

Request for Board Action

Board Meeting Date: September 1, 2021

Agenda Item No: 7A

Preparer: Tina Carstens, Administrator

Item Description: Approval of District budget and preliminary levy for fiscal year 2022.

Background:

The board discussed the preliminary budget table at the August Board meeting. That draft budget has been noticed in the legal newspaper, Pioneer Press, and posted on the District web site. No comments have been received to date. The required public hearing will be held at the September board meeting prior to this action item to receive comments. At the public hearing I will give a short presentation on the proposed 2022 budget and preliminary levy and highlight any changes I have made since the August meeting. They are also discussed below.

Line 44 – Research Projects

\$25,000 was added to this line item as directed by the Board at the August meeting to continue our yearly contribution to the Minnesota Stormwater Research Council at \$50,000.

Line 58 – Flood Risk Reduction Fund

The carryover amount in this fund was increased by \$200,000 which in turn then decreases the proposed levy.

This preliminary budget approval is required to be sent to the county by September 30th. We can then further refine the budget up until December 8th board meeting when the final levy will be approved. While this budget does show an increase in the proposed levy over 2021, that number will be further refined before the December meeting. If the board continues to desire close to a 0% increase, that will be shown at that meeting by either looking at using more reserves and carryover funds or by adjusting budget numbers.

Attached to this cover sheet is the resolution, draft budget table, budget program line item breakouts, narrative, and draft slides for the public hearing budget presentation. The board also requested that I include the impact of our proposed levy on residential homestead taxpayers. I am expecting updated information from the counties towards the end of this week or beginning of next. I will calculate that and include that information in the presentation given at the board meeting.

Applicable District Goal and Action Item:

Goal: Manage effectively – The District will operate in a manner that achieves its mission while adhering to its core principles.

Action Item: Follow all legal requirements applicable to watershed districts.

Staff Recommendation:

Approve the draft budget for purposes of the preliminary levy and approve resolution 21-01.

Financial Implications:

The counties require preliminary levy certification by September 30th of each year. This step is required for final levy authority in December.

Board Action Requested:

Approve the draft budget for purposes of the preliminary levy and approve resolution 21-01.



RESOLUTION 21-01

RESOLUTION APPROVING THE PRELIMINARY PAYABLE 2022 TAX LEVY

WHEREAS, the Ramsey-Washington Metro Watershed District (District) prepared a budget for fiscal year 2022 to implement the District's programs and projects as defined in the District's Watershed Management Plan; and

WHEREAS, the District distributed the proposed budget and levy for review and comment and conducted a requisite public hearing on September 1, 2021;

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Ramsey-Washington Metro Watershed District that the following preliminary levy be certified to Ramsey and Washington Counties.

General Revenue Levy	\$6,555,290
<u>Debt Service Levy</u>	<u>\$394,710</u>
Total Levy	\$6,950,000

Adopted by the Board of Managers of the Ramsey-Washington Metro Watershed District this 1st day of September, 2021.

Lawrence Swope, President

Attest:

Dr. Pam Skinner, Secretary

Fiscal Year 2022 Budget V3
September Preliminary Levy Approval

Budget ID Number	Budget Item	FY 2021 Budget	FY 2022 Budget Funding Source				Total Proposed 2022 Budget	Increase (decrease) from 2021 Budget
			General Fund	Capital Improvements	Carry-over Funds	Other Funds		
1	Engineering							
2	Administration	93,000	125,000			125,000	32,000	
3	Engineering Review	55,000	60,000			60,000	5,000	
4	Permit Application Review	55,000	55,000			55,000	0	
5	Permit Inspection and Enforcement	10,000	10,000			10,000	0	
6	Project Feasibility Studies	440,000	410,000			410,000	(30,000)	
7	GIS Maintenance	5,000	5,000			5,000	0	
8	Attorney							
9	General	40,000	40,000			40,000	0	
10	Permit Enforcement	10,000	10,000			10,000	0	
11	Managers							
12	Meeting Per diems	8,500	8,500			8,500	0	
13	Managers Expenses	3,500	4,000			4,000	500	
14	Auditor/Accounting							
15	Auditor/Accounting	65,000	70,000			70,000	5,000	
16	Miscellaneous							
17	Dues & Publications	11,000	11,000			11,000	0	
18	Insurance	50,000	55,000			55,000	5,000	
19	Committee & Board Meeting Expenses	3,500	3,500			3,500	0	
20	Miscellaneous	5,000	5,000			5,000	0	
21	Administrative							
22	Salary & Benefits	1,520,000	1,660,000			1,660,000	140,000	
23	Employee Expenses	15,000	15,000			15,000	0	
24	Janitorial/Trash Services/Snow Plowing	15,000	15,000			15,000	0	
25	Building Maintenance	150,000	150,000			150,000	0	
26	Utilities (gas, electric, water, sewer, maintenance)	30,000	30,000			30,000	0	
27	Office Supplies	7,000	7,000			7,000	0	
28	Copying/Printing	8,000	5,000			5,000	(3,000)	
29	Postage/Delivery	3,000	3,000			3,000	0	
30	Office Furniture & Computer Equipment	150,000	150,000			150,000	0	
31	Office Equipment Maintenance	3,000	3,000			3,000	0	
32	Training/Education	75,000	75,000			75,000	0	
33	Telephone	8,000	4,000			4,000	(4,000)	
34	District Vehicles/Maintenance	43,000	20,000			20,000	(23,000)	
35	GIS System Maintenance & Equip.	5,000	5,000			5,000	0	
36	Database Improvements	40,000	40,000			40,000	0	
37	IT Services/Internet/Website/Software Licenses	70,000	75,000			75,000	5,000	
38	Outside Program Support	57,000	57,000			57,000	0	
39	Outside Consulting Services	20,000	20,000			20,000	0	
40	Program							
41	Lakes, TMDLs, Grants	103,000	125,000			125,000	22,000	
42	Activities							
43	Natural Resources Program	140,000	120,000			120,000	(20,000)	
44	Water Monitoring-Lab Costs & Equip.	180,000	180,000			180,000	0	
45	Lake-Macrophyte-Monitoring-and-Internal-Load-Management	70,000	0			0	(70,000)	
46	Research Projects	95,000	225,000			225,000	130,000	
47	Project Operations	200,000	200,000			200,000	0	
48	Education Program	60,000	75,000			75,000	15,000	
49	Communications and Marketing	25,000	50,000			50,000	25,000	
50	Events	50,000	46,000			46,000	(4,000)	
51	Health & Safety Program/Staff In-House Training	3,000	3,000			3,000	0	
52	Capital Improvements							
53	Maplewood Mall SRF Loan Debt Service	92,238		0	91,848	91,848	(390)	
54	Summary							
55	Beltline and Battle Creek Tunnel Repair Debt Service	302,663		0	302,863	302,863	200	
56	District Office Building Bond Payment	194,885		0	0	0	(194,885)	
57	Targeted Retrofit Projects	2,810,000		1,000,000	500,000	1,500,000	(1,310,000)	
58	Stewardship Grant Fund	1,000,000		500,000	500,000	1,000,000	0	
59	Project Repair & Maintenance	1,325,000		1,465,000	0	1,465,000	140,000	
60	Wetland Restoration Projects	500,000		0	500,000	500,000	0	
61	Flood Risk Reduction Fund	4,200,000		1,800,000	3,400,000	5,200,000	1,000,000	
	Totals	14,424,286	4,230,000	4,765,000	5,294,710	0	14,289,710	(134,576)

	Budget Total	Budget Total By Fund		Proposed Levy
		General Fund	CIB	
2022 Budget Total and totals by fund	14,289,710	4,230,000	10,059,710	6,950,000
2021 Budget Total and totals by fund	14,424,286	3,999,500	10,424,786	6,763,498
2022 Budget Increase or (Decrease) from 2021 Budget	(134,576)	230,500	(365,076)	186,502
2022 Budget % change from 2021 Budget	-0.93%	5.76%	-3.50%	2.76%

2022 Budget Program Line Item Breakouts

Project Feasibility Studies (Line 5)	
Emergency Response Plans	\$30,000
Groundwater Feasibility Planning	\$50,000
Hillcrest Golf Course Planning Assistance	\$20,000
Flood Risk Reduction Feasibility Continued Work (Kohlman/Ames)	\$100,000
Pond Optimization for WQ and Flood (Double Driveway/Carver)	\$50,000
694/494/94 Water Quality Feasibility Study	\$30,000
South Metro Mississippi River TSS TMDL Planning	\$30,000
Owasso Basin/North Star Estates Feasibility	\$50,000
Contingency	\$50,000
Total =	\$410,000

Outside Program Support (Line 37)	
Watershed Partners	\$10,000
Blue Thumb	\$3,000
East Metro Education	\$13,000
Cooperative Weed Management Program	\$10,000
GIS Users Group	\$1,000
Contingency	\$20,000
Total =	\$57,000

Lake Studies Etc. (Line 40)	
Grant Applications	\$40,000
Watershed Management Plan Updates	\$20,000
In-Lake Treatment Options (Bennett and Wakefield)	\$35,000
Subwatershed Feasibility Studies Prioritization	\$5,000
Contingency	\$25,000
Total =	\$125,000

NR Program (Line 41)	
Ongoing Site Maintenance	\$25,000
Owasso Carp Management	\$40,000
Phalen Chain Carp Management	\$10,000
Lake Owasso Shore Restoration	\$20,000
Electric Carp Barrier	\$20,000
Contingency	\$5,000
Total =	\$120,000

Water Monitoring (Line 42)	
WQ Equipment Replacement and Repair	\$35,000
Lab Costs	\$90,000
Engineering Monitoring Assistance and Reporting	\$30,000
Special Project Monitoring: Maplewood Mall, Battle Creek etc	\$25,000
Total =	\$180,000

Research (Line 44)	
Minnesota Stormwater Research Council	\$50,000
Kohlman Test Weirs	\$50,000
Shallow Lakes Aeration Study - Year 2	\$90,000
Internal Research/Contingency	\$35,000
Total =	\$225,000

Education/Events/Communications (Lines 46-48)	
Master Water Stewards	\$10,000
Adopt a Drain Program	\$5,000
Work in Schools	\$25,000
Equity and Diversity Partnership Grant Program	\$20,000
Education Contingency	\$15,000
Communications and Marketing	\$50,000
WaterFest	\$30,000
Watershed Excellence Awards	\$6,000
Events Contingency	\$10,000
Total =	\$171,000

Targeted Retrofits (Line 55)	
Retrofit WQ Projects Budget	\$1,500,000
Total =	\$1,500,000

Project Repair and Maintenance (Line 57)	
2021 Project Repair and Maintenance Contract	\$850,000
Beltline 5-year Inspection Completion and Repairs	\$15,000
Routine Inspections and Unplanned Maintenance ID	\$350,000
BMP and NR Maintenance Program	\$250,000
Total =	\$1,465,000

Flood Risk Reduction Fund (Line 61)	
Kohlman Creek Storage and Detention	\$1,100,000
Owasso Basin Flood Risk Reduction Projects (South Owasso Pond and West Industrial Park Berm)	\$2,600,000
Other Flood Risk Reduction and Conveyance Feasibility Study Implementation Projects + Contingency	\$1,500,000
Total =	\$5,200,000

Items shown on these budget line item breakouts are subject to change. Projects are identified but may need adjustments or additional project opportunities with similar goals may be determined during the year.

2022 BUDGET NARRATIVE

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
General Fund Budget Summary:			
1	<p>Engineering - Administration Oversight of all District Engineering activities, supervising staff assigned to projects, responding to general inquiries of the public and the Board, and preparing correspondence and billings. Engineering attendance at meetings of the District-covers Board and related project meetings, mini case studies, data collection, analysis, preparation of reports as requested by the managers and assisting in District water management planning activities. This also includes preparation for board workshop topics as requested.</p>	125,000	32,000
2	<p>Engineering - Review Review and comment on plans and proposals submitted to the District for review relative to District regulations, policies and concerns. Assist communities and counties with data and information needs related to projects and plans.</p>	60,000	5,000
3	<p>Engineering - Permit Application Review and Processing Provides for Engineering assistance in review of all permit applications, clarifying problems with the developer, meet developer on-site, coordinate permit issues with communities, counties, and other regulatory bodies.</p>	55,000	0
4	<p>Engineering - Permit Inspection & Enforcement Inspect projects when a designed improvement is involved and requested by District staff.</p>	10,000	0
5	<p>Engineering - Project Feasibility Studies This item provides a budget item for annual feasibility studies in preparation of future capital improvement projects. See Program Budget Line Item Breakout table.</p>	410,000	(30,000)
6	<p>Engineering - GIS Maintenance Provides funds for maintenance and assistance of the District GIS system.</p>	5,000	0

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
8	Attorney - General Legal advice at meetings, research on various issues for Board consideration, preparation and publication of legal notices, preparation of Board resolutions, and other matters requiring legal counsel.	40,000	0
9	Attorney - Permit Enforcement Legal advice on permit sites including enforcement activities, letter and legal action as necessary.	10,000	0
11	Manager per Diems Manager per diems for regular and special meeting attendance. Increased budget due to increase in state statute amount allowed for manager per diems.	8,500	0
12	Manager Expenses Manager Expenses incurred in the performance of official manager duties, such as attendance at conferences and meetings and related expenses.	4,000	500
14	Auditor/Accounting Preparation of the District's annual audit and provide monthly accounting services.	70,000	5,000
16	Dues & Publications Dues for appropriate organization memberships (MAWD, League of MN Cities, etc.) and for purchase of necessary publications and reference materials.	11,000	0
17	Insurance District General Liability, Property/Casualty, Public Official Liability insurance, etc.	55,000	5,000
18	Committee & Board Meeting Expenses Budget to cover miscellaneous expenses related to the duties and activities of District advisory committees, such as, meeting refreshments, supplies, public information materials, etc.	3,500	0

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
19	Miscellaneous Expenses Expenses of the District not elsewhere classified. Examples include: miscellaneous financial charges and expenses, District tour expenses, pass through expenses, etc.	5,000	0
21	Staff Salaries, Taxes & Benefits Includes salary, taxes, insurance and benefits for existing full time staff plus summer interns. This budget includes an allowance for a salary increases and increased benefit costs.	1,660,000	140,000
22	Employee Expenses This includes mileage, parking, and supply expenses incurred by the District's staff.	15,000	0
23	Janitorial/Trash Services/Snow Removal Contract services required for office building and winter snow removal.	15,000	0
24	Building Maintenance Building repairs, equipment and landscape maintenance expenses.	150,000	0
25	Utilities (gas, electric, water, sewer) Provides for office building utility expenses.	30,000	0
26	Office Supplies Office supply costs for district operations.	7,000	0
27	Copying/Printing Photocopying and commercial printing expenses.	5,000	(3,000)
28	Postage/Delivery District postage and delivery expenses.	3,000	0
29	Office Furniture and Computer Equipment Acquisition of necessary new and replacement office equipment and furniture.	150,000	0

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
30	Office Equipment Maintenance To fund office equipment maintenance.	3,000	0
31	Training/Education Training and education expenses for the District staff including pursuing equity/inclusion work.	75,000	0
32	Telephone District telephone expenses. Includes office phone system and support costs.	4,000	(4,000)
33	Vehicle Replacement, Equipment and Maintenance Provides for fleet maintenance and equipment.	20,000	(23,000)
34	GIS System Maintenance & Equipment Provides for continuous upgrading of GIS system data files and equipment as needed.	5,000	0
35	Database Improvements Provides for improvements to district database programs for permit program, stewardship grant program, inspections and timesheets.	40,000	0
36	IT Services/Internet/Web Site/Software Licenses Provides for maintenance and upgrades to computer network and software upgrades.	75,000	5,000
37	Outside Program Support Provides budget for financial support of programs that provide support to the District and its goals. See attached list.	57,000	0
38	Outside Consultant Services Provides funds for contracting special services with outside consultants as needs arise in the year.	20,000	0
40	Lakes, TMDLs, Grants This item is for various water body studies and related topics. See attached list	125,000	22,000

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
41	<p>Natural Resources Program This item includes funding for project to enhance ecological diversity within the District – habitat restoration projects, site maintenance, studies and research. See attached list for breakdown.</p>	120,000	(20,000)
42	<p>Water Quality Monitoring Includes lab costs and equipment for lake sampling, BMP monitoring and performance monitoring. See attached list for breakdown.</p>	180,000	0
43	<p>Lake Macrophyte Monitoring and Internal Load Management These program to collect annual or bi-annual lake plant data to monitor changes in District lakes and implementation of internal load management measures in our impaired waters is accounted for in line item 40 – Lakes, TMDLs, Grants.</p>	0	(70,000)
44	<p>Research Projects This account provides funds for conducting research into various water and resource management issues and problems. The budget includes contributions to the Minnesota Stormwater Research (MSR) program, Kohlman test weir research, and aeration study. See attached list.</p>	225,000	130,000
45	<p>Project Operations This budget provides funds for the ongoing operational costs for District projects that incur utility or supply costs. The increase this year is due to the needs for the new auto lake level monitoring systems as well as the Keller Channel Weir and Phalen Outlet modification operations.</p>	200,000	0
46	<p>Educational Programming Production of materials and programs designed to improve the understanding and knowledge of the school children, general public, city and county staff, developers and others of the District's programs and watershed management. This includes continued support of Master Water Stewards Program as well as support of the Adopt-a-Drain program. See attached list.</p>	75,000	15,000

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
47	Communications and Marketing This will be used to support our communications and marketing plan. This includes funds for updates to the district website.	50,000	25,000
48	Events Provide funds for the annual WaterFest program and Watershed Excellence Awards program.	46,000	(4,000)
49	Health & Safety Program/Staff In-house Training Provides funds to support the District staff safety program, training costs, equipment.	3,000	0

Capital Improvement Budget Summary:

51	Maplewood Mall SRF Loan Debt Service Annual payment for the State Revolving Fund (SRF) loan for Maplewood Mall Phase IV project.	91,848	(390)
52	2016 Beltline and Battle Creek Tunnel Repair Debt Service This is the principal and interest payment for a bond issue approved in 2016.	302,863	200
53	District Building Bond Payment Provided funds for the annual bond payment for the District office building. These payments are now complete.	0	(194,885)
54	Targeted Retrofit Projects This budget is to fund projects that have been targeted by the District as a priority project for water quality and natural habitat. Projects are vetted in the current year and potential project implementations are planned for 2022. Projects with the most potential at this time for 2022 are discussed in the cover memo. Other projects identified to meet the goals for targeted retrofits may also present themselves over the next year. Staff will manage projects within the proposed Targeted Retrofit Projects budget and present them to the board as they develop.	1,500,000	(1,310,000)

Budget Line No.	Item & Description	Budget Amount	Change from '21 increase (decrease)
55	<p>Stewardship Grant Fund Provide funds for cost-share assistance to local partners, churches, public and private developers and homeowners for funding of volume reduction, habitat restoration, and other practices above the requirements of District rules.</p>	1,000,000	0
56	<p>Project Repair and Maintenance Provides funds for the maintenance of District projects and trunk conveyor system. Also includes funds for continuation of a BMP maintenance program and a contingency fund. See attached list.</p>	1,465,000	140,000
57	<p>Wetland Restoration Projects This is a placeholder for the board to consider for projects that would include wetland restoration work. This is carryover from 2021.</p>	500,000	0
58	<p>Flood Risk Reduction Fund Provides funds for flood control projects including acquisition or flood proofing of existing flood prone structures. Assistance to cities to reduce flood risks in areas identified by District modeling of Atlas 14 storm events could also be included. This fund pools money for projects that meet the board's flood risk reduction goals. Projects identified out of the Owasso Basin Flood Risk Reduction Feasibility Study are included and listed in the line items breakout attachment. Also, anticipating projects from the completion of the Kohlman Creek Flood Risk Reduction Feasibility Study. Funds are also held in reserves for other project opportunities that may arise.</p>	5,200,000	1,000,000



RAMSEY-WASHINGTON
METRO WATERSHED DISTRICT

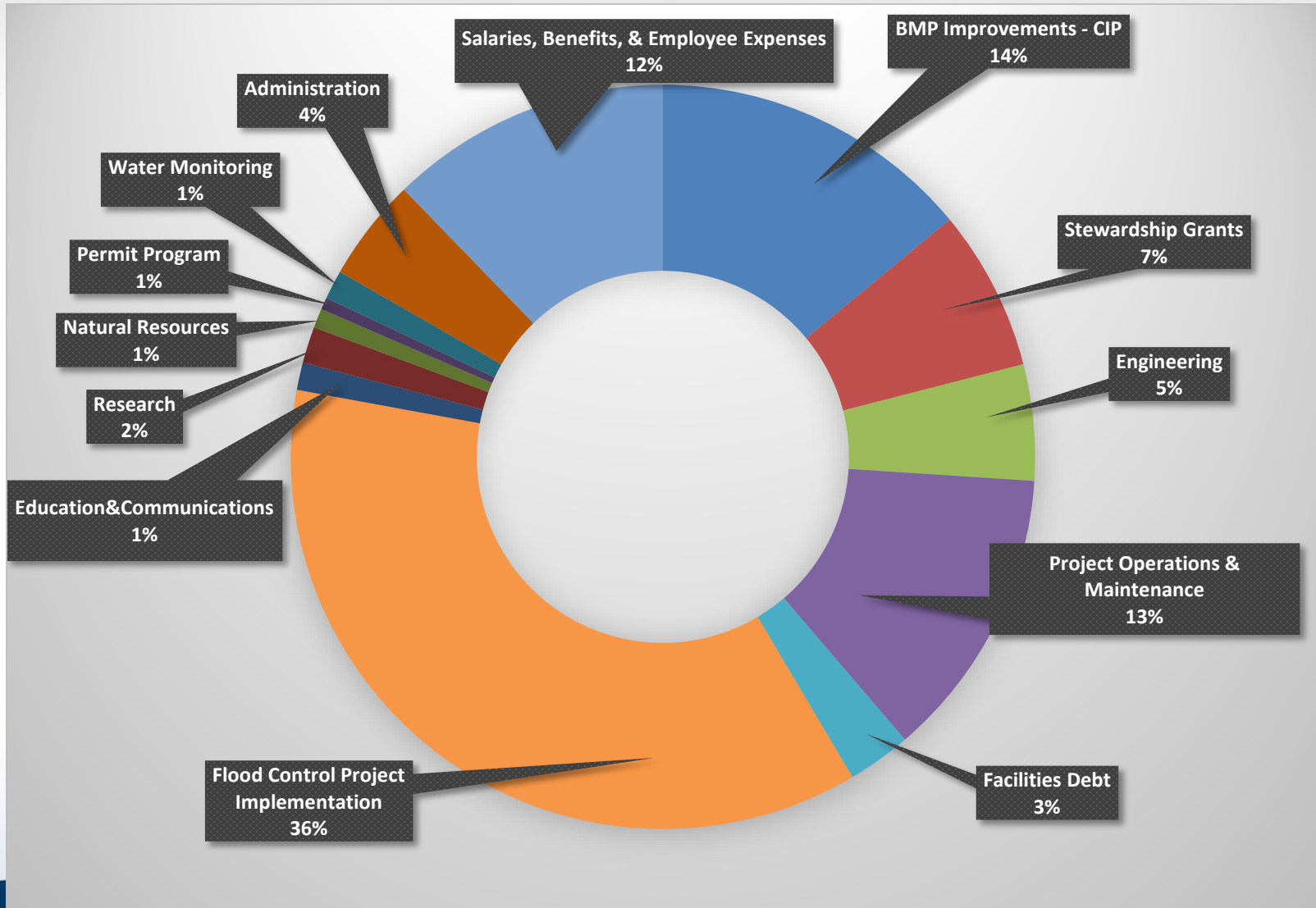
Quality Water for Quality Life.

2022 Preliminary Budget & Levy Public Hearing Overview

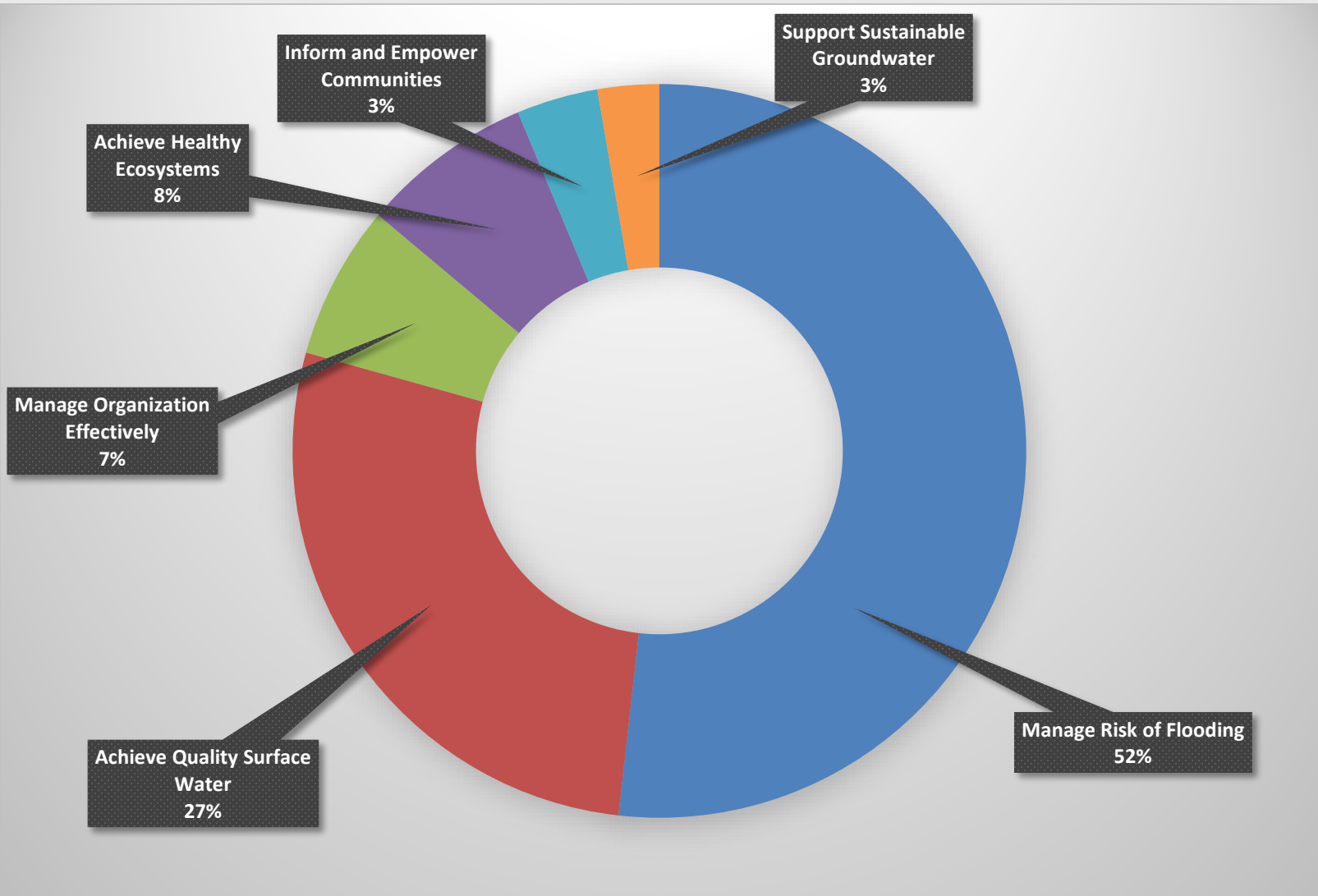
	Budget Total	Budget Total By Fund		Proposed Levy
		General Fund	CIP	
2022 Budget Total and totals by fund	\$14,289,710	\$4,230,000	\$10,059,710	\$6,950,000
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2022 Budget Increase or (Decrease) from 2021 Budget	(134,576)	230,500	(365,076)	\$186,502
2022 Budget % change from 2021 Budget	-0.93%	5.76%	-3.50%	2.76%



Budget % by Program Area



Budget % by Watershed Management Plan Goals

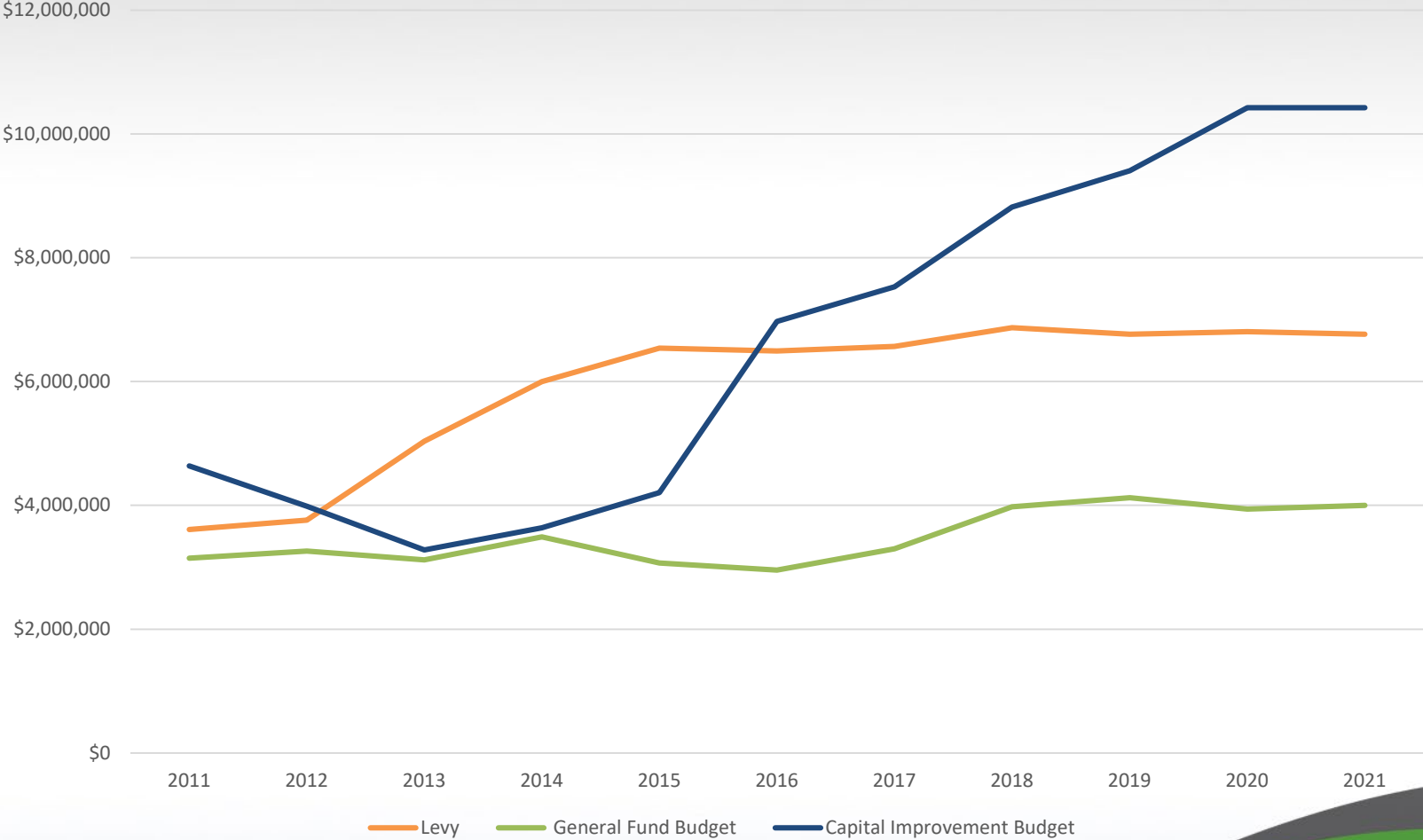


Capital Improvement Projects Budget Items

CIP Project	2022 Budget	2022 Levy	Carry-over	2021 Budget	Difference
Maplewood Mall SRF Loan Debt Service	91,848		91,848	92,238	(390)
Beltline and Battle Creek Tunnel Repair Debt Service	302,863		302,863	302,663	200
District Office Building Bond Payment	0		0	194,885	(194,885)
Targeted Retrofit Projects	1,500,000		500,000	2,810,000	(1,310,000)
Stewardship Grant Fund	1,000,000		500,000	1,000,000	0
Project Repair & Maintenance	1,465,000		0	1,325,000	140,000
Wetland Restoration Projects	500,000		500,000	500,000	0
Flood Risk Reduction Fund	5,200,000		3,400,000	4,200,000	1,000,000
TOTALS	\$10,059,710	\$4,755,000	\$5,304,710	\$10,424,786	\$(365,076)



Historical Levy and Budget





RAMSEY-WASHINGTON
METRO WATERSHED DISTRICT

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