

Marion Soil and Water Conservation District

# Budget Message

Fiscal Year 2026 to 2027



Budget Officer – Brenda Sanchez  
4-16-2026

## Executive Summary

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### Marion Soil and Water Conservation District

#### *Fiscal Year 2026–2027 Proposed Budget*

The proposed Fiscal Year (FY) 2026–2027 budget for the Marion Soil and Water Conservation District (District) has been prepared in accordance with Oregon Local Budget Law and reflects the District’s continued commitment to responsible financial management and effective conservation service delivery.

The total proposed budget is **\$5,228,352**, an increase of **\$156,497 (3.1%)** from the prior fiscal year. This budget supports the District’s mission to partner with the community in promoting thriving lands, clean water, and healthy habitats through planning, technical assistance, and education.

A key component of this year’s budget development was the completion of a five-year financial forecast (FY 2026–2027 through FY 2030–2031). This analysis supports long-term financial sustainability and ensures that resources are strategically aligned with the District’s 2024–2029 Strategic Plan.

#### *Budget Overview*

- **General Fund:** \$4,690,331
- **Multipurpose Reserve Fund:** \$201,271
- **Building Reserve Fund:** \$336,750

#### *Key Budget Drivers*

- **Personnel Costs:** Adjustments for step increases, potential cost-of-living adjustments, and rising healthcare and retirement costs while maintaining full staffing at 10.5 FTEs
- **Program Investment:** Continued support for conservation programs, including CLEAR, Special Projects, and other grant-funded initiatives
- **Operational Costs:** Increases related to facility maintenance, technology, and administrative services
- **Capital Investment:** Includes \$30,000 for a potential vehicle purchase

#### *Financial Strategy and Stability*

The District continues to prioritize financial stability through conservative budgeting and proactive planning. A transfer of \$115,000 from the Multipurpose Reserve Fund supports General Fund operations, while targeted reductions in select program areas help offset cost increases.

The Board has also established a goal of maintaining at least \$1,000,000 in unappropriated funds to ensure adequate cash flow prior to the receipt of property tax revenues. This approach strengthens the District's ability to manage risk and respond to changing financial conditions.

### *Looking Ahead*

The FY 2026–2027 budget reflects a balanced and forward-looking approach that supports the District's mission, maintains core programs and staffing, and positions the organization for long-term sustainability. Strategic investments, reserve management, and alignment with long-term planning ensure the District remains responsive to community needs and conservation priorities.

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## About Marion Soil and Water Conservation District

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*Our mission is to partner with people in support of thriving lands, clean water, and healthy habitats. We do this through planning, technical assistance, and education.*

The Marion Soil and Water Conservation District (Marion SWCD or District) was established on September 10, 1971, under ORS 568 to address flood control, riverbank stabilization, weed management, soil fertility, and other land and water resource challenges in Marion County. Over the years, the District has expanded its services, securing a tax base to better support its mission.

With a solid foundation of shared commitment, partnership, and science, we promote sustainable practices and provide education and assistance to help everyone nurture the health and well-being of the land, soil, water, and habitat that are at the foundation of thriving, resilient, and sustainable natural and agricultural ecosystems.

A seven-member, volunteer Board of Directors governs the District. Five directors are elected by zone, and two serve at large. Elections are held during even-numbered years in the November General Election. The District boundary aligns with Marion County, except for a small area along the northern edge that opted out upon formation. Our office is located in Stayton, OR.

## The Budget Process

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### 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 District programs and

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 (Budget committee meeting) (1). The budget message shall:*

- (1) Explain the budget document;*
- (2) Contain a brief description of the proposed financial policies of the municipal corporation for the ensuing year or ensuing budget period;*
- (3) Describe in connection with the financial policies of the municipal corporation, the important features of the budget document;*

(4) Set forth the reason for salient changes from the previous year or budget period in appropriation and revenue items;

(5) Explain the major changes in financial policy; and

(6) 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. [Formerly 294.391]

### The Budget Committee

ORS 294 requires public taxing entities to prepare a budget consistent with Oregon Local Budget Law. The Marion SWCD must establish a Budget Committee (Committee) and must hold at least one public meeting to review and approve the upcoming year's budget. The Committee consists of the Marion SWCD Board of Directors and local registered voters appointed by the Board.

### Budget Committee Members

The Budget Committee for the Marion SWCD consists of fourteen members: seven electors and the seven-member Board of Directors. The FY26-27 Budget Committee has ten members with four vacant positions. This group provides wide representation on natural resource issues and opportunities throughout the District.

Table 1: 2026 Budget Committee (14 Members)	
Board of Directors - 7	Appointed Public Electors - 7
Peggy Hart	David Budeau
Noah Justice	Ralph Fisher
Rochelle Koch	Tim Johnson
Darin Olson	Jeff Mehlschau
Nik Ovchinnikov	Kenneth Palke
Angela Plowhead	Brent Stevenson
At-Large Vacant	Vacant

*It is our pleasure to recognize the retirement of Bob Dettwyler in 2026, who has served as a dedicated Budget Committee member for over twenty years. We extend our sincere gratitude for his many years of commitment and service—thank you, Bob!*

### Duties of the Budget Committee

The Board of Directors appoints citizen members to serve three-year terms. The 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 comments.
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 to act. For this Budget Committee, a quorum is eight members.

At any given time, additional information may be received by requesting it from Brenda Sanchez, Budget Officer. The District anticipates a single meeting of the Budget Committee in 2026 but has a second meeting date scheduled in case there is an additional meeting needed.

The budget message and proposed budget will be presented by the Budget Officer at the Budget Committee 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 first 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 increase the estimated expenditures for each fund by no more than \$5,000 or 10%, whichever is greater. The amount or rate of the total ad valorem property taxes to be certified by the Marion SWCD to the assessor may not exceed the amount approved by the Budget Committee. [ORS 294.456]

June 30, 2026, 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.

### **Financial Policies and Budget Approach**

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The District develops its budget using established financial practices designed to ensure stability, transparency, and responsible use of public funds.

Key financial policies include:

- Maintaining adequate operating reserves and contingency funds
- Using conservative revenue projections
- Aligning expenditures with available funding and strategic priorities
- Leveraging external grant funding to expand conservation services
- Ensuring compliance with state and federal financial requirements

### **Basis for Budgeting**

The District operates on a modified cash basis. Cash basis accounting is a system where revenue is recorded when received, and expenditures are recorded when money is spent.

### **Funds Held in Approved Institutions**

All District funds are held in qualified public depositories approved by the Oregon State Treasury.

### **Expenditures**

Expenditures follow a four-step process:

1. The Board of Directors authorizes the expenditures in the adopted budget.
2. The staff consults with the District Manager to manage expenditures according to the budget.
3. The Board of Directors delegated the District Manager and Chair of the Board of Directors to authorize expenditures up to \$5,000. The Board of Directors reviews and authorizes expenditures over \$5,000 during regular monthly meetings.
4. The District Manager writes the checks and presents the checks for signature by the Board Treasurer, Board Chair, District Manager, or other authorized individuals.

The District Manager and Board Treasurer regularly monitor accounts and compare expenditures to the limits authorized in the adopted budget. A monthly Treasurer's Report is presented at each Board meeting, providing a review of budget-to-actual expenditures, financial statements, and supporting accounting reports.

### **Organization of Marion SWCD Funds**

The District's budget is structured by fund, with three distinct funds supporting its operations: the General Fund, Multipurpose Reserve Fund, and Building Reserve Fund.

#### ***General Fund***

The General Fund (Box 1) serves as a unified budget, financing the District's core functions including special payments, contingencies, unappropriated fund balance, and transfers to other funds.

### ***Multipurpose Reserve Fund***

Established on March 7, 2012, and amended on May 3, 2017, the Multipurpose Reserve Fund (Box 2) is designated for unanticipated projects and catastrophic loss, ensuring financial flexibility in response to unforeseen needs.

### ***Building Reserve Fund***

Created on June 10, 2020, the Building Reserve Fund is dedicated to acquiring land, constructing a facility, or purchasing and renovating an existing building to support District operations and staff.

This structure ensures financial accountability while maintaining the District's ability to adapt to future challenges and opportunities.

## **FY26-27 Budget: Commitment to Strategic Growth and Sustainability**

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The District's FY 2026–27 budget reflects a continued commitment to advancing the priorities outlined in the District's 2024–2029 Strategic Plan and the conservation goals established by the Board of Directors. As part of this year's budget development, the Budget Officer completed a comprehensive five-year financial forecast (FY 2026–27 through FY 2030–31) to evaluate long-term financial sustainability. This proactive approach supports strategic decision-making and ensures that resources are aligned with District priorities while maintaining financial stability. The budget is organized by fund and includes estimated resources and expenditures categorized into personnel services, materials and services, capital outlay, special payments, and reserves.

A review of historical expenditures and the forecasting process shows a trend of moderate growth in District spending, with an average (actual) annual expenditure of approximately \$1,408,465 between FY 2022 and FY 2025, an average annual increase of \$94,568 (7.0 percent) from last year. This growth is primarily attributed to rising healthcare costs, increased investment in grant programs all District grant programs, and higher costs for IT services, audit services, and program enhancements such as the Stan Vistica Scholarship. Some of these increases were offset by reduced administrative and personnel costs due to staff turnover, temporary vacancies, and changes in service delivery, including transitioning the CREP technician role to grant funding. Overall, the forecast anticipates continued moderate growth, with average annual expenditures projected to increase to approximately \$1,498,323 driven largely by full staffing levels, increased benefit costs, and expanded grant program activity.

In developing the FY 2026–27 budget and long-term forecast, the District prioritized maintaining full staffing at 10.5 full-time equivalents (FTEs) and sustaining funding for key grant programs. Additional adjustments account for anticipated increases in facility and technology costs. The Board also prioritized maintaining flexibility to support new

initiatives and provide matching funds for partner projects that advance the District’s mission. This forward-looking approach positions the District to remain responsive, effective, and financially sustainable in meeting evolving conservation needs.

The total proposed budget for the FY 2026-27 is **\$5,228,352**.

- General Fund is \$4,690,331
- Multipurpose Reserve Fund is \$201,271
- Building Fund is \$336,750

### **Strategic Priorities and Program Focus**

The proposed budget supports implementation of the District’s 2024–2029 Strategic Plan and ongoing conservation efforts.

Key focus areas include:

- Protecting and improving water quality and soil health
- Enhancing fish and wildlife habitat
- Providing education and outreach to the community
- Supporting productive working lands
- Expanding and strengthening partnerships

District staff provide conservation planning and technical assistance, lead conservation and grant programs, deliver education, communication, and outreach efforts, and carry out operational and administrative functions. Staff also collaborate with landowners and partners to effectively deliver these services. *(See FY 26-27 Annual Workplan-Appendix C.)*

### **FY 24-25 General Fund Resources**

The proposed General Fund resources for fiscal year 2026-27 have increased from \$4,459,868 (FY 25-26) to \$4,690,331, reflecting a 5% growth—an increase of \$230,462. Overall resources remained the same as previous fiscal years. While overall resources have increased, most adjustments reflect refinements in how resources are categorized across budget units rather than significant changes in overall resources. The increase in resources is primarily attributed to under-projected unspent funds carried over from FY 25-26, transferred in funds (\$115,000) from the Multipurpose Reserve Fund, the addition of Potential Grant Revenue (Unawarded Applications) at \$50,000, and a \$60,000 increase in levied tax revenue. These additional resources will help strengthen the District’s ability to deliver conservation programs and services effectively.

## **Object Classifications and Categories in the General Fund Resources**

### ***Cash on Hand***

Cash on hand, also referred to as carryover funds, represents the unspent financial resources from the previous fiscal year that are available for use in the upcoming budget cycle. These funds typically result from cost savings, project timing, or revenues exceeding expenditures. Carryover funds provide financial stability, support ongoing programs, and offer flexibility to address unexpected needs or opportunities. In the District's budget, they help maintain continuity in operations and ensure the effective delivery of conservation services. Projected carryover funds for FY26-27 are \$2,524,130.

### ***Grant Income***

- ODA District Capacity, Ag Water Quality Program
- ODA Strategic Implementation Area
- Western Oregon Cascadia Recovery Effort Regional Conservation Partnership Program
- Potential Grant Revenue (Unawarded Applications) New!

### ***Other Income***

- Rental Income
- Refunds, Gifts, & Donations
- Native Plant Sale
- Transferred In, from Other Funds
- Proceeds from Sale of Fixed Assets

### ***Pass-Through Funds***

Refer to grant funds that the District receives but does not retain for its own operations. Instead, these funds are distributed to external recipients, such as landowners, nonprofit organizations, or partner agencies, to implement conservation projects. The District acts as an intermediary, ensuring funds are allocated according to grant requirements while providing oversight, technical assistance, and accountability. Pass-through grants help expand the reach of conservation efforts by directly supporting projects that align with the District's mission and goals. Currently we pass through funds for the Oregon Watershed Enhancement Board Small Grant Program

### ***Public Support Revenues***

- Current Year Levied Tax revenue
- Previous Years Levied Tax revenue
- Investment dividends from tax revenues

### ***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 the District 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 the District certifies a rate, then it can receive the total amount generated by that rate.

### ***Maximum Tax Rate Approved by Voters***

The Marion SWCD's permanent rate limit was established in 2001 at five cents per thousand (\$0.05 per \$1,000) of assessed value of property in Marion County. Calculation of tax revenue (Appendix 1). FY26-27 Taxes estimated to be collected is **\$1,559,927** (Appendix B)

### **FY 24-25 General Fund Requirements**

The proposed General Fund requirements for FY 2026–27 total \$4,690,331, an increase of \$230,462 (5 percent) from \$4,459,868 in FY 2025–26. While overall requirements have increased, most adjustments reflect refinements in how expenditures are categorized across budget units rather than significant changes in overall spending. The total includes \$1,409,746 in unappropriated funds.

Increases are primarily driven by personnel-related costs, including step increases, a potential cost-of-living adjustment, higher health care premiums, and associated increases in retirement contributions. Additional cost increases include a potential vehicle purchase, facility improvements such as parking lot striping, software upgrades, expanded funding for the CLEAR and Special Projects grants, and general expected increases in administrative and operational expenses.

These increases are partially offset by targeted reductions in several areas to better align with historical spending. Notably, the Partner Grant budget was reduced by \$50,000 and conservation project funding with partners was reduced by \$150,000. These adjustments will help maintain unappropriated funds at approximately \$1,000,000 over time, while keeping overall grant program funding generally consistent with the prior fiscal year. This approach aligns with long-term financial forecasting and supports the District's goal of maintaining financial stability over time.

### **Object Classifications and Categories in the General Fund Requirements**

- Personnel Services
- Capital Outlay
- Materials and Services
- Special Payments
  - District Grant Programs
  - Native Plant Sale

- Partnerships & Match Funds
- Pass Through Program Funds
- Special Projects
- Contingency-Under Operating Expenses
- Unappropriated Ending Balance

### ***Operating Contingency***

Provides extra support for expenses in the current year's budget by means of an unplanned funds, event or circumstance that adversely affects the budget.

### ***Unappropriated Ending Balance***

Unappropriated funds are part of the unassigned fund balance and represent resources available for future needs or unexpected expenses. These funds are not allocated to current budget expenditures and provide financial flexibility. The amount set aside in the budget is to be used as a cash carryover to next year's budget. It provides the local government with operating cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency. [ORS 294.398]. The Board in 2026 set an expectation of at least \$1,000,000 be maintained as unappropriated funds.

### **Notable Changes in the Budget**

1. **Budget Structure Update:** In FY 2025–26, the General Fund was consolidated into a unified structure to improve clarity, transparency, and financial management. This change supports a more streamlined and accurate projection for the FY 2026–27 proposed budget.
2. **Reserve Transfer:** The Board reviewed the Multipurpose Reserve Fund and approved a \$115,000 transfer to the General Fund to support overall budget balance.
3. **Unappropriated Funds Policy:** The Board established a target of maintaining at least \$1,000,000 in unappropriated funds to ensure sufficient cash flow prior to property tax revenues being received later in the fiscal year.
4. **Capital Outlay:** The budget includes \$30,000 for a potential vehicle purchase.
5. **Partner Grant Program:** Funding for the Partner Grant program is included in the budget; however, its continuation as a permanent program remains under review as part of a three-year pilot and is pending Board approval. These changes align the budget with current financial conditions and the District's strategic priorities.

### **Reserves and Financial Stability**

The District maintains reserves to ensure financial stability and continuity of operations.

Reserve funds are used to:

- Respond to unexpected expenses or emergencies
- Support the District’s remodeling and improvements to the facility.

## Financial Summary-All Funds

The FY 2026–2027 proposed budget reflects the District’s commitment to responsible financial management, strategic investment, and effective conservation service delivery.

The District appreciates the time and service of the Budget Committee in reviewing this proposal and looks forward to working collaboratively through the budget process.

### Marion SWCD Budget for FY 2026-2027

FORM LB-1

FINANCIAL SUMMARY - RESOURCES				
TOTAL OF ALL FUNDS	Actual FY 2023-2024	Actual FY 2024-2025	Adopted Budget FY 2025-26	Proposed Budget FY 2026-27
<b>FINANCIAL SUMMARY - RESOURCES BY OBJECT CLASSIFICATION</b>				
Beginning Fund Balance/Net Working Capital	\$ 2,639,994	\$ 2,820,014	\$ 3,102,200	\$ 3,177,151
Fees, Licenses, Permits, Fines, Assessments & Other Service	\$ -	\$ -	\$ -	\$ -
Federal, State & all Other Grants, Gifts, Allocations & Donations	\$ 131,660	\$ 113,167	\$ 291,594	\$ 296,162
Revenue from Bonds and Other Debt	\$ -	\$ -	\$ -	\$ -
Interfund Transfers / Internal Service Reimbursements	\$ -	\$ -	\$ -	\$ -
All Other Resources Except Current Year Property Taxes	\$ 182,058	\$ 221,477	\$ 178,634	\$ 195,111
Current Year Property Taxes Estimated to be Received	\$ 1,403,721	\$ 1,439,446	\$ 1,499,426	\$ 1,559,927
<b>Total Resources</b>	<b>\$ 4,357,433</b>	<b>\$ 4,594,103</b>	<b>\$ 5,071,854</b>	<b>\$ 5,228,352</b>
<b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b>				
Personnel Services	\$ 905,582	\$ 876,157	\$ 1,014,494	\$ 1,108,005
Capital Outlay	\$ 19,085	\$ 16,485	\$ 22,500	\$ 388,750
Materials and Services	\$ 269,793	\$ 183,676	\$ 1,059,236	\$ 492,513
Debt Service	\$ -	\$ -	\$ -	\$ -
Interfund Transfers	\$ -	\$ -	\$ -	\$ 115,000
Operating Contingencies	\$ -	\$ -	\$ 195,000	\$ 195,000
Special Payments	\$ 349,093	\$ 429,346	\$ 1,548,698	\$ 1,519,338
Unappropriated Ending Balance and Reserved for Future	\$ 2,813,881	\$ 3,088,439	\$ 1,231,926	\$ 1,409,746
<b>Total Requirements</b>	<b>\$ 4,357,433</b>	<b>\$ 4,594,103</b>	<b>\$ 5,071,854</b>	<b>\$ 5,228,352</b>
<b>FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *</b>				
Total Salaries & Wages	\$ 736,111	\$ 705,901	\$ 817,698	\$ 881,740
Total Benefits	\$ 169,471	\$ 170,257	\$ 196,796	\$ 226,265
<b>Total Requirements</b>	<b>\$ 905,582</b>	<b>\$ 876,157</b>	<b>\$ 1,014,494</b>	<b>\$ 1,108,005</b>
<b>Total FTE</b>	<b>10.5</b>	<b>10.5</b>	<b>11.5</b>	<b>10.5</b>

Respectfully submitted,  
 Brenda Sanchez  
 Budget Officer  
 Marion Soil and Water Conservation District

## Appendix A – Glossary

**Accrual Basis:** Method of accounting recognizing transactions when they occur without regard to cash flow timing [ORS 294.311(1)]

**Activity:** That portion of the work of an organizational unit relates to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these. [ORS 294.311(2)]

**Adopted Budget:** Financial plan that is the basis for appropriations. Adopted by the governing body. [ORS 294.456]

**Ad valorem tax:** A property tax is computed as a percentage of the value of taxable property. See “Assessed Value”.

**Appropriation:** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body. [ORS 294.311(3)]

**Approved Budget:** The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing. [ORS 294.428]

**Assessed Value:** The value is set on real and personal property as a basis for imposing taxes. It is the lesser of the property’s maximum assessed value or real market value. The growth is limited to 3% unless an exception applies (e.g., new or enlarged structure).

**Assessment Date:** The date on which the real market value of property is set: January 1.

**Audit:** The annual review and appraisal of a municipal corporation’s accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State. [ORS 297.425]

**Audit Report:** A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government’s financial statements, and compliance with requirements, orders, and regulations.

**Billing Rate:** A district’s tax rate is used to compute ad valorem taxes for each property. The billing rate is expressed in dollars per \$1,000 of assessed property value.

**Budget:** Written document showing the local government’s comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues

and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year. [ORS 294.311(5)]

**Budget Committee:** Fiscal planning board of a local government, consisting of the governing body plus an equal number of registered voters appointed from the district. [ORS 294.414]

**Budget Message:** Written explanation of a local government's budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body. [ORS 294.403]

**Budget Officer:** A person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget. [ORS 294.331]

**Budget Transfers:** Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

**Capital Outlay:** Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

**Cash Basis:** System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid. [ORS 294.311(9)]

**Compression:** A reduction in taxes required by Measure 5 (1990) property tax limits. Compression is computed on a property-by-property basis, and is first applied towards location option tax levies, then permanent rate levies.

**Consolidated Billing Tax Rate:** The consolidated billing tax rate is the combined total of the billing rates for all taxing districts in a limitation category in the code area but does not include the billing rate for any urban renewal special levies and non-ad valorem taxes, fees, or other charges.

**Constitutional Limits:** The maximum amount of tax on property that can be collected from an individual property for education and for other government activities (Article XI, section 11b, Oregon Constitution).

**Contingency:** An amount appropriated in anticipation that some operating expenditure will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operation contingency. [ORS 294.388]

**Debt Service Fund:** A fund to establish to account for payment of general long-term debt principal and interest. [OAR 150-294.0420(2)(d)]

**District:** See "Local government." A local government entity that imposes property taxes (e.g., county, city, K-12 school district).

**Double Majority:** A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question (any March or September election).

**Expenditures:** Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. Does not include amounts budgeted for interfund transfers, contingency, reserved for future expenditure or unappropriated ending fund balance. [ORS 294.311(16)]

**Fiscal Year:** A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments. [ORS 294.311(17)]

**Fund:** A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances, and changes, all segregated for specific, regulated activities and objectives.

**Fund Balance:** The excess of the assets of a fund over its liabilities and reserves. [ORS 294.311(18)]

**Fund Type:** One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve. [OAR 150-294.0420]

**General Fund:** A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund. [OAR 150-294.0420(2)(a)]

**General Government Category:** The limitation category for taxes used to support general government operations that are not for the purposes of paying exempt bonded indebtedness. [ORS 310.150(1)(c)]

**Governing Body:** County court or board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit. [ORS 294.311(20)]

**Grant:** A donation or contribution in cash by one governmental unit to another unit may be made to support a specified purchase or function, or general purpose. [ORS 294.311(21)]

**Interfund Loan:** Loan made from one fund to another and authorized by resolution or ordinance. [ORS 294.468]

**Interfund Transfer:** Transfer from one existing appropriation category to another within the same fund. [ORS 294.463]

**Intra-Fund Transfer:** Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. [ORS 294.463]

**Internal Service Fund:** A fund used to account for fiscal activities when goods or services are provided by one organizational unit to another on a cost- reimbursement basis. [ORS294.311(23) and 294.343]

**Levy:** Amount of ad valorem tax certified by a local government for the support of governmental activities.

**Liability:** Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances. [ORS 294.311(24)]

**Local Government:** Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission, a municipal corporation or municipality. [ORS 294.311(26)]

**Materials and Services:** Expenses for operating costs and supplies and contracted services, such as utilities, rent, liability insurance, repair parts, fuel, accountant's fees, etc.

**Maximum Assessed Value (MAV):** The maximum taxable value limitation placed on real or personal property by Article XI, section 11 of the Constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction. [ORS 308.146]

**Measure 5:** A constitutional tax rate limitation (Article XI, Section 11b) passed by voters in 1990 which restricts the amount an individual property can be taxed. Measure 5 limits school taxes to \$5 per \$1,000 of "real market value". All other general government taxes are limited to \$10 per \$1,000 of "real market value".

**Measure 50:** Initially this measure was passed as Measure 47 in 1996 and was found to be unworkable, so was rewritten and submitted to the voters as Measure 50 in 1997 and passed. M50 reduced every property's 1995-96 assessed value by 10% and limited the amount of annual growth of the assessed value to 3%. M50 also established permanent rate limitations for each taxing district in the state based on the current year tax in 1997, and then reduced 13% for most districts. If a district did not have a tax levy in 1997 and had never levied a tax, they could later request a permanent rate limit by going to the voters through a ballot measure.

**Net Working Capital:** The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses minus current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances. [ORS 294.311(27)]

**Object Classification:** A grouping of expenditures, such as personnel services, materials and services, capital outlay, debt services, and other types of requirements. [ORS 294.311(29)]

**Operating Rate:** The rate is determined by dividing the local government's tax amount by the estimated assessed value in district. This rate is calculated by the assessor when a local government imposes its operating tax as an amount, rather than a tax rate.

**Ordinance:** A formal enactment by the governing board of a municipality.

**Organizational Unit:** Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions such as a department, office, or division. [ORS 294.311(3)]

**Personnel Services:** Expenses related to the compensation of salaried employees, such as health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

**Permanent Rate Limit:** The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can increase or decrease a permanent rate limit. A district can levy any rate or amount up to their permanent rate authority each year.

**Prior Year's Tax Levies:** Taxes levied for fiscal years preceding the current one.

**Program:** A group of related activities to accomplish a major service or function for which the local government is responsible. [ORS 294.311(33)]

**Property Taxes:** An ad valorem tax, another other "tax on property", or fees, charges and assessments that are specifically authorized by statute to be certified to the county assessor by a local government unit.

**Proposed Budget:** Financial and operating plan prepared by the budget officer. It is submitted to the public and the budget committee for review.

**Publication:** Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address, PO Box and Rural Route within the boundaries of the local government; or hand delivery to each street address, PO Box and Rural Route address within the boundaries of the local government.

**Real Market Value:** The amount in cash which could reasonably be expected by an informed seller from an informal buyer in an arm's-length transaction as of the assessment date (Jan 1). [ORS 308.205]

**Reserve for Future Expenditure:** An amount budgeted that is not anticipated to be spent in the fiscal year but rather carried forward into future fiscal years. The correct way to “save” money under Local Budget Law.

**Reserve Fund:** Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment. [ORS 294.346; 280.050]

**Resolution:** A formal order of a governing body; lower legal status than an ordinance.

**Resource:** Estimated beginning funds on hands plus anticipated receipts. [ORS 294.361]

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. [OAR 150-294.0420(2)(b)]

**Special Payment:** A budget expenditure category for distribution, pass-through payments, grants made to other organizations and other one-time or unusual expenditures where goods or services are not received in return, and that do not fall into the other categories of personnel services, materials and services, capital outlay, etc.

**Supplemental Budget:** A revised financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize additional taxes. [ORS 294.471]

**Tax On Property:** Any tax, fee, charge, or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property. [ORS 310.140(18)]

**Tax Rate:** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

**Tax Roll:** The official list showing the amount of taxes imposed against each taxable property.

**Tax Year:** The fiscal year from July 1 through June 30.

**Unappropriated Ending Fund Balance:** Amount set aside in the budget to be used as a cash carryover to next year’s budget. It provides the local government with operating cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency. [ORS 294.398]

# Appendix B Property Tax Worksheet FY 26-27

## PROPERTY TAX WORKSHEET

		Enter your Permanent Rate levy
1. Permanent Rate Limit	\$0.0500 / \$1000	
2. Est. Assessed Value	\$32,307,453,255.00	Enter your estimated total Assessed Value.
3. Tax rate (per dollar) <i>(converts rate to a decimal)</i>	X 0.0000500	
4. Amount the Rate would raise	\$1,615,372.66	
5. Estimate Measure 5 loss (compression) <i>Assessor sends report in Oct each yr shows current yr information referred to as the Table 4a - Summary of Assessment &amp; Levies (SAL) - This inform is entered on LB- 1 &amp; 3 form, line 14a</i>	- \$7,200.00	
6. Tax to be billed	= \$1,608,172.66	
7. Average Collection Factor <i>See your forms &amp; instructions booklet - Page 17 for a 5 year report - by county</i>	X 0.97	
8. Taxes Estimated to be Received <i>Gets entered on LB- 1 &amp; 3 form, line 11</i>	= \$1,559,927.48	
9. Loss due to discount & uncollectables (line 6 minus line 8) <i>Gets entered on LB- 1 &amp; 3 form, line 14b</i>	= \$48,245.18	

## Appendix C 2026-2027 Annual Workplan

DRAFT 2026 TO 2027 ANNUAL WORKPLAN SUMMARY													
<b>2026 to 2027 Personnel Budget</b>	<b>Budgeted FTEs</b>	<b>Budgeted Hours</b>	<b>Budgeted Days</b>									<b>MSWCD Goals 1-6</b>	
District Administration & Operations	2.5	5,200	650									1. Inspire Conservation	4. Productive Working Lands
Conservation Education & Outreach	2	4,160	520									2. Healthy Soil and Clean Water	5. Effective Partnerships
Natural Resources	6	12,480	1,560									3. Healthy Habitats	6. Strong Organizational Health
<b>Total</b>	<b>10.5</b>	<b>21,840</b>	<b>2,730</b>									<b>Proposed Personnel Budget</b>	
												<b>\$1,108,005</b>	
Approximate Percentage of Hours Allocated to Activities													
	District Manager	Native & Invasive Plant Specialist	Environmental Education Specialist	Grants Specialist	Communications & Outreach Specialist	Conservation Planner - Natural Areas	Conservation Planner-Ag	Conservation Planner-Ag	Urban Conservationist	Digital Media Assistant	Office Support Accounts Payable Assistant	Works Toward Goals	
Conservation Planning-Technical Assistant	0%	15%	0%	5%	0%	28%	28%	28%	15%	0%	0%	2, 3, 4, 5	
Grant Programs	10%	5%	5%	55%	5%	22%	22%	22%	10%	0%	5%	1 to 6	
Conservation Programs	5%	15%	5%	5%	5%	10%	10%	10%	15%	10%	10%	2, 3, 4, 5	
Conservation Education	0%	20%	55%	0%	10%	5%	5%	5%	20%	5%	0%	1, 2, 3, 4, 5	
Conservation Communication Outreach	5%	20%	10%	5%	45%	10%	10%	10%	15%	20%	5%	1, 2, 3, 4, 5	
District Administration & Operations	55%	5%	5%	10%	15%	5%	5%	5%	5%	40%	55%	6	
Other Duties	10%	5%	5%	5%	5%	5%	5%	5%	5%	10%	10%	1 to 6	
Training and Professional Growth	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	1 to 6	
Approximate Paid Time off Percent	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	6	
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>		
Full Time Equivalent (FTE)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.5	1.0		
Total Work Hours for 1 FTE	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	1,040	2,080		
Total Work Days for 1 FTE	260	260	260	260	260	260	260	260	260	130	260		
Approximate Volunteer Hours Allocated													
<b>Volunteers</b>	<b>7 Elected Directors</b> 455 hrs.			<b>7 Budget Committee Electors</b> 70 hrs.			<b>1 Associate Director</b> 48 hrs.			<b>Volunteers-Public Projected</b> 600 hrs.			

DRAFT Annual Workplan Approved by Marion SWCD Board of Directors May 6, 2026