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*Executive Assistant
Kennewick Irrigation District
12 West Kennewick Avenue
Kennewick, WA 99336*

KENNEWICK IRRIGATION DISTRICT RESOLUTION 2012-40

2012 BUDGET REVISION

A **RESOLUTION** for the purpose of revising the Kennewick Irrigation District approved operating budget for 2012.

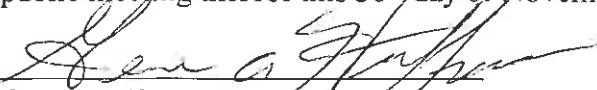
WHEREAS, Kennewick Irrigation District approved the 2012 annual budget on October 18, 2012 with a total expenditures of **\$11,455,850** including transfers to planned reserve accounts; and

The District has identified changes in projected expenses due to significant changes including: a canal emergency, expenses resulting from prior year settlement of accounts with USBR and a past employee, and other operating changes. The District also determined the need for a "drought mitigation fund" to pay the extraordinary costs of delivering water in drought years and is pre-funding this from operating reserves to the level of \$1 million dollars; and

The District's new projected expenditure total (Summary Report Attached) is \$9,378,710 in Operating Fund Expenditures, \$2,733,457 in Capital Expenditures, and \$1,673,170 in Reserve Fund Expenditures for a total of **\$13,785,337**. Of this amount, 1,986,900 are transfers between KID funds.


NOW, THEREFORE, BE IT RESOLVED:

That Resolution 2012-40 with \$13,785,337 in expenditures is hereby adopted by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at an open public meeting thereof this 30th day of November, 2012.


Gene Huffman, President


Patrick McGuire, Vice-President

Approved by Telephone
Kirk Rathbun, Director


Dean Dennis, Director


David McKenzie, Director

Kennewick Irrigation District
Summary of Budgeted Revenues/Expenditures for Fiscal Year 2012 - Revision 1
 For Presentation November 2012

FUND	Estimated 1/1/12 Beginning Cash & Investments	2012 Budgeted Revenues	2012 Budgeted Expenditures	Estimated Ending 12/31/12 Cash & Investments	
<u>OPERATING & CAPITAL PROJECT FUNDS</u>					
<u>Operating Fund Types</u>	<u>Fund Number</u>	<u>Beginning Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Beginning + Revenues minus Expenditures</u>
General Fund	0400	\$5,741,203	\$8,270,010	\$9,270,010	\$4,741,203
Elliot Lake (Opers & Debt Svc)	0348/0344	147,801	46,470	44,370	149,901
Lorayne J	0349	160,710	51,110	64,330	147,490
TOTAL- OPERATING FUND TYPES		\$6,049,714	\$8,367,590	\$9,378,710	\$5,038,594
<u>Capital Project Funds</u>					
Capital Upgrade & Improvement Fund	8000	(33,665)	1,492,870	1,459,204	1
Red Mountain LID	8002	-	1,031,100	1,031,100	-
LID Construction Project	8006	-	-	12,653	(12,653)
General Capital Projects	8010	145,000	210,000	230,500	124,500
TOTAL- CAPITAL PROJECT FUNDS		\$111,335	\$2,733,970	\$2,733,457	\$111,848

Kennewick Irrigation District

<u>RESERVE FUNDS</u>		<u>1/1/12 Beginning Reserve Balances</u>	<u>2012 Additions To Reserves</u>	<u>2012 Planned Use Of Reserves</u>	<u>12/31/12 Ending Reserve Balances</u>
<u>Operating Reserve Funds</u>					
Carryforward(Operating) Resv	6410	754,314	-	274,650	479,664
Equipment Replacement Resv	6420	480,000	402,250	498,000	384,250
TOTAL- OPERATING RESERVE FUNDS		\$1,234,314	\$402,250	\$772,650	\$863,914
<u>Non-Operating Restricted Reserves</u>					
Conservation Capital Project Reserve	8004	250,000	100,000	-	350,000
Emergency Mitigation Reserve	6440	328,481	-	-	328,481
Drought Mitigation Reserve	6450	-	1,000,000	-	1,000,000
TOTAL- NON-OPERATING RESERVE FUNDS		\$578,481	\$1,100,000	\$0	\$1,678,481
<u>Realty Restricted Reserve</u>					
TOTAL- REALTY RESERVES	6500	\$4,805,716	\$1,722,970	\$900,520	\$5,628,166