

**Amended
2003 Administrative Budget
Bassett Creek Water Management Commission - August 2002**

Item	2001 Budget	Balance Year-End 1/31/02 over / (under)	2002 Budget	Balance Year-End 1/31/03 (Est.) over / (under)	Amended 2003 Budget
ENGINEERING					
Administration	100,000	(2,878.38)	105,000	(15,000)	100,000
Commission Meetings	7,500	(3,086.84)	7,500	0	7,500
Surveys and Studies	25,000	(15,096.73)	25,000	0	25,000
Water Quality					
Monitoring	37,000	3,193.53	0	0	20,000
Subwatershed Plans	0		0	0	
Water Quantity	7,000	(4,140.87)	7,000	0	7,000
Inspections					
Watershed Inspections	10,000	2,464.47	10,000	0	12,000
Annual Inspections			8,000	0	10,000
Municipal Plan Review	7,000	(6,508.82)	8,000	(8,000)	7,500
Subtotal Engineering	\$193,500.00	(\$26,053.64)	\$170,500.00	(\$23,000.00)	\$189,000.00
PLANNING					
2nd Generation Plan					
Engineering / Consulting	109,159	66,508.87	50,000	12,000	35,000
Legal	5,000	3,601.57	5,000	0	5,000
Administration	10,000	(10,000.00)	10,000	0	7,000
Plan Implementation					
Engineering / Design	10,000	(10,000.00)	0		
Engineering / Design	0		10,000	(10,000)	15,000
Legal	0		0		
Administration	0		0		
Subtotal Planning	\$134,159.00	\$50,110.44	\$75,000.00	\$2,000.00	\$62,000.00
Legal	25,000	(19,043.43)	25,000	0	25,000
Financial Management					1,000
Audit, Insurance & Bond	6,000	851.00	6,500	0	7,000
Secretarial	17,000	4,772.47	18,000	16,000	25,000
Public Relations	10,000	(6,642.20)	20,000	(7,000)	15,000
Publications / Annual Report					
WOMP					
CAMP					
River Watch Program					
Public Communications					5,000
Demonstration Projects			10,000	(5,000)	5,000
Erosion/Sediment (Maintenance Project)					50,000
Long-Term Maintenance (Flood Control Project)					25,000
Contingencies	15,000	(14,000.00)	15,000	(15,000)	15,000
Subtotal	\$73,000.00	(\$34,062.16)	\$94,500.00	(\$11,000.00)	\$173,000.00
Grand Total	\$400,659.00	(\$10,005.36)	\$340,000.00 (1)	(\$32,000.00) (2)	\$424,000.00

For Information (Administrative Account)

Financial Information	
Audited fiscal year 2001 fund balance at 01/31/02	\$136,703
Expected income from assessments in 2002	\$295,000
Expected interest income in 2002	\$ 15,000
Transfer from construction account in 2002	\$127,835
Estimated revenue for fiscal year 2002	\$574,538
Estimated expenditures for fiscal year 2002 (\$340,000 ⁽¹⁾ - \$32,000 ⁽²⁾ = \$308,000)	\$308,000
Estimated fund balance as of January 31, 2003	\$266,538
Proposed Budget Reserve	\$200,538
Current funds available for 2003 Budget	\$ 66,000
2003 Budget	
Proposed 2003 Capital Projects	\$0
Proposed 2003 Administrative Budget	\$ 424,000
Proposed total 2003 Budget	\$ 424,000
2003 Assessments	
Assessment proposed for 2003 Capital Projects	\$0
Assessment proposed for 2003 Administrative Items	\$ 358,000
Total Recommended Assessment	\$ 358,000

AMENDED
Bassett Creek Water Management Commission
2003 Assessment
August 2002

Community	2002-2003 Adjusted Tax Capacity	2003 Percent of Valuation	Current Area Watershed in Acres	Percent of Area	2003 Average Percent	2002 Assessment \$295,000	Amended 2003 Assessment \$358,000
Crystal	\$4,838,207 (b)	5.28	1,264	5.09	5.19	\$14,740	\$18,565
Golden Valley	\$20,322,000 (a)	22.19	6,615	26.63	24.41	\$73,821	\$87,390
Medicine Lake	\$451,000 (a)	0.49	199	0.80	0.65	\$1,891	\$2,315
Minneapolis	\$5,100,160 (b)	5.57	1,690	6.80	6.19	\$16,425	\$22,147
Minnnetonka	\$5,421,000 (a)	5.92	1,108	4.46	5.19	\$16,138	\$18,581
New Hope	\$5,517,000 (a)	6.03	1,252	5.04	5.53	\$15,944	\$19,806
Plymouth	\$43,493,000 (a)	47.50	11,618	46.77	47.13	\$139,170	\$168,734
Robbinsdale	\$1,517,964 (b)	1.66	345	1.39	1.52	\$4,170	\$5,453
St. Louis Park	\$4,906,000 (a)	5.36	752	3.03	4.19	\$12,701	\$15,009
TOTAL	\$91,566,331	100.00	24,843	100.00	100.00	\$295,000	\$358,000

a Values obtained from Hennepin County (adjusted tax capacity)

b Values obtained from City

Bassett Creek Water Management Commission

2003 Budget and Levy

June 2002

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 2003 was prepared by a Budget Committee consisting of John O'Toole (Commission and Committee Chair), Tom Mathisen, David Hanson (Commission Treasurer), Michael Welch, and Elizabeth Thornton. A representative of Barr Engineering Company advised on engineering-related items.

The approved 2003 budget is enclosed. Although the flood control project is completed, budget for inspecting the project has been included. In 2001 and 2002, much of the work was directed toward preparation of the State-mandated "second generation plan." The plan will be completed in 2003. The year 2003 budget of \$399,500 was adopted by eight commissioners voting in favor of the budget and one no vote from the City of Golden Valley at the Commission meeting on May 16, 2002. Specific items in the budget are discussed below.

1. **Engineering** services are budgeted at \$204,500 in 2003. Many of the individual items are similar to the budgets proposed in 2002. These are: Administrative costs (\$100,000), Attendance at Commission Meetings (\$7,500), Surveys and Studies (\$25,000), Water Quantity (\$7,000), Watershed Inspections (\$12,000), and Flood Control Project Inspections (\$10,000). Municipal Plan Review remains the same at \$8,000. Water Quality monitoring is budgeted for \$35,000. 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. The budgeted amount for 2001 was reduced mid-year and no amount was budgeted for 2002. The water quality sampling intervals are being reviewed for future monitoring.
2. **Planning** services are budgeted at \$47,000 in 2003. Tasks include preparation of the Second Generation Plan (mandated by the State law) and Plan implementation (largely water quality projects). 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. **Financial Management** is budgeted for \$1,000 for services provided by the Deputy Treasurer at the City of Golden Valley.
5. **Liability Insurance, Auditing and Bonding** is minimally increased to \$7,000.
6. **Secretarial** services, including mailing and copying, are budgeted at \$25,000.
7. **Public Relations** are budgeted at \$15,000, including: Publications/Annual Report, Watershed Outlet Monitoring Program (WOMP), Citizens Assisted Monitoring Program (CAMP), and the Hennepin Conservation District River Watch Program.
8. **Public Communications** is budgeted at \$50,000.
9. **Demonstration Projects** was added to the budget in 2002 and is budgeted at \$10,000. Criteria are being prepared for how demonstration projects will be funded.
10. The **Contingency** item remains at \$15,000.

At its May 16, 2002 meeting, the Commissioners also considered the assessment on the cities. The 2003 assessment was adopted by eight commissioners voting in favor and one no vote from the commissioner for the City of Golden Valley to levy \$508,500 for the 2003 fiscal year, as compared with the \$295,000 adopted in 2002, an increase based on the following:

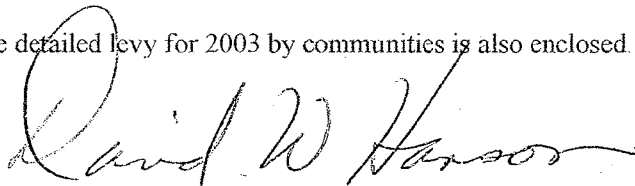
Funding Needs:

2003 Administrative Budget	\$399,500
2003 Capital Projects	\$175,000
Total	\$574,500

Funding Sources:

Estimated fund balance as of January 31, 2003	\$266,538
Proposed Budget Reserve	\$200,538
Current funds available for 2003 budget	\$ 66,000
Assessment proposed for 2003 Capital Projects	\$175,000
Assessment proposed for 2003 Administrative Items	\$333,500
Proposed 2003 Assessment	\$508,500
Total	\$574,500

The detailed levy for 2003 by communities is also enclosed.



David Hanson, Treasurer

Enclosures: (1) 2003 Budget
(2) 2003 Assessments