



Bassett Creek Watershed Management Commission

MEMO

To: BCWMC Commissioners and Alternate Commissioners
From: Administrator Jester on Behalf of Budget Committee
Date: June 12, 2024

RE: Budget Committee Recommendations

- A. Approve the proposed 2025 operating budget and send to member cities for input by August 1st
- B. Direct the Administrative Services Committee to review options for increasing staff capacity and consider developing a staffing plan

The Budget Committee met March 22, May 2, and May 20 to discuss the 2025 Operating Budget and related matters such as establishing a maintenance levy and adding staff capacity. The committee developed the proposed 2025 Operating Budget for watershed administration, planning, monitoring, engineering, and other activities that are outside of work related to implementing CIP projects. (CIP projects are funded through a separate budgetary process involving taxes levied by Hennepin County on the Commission's behalf.)

A final proposed operating budget should be approved at this meeting in time for distribution to cities for input. Cities have from July 1 to August 1 to provide comments. A final budget should be adopted at the August meeting. Notes on budget include:

1. The outcome of the 2023 financial audit (expected in July) may impact final budget figures.
2. The proposed budget includes an average increase in city assessments of 4.7% over this year's assessments.
3. Total budget expenses of \$922,360 are about 4% lower than the 2024 budget (as amended).
4. Water monitoring costs are significantly lower in 2025 due to fewer waterbodies being monitored (in accordance with the [water monitoring plan](#)).
5. Although the proposed 2025 budget is lower than 2024, city assessments are higher than 2024 because 1) the funds previously set aside for watershed plan development are depleted; and 2) the fund balance should be maintained at approximately 50% of annual operating expenses (Fiscal Policy 3.2.1).
6. The proposed budget includes \$20,000 earmarked for a BCWMC website update and conversion for ADA compliance (in addition to normal website hosting and assistance expenses). A complete scope and budget would be requested from one or more consultants for this work. \$20,000 represents a ballpark estimate.
7. The proposed budget includes \$39,000 for additional staff (see more information below).
8. The "notes" section in the budget explains each line item in more detail.

The Budget Committee recommends that the Commission consider adding staff capacity in 2025. The proposed 2025 operating budget includes \$39,000 for additional staff assuming new staff would start mid-year, on a part-time basis, at an hourly rate equal to or less than the administrator’s rate of \$75/hour. Initially, there would be some inefficiencies in staff capacity due to onboarding and training but the need is growing to employ more than a half-time administrator. The Budget Committee recommends that the Administrative Services Committee review staffing options and consider developing a staffing plan.

The Budget Committee sees the need for increasing staff as three-fold:

1. **Additional staff would allow the administrator to work on more high-level tasks, new endeavors, and partnership building.** Additional staff could be used to complete some tasks currently done by the administrator which are routine, administrative, and easy to learn including preparing meeting minutes and meeting packets, scheduling and noticing meetings, maintaining financial spreadsheets and grant tracking, updating the website, preparing the annual report, coordinating the Citizen Assisted Monitoring Program (CAMP) volunteers and logistics, etc. This would allow the administrator to concentrate on programs that are important but continually slip down the task list (e.g., development of a holistic chloride reduction plan for Parkers Lake, development of more robust commissioner training program, development of CIP tracking database, more robust engagement with diverse communities, etc.)
2. **Implementation of the next 10-year watershed plan will likely include the need for additional staff.** As priorities and goals are being developed, there are many areas where new or expanding projects and programs are being considered. These include grant programs for residents and businesses, expansion of education and outreach programming, developing and implementing subwatershed analyses, building partnerships with diverse communities, working with private developers on “above and beyond” treatment, expanding low salt education and actions, etc.
3. **Cross training and planned redundancy creates a more resilient organization.** In addition to simply increasing the amount of work that can be accomplished, additional staff would provide an opportunity to build resiliency in the event of staff changes or retirements. The Commission is a complex organization with a myriad of programs, processes, funding streams, and partnerships. Some duplication of knowledge is warranted given the responsibility of implementing large projects and programs and spending significant public funds. Further, in the event of a staff change or retirement there should be a plan to pass along institutional knowledge and a chance for new staff to build relationships.