

MEMORANDUM

TO: Finance, Expenditure and Legal Subcommittee

SUBJECT: FY 2014 Budget – 1st Draft

DATE: July 3, 2013

FROM: John Winkler, General Manager

Attached are three working drafts of the P-MRNRD FY 2014 budget. As you are aware, a budget document is a guide or working plan for each fiscal year. The following is a quick overview of the draft budgets:

	FY 2013	FY 2014 Option 1	FY 2014 Option 2	FY 2014 Option 3
TOTAL OPERATING BUDGET (General)	\$87.4 million	\$98.9 million	\$92.3 million	\$92.3 million
PROPERTY TAX LEVY	0.032753	0.044203	0.032753	0.032753
TOTAL PROPERTY TAX REQUIREMENT	\$17,227,389	\$23,423,889	\$17,356,293	\$17,356,344
PROPERTY VALUED AT \$100,000	\$32.75	\$44.20	\$32.75	\$32.75

- * Option 1 reflects a 34.96% increase to the property tax levy; Options 2 and 3 reflect the same levy as FY 2013.
- * These working drafts are based on an estimated valuation increase of 0.75%. Final valuations will not be available from the County Assessors Offices until mid-August. Last year's final valuations were an overall 1.27% increase.
- * The highlighted numbers in Options 2 and 3 reflect the differences from Option 1. These include reductions in the Streambank Stabilization project (547), Urban Drainageway Program (521), Papiro Trails System (261), and Glacier Creek Mitigation (283), among other changes. Option 3 also decreases budgeted construction costs for Zorinsky Basin 1 (562).

The following are some items I would like you to consider when reviewing the draft FY 2014 budgets:

Draft Budget Assumptions:

- ⊛ \$500,000 has been budgeted for Necessary Cash Reserve under Option 1, and \$200,000 has been budgeted under Options 2 and 3. This is less than one month of operations for the District.
- ⊛ \$4,650,959 has been estimated for General Cash on Hand as of June 30, 2013.

★ FY 2014 Bonding Requirements:

DS 15	\$42,600,000
TOTAL	\$42,600,000

As noted above, this is the **1st draft**. There are still several unknowns, i.e., final revenues/expenditures, cash on hand, Treasurer's balance, valuations, etc. The budget figures shown in the first draft hopefully will get us in the ball park for compliance with state statutes.

I would ask that each Director carefully review this document and if there are any questions or concerns, please contact me.

NOTE: Dates to Remember for P-MRNRD FY 2014 Budget:

- August 6, 2013 FEL Subcommittee Meeting, Review 2nd Draft of FY 2014 Budget
- Public Input Meeting at August 8, 2013 Board Meeting
- Budget Hearing and Adoption of FY 2014 Budget at September 12, 2013 Board Meeting
- Set Tax Levy for FY 2014 at September 12, 2013 Board Meeting