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Yahara WINS 2025 Budget As Approved By The Yahara WINS Group

Background

The Yahara WINS Executive Committee is tasked with preparing a detailed annual budget for 2025 and presenting it to the Yahara WINS Group no later than September 30th for review and comment.

Per the Intergovernmental Agreement, the annual budget shall be approved no later than October 31st by a majority of the Member Representatives present at the meeting in which action on the annual budget is taken. The budget approval meeting for the 2025 annual budget was held on October 15th, 2024.

The 2025 annual budget as presented passed unanimously and the accompanying budget and budget narrative reflect the 2025 approved annual budget by the Yahara WINS IGA Member Representatives.

2025 Adopted Budget (Rounded to the nearest \$100)

Unencumbered carryover from 2024 \$0

Revenue

IGA participants	\$1,527,890
Income from grants, MOUs, etc.	\$0
MGE Foundation	\$0
Savings account interest	\$4,000
Total Revenue	\$1,531,890
Total Revenue plus unencumbered carryover	\$1,531,890

Expenditures

Phosphorus reduction

Dane County phosphorus reduction services agreement	\$540,000
Rock County phosphorus reduction services agreement	\$150,000
Yahara Pride Farms phosphorus reduction services agreement	\$525,000
Phosphorus Reduction Subtotal	\$1,215,000

Water Quality Monitoring/Modeling

MMSD water quality analytical services	\$65,000
USGS water quality monitoring joint funding agreement	\$75,000
Rock River Coalition water quality monitoring agreement	\$46,000
Water Quality Monitoring/Modeling Subtotal	\$186,000

Supporting Services

MMSD Service Agreement	\$60,000
Financial audit	\$11,000
Communications	\$5,000
Legal services agreement	\$4,000
Supporting Services Subtotal	\$80,000

Transfer of funds to designated operating reserve \$50,000

Total Expenditures \$1,531,000

Revenue minus expenditures
(potential unencumbered carryover) \$890

Budget Narrative for the 2025 Adopted Yahara WINS Budget

A. Carryover from 2024

Unencumbered carry over.

Actual 2024 expenses are on track as anticipated in several budget categories and resulting in no anticipated unencumbered carryover to 2025. **Therefore, unencumbered carryover to 2025 is estimated at approximately \$0**

B. Revenue

Sources of revenue include:

- Charges to IGA members (including those having Memoranda of Understanding)
 - Charges to IGA members in 2025 are projected to be approximately \$2973 more than the amount received in 2024. Charges to IGA members were \$1,524,920 in 2024 and anticipated charges in 2025 will be \$1,527,893.
- Income from grants, other MOUs, agreements, etc.
 - There is no anticipated revenue in 2025 derived from grants or other MOUs (i.e., MOUs with non-IGA members).
 - The 3-year funding commitment from the MG&E foundation ended in 2024. At the time of budgeting a new funding commitment was not finalized. The revenue line will be \$0.

If grants or MOUs are received during 2025 and the revenue generated in this category is greater than anticipated, this could allow for increased funding for phosphorus reduction efforts

- Interest income
 - Interest income is anticipated to remain stable and we are estimating no change from 2024 to 2025 at \$4,000.

The combined revenue from all the above sources (including unencumbered carryover) projected for 2025 is \$1,531,893. This is approximately \$2027 less than total revenue available in 2025. This decrease in total revenue is mainly a result of not having a funding commitment from MG&E at the time of preparing the budget.

Adjustments in charges to IGA members that will impact 2025 revenue:

City of Monona submitted leaf collection modeling information in 2020 resulting in their allocated costs being reduced. Per the IGA, City of Monona received credit for overpayments made in 2017-2020 over a 4-year term that started in 2021 and ended in 2024. The City of Monona will not receive payment credits in 2025.

Town of Cottage Grove submitted updated stormwater modeling information in 2020 due to annexations resulting in their allocated costs being reduced. Per the IGA, Town of Cottage Grove received credit for overpayments made in 2017-2020 over a 4-year term that started in 2021 and ended in 2024. The Town of Cottage Grove will not receive payment credits in 2025.

Village of Maple Bluff submitted leaf collection modeling information in 2020 resulting in their allocated costs being reduced. Per the IGA, Village of Maple Bluff received credit for overpayments made in 2017-2020 over a 4-year term that started in 2021 and ended in 2024. The Village of Maple Bluff will not receive payment credits in 2025.

City of Stoughton submitted updated stormwater modeling information in 2021 due to leaf collection, enhanced street sweeping, and the installation of a wet stormwater pond resulting in their allocated costs being reduced. Per the IGA, the City of Stoughton will continue to receive credits for overpayments through 2025.

City of Stoughton submitted updated stormwater modeling information in 2022 because of updated data generated from the continued monitoring of stormwater ponds resulting in their allocated costs being reduced. Per the IGA, the City of Stoughton will continue to receive credits for overpayments through 2025.

C. Expenditures

Dane County Phosphorus Reduction Service Agreement

Yahara WINS and Dane County extended the three-year service agreement that started in 2022 and goes through 2024, until the end of 2025. This continues Dane County's support for Yahara WINS after a successful initial five-year service agreement (2017-2021). The agreement calls for Dane County to leverage Yahara WINS funding to identify locations where agricultural best management practices can be implemented to achieve phosphorus reductions in the Yahara Watershed, provide practice implementation assistance to landowners, and to calculate phosphorus reductions towards the phosphorus reduction goals. **The 2025 budget reflects the \$540,000 expenditure associated with the Dane County Service Agreement.**

Rock County Service Agreement

Yahara WINS and Rock County have entered into a five-year service agreement starting in 2021 and going through 2025. **The 2025 budget reflects the annual maximum available under the service agreement of \$150,000.**

Yahara Pride Farms Phosphorus Reduction Agreement

Yahara WINS enters into annual service agreements with Yahara Pride Farms to provide financial support that allows the implementation of phosphorus reduction cost share programs. **The 2025 budget reflects a \$525,000 expenditure to Yahara Pride Farms for the annual service agreement, this is an increase of \$100,000 over the amount that was approved as part of the 2024 budget.**

Note: The service agreement budget increase continues to reflect the growth and increased membership in these cost-share programs that Yahara Pride Farms has been able to achieve over the past few years. Adjusting the 2025 budget with increased budget capacity to better supporting the cost increase observed in these programs the last three years allows for better fiscal management instead of trying to find budget capacity mid-year for additional funding requests.

USGS Joint Funding Agreement

Yahara WINS and USGS entered into a five-year Joint Funding Agreement (JFA) starting in 2022 and going through 2026. This continues USGS support for Yahara WINS after a successful initial five-year JFA (2017-2021). The five-year agreement calls for continued operation and sampling at the USGS gaging stations installed in the Dorn Creek/Six Mill Creek watershed, plus sampling at two other locations (Spring Harbor and Fulton) that provide important information for the Yahara WINS effort. The total annual cost for the current JFA is \$100,000, with USGS contributing \$25,000 and WINS providing the remaining \$75,000. **The 2025 budget reflects the \$75,000 expenditure associated with the 2022-2026 USGS Joint Funding Agreement.**

Rock River Coalition Volunteer Citizen Monitoring

The monitoring done by USGS has been coupled with monitoring conducted throughout the Yahara Watershed by citizen volunteer monitors coordinated and administered by the Rock River Coalition (RRC). Funds provided to the RRC support equipment purchase, training, planning, and other related administrative services. **The 2025 budget reflects a \$46,000 expenditure associated with the 2025 agreement with the RRC.** This is an increase of \$3,000 from the 2024 agreement amount of \$43,000. Note: The 2024 budget reflected a \$40,000 allotment for RRC. The final agreement amount for 2024 ended up being \$43,000 with the additional \$3,000 being covered by the existing 2024 budget capacity.

MMSD Laboratory Analytical Services

The water quality monitoring samples that are collected by USGS and the RRC citizen volunteer monitoring program are analyzed by the Madison Metropolitan Sewerage District (MMSD) laboratory, with MMSD being reimbursed for laboratory analytical services costs each quarter. **The 2025 budget reflects a \$65,000 expenditure to support MMSD contract laboratory services.**

Madison Metropolitan Sewerage District (MMSD) Service Agreement

Yahara WINS and MMSD have entered into a five-year service agreement starting in 2020 and going through 2025 to provide services supporting Yahara WINS administratively as well as supporting Yahara WINS partners as needed on technical assistance and helping with getting projects implemented on the ground. **The 2025 budget reflects the \$60,000 expenditure for the service agreement.**

Legal Services Agreement

Yahara WINS and Stafford Rosenbaum LLP entered into a three-year legal service agreement starting in 2020 and going through 2023 with an option taken to extend through the end of 2025. This continues Stafford Rosenbaum's support for Yahara WINS after previously successful legal services agreements (2016-2020). The agreement contains an annual cap of \$20,000, which cannot be exceeded without the express authorization of the Executive Committee. **The 2025 budget reflects a \$4,000 anticipated expenditure under the legal services agreement.**

Annual Financial Audit

Section 10a of the Intergovernmental Agreement (IGA) requires that an audit of the Yahara WINS financial records be conducted on an annual basis by an independent accounting firm using generally accepted accounting principles. **The 2025 budget reflects \$11,000 expenditure to support a financial audit in 2025.**

Communications

The Adaptive Management Plan has a communications component that includes outreach to several different stakeholder groups. A variety of communication tools and approaches are being used to accomplish this including the development of an annual report. **The 2025 budget reflects a \$5,000 expenditure for communications support in 2025.**

Designated Operating Reserves

The Yahara WINS Designated Operating Fund Reserves Policy was developed by the Executive Committee through resolution in 2016 to ensure that Yahara WINS has adequate working capital to meet expenditures throughout the 20-year anticipated life of the Adaptive Management Project for the Yahara Watershed. **Per the policy, the total amount allocated for the designated operating reserve fund in the 2025 budget is \$50,000. This is \$50,000 less than 2024 as approved by the [2023 5-year budget](#).**

D. Expenditures Additional Changes (2025 Budget Compared to 2024 Budget)

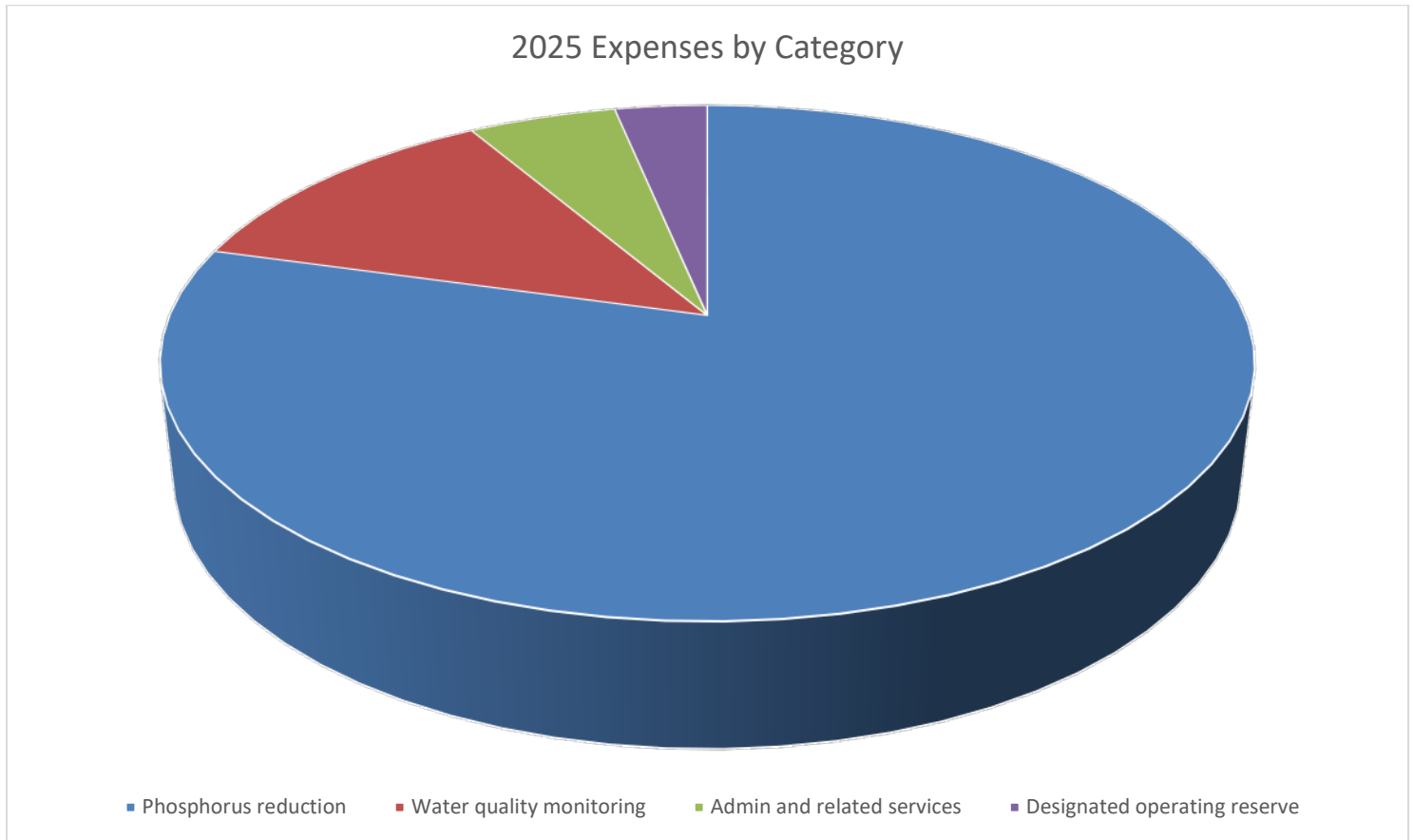
The following are areas of the 2025 budget that were modified as compared to the [2024 budget](#) and previous budgets

- General P reduction Funding expenditure was removed for the 2023 and 2024 budgets and remains removed for the 2025 budget.
- Innovative grant program expenditure was removed for the 2023 and 2024 budget and remains removed for the 2025 budget.
- Cost Model update budget capacity that was included for the 2024 budget is no longer needed for the 2025 budget and was removed.
- The amount designated for the operating reserve under the [5-year budget](#) identifies a decrease in 2025 compared to the amount designated for 2024.
- Yahara Pride Farm and Rock River Coalition 2025 agreement cost increases

E. Expenditures Summarized By Category

The chart below summarizes expenditures by category. Just about eighty percent of the 2025 expenditures will be used to directly support phosphorus reduction activities. This percentage would be significantly higher if one considers that most funds temporarily placed in the designated operating reserve fund will ultimately be used to support future phosphorus reduction activities. Twelve percent of the expenditure will support water quality monitoring and related activities, while five percent will support administrative and related services.

Yahara WINS 2025 Expenses by Category



F. Five Year Budget

The Intergovernmental Agreement states that the five-year budget shall be updated no less frequently than once every five years, the five-year budget was last reviewed as a part of the 2023 annual budget cycle resulting in a new five-year budget projection from 2023-2027. The five-year budget is anticipated to be updated as part of the 2026 budget process.

The five year budget can be found as part of the 2023 approved budget materials on the website here <https://yaharawins.org/resources/documents-agreements/#financials> (Direct link - <https://yaharawins.org/wp-content/uploads/2022/10/20221018-YWINS-2023-Budget-Final.pdf>)

It should be noted that revenue projections are based on payment calculations and there may be some MS4's who may submit updated modeling information in the future which could impact future revenue amounts.

It should also be noted that the following service agreements end during the current span of the five-year budget, so changes to future partner agreements could impact future expenditure amounts:

- Dane County Service Agreement - 2022-2024 (extended through 2025)
- MMSD Supporting Services Agreement – 2020-2025
- Rock County Service Agreement - 2021-2025
- Rock River Coalition Agreement – Annual
- USGS Joint Funding Agreement – 2022-2026
- Yahara Pride Farms Service Agreement – Annual
- Legal Services Agreement – 202—2023 (option taken to extend through 2025)