

**COON CREEK WATERSHED DISTRICT
Request for Board Action**

MEETING DATE: January 13, 2025
AGENDA NUMBER: 11
ITEM: Designation of Fund Equity

AGENDA: Policy

BACKGROUND

The State Auditor recommends that the District maintain an unreserved Fund Balance of approximately 35% to 50% of Operating Revenue or no less than five (5) months (21%) of operating expenditures.

ACTION REQUESTED

Designate fund equities of \$1,892,365

COORDINATION

Amount presented is the minimum in the range recommended in the 2023 audit of District funds.

PERTINENT FACTS

Year End Fund Balances

	2022	2023	2024
General & 509 Fund	\$2,637,242	\$2,534,806	\$1,923,015
Designated Fund Equity	\$ 1,098,850	\$1,126,020	\$998,248

ISSUES/CONCERNS/RISKS

Guideline	Amount
2025 Operating Budget	\$9,209,437
35% of Operating Revenue	\$3,223,303
50% of Operating Revenue	\$4,604,719
5 months (21%) Operating Expenditures	\$1,892,365

OPTIONS FOR ACTIONS

1. Adopt
2. Table pending clarification(s)
3. Review and act on an alternative proposal

CONCLUSION

The 5-month operating alternative of \$1,892,365 is the least cost option.

RECOMMENDATION

Designate \$1,892,265 for Fund equity.

RECOMMENDED MOTION

Board member _____ moves to designate \$ _____ for fund equity. Seconded by Board member _____.

ACTION & IMPLEMENTATION STEPS

1. Motion to designate \$1,892,365 for fund equity
2. Staff will manage fund balances to ensure this minimum balance