>	<b>14,864</b>		<b>100.0%</b>	<b>100.0%</b>	<b>\$127,718,626</b>	<b>\$122,019,644</b>		<b>100.0%</b>	<b>100.0%</b>	<b>160,000</b>	<b>160,000</b>	<b>0</b>

**Elm Creek WMO change in area and tax value 2023 to 2024 and 2024 and proposed 2025 assessments.**

City	Area (sq mi)			% of watershed		Taxable Market Value (\$)			% of watershed		Assessments (\$)		
	Old	New	Change	Old	New	Old (2023)	New (2024)	Change	Old	New	2024	2025	Change
Champlin	3.08	3.68	16.3%	2.4%	2.8%	898,761,000	1,161,197,800	22.6%	4.0%	5.1%	9,998	13,151	3,153
Corcoran	36.06	36.07	0.0%	27.6%	27.5%	1,808,292,200	1,806,478,300	-0.1%	8.0%	8.0%	20,116	20,459	343
Dayton	25.17	25.08	-0.4%	19.3%	19.1%	2,031,786,500	2,038,390,200	0.3%	9.0%	9.0%	22,602	23,086	484
Maple Grove	26.32	26.06	-1.0%	20.2%	19.9%	10,043,624,100	10,089,589,600	0.5%	44.7%	44.5%	111,726	114,270	2,544
Medina	9.34	9.37	0.3%	7.2%	7.2%	1,680,727,800	1,684,881,900	0.2%	7.5%	7.4%	18,697	19,082	385
Plymouth	4.44	4.51	1.6%	3.4%	3.4%	2,671,442,700	2,570,902,100	-3.9%	11.9%	11.3%	29,717	29,117	-600
Rogers	26.2	26.2	0.0%	20.1%	20.0%	3,339,194,100	3,340,724,100	0.0%	14.9%	14.7%	37,145	37,835	690
<b>TOTAL</b>	<b>130.61</b>	<b>130.97</b>		<b>100.0%</b>	<b>100.0%</b>	<b>\$22,473,828,400</b>	<b>\$22,692,164,000</b>		<b>100.0%</b>	<b>100.0%</b>	<b>250,000</b>	<b>257,000</b>	<b>7,000</b>