

MEMORANDUM
Comfort Lake-Forest Lake Watershed District

To: Board of Managers
From: Mike Kinney
Subject: Budget Schedule/Loan Update

Date: June 22, 2018

Background/Discussion

The 2019 budget drafting process was discussed at the June 7th regular board meeting. There was general Board consensus to direct staff to draft a proposed 2019 budget. The Board would focus mainly on the big-picture budget totals, as well as on developing a broad policy guidance for the budget process moving forward. As directed, staff has put together a draft 2019 budget. Total expenses amount to \$2.47 million. At this point in the year, projected income is still largely unknown, as Clean Water Fund grant proposal preparation will be dependent on multiple factors such as ongoing monitoring and studies. As soon as a clearer picture of 2019 revenues can be determined, staff will return with a revenue/expenditures recap for Board review.

Budget Schedule

Given the desire for a more high-level Board approach to the budgeting process, we expect that there will not be a need for quite as many budget meetings as in past years. Staff is requesting Board concurrence on a desired budget meeting schedule. These may be combined with already-scheduled meetings, or new dates intended solely for budget discussion can be set. The former option is recommended by staff. Below are a few already-scheduled meeting dates that might work well to add budget discussions to.

- July 12, 2018 Regular Board Meeting: Follow-up discussion of points brought up at June 28th meeting.
- July 26, 2018 Regular Board Meeting: Discuss any line items or topics as needed.
- August 9, 2018 Regular Board Meeting: Review of 2019 revenue/expenditures recap and any follow-up items from previous board meetings.
- August 23, 2018 Regular Board Meeting: Final review and acceptance of budget and levy.
- September 13, 2018 Regular Board Meeting: Discussion/approval only if needed.
- *Levy certification deadline is September 15, which falls on a Saturday this year. Staff will plan to submit the levy certification no later than September 14.*

Loan Update

This update is simply to inform the Board that all of the necessary steps for the MPCA Clean Water Partnership loan have been completed, and MPCA fully executed the loan agreement on June 13th. The disbursement period is now active and the District can begin requested reimbursement for eligible costs. Legal costs associated with executing the loan amounted to \$2,500 and an invoice from Kutak Rock LLP is included in this month's Treasurer's Report.