1 2 3	MINUTES OF THE SPECIAL MEETING OF THE MINNEHAHA CREEK WATERSHED DISTRICT BOARD OF MANAGERS
4 5	August 30, 2017
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7	CALL TO ORDER
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9	The special meeting of the Minnehaha Creek Watershed District Board of Managers was called
10	to order by President Sherry White at 6:45 p.m. on August 30, 2017, at the District offices,
11	15320 Minnetonka Boulevard, Minnetonka, Minnesota.
12	MANIA CIEDO DDECENIO
13	MANAGERS PRESENT
14 15	Sherry White, Brian Shekleton, Richard Miller, Kurt Rogness, William Olson, William Becker
16	and Jessica Loftus.
17	and Jessica Loitus.
18	MANAGER ABSENT
19	MANUGERABSEIVE
20	None.
21	
22 23	DISTRICT STAFF AND CONSULTANTS PRESENT
24 25 26	Lars Erdahl, Administrator; Becky Christopher, Lead Planner-Project Manager; and Louis Smith, Counsel.
27	MATTERS FROM THE FLOOR
28 29	None.
30	
31	APPROVAL OF AGENDA
32	
33	It was moved by Manager Rogness, seconded by Manager Becker to approve the agenda as distributed. Upon vote, the motion carried, 5-0 (Managers Shekleton and Loftus absent for
34 35	vote).
36	voic).
37	Manager Loftus arrived at this time.
38	Tranager Loreas arrived at ans time.
39	REVIEW OF PRELIMINARY 2018 BUDGET AND LEVY
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41	Mr. Erdahl reviewed the proposed 2018 budget and levy, including background on the Districts
42	strategic priorities, capital projects and policy priorities, as well as budget assumptions. Manager
43	Shekleton arrived at this time.
44	
45 46	Manager Miller noted the proposed level of debt service in the 2018 budget and stated that it is not his understanding that the District planned on that large of an increase in debt service

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payments. Mr. Erdahl noted that these figures are based on conservative assumptions, and most likely are higher than payments actually will be. Manager Miller noted that the District is planning to refinance its debt and that the 2018 budget should reflect debt service payments at a level consistent with previous years.

 Manager Olson asked about the projected grant revenue in the preliminary budget and whether all these projected grants are secured. Manager Loftus noted the issue of the gap between budgeted expenditures and levy and suggested the District consider a policy of only applying carry-over to capital projects, not operations. Mr. Erdahl stated that he is sympathetic to this approach and that the District had been tracking carry-over funds as part of planning processes.

 Manager Shekleton noted Manager Olson's question about uncommitted grants. He feels that the presentation of the budget should add a line to show how grant funds are utilized. Manager Miller suggested that grant funds should only be included in the budget when they have been committed or actually received. Manager Loftus suggested that it would be helpful to develop a two- to three-year plan to provide that fixed operating expenses have a sustained level of funding.

- It was moved by Manager Olson, seconded by Manager Miller, to authorize the Administrator to publish a notice of public hearing for the 2018 budget and levy on September 14, 2017, with a proposed 2018 levy of \$9,734,474, and a 2018 proposed budget of \$17, 946, 508 as further reduced by the Administrator to reflect an adjustment to maintain the debt service expenditure at the level of previous years, and to reflect an adjustment to remove any expenditures related to uncommitted grants.
- *Upon vote, the motion carried, 6-0* (Manager Shekleton absent for vote).

ADJOURNMENT

There being no further business, the special meeting of the Board of Managers adjourned at 8:25 p.m.

Respectfully submitted,

81 Kurt Rogness82 Secretary