



**COCONINO**  
COUNTY ARIZONA

**FLOOD CONTROL DISTRICT**

***Flood Control District Update &  
Pre-Budget Financial Discussion***

***April 16, 2019***

# ***Presentation Overview***

- **Recap District Priorities**
  - **Forest Restoration**
  - **North Schultz Repairs**
  - **Mtn Dell Drainage Project**
- **Potential Direct Allocation Program**
- **FY2020 Potential Budget Options**
- **Discussion & Direction**



# ***Overview of District Priorities***

---

- **Forest Restoration**
- **North Schultz Flood Event Repairs**
- **Completion of the Mountain Dell Drainage Project**
- **County National Flood Insurance Program (unincorporated area)**
- **Continuing Flood Monitoring & Maintenance**

# ***Forest Restoration***

## **Jan 8, 2019 Board Work Session**

- **Forest restoration remains as top priority for Board of Directors**
- **Catastrophic wildfire and post-wildfire flooding remains the greatest public safety threat**



# ***Forest Restoration***

## **Identified Priorities for FY2020**

- **Bill Williams Mountain**
- **FWPP**
  - **LiDAR Mormon Mountain**
  - **Post-Wildfire Flooding Analysis**
- **Post Wildfire Analysis for Oak Creek/Sedona/Munds Park**
- **Air Curtain Burner (one)**



# ***Forest Restoration***

## **Air Curtain Burner Plan**

**Public Works ACB costs approximately \$3,000 per move to hire a crane and truck**

**Letters of Support/Commitment to use ACB:**

- **Camp Navajo**
- **NAU – ERI**
- **AZ Department of Forestry & Fire Mgt.**
- **Markit! Forestry**
- **Campbell Global**
- **GFFP**



# ***North Schultz Flood***

- On July 18, 2018 Coconino County experienced a 1,000-year rain event in the Schultz Flood Area
- Response Costs = \$435,000
- Applying to ADEMA & NRCS for reimbursement
- Potential to secure 75% reimbursement, which totals approximately \$330,000

# ***North Schultz Flood***

- On & Off-Forest flood mitigation measures performed very well
- Repair costs estimated at \$1.2 million for on and off-forest repairs
- Working with NRCS & ADEMA for reimbursement – issue with on-forest costs
- Conservative estimate – \$440,000
- Repair Work Will be Completed by July 1, 2019

# ***Mountain Dell Drainage Project***

- **90% Engineered Plans Submitted – Current cost estimate is \$1.98 million**
- **Drainage Easements Acquisition in Process**
- **City of Flagstaff, Army Corps of Engineers, ADEQ, CLOMR Permitting in Process**
- **Construction Spring 2020**
  - **Contingent upon Permitting**



***Draft Potential  
Direct Allocation Program***

# **Potential Direct Allocation Program**

- An up-to-date Drainage/Floodplain Master Plan is strongly encouraged – Use current technology & practices for updating master plans
- A Proposed Project on the City/Town's Master Plan is automatically approved for funding (funding distribution contingent upon approval of engineering plans)
- City/Town sets project priorities through its Master Planning Process; Emergency Projects can be proposed



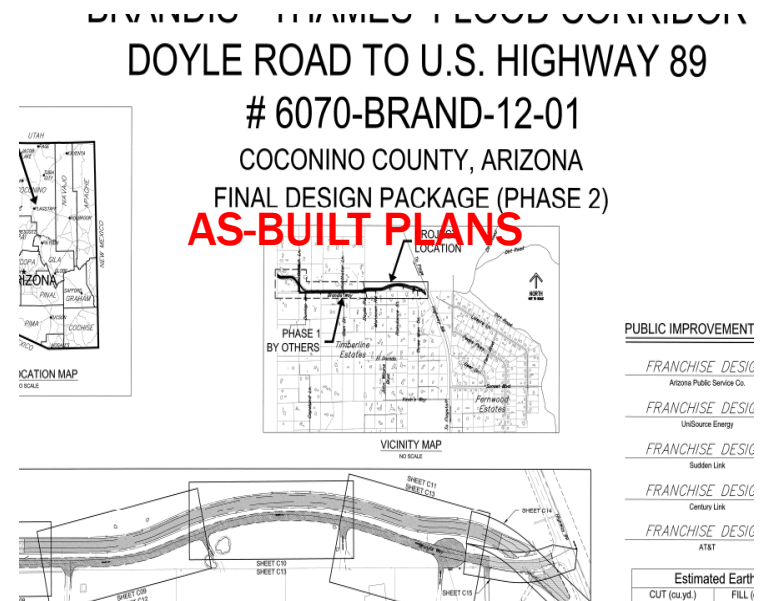
# ***Potential Direct Allocation Program***

- Annual request for funds for specific projects - December
- Flood Control District (FCD) Staff confirms project(s) is a priority within the city/town's master plan & financially feasible
- FCD Staff makes recommendation to the FCD Board of Directors during annual budget process (spring/summer)
- Prepare and approve Intergovernmental Agreement
- Plans sealed by P.E. & project engineering must include some level of No Adverse Impact Analysis
- Operation and Maintenance costs and activities are the responsibility of the funded jurisdiction

# Potential Direct Allocation Program

Flood Control District will also require:

- The ability to participate in construction meetings and observe construction
- Funds cannot to be used to reimburse previously expended project costs
- As-built plans sealed by a licensed Professional Engineer



# ***Potential Direct Allocation Program***

## **Funding Allocation:**

- Amount of funding dedicated to the Direct Allocation Program determined annually by the FCD Board
- Direct Allocation is rotated annually between jurisdictions so amount is more meaningful (ex. CDBG)

# **Potential Direct Allocation Program**

## Handouts:

- Current Percent Contribution to Tax Revenues
- Allocation by Tax Revenues
- Proposed Alternative Model
  
- **Important - Cities & Towns have the authority to collect stormwater fees; FCD funds not expected to fund the entire project(s)**

# ***Stakeholder Meeting***

- Met on March 13 with Representatives from:
  - Flagstaff
  - Fredonia
  - Sedona
  - Williams

# ***Stakeholder Input***

- Program is going in right direction -  
Value limited bureaucratic process vs.  
Competitive Grant Program
- There will be less funding in the future for Sedona & Williams
- There will be minimal amounts disbursed to smaller jurisdictions if based upon tax revenues – set minimum amounts
- Allow jurisdictions to accrue/bank annual funding
- Allow jurisdictional regulations to preside; however understand that FEMA & ACE requirements still must be met

 **COCONINO**  
COUNTY ARIZONA  
**FLOOD CONTROL DISTRICT**



***Pre-Budget Financial Discussion***

# ***Fiscal Year 2020 Draft Budget***

- **All figures are estimated projections**
- **FY2020 Beginning Fund Balance - \$184,236**
  - **N. Schultz Costs**
- **FY2020 Revenues - \$3,679,332 (with NSF \$)**
- **FY2020 Expenses - \$3,673,382 (assumes transfer some remaining CD FTEs to General Fund & Mtn Dell Project cost estimate is confirmed)**
- **FY2020 Ending Fund Balance - \$109,186**

# ***Fiscal Year 2020 Draft Budget***

- Presenting five options for FY2020 Budget
- Various levels of investment result in a range of impact on tax rate & taxes paid
- Investment in forest restoration is increased under each option
- Board can “mix and match” to arrive at budget that reflects their desired investments

# ***Option 1 – Flat Budget/Rate***

- **Maintain Rate/Budget at Current Level - \$.1808**
  - **Total Revenues = \$2,882,000/year**
  - **Tax on \$300K Residential Property = \$54.24/year**
    - **\$4.52/Month**
  - **Current rate does not allow for additional investments**

# Option 1 – Flat Budget/Rate

■ Salary/ERE's	\$ 380,500
■ Operations	\$ 575,000
■ FR Studies(Mormon Mountain	
■ Sedona/Oak Creek, Munds)	\$ 150,000
■ FR Plan Implementation	\$ 35,000
■ Capital	
■ Forest Restoration	
■ Bill Williams Mountain	\$ 650,000
■ Air Curtain	\$ 130,000
■ Mountain Dell	\$1,980,000
■ NO Emergency Reserve	



***Option 2 – Additional Forest  
Restoration Investment &  
Direct Allocation Program***

# **Option 2 - Forest Restoration & Direct Allocation Program**

- Forest Restoration = \$1,250,000
  - Could fund BWM & Some Investment in FWPP
- Direct Allocation = \$500,000
- Rest of Budget Remains the Same
- Results in a Rate of \$.25234
  - Total Revenues = \$4,061,949/year
  - Tax on \$300K Residential Property = \$75.70/year
  - \$6.31/month

# Option 2 – Forest Restoration & Direct Allocation Program

■ Salary/ERE's	\$ 340,500
■ Operations	\$ 575,000
■ FR Studies(Mormon Mountain	
■ Sedona/Oak Creek, Munds)	\$ 150,000
■ FR Plan Implementation	\$ 35,000
■ Capital	
■ Forest Restoration	
■ FR Projects	\$ 1,250,000
■ Air Curtain	\$ 130,000
■ Mountain Dell	\$1,980,000
■ Emergency Reserve	\$243,000
■ Direct Allocation Program	\$500,000



***Option 3 –  
Invest in Forest Restoration to  
Address Broader Threats***

# **Option 3 – Increased Forest Restoration**

- Forest Restoration = \$2,000,000
  - Fund multiple projects, if sustained over a longer term
- Direct Allocation = \$500,000
- Rest of Budget Remains the Same
- Results in a Rate of \$.30455
  - Total Revenues = \$4,854,000/year
  - Tax on \$300K Residential Property = \$91.37/year
  - \$7.61/month
- FY2018 – Rate = \$.40; \$300K residence = \$120  
(Paid by Unincorp., County, Sedona, Williams, Tusayan)

# **Option 3 – Increased Forest Restoration**

■ Salary/ERE's	\$ 340,500
■ Operations	\$ 575,000
■ FR Studies(Mormon Mountain	
■ Sedona/Oak Creek, Munds)	\$ 150,000
■ FR Plan Implementation	\$ 35,000
■ Capital	
■ Forest Restoration	
■ FR Projects	\$ 2,000,000
■ Air Curtain	\$ 130,000
■ Mountain Dell	\$1,980,000
■ Emergency Reserve	\$283,000
■ Direct Allocation Program	\$500,000



***Option 4 –  
Accelerates Forest Restoration  
with Investment Up to  
Historic Rate of \$.40***

# **Option 4 – Accelerates Forest Restoration**

- **Forest Restoration = \$3,275,000**
  - **Significantly accelerates forest restoration**
- **Direct Allocation = \$500,000**
- **Rest of Budget Remains the Same**
- **Results in a Rate of \$.4000**
  - **Total Revenues = \$6,375,000/year**
  - **Tax on \$300K Residential Property = \$120/year**
  - **\$10/month**
- **Equals rate from FY2010 - FY2018**

# **Option 4 – Accelerates Forest Restoration**

■ Salary/ERE's	\$ 340,500
■ Operations	\$ 575,000
■ FR Studies(Mormon Mountain	
■ Sedona/Oak Creek, Munds)	\$ 150,000
■ FR Plan Implementation	\$ 35,000
■ Capital	
■ Forest Restoration	
■ FR Projects	\$ 3,275,000
■ Air Curtain	\$ 130,000
■ Mountain Dell	\$1,980,000
■ Emergency Reserve	\$359,000
■ Direct Allocation Program	\$500,000



***Option 5 –  
Invest in Forest Restoration  
Up To Cap - \$.50***

# **Option 5 – Maximizes Forest Restoration**

- Forest Restoration = \$4,790,000
  - Fund multiple projects over longer term
- Direct Allocation = \$500,000
- Rest of Budget Remains the Same
- Results in a Rate of \$.5000
  - Total Revenues = \$7,969,275/year
  - Tax on \$300K Residential Property = \$150/year
  - \$12.50/month

# **Option 5 – Maximizes Forest Restoration**

<b>■ Salary/ERE's</b>	<b>\$ 340,500</b>
<b>■ Operations</b>	<b>\$ 575,000</b>
<b>■ FR Studies(Mormon Mountain</b>	
<b>■ Sedona/Oak Creek, Munds)</b>	<b>\$ 150,000</b>
<b>■ FR Plan Implementation</b>	<b>\$ 35,000</b>
<b>■ Capital</b>	
<b>■ Forest Restoration</b>	
<b>■ FR Projects</b>	<b>\$ 4,790,000</b>
<b>■ Air Curtain</b>	<b>\$ 130,000</b>
<b>■ Mountain Dell</b>	<b>\$1,980,000</b>
<b>■ Emergency Reserve</b>	<b>\$438,000</b>
<b>■ Direct Allocation Program</b>	<b>\$500,000</b>

# ***Conclusions***

- **Some financial risk exists in FY2020 because of reimbursement for North Schultz repair and response costs**
- **Flat funding translates to very limited funds for forest restoration and eliminates opportunity for potential direct allocation program**
- **Options 2-5 include establishing a limited emergency reserve fund**
- **County can strongly influence acceleration of forest restoration and address public safety threats**

# ***Decisions Points for FY2020 FCD Budget Hearing***

- **What do you want to invest in?**
  - **Forest Restoration, Direct Allocation Program, FCD Projects in Unincorporated Areas (future), Emergency Reserve?**
- **At what level do you want to invest in your priorities for FY2020 (which translates to a rate)?**
- **Are you interested in Staff preparing a 10-Year Plan(s) that reflects this level of investment to see ability to sustain?**



***Questions***  
***Comments***  
***Direction***