

Bassett Creek Water Management Commission

2002 Budget and Levy

The Joint and Cooperative Agreement establishing the Bassett Creek Water Management Commission sets forth the procedure required to adopt the annual budget. Article VIII, Subdivision 3, provides that each member agrees to contribute each year to a general fund to be used for administrative purposes and certain operating expenses. Half of the annual contribution of each member is based on assessed valuation of property within the watershed and the other half on the ratio of area of each member within the watershed to the total area of the Bassett Creek watershed. Subdivision 5 of Article VIII further provides: "On or before July 1 of each year, the Board shall adopt a detailed budget for the ensuing year and decide upon the total amount necessary for the general fund." Budget approval requires a two-thirds vote (six Commissioners). Further, the Secretary "shall certify the budget on or before July 1 to the clerk of each member governmental unit, together with a statement of the proportion of the budget to be provided by each member." Each of the nine members then has until August 1 to file an objection to the budget.

The budget proposal for 2002 was prepared by a Budget Committee consisting of Ron Quanbeck (Commission and Committee Chair), John O'Toole, Tom Mathisen, David Hanson (Commission Treasurer), Lee Gustafson and Bob Mayeron. A representative of Barr Engineering Company advised on engineering-related items.

The approved 2002 budget is enclosed. The flood control project is completed and only expenditures for inspections are now required in this area. In 2001, much of the work was directed toward preparation of the State-mandated "second generation plan." The plan will be completed in 2002. The year 2002 budget of \$340,000 was adopted by all nine commissioners present at the Commission meeting on May 17, 2001. Specific items in the budget are discussed below.

1. **Engineering** services are estimated at \$170,500. Many of the individual items within the engineering allotment are estimated at a similar level as 2001. These are: Administrative costs (\$105,000), Attendance at Commission Meetings (\$7,500), Surveys and Studies (\$25,000), Water Quantity (\$7,000), Watershed Inspections (\$10,000), and Flood Control Project Inspections (\$8,000). Municipal Plan Review is minimally increased to \$8,000 since three plans will remain to be reviewed in 2002. Water Quality expenditures, which for many years have been directed at examining methods for improving water quality in Bassett Creek and its several sub-drainage basins, will now be concerned largely with monitoring water quality, principally at the tunnel inlet. No amount was budgeted for 2002. The water quality sampling intervals are being reviewed for future monitoring.
2. **Planning**, including preparation of the Second Generation Plan (mandated by the State law) and Plan implementation (largely water quality projects) is estimated to require \$75,000 in 2002. Much of the work will be drafting, printing, and distributing the plan for review and responding to comments.
3. Routine **Legal** services are budgeted at \$25,000.
4. **Liability Insurance, Auditing and Bonding** is maintained at \$6,500.
5. **Secretarial** services, including mailing and copying, are at \$18,000.

6. **Public Relations** is budgeted at \$20,000; including: Communications/Annual Report, Watershed Outlet Monitoring Program (WOMP), Citizens Assisted Monitoring Program (CAMP), and the Hennepin Conservation District River Watch Program.
7. **Demonstration Projects** was added to the budget for 2002 and budgeted at \$10,000. The Commission will prepare criteria for how demonstration projects will be funded.
8. The **Contingency** item remains at \$15,000.

At the Commission meeting on May 17, 2001, the Commissioners also considered the assessment on the cities. All nine commissioners voted in favor to levy \$295,000 for the 2002 fiscal year, as compared with the \$275,000 adopted in 2001, a small increase based on the following reasoning:

Funding Needs:

2002 Budget.....	\$340,000
Budget Reserve	100,000
Total.....	\$440,000

Funding Sources:

Estimated Fund Balance on January 31, 2002	\$137,173
Estimated 2002 Interest Income.....	15,000
Proposed 2002 Assessment	295,000
Total.....	\$447,173

The detailed levy for 2002 by communities is also enclosed.

David Hanson, Treasurer

Enclosures: (1) 2002 Budget
(2) 2002 Assessments