



# CHELAN COUNTY

## FLOOD CONTROL ZONE DISTRICT

316 WASHINGTON STREET  
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WENATCHEE, WASHINGTON 98801  
TELEPHONE (509) 667-6415

**Eric Pierson, PE**  
ADMINISTRATOR

## FINANCIAL POLICIES

JANUARY 2017

*Through partnerships and careful planning, identify sustainable, cost-effective actions that will mitigate the impacts from flood hazards; to protect the health, safety, quality of life, environment, and economy of the communities within Chelan County.*

### FORWARD:

Pursuant to RCW 86.14, the Chelan County Flood Control Zone District (FCZD or District) was established by the Board of County Commissioners by Resolution 2014-59. The Board of County Commissioners, also identified as the Board of Supervisors, are the ex officio managers of the District. The District Administrator (County Engineer) will exercise best professional judgment in conjunction with the direction of the Board of Supervisors to determine the appropriate courses of action for all circumstances or events within the province of the FCZD, whether or not such events or circumstances are anticipated and addressed in this document.

These financial policies are necessary to ensure consistency in actions and expectations between the FCZD, the County Commissioners/Supervisors, and the District's citizens and stakeholders. This document acts as the financial policy framework for the District, as referenced in the 2017 Chelan County *Comprehensive Flood Hazard Management Plan* (Resolution 2017-XX, Chapter 12, Section 12.6 – Funding and Financing Policies).

The Chelan County FCZD was established in response to the growing frequency and severity of flash and stage flooding in greater Chelan County. The operating guidelines below for the FCZD identified the following primary purposes of the District:

- To safeguard human life, health, and safety by protecting public infrastructure from flooding and channel migration
- To identify and implement flood hazard management activities in a cost-effective and environmentally contentious manner
- To identify flood-prone and repetitive loss areas involving public infrastructure within Chelan County and identify solutions for flood control mitigation in those areas
- To prioritize capital projects to mitigate damage from flash and stage flooding in flood-prone and repetitive loss areas
- To lead and coordinate recovery efforts for significant flooding events within Chelan County with local, state, and federal agencies
- To increase awareness and provide education to the public and other local agencies on flood hazards and effective mitigation measures
- To update, manage, and administer flood zone mapping, local flood zone regulations, and flood hazard assessments within greater Chelan County for consistency with the NFIP

## ADMINISTRATION OF FUNDING

### Levy Revenue

Monies received via levy into the FCZD Fund shall be allocated according to the following budget categories:

- Construction & Improvements - This category will be dedicated to planning, designing, and constructing District projects, including Capital Outlay
- Operation & Maintenance - This category will be to budget for maintenance of County/District owned facilities, education and outreach efforts, and the Emergency Response Fund
- Overhead & Administration - This category will be dedicated for general management and overview of the District and continual management and reporting on implementation of the FCZD *Comprehensive Flood Hazard Management Plan* elements.
- Bond Retirement & Interest
- Opportunity Fund – This category is meant to be dedicated to providing for opportunity for flood reimbursement and projects unique to Cities and other municipal stakeholders.
- Reserve Fund

Budget levels and allocations from levy funds shall be determined by the District Administrator and Board of Supervisors during the County's annual budget development process for the upcoming fiscal year.

### Emergency Response Fund

Funds allocated to Chelan County from the *Emergency Response* Program under the Operations & Maintenance budget category, which cannot be determined in advance of emergency events, shall be approved by the Board of Supervisors. Eligible reimbursements will be for flood fighting to reduce damages to County and District owned critical facilities and recovery from damages to said infrastructure. Expenditures from the *Emergency Response* Program should not exceed 30% of annual levy revenue collected per annum in any given year and shall be requested through the *Request for Emergency Recovery Reimbursement* application process. If exhaustion of available funds within the *Emergency Response* Program prior to satisfaction of all needs occurs, the District Administrator may appeal to the Board of Supervisors to utilize reserve funding. Each fiscal year shall be kept separate for allocation of *Emergency Response* Program funds.

### Reserve Fund

The FCZD should strive to keep a reserve fund to assist in all program categories. Specifically, the *Emergency Response* Program or unforeseen opportunities such as match requirements for grants or capital expenditures. This fund will be separate from the cash reserves of the FCZD meant to be utilized for minor budget balancing and cash flow of the program.

### Opportunity Fund

On an annual basis, the Board of Supervisors shall consider allocation of a portion of the Districts levy revenue into an Opportunity Fund account. This fund can be made available to qualified applicants throughout the District for eligible emergency response, flood control studies, and/or capital projects. Local cities pursuing emergency response reimbursement utilizing the *Opportunity Fund* Program shall first exhaust all other applicable state and federal flood recovery funding resources such as FEMA, FHWA, Department of Ecology, or any other such agency before this funding is utilized. All funding is awarded through an application process outlined in "Regional Opportunity Fund Application Packet" found on Chelan County's FCZD website.

**UPDATE TO THE FINANCIAL POLICIES:**

The FCZD Board of Supervisors will review and update, if needed, these policies on an annual basis to determine if any revisions are needed to ensure proper alignment with the policies within the *Comprehensive Flood Hazard Management Plan*. This review and update may be accelerated to less than an annual basis based upon a flooding that poses an imminent threat or has occurred, which impacts human life, health and safety, and/or critical facilities and infrastructure identified in the *Comprehensive Flood Hazard Management Plan*.

Dated at Wenatchee, Washington this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Doug England, Chairman

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Keith W. Goehner, Commissioner

\_\_\_\_\_  
Ron Walter, Commissioner

ATTEST: Carlye Baity

\_\_\_\_\_  
Clerk of the Board

Date: \_\_\_\_\_