

TSCC Budget Review 2020-21

Dunthorpe-Riverdale Sanitary Service District Number 1

1. Introduction:

Dunthorpe-Riverdale County Service District provides sanitary sewer services to the Southwest areas of the County bordering the Willamette River and into a small portion of Clackamas County. It is governed by the Multnomah County Board of Commissioners and administration of the district is managed by the Multnomah County Department of Community Services. The district consists of 570 households including 19 in northern Clackamas County.

2. History:

The Multnomah County Board of Commissioners created the Dunthorpe-Riverdale County Service District in 1964. It was organized to construct and operate sanitary sewer service in the unincorporated southwest areas of the County. By 1970 sewer service to this area had eliminated of a major source of pollution in the Willamette River.

The District contracts with the City of Portland to maintain the sewer system. Sewage flow treatment is performed at Portland's Tryon Creek station. Operations are funded by user fees and connection charges. The fees are collected via special assessments that are added to property tax bills for properties served by the District.

The City of Portland developed a Sanitary System Facility Plan in 2006. It spans a 20-year planning period to aid the District in making decisions for management and improvement of this area's sanitary sewer collection system. Since 2006, the District has been targeting system needs identified in the plan and gradually increasing property assessments in order to make the changes required to meet these goals. At the 10-year mark, the district had contributed \$3 million towards the capital maintenance activities identified in the plan.

Dunthorpe-Riverdale CSD	2016-17	2017-18	2018-19	2019-20
Assessment Per Month	\$105	\$105	\$130	\$150
Connections	576	577	578	570
Special Assessment Taxes Imposed	\$719,489	\$724,066	\$882,613	\$1,018,799

3. Strategic Plan/Performance Objectives

There are no strategic plan /performance objectives specific to service district but they do have the 20-year project plan discussed above.

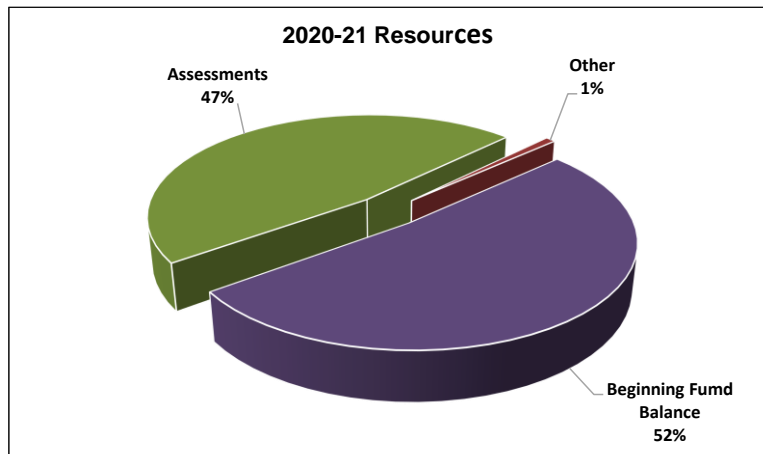
4. Analysis of the General Fund

The budget consists of only the General Fund and for FY 21 is \$2.4 million; an increase of \$520K or 78%. This is explained by the fund balance carried forward from the current year coupled with an increase in property tax assessments.

Resources:

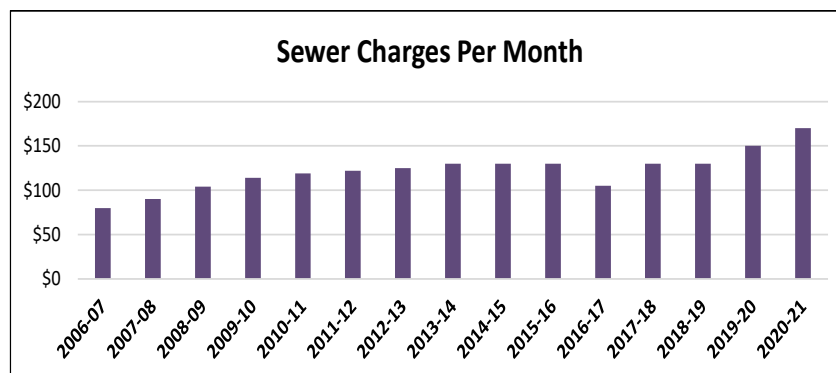
Dunthorpe-Riverdale Sanitary Sewer District							
	2020-21 Total Resources				Change		
	2017-18 Actual	2018-19 Actual	2019-20 Rev Bud	2020-21 App Bud	\$	%	
Tax Assessments	744,464	885,797	1,004,500	1,140,500	136,000	14%	
Other Income	34,042	28,651	25,000	20,000	-5,000	-20%	
Beginning Fund Balance	940,105	830,516	852,000	1,241,000	389,000	46%	
Total Resources	1,718,611	1,744,964	1,881,500	2,401,500	520,000	28%	

In preparation for future capital projects the District increased the per month rates from \$150 in the current year to \$170. Over the past 10 years rates have increased \$40 per month to meet capital and operational requirements.

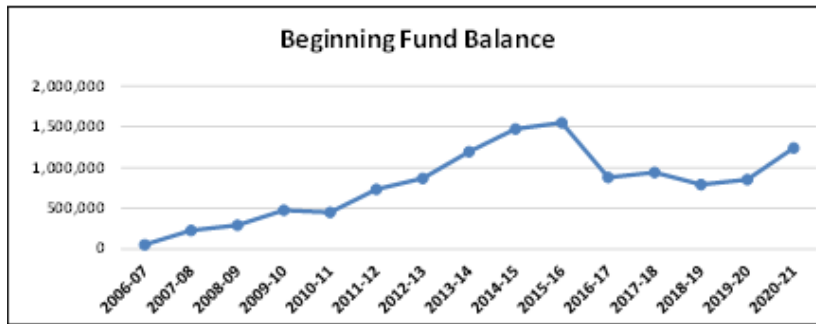


In previous years the district has received some revenue from connection charges but they are not budgeting any for the upcoming fiscal year. The district will receive \$20,000 from interest earnings; a 20% decrease as earned interest rates are expected to be less in the upcoming year.

The following charts show how the increase in tax assessments has influenced the fund balance over the past 15 years. Of course, the fund balance is also impacted as it is used for undertakes capital projects.



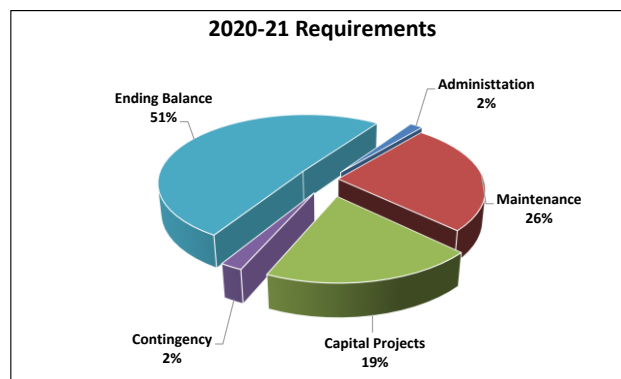
Fund balance peaked at \$1.6 million in FY16 due to timing of major capital projects. The balance carried forward to FY 21 will be increasing considerably (46%) because a planned project at the Tyron Creek treatment plant has been cancelled and funding the project was already collected. That resource will go to fund balance.



Expenditures:

The district has no personnel services costs. Multnomah County is reimbursed \$35,000 for administrative services. The budget for disposal (treatment) and system maintenance is \$623K; an increase of \$35K. These are the expenses incurred by the City of Portland for the collection system maintenance and treatment plant operations.

Dunthorpe-Riverdale Sanitary Sewer District							
	2020-21 Total Requirements				Change		
	2017-18 Actual	2018-19 Actual	2019-20 Rev Bud	2020-21 App Bud	\$	%	
Administrative Costs	23,644	34,059	35,000	40,000	5,000	14%	
Maintenance & Disposal	544,757	555,834	588,000	623,000	35,000	6%	
Capital Expenditures	307,398	114,466	518,000	470,000	-48,000	-9%	
Contingency	0	0	50,000	50,000	0	0%	
Ending Fund Balance	830,516	907,518	690,500	1,218,500	528,000	76%	
Total Requirements	1,706,315	1,611,877	1,881,500	2,401,500	520,000	28%	



Total capital projects are budgeted at \$470K.

Dunthorpe Riverdale Service District		
FY21 Budgeted Capital Expenses		
Tyron Creek Pump Station	20,000	Site review project with Lake Oswego
Elk Rock Pump Station	300,000	Capital maintenance projects
Miscellaneous Pipe Repairs	150,000	Repairs to eliminate ground water inflow and infiltration
Total	470,000	

Contingency is budgeted at \$50,000, or 4% of expenditures.

5. Analysis of other Funds

The District has no other funds only the General Fund.

6. Debt Status:

The district now has no debt.

7. Is the Budget in sync with Strategic Plan/Performance Objectives

The district has no Strategic Plan/Performance Objectives specific to the service district but they do have the 20-year project plan which is used when planning the budget expenditures. This budget is in line with the 20-year plan.

8. Local Budget Law Compliance

Yes	No	Compliance Issue
x		1. Did district meet publication requirements?
x		2. Do resources equal requirements in every fund?
N/A		3. Does the G.O. Debt Service Fund show only principle and Interest payments
x		4. Are contingencies shown only in operating funds?
x		5. Did budget committee approve the budget?
N/A		6. Did Budget committee set the levy?
x		7. Does audit show the district was in compliance with budget law (no over-expenditures or budget violations)?

9. Highlights of the 2020-21 Budget to be published in TSCC Annual Report:

- The total budget, consisting of only a General Fund, increased \$520,000 to \$2.4 million or 28% from increases in both tax assessment revenue and fund balance carried forward.
- Capital Outlay is budgeted at \$470K with \$300K for the Elk Rock Pump Station Rehabilitation Project and \$150K to continue with various pipe rehabilitation projects to prevent inflow and infiltration of ground water into the sewer lines.
- Monthly service charges for line connections to the District’s system will increase from \$150 to \$170 in order to cover system improvements planned by the district.
- The District’s unappropriated fund balance increased considerably \$528K or 76% as the District prepares for capital maintenance investments in the Elk Rock pump station.

10. Local Budget Law Compliance:

The FY21 Budget is in substantial compliance with local budget law. Estimates were judged to be reasonable for the purpose shown.

The audit report for fiscal year 2018-19 does not note any expenditures in excess of budget.

11. Certification Letter Recommendations and Objections:

TSCC staff did not find any deficiencies in the district’s FY20 budget or budget process and will recommend the Certification Letter contain no recommendations or objections.

Dunthorpe-Riverdale Sewer

Annual Report

	2017-18 Actual	2018-19 Actual	2019-20 Rev. Budget	2020-21 Apv. Budget	Budget % Change
SUMMARY OF ALL FUNDS					
Resources:					
Beginning Fund Balance	940,105	830,516	852,000	1,241,000	46%
Other Taxes	744,464	885,797	1,004,500	1,140,500	14%
Utilities	17,092	0	0	0	0%
Other Income	16,950	28,651	25,000	20,000	-20%
TOTAL RESOURCES	1,718,611	1,744,964	1,881,500	2,401,500	28%
Requirements by Function:					
Public Utilities Sewer System	888,095	837,446	1,141,000	1,133,000	-1%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	830,516	907,518	690,500	1,218,500	76%
TOTAL REQUIREMENTS	1,718,611	1,744,964	1,881,500	2,401,500	28%
Requirements by Object:					
Materials & Services	580,697	722,980	623,000	663,000	6%
Capital Outlay	307,398	114,466	518,000	470,000	-9%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	830,516	907,518	690,500	1,218,500	76%
TOTAL REQUIREMENTS	1,718,611	1,744,964	1,881,500	2,401,500	28%
SUMMARY OF BUDGET - BY FUND					
General Fund	1,718,611	1,744,964	1,881,500	2,401,500	28%
GRAND TOTAL ALL FUNDS	1,718,611	1,744,964	1,881,500	2,401,500	28%
DETAIL OF GENERAL FUND					
Resources:					
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TOTAL FUND REQUIREMENTS	1,718,611	1,744,964	1,881,500	2,401,500	28%
BALANCE SHEET AS OF JUNE 30 EACH YEAR					
	2017-18	2018-19			
Assets:					
Cash & Investments	1,051,336	1,122,622			
Receivables	45,830	20,711			
Fixed Assets	3,710,334	3,752,748			
TOTAL ASSETS	4,807,500	4,896,081			
Liabilities and Equity:					
Liabilities	251,681	219,809			
Equity	4,555,828	4,676,272			
TOTAL LIABILITIES AND EQUITY	4,807,509	4,896,081			