



**Title:** 2023 Budget Discussion #2

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**Purpose:**

At the May 26, 2022 Planning and Policy Committee (PPC) meeting staff will facilitate a second discussion in the 2023 budget planning process. This meeting will build on the April 28, 2022 meeting, where the committee reviewed the projected 2023 budgeted expenditures, revenues, and programmatic level detail. On May 26, additional detail will be provided in the areas of Programs and Operations; the Capital Improvement Program; Capital Finance and Debt Service; and Personnel.

**Background:**

Through Minnehaha Creek Watershed District's (MCWD) strategic planning efforts, culminating in 2017, the MCWD Board of Managers implemented a series of fiscal measures to carefully manage the District's levy, while maintaining high-quality mission aligned output and service. Those actions included:

- Aligning program budgets with organizational priorities;
- Making strategic reductions and implementing operational efficiencies;
- Right-sizing, aligning and investing in human resources;
- Strengthening partnerships for capital project financing;
- Securing increasing levels of outside funding
- Restructuring existing capital project debt;
- Reallocating funds from initiatives delivered under budget to capital projects.

That work continues to position MCWD well for the 2023 fiscal year.

**2023 Budget-Levy Projection - Overview:**

No significant changes have been made to the proposed 2023 budget since the Board's first briefing in April 2022. Current projections for the 2023 fiscal year show a balanced budget of \$12,892,510. Relative to 2022, this preliminary projection represents a 14.8% or \$2,235,022 decrease in budgeted expenditures. This is due largely to the ebb and flow in capital project cycles.

The proposed 2023 budget is presently supported with a flat (0% change) levy of \$9,675,993 (*Table 1*). This is accomplished through a combination of drawing on previously levied fund balances that were assigned to capital projects, the reallocation of funds from completed projects or programs delivered under budget, and \$445,000 in external grant funds.

While base personnel costs are included in this preliminary 2023 budget projection, additional staffing needs and their associated fiscal impact will be profiled during the May 26 meeting for consideration by the committee. Based on the outcome of this discussion, the personnel and total budget may be adjusted through subsequent steps in the budget process.

### Top Level 2022 Budget Summary:

At the top level (Table 1), the District's budget is organized into:

- Capital Improvement Projects
- Programs
- Capital Finance and Debt Service
- Operations

#### Capital Projects:

MCWD maintains a strategic focus on delivering capital improvements within the watershed that deliver a measurable change in water quality and flood reduction. The 2023 capital project budget is proposed to decrease 76.2% or (\$3,719,587), due in part to the natural cycle between capital project planning and construction. The Six Mile Marsh Prairie Trail project and the Wassermann Internal Load projects will be completed in 2022 contributing to a projected reduction in budgeted expenditures for 2023. Additionally, other projects have gained a refined level of detail regarding the multi-year need for expenditures. Specifically, the 325 Blake Road project has progressed through design in 2022 which has generated additional clarity on construction sequencing. Total estimated costs for this project have been broken out over three years, resulting in a projected reduction of 2023 budgeted expenditures as compared to 2022.

#### Programs:

MCWD programs work to support the District's strategic focus on delivering high-impact capital projects that improve the watershed and policy development at the nexus of water and land use. The 2023 Program budget is currently projected to be essentially flat, showing a decrease of \$1,625. Details on changes across programs are provided later in this memo.

#### Capital Finance & Debt Service:

MCWD's capital finance sub-fund is used strategically to maximize the organization's capacity for project implementation while minimizing levy volatility. Capital Finance and Debt Service shows a scheduled increase of 52.7% or \$1,454,250 in 2023. This is due to a final payment on property acquired at 325 Blake Road for regional stormwater management and critical connections in the Minnehaha Creek Greenway. Debt service is scheduled to stabilize in 2024 with a 74% reduction. \*Proceeds from pending land sales are not accounted for until closing.

#### Operations:

MCWD Operations, representing general District operations, information technology, and facility improvements, shows a projected 1.8% increase of \$31,939. This is due to a combination of reductions, like completing one-time expenditures for the website redesign, and increases including a planned market study of compensation and interior reconfigurations of MCWD office space. These numbers are expected to be refined through the budget process.

**Table 1 - DRAFT 2023 Budget-Revenue Summary**

<b>EXPENSES</b>	<b>2022</b>	<b>2023</b>	<b>2022-2023 Δ</b>	<b>% Change</b>
Operations	\$1,808,491	\$1,840,430	\$ 31,939	1.8%
Programs	\$5,680,250	\$5,678,625	\$ (1,625)	0.0%
Capital finance & Debt Service	\$2,758,468	\$4,212,718	\$ 1,454,250	52.7%
Capital projects	\$4,880,324	\$1,160,737	\$ (3,719,587)	-76.2%
<b>TOTAL</b>	<b>\$15,127,532</b>	<b>\$12,892,510</b>	<b>\$ (2,235,022)</b>	<b>-14.8%</b>
<b>REVENUE</b>	<b>2022</b>	<b>2023</b>	<b>2022-2023 Δ</b>	<b>% Change</b>
Preliminary levy	\$9,675,993	\$9,675,993	\$ -	0.0%
Projects fund balance	\$3,511,052	\$1,073,631	\$ (2,437,422)	-69.4%
Programs fund balance	\$1,212,049	\$1,612,886	\$ 400,837	33.1%
Grants and partner funds	\$647,218	\$445,000	\$ (202,218)	-31.2%
Interest, permit fees, reimbursemer	\$81,220	\$85,000	\$ 3,780	4.7%
<b>TOTAL</b>	<b>\$15,127,532</b>	<b>\$12,892,510</b>	<b>\$ (2,235,022)</b>	<b>-14.8%</b>

## **2023 Budget Alignment – Overview:**

### High Impact Capital Improvements:

In 2023, MCWD will remain focused on cultivating public and private partnerships to deliver capital projects that measurably improve the watershed, by improving water quality and reducing impacts from flooding, while also providing broader social and economic benefit to communities.

This will involve advancing projects within the District’s focal-geography pipeline, as well as finalizing the Land and Water Partnership Program (L&WP) and Permitting Program as on-ramps into MCWD’s capital improvement program, to deliver benefit across the entire watershed. Projects being planned and/or in queue include work within the Minnehaha Creek Greenway at 325 Blake Road, Minneapolis, Six Mile Creek – Halsted Bay, and a L&WP project with the City of Plymouth in the Gleason Lake sub-watershed.

### Data Analytics to Improve Planning, Decision Making and Communications:

In 2023 and beyond MCWD programs will continue to align to support high impact capital project planning. This includes efforts to continue augmenting MCWD’s data-analytic capabilities. Over the last several years, investments have been made to acquire technology solutions to help the MCWD gather, store, retrieve and integrate watershed data – with other data sets for the built environment – to better inform planning, decision making and communication with partners and the public.

MCWD recently completed the build of its new permitting data management system, which includes an online portal for more efficient customer service and the ability to evaluate the effect of land use change and regulation over space and time. Technology investments like these will continue to be integrated in 2023 and beyond, ultimately pushing data sets to a rebuilt website for broader public consumption.

### Climate Action Planning:

In 2022 MCWD developed its Climate Action Framework (CAF). Behind this policy framework, progress continues to be made building out a real time sensor network (RESNET) with regional, state and federal partners, to enhance a granular understanding of how watershed hydrology is evolving in the face of climate change. In 2023, ongoing efforts will focus to leverage these new data sets to improve the MCWD’s ability to use short term weather forecasts from the National Oceanic and Atmospheric Administration (NOAA) to predict and manage water level responses in partnership with federal, state, and local emergency managers.

Complementing short-term predictive capabilities, the District has obtained support from member communities, Hennepin County, the DNR, EQB, and USGS, to develop a 2D watershed model which will generate longer-term predictions of hydrologic scenarios. This deeper understanding of system changes over time will allow MCWD and communities to partner in planning and implementing adaptations that increase watershed resilience.

## **2023 Budget Breakdown:**

Below is a breakdown of the major components of the District’s 2023 budget.

- 2023 Budget-Revenue Summary – Attachment 1
- Programs and Operations – Attachment 2
  - Operations – Attachment 3
  - Permitting – Attachment 4
  - Project Planning – Attachment 5
  - Policy Planning – Attachment 6
  - Project Maintenance – Attachment 7
  - Outreach – Attachment 8
  - Research & Monitoring – Attachment 9
- Capital Improvement Projects – Attachment 10
- Capital Finance and Debt Service – Attachment 11

## **Programs and Operations – (Attachment 2 – Attachment 9):**

### Overall (Attachment 2):

In 2023, Programs and Operations are currently projecting a net increase of 0.4% of \$30,315, from \$7,488,741 in 2022 to \$7,519,055 in 2023.

### Operations (Attachment 3):

The operations category contains sub-funds for operations, information technology, and facility maintenance, and is projecting a 1.8% increase in 2023, or \$31,939, from a 2022 budget of \$1,808,491 to a 2023 budget of \$1,840,430.

General operations is projected to show a \$14,939 or 1% increase in 2023, from \$1,087,491 to \$1,102,430. This is due to increases for planned expenditures to complete a scheduled market analysis of compensation, combined with reductions including tightening of building and operating expenses and.

Information technology is projecting a reduction of 58,000 or 17% in 2023. This is largely due to the completion of the website build in 2022, which results in a 2023 budgeted reduction of \$60,000.

Facility maintenance, sub-fund 1005, shows a \$75,000 increase in 2023 for changes to MCWD's interior space – including potentially removing two underutilized offices. This budget estimate is preliminary and expected to be refined through the budget planning process, as space needs are discussed with potential vendors. The 2023 facility maintenance budget also continues to carry budgeted expenditures for improving the MCWD campus which were not implemented in 2021 due to COVID, and made slow progress in 2022 due to negotiations with adjacent landowners and turnover in project management staff.

### Programs (Attachments 4-9):

MCWD's 2023 total budget for programs is projected to remain flat in 2023 at \$5,678,625.

MCWD Permitting (Attachment 4) contains two sub-funds, base permitting and rule revisions. These show a net increase of 11.3% in 2023 from \$753,644 to \$838,764. This \$85,120 increase is due largely to a proposed increase in engineering and legal, based on analysis of a five-year average of permit review costs. Contract services are also proposed to increase from \$10,000 to \$25,000 to provide consulting support for potential partnership projects that might be advanced through the L&WP program.

MCWD Project Planning (Attachment 5) shows a projected reduction of \$432,836 or 35.3%. This is predominantly due to the proposed relocation of Policy Planning out of Project Planning, for purposes of budget clarity. Moving forward, Policy Planning will be shown as a separate sub-fund.

Policy Planning (Attachment 6) has a 2023 proposed budget of \$490,815. In 2023, \$75,000 is proposed to support concept development and feasibility work for capital improvement partnerships that fall under the Land and Water Partnership program. In addition, \$70,000 is proposed for policy development, including \$25,000 for consultant support with climate action planning, \$5,000 for advisory committee expenses and consulting support, and \$40,000 in proposed consulting support for work developing MCWD policy focused on equity, diversity and inclusion. As with all programs, personnel costs are included in the total program budget.

Project Maintenance and Land Management (PMLM, Attachment 7) is projecting a reduction in expenditures for 2023 of \$269,351, from a 2022 budget of \$1,974,212 to a 2023 budget of \$1,704,861. This fluctuation in Project Maintenance is attributed to the Preserve boardwalk repair and litigation. Reconstruction costs for the boardwalk are split between 2022 and 2023, with \$1,365,430 and \$1,000,000, respectively.

MCWD Outreach (Attachment 8) continues to make progress in aligning its program outputs to support capital project and policy planning. In 2022, the program directly supported community engagement surrounding 325 Blake Road, the development of the Climate Action Framework, and finalizing and rolling out the Nokomis White Paper. While the

program continues to calibrate its work and hire staff, under new leadership, the 2023 budget is proposed to remain essentially flat at \$508,106. Categories for budgeted expenditures will continue to be revised and clarified through the budget process. Contained within the Outreach category are sub-funds for now discontinued grant programs. Efforts will be made in 2023 through a focused process to connect with awarded grant recipients and make awarded disbursements, with the remainder of funds being reallocated to the 2024 District's capital project budget.

Research and Monitoring (R&M, Attachment 9) is projecting a 15.2% increase in 2023 of \$177,398, from a 2022 budget of \$1,164,580 to a 2023 budget of \$1,341,978. This change is due in large part to two specific areas of change. The first, with the scheduled completion of the Lessard Sams Outdoor Heritage Council (LSOHC) funded Six Mile Creek Halsted Bay Carp Management work, R&M is proposing \$75,000 in spending. This includes \$25,000 to continue managing carp removals in 2023, and \$50,000 to conduct an analysis of the effectiveness of the three years of implementation driven by the UMN developed strategy for Six Mile. This analysis is expected to provide a capstone to over six years of effort and identify if and how MCWD might carry carp management forward as a watershed management strategy. The second area of budgetary change is focused on R&M's development of a 2-dimensional watershed wide model for purposes of project and climate adaptation planning. Proposed expenditures in 2023 for the construction of the 2D model are \$412,400.

### **Capital Improvement Projects – (Attachment 10):**

Working with partners to build capital projects that manage and improve the quality and quantity of water within the watershed, while delivering broader value to communities, is at the heart of the District's mission. The District's 2023 capital improvement budget (Attachment 10) of \$1,160,737 represents a decrease of 76% or \$3,719,587 over 2022.

In 2022, three projects are proposed to be completed and closed, the Six Mile Marsh Prairie Restoration Trail, FEMA Flood Damage Repairs, and Wassermann Internal Load Management. The 2023 capital implementation program (CIP) budget, summarized below, includes projects that will continue work in the District's two focal geographies, Six Mile Creek-Halsted Bay, and Minnehaha Creek, as well as budgeted expenditures for the Maple Creek Pond, a Land and Water Partnership project with the City of Plymouth.

#### Six Mile Creek – Halsted Bay:

Following significant focus and investment within the Wassermann Lake area of the Six Mile Creek – Halsted Bay focal geography, project planning work is turning to wetland and corridor restoration work, and initial feasibility analysis of the Lake Minnetonka-Halsted Bay Alum Dosing facility.

- Turbid-Lundsten Wetland Restoration:
  - Work is planned between 2022 and 2023 to evaluate a suite of wetland, stream, and corridor restoration opportunities between Turbid and Lundsten Lakes, which represent a significant component of the Six Mile – Halsted Bay system. Pending planning, and landowner/stakeholder engagement, \$250,000 is budgeted for capital project design and early implementation in this corridor.
- East Auburn Wetland Restoration:
  - The East Auburn Wetland complex has been identified as a significant source of nutrient export within the Six Mile – Halsted Bay subwatershed. Pending final diagnostic work in 2022 and 2023, \$55K is budgeted in the CIP for design of a wetland restoration to address this nutrient source.
- Halsted Bay Alum Dosing Facility:
  - No dollars are budgeted within the CIP for this project in 2023. However, funds are contained within the Project Planning program, under the Six Mile Creek-Halsted Bay planning line item, to support early technical exploration of this project.

### Minnehaha Creek:

Work within the Minnehaha Creek subwatershed is split between projects in the Minnehaha Creek Greenway, and planning work in coordination with the City of Minneapolis and the Minneapolis Park and Recreation Board.

- 325 Blake Road Stormwater & Cottageville Park:
  - Partnership with the City of Hopkins for the integrated design and construction of regional stormwater facilities and open space at 325 Blake and residual Cottageville Park parcels. Supported with \$445,000 in grant funding, budgeted expenditures planned for 2023 are \$750,000 for first phase stormwater management construction.
- SWLRT Stream Enhancement & Trail Connection:
  - Partnership with the City of St. Louis Park and private landowners for streambank improvements and trail connection to the Cedar Lake Regional Trail between Minnehaha Preserve, Japs Olson, and 325 Blake Road. Planning work expected to advance late in 2022, with construction potentially aligned in 2024. The CIP contains \$51,000 in 2023 for design.
- Meadowbrook Golf Course:
  - Partnership with the Minneapolis Park and Recreation Board to redesign a portion of the course for stream and wetland enhancements and trail connection between Edina's Todd Park and Methodist Hospital. \$200,673 in funds remain assigned to this project for out years, pending ongoing dialog with the City of Minneapolis and the Minneapolis Park and Recreation Board around strategically aligning inter-agency CIPs.
- Louisiana Trail Greenspace and Stormwater
  - This potential regional stormwater and greenway expansion project was identified through earlier planning efforts conducted between the MCWD and City of St. Louis Park. Pending additional community planning work underway by the City of St. Louis Park, \$300,000 in MCWD CIP funds remains assigned to future years.
- Minneapolis Stormwater:
  - Partnership with the City of Minneapolis and Minneapolis Park and Recreation Board to integrate regional stormwater management, floodplain and ecological solutions into the re-imagined Minnehaha Creek Parkway Regional Trail system. Work in 2022 and 2023 will focus on partnership development, with emphasis on advancing a memorandum of understanding or partnership agreement, to be complemented with a clear shared capital improvement plan to advance projects within the Parkway Master Plan. Funding is contained within the Planning program budget to support this work. Currently, \$1,500,000 is being held assigned in MCWD's CIP for future capital work in this area.

### Long Lake Creek Sub-watershed:

As part of MCWD's strategy to protect and improve Lake Minnetonka, and in efforts to remain responsive to community-based planning initiatives, the District partnered with the Cities of Medina, Long Lake and Orono, as well as Long Lake Waters Association and the State of MN, to complete a data driven diagnostic of the watershed and an implementation roadmap.

- County Road 6 Pond Retrofit:
  - A project identified within the Long Lake sub-watershed includes a potential retrofit to an existing MCWD owned stormwater pond at County Road 6, to further reduce pollutant loading to Long Lake. Pending completion of pre-project monitoring, the 2023 CIP includes \$44,000 in design costs.

### Land and Water Partnership Program:

The Land and Water Partnership program is actively being developed and shaped by community input in 2022, intended to strengthen dialog and collaboration at the interface of land and water to identify watershed improvements that can be integrated into MCWD's CIP.

- Maple Creek Pond Improvements
  - A partnership with the City of Plymouth to integrate water quality and resilience benefits into planned capital improvements within the Gleason Lake sub-watershed. The project includes \$100,000 of funds within the 2023 CIP.

### **2023 Capital Finance and Debt Service Budget – (Attachment 11):**

The District's Capital Finance sub-fund is used strategically to maximize the organization's capacity for project implementation by (1) servicing debt issued by MCWD partners for capital improvements – distributing capital costs over time and future tax paying beneficiaries, (2) providing flexible and strategic reserves for unplanned opportunities to improve the watershed, and (3) minimizing levy volatility by supporting short term cash flow needs.

As the District's capital improvement plan is improved each year in its ability to provide longer range predictions, beyond servicing scheduled debt for past projects, the capital finance fund will play a critical role in supporting ongoing implementation. During the 2022 budget process this sub-fund is proposed to be bifurcated into a fund for debt service, and a capital finance fund assigned for long range capital improvements or emerging project opportunities.

In 2023 the District will be servicing \$4,212,718 in scheduled debt payments for prior property acquisitions and capital improvements on two Hennepin Bond series (2013B and 2020A), Richfield Bond Series 2020A, and a privately placed note with Wells Fargo. Following 2023, subsequent years will be reduced to an annual debt service of approximately \$1,100,000.

### **2023 Personnel Budget:**

As the team that works directly with the Board to drive the MCWD mission forward, staff represent one of the organization's most important resources. Accordingly, as part of a comprehensive restructure of the organization, the Board has developed and adopted a systematic pay plan and total compensation policy to strategically guide investment in MCWD's people. This policy framework is used to guide annual budgeting.

### Base Personnel Budget

The preliminary personnel projection for the 2023 budget shows a 5.6% increase or \$153,895 in total budgeted personnel costs, including employee wages, employee benefits, PERA, and payroll tax.

### Wages:

At this juncture the 2023 budget includes a 5.5% increase in budgeted wages over 2022. This is comprised of adjustments for both wage inflation and performance.

To guide compensation adjustments, MCWD's total compensation policy uses the current fiscal year June Bureau of Labor Statistics (BLS), Employment Cost Index (ECI), wages and salaries for state and local government workers (not seasonally adjusted, all workers group). The current ECI shows 3.2% wage growth for the 12 months ending March 2022. Therefore, the 2023 budget currently assumes 3.2% for a cost-of-living adjustment (COLA). This is up from BLS COLA budgeted in 2022 of 1.6%.

In addition to factoring in wage inflation, the District's policy also outlines the organization's intent to move employees efficiently through the salary range for their grade towards midpoint – which was established as a market competitive benchmark for comparable positions – given proficiency and performance. 2.3% is budgeted for 2023 performance adjustments that promote appropriate salary range penetration. Pending performance, this budget will provide for

approximately 70% of MCWD's staff to achieve midpoint range penetration, a key measure in job proficiency and a benchmark for market competitive salary.

Beyond COLA and performance pay increases, the 2023 budget for wages is also driven by assumptions being made around five vacancies in positions (two PMLM Technicians, one R&M Aquatic Ecologist, two Outreach positions). For budgeting purposes, it is assumed these positions would be filled at midpoint of the salary range.

Benefits:

The current 2023 budget for benefits is almost flat, projecting a slight reduction of (2%), from \$345,622 in 2022 to \$340,387 in 2023. These estimates include assumptions for age bracketed costs and staff census. Currently the 2022 budget covers employee premiums for health care.

Employee benefit costs have been held essentially flat since 2021 through a combination of factors including elimination of an employer health reimbursement account (HRA), higher deductibles, and low plan renewal costs. The 2023 budget includes up to a 5% increase in market costs for employee health benefits. However, in plan year 2023-2024, it is estimated that these increases may be offset by modulating plan offerings to employees.

This projected budget represents a cost of \$12,606/FTE. The market average costs in 2019, at the time the District's compensation study was completed was \$12,641/FTE.

Based on the District's Total Compensation Policy, a salary study and benefit analysis is to be conducted every five years, with the next one being completed in 2023 ahead of the 2024 budget cycle. This projected budget would see MCWD moving into 2023 with a flat employee benefit budget, at which time it can more comprehensively reassess the market through the compensation study.

**Proposed Human Resource Changes:**

Summary:

As part of a comprehensive reorganization and realignment, MCWD's staff structure has been working through a phase of contraction and right-sizing before beginning the process of scaling back up for impact from a foundation of proven results. Current staff census (Attachment A) is down from a high in 2017 of 36 full time employees (FTE) to 27 FTE in 2022.

2022-2023 represent a milestone for MCWD. These years represent the mid-point in 10-year plan cycles, a 5-year milestone from the District's strategic plan, and 5-years from initiating a reorganization of staff. This junction point, following a period of contraction and looking at the organizational work that lies ahead, represents an opportunity to strategically integrate additional staff capacity to support the implementation of MCWD's mission.

For 2023 there are three areas of proposed changes summarized below for consideration by the committee. These changes are visually summarized in Attachments A, B and C.

1. Additional Positions – Additional Staff Capacity:
  - a. The addition of 3 positions
    - i. Planner-Project Manager
    - ii. Policy Planner
    - iii. Operations Manager
  
2. Changes in the Organizational Chart – Driving Organizational Clarity:
  - a. Establishing Project Maintenance (PMLM) as its own program. Moving it out from under Project Planning to drive organizational clarity regarding roles, reporting, and accountability.



- b. Formally recognizing the elevated classification that currently exists for the Policy Planning Manager and Project Planning Manager positions, to directly assist the Administrator in providing direction, and maintaining strategic alignment of programs with MCWD's strategic focus on policy and projects.
3. Create Added Gradation of Existing Positions – Enhancing Retention Strategies:
    - a. Create a senior gradation for positions, and adjust existing policy to delegate the Administrator authority to promote individuals to senior level positions based on tenure and benchmarks for performance as a strategy to support retention of high-performing staff that MCWD has already trained and invested in.

Proposed 2023 Staffing Changes – Additional Staff Capacity (Attachment B):

Three additional positions are recommended to strategically add capacity needed to maximize MCWD's impact:

- Planner-Project Manager
  - The delivery of high-impact capital improvements is a core strategy in achieving MCWD's mission. MCWD's Project Planning Team currently consists of one Manager, and three Planner-Project Managers. To grow MCWD's ability to cultivate capital projects in the planning pipeline, and to balance planning and partnership development with construction and project management, an additional Planner-Project Manager position is recommended.
  - This would provide two Planner-Project Managers per focal geography. Currently the Manager is providing a significant amount of day-to-day project planning and project management. This additional capacity would allow the Manager to provide more forward-facing leadership, and to spend additional time on partnership development and the project pipeline, by increasing the capacity for work to be delegated.
  
- Policy Planner
  - Shaping policy at the nexus of water and land planning is a core strategy in achieving MCWD's mission. MCWD's Policy Planning Team currently consists of one Manager, one Policy Planner, and one GIS Coordinator. Policy Planning is responsible for MCWD's long range watershed planning, mid-range strategic planning, the cultivation of relationships with local communities outside focal geographies, policy development at the land and water interface, and engagement in regional and state planning efforts (e.g. Met Council, MPCA TMDLs, County Strategic Natural Resources & Climate Planning, Watershed Based Funding Changes).
  - As the Land and Water Partnership program continues to take shape, an on-ramp for partners to integrate eligible projects into MCWD's CIP, and with a five-year vision for robust community engagement around the 2027 Plan and Climate Action, the addition of a Policy Planner position is recommended. This additional capacity would allow the Manager to provide a higher level of strategic leadership, delegate the implementation of the Land and Water Partnership program, and drive the direction of the 2027 Plan.
  
- Operations Manager
  - MCWD Operations has run lean for two years. Following turnover in the Manager position, followed immediately by the COVID-19 pandemic early in 2020, the decision was made to not backfill for a period. This allowed MCWD to baseline its operations with an Office Manager position and support from the Administrator. This has resulted in a focus on the efficient and quality administration of all existing operational systems.

However, running this lean has also limited forward direction in developing and improving the systems MCWD needs to scale the impact of the broader staff team. It has also pulled the Administrator's time more heavily into operations.

From the learnings developed during this lean period, it is recommended that an Operations Manager position be hired.

This position would exist to as dedicated support for the development of systems to scale MCWD's impact by making it easier for mission focused staff to implement their duties. It would also provide the District Administrator additional capacity to focus on organizational strategy, internal alignment and program support, and more intentional focus on cultivating external partnership. The addition of this position will also provide for succession planning as the current Office Manager begins evaluating a 3–5-year plan for potential retirement.

Operational systems that would support the scaling of MCWD's impact include: (1) centralized project management systems, to map project scope and timeline, allocate staff time, and to roll-up routine status reports to organizational leadership, thereby improving clarity and driving organizational accountability; (2) improving MCWDs financial planning system, moving beyond the clarity of the existing budget process into developing multi-year forecasts, and strategic policy to guide the future alignment of levy, grants, reserves and use of debt to support project implementation; (3) continuing to build out MCWD's human resources systems, by creating standardized written processes, with emphasis on professional development and performance management systems to maximize the output of MCWD talent; and (4) having dedicated capacity to oversee facility management and improvements in MCWD's campus and interior space.

Generally, the timing for implementation of new staffing changes would be the subsequent fiscal year. In this instance, 2023. However, given current vacancies and the capacity of the 2022 personnel budget, coupled with needs and opportunities identified through recent hiring processes to move faster, it is recommended that the hiring of a Planner Project Manager, and the Operations Manager, be advanced in 2022. Additional detail will be provided during the committee report on May 26, 2022.

#### Changes in the Organizational Chart – Driving Organizational Clarity:

- Establishing Project Maintenance (PMLM) as its own program
  - In 2018, Project Maintenance and Land Management was placed within the Project Planning Program. The PMLM Manager was envisioned as both providing management and leadership to PMLM Technicians and serving as a senior project planner advancing capital projects. However, experience has taught that there is enough work within Project Maintenance and Land Management to require a dedicated Manager. Moreover, the program will be expected to take on more work in the future as MCWD grows its portfolio of capital projects. Within the organizational chart, this is also the only program at MCWD that currently has a Program Manager classified position reporting to another Program Manager. While this is true on paper, within the organizational chart, as a matter of practice the PMLM Manger reports directly to the Administrator. For these reasons, it is recommended that this program be established as its own independent program and moved out from under Project Planning to drive organizational clarity.
- Crystalizing the elevated classification that exists for the Policy Planning Manager and Project Planning Manager
  - In 2018, through the District's reorganization, as part of the positional classification and compensation study, both the Policy Planning Manager and Project Planning Manager positions were classified at higher levels than other program manager positions.

These positions were anticipated to support and assist the Administrator in maintaining the organization's strategic direction and alignment through the development of the District's strategic plan, watershed plan, and providing matrix management to align programs and personnel in support of MCWD's highest strategic priorities – policy development and high-impact capital projects.

While these positions have provided support, much work related to programmatic alignment in support of policy or projects, including final direction or decision making, continues to flow through the Administrator. As operational steps are taken with the Program Manager team to increase the clarity of MCWD's matrix management delegation structure, it is recommended that the titles of these positions and the organizational chart be adjusted to drive organizational clarity (Attachment C).

Enacting these steps is expected to improve the clarity of the District's delegation structure by empowering the Policy Planning Manager and Project Planning Manager to make more day-to-day decisions. This is anticipated to provide some additional capacity for the District Administrator, and empower decision making at the right levels within the organization by those who are most closely responsible for outcomes.

#### Create Added Gradation of Existing Positions – Enhancing Retention Strategies:

- Create additional gradation for positions to support career development and retention
  - MCWD's current compensation policy requires the District Administrator to maintain the alignment of the organizational structure and human resources to support mission priorities, by periodically assessing and making recommendations to the Board. Among the recommendations that can be made are changes to the classification of positions, for which the policy requires the Board of Managers approval. For the creation of new positions, or adjustments in organizational structure, this makes sense. However, to support career development and priorities for employee retention, it is recommended that through the upcoming classification and compensation project, additional gradation be created to allow for seasoned employees to be elevated in responsibility, position classification and compensation. For example, providing for the promotion of a Permitting Assistant to a Permitting Technician; promotion of a Planner-Project Manager to a Senior Planner-Project Manager; or promotion of a Technician or Coordinator to a Senior Technician or Coordinator.

Creating these additional steps within MCWD's existing classification system will allow MCWD to offer career development pathways that support the progression of individuals in their career, while also supporting retention of performing individuals and maximizing MCWD's return on investment in training and professional development.

#### Cost To Implement 2023 Proposed Staffing Changes:

Changes to the District's organizational chart are not anticipated to affect budgeted personnel costs. Further, adjusting MCWD's classification to provide for senior level gradation in positions would be evaluated through the 2023 Classification and Compensation Study. Costs to implement this framework could reasonably be integrated into MCWD's annual personnel budgeting process, to ensure appropriate budgeting for any anticipated promotions.

Changes in staffing, by adding three positions, would require an increase in MCWD's 2023 personnel budget. The total cost to implement the recommended changes, assuming for hiring purposes a mid-point placement in the 2023 salary grid, and including PERA, payroll tax, and employee benefits, would be \$341,131.

Since these do not represent one-time costs and would be added to MCWD's base operational cost of business, the Board of Managers may want to consider a levy increase in 2023. \$341,131 represents a 4% levy increase. However,

based on current multi-year budget projections and existing reserves, which will be discussed during the budget process, any levy increase considered to support staffing increases may be able to be spread over multiple years.

**2023 Classification and Compensation:**

MCWD last systematically classified positions and established market-based benchmarks for compensation in 2018, as part of its reorganization and realignment. Pursuant to the MCWD’s adopted Compensation policy, a formal compensation study is recommended to be completed every five years, to revalidate and baseline the salary ranges and grade assignments.

2023 represents the fifth year since the last classification and compensation study was completed. Accordingly, \$40,000 has been budgeted within the General Operations sub-fund to retain a consultant to assist MCWD in re-baseline salary ranges and grade assignments against the marketplace.

No funds are currently budgeted in 2023 to implement the findings of the classification and compensation study. Without study findings, and a clear understanding of the level of market correction that may be warranted, it is challenging to estimate a cost to implement for the 2023 budget.

Options for budgeting for implementation include:

- Leveraging the 2023 study findings to inform the 2024 personnel budget, knowing that MCWD has already budgeted a 5.5% increase to 2023 wages, and has consistently grown its salary grid using federal wage growth indices since 2018;
  
- Establishing a portion of existing reserves as a contingency to support a level of implementation in 2023, before fully integrating into the future 2024 personnel budget.

Staff will summarize a range of potential costs to implement for the committee, and efforts will be taken during the budgeting process to preliminarily assess positions in the marketplace against MCWD’s salary grid, before a direction for the 2023 budget is determined.

**Conclusion:**

At the May 26, 2022 PPC, staff will provide an updated overview of the total budget, ask the Committee to provide feedback, and to identify the areas of focus for subsequent discussions in the process. If there are questions in advance of the meeting, please contact James Wisker at [Jwisker@minnehahacreek.org](mailto:Jwisker@minnehahacreek.org).

**Attachments:**

- 2023 Budget-Revenue Summary – Attachment 1
- Programs and Operations – Attachment 2
  - Operations – Attachment 3
  - Permitting – Attachment 4
  - Project Planning – Attachment 5
  - Policy Planning – Attachment 6
  - Project Maintenance – Attachment 7
  - Outreach – Attachment 8
  - Research & Monitoring – Attachment 9
- Capital Improvement Projects – Attachment 10
- Capital Finance and Debt Service – Attachment 11

## Attachment 1 - DRAFT 2023 Budget-Revenue Summary

<b>EXPENSES</b>	<b>2022</b>	<b>2023</b>	<b>2022-2023 Δ</b>	<b>% Change</b>	<b>Notes</b>
Operations	\$1,808,491	\$1,840,430	\$ 31,939	1.8%	Includes General Operations, IT Plan Implementation, and Facility Improvements
Programs	\$5,680,250	\$5,678,625	\$ (1,625)	0.0%	Costs and sources detailed in programs summary
Capital finance & Debt Service	\$2,758,468	\$4,212,718	\$ 1,454,250	52.7%	Scheduled debt service detailed in capital finance
Capital projects	\$4,880,324	\$1,160,737	\$ (3,719,587)	-76.2%	Costs and sources detailed in capital improvement plan
<b>TOTAL</b>	<b>\$15,127,532</b>	<b>\$12,892,510</b>	<b>\$ (2,235,022)</b>	<b>-14.8%</b>	
<b>REVENUE</b>	<b>2022</b>	<b>2023</b>	<b>2022-2023 Δ</b>	<b>% Change</b>	<b>Notes</b>
Preliminary levy	\$9,675,993	\$9,675,993	\$ -	0.0%	Flat levy
Projects fund balance	\$3,511,052	\$1,073,631	\$ (2,437,422)	-69.4%	Funds levied in past years for multi-year projects
Programs fund balance	\$1,212,049	\$1,612,886	\$ 400,837	33.1%	Funds reallocated from programs delivered under budget or deprioritized activities
Grants and partner funds	\$647,218	\$445,000	\$ (202,218)	-31.2%	Includes only secured funds
Interest, permit fees, reimbursements	\$81,220	\$85,000	\$ 3,780	4.7%	Estimated based on previous fiscal years
<b>TOTAL</b>	<b>\$15,127,532</b>	<b>\$12,892,510</b>	<b>\$ (2,235,022)</b>	<b>-14.8%</b>	

**Attachment 2 - DRAFT 2023 Operations and Programs Summary by Fund**

Fund Code	Program/Fund	2022 Carryover Detail							2023 Budget and Revenue			2022-2023 Budget Change		
		2021 EOY Balance	2022 Budget	2022 Estimated Expenditures	2022 Levy	2022 External Revenue <sup>1</sup>	Assigned (carried to future years)	2022 Carryover (transferred to CIP)	2023 Budget	2023 External Revenue <sup>1</sup>	2023 Revenue Needs	\$ Change	% Change	
1002	General Operations	\$ 2,236,671	\$ 1,087,491	\$ 1,020,438	\$ 1,148,051	\$ 10,000	\$ 2,318,158	\$ 56,126	\$ 1,102,430	\$ 25,000	\$ 1,077,430	\$ 14,939	1.4%	
1003	Information Technology	\$ 122,006	\$ 335,000	\$ 322,500	335,000			\$ 134,506	\$ 277,000		\$ 277,000	\$ (58,000)	-17.3%	Due to the 2022 completion of the MCWD website
1005	Facility Maintenance Plan	\$ 385,253	\$ 386,000	\$ -	0			\$ 385,253	\$ 461,000		\$ 461,000	\$ 75,000	19.4%	Campus improvements, including interior floorplan changes
<b>Operations Subtotal</b>		<b>\$ 2,743,930</b>	<b>\$ 1,808,491</b>	<b>\$ 1,342,938</b>	<b>1,483,051</b>	<b>\$ 10,000</b>	<b>\$ 2,318,158</b>	<b>\$ 575,885</b>	<b>\$ 1,840,430</b>	<b>\$ 25,000</b>	<b>\$ 1,815,430</b>	<b>\$ 31,939</b>	<b>1.8%</b>	
2001	Permit Administration	\$ -	\$ 738,644	\$ 767,223	678,644	\$ 60,000		\$ (28,579)	\$ 833,764	\$ 60,000	\$ 773,764	\$ 95,120	12.9%	Increased engineering fees based on five year average
2007	Rule Revisions	\$ 45,778	\$ 15,000	\$ 15,000	0			\$ 30,778	\$ 5,000		\$ 5,000	\$ (10,000)	-66.7%	Project concluding 2022-2023
<b>Permitting Subtotal</b>		<b>\$ 45,778</b>	<b>\$ 753,644</b>	<b>\$ 782,223</b>	<b>678,644</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ 2,199</b>	<b>\$ 838,764</b>	<b>\$ 60,000</b>	<b>\$ 778,764</b>	<b>\$ 85,120</b>	<b>11.3%</b>	
2002	Project Planning	\$ 144,808	\$ 1,226,937	\$ 1,196,030	1,226,937			\$ 175,715	\$ 794,101		\$ 794,101	\$ (432,836)	-35.3%	Reduction due to splitting out Policy Planning for clarity
2003	Project Maint. & Land Mgmt	\$ 456,979	\$ 1,974,212	\$ 2,146,682	1,974,213			\$ 284,510	\$ 1,704,861		\$ 1,704,861	\$ (269,351)	-13.6%	2 part levy for boardwalk construction costs. Year 2 lower
200X	Policy Planning								\$ 490,815		\$ 490,815	\$ 490,815	100.0%	Splitting out Policy Planning from Projects in 2023
<b>Planning &amp; Projects Subtotal</b>		<b>\$ 601,787</b>	<b>\$ 3,201,149</b>	<b>\$ 3,342,712</b>	<b>\$ 3,201,150</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 460,225</b>	<b>\$ 2,989,777</b>	<b>\$ -</b>	<b>\$ 2,989,777</b>	<b>\$ (211,372)</b>	<b>-6.6%</b>	
4001	Cynthia Krieg (discontinued program)	\$ 8,129	\$ -	\$ -	0		\$ 8,129	\$ -	\$ -		\$ -	\$ -	0.0%	
4002	Outreach	\$ 140,922	\$ 516,665	\$ 464,689	516,665			\$ 192,898	\$ 508,106		\$ 508,106	\$ (8,559)	-1.7%	
4005	Cost Share (discontinued program)	\$ 405,799	\$ -	\$ -	0		\$ 405,799	\$ -	\$ -		\$ -	\$ -	0.0%	
<b>Outreach Subtotal</b>		<b>\$ 554,850</b>	<b>\$ 516,665</b>	<b>\$ 464,689</b>	<b>516,665</b>	<b>\$ -</b>	<b>\$ 413,928</b>	<b>\$ 192,898</b>	<b>\$ 508,106</b>	<b>\$ -</b>	<b>\$ 508,106</b>	<b>\$ (8,559)</b>	<b>-1.7%</b>	
5001	Research & Monitoring	\$ 323,675	\$ 1,164,580	\$ 1,106,575	1,164,580			\$ 381,680	\$ 1,341,978		\$ 1,341,978	\$ 177,398	15.2%	Due to year 2 in the 2D Model Build
5007	Six Mile Creek-Halsted Bay Carp Mgmt	\$ -	\$ 44,212	\$ 44,212	0	\$ 44,212		\$ -	\$ -		\$ -	\$ (44,212)	-100.0%	Project concluded
<b>Research &amp; Monitoring Subtotal</b>		<b>\$ 323,675</b>	<b>\$ 1,208,792</b>	<b>\$ 1,150,787</b>	<b>1,164,580</b>	<b>\$ 44,212</b>	<b>\$ -</b>	<b>\$ 381,680</b>	<b>\$ 1,341,978</b>	<b>\$ -</b>	<b>\$ 1,341,978</b>	<b>\$ 133,186</b>	<b>11.0%</b>	
<b>Operations and Programs Total</b>		<b>\$ 4,270,020</b>	<b>\$ 7,488,741</b>	<b>\$ 7,083,350</b>	<b>7,044,090</b>	<b>\$ 114,212</b>	<b>\$ 2,732,086</b>	<b>\$ 1,612,886</b>	<b>\$ 7,519,055</b>	<b>\$ 85,000</b>	<b>\$ 7,434,055</b>	<b>\$ 30,315</b>	<b>0.4%</b>	

**Notes**

<sup>1</sup>External revenue includes interest (Fund 1002), permit fee reimbursement (2001), and LSOHC grant (5007).

**Attachment 3 - DRAFT 2023 Operations & Support Services Budget Summary**

General Operations (1002)							Notes
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change	
Staff Expenses	\$ 10,000	\$ 7,500	\$ 2,500	Staff Expenses	\$ 7,500	\$ (2,500)	
Manager Expenses	\$ 52,000	\$ 54,000	\$ (2,000)	Manager Expenses	\$ 58,500	\$ 6,500	Increased number of Manager and Liaison meetings
Building and Operating Expenses	\$ 183,400	\$ 130,000	\$ 53,400	Building and Operating Expenses	\$ 130,000	\$ (53,400)	Aligning budget to actual over past several years (Utilities, Cleaning, Grounds, Inspections, Maintenance)
Office Building Debt Service	\$ 104,924	\$ 104,924	\$ -	Office Building Debt Service	\$ 104,924	\$ -	Principal of \$1,311,540 with final payment due Nov 2034
Vehicles	\$ 37,000	\$ 22,000	\$ 15,000	Vehicles	\$ 35,000	\$ (2,000)	Includes a new vehicle purchase or lease in 2023 plus usual and routine fleet expenses
Contracted Services	\$ 36,000	\$ 30,000	\$ 6,000	Contracted Services	\$ 35,000	\$ (1,000)	Payroll, Temp Services, Staff Trainings, Shredding, Facilities Management
Accounting & Auditing	\$ 99,500	\$ 110,000	\$ (10,500)	Accounting & Auditing	\$ 114,000	\$ 14,500	New contract rates set after 2022 budget was established
Engineering/Consulting	\$ 66,000	\$ 66,000	\$ -	Engineering/Consulting	\$ 69,600	\$ 3,600	
Legal	\$ 95,000	\$ 85,000	\$ 10,000	Legal	\$ 90,000	\$ (5,000)	Refining to better align with actuals for the past several years which resulted in lowering the budget
Insurance	\$ 81,000	\$ 75,000	\$ 6,000	Insurance	\$ 77,000	\$ (4,000)	Covers P&C and workers' compensation insurance; renewals are under budget so adjusting accordingly
Other/Misc Expenses	\$ 10,000	\$ 10,000	\$ -	Other/Misc Expenses	\$ 10,000	\$ -	
Class and Comp Study	\$ -	\$ -	\$ -	Class and Comp Study	\$ 40,000	\$ 40,000	Classification and Compensation Study, recommended every five years per policy
Personnel	\$ 312,667	\$ 326,014	\$ (13,347)	Personnel	\$ 330,906	\$ 18,239	
<b>Total</b>	<b>\$ 1,087,491</b>	<b>\$ 1,020,438</b>	<b>\$ 67,053</b>		<b>\$ 1,102,430</b>	<b>\$ 14,939</b>	
Information Technology (1003)							
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change	
Strategic IT Plan	\$ 50,000	\$ 48,000	\$ 2,000	Strategic IT Plan	\$ 45,000	\$ (5,000)	IT Plan, 20K for for continued implementation consulting, 25K for operational software acquisition (invoice automation, budgeting, accounting)
Website redesign	\$ 75,000	\$ 75,000	\$ -	Website redesign	\$ 15,000	\$ (60,000)	80 hours of additional website feature development (like data integrations) will be continued to be refined through website future roadmap (June/July)
Contracted Services	\$ 90,000	\$ 87,000	\$ 3,000	Contracted Services	\$ 95,000	\$ 5,000	Base managed services (MSP, website hosting, special technology projects, etc.)
IT Equipment	\$ 30,000	\$ 27,500	\$ 2,500	IT Equipment	\$ 30,000	\$ -	Lifecycle replacement of IT equipment (workstations, peripherals)
Licenses	\$ 90,000	\$ 85,000	\$ 5,000	Licenses	\$ 92,000	\$ 2,000	IT system/software licenses & annual maintenance, increased slightly due to potential new software implemented in 2022
<b>Total</b>	<b>\$ 335,000</b>	<b>\$ 322,500</b>	<b>\$ 12,500</b>		<b>\$ 277,000</b>	<b>\$ (58,000)</b>	
Facility Maintenance Plan (1005)							
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change	
Engineering/Consulting	\$ 10,000	\$ -	\$ 10,000	Engineering/Consulting	\$ 10,000	\$ -	Carried over both line items into 2023; don't anticipate expenses to be incurred in 2022
Facility Improvements	\$ 376,000	\$ -	\$ 376,000	Facility Improvements	\$ 376,000	\$ -	
Interior Space Reconfiguration	\$ -	\$ -	\$ -	Interior Space Reconfiguration	\$ 75,000	\$ 75,000	Pending space planning and discussion with vendor in 2022
<b>Total</b>	<b>\$ 386,000</b>	<b>\$ -</b>	<b>\$ 386,000</b>		<b>\$ 461,000</b>	<b>\$ 75,000</b>	

**Attachment 4 - DRAFT 2023 Permitting Budget Summary**

<b>Permit Administration (2001)</b>						
<b>2022 Activity/Expense</b>	<b>2022 Budget</b>	<b>2022 Estimated Expenditures</b>	<b>2022 Generated Carryover</b>	<b>2023 Activity/Expense</b>	<b>2023 Budget</b>	<b>2022-2023 Budget Change</b>
Engineering	\$ 175,000	\$ 230,000	\$ (55,000)	Engineering	\$ 230,000	\$ 55,000
Legal Expense	\$ 45,000	\$ 45,000	\$ -	Legal Expense	\$ 55,000	\$ 10,000
Contract Services	\$ 10,000	\$ 10,000	\$ -	Contract Services	\$ 25,000	\$ 15,000
Staff Mileage/Expenses	\$ 5,000	\$ 5,000	\$ -	Staff Mileage/Expenses	\$ 5,000	\$ -
Staff Training	\$ 10,000	\$ 10,000	\$ -	Staff Training	\$ 10,000	\$ -
Printing/Postage	\$ 5,000	\$ 5,000	\$ -	Printing/Postage	\$ 5,000	\$ -
Equipment & Supplies/Other	\$ 2,500	\$ 2,500	\$ -	Equipment & Supplies/Other	\$ 2,500	\$ -
Personnel	\$ 486,144	\$ 459,723	\$ 26,420	Personnel	\$ 501,264	\$ 15,120
<b>Total</b>	<b>\$ 738,644</b>	<b>\$ 767,223</b>	<b>\$ (28,580)</b>		<b>\$ 833,764</b>	<b>\$ 95,120</b>
<b>Rule Revisions (2007)</b>						
<b>2022 Activity/Expense</b>	<b>2022 Budget</b>	<b>2022 Estimated Expenditures</b>	<b>2022 Generated Carryover</b>	<b>2023 Activity/Expense</b>	<b>2023 Budget</b>	<b>2022-2023 Budget Change</b>
Program Alignment	\$ 15,000	\$ 15,000	\$ -	Program Alignment	\$ 5,000	\$ (10,000)
<b>Total</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ -</b>		<b>\$ 5,000</b>	<b>\$ (10,000)</b>

**Notes**

Adjusted based on five year average

Adjusted based on five year average

Additional expenditures to support partner projects under the L&WP program.



**Attachment 5 - DRAFT 2023 Project Planning Budget Summary**

Project Planning (2002)							Notes
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change	
Strategic Planning	\$ 25,000	\$ 44,465	\$ (19,465)			\$ (25,000)	Amended budget to complete historic white papers in 2021
Policy Planning	\$ 30,000	\$ 30,000	\$ -			\$ (30,000)	Moved to new Policy Planning fund
Responsive Planning	\$ 75,000	\$ 75,000	\$ -			\$ (75,000)	Moved to new Policy Planning fund
Minnehaha Creek Planning	\$ 125,000	\$ 100,000	\$ 25,000	Minnehaha Creek Planning	\$ 100,000	\$ (25,000)	Support for feasibility exploration in Minnehaha Greenway, and early partnership development with MPLS and MPRB (joint CIP efforts, agreements, etc.)
Six Mile Creek-Halsted Bay Planning	\$ 125,000	\$ 100,000	\$ 25,000	Six Mile Creek-Halsted Bay Planning	\$ 125,000	\$ -	Support for visioning and feasibility exploration for Turbid-Lundsten and SMCHB-Minnetonka alum facility (early technical exploration, partnership development, agreements, concept visualization, etc.)
General Engineering and Legal	\$ 25,000	\$ 25,000	\$ -	General Engineering and Legal	\$ 40,000	\$ 15,000	Adjusted up as land conservation legal adjustment (in consideration of both potential land review and additional legal costs on real estate transactions like 325 Blake)
Training	\$ 6,300	\$ 6,300	\$ -	Training	\$ 4,400	\$ (1,900)	Reduction due to separation of Project Planning and Policy Planning funds
Expenses/Mileage	\$ 7,700	\$ 7,700	\$ -	Expenses/Mileage	\$ 5,600	\$ (2,100)	Reduction due to separation of Project Planning and Policy Planning funds
Printing/Publishing/Postage	\$ 2,500	\$ 2,500	\$ -	Printing/Publishing/Postage	\$ 1,000	\$ (1,500)	Adjusted based on past years
Other/Miscellaneous	\$ 3,000	\$ 3,000	\$ -	Other/Miscellaneous	\$ 1,500	\$ (1,500)	Adjusted based on past years
Personnel	\$ 802,437	\$ 802,065	\$ 372	Personnel	\$ 516,601	\$ (285,836)	Reduction due to separation of Project Planning and Policy Planning funds
<b>Total</b>	<b>\$ 1,226,937</b>	<b>\$ 1,196,030</b>	<b>\$ 30,907</b>		<b>\$ 794,101</b>	<b>\$ (432,836)</b>	

**Attachment 6 - DRAFT 2023 Policy Planning Budget Summary**

Policy Planning (200X)						
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change
			\$ -	Policy Planning	\$ 70,000	\$ 70,000
			\$ -	Land & Water Partnership	\$ 75,000	\$ 75,000
			\$ -	General Engineering and Legal	\$ 10,000	\$ 10,000
			\$ -	Staff Expenses, Trainings, and Mileage	\$ 6,000	\$ 6,000
			\$ -	Printing/Publishing/Postage	\$ 500	\$ 500
			\$ -	Personnel	\$ 329,315	\$ 329,315
<b>Total</b>	\$ -	\$ -	\$ -		\$ 490,815	\$ 490,815

**Notes**  
 New fund created to separate budgets for Project Planning and Policy Planning programs  
 Consultant support for climate planning, stakeholder engagement, and equity, diversity, inclusion planning.  
 Support for concept development and feasibility work for partner projects under the L&WP program.

**Attachment 7 - DRAFT 2023 Project Maintenance & Land Management Budget Summary**

Project Maintenance and Land Management (2003)						
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change
Vegetation Maintenance	\$ 170,000	\$ 170,000	\$ -	Vegetation Maintenance	\$ 170,000	\$ -
Stormwater Pond Dredging	\$ 82,000	\$ 50,000	\$ 32,000	Stormwater Pond Dredging	\$ 82,000	\$ -
Infrastructure Maintenance	\$ 1,365,430	\$ 1,365,430	\$ -	Infrastructure Maintenance	\$ 1,000,000	\$ (365,430)
Property Surveys	\$ 5,000	\$ -	\$ 5,000	Property Surveys	\$ -	\$ (5,000)
Routine and Unplanned Maintenance	\$ 10,000	\$ 10,000	\$ -	Routine and Unplanned Maintenance	\$ 10,000	\$ -
Engineering and Legal Expenses	\$ 20,000	\$ 300,000	\$ (280,000)	Engineering and Legal Expenses	\$ 90,000	\$ 70,000
Printing and Publishing Materials	\$ 500	\$ 500	\$ -	Printing and Publishing Materials	\$ 500	\$ -
Staff Expenses, Trainings, and Mileage	\$ 4,000	\$ 2,000	\$ 2,000	Staff Expenses, Trainings, and Mileage	\$ 4,000	\$ -
Equipment and Supplies	\$ 500	\$ 500	\$ -	Equipment and Supplies	\$ 500	\$ -
Personnel	\$ 316,782	\$ 248,252	\$ 68,530	Personnel	\$ 347,861	\$ 31,079
<b>Total</b>	<b>\$ 1,974,212</b>	<b>\$ 2,146,682</b>	<b>\$ (172,470)</b>		<b>\$ 1,704,861</b>	<b>\$ (269,351)</b>

Budget remains flat because the program will use the Q4 in 2022 and Q1 in 2023 to reconfigure vegetation contracts based on the revised vegetation management approach. 2023's budet will be impacted by this revised approach.

Budget remains flat because it assumes surveying and bid document development (engineering costs) for pond dredgings would occur in 2023; dredgings (construction) would occur in the 2024 budget year

Est. boardwalk cost is \$2.3-2.8 million. Budgeting for \$1m in 2023, which will bring the total budgeted number between 2022-2023 to \$2,365,430. SRF is estimated to have final plans by end of June 2022, which will help refine budget numbers

2022 expenditures include litigation costs, and boardwalk design costs. 2023 budget includes remaining litigation contract costs and construction oversight services

**Attachment 8 - DRAFT 2023 Outreach Budget Summary**

Outreach (4002)							Notes
2022 Activity/Expense	2022 Budget	2022 Estimated Expenditures	2022 Generated Carryover	2023 Activity/Expense	2023 Budget	2022-2023 Budget Change	
<b>Supporting High-Impact Interpersonal Outreach</b>				<b>Supporting High-Impact Interpersonal Outreach</b>			
Communications advisors	\$ 30,000	\$ 30,000	\$ -	Communications advisors	\$ 30,000	\$ -	
Subject matter experts	\$ 5,000	\$ 5,000	\$ -	Subject matter experts	\$ 5,000	\$ -	
Creators	\$ 30,000	\$ 30,000		Creators	\$ 30,000	\$ -	
Government relations	\$ 30,000	\$ 30,000	\$ -	Government relations	\$ 30,000	\$ -	
<b>Campaigns for Key Initiatives</b>				<b>Campaigns for Key Initiatives</b>			
Events	\$ 15,000	\$ 15,000	\$ -	Events	\$ 15,000	\$ -	
Producing and distributing materials	\$ 20,000	\$ 20,000	\$ -	Producing and distributing materials	\$ 20,000	\$ -	
Programming	\$ 20,000	\$ 20,000	\$ -	Programming	\$ 20,000	\$ -	
Data collection	\$ 5,000	\$ 5,000	\$ -	Data collection	\$ 5,000	\$ -	
Volunteer Engagement	\$ 3,000	\$ 1,000	\$ 2,000	Volunteer Engagement	\$ 3,000	\$ -	
<b>Broad-based Outreach</b>				<b>Broad-based Outreach</b>			
District-wide publications	\$ 10,000	\$ 10,000	\$ -	District-wide publications	\$ 10,000	\$ -	
Website copywriter/photographer	\$ 28,000	\$ 28,000	\$ -	Website copywriter/photographer	\$ -	\$ (28,000)	
Broad-based engagement	\$ 10,000	\$ 10,000		Broad-based engagement	\$ 10,000	\$ -	
<b>Program Administration</b>				<b>Program Administration</b>			
Analytics and tracking	\$ -			Analytics and tracking		\$ -	
Staff mileage & expenses	\$ 2,000	\$ 2,000	\$ -	Staff mileage & expenses	\$ 2,000	\$ -	
Staff training	\$ 10,000	\$ 10,000	\$ -	Staff training	\$ 10,000	\$ -	
Legal fees	\$ 3,000	\$ 5,000	\$ (2,000)	Legal fees	\$ 5,000	\$ 2,000	
Dues & subscriptions	\$ 4,000	\$ 4,000	\$ -	Dues & subscriptions	\$ 4,000	\$ -	
Personnel	\$ 291,665	\$ 239,689	\$ 51,976	Personnel	\$ 309,106	\$ 17,441	
<b>Total</b>	<b>\$ 516,665</b>	<b>\$ 464,689</b>	<b>\$ 51,976</b>		<b>\$ 508,106</b>	<b>\$ (8,559)</b>	

Categories to be adjusted following additional workplanning

**Attachment 9 - DRAFT 2023 Research & Monitoring Budget Summary**

<b>Research &amp; Monitoring (5001)</b>						
<b>2022 Activity/Expense</b>	<b>2022 Budget</b>	<b>2022 Estimated Expenditures</b>	<b>2022 Generated Carryover</b>	<b>2023 Activity/Expense</b>	<b>2023 Budget</b>	<b>2022-2023 Budget Change</b>
<b>Watershed-wide Monitoring</b>				<b>Watershed-wide Monitoring</b>		
Stream, Lake, and stormwater laboratory budget	\$ 58,300	\$ 58,300	\$ -	Stream, Lake, and stormwater laboratory budget	\$ 58,300	\$ -
USGS gauge management & stormwater analysis	\$ 25,230	\$ 25,230	\$ -	USGS gauge management & stormwater analysis	\$ 25,230	\$ -
Responsive monitoring/analysis	\$ 33,500	\$ 33,500	\$ -	Responsive monitoring/analysis	\$ 33,500	\$ -
Dutch Lake inlet monitoring	\$ 800	\$ 800	\$ -	Dutch Lake inlet monitoring	\$ -	\$ (800)
<b>Minnehaha Creek Subwatershed Monitoring</b>				<b>Minnehaha Creek Subwatershed Monitoring</b>		
Arden Park Project Monitoring	\$ 2,000	\$ -	\$ 2,000	Arden Park Project Monitoring	\$ 2,000	\$ -
<b>Six Mile Creek-Halsted Bay Monitoring</b>				<b>Six Mile Creek-Halsted Bay Monitoring</b>		
District match for LSOHC grant	\$ 5,788	\$ 5,788	\$ -	Ongoing maintenance of Carp Management Project	\$ 75,000	\$ 69,212
Wassermann West Project Monitoring	\$ 15,000	\$ 15,000	\$ -	Wassermann West Project Monitoring	\$ 15,000	\$ -
Contract Services	\$ 30,000	\$ 30,000	\$ -	Contract Services	\$ 30,000	\$ -
<b>Dam Optimization &amp; 2D Modeling</b>				<b>Dam Optimization &amp; 2D Modeling</b>		
Pilot Model Build to inform LCCMR Grant	\$ 121,050	\$ 242,100	\$ (121,050)	Pilot Model Build to inform LCCMR Grant	\$ -	\$ (121,050)
District Engineer Support for 2D Model	\$ 15,000	\$ 15,000	\$ -	District Engineer Support for 2D Model	\$ 15,000	\$ -
Legal Support for 2D model	\$ 35,000	\$ 5,000	\$ -	Legal Support for 2D model	\$ 30,000	\$ (5,000)
Build 2D Watershed Model	\$ 171,000	\$ 171,000	\$ -	Build 2D Watershed Model	\$ 412,400	\$ 241,400
Watershed Machine Learning Modeling	\$ -	\$ 10,000	\$ (10,000)	Watershed Machine Learning Modeling	\$ -	\$ -
Dam Optimization	\$ 34,900	\$ 10,000	\$ 24,900	Dam Optimization	\$ -	\$ (34,900)
<b>Program Administration</b>				<b>Program Administration</b>		
Equipment/Supplies	\$ 30,000	\$ 30,000	\$ -	Equipment/Supplies	\$ 30,000	\$ -
Repairs/maintenance	\$ 15,000	\$ 15,000	\$ -	Repairs/maintenance	\$ 15,000	\$ -
Utilities	\$ 10,000	\$ 10,000	\$ -	Utilities	\$ 10,000	\$ -
Boat Expenses	\$ 5,000	\$ 5,000	\$ -	Boat Expenses	\$ 5,000	\$ -
Publishing/Postage	\$ 2,000	\$ 2,000	\$ -	Publishing/Postage	\$ 2,000	\$ -
Engineering/Consulting	\$ 15,000	\$ 15,000	\$ -	Engineering/Consulting	\$ 15,000	\$ -
Legal	\$ 5,000	\$ 5,000	\$ -	Legal	\$ 5,000	\$ -
Staff Training	\$ 10,000	\$ 10,000	\$ -	Staff Training	\$ 10,000	\$ -
Staff/meeting expenses	\$ 8,000	\$ 8,000	\$ -	Staff/meeting expenses	\$ 8,000	\$ -
Dues/subscriptions	\$ 4,000	\$ 4,000	\$ -	Dues/subscriptions	\$ 4,000	\$ -
Personnel	\$ 513,012	\$ 380,857	\$ 132,155	Personnel	\$ 541,548	\$ 28,536
	\$ <b>1,164,580</b>	\$ <b>1,106,575</b>	\$ <b>28,005</b>		\$ <b>1,341,978</b>	\$ <b>177,398</b>
<b>Six Mile Creek-Halsted Bay Carp Management (5007)</b>						
<b>2022 Activity/Expense</b>	<b>2022 Budget</b>	<b>2022 Estimated Expenditures</b>	<b>2022 Generated Carryover</b>	<b>2023 Activity/Expense</b>	<b>2023 Budget</b>	<b>2022-2023 Budget Change</b>
Lessard-Sams OHC funded activities	\$ 44,212	\$ 44,212	\$ -	Lessard-Sams OHC funded activities	\$ -	\$ (44,212)
<b>Total</b>	\$ <b>44,212</b>	\$ <b>44,212</b>	\$ <b>-</b>		\$ <b>-</b>	\$ <b>(44,212)</b>

Laboratory budget for monitoring stormwater, stream, and lake samples.  
 Budget for continuous level and flow monitoring by USGS at Grays Bay and the outlet of Minnehaha Creek. This budget also includes technical support for R&M on various tasks such as developing rating curves for RESNET sites.  
 Budget in the event that R&M needs to quickly support a project assessment. The 2022 budget will be split between the east auburn wetland and county road 6 assessment.

Note: This task includes two items. 1) Potential ongoing maintenance for removals (25k) and 2) analysis report for the entire SMCHB project by a consultant (50k)

Pilot model will be finalized in 2022.  
 Engineering support on scenario analysis, model due diligence, model development guidance.  
 Legal support for developing data sharing agreements with cities for the 2D model build.  
 Year 2 in full model build. LCCMR funds pending legislative action in 2022.

Attachment 10 - DRAFT 2023 Capital Improvement Plan Budget

Project/Phase for 2023		2022 Carryover Detail							2023 Budget and Revenue		
Fund Code	Project Name	2021 EOY Balance	2022 Budget	2022 Estimated Expenditures	2022 Levy	2022 External Revenue	Assigned (carried to future years)	2022 Carryover	2023 Budget	2023 External Revenue (secured)	2023 Revenue Needs
<b>Land &amp; Water Partnership Program</b>											
3500	Maple Creek Pond Improvement Project	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 100,000	\$ -	\$ (150,000)
<b>Completed (to be closed)</b>											
3106	Six Mile Marsh Prairie Restoration (Trail)	\$ 306,242	\$ 371,889	\$ 367,696	\$ -			\$ (61,454)	\$ -	\$ -	\$ 61,454
3148	FEMA Flood Repairs	\$ 17,489	\$ 8,745	\$ 8,745	\$ -			\$ 8,744	\$ -	\$ -	\$ (8,744)
3156	Wassermann Internal Load Management	\$ 2,968	\$ 189,186	\$ 189,186	\$ -	\$ 158,006	\$ -	\$ (28,212)	\$ -	\$ -	\$ 28,212
<b>Warranty Phase</b>											
3153	Wasserman Lake Preserve	\$ 95,894	\$ 13,000	\$ 13,000	\$ -		\$ 10,738	\$ 72,156	\$ 10,737		\$ (61,419)
<b>Design/Construction</b>											
3145	325 Blake Stormwater and Demo	\$ 3,024,888	\$ 3,264,570	\$ 500,000	\$ -	\$ 50,000	\$ 2,269,888	\$ 305,000	\$ 750,000	\$ 445,000	\$ -
3146	Cottageville Park Phase II	\$ 326,679	\$ 248,400	\$ 13,000	\$ -		\$ 1,300,000	\$ (986,321)	\$ -	\$ -	\$ 986,321
3150	Meadowbrook Golf Course Restoration	\$ 200,673	\$ 135,026	\$ -	\$ -	\$ -	\$ 200,673	\$ -	\$ -	\$ -	\$ -
3155	Minneapolis Stormwater	\$ 1,500,000	\$ 250,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
3152	SWLRT Stream Enhancement	\$ 510,000	\$ 38,250	\$ -	\$ -		\$ 459,000	\$ 51,000	\$ 51,000	\$ -	\$ -
3157	Louisiana Trail Greenspace and Stormwater	\$ 300,000	\$ 300,000	\$ -	\$ -		\$ 300,000	\$ -	\$ -	\$ -	\$ -
3158	Turbid-Lundsten Wetland Restoration	\$ 250,000	\$ 250,000	\$ -	\$ -			\$ 250,000	\$ 250,000	\$ -	\$ -
31xx	County Road 6 Retrofit								\$ 44,000		
31xx	East Auburn Wetland Restoration								\$ 55,000		\$ 55,000
<b>CIP Total</b>		<b>\$6,534,833</b>	<b>\$ 5,069,066</b>	<b>\$ 1,091,627</b>	<b>\$ -</b>	<b>\$ 208,006</b>	<b>\$ 6,040,299</b>	<b>\$ (389,087)</b>	<b>\$ 1,160,737</b>	<b>\$ 445,000</b>	<b>\$ 1,060,824</b>
2004	Capital Finance/Debt Service	\$ 9,077,469	\$ 2,758,468	\$ 2,758,468	\$ 2,631,904	\$ -	\$ 7,488,188	\$ 1,462,718	\$ 4,212,718	\$ -	\$ 2,750,000
<b>Total</b>		<b>\$15,612,302</b>	<b>\$7,827,533</b>	<b>\$3,850,095</b>	<b>\$2,631,904</b>	<b>\$208,006</b>	<b>\$13,528,487</b>	<b>\$1,073,631</b>	<b>\$5,373,455</b>	<b>\$445,000</b>	<b>\$3,810,824</b>

Notes

City's construction schedule postponed to winter 2022-2023.

All final design, oversight and construction in 2022. Budget reflects approved bid (amended) and estimated minor design changes  
Close project. Moving to Project Maintenance

Two years warranty remain on construction contract (\$21,475 for two years)

Developing construction sequencing process with partners. Construction likely to occur over approximately three years as development proceeds. PFA certification award anticipated in July 2023.

2022 expenditures to finish design effort as part of 325 Blake. Presently assume no construction in 2022 or 2023, but could modify based on sequencing. 2023 revenue needs based on newest design estimates.

2023 expenditures would be in planning fund (early partnership and feasibility work)

2023 expenditures would be in planning fund (early partnership and feasibility work)

Anticipate 2022 expenditures being planning costs (MC sub). Design 2023, construct 2024

Future partnership opportunity with St. Louis Park. Expenditures in 2023 would be planning dollars (early partnership and feasibility work)

2022 expenditures in planning fund. Carry \$250K forward for initiation of design in 2023 based on identified opportunities.

Current estimate for design/permitting. Could potentially advance pending additional monitoring and modeling in 2022.

Projected design effort in 2023 (10% of CIP costs). Would be likely construction project in 2024.

**Attachment 11 - MCWD Capital Finance/Debt Service (2004)**

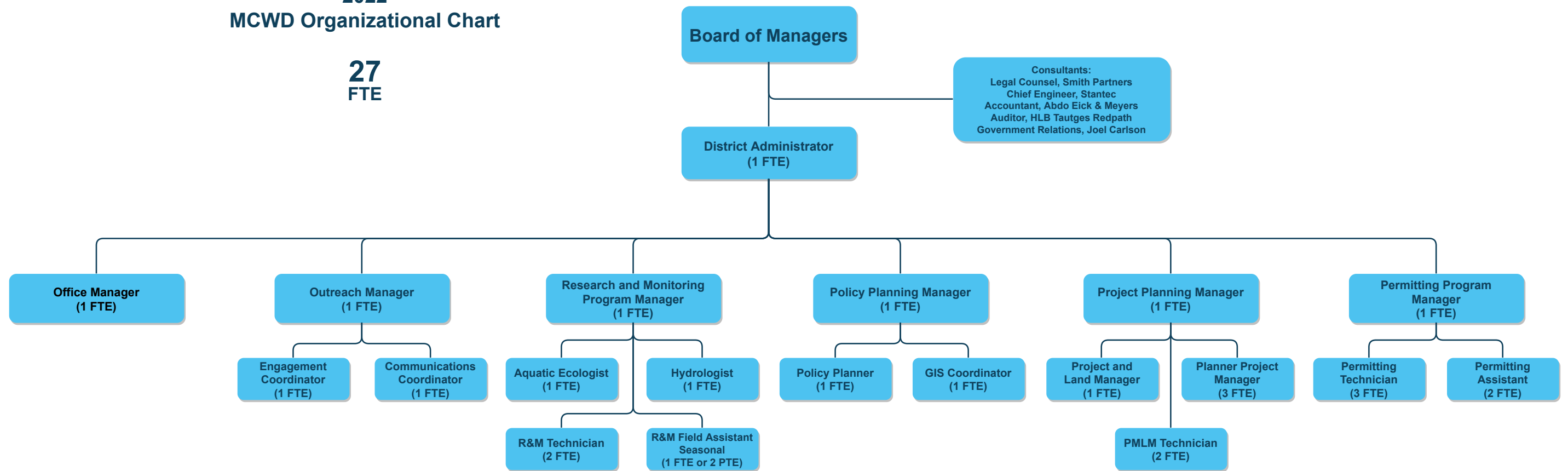
Year	Hennepin 2010B	Hennepin 2011A	Hennepin 2013B	Hennepin 2020A (REFI 2010B & 2011A)	Richfield 2013B	Richfield 2020A (REFI 2013B)	Wells Fargo Note 2018 (REFI 2011/2013)	Total Capital Finance Debt Service	Capital Finance Receipts	Transfer In/ Reimbursement	Transfer Out/ Expenditure	Actual/Projected Fund Balance
2011	\$ 215,736.81	\$ -	\$ -				\$ -	\$ 215,736.81	\$ 2,500,000.00	\$ -	\$ -	\$ 7,732,216.00
2012	\$ 218,562.50	\$ 319,141.81	\$ -				\$ 648,825.00	\$ 1,186,529.31	\$ 2,500,000.00	\$ -	\$ -	\$ 6,654,292.00
2013	\$ 216,062.50	\$ 333,718.75	\$ 386,182.00				\$ 580,250.00	\$ 1,516,213.25	\$ 2,500,000.00	\$ -	\$ -	\$ 9,706,099.00
2014	\$ 217,312.50	\$ 338,768.75	\$ 461,938.00		\$ 154,847.38		\$ 580,125.00	\$ 1,752,991.63	\$ 2,500,000.00	\$ -	\$ 1,349,156.00	\$ 9,089,010.00
2015	\$ 218,412.50	\$ 341,768.75	\$ 463,538.00		\$ 177,255.00		\$ 1,535,500.00	\$ 2,736,474.25	\$ 2,765,423.00	\$ 510,921.00	\$ -	\$ 9,646,722.00
2016	\$ 219,362.50	\$ 339,368.75	\$ 459,838.00		\$ 174,855.00		\$ 1,999,800.00	\$ 3,193,224.25	\$ 2,795,204.00	\$ -	\$ -	\$ 9,287,628.00
2017	\$ 220,162.50	\$ 336,768.75	\$ 460,988.00		\$ 177,405.00		\$ 2,946,250.00	\$ 4,141,574.25	\$ 3,159,412.00	\$ -	\$ -	\$ 8,447,852.00
2018	\$ 215,812.50	\$ 338,968.75	\$ 461,838.00		\$ 174,905.00		\$ 2,357,000.00	\$ 3,548,524.25	\$ 3,159,412.00	\$ -	\$ 452,096.00	\$ 7,776,677.00
2019	\$ 216,462.50	\$ 340,768.75	\$ 462,387.50		\$ 172,405.00		\$ 1,299,200.00	\$ 2,321,543.00	\$ 3,041,753.00	\$ -	\$ -	\$ 8,496,887.00
2020	\$ 218,462.25	\$ 337,168.75	\$ 462,637.50		\$ 169,905.00		\$ 1,261,800.00	\$ 2,263,552.00	\$ 2,731,600.00	\$ -	\$ -	\$ 8,942,248.00
2021	\$ -	\$ -	\$ 462,587.50	\$ 471,843.75	\$ -	\$ 172,918.50	\$ 1,724,400.00	\$ 2,833,164.00	\$ 2,968,385.00	\$ -	\$ -	\$ 9,077,469.00
2022	\$ -	\$ -	\$ 462,237.50	\$ 479,000.00	\$ -	\$ 148,930.00	\$ 1,668,300.00	\$ 2,758,467.50	\$ 2,631,904.00	\$ -	\$ -	\$ 8,950,905.50
2023	\$ -	\$ -	\$ 460,137.50	\$ 479,000.00	\$ -	\$ 161,380.00	\$ 3,112,200.00	\$ 4,212,717.50	\$ 2,750,000.00	\$ -	\$ -	\$ 7,488,188.00
2024	\$ -	\$ -	\$ 462,937.50	\$ 478,250.00	\$ -	\$ 158,680.00	\$ -	\$ 1,099,867.50	\$ 2,750,000.00	\$ -	\$ -	\$ 9,138,320.50
2025	\$ -	\$ -	\$ 460,537.50	\$ 476,750.00	\$ -	\$ 160,930.00	\$ -	\$ 1,098,217.50	\$ 2,750,000.00	\$ -	\$ -	\$ 10,790,103.00
2026	\$ -	\$ -	\$ 463,037.50	\$ 479,500.00	\$ -	\$ 158,130.00	\$ -	\$ 1,100,667.50	\$ 2,750,000.00	\$ -	\$ -	\$ 12,439,435.50
2027	\$ -	\$ -	\$ 459,375.00	\$ 476,250.00	\$ -	\$ 160,280.00	\$ -	\$ 1,095,905.00	\$ 2,750,000.00	\$ -	\$ -	\$ 14,093,530.50
2028	\$ -	\$ -	\$ 460,600.00	\$ 482,250.00	\$ -	\$ 162,330.00	\$ -	\$ 1,105,180.00	\$ 2,750,000.00	\$ -	\$ -	\$ 15,738,350.50
2029	\$ -	\$ -	\$ 461,600.00	\$ 477,000.00	\$ -	\$ 159,330.00	\$ -	\$ 1,097,930.00	\$ 2,750,000.00	\$ -	\$ -	\$ 17,390,420.50
2030	\$ -	\$ -	\$ 464,300.00	\$ 481,000.00	\$ -	\$ 157,005.00	\$ -	\$ 1,102,305.00	\$ 2,750,000.00	\$ -	\$ -	\$ 19,038,115.50
2031	\$ -	\$ -	\$ 461,550.00	\$ 288,750.00	\$ -	\$ 160,250.00	\$ -	\$ 910,550.00	\$ 2,750,000.00	\$ -	\$ -	\$ 20,877,565.50
2032	\$ -	\$ -	\$ 463,500.00	\$ -	\$ -	\$ 163,280.00	\$ -	\$ 626,780.00	\$ 2,750,000.00	\$ -	\$ -	\$ 23,000,785.50
2033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,120.00	\$ -	\$ 161,120.00	\$ 2,750,000.00	\$ -	\$ -	\$ 25,589,665.50

\*Table run to 2033 to show term of existing debt. Future balances are hypothetical based on assumption of flat levy receipts, for modeling purposes.

\*\*Capital Finance used to strategically maximize capacity for project implementation by (1) servicing debt issued by MCWD partners for capital improvements – distributing capital costs over time and future tax paying beneficiaries, (2) providing flexible and strategic reserves for planned and unplanned opportunities to improve the watershed, and (3) minimizing levy volatility by supporting short term cash flow needs.

2022  
MCWD Organizational Chart

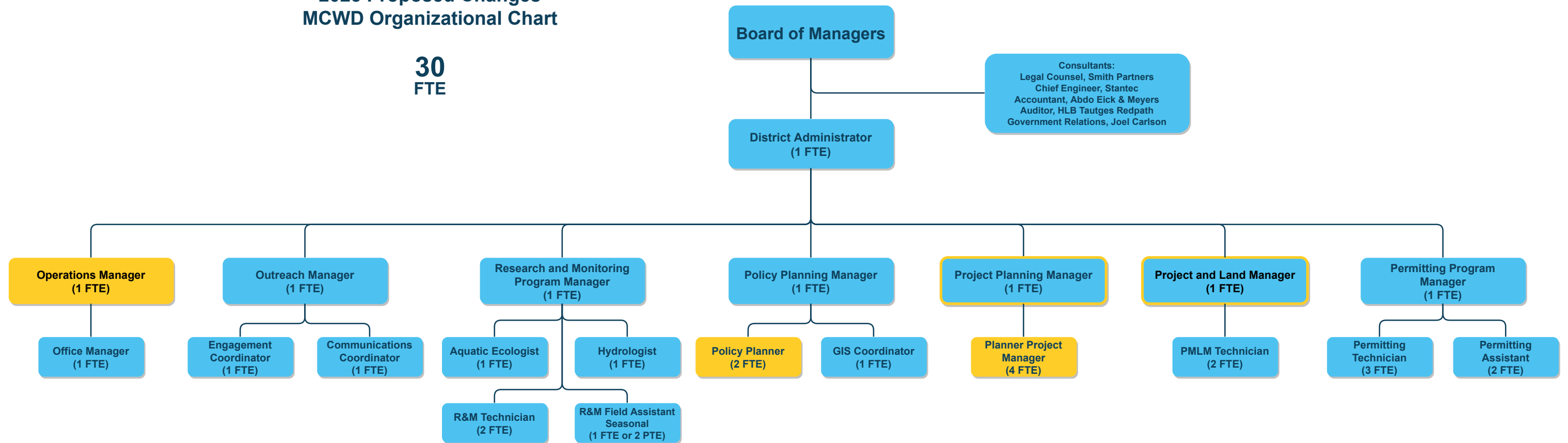
27  
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## 2023 Proposed Changes MCWD Organizational Chart

**30  
FTE**



2023 Proposed Changes  
MCWD Organizational Chart

30  
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