

Budget Review 2022-23

West Multnomah Soil & Water Conservation



INTRODUCTION & BACKGROUND

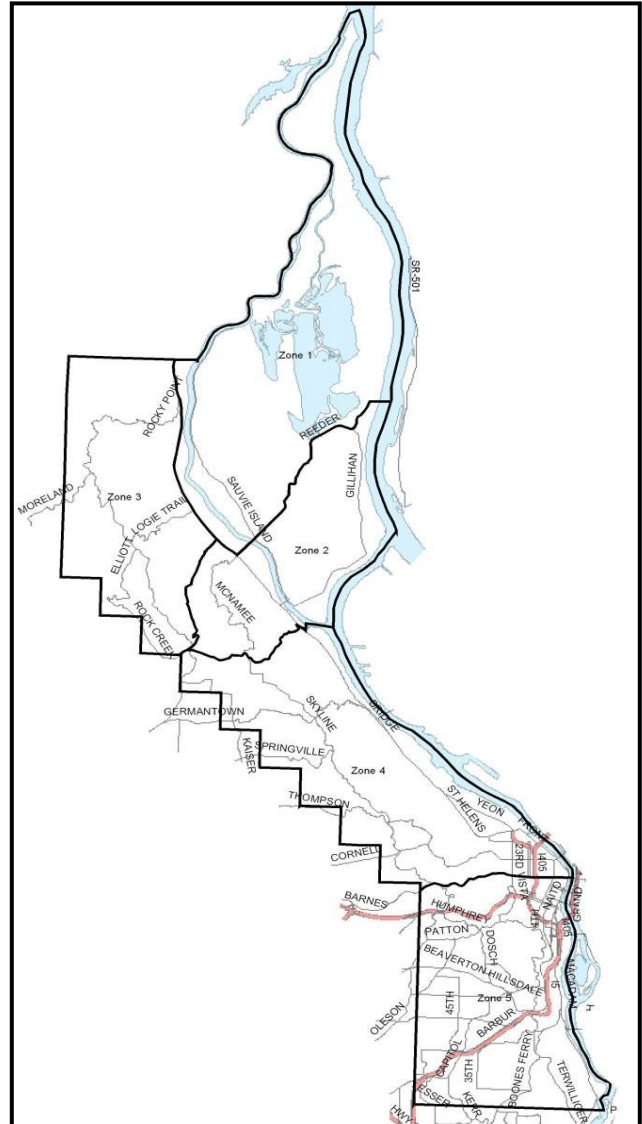
The West Multnomah Soil & Water Conservation District's (SWCD) service area includes all of Multnomah County west of the Willamette River, a portion of Washington County known as Bonnie Slope West, and all of Sauvie Island, including that portion of the island within Columbia County. It is estimated to cover 86,260 acres (135 square miles).

The district's mission is to "Conserve and protect soil and water resources for people, wildlife, and the environment."

The district was established in 1944 as the Sauvie Island Soil Conservation District to direct agricultural producers to soil conservation technical assistance resources, such as those provided by the federal Soil Conservation Service, known today as the U.S. Department of Agriculture, Natural Resource Conservation Service (NRCS). In 1975, the district expanded the scope of its conservation work, including the types of natural resource concerns addressed and the geographic service area and became the West Multnomah Soil & Water Conservation District. Voters approved a permanent property tax levy in November 2006 and beginning in fiscal year 2007-2008, the district enlarged its staff to provide conservation assistance and resources more broadly throughout the service area.

Now divided into five geographic zones, the district provides voluntary conservation services to people that live, work, or otherwise have an interest in the geographic service area. The district provides resources, information, and expertise for people to actively improve air and water quality, fish and wildlife habitat, and soil health. To accomplish this, the district works with private owners of farms and forests, tenants, schools, non-profit organizations, culturally specific organizations, neighborhood and other local community centers, and government agencies.

The district is governed by a seven-member Board of Directors: five represent geographic areas and two are elected at large. Directors are elected to four-year terms and serve without compensation.



STRATEGIC PLAN / PERFORMANCE OBJECTIVES

The district completed a new Long Range Business Plan (LRBP) plan in early 2021. Is summarized in ten elements as follows.

1. **Equity & Inclusion:** Embed equity and inclusion in all that we are and all that we do.
2. **Organizational Health:** Ensure we are welcoming, adaptable, supportive, effective, and sustainable in our practices.
3. **Financial Sustainability:** Ensure we are financially sustainable.
4. **Sharing Conservation Information:** Share conservation information so people have the knowledge and confidence to take action.
5. **Water & Soil:** Protect and improve water quality and soil health.
6. **Habitats & Biodiversity:** Protect, enhance, and restore biodiversity, native landscapes, habitats, and ecological function.
7. **Working Farms, Forests & Gardens:** Enhance the long-term health and productivity of farms, forests, woodlands, and gardens.
8. **Climate Change:** Promote resilient environments and communities in the face of climate change.
9. **Relationships with the Land:** Enhance, support, and create opportunities for all people, especially those historically and presently displaced from and deprived of land, to foster mutually beneficial relationships with the land.
10. **Long-term Success:** Provide for the long-term continuous success of our conservation actions.

The district has developed goals, tactics, and performance measures for each of these elements. The 50-page document is located on the district web site, [here](#).

BUDGET OVERVIEW

Total budget for FY 2022-23 is \$3.8 million, a 14% increase from FY 22. The district has only one fund following the 2021 closure of the Sturgeon Lake Fund, the General Fund. The remanent fund balance of \$46,586 was transferred into the General Fund pursuant to state statutes.

RESOURCES

Total resources balance to total requirements. All major revenue sources are proportionally consistent with FY 22.

West Multnomah Soil & Water					
Total Budget Resources					
	2019-20 Actual	2020-21 Actual	2021-22 Rev Bud	2022-23 App Bud	Budget % Change
Beginning Fund Balance	1,281,332	1,150,045	1,286,000	1,528,000	19%
Property Taxes	1,663,586	1,717,093	1,755,934	1,947,093	11%
Intergovernmental Revenue	209,274	209,318	229,759	254,557	11%
Other Income	61,261	24,759	35,390	28,715	-19%
Transfers In	170,500	48,586	0	0	0%
TOTAL RESOURCES	3,385,953	3,149,801	3,307,083	3,758,365	14%

The beginning fund balance is \$1.5 million, 19% higher than the prior year due to underspending related to an unfilled FY22 position. Other revenue changes are shown in the following chart.

Type	FY 22	FY 23	Comparison of FY23 to FY22	
			Increase / (Decrease)	%
Beginning Fund Balance	1,286,000	1,528,000	242,000	19
Property Taxes	1,755,934	1,947,093	191,159	11
Federal Funding	48,750	50,000	1,250	3
State Funding	151,009	184,557	33,548	22
Local and Other Funding	30,000	20,000	(10,000)	(33)
Miscellaneous	27,890	23,215	(4,675)	(17)
Interest	7,500	5,500	(2,000)	(27)
Total	3,307,083	3,758,365	451,282	14

The district levies its full property tax rate of \$0.0750 each year. This revenue covers 75% of operating costs.

REQUIREMENTS

The total budget is \$3.8 million, an increase of \$450,000 (14%).

West Multnomah Soil & Water					
Total Budget Requirements by Object:					
	2019-20 Actual	2020-21 Actual	2021-22 Rev Bud	2022-23 App Bud	Budget % Change
Personnel Services	1,269,916	1,278,300	1,443,268	1,634,504	13%
Materials & Services	787,444	538,027	797,304	924,951	16%
Capital Outlay	8,048	1,235	18,650	40,000	114%
Fund Transfers	170,500	48,586	0	0	0%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	1,150,045	1,283,653	997,861	1,108,910	11%
TOTAL REQUIREMENTS	3,385,953	3,149,801	3,307,083	3,758,365	14%

Personnel Services costs are increasing by \$191,237 (13%) in the FY 23 budget due to cost of living adjustments, benefits cost increases, and a net increase of 0.5 FTE. Total staffing for FY 23 will increase to 11.3 FTE. Administrative staff account for 3.7 FTE and Conservation staff account for 7.6 FTE.

Materials and Services costs are budgeted at \$924,951, \$127,645 (16%) higher than the current year. The district is planning to move to new offices in FY 23 and the majority of the increase reflects the cost of that move, including rental overlap of three months.

As an aside, TSCC staff will sorely miss our frequent visits to the district’s offices in the old Montgomery Ward (now “Montgomery Park”) warehouse in the NW industrial area. The visits always bring back memories of mid-century visits to pick up Montgomery Ward purchases.

The FY 23 capital outlay budget is \$40,000 and includes \$30,000 for a new boat for aquatic weed surveying and \$10,000 for Sturgeon Lake restoration project capital needs.

The district’s **Ending Fund Balance** is consistent with prior years. The majority (\$877,500) is set aside for funding district operations in the first four months of the new fiscal year before the property tax payments arrive in November. This avoids the need to borrow money and pay interest costs for that period.

DEBT STATUS

The district has no debt.

BUDGET/STRATEGIC PLAN ALIGNMENT

The district has an extensive strategic plan and performance objectives. The plan and the performance measures have been in place for six years. The chart on the follow page shows the performance over that period.

Trends and Performance Measures						
Metrics	FISCAL YEAR TOTAL					
	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Goals
Conservation Plans Completed	39	32	27	12	12	25
Residents and Land Managers Served	825	824	546	605	654	700
Acres Treated for Invasive Plants	129	46	47	88	Data not available	100
Acres of Native Habitat Enhanced	251	257	236	146	183	250
Acres of Cropland Improved through Soil Health Practices	38	25	47	47	34	50
Native Plants Installed	55,623	30,985	69,926	43,123	18,964	60,000
Linear Feet of Streams/Banks Enhanced	46,090	36,254	30,826	31,311	25,882	30,000
People Served at Outreach Events	1,237	2,570	1,915	1,682	660	2,000

HIGHLIGHTS

- The total budget is \$3.8 million, an increase of \$450,000 (14%).
- The district has only one fund following the 2021 closure of the Sturgeon Lake Fund.
- The district has budgeted for a move to new rental office space in FY 23.

BUDGET PROCESS & COMPLIANCE

Yes	No	Compliance Issue
✓		1. Did District meet publication requirements?
✓		2. Do resources equal requirements in every fund?
n/a		3. Does the G.O. Debt Service Fund show only principal and interest payments?
✓		4. Are contingencies shown only in operating funds?
✓		5. Did budget committee approve the budget?
✓		6. Did budget committee set the levy?
✓		7. Does audit show the district was in compliance with budget law?

LOCAL BUDGET LAW COMPLIANCE

The 2022-2023 Budget is in substantial compliance with local budget law. Estimates were judged to be reasonable for the purpose shown. The audit report for FY 2020-21 notes no exceptions.

CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS

TSCC staff did not find any deficiencies in the District’s FY 2022-23 budget or budget process and will recommend the Certification Letter contain no recommendations or objections.

West Multnomah Soil & Water					
Approved Budget Summary Sheet					
	2019-20 Actual	2020-21 Actual	2021-22 Rev Bud	2022-23 App Bud	Budget % Change
SUMMARY OF ALL FUNDS					
Property Tax Breakdown:					
Permanent Rate Property Taxes	1,642,029	1,691,225	1,712,000	1,912,000	12%
Prior Years Property Taxes	21,557	25,868	43,934	35,093	-20%
Total Property Taxes	1,663,586	1,717,093	1,755,934	1,947,093	11%
Resources:					
Beginning Fund Balance	1,281,332	1,150,045	1,286,000	1,528,000	19%
Property Taxes	1,663,586	1,717,093	1,755,934	1,947,093	11%
Intergovernmental Revenue	209,274	209,318	229,759	254,557	11%
Other Income	61,261	24,759	35,390	28,715	-19%
Transfers In	170,500	48,586	0	0	0%
TOTAL RESOURCES	3,385,953	3,149,801	3,307,083	3,758,365	14%
Requirements by Function:					
Environmental and Conservation Services	2,065,408	1,817,562	2,259,222	2,599,455	15%
Transfers Out	170,500	48,586	0	0	0%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	1,150,045	1,283,653	997,861	1,108,910	11%
TOTAL REQUIREMENTS	3,385,953	3,149,801	3,307,083	3,758,365	14%
Requirements by Object:					
Personnel Services	1,269,916	1,278,300	1,443,268	1,634,504	13%
Materials & Services	787,444	538,027	797,304	924,951	16%
Capital Outlay	8,048	1,235	18,650	40,000	114%
Fund Transfers	170,500	48,586	0	0	0%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	1,150,045	1,283,653	997,861	1,108,910	11%
TOTAL REQUIREMENTS	3,385,953	3,149,801	3,307,083	3,758,365	14%
SUMMARY OF BUDGET - BY FUND					
General Fund	3,080,241	3,057,004	3,307,083	3,758,365	14%
Sturgeon Lake Fund	305,712	92,797	0	0	0%
GRAND TOTAL ALL FUNDS	3,385,953	3,149,801	3,307,083	3,758,365	14%
DETAIL OF GENERAL FUND					
Resources:					
Beginning Fund Balance	1,151,319	1,060,349	1,286,000	1,528,000	19%
Property Tax	1,663,586	1,717,093	1,755,934	1,947,093	11%
Federal Revenue	32,674	69,080	48,750	50,000	3%
State Revenue	143,600	132,362	151,009	184,557	22%
Local Revenue	30,000	5,500	30,000	20,000	-33%
Other Income	59,062	24,034	35,390	28,715	-19%
Transfers In	0	48,586	0	0	0%
TOTAL FUND RESOURCES	3,080,241	3,057,004	3,307,083	3,758,365	14%
Requirements:					
Environmental and Conservation Services	1,849,392	1,773,351	2,259,222	2,599,455	15%
Transfers Out	170,500	0	0	0	0%
Contingencies	0	0	50,000	50,000	0%
Ending Fund Balance	1,060,349	1,283,653	997,861	1,108,910	11%
TOTAL FUND REQUIREMENTS	3,080,241	3,057,004	3,307,083	3,758,365	14%