

# Budget Message

FY 2021-2022



**UPPER WILLAMETTE**  
SOIL & WATER CONSERVATION DISTRICT

Dave Downing,  
Budget Officer

## **Contents**

Section 1. Budgeting .....	2
Section 2 – Policies and Performance .....	7
Section 3 – Services.....	8
Section 4 – Accomplishments .....	10
Section 5 – Management .....	12
Section 6 - Budget Scenario for FY21-22.....	13
Appendix A – About Upper Willamette SWCD .....	19
Appendix B – Upper Willamette SWCD Boundaries.....	22

# Section 1. Budgeting

## *The Budget Officer*

As a taxing entity subject to Oregon Local Budget Law, Upper Willamette Soil and Water Conservation District (herein referred to as “UWSWCD” or “District”) must appoint a budget officer to prepare (or supervise the preparation of) the budget document, as described in Oregon Revised Statute (ORS) 294.331: “... *The budget officer... shall prepare or supervise the preparation of the budget document. The budget officer shall act under the direction of the executive officer of the municipal corporation, or where no executive officer exists, under the direction of the governing body.*”

For the development of the Fiscal Year July 1, 2021 – June 30, 2022 (FY21-22) budget, UWSWCD’s Board of Directors appointed UWSWCD’s District Manager as the Budget Officer on April 13, 2021.

## *The Budget Message*

A cornerstone of the public budgeting process is communicating the annual budget to the Budget Committee and to the public. The budget message identifies changes from the previous budget and identifies new initiatives and changes in UWSWCD’s programs and operations. The budget message also communicates how the UWSWCD will continue to implement UWSWCD’s 5-year *Strategic Plan 2020-2025 and Annual Workplan* in the coming fiscal year. According to ORS 294.403, “*A budget message shall be prepared by or under the direction of the executive officer of the municipal corporation or, where no executive officer exists, by or under the direction of the presiding officer of the governing body. The budget message shall be delivered at a meeting of the budget committee as provided in ORS 294.426 (1). The budget message shall:*

- *Explain the budget document,*
- *Contain a brief description of the proposed financial policies of the municipal corporation for the ensuing year or ensuing budget period,*
- *Describe in connection with the financial policies of the municipal corporation, the important features of the budget document,*
- *Set forth the reason for salient changes from the previous year or budget period in appropriation and revenue items,*
- *Explain the major changes in financial policy; and*
- *Set forth any change contemplated in the municipal corporation’s basis of accounting and explain the reasons for the change and the effect of the change on the operations of the municipal corporation.*

### Overview of the Budget Process

- Budget Officer Appointed
- Budget Message communicates the proposed budget
- Budget Committee established
- Budget Committee approves (or modifies and approves) proposed budget
- Board of Directors adopts (or modifies and adopts) proposed budget

### *The Budget Committee*

ORS 294 requires public taxing entities to prepare a budget consistent with Oregon Local Budget Law. UWSWCD is a special district of the State of Oregon and a local unit of government, formed in 1954 under the authority of ORS 568, and with the powers and duties described in that law.

UWSWCD must establish a Budget Committee (also referred herein as “Committee”) and must hold at least one public meeting to review and approve the upcoming year’s budget. The Budget Committee consists of UWSWCD’s Board of Directors and local registered voters appointed by the Board.

### *Budget Committee Members*

The Budget Committee for FY21-22 consists of 13 members: five electors and the seven-member Board of Directors. This group provides wide representation on natural resource issues and opportunities throughout the District.

<b>Name</b>	<b>Board or Elector</b>	<b>Status</b>
Al Hrynyshyn	Board Member	Serve during term
Gary Jensen	Board Member	Serve during term
Malcolm Wilson	Board Member	Serve during term
Mary Durfee	Board Member	Serve during term
Chuck Arrera	Board Member	Serve during term
Abel Kloster	Board Member	Serve during term
Ralph Perkins	Board Member	Serve during term
Karen Wildish	Elector	Appointed in 2021 in first year of term
Clinton Bagley	Elector	Appointed in 2021 in first year of term
Corrie Parrish	Elector	Appointed in 20221 in first year of term
Craig Gibons	Elector	Appointed in 2021 in first year of term
Austin Meeks	Elector	Appointed in 2021 in first year of term

**Table 1: Budget Committee Members**

### *Terms of Service for Budget Committee Members*

Citizen members are appointed by UWSWCD’s Board of Directors to serve three-year terms. Terms of citizen members are staggered to provide continuity from year to year and to allow new ideas and perspectives to be included in the Committee’s deliberations. Since this is the first year for the UWSWCD to use Local Budget Law protocol, a staggered year selection process shall be utilized at the first Budget Committee meeting to determine term limits.

### *Duties of the Budget Committee*

The Budget Committee reviews the proposed budget submitted by the Budget Officer and either approves it as proposed or modifies it. The Committee elects a presiding officer to help the Committee reach an affirmative vote to approve the budget proposal. Specifically, the Budget Committee:

1. Receives the budget document from the Budget Officer,
2. Hears the budget message,
3. Hears and considers public comment,
4. Discusses and revises the budget as needed,
5. Approves the budget,
6. Approves the property taxes to be levied.

All meetings of the Budget Committee are subject to Oregon's Public Meetings Law (ORS 192.610 - 690). A quorum of the Committee is required to conduct business. A majority of the Committee members is required to act. For this Budget Committee, a quorum and simple majority are the same: seven Committee members. At any given time, additional information may be received by requesting it from: Dave Downing, Budget Officer; or, Clarissa Berndt, Administrative Specialist; or, Al Hrynshyn, Board Chair. UWSWCD anticipates two meetings of the Budget Committee in 2021. The proposed budget and budget message will be presented by the Budget Officer at the first Budget Committee meeting. At the second meeting, any changes requested by the Committee will be presented, and public testimony on the proposed budget will be accepted. The Budget Committee is scheduled to vote on the proposed budget at the second meeting.

### *Duties of the Board of Directors*

Following approval of the budget by the Budget Committee, the Board of Directors holds a budget hearing on the budget approved by the Committee. Any person may comment on the approved budget at the hearing. After the hearing, the Board of Directors can change the amount of estimated expenditures for each fund by no more than \$5,000 or 10% of the estimated expenditures, whichever is greater. The amount or rate of the total ad valorem property taxes to be certified by UWSWCD to the assessor may not exceed the amount approved by the Budget Committee. [ORS 294.456] June 30, 2021, is the deadline for the Board of Directors to enact a resolution that adopts the budget, makes appropriations, imposes tax levies, and categorizes each tax.

### *Budgeting by Funds*

The budget is prepared by funds. UWSWCD shall have three funds for the upcoming fiscal year: General Fund, Conservation Grants Fund (Special Revenue Fund), and Conservation Reserve Fund.

The Oregon Department of Revenue describes a General Fund as:

"The purpose of the **general fund** is to record financial transactions relating to all activities for which specific types of funds are not required. It is the general operating fund for the local government. Most local governments have a general fund. Many small districts have only a general fund." [ORS 293-105]

The Oregon Department of Revenue describes a special revenue fund as:

"**Special revenue funds** should be set up for dedicated local option tax levies, specific purpose grants, and other revenues when required by statute, charter provisions, or the terms of a grant...The general requirement is that dedicated revenues must be used for the specific purpose authorized, and separate funds should be established for them." [ORS 311.350]

The Oregon Department of Revenue describes a reserve fund as:

“A local government may set up a **reserve fund** to accumulate money for financing the cost of any service, project, property or equipment that the district can legally perform or acquire.” [ORS 294.346, renumbered from 294.525]

Under Local Budget Law, a reserve fund is a way to save money from year to year. Expenditures can be appropriated and made directly from a reserve fund. The resolution or ordinance creating a reserve fund should state the purpose for which the money in the fund can be spent. At least every 10 years after the establishment of a reserve fund, the governing body must review the fund to decide if it should be continued or abolished. Any unexpended or unobligated balance left in the fund when it is abolished can be transferred to the general fund or any other fund designated by the governing body. Money in a reserve fund can only be used for the purpose for which the fund was established. Expenditures for the purpose may be budgeted and appropriated directly from the reserve fund. Transfers may not be made from a reserve fund unless the fund that receives the transfer uses the money for a purpose consistent with the purpose of the reserve fund. Interfund loans can be made from a reserve fund under ORS 294.468 (renumbered from 294.460).

### Organization of UWSWCD's Funds

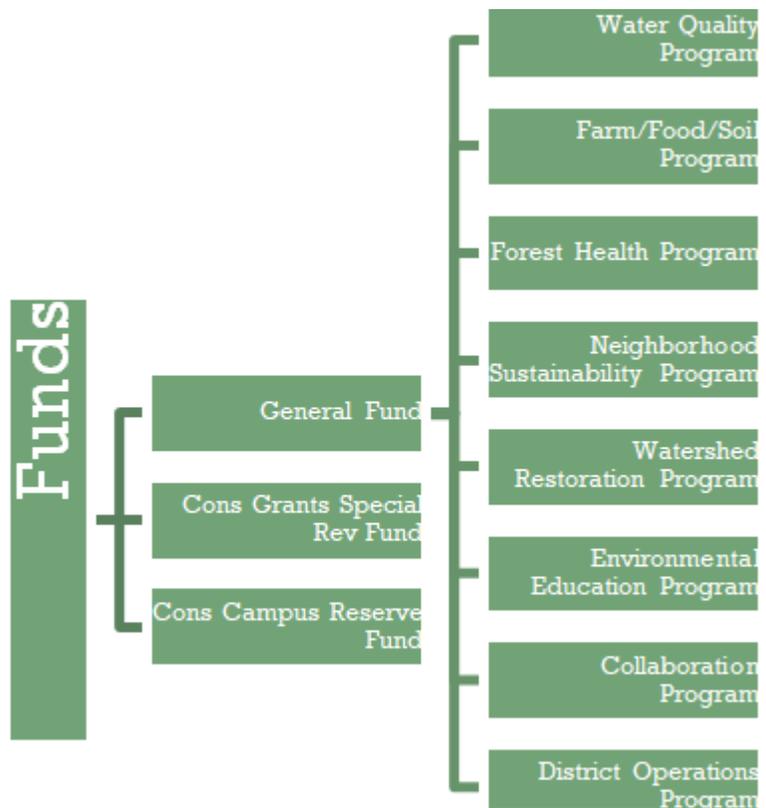
UWSWCD has established three Funds: General Fund, Special Revenue Fund, and Reserve Fund.

### General Fund

Eight programs exist within the General Fund:

- Water Quality program
- Farms, Local Foods, Healthy Soil, program
- Forest Health and Resilience program
- Neighborhood Sustainability Program (Urban)
- Watershed Restoration and Conservation program
- Natural Resource & Environmental Education program
- Collaboration Program
- District Operations Program

During FY21-22, the District will continue to focus most of its general fund spending in the District's existing programs consisting of the Water Quality, Farms/Food/Soil Health, Watershed Restoration and Conservation, Environmental



Education, and District Operations programs, and will begin the development of the remaining programs.

### Special Revenue Fund

For FY21-22, UWSWCD has one Special Revenue Fund: **Conservation Grants Fund**. This fund shall provide grant funding to assist programs listed above. In FY21-22, development of some of the programs and development of an overall grant management system will be established.

### Reserve Fund

For FY21-22, UWSWCD has one Reserve Fund: **Conservation Reserve Fund**. During the fiscal year the District shall utilize this fund as a savings account to start our development process for our future vision of a conservation campus. This campus will potentially house multiple conservation organizations and agencies, conduct meetings and educational events, and demonstrate projects, making it an efficient one-stop center for the public's conservation needs.

## Section 2 – Policies and Performance

### *Basis for Budgeting*

UWSWCD has always operated on a modified cash basis. Cash basis means revenue is recorded when received, and expenditures are recorded when money is spent. After deliberation by the UWSWCD Board, UWSWCD has decided to continue operating under a modified cash basis at this time.

### *Funds Held in Approved Institutions*

At this time all UWSWCD funds are held in a qualified public depository approved by the Oregon State Treasury. For FY21-22, that institution shall be Umpqua Bank. As reserve funds are accumulated UWSWCD shall deposit long term savings in the Oregon State Treasury's Local Government Investment Pool (LGIP). Moving forward, long-term savings are held in LGIP accounts, while short-term operating capital is held in a checking account at Umpqua Bank. For FY23, UWSWCD does not anticipate any change in banking institutions.

### *Expenditures*

Expenditures shall follow a four-step process:

1. The Board of Directors authorizes the expenditures in the adopted budget.
2. The staff consults with the Fiscal Officer to manage expenditures according to the budget.
3. The District Manager reviews and authorizes the expenditures.
4. The Fiscal Officer writes the checks and presents the checks for signature by an authorized Director.

Expenditures are also reviewed by the Fiscal Officer when recording transactions in UWSWCD's accounting software, and when filing documentation which supports each transaction. The District Manager, Fiscal Officer, and the Board Treasurer regularly monitor accounts and compare expenditures to limits authorized in the budget. Each month, the Board of Directors reviews and approves expenditures to make certain expenditures are necessary and appropriate. Monthly, the Board of Directors reviews the budget-to-actual report.

### *Transparency*

UWSWCD regularly publishes the agendas for public meetings and posts approved meeting minutes online. UWSWCD will make financial reports available upon request. To help residents stay informed about the activities of their soil and water conservation district, UWSWCD utilizes newspapers, our website, and social media. Find our website at [www.uwsxcd.org](http://www.uwsxcd.org).

## Section 3 – Services

In FY21-22, UWSWCD will continue developing and implementing services within each program. Since this fiscal year is the first year of receiving increased resources, we will focus on changing our internal structure to provide efficient and transparent services as we expand our conservation footprint. The budget proposed for FY21-22 will allow the District to develop an efficient financial system to address expanded technical assistance, partner collaboration, and financial assistance to residents of the District.

### *Administrative Services*

We are currently working to increase our internal staff level. By the end of FY21-22, we will have added a Fiscal Officer (1 FTE) and an Administrative Assistant (1 FTE) to address the increase in workload of new resources and developing our grant management system.

### *Technical Assistance*

Technical assistance involves working with residents to implement sustainable solutions to conserve and enhance natural resources. It is provided through one-on-one site visits and consultation. A Conservation Plan is a customized, detailed guide to help a landowner manage their land while protecting natural resources. Plans address site-specific issues through practices to conserve soil, water, and related plant and animal resources.

We are also expanding our “on the ground” conservation services by adding, up to 3 FTE Conservation Technicians in the Water Quality and Watershed Restoration and Conservation programs to cover current services that are grant funded as well as expand our conservation services to the constituents of the District.

### *Media and Outreach*

With expanded resources and capacity, maintaining public visibility is vital to providing conservation services. We found through our efforts in obtaining our tax-base the value of reaching out to our constituents and partners, and listening to their input. We will continue to do this by hiring a Media and Outreach specialist to maintain our presence, provide updates on services, and report “on the ground” activities being conducted.

### *Conservation Education*

Over time the UWSWCD has provided a limited education program, mostly utilizing partnerships with other conservation organizations to be as effective as possible to help District residents understand natural resource problems and implement practices to conserve natural resources. UWSWCD holds workshops, attends events, gives presentations, and utilizes a website and social media to communicate effectively with the public. Looking to the future the district shall work to develop a robust education program involving teachers, community organizations and conservation organization partnerships. Currently, education is provided to the community about natural resource concerns through:

- Workshops, events, presentations, and displays.
- Publications, including fact sheets, brochures, and newsletters.
- Traditional news media.

- Online media, including social media, website, and video production.
- K-12 education and youth education through our annual conservation themed poster contest.

## Section 4 – Accomplishments

UWSWCD provides technical assistance, financial opportunities, and conservation education to protect and enhance the natural beauty, livability, economic viability and ecosystems within our District. In the past, UWSWCD has relied on grants and service contracts to accomplish our mission and goals. Last year, the District reached more landowners than ever before through a robust awareness project which was key in obtaining our new resources.

### *Conservation Priorities*

Our conservation priorities have always been related to water quality and quantity, soil health and erosion, fish and wildlife habitat, conservation education, and maintaining agriculture viability. We educate the public on local natural resource concerns, teach best management practices to manage these resources, and provide conservation tools to create a healthy and livable community.

### *Technical Assistance and Conservation Planning*

Over the past two years, UWSWCD has utilized several programs to provide technical assistance to its constituents. In cooperation with the Natural Resources Conservation Service (NRCS), the District has completed a National Water Quality Initiative (NWQI) Strategic plan (one of 5 developed in the state) to identify water quality concerns associated with source water protection for the drinking water of the cities of Eugene and Springfield. This was followed up by the District developing a Conservation Implementation Strategy (CIS) that is being used to fund conservation plans and practices with 8 landowners covering more than 800 acres in the McKenzie watershed. These plans include conservation practices to address many of our conservation priorities. The District is currently working on the development of a source water strategic plan in partnership with the Long Tom Watershed Council for the city of Monroe in the Long Tom Watershed.

At the State level, the District, in cooperation with the Oregon Department of Agriculture (ODA), is the local lead for the Agricultural Water Quality program. The District has provided technical assistance to over 400 individual landowners, conducted 170 one-on-one site visits, and developed 45 conservation plans covering over 500 acres. Of these plans developed, 5 were located in the District's focused Strategic Implementation Area (SIA) covering 120 acres in the Camp Creek sub-watershed. The District has also allocated staff time as a long term partner in the locally-lead Pure Water Partners program (PWP). This program specifically addresses surface water protection for the drinking water source for Eugene. Technical assistance has been provided to over 100 landowners, with 70 plans being developed, covering 8.6 river miles of riparian enhancement.

Due to the Holiday Farm Fire in September of 2020, the program pivoted to assist victims of the fire in addressing water quality concerns of erosion and habitat enhancement. Since October of 2020, 250 landowners have had property assessments, landowner management plans, and implementation of 350 acres of riparian re-vegetation planting.

### *Conservation Education*

UWSWCD will continue to provide presentations for educational workshops, develop education materials, conduct our annual K-12 conservation themed poster contest, and be represented at community events and meetings. UWSWCD will invest time and energy to drive increased engagement

through digital channels, including our website and social media. These efforts will result in a more visible profile of UWSWCD and will improve public understanding of what we do to help the community conserve and enhance natural resources. Over the past two years, the UWSWCD has reached over 1200 constituents of the District.

### *Diversity, Equity, Inclusion*

The UWSWCD understands that historically we have not done enough in addressing Justice, Diversity, Equity, and Inclusion. We recognize that conservation and social justice are interconnected, yet we have much to learn about the history and implications of this relationship. We have started the learning process by providing resources to develop a JEDI committee made up of District Board, Staff, and a local partner. This committee will provide training, as well as evaluate our programs, approaches and services to ensure that we are doing the best we can for all people of the District.

## Section 5 – Management

### *Growth in Property Values*

UWSWCD assumes the value of assessed real property will continue to increase. The Oregon State Constitution limits the annual increase in assessed property value for a property to three percent (3%).

### *Manage Costs while Increasing Services*

Being in the first year of expanded revenue, UWSWCD will carefully manage expenditures and continually seeks more efficient delivery methods to improve service, improve safety, and reduce cost. The challenge is to improve services while managing cost, so the costs remain in line with a future expanded footprint. Staffing is the UWSWCD's greatest single cost center, but it is also the primary way conservation assistance is provided to residents.

UWSWCD's services are being designed to:

- Protect clean water for drinking as well as for fish and wildlife.
- Encourage good stewardship practices that keep contaminants out of our water supply.
- Improve soil health by controlling erosion, managing nutrient inputs, and encouraging vegetative cover.
- Educate county residents (particularly children and youth, educators, and under-served communities) about conservation, ecosystems, and our local environment.
- Support local farmers who provide fresh, healthy, affordable food.
- Promote an urban program that strives to protect and enhance green spaces, pollinator habitat, and urban livability.
- Work with partners to fill mutually identified gaps while avoiding duplication.

### *Staffing Level in FY21-22*

By the end of FY21-22, the staffing level will increase from 2.5 to 7.5 full-time equivalents. The staff increase will provide technical support for the entire District, increase the financial efficiency, and the grant management system being developed.

### *Build Sustainable Financial Assistance Mechanisms*

**Seek more outside funding.** UWSWCD has access to funds from the Oregon Watershed Enhancement Board, Oregon Department of Agriculture, USDA-Natural Resources Conservation Service, USDA–Farm Service Agency, other state and federal agency funding, and local programs such as the Pure Waters Partners (PWP). As UWSWCD's engagement in the region increases and as our reputation for effective, efficient work continues to grow, our grant-seeking efforts will become more successful. UWSWCD will be positioned to be more competitive in seeking grant funding for conservation projects.

**Financial assistance.** During the FY21-22, which will be our first year with the tax levy funding, UWSWCD will work to develop a grant management system for our programs as a way to offer financial assistance for both on-the-ground conservation and education efforts for both partner and community requests, and UWSWCD-initiated projects.

## Section 6 - Budget Scenario for FY21-22

UWSWCD's budget for FY21-22 reflects the continued commitment to implement core components of the District's *2020-25 Strategic Plan*, and pursue the conservation priorities adopted by the Board of Directors. The *Strategic Plan* is available on the UWSWCD website: [www.uwswcd.org](http://www.uwswcd.org).

### *Priorities Addressed by Three Funds*

The proposed budget is structured around three funds:

- General Fund
- Conservation Grants Special Revenue Fund
- Conservation Reserve Fund

UWSWCD's top priority is to assure consistent, timely, professional service to residents of Central and Eastern Lane County. Working with residents, we help our community implement sustainable solutions to conserve and enhance natural resources. We do this by providing technical assistance, education to residents, and District-generated financial assistance. Our work helps to create healthy, livable communities that are good places to work and to play. We will continue to seek community and partner input to serve our community's needs. All employees shall be funded from the General Fund.

UWSWCD's second highest priority is to grow the District in a fiscally responsible manner. Understanding that it will take time to re-structure the District, we shall set aside savings from our new resources in reserve for future new programs, as well as funding for infrastructural development and opportunities that will advance the mission and vision of the UWSWCD. Examples of opportunities include funds to support a local incubator farm for new farmers, conservation projects that address multiple resource concerns on a large scale, existing local Surface Water Protection programs for municipal drinking water protection, and fire preparedness in the Urban forest interface. The Special Revenue fund is the savings account for these types of priorities.

UWSWCD's third highest priority is to coordinate financial assistance to help install and implement conservation practices that improve natural resources and to provide financial assistance to expand education efforts throughout the County. This includes leveraging state, federal, and private dollars to get even more conservation on the ground. This assistance is provided through the General Fund and the Special Revenue Fund.

UWSWCD's fourth priority is looking into the future to help shape local conservation service delivery. Our vision is to develop a Conservation Campus, a "one-stop shop" where constituents of the District can call, email, or drop by to receive conservation services from all local conservation entities. From conservation education, to technical assistance, to financial assistance, to project implementation, the campus will house the expertise necessary to assist landowners with resource concerns. We envision local conservation agencies (District, Watershed Councils, Land Trust) as well as Federal Resource agencies being co-located with capacity to hold large meetings, workshops, demonstrations and community events to keep conservation in the public eye. The Conservation Reserve Fund is the savings account to live out our vision.

## General Fund

UWSWCD is a service organization. The budget reflects this commitment to service delivery. Within the General Fund are our eight programs that focus on the Natural Resource services the District expects to provide our constituents moving forward.

According to the Oregon Department of Revenue ORS 293.105, "A general fund contains the estimates of the revenues and expenditures needed to run the daily operations of the local government such as wages, supplies, rent, and utilities." The **General Fund** is the focus of all the District programs; it includes the costs associated with providing services to customers and partners.

Programs include:

- Water Quality program
- Farms, Local Food, Healthy Soil program,
- Forest Health and Resilience program,
- Watershed Restoration and Conservation program.
- Neighborhood Sustainability Program (Urban)
- Natural Resource Education program
- Partner Collaboration program
- District Operations Program

**District Operations** includes the costs associated with our work as a public entity: holding meetings of the Board of Directors, personnel, maintaining an office and associated infrastructure, financial management, fleet vehicles, and other administrative costs, are activities included in this program.

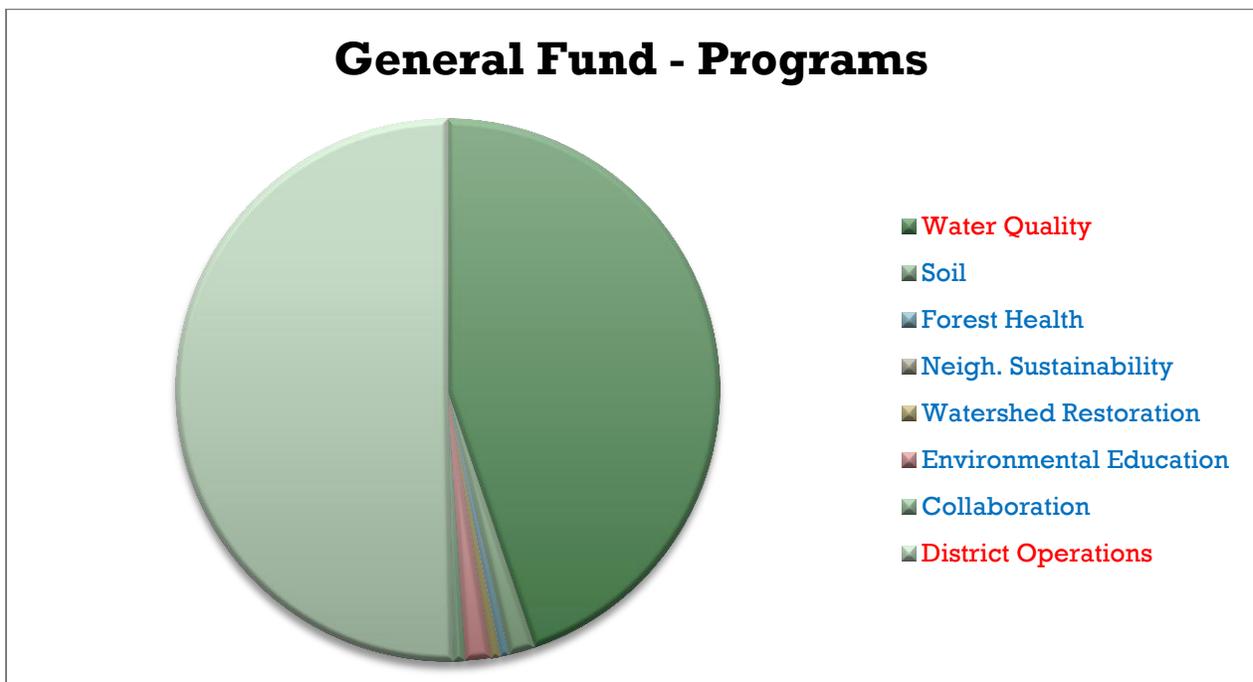


Chart above shows the breakdown of the FY21-22 budget by program within the General Fund. Existing programs are marked in red, and developing programs are marked in blue.

## Special Revenue Fund – Conservation Grants

The Conservation Grants Fund is a special revenue fund focused on new grant programs to be developed through FY21-22.

According to ORS 294.311(39), a special revenue fund is *“...a fund properly authorized and used to finance particular activities from the receipts of specific taxes or other revenues.”*

## Reserve Fund – Conservation

The Conservation Reserve Fund reserves funds for later purchase of land and facilities for conservation opportunities such as a demonstration site, education facility, or office building and for conservation efforts consistent with the *Strategic Plan* priorities.

ORS 294.346 says, in part, *“Any municipal corporation, by ordinance or resolution of its governing body, may establish one or more reserve funds to hold moneys to be accumulated and expended for the purpose for which the money in the fund was established.”*

## Tax Rate Determination and Amount to Levy

Current law allows taxing districts to establish their property tax revenue for a given budget period by either (a) requesting a special dollar amount or by (b) certifying a rate to be levied. If a specific dollar amount is requested, the maximum UWSWCD can receive for that budget period is that dollar amount, even if new growth exceeds expectations and the assessed value of real property rises. If UWSWCD certifies a rate, then it can receive the total amount generated by that rate.

## Maximum Tax Rate Approved by Voters

UWSWCD’s permanent rate limit was established in 2021 at seven cents per thousand (\$0.07/\$1,000) of assessed value of property that lies within the UWSWCD’s official boundaries established under (ORS 568.)

For FY21-22, the proposed budget uses a tax levy rate of seven cents per thousand dollars of assessed valuation (\$0.05/\$1,000) which is the maximum levy rate allowed for the District.

## Budget Detail Sheets

Budget documents are provided to the Budget Committee and to the public for their review. UWSWCD is obligated to submit the final budget on standardized budget forms prescribed by the Oregon Department of Revenue.

The proposed budget for FY21-22 is categorized by a General Fund containing eight programs, a special revenue fund (the Conservation Grants Special Revenue Fund) to hold resources for restricted purposes, and a reserve fund (the Conservation Reserve Fund) to help UWSWCD save for future opportunities that address UWSWCD’s Conservation priorities.

All funds have a budget that includes a resources (revenue) section and a requirements (expenditures) section. The totals for both sections must balance for each fund. Budgets include a variety of categories and line items specific to the needs of each fund.

### *Programs Shown*

We are obligated to show programs and funds from the past few budget years, even when those programs or funds have been eliminated or superseded. This helps show enough history to identify changes between budget cycles. FY21-22 will be the first year the UWSWCD is required to follow Local Budget Law protocol. UWSWCD will show a prior budget year comparison to FY18-19, FY19-20 and FY20-21 that have been converted to Local Budget Law forms. All prior year municipal financial reviews of UWSWCD are available at the UWSWCD office for public review.

### *General Fund*

The primary source of revenue for the General Fund will be UWSWCD's permanent taxing authority. Other anticipated revenue sources include grants and contracts from federal, state, local, and private entities, as well as interest earned from funds in UWSWCD accounts.

Within the General Fund are eight programs. In general, the General Fund has the programs and activities for financial assistance, technical assistance, conservation education, all employees, and district operations that support the *Business Plan*.

### *Resources*

The OR-LB-20 Resources page of the General Fund begins with the projected available cash on hand (cash basis) from FY2020-21. This available cash will be the ending balance of the programs on projects that have begun in FY2020-21 and will continue into FY2021-22. This value is particularly challenging to estimate because of so many unknown factors in seasonal project work and grant funds that may be awarded to UWSWCD.

### *Other Resources*

Other revenue comes from a variety of grants and service contracts. From time to time, UWSWCD may apply for grants to leverage its tax revenue by bringing in supplemental funds to support our work.

### *Requirements*

The program expenditures page on form OR-LB-30 listing all programs including District Operations, are all summarized and balance to the requirements of these programs on form OR-LB-20 Resources: General Fund.

### *Required Categories in the General Fund*

Categories that are required in the General Fund include:

- Personnel services
- Materials and services
- Capital outlay
- Operating contingency
- Unappropriated ending fund balance

### *Personnel Services*

The proposed budget for salaries and wages reflects 7.50 full-time equivalent employees. This is an increase of 5 FTE over previous years.

Traditionally, the UWSWCD has operated off grants and service contracts. With its past resources the District employed 2.5 FTE. The District has been unable to offer its employees a benefits/retirement package. In FY2020-21, UWSWCD Board of Directors approved a new class/step salary package and a new benefits package that includes health insurance and a retirement contribution for current and new employees. In anticipation of funding these additional costs, the Board approved obtaining a 13-month bridge loan.

The proposed budget reflects the addition of the bridge loan used to cover the cost of the new wage and benefits package, plus a COLA raise in accordance with the local county index, for current and future employees through the timeframe of the District receiving its tax funding. Health benefits provided to employees will be paid 100% by UWSWCD, with up to a 6% retirement contribution.

UWSWCD's health insurance plan is through Regence Blue Cross Blue Shield. The UWSWCD's dental insurance is through Willamette Valley Dental. In recent years, medical and dental insurance plan costs have increased annually. UWSWCD pays 100% of the employee premium for the plans selected by employees. Employees pay 25% of the premiums for additional family members.

The District started providing medical and dental insurance in January of 2021, and we are approaching our first renewal period on July 1, 2021. A premium increase of about 7% on average is expected. The FY21-22 budget reflects this increase.

### *Materials and Services*

Materials and Services is the broad expense category that supports UWSWCD operations and program requirements. The proposed budget increases the amount available for materials and services. This is due to increases in contracted services, dues and subscriptions, financial assistance, small grants, and staff training.

### *Capital Outlay*

Capital Outlay describes larger purchases of \$500 or more with a useful life past one year. Purchases generally become listed as fixed assets of UWSWCD.

### *Contingency*

The contingency category is supported by Oregon Local Budget Law to manage for unforeseen or unexpected operation situations. Contingency funds can be used to cover shortfalls in any of the General Fund budget categories described above.

### *Special Revenue Fund*

The Conservation Grants Fund is a special revenue fund focused on new grant programs to be developed through FY21-22.

### *Reserve Fund – Conservation*

Reserve Fund – Conservation is a fund in which UWSWCD reserves funds for later purchase of land and facilities for conservation opportunities such as a campus site that could provide a demonstration site, education facility, or office building and for conservation efforts consistent with the *Business Plan* priorities.

# Appendix A – About Upper Willamette SWCD

## *Mission*

To encourage and promote the responsible stewardship of our natural resources through conservation, restoration, and protection, to enhance the health, economic benefits, and quality of life for the citizens within the District.

## *Vision*

Our lands and waters are healthy and sustain farms, forests, wildlife, and communities.

## *Guiding Principles*

UWSWCD has a set of 7 guiding principles that influence how we treat each other, our work, and our residents. Our principles are:

- We value the working relationships we have with local conservation non-profits and local, state, and federal agencies, as we join together to protect and enhance the natural beauty, livability, and ecosystems within our District.
- We uphold a locally led, watershed-based, and voluntary approach to natural resource management to ensure the health and sustainable use of our water and other natural resources.
- We respect private property owners' rights and honor their wise and responsible stewardship of natural resources.
- We seek participation of the residents of the District to establish local conservation priorities.
- We will enhance our efforts on underserved populations and geographic areas and strive to provide equitable access for all to our services.
- We incorporate diversity, equity, and inclusion awareness and practices into our work process and programs.
- We act with integrity and operate with transparency.

## *Unique Characteristics*

UWSWCD has identified four unique characteristics that define our organization.

***We serve everyone.*** We serve all residents of the UWSWCD District. From farmers to apartment dwellers, we provide education, connect people to resources, and work together to make our community a good place to live.

***We are local.*** While we must follow certain federal and state laws, our focus is always local – to those who largely fund us and those who need our services to benefit all of District residents.

***We are connectors.*** We partner with many organizations and can help residents connect with the resources they need to achieve community conservation goals.

***We are non-regulatory.*** We do not enforce any laws, though we can assist residents in understanding and complying with them.

## *History of the Upper Willamette SWCD*

Originally, Soil Conservation Districts were formed regionally in Oregon. The Lane County region was referred to as West Central Soil Conservation District formed on June 30, 1953. From that, smaller, more local Districts were formed including the Upper Willamette Soil Conservation District on December 22, 1954, the North Lane Soil Conservation District in August 1956, and the Mid-Lane Soil Conservation District in December of 1956.

In May of 1963 the Oregon Legislature added “Water” to the Districts title. In 1971 the districts in Lane County made another shift to better define the district boundaries. In May the Mid-Lane SWCD consolidated with the Upper Willamette SWCD and maintained the Upper Willamette SWCD name. Then in May of 1988 another consolidation occurred between the North Lane and Upper Willamette SWCDs and renamed the new District East Lane SWCD. Lastly, on March 4, 2008 the Board of the East Lane SWCD voted to change the District’s name back to the Upper Willamette SWCD. In November of 2020 UWSWCD resident voters passed Measure 20-312, granting a permanent property tax rate to the UWSWCD, making UWSWCD a taxing entity subject to Oregon Budget Law.

Although the names have changed, the services of the District have focused on providing technical assistance, planning, and funding opportunities to address natural resource concerns for private landowners within the District boundaries.

## *Governed by Seven-Member Board of Directors*

UWSWCD is governed by a seven-member, unpaid Board of Directors. Individual directors are publicly elected in the November General Election held on even numbered years. Directors serve four-year terms. Five directors are elected to represent specific zones in the District. Two directors are elected “At Large,” meaning they do not represent a designated zone.

The UWSWCD boundary is defined by the Map in Appendix B. The District office is in Eugene, the largest city in the District, to balance easy access by most Central and Eastern Lane County residents. (See map in Appendix B.)

## *Assistance Provided by Technical and Professional Employees*

UWSWCD shall have 4.5 full-time equivalent (FTE) positions to start the FY21-22. These employees work to assure the proper management and administration of UWSWCD, to educate and inform our constituents, and to provide conservation services to our customers. The employees will increase to 7.5 during FY21-22.

The UWSWCD’s technical employees currently include 1.5 FTE: one full time Conservation Specialist and a District Manager who works half time as a Technical Specialist. They are engaged in providing conservation services to the residents, with specialized skills addressing water quality concerns for large and small farms, streams and the health of streamside vegetation, and outreach/education. Moving forward into FY21-22 the District will expand the number of technical staff to 4 FTE. The District Manager/Technical Specialist will move to full time District Manager duties.

Management and administration are currently provided by two .5 FTE employees: District Manager and administrative specialist. The District is in the process of hiring 1 FTE Fiscal Officer and, moving forward, will add 1 FTE Administrative Assistant in FY21-22. The District Manager will then transition all hours to

management and administration. All work is currently supervised by the District Manager, who reports to the Board of Directors.

### *Contracted Work*

UWSWCD also utilizes specialized contractors to provide additional services. For example, the District has contracted with local watershed councils to develop a source water protection plan for the city of Monroe on the Long Tom River and assist in development of a water quality monitoring plan in the McKenzie sub-watershed.

# Appendix B – Upper Willamette SWCD Boundaries

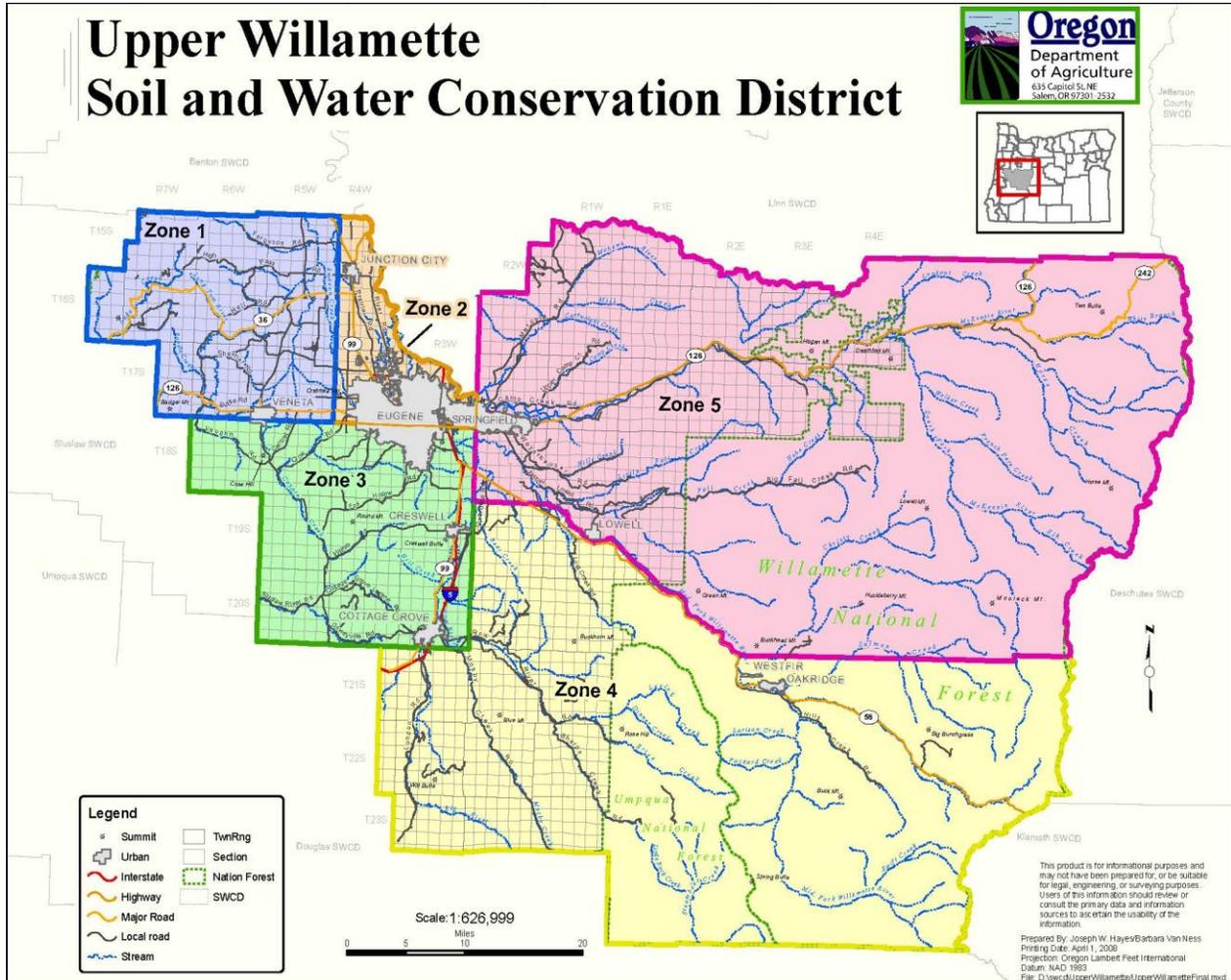


Figure 1. Boundaries of the Upper Willamette SWCD. The District is made up of 5 represented zones.

## District Description

The UWSWCD boundaries include approximately 66% of Central and Eastern Lane County encompassing 1,955,328 acres. The District boundary extends west from an irregular line southward from the Benton County line, north of Triangle Lake, to the Douglas County line southeast of Lorane and to the eastern boundary of Lane County in the Cascade mountains. On the north boundary the District follows the Linn County line from east to west to the I-5 freeway and turn south to the McKenzie River, where it follows the river to the Willamette River and runs to the Benton county line along the west side of the river. The reason for that diversion is that the Linn SWCD and East Lane SWCD agreed to an annexation of the area of Coburg, from the McKenzie River to the Linn-Lane county line, into the Linn District in 1998.

## Land Use – Forest, Rural, and Urban

The Upper Willamette SWCD includes a wealth of timber resources in the upland forests; some of the most productive agriculture land on earth; and a thriving urban area with industry, commercial districts, and residential areas. Home to over 350,000 people, the watershed is approximately 3% urban, 18% rural (includes agriculture, natural areas, and non-farmland uses), and 79% Private and Public owned forest.

### *Resource Concerns*

UWSWCD's *Business Plan* identifies seven resource concerns to address through conservation programs:

- Water Quality
- Soil Health
- Forest Health and Resilience
- Riparian Function
- Fire Preparedness (Urban/Forest Interface)
- Fish and Wildlife Habitat
- Agricultural Waste Management

## **Land Use**

