

# King County Flood Control District

## Flood Program Financial Plan: 2021 Budget and 6-Year CIP

10/28/2020

	2019 Actual	2020 Adopted	2020 Revised	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
<b>Beginning Balance</b>	81,668,684	89,876,187	93,504,495	96,977,354	95,439,624	90,389,493	79,610,567	63,310,289	38,560,160
<b>Revenue</b>									
Flood District									
Flood District Levy <sup>1</sup>	57,896,370	58,962,538	58,241,513	58,403,522	58,469,952	58,588,758	58,717,381	58,860,653	59,020,133
Interest Earnings <sup>2</sup>	2,243,703	1,855,726	2,568,871	2,664,282	2,622,035	2,483,292	2,187,160	1,739,339	1,059,372
Miscellaneous Revenue <sup>3</sup>	267,338	300,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000
King County									
Inter-County River Improvement <sup>4</sup>	48,100	45,000	45,000	0	0	0	0	0	0
Grants <sup>10</sup>	718,830	2,869,028	2,869,028	2,869,028	2,869,028	0	0	0	0
Miscellaneous Revenue <sup>5</sup>	92,620	175,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>Total Revenue</b>	61,266,961	64,207,292	64,094,412	64,306,832	64,331,015	61,442,050	61,274,540	60,969,991	60,449,506
<b>Expenditure</b>									
District Administration <sup>6</sup>	(773,881)	(913,238)	(913,238)	(2,288,637)	(2,357,296)	(2,428,015)	(2,500,855)	(2,575,881)	(2,653,158)
Other District Expenditures									
Tax Refund									
Operating Expenditure	(9,905,721)	(13,464,210)	(13,739,210)	(13,171,717)	(13,566,868)	(13,973,874)	(14,393,090)	(14,824,883)	(15,269,630)
Capital Expenditure	(38,751,549)	(64,647,146)	(45,969,105)	(50,384,209)	(53,456,983)	(55,819,087)	(60,680,872)	(68,319,357)	(71,416,389)
<b>Total Expenditure</b>	(49,431,150)	(79,024,594)	(60,621,553)	(65,844,562)	(69,381,147)	(72,220,976)	(77,574,818)	(85,720,121)	(89,339,176)
<b>Ending Fund Balance (Cash)</b>	<b>93,504,495</b>	<b>56,841,663</b>	<b>96,977,354</b>	<b>95,439,624</b>	<b>90,389,493</b>	<b>79,610,567</b>	<b>63,310,289</b>	<b>38,560,160</b>	<b>9,670,489</b>
Target Fund Balance		0	0	0	0	0	0	0	0
Budgetary Carryover Reserves	(112,815,775)	(110,491,278)	(156,578,334)	(230,884,270)	(304,002,508)	(357,831,495)	(425,371,631)	(431,167,754)	(444,224,154)
<b>Ending Budgetary Fund Balance <sup>9</sup></b>	<b>(19,311,281)</b>	<b>(53,649,615)</b>	<b>(59,600,979)</b>	<b>(135,444,646)</b>	<b>(213,613,016)</b>	<b>(278,220,928)</b>	<b>(362,061,341)</b>	<b>(392,607,594)</b>	<b>(434,553,665)</b>

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### Notes:

- <sup>1</sup> Property tax forecast provided by the Office of Economic and Financial Analysis in August 2019, less undercollection assumption of 1%.
- <sup>2</sup> Future interest earnings approximated using the ration of prior year interest to prior year fund ending fund balance.
- <sup>3</sup> District miscellaneous revenue due to multiple sources such as state forest sales, private timber harvest tax, unrealized investments, leasehold excise taxes, and immaterial corrections from prior years.
- <sup>4</sup> The ICRIF amount is based on the 1919 Inter-County Agreement for improvements to the White River, set to expire at the end of 2020.
- <sup>5</sup> Miscellaneous revenue due to multiple sources such as state forest sales, private timber harvest tax, rent from tenants of acquired real estate, and immaterial corrections from prior years. In 2017 this included the sale of the Rivers Edge
- <sup>6</sup> Costs based on contract established under FCD 2008-07 for District executive services, and inflated at 3% in succeeding years.
- <sup>7</sup> The capital expenditure is equal to the expenditure rate times the sum of the new capital appropriation and carryover. Rationale for the expenditure rates forecasted for A-E in the capital program is as follows:
  - A. Based on prior year experience and knowledge of existing staff capacity to implement construction projects implemented by WLR Division.  
The expenditure rate increases at the end of the six years as new appropriation decreases and carryover projects are completed.
  - B. Based on prior year experience for acquisitions and home elevations, where expenditure patterns are strongly influenced by factors such as landowner willingness. Rate shown here is similar to the expenditure rate for acquisition-focused funds such as King County's Conservation Futures Trust (CFT).
  - C. Based on increase from past expenditure rates as city projects move through the engineering design phase toward construction.
  - D-E. Based on prior year experience with expenditure rates for these capital grant programs, which have a 2-3 year minimum time lag between appropriation and expenditures due to funding allocation decision-making process, execution of agreements for awarded projects, and reimbursement of eligible expenditures during or following implementation by the grant recipient.  
While the Opportunity Fund does not require time for an allocation process, many jurisdictions choose to accrue funding over multiple years which limits the expenditure rate.  
Note that a constant expenditure rate results in increased expenditures as unspent allocations are carried over each year.
- <sup>8</sup> The Unreserved Fund Balance is the remaining balance less reserves described in resolution FCD2016-21.1 adopting a fund balance reserve policy. While the policy provides general guidance on types of reserves, it does not specify their
- <sup>9</sup> The budgetary fund balance assumes 100% expenditure of all budgeted amounts and is used to understand the District's total budgetary commitment.
- <sup>10</sup> Grant revenue is assumed only for grants that have been awarded or where an award is likely and imminent.
- <sup>11</sup> Total New Capital Appropriation corresponds to the "Grand Total" shown in each year on Attachment H.

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### Capital Expenditure Detail

	2019 Actual	2020 Adopted	2020 Revised	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
<i>FCD Projects New Appropriation</i>	739,781	(42,782,730)	(28,264,989)	(46,573,971)	(35,131,117)	(46,493,348)	(79,023,765)	(24,259,784)	(35,016,988)
<i>FCD Projects Carryover</i>	(32,817,275)	(16,038,747)	(16,148,408)	(24,427,368)	(51,120,964)	(67,276,623)	(94,429,076)	(150,903,972)	(148,889,193)
<i>Expenditure Rate</i>	56%	56%	45%	28%	22%	17%	13%	15%	15%
<b>A. RFMS Project Expenditures</b>	<b>(17,813,428)</b>	<b>(32,394,027)</b>	<b>(19,986,029)</b>	<b>(19,880,375)</b>	<b>(18,975,458)</b>	<b>(19,340,895)</b>	<b>(22,548,869)</b>	<b>(26,274,563)</b>	<b>(27,585,927)</b>
<i>FCD Flood Mitigation New Appropriation</i>	(1,614,371)	(1,866,201)	(9,693,049)	(14,662,191)	(16,724,628)	(17,615,567)	(16,588,634)	(17,543,893)	(15,698,893)
<i>FCD Flood Mitigation Carryover</i>	(16,485,443)	(12,669,870)	(13,223,472)	(18,791,547)	(27,432,065)	(37,091,622)	(47,048,183)	(56,000,399)	(64,718,977)
<i>Expenditure Rate</i>	18%	50%	18%	18%	16%	14%	12%	12%	12%
<b>B. RFMS Flood Mitigation Expenditures</b>	<b>(3,270,460)</b>	<b>(7,328,035)</b>	<b>(4,124,974)</b>	<b>(6,021,673)</b>	<b>(7,065,071)</b>	<b>(7,659,007)</b>	<b>(7,636,418)</b>	<b>(8,825,315)</b>	<b>(9,650,144)</b>
<i>Other Agency New Appropriation</i>	(30,066,843)	(28,744,062)	(29,706,707)	(35,716,921)	(46,653,918)	(17,134,989)	(3,860,000)	(3,212,358)	(4,300,000)
<i>Other Agency Carryover</i>	(30,413,688)	(51,408,451)	(53,485,324)	(73,208,987)	(100,211,836)	(136,585,151)	(144,496,931)	(139,455,516)	(132,681,122)
<i>Expenditure Rate</i>	13%	15%	12%	8%	7%	6%	6%	7%	7%
<b>C. External Agency Project Expenditures</b>	<b>(7,742,271)</b>	<b>(11,810,627)</b>	<b>(9,983,044)</b>	<b>(8,714,073)</b>	<b>(10,280,603)</b>	<b>(9,223,208)</b>	<b>(8,901,416)</b>	<b>(9,986,751)</b>	<b>(9,588,679)</b>
<i>Opportunity Fund New Appropriation</i>	(5,889,245)	(6,091,017)	(6,091,017)	(5,974,680)	(5,981,476)	(5,993,630)	(6,006,788)	(6,021,445)	(6,037,760)
<i>Opportunity Fund Carryover</i>	(14,505,037)	(15,295,712)	(16,535,261)	(18,101,022)	(19,260,562)	(20,193,630)	(20,949,808)	(21,565,277)	(22,069,378)
<i>Expenditure Rate</i>	18%	25%	20%	20%	20%	20%	20%	20%	20%
<b>D. Opportunity Fund Payments</b>	<b>(3,569,863)</b>	<b>(5,346,682)</b>	<b>(4,525,256)</b>	<b>(4,815,140)</b>	<b>(5,048,408)</b>	<b>(5,237,452)</b>	<b>(5,391,319)</b>	<b>(5,517,344)</b>	<b>(5,621,428)</b>
<i>Grants New Appropriation</i>	(7,850,429)	(15,500,545)	(15,500,545)	(21,762,382)	(22,084,082)	(22,410,539)	(22,741,821)	(23,078,000)	(23,419,148)
<i>Grants Carryover</i>	(12,664,774)	(13,955,019)	(13,898,666)	(22,049,408)	(32,858,843)	(42,855,481)	(50,907,496)	(57,446,467)	(62,809,084)
<i>Expenditure Rate</i>	31%	32%	25%	25%	22%	22%	22%	22%	22%
<b>E. Grant Payments</b>	<b>(6,355,527)</b>	<b>(7,767,774)</b>	<b>(7,349,803)</b>	<b>(10,952,948)</b>	<b>(12,087,443)</b>	<b>(14,358,524)</b>	<b>(16,202,850)</b>	<b>(17,715,383)</b>	<b>(18,970,211)</b>
	50%	56%	53%	50%	37%	34%	32%	31%	30%
<b>Capital Summary - All Expenditures A-F</b>									
<i>Total New Capital Appropriation <sup>11</sup></i>	(44,681,107)	(94,984,555)	(89,256,307)	(124,690,145)	(126,575,221)	(109,648,073)	(128,221,008)	(74,115,480)	(84,472,789)
<i>Total Carryover</i>	(106,886,217)	(109,367,799)	(113,291,131)	(156,578,334)	(230,884,270)	(304,002,508)	(357,831,495)	(425,371,631)	(431,167,754)
<i>Overall Expenditure Rate</i>	26%	32%	23%	18%	15%	13%	12%	14%	14%
<b>Total Capital Expenditure <sup>7</sup></b>	<b>(38,751,549)</b>	<b>(64,647,146)</b>	<b>(45,969,105)</b>	<b>(50,384,209)</b>	<b>(53,456,983)</b>	<b>(55,819,087)</b>	<b>(60,680,872)</b>	<b>(68,319,357)</b>	<b>(71,416,389)</b>