

COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: July 14, 2025
AGENDA NUMBER: 10
ITEM: Rough Draft 2026 Budget

AGENDA: Discussion

ACTION REQUESTED

Review and discuss

PURPOSE AND SCOPE

1) To review a preliminary rough draft of the 2026 operating budget

BACKGROUND

In March the Board adopted a calendar and process for developing the 2026 budget. The process involves three phases: analysis of the parts, fine-tuning of the whole, and review and adoption of the final.

Attached is the first draft of the entire budget and the start of phase 2 of the budget process: Fine Tuning.

Revenues	2023 Actual	2024 Actual	2025 Budget	2025 Projected	2026 Prelim	% Chg
Fund Balance January 1	2,099,223	1,674,493	3,256,811	3,256,811	2,808,245	
Property Tax	3,187,821	4,935,534	6,189,240	6,189,240	6,952,071	12.00%
Fees & Charges	530,203	200,082	298,423	200,000	180,573	
Grants & Intergovernmental	260,511	242,898	2,158,208	1,049,004	2,372,179	
Other Revenue	26,963	206,108	115,000	115,000	180,000	
Fund Balance Used	342,274	48,824	40,225	40,225	727,396	
	4,347,772	5,633,446	8,801,096	7,593,469	10,412,219	
Total Funds Available	6,104,721	7,259,115	12,017,682	10,810,055	12,493,068	
Expenditures						
Salaries & Benefits	1,772,946	1,944,669	2,414,928	2,414,928	2,711,665	
Professional Services	363,632	300,368	489,487	489,487	527,084	
Operating Expenses	204,221	185,488	317,242	315,000	370,499	
Program Costs	2,196,554	1,460,107	5,789,607	5,781,657	6,704,314	
Capital Costs	31,395	111,672	198,174	198,174	71,000	
	4,568,748	4,002,304	9,209,437	9,199,246	10,384,562	
Fund Balance December 31	1,535,973	3,256,811	2,808,245	1,610,809	2,108,506	
Rev - Exp	(220,976)	1,631,142	(408,341)	(1,605,777)	27,657	

ISSUES/CONCERNS/OPPORTUNITIES

1. Initial Proposed Levy Amount: The levy increase used to balance the preliminary draft is 12%.
2. Salaries (12% increase): Includes proposal for the Project Manager Coordinator position to implement water restoration and protection projects. The position is a large portion of the increase in salaries budget.
3. Professional Services: Audit (80% increase): Increase was not anticipated to be as high but were unaware of how much additional work was needed until we completed the 2024 audit and were billed for it.

Operating Expenses

4. Small Equipment(31% increase): Due to an increase in WQ field equipment for monitoring.
5. Subscriptions & Publication (22% increase): Due to digital subscription costs increases and additional data fees for WQ.
6. Books & Software (78% Increase): Due to additional build out of MS4 modules along with the addition of CIP software.
7. Leases & Rentals (-42%): Due to an error being found in the 2025 budget spreadsheet. It has been corrected for 2026, thus the reduction in expense.

Program Costs

8. Digital Communications (30%): Due to a new digital resource library for PGR.

IMPLICATIONS

The budget allows the District to maintain services and address the water quality issues consistent with the implementation schedule of the Comprehensive Plan.

CONCLUSIONS

Budget is preliminary. First of four reviews prior to public review.

RECOMMENDATION

Review, discuss, direct staff to make needed changes
Receive the rough draft budget

Code	Prepared 7/8/2025 9:46	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected	Current	2026 Change	Request	Change 25-26
	Property Taxes									
41101	Administrative Levy									
41102	Insurance Levy									
41103	MWMA Levy	2,691,777	3,187,281	4,965,765	6,207,206	6,207,206	6,207,206	744,865	6,952,071	12.00%
41104	Survey & Data Levy									
41105	Maintenance Levy									
	Total Property Taxes	2,691,777	3,187,281	4,965,765	6,207,206	6,207,206	6,207,206	744,865	6,952,071	12%
	Fees & Charges									
52226	Application Fees	1,820	1,850	640	850	500	850	(350)	500	
53191	Review & Inspect Fees	420,966	550,368	297,500	297,500	175,000	297,500	(117,427)	180,073	
	Total Fees	422,786	552,218	298,140	298,350	175,500	298,350	(117,777)	180,573	-39%
	Grants									
55190	WCA Admin	9,224	9,212	7,396	10,000	8,000	8,000	(500)	7,500	
55190	G20-001 BWSR CWF CCPSR	197,500	-	-	-	-	-	-	-	
55190	G19-005 BWSR CWF MSCCR	38,277	-	-	-	-	-	-	-	
55190	G21-001 BWSR CWF Aurelia Park	-	38,771	-	-	-	-	-	-	
55190	G22-001 319 Pet Waste Sand Creek	7,028	7,028	13,002	23,135	23,135	-	-	-	
55190	G23-001 319 NKE Sand & Coon Creek	-	-	-	160,353	288,635	-	-	-	
55190	G21-002 BWSR CWF PCSIESF	132,000	33,000	-	-	-	-	-	-	
55190	G22-002 BWSR CWF ECIESF	172,500	172,500	-	34,500	34,500	-	-	-	
55190	G22-003 BWSR CWF WBIF-Retrofits	108,189	-	-	86,551	86,551	86,551	(64,913)	21,638	
55190	G24-001 BWSR CWF WBIF LCCCR	-	-	222,500	-	222,500	-	-	-	
55190	G25-001 BWSR CWF Bridgewater	-	-	-	-	312,500	312,500	-	312,500	
55190	G25-002 BWSR WBIF Xeon Blvd	-	-	-	-	73,183	73,183	-	73,183	
55190	G26-xxx 319 NKE AOP Ph II	-	-	-	-	-	-	310,191	310,191	
	Task Force Funding									
	D17 Implementation	-	-	-	142,400	-	142,400	-	142,400	
	PC Implementation	-	-	-	618,284	-	108,684	-	108,684	
	D39 Implementation	-	-	-	1,082,985	-	656,083	715,000	1,371,083	
	Xeon AOP Ph 2	-	-	-	-	-	-	25,000	25,000	
	Total Grants	664,718	260,511	242,898	2,158,208	1,049,004	1,387,401	984,778	2,372,179	10%
	Other Revenue									
56101	Interest Income	25,926	26,963	198,713	115,000	175,000	115,000	65,000	180,000	57%
	Fund Balances & Other									
	Building	-	-	-	-	-	-	-	-	
	AIS Rapid Response	40,000	40,000	40,000	40,000	40,000	40,000	-	40,000	
	Illicit Discharge Detection	225	225	225	225	225	225	-	225	
	Fund Equity Balance	40,225	347,077	98,059	-	900,700	687,171	-	687,171	
	Ditch Fund Balances									
	Ditch 54	-	-	-	-	-	-	-	-	
	Other Fund Balances	-	-	-	-	-	-	-	-	
	Total Fund Balances	80,450	387,302	138,284	40,225	940,925	727,396	-	727,396	-531%
	TOTAL REVENUE	3,885,657	4,414,275	5,843,800	8,818,989	8,547,635	8,735,353	1,676,866	10,412,219	(5)

Code	Prepared 7/8/2025 11:17	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected	Current	2026 Change	Request	Change 25-26
Salaries & Benefits										
60110	Salaries	\$ 1,164,379	\$ 1,330,378	1,448,994	1,608,391	1,608,391	1,672,727	205,968	1,878,695	17%
60260	Temporary Salaries-Students	\$ 17,129	\$ -	39,000	42,349	42,349	44,043	490	44,533	5%
60713	HSA Payment	\$ 6,762	\$ 14,466	15,117	162,600	162,600	169,104	(76,889)	92,215	-43%
60714	Health Insurance	\$ 121,640	\$ 208,094	235,020	314,000	314,000	326,560	39,560	366,120	17%
60715	Life Insurance	\$ 300	\$ 512	526	2,760	2,760	2,870	74	2,944	7%
60716	Social Security (FICA)	\$ 89,075	\$ 102,845	114,673	127,200	127,200	132,288	15,757	148,045	16%
60717	Retirement (PERA)	\$ 84,418	\$ 96,674	107,880	119,679	119,679	124,466	14,968	139,434	17%
60720	Dental Insurance	\$ 5,580	\$ 7,605	7,605	13,950	13,950	14,508	372	14,880	7%
60721	LTD Insurance	\$ 1,048	\$ 1,422	1,790	12,000	12,000	12,480	320	12,800	7%
60855	Board & Advisory Expenses	\$ 9,617	\$ 10,950	11,000	12,000	12,000	12,480	(480)	12,000	0%
Total Salaries & Benefits		1,499,948	1,772,946	1,981,605	2,414,929	2,414,929	2,511,526	200,139	2,711,665	12%
Professional Services										
63010	GIS Services	104,837	111,700	117,286	139,111	139,111	144,675	5,564	150,240	8%
63052	Abdo	5,050	5,252	20,000	69,575	107,575	111,878	(12,278)	99,600	43%
63052	Audit	11,960	12,438	13,927	13,927	22,761	14,484	10,553	25,037	80%
63066	IT Services	47,250	58,336	64,810	81,031	80,200	84,272	3,695	87,967	9%
63246	Engineering Services	718,279	143,758	121,000	89,100	95,000	92,664	11,836	104,500	17%
63453	Legal Services	52,000	54,080	55,702	60,000	58,000	62,400	(2,660)	59,740	0%
Total Professional Services		939,376	385,564	392,725	452,744	502,647	510,374	16,710	527,084	16%
Operating Expenses										
61101	Small Equipment (furn/off/comp/misc)	23,505	18020	37203	39,500	39,500	41,080	10,720	51,800	31%
61102	Printing	-	0	4040	4,000	3,600	4,160	(452)	3,708	-7%
61105	Cleaning & Janitorial Supp	10,062	15,487	16,222	16,867	16,867	17,542	(169)	17,373	3%
61110	Gasoline/Oil/License	15,025	16,377	17,377	16,000	16,000	16,640	360	17,000	6%
61149	Gen'l Supplies (office)	18,914	19,031	20,033	10,632	10,632	11,057	-	11,057	4%
61249	R&M Phone Hardware	3,000	2,350	3,450	3,050	2,750	3,172	228	3,400	11%
61250	R&M Buildings	12,205	15,166	22,412	24,480	24,480	25,459	234	25,693	5%
61251	R&M Office Machine & Equip	1,046	3,588	5,900	13,480	13,480	14,019	4,126	18,145	35%
61263	R&M Security	1,030	1,071	1,125	2,665	2,665	2,772	(31)	2,741	3%
61354	Training & Conferences-Board/Other	2,352	2,000	500	300	300	312	38	350	17%
61355	Training & Conferences-Staff Dev	11,356	13,214	10,620	18,956	16,525	19,714	(3,909)	15,805	-17%
61475	Mileage	2,718	2,827	683	630	630	655	6	662	5%
61476	Other Travel Exp, Parking	-	40	40	40	40	42	(2)	40	0%
61477	Meals & Staff Enrichment	2,000	1,750	2,965	4,300	4,150	4,472	(722)	3,750	-13%
61552	Bank Charges	732	761	799	1,118	1,118	1,163	11	1,174	5%
61557	Dues & Memberships	10,529	15,650	17,000	28,155	28,295	29,281	2,834	32,115	14%
61558	Advertising	1,574	1,637	1,650	1,000	600	1,040	(390)	650	-35%
61559	Subscriptions & Publications	1,485	2,744	4,243	9,335	9,335	9,708	1,715	11,423	22%
61575	Books & Software	7,765	19,398	33,558	41,784	41,784	43,455	30,995	74,450	78%
61810	Misc & Contingency	-	-	-	1,750	1,150	1,820	(70)	1,750	0%
62119	Web Site Server	889	1,000	1,995	1,890	1,890	1,966	19	1,985	5%
62124	Leases & Rentals	5,594	5,818	8,292	8,347	4,747	8,681	(3,877)	4,804	-42%
62225	Utilities-Heat/Natural Gas	2,405	2,501	2,626	2,916	2,916	3,033	58	3,091	6%
62226	Utilities-Electric	5,287	6,258	5,696	5,808	5,808	6,040	66	6,106	5%
62228	Utilities-Waste/Recycle Disposal	1,046	1,300	1,418	1,674	1,674	1,741	33	1,774	6%
62229	Phones	15,200	17,884	18,778	18,360	17,000	19,094	(1,244)	17,850	-3%
62231	Postage	987	1,027	975	526	500	547	(13)	535	2%
62273	Cable	7,005	7,285	7,649	7,020	6,800	7,301	(297)	7,004	0%
62370	Insurance-Liability	16,624	9,500	19,425	15,272	12,667	15,883	(2,709)	13,174	-14%
62372	Insurance-Property	1,004	4,700	4,935	9,304	9,133	9,676	(269)	9,407	1%
62373	Insurance-Work Comp	5,228	5,437	5,709	10,409	10,056	10,825	(367)	10,458	0%
62374	Insurance-Vehicles	941	1,135	1,192	1,277	1,190	1,328	(102)	1,226	-4%
Total Operating Expenses		187,508	214,956	278,510	320,845	308,282	333,679	26,552	370,499	15%
Program Costs										
Administration										
61148	Field Supplies-ADM	500	735	750	750	750	788	(38)	750	0%
Watershed Development										
61549	Illicit Discharge Detection	800	850	900	900	900	900	-	900	0%
61549	Groundwater-Surface Water Dewatering Study	-	-	15,000	-	-	-	-	-	#DIV/0!
63246	District Rule Amendment	-	-	-	7,950	-	-	7,950	7,950	0%
63246	BMP Standards	-	-	-	-	-	-	11,236	11,236	#DIV/0!
63246	Engineering Standards	-	-	-	-	-	-	13,250	13,250	#DIV/0!
63246	Engineering	-	-	400,000	350,000	350,000	367,500	-	367,500	5%
61148	Field Supplies-WD	500	950	500	600	600	630	(3)	627	5%
Planning & Special Studies										
63246	Boundary Adjustments	3,500	3,500	3,000	-	-	-	-	-	#DIV/0!
63246	Water Quality Model	-	70,000	-	210,000	210,000	220,500	(220,500)	-	-100%
63246	Model Updates	-	-	50,000	53,000	53,000	55,650	(2,650)	53,000	0%
63246	Watershed Modeling Pilot Upgrade	6,490	20,800	-	101,482	101,482	106,556	(106,556)	0	-100%
63246	Infiltration Study	-	-	-	-	-	-	40,000	40,000	#DIV/0!
63246	Aquatic Organism Passage Enhanc Ph 2	-	-	75,000	-	-	-	-	-	#DIV/0!
63246	Subwatershed Planning/Assessments	-	-	228,000	130,000	130,000	136,500	(136,500)	-	-100%
63246	Subwatershed Feasibility Designs	-	-	-	120,000	120,000	126,000	(126,000)	-	-100%
63246	Channel Geomorphic Analysis	-	-	-	79,500	79,500	83,475	(83,475)	-	-100%
63246	Drainage Atlas	-	-	-	7,950	7,950	8,348	(8,348)	-	-100%
63246	Water Quantity Study	-	-	-	26,500	26,500	27,825	(27,825)	-	-100%
63246	D37 Plan Implementation	-	-	-	-	-	-	45,000	45,000	#DIV/0!
63246	Economic Water Resource Study	-	-	125,000	-	-	-	-	-	#DIV/0!
61549	MN Stormwater Research Council-Partner Funding	-	-	10,000	-	-	-	-	-	#DIV/0!
61549	Groundwater Study/Assessment	-	-	5,000	90,000	90,000	94,500	5,500	100,000	11%

Prepared Code	7/8/2025 11:19	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected	Current	2026 Change	Request	Change 25-26
Operations & Maintenance										
63246	Engineering/Feasibility Studies	-	30,000	30,000	31,800	31,800	33,390	318	33,708	6%
63246	AOP Crossing Enhancement	-	-	-	79,500	79,500	83,475	(83,475)	-	-100%
63246	CC Restoration 131st to Main	-	-	-	106,000	106,000	111,300	(111,300)	-	-100%
63246	University Ave Pond Retrofit	-	-	-	51,100	51,100	53,655	(53,655)	-	-100%
63246	Woodbridge Channel Improvement	-	-	-	100,000	100,000	105,000	(105,000)	-	-100%
63246	Flood Mitigation	-	-	-	-	-	-	50,000	50,000	#DIV/0!
63246	Develop Standards Project Specification	-	-	-	-	-	-	14,326	14,326	#DIV/0!
632469	Asset Registry	-	-	-	-	-	-	8,427	8,427	#DIV/0!
63246	BMP Revitalization	-	-	-	-	-	-	7,000	7,000	#DIV/0!
63246	SQT Pilot	-	-	-	-	-	-	79,500	79,500	#DIV/0!
63595	Bank Repair & Stabilization	593,050	58,240	125,000	152,375	152,375	159,994	1,524	161,518	6%
61251	Ditch Repair & Maintenance	58,000	137,280	10,000	53,000	53,000	55,650	(5,650)	50,000	-6%
61549	Non Routine Maintenance	56,000	88,400	96,000	101,760	101,760	106,848	1,018	107,866	6%
61148	Field Supplies-O&M	600	4,625	1,400	1,500	1,500	1,575	(75)	1,500	0%
Water Quality										
61549	AIS Rapid Response	-	5,000	20,000	21,200	21,200	22,260	(2,260)	20,000	-6%
61549	Lake Plan Implementation	2,776	2,887	5,000	5,300	5,300	5,565	53	5,618	6%
61549	Monitoring	96,400	99,746	110,489	117,118	117,118	122,974	1,171	124,145	6%
61549	WQ Cost Share Program	76,000	75,000	215,000	290,000	290,000	304,500	(14,500)	290,000	0%
61549	Groundwater-Surface Water Chlorides Pilot	-	-	35,000	74,412	74,412	78,133	30,359	108,492	46%
63246	Biomonitoring	-	-	-	32,000	32,000	33,600	(33,600)	-	-100%
63246	Pond Performance Evaluation	-	-	-	5,000	5,000	5,250	(5,250)	-	-100%
61549	Leaky Sanitary Sewer Investigation	-	-	-	-	-	-	84,270	84,270	#DIV/0!
61549	Street Sweeping Testing	-	-	15,000	-	-	-	-	-	#DIV/0!
61549	Contaminants of Emerging Concern Ph II	-	-	50,000	-	-	-	50,000	50,000	#DIV/0!
61549	Winer Chloride Monitoring	-	-	6,000	-	-	-	-	-	#DIV/0!
61148	Field Supplies-WQ	3,666	7,547	2,566	3,950	3,950	4,148	(798)	3,350	-15%
Waters Restoration & Protection										
63246	AOP Enhancement Ph II	-	-	-	-	-	-	500,000	500,000	#DIV/0!
61549	PC MNDot Pond Outlet Modification	-	-	21,000	-	-	-	-	-	#DIV/0!
61549	Springbrook Nature Center Outlet Mod	-	-	22,500	-	-	-	-	-	#DIV/0!
63595	Sand Creek AOP Crossing Ehanc @ Xeon	-	-	115,000	-	-	-	171,366	171,366	#DIV/0!
63595	CRD Reg Park LCC Corridor Restoration-Expansion	-	-	440,000	695,000	695,000	729,750	(729,750)	-	-100%
61549	Springbrook Cr Subwatershed plan impl	-	-	90,000	252,700	252,700	265,335	(122,935)	142,400	-44%
61549	Pleasure Cr Subwatershed plan impl	-	-	87,500	809,810	809,810	850,301	(741,617)	108,684	-87%
63246	Subwatershed Plan-D39 impl	-	-	-	1,482,500	1,482,500	1,556,625	1,411,958	2,968,583	100%
63246	Subwatershed Plan-D60 impl	-	-	-	-	-	-	800,000	800,000	#DIV/0!
Public & Government Relations										
61549	Springbrook I&E Implementation	-	-	69,900	-	-	-	-	-	#DIV/0!
61549	Targeted Pleasure Cr I&E Implementation	-	-	19,900	-	-	-	-	-	#DIV/0!
61549	NKE Sand Creek Trail Audience Survey	-	-	15,000	-	-	-	-	-	#DIV/0!
61549	Subwatershed I & E	-	-	-	-	-	-	20,000	20,000	#DIV/0!
61549	Website Updates	-	-	-	3,600	3,600	3,780	(3,780)	-	-100%
61549	Digital Communications	-	-	-	7,700	7,700	8,085	1,915	10,000	30%
61549	Creek/Ditch Signage	-	-	11,000	3,500	3,500	3,675	(175)	3,500	0%
61549	Audience Community Survey	24,050	26,000	28,393	35,000	35,000	36,750	8,250	45,000	29%
61549	Interactive Educational Displays	-	-	-	35,000	35,000	36,750	(1,750)	35,000	0%
61549	Water Education Grants	4,250	3,745	3,867	4,000	4,000	4,200	(200)	4,000	0%
61549	Newsletter Communications	-	-	-	25,000	25,000	26,250	(1,250)	25,000	0%
61549	Sponsorships	-	-	1,750	2,100	2,100	2,205	(205)	2,000	-5%
61549	Adopt-A-Drain	6,500	6,864	6,000	5,500	5,500	5,775	(775)	5,000	-9%
61549	Pet Waste	17,500	18,000	10,288	21,000	21,000	22,050	(1,050)	21,000	0%
61148	Field Supplies-PGA	2,444	6,614	3,815	2,550	2,550	2,678	172	2,850	12%
Total Program Costs		953,026	666,783	2,580,518	5,789,607	5,781,657	6,070,696	633,618	6,704,314	16%
Capital Costs										
65180	Building Improvements	-	8,000	97,350	74,846	65,846	-	9,000	9,000	-88%
65180	~Landscaping	-	-	-	-	-	-	-	-	
65180	~HexPave	-	-	-	-	-	-	-	-	
65180	~Netting	-	-	-	-	-	-	-	-	
65180	~Bath sinks/counters	-	-	-	-	-	-	9,000	-	
65230	Monitoring & Field Equipment	-	13,795	14,000	54,828	54,828	-	-	-	-100%
65230	~Backpack electrofisher	-	-	-	-	-	-	-	-	
65230	~GNSS Receiver	-	-	-	-	-	-	-	-	
65250	Vehicle	55,000	-	-	41,500	41,500	-	47,000	47,000	13%
65340	Office Furniture & Fixtures	-	-	16,000	-	-	-	-	-	#DIV/0!
65380	Computers & Equipment	11,100	-	-	12,000	21,000	-	-	-	-100%
65390	Software-Website migration	-	-	29,358	15,000	22,500	-	15,000	15,000	0%
Total Capital Costs		66,100	21,795	156,708	198,174	205,674	-	71,000	71,000	-64%
TOTAL EXPENSES										
		3,645,958	3,062,044	5,390,066	9,176,299	9,213,189	9,426,275	948,019	10,384,562	