COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: June 10, 2013
AGENDA NUMBER: 9
ITEM: 2014 Budget Guidelines

POLICY IMPACT: Policy
FISCAL IMPACT: Budgeted

REQUEST
Adopt Guidelines for preparation of the 2014 Budget

BACKGROUND
The following are Budget Development guidelines/financial goals presented in the Comprehensive Plan and used by District Staff while preparing their proposed operating budget, and presented with a brief description of the outcome of each guideline as part of the budget process:

BUDGET GUIDELINE/FINANCIAL GOALS
1. A commitment to a District Tax Capacity Rate to meet the needs of the District and positioning the District for long-term operation through the use of sustainable revenue sources and operational efficiencies.

   Note: The Anoka County Assessor taxable market value figures for the Coon Creek Watershed District reflect a 9.9% decrease in total taxable market value.

2. A fiscal goal that works toward establishing the General Fund balance for working capital at no less than 35% of planned General Fund expenditures and the preservation of emergency fund balances (Natural disasters and emergencies, public safety, facility management and information technology) through targeting revenue enhancements or expenditure limitations.

   Note: With property tax revenues making up 85% of the total General Fund revenues, cash flow designations approaching 40% would be appropriate and are recommended by the State auditor. For the 2014 budget Administration targeted a 35% General Fund balance for working capital.

3. A comprehensive review of the condition of capital equipment to ensure that the most cost-effective replacement schedule is followed. Equipment will be replaced on the basis of a cost benefit analysis rather than a year-based replacement schedule.
Note: This was done by the Capital Improvement Plan (CIP) development process. The 2013-2023 CIP for the Comprehensive Plan reviewed by the Board in January and again in April, 2013.

4. A team approach that encourages strategic planning to meet immediate and long-term operational, staffing, infrastructure and facility needs

Note: District Administration is hopeful that the annual strategic review step in the budget process and the Comprehensive Plan policies and program goals for collaboration and cooperation and work with the Technical Advisory Committee (TAC) will help achieve this guideline.

5. A management philosophy that actively supports the funding and implementation of Board of Manager policies and goals, and a commitment to being responsive to changing physical, social and management conditions, concerns and demands, and to do so in a cost-effective manner

Note: The Board of Managers tentatively adopted the 2013 – 2023 District Financial Goals on April 22, 2013. These goals pay special attention to fiscal values, commercial & residential development or redevelopment, collaboration opportunities, service delivery and livability/image goals.

OPTIONS

RECOMMENDATION

Adopt Guidelines for preparation of the 2014 Budget