

# TSCC Budget Review 2020-21

## Urban Flood Safety & Water Quality District



### 1. Introduction to the District

The Urban Flood Safety & Water Quality District (UFSWQD) was created by the Legislature during the 2019 legislative session by SB 431. This bill established an “Urban Flood Safety & Water Quality District” within the urban growth boundary of Multnomah County responsible for:

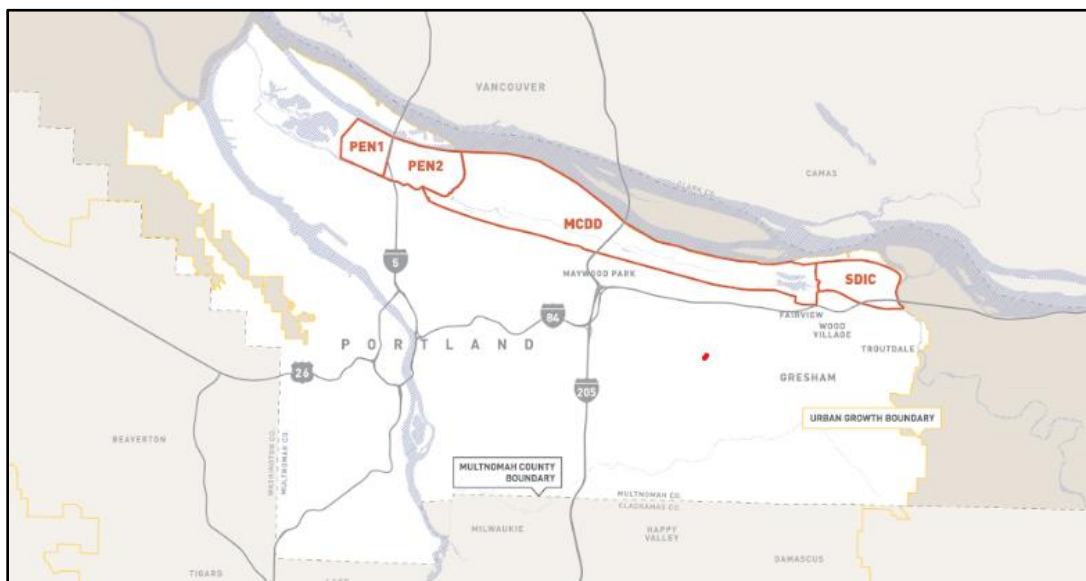
- Improving, operating, and maintaining the flood safety infrastructure along the Columbia River;
- Responding to associated flood emergencies;
- Contributing to improved water quality, fish and wildlife habitat, and landscape resilience in the managed floodplain;
- Promoting equity and social justice in all aspects of the district’s operations;
- Preparing for and adapting to the impact of climate change in relation to the managed floodplain; and
- Providing the public with information regarding the infrastructure and the history of the managed floodplain.

#### How will the district be funded?

This legislation did not include a specific funding structure for the district. Instead, it makes a set of financial tools available to the board of directors and requires the first board to identify and establish a sustainable structure to fund ongoing operations and capital improvement needs.

#### What is the geographic extent of the District?

The district includes all of Multnomah County within the urban growth boundary



### **Why does the district fall under TSCC jurisdiction?**

- One of the tools available to the district is the ability to issue general obligation bonds following taxpayer approval. This brings the district under the jurisdiction of the Tax Supervising and Conservation Commission per ORS 294.605(3).
- The population of the area within the urban growth boundary of Multnomah County exceeds 200,000, which qualifies the district as a large district pursuant to ORS 294.625(1).
- The district's board of directors serves as the district budget committee per ORS 294.423(1)

## **2. History**

Currently, four independent drainage districts manage parts of this levee system. Established in 1917 to drain the land for year-round agricultural use, the drainage districts were never designed to manage a major urban levee system. According to documentation provided by the districts, it is inefficient to operate a single levee system through four separate agencies. The drainage districts have only been able to afford to fund basic operations and maintenance work with limited capital investment. They have not been able to keep up with changing federal safety standards for levees. As a result, the levee system is not currently certified, which puts FEMA accreditation of the levee system at risk, jeopardizing the availability of flood insurance for property owners.

The Levee Ready Columbia partnership was formed in 2013 to help the drainage districts maintain federal accreditation of the levee system. As they worked to address this challenge, it became apparent that a long-term solution was needed to meet local flood safety needs, changing federal standards, habitat and watershed concerns, and continued growth in the area. Senate Bill 431 solved that problem.

## **3. Strategic Plan / Performance Objectives**

The FY21 budget is a small place holder budget (\$40,000) for possible administrative expenses incurred during this startup year for the district. The district has no strategic plan.

## **4. The Budget in Total**

The budget is simple: \$40,000 in revenues provided by the component drainage districts, and \$40,000 in expenditures for legal services, administrative actions, rate modeling, and an annual audit as required by state law. These will all be contracted services. The district has no employees, all personnel services work is done by employees of the drainage districts.

## **5. Budget Alignment with Strategic Plan / Performance Objectives**

The budget reflects the planned expenditures.

## 6. Budget Process & Compliance

Yes	No	Compliance Issue
x		Did the District meet publication requirements?
x		Do resources equal requirements in every fund?
	N/A	Does the G.O. Debt Service Fund show only principle and interest payments?
	N/A	Do contingencies exist only in operating funds?
x		Did the Budget Committee approve the budget?
x		Did the Budget Committee set the levy?
	N/A	Does audit show that the District complied with budget law?

## 7. Highlights of the 2020-21 Budget for publication in TSCC Annual Report

- This is the inaugural year for the district and its first budget is \$40,000.
- The budget includes funding for administrative functions related to organizing the district and initial operating costs.

## 8. Local Budget Law Compliance:

The 2020-21 Budget is in substantial compliance with local budget law. TSCC staff judged that the district's budget estimates were reasonable for the purposes shown.

## 9. Certification Letter Recommendations and Objections:

TSCC staff did not find any deficiencies in the district's FY 2020-21 budget or budget process and will recommend the Certification Letter contain no recommendations or objections.

# Urban Flood Safety & Water Quality District

## Annual Report

	2017-18 Actual	2018-19 Actual	2019-20 Rev. Budget	2020-21 Apv. Budget	Budget % Change
<b>SUMMARY OF ALL FUNDS</b>					
<b>Property Tax Breakdown:</b>					
Total Property Taxes	0	0	0	0	0%
<b>Resources:</b>					
Intergovernmental Revenue	0	0	0	40,000	0%
<b>TOTAL RESOURCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>Requirements by Function:</b>					
Administrative Services	0	0	0	40,000	0%
<b>TOTAL REQUIREMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>Requirements by Object:</b>					
Personnel Services	0	0	0	40,000	0%
<b>TOTAL REQUIREMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>SUMMARY OF BUDGET - BY FUND</b>					
General Fund	0	0	0	40,000	0%
<b>GRAND TOTAL ALL FUNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>DETAIL OF GENERAL FUND</b>					
<b>Resources:</b>					
Local Revenue	0	0	0	40,000	0%
<b>TOTAL FUND RESOURCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>Requirements:</b>					
Administrative Services	0	0	0	40,000	0%
<b>TOTAL FUND REQUIREMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0%</b>
<b>BALANCE SHEET AS OF JUNE 30 EACH YEAR</b>					
	<b>2017-18</b>	<b>2018-19</b>			
<b>Assets:</b>					
<b>TOTAL ASSETS</b>	<b>0</b>	<b>0</b>			
<b>Liabilities and Equity:</b>					
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>0</b>	<b>0</b>			