

# King County Flood Control District

## Flood Program Financial Plan: 2022 Budget and 6-Year CIP

8/31/2021

	2020 Actual	2021 Adopted	2021 Revised	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected
<b>Beginning Balance</b>	94,668,973	89,876,187	75,948,139	72,832,891	61,870,564	50,948,365	32,239,459	3,132,654	(24,774,156)
<b>Revenue</b>									
Flood District									
Flood District Levy <sup>1</sup>	58,632,467	58,403,522	57,901,556	58,768,481	59,551,728	60,320,270	61,071,676	61,821,451	62,642,833
Interest Earnings <sup>2</sup>	1,651,003	2,493,457	1,324,516	1,270,187	1,079,007	888,527	562,248	54,633	(432,055)
Miscellaneous Revenue <sup>3</sup>	254,721	270,000	250,000	250,000	250,000	250,000	250,000	250,000	270,000
King County									
Inter-County River Improvement <sup>4</sup>	44,000	0	0	0	0	0	0	0	0
Grants <sup>10</sup>	(649,937)	2,869,028	2,869,028	2,869,028	2,869,028	0	0	0	0
Miscellaneous Revenue <sup>5</sup>	59,221	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>Total Revenue</b>	59,991,475	64,136,007	62,445,100	63,257,697	63,849,764	61,558,797	61,983,924	62,226,084	62,580,778
<b>Expenditure</b>									
District Administration <sup>6</sup>	(1,917,031)	(2,338,637)	(2,338,637)	(2,338,637)	(2,408,796)	(2,408,796)	(2,481,060)	(2,481,060)	(2,555,492)
Other District Expenditures									
Tax Refund									
Operating Expenditure	(10,637,693)	(13,171,717)	(14,146,717)	(16,313,808)	(13,513,808)	(13,919,222)	(14,336,799)	(14,766,903)	(15,209,910)
Capital Expenditure	(66,157,584)	(48,694,443)	(49,074,995)	(55,567,580)	(58,849,358)	(63,939,685)	(74,272,870)	(72,884,931)	(67,729,268)
<b>Total Expenditure</b>	(78,712,309)	(79,024,594)	(65,560,348)	(74,220,024)	(74,771,962)	(80,267,703)	(91,090,729)	(90,132,894)	(85,494,669)
<b>Ending Fund Balance (Cash)</b>	<b>75,948,139</b>	<b>75,058,885</b>	<b>72,832,891</b>	<b>61,870,564</b>	<b>50,948,365</b>	<b>32,239,459</b>	<b>3,132,654</b>	<b>(24,774,156)</b>	<b>(47,688,048)</b>
Target Fund Balance		0	0	0	0	0	0	0	0
Budgetary Carryover Reserves	(142,118,102)	(132,625,036)	(205,955,687)	(289,835,134)	(339,723,762)	(445,053,527)	(479,721,723)	(477,159,565)	(464,699,213)
<b>Ending Budgetary Fund Balance <sup>9</sup></b>	<b>(66,169,963)</b>	<b>(57,566,151)</b>	<b>(133,122,796)</b>	<b>(227,964,570)</b>	<b>(288,775,396)</b>	<b>(412,814,069)</b>	<b>(476,589,069)</b>	<b>(501,933,722)</b>	<b>(512,387,261)</b>

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### Notes:

- <sup>1</sup> Property tax forecast provided by the Office of Economic and Financial Analysis in August 2020, 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, leashold 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.
- <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 remaing 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 quantification. The reserve quantities above reflect initial considerations by the District in lieu of more formal direction.
- <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.
- <sup>12</sup> In general, construction projects assume inflationary increases of 3% per year.

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### Capital Expenditure Detail

	2020 Actual	2021 Adopted	2021 Revised	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected
<i>FCD Projects New Appropriation</i>	(42,782,730)	(46,573,971)	(49,915,913)	(38,384,285)	(36,680,405)	(92,098,541)	(51,816,189)	(23,495,444)	(12,756,092)
<i>FCD Projects Carryover</i>	(16,148,408)	(18,209,493)	(16,884,214)	(45,424,086)	(58,665,860)	(72,463,161)	(139,877,447)	(162,939,591)	(158,469,779)
<i>Expenditure Rate</i>	43%	28%	32%	30%	24%	15%	15%	15%	15%
<b>A. FCD Projects Managed by RFMS</b>	<b>(25,500,412)</b>	<b>(18,139,370)</b>	<b>(21,376,041)</b>	<b>(25,142,511)</b>	<b>(22,883,104)</b>	<b>(24,684,255)</b>	<b>(28,754,045)</b>	<b>(27,965,255)</b>	<b>(25,683,881)</b>
<i>FCD Flood Mitigation New Appropriation</i>	(1,866,201)	(14,662,191)	(7,790,806)	(15,456,292)	(18,641,919)	(16,096,081)	(17,036,564)	(15,253,861)	(13,053,026)
<i>FCD Flood Mitigation Carryover</i>	(13,223,472)	(18,791,547)	(17,314,614)	(20,837,499)	(30,849,722)	(42,067,894)	(51,184,299)	(60,034,359)	(66,253,633)
<i>Expenditure Rate</i>	39%	18%	17%	15%	15%	12%	12%	12%	12%
<b>B. FCD Elevations/Buyouts Managed by RFMS</b>	<b>(5,849,783)</b>	<b>(6,021,673)</b>	<b>(4,267,921)</b>	<b>(5,444,069)</b>	<b>(7,423,746)</b>	<b>(6,979,677)</b>	<b>(8,186,503)</b>	<b>(9,034,586)</b>	<b>(9,516,799)</b>
<i>Other Agency New Appropriation</i>	(28,744,062)	(35,716,921)	(30,730,808)	(57,204,609)	(24,374,123)	(31,381,233)	(9,728,358)	(525,000)	(4,200,000)
<i>Other Agency Carryover</i>	(53,485,324)	(73,208,987)	(68,127,388)	(86,995,212)	(132,663,836)	(144,474,921)	(161,787,662)	(154,364,418)	(140,949,370)
<i>Expenditure Rate</i>	23%	8%	12%	8%	8%	8%	10%	9%	7%
<b>C. FCD Projects Managed by Other Agencies</b>	<b>(19,231,846)</b>	<b>(8,714,073)</b>	<b>(11,862,983)</b>	<b>(11,535,986)</b>	<b>(12,563,037)</b>	<b>(14,068,492)</b>	<b>(17,151,602)</b>	<b>(13,940,048)</b>	<b>(10,160,456)</b>
<i>Opportunity Fund New Appropriation</i>	(6,091,017)	(5,974,680)	(5,974,680)	(6,092,142)	(6,170,764)	(6,247,632)	(6,324,334)	(6,408,362)	0
<i>Opportunity Fund Carryover</i>	(16,535,261)	(18,101,022)	(15,187,158)	(17,352,707)	(19,224,776)	(20,824,343)	(22,199,020)	(23,389,150)	(24,433,960)
<i>Expenditure Rate</i>	33%	20%	18%	18%	18%	18%	18%	18%	18%
<b>D. Opportunity Fund Payments</b>	<b>(7,398,123)</b>	<b>(4,815,140)</b>	<b>(3,809,131)</b>	<b>(4,220,073)</b>	<b>(4,571,197)</b>	<b>(4,872,956)</b>	<b>(5,134,204)</b>	<b>(5,363,552)</b>	<b>(4,398,113)</b>
<i>Grants New Appropriation</i>	(15,500,545)	(21,762,382)	(21,762,382)	(22,309,698)	(22,870,776)	(23,445,964)	(24,035,621)	(24,640,107)	(25,259,797)
<i>Grants Carryover</i>	(13,898,666)	(22,049,408)	(21,342,719)	(35,346,183)	(48,430,940)	(59,893,441)	(70,005,100)	(78,994,206)	(87,052,823)
<i>Expenditure Rate</i>	28%	25%	18%	16%	16%	16%	16%	16%	16%
<b>E. Grant Payments</b>	<b>(8,177,420)</b>	<b>(10,952,948)</b>	<b>(7,758,918)</b>	<b>(9,224,941)</b>	<b>(11,408,275)</b>	<b>(13,334,305)</b>	<b>(15,046,515)</b>	<b>(16,581,490)</b>	<b>(17,970,019)</b>
	59%	50%	36%	26%	24%	22%	21%	21%	21%
<b>Capital Summary - All Expenditures A-F</b>									
<i>Total New Capital Appropriation <sup>11</sup></i>	(94,984,555)	(124,690,145)	(116,174,589)	(139,447,026)	(108,737,986)	(169,269,451)	(108,941,066)	(70,322,774)	(55,268,915)
<i>Total Carryover</i>	(113,291,131)	(150,360,458)	(138,856,093)	(205,955,687)	(289,835,134)	(339,723,762)	(445,053,527)	(479,721,723)	(477,159,565)
<i>Overall Expenditure Rate</i>	32%	18%	19%	16%	15%	13%	13%	13%	13%
<b>Total Capital Expenditure <sup>7</sup></b>	<b>(66,157,584)</b>	<b>(48,643,203)</b>	<b>(49,074,995)</b>	<b>(55,567,580)</b>	<b>(58,849,358)</b>	<b>(63,939,685)</b>	<b>(74,272,870)</b>	<b>(72,884,931)</b>	<b>(67,729,268)</b>