



BROWN'S CREEK WATERSHED DISTRICT

1380 W Frontage Rd, Highway 36, Stillwater, MN 55082 Tel: 651-275-1136 x26 Fax: 651-275-1254

Minutes of the Special Meeting of the Brown's Creek Watershed District Board of Managers to Discuss 2004 Budget, July 29, 2003.

WCD Offices, 1380 W. Frontage Road, Hwy. 36
Stillwater, MN 55082

APPROVED

ROLL CALL

Present: Craig Leiser, President
Karen Kilberg, Vice President
Barbara Medinger, Treasurer
Tim Freeman, Secretary
Gerald Johnson

Others Present: Karen Kill, WCD, Administrator
Camilla Correll, EOR

1. **Call to Order:**

The meeting was called to order at 3:05 p.m.

2. **Approve Agenda and Consent Agenda:**

Manager Johnson move to approve the Agenda as presented, seconded by Manager Freeman. Vote: 5/0

3. **2003 Budget - Actual vs. Budget**

Administrator Karen Kill presented a review of the 2003 budget, comparing actual year to date figures to the budgeted amounts. Kill reported that BCWD is on track to be under budget for 2003 although permitting fees are difficult to estimate; noting that approximately \$13,000 has been received in 2003 and \$42,000 in invoices were sent out earlier in the week.

Lengthy discussion was held concerning the draft Income Statement prepared by the accountant. Manager Kilberg asked for more detail in the report to reflect costs by project and the provider of the services. Manager Kilberg stated that she would provide assistance with developing a new format for the Income Statement.

4. **2004 Proposed Budget**

a) General Fund

b) Management Plan

Administrator Kill presented the proposed 2004 Budget, noting recommended increases in some accounts to cover increased costs. Manager Freeman stated that philosophically, he prefers to see less spending than in the present year.

Discussion was held concerning account 300-4500, Staff Engineer. Manager Kilberg inquired about the cost savings for one meeting a month versus two. Camilla Correll of EOR explained that the retainer covers resident calls, reports and other work done during the month. Correll stated that the amount of work to be done during the month has remained the same with the reduction in monthly meetings. Administrator Kill added that there are some charges on the EOR invoices that were not credited to the proper accounts and should not have been recorded under the retainer account. The Managers agreed that an account should be set up to specifically record the staff engineer retainer with other costs recorded under the specific project.

Administrator Kill suggested an increase in the General Fund to cover the cost of approximately 2.5 hours spent each month preparing monthly billing. Manager Leiser proposed shifting \$2,500 from account 200-4320 to account 300-4701 so it could be tracked and recouped with permitting fees as charged.

Manager Medinger pointed out a large discrepancy in budgeted versus actual for 2003 in account 200-4290. Administrator Kill explained that in some cases these costs are absorbed in other areas. Manager Leiser stated that he would prefer these costs be tracked by project when appropriate. Managers agreed to reduce the 2004 budgeted amount for account 200-4290, Printing and Notices, to \$750.

Account 200-4280, Postage & Delivery, was discussed and Manager Freeman suggested that this account be used only for charges without another category. Managers agreed that postage should be allocated to specific projects when possible and agreed to reduce the 2004 budgeted amount to \$2,000.

c) Second Generation Plan Projects

a. CIP Feasibility Analysis

b. Groundwater Program

c. Demonstration Project

Discussion was held concerning Second Generation Plan Projects with a comparison of 2003 budgeted projects to proposed 2004 projects.

Administrator Kill discussed proposed activities for the CAC, suggesting a goal of two newsletters per year and other projects to be identified once the committee is assembled.

d) Capital Improvement Project - 2nd Generation Plan Amendment

a. Hwy 36/Furgala Analysis Results

Discussion held concerning the probability of a capital improvement project to alleviate flooding, prioritizing projects and how projects affect each other. Manager Leiser suggested budgeting for capital projects to enable BCWD to address issues as they arise. Manager Leiser also suggested maintaining the contingency reserve for the Kismet and THPP projects. The managers agreed to remove the \$5,000 proposed for account 906-000, Trout Stream Mitigation Project.

e) Miscellaneous Projects

a. Water Quality Standards

b. GIS Management Tool

Administrator Kill reported that the budget for Water Quality Standards is approximately \$10,000 per body of water. Administrator Kill also reported that EOR will put together a brief presentation for the August Board Meeting on the GIS Management Tool.

Manager Kilberg left the meeting at 5:05 p.m.

f) Cash Flow Levy

Administrator Kill explained the need for a cash flow levy to maintain a minimum cash balance throughout the year. Discussion was held concerning an appropriate level of cash to be maintained.

Meeting adjourned for a 10 minute break at 5:15 p.m.

5. Comparison of Previous Budgets

Brief discussion held.

6. Next Steps

Manager Leiser stated he would like to see a total budget of around \$525,000 with a cash flow reserve of 10% for review at the next meeting. Leiser also stated he would be in favor of an incremental approach to incorporating either water quality standards or GIS into the budget but not both. Managers agreed on the need to develop lake water quality standards on a per lake, subwatershed basis. The Board determined more information is needed on the GIS Management Tool and the Water Quality Standards and that both projects need a timeline and must tie into the Second Generation Plan.

7. **Adjournment**

Manager Freeman moved to adjourn at 5:48 p.m., seconded by Manager Medinger.

Vote: 4/0.

Respectfully Submitted,

Julie Johnson
Recording Secretary