



Gregory L. Geist
Director

June 30, 2022

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution for a Transfer of Appropriations of \$50,000 from Contingency into Special Payments within the Sanitary Sewer Operating Fund. Fiscal Year 2021-22 for Water Environment Services. No County General Funds are involved.

Purpose/Outcomes	Approval of a Resolution for a Transfer of Appropriations of \$50,000 from Contingency into Special Payments within the Sanitary Sewer Operating Fund. Fiscal Year 2021-22 for Water Environment Services. No County General Funds are Involved.
Dollar Amount and Fiscal Impact	No fiscal impact. Transfer of \$50,000 from Contingency into Special Payments within the Sanitary Sewer Operating Fund to cover unforeseen city right-of-way/franchise fees.
Funding Source	Sanitary Sewer funds. No County General Funds are involved.
Duration	FY 2021-22
Previous Board Action/Review	FY 2021-22 Budget Adopted June 16, 2021; This item was presented at Issues on June 28, 2022.
Strategic Plan Alignment	<ol style="list-style-type: none"> 1. This resolution supports WES' strategic priority to ensure WES customers will continue to benefit from a well-managed utility 2. This resolution aligns with the County's strategic priority to build public trust through good government by providing budget responsibility and transparency.
Counsel Review	Date of Counsel review: June 7, 2022 Name of County Counsel performing review: Amanda Keller
Procurement Review	Was this item reviewed by Procurement? No If no, provide brief explanation: The resolution to transfer appropriations is not required to be reviewed by Procurement.
Contact Person	Erin Blue, WES Finance Manager, 971-808-7533
Contract No.	N/A

BACKGROUND:

Periodically during the fiscal year, it is necessary to transfer appropriations to more accurately reflect the changing requirements of Water Environment Services ("WES").

Transfers are a method of moving budgeted appropriations during the fiscal year as required by state budget law per ORS 294.463. There is no financial impact incurred as a result of transfers as appropriations for these amounts have been accomplished through the initial budget process.

Within WES' service area, the Cities of Gladstone, Happy Valley, and Oregon City assess right-of-way or franchise fees for WES' use of their public right-of-way for sanitary sewer and stormwater infrastructure. These fees are collected by WES on behalf of the Cities and then remitted to the Cities on a pass-through basis under the Special Payments budget category.

The original FY 2021-22 budget projected 5% customer growth in the City of Happy Valley. Actual growth in the City for the current fiscal year has been closer to 10% which has resulted in additional right-of-way fees. The attached resolution transfers \$50,000 from the Contingency category to the Special Payments category in WES' Sanitary Sewer Operating Fund to cover the additional right-of-way fees.

These changes are in compliance with Oregon Local Budget Law ORS 294.338, ORS 294.433 - ORS 294.481, and ORS 294.900 – ORS 294.930, which allows for governing body approval of budget changes under qualified circumstances.

The effect of this resolution is a transfer of \$50,000 from Contingency to Special Payments.

Item							
1 Water Environment Services Sanitary Sewer Operating Fund 631							
Resources	Original	Change	Revised	Requirement	Original	Change	Revised
Fund Balance	7,986,018	-	7,986,018	Materials and Services	23,675,889	-	23,675,889
Revenues	41,800,770	-	41,800,770	Special Payments	1,106,600	50,000	1,156,600
				Contingency	3,946,000	(50,000)	3,896,000
				Interfund Transfers	19,860,656	-	19,860,656
				Ending Fund Balance	1,197,643	-	1,197,643
Revised Total Fund Resources			49,786,788	Revised Total Fund Requirements			49,786,788

Comments: Transferring \$50,000 from Contingency to Special Payments for additional right-of-way fees associated with customer growth.

The attached resolution has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends the Board of County Commissioners of Clackamas County, as the governing body of Water Environment Services, adopt the Resolution for a Transfer of Appropriations of \$50,000 from Contingency into Special Payments within the Sanitary Sewer Operating Fund.

Respectfully submitted,



Greg Geist, Director
Water Environment Services

Attachments: Authorizing Resolution and Exhibit A



RECORDING MEMO

New Agreement/Contract

Amendment/Change/Extension

Other: _____

Originating County Department: _____

Purchasing for: _____

Other party to contract/agreement: _____

Title from Business Meeting Agenda:

After recording please return to:

Clerk to the Board please complete below this line after Board approval _____

Board Agenda Date: _____

Agenda Item Number: _____

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of Providing Authorization
to Transfer Appropriations Between
Categories for Fiscal Year 2021-22 for
Water Environment Services



RESOLUTION NO. _____

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, a transfer of appropriations of \$50,000 within the Sanitary Sewer Operating Fund for the period of July 1, 2021 through June 30, 2022, is necessary to continue to prudently manage the distribution of those expenditures for the needs of Water Environment Services; and

WHEREAS; the fund being adjusted is the Water Environment Services Sanitary Sewer Operating Fund 631;

It further appearing that it is in the best interest of Water Environment Services to approve this change in appropriations for the period of July 1, 2021 through June 30, 2022.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, AS THE GOVERNING BODY OF WATER ENVIRONMENT SERVICES, THAT:

Pursuant to its authority under ORS 294.338, ORS 294.433 – ORS 294.481, and ORS 294.900 – ORS 294.930, a transfer of appropriation within the fiscal year budget for Water Environment Services is authorized as shown in the attached Exhibit A, which by this reference is made a part of this resolution.

ADOPTED this ____ day of _____, 2022.

Water Environment Services:

Chair

Recording Secretary

SUMMARY OF PROPOSED BUDGET CHANGES

Exhibit A

June 30, 2022

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

Item

1 Water Environment Services Sanitary Sewer Operating Fund 631							
Resources	Original	Change	Revised	Requirement	Original	Change	Revised
Fund Balance	7,986,018	-	7,986,018	Materials and Services	23,675,889	-	23,675,889
Revenues	41,800,770	-	41,800,770	Special Payments	1,106,600	50,000	1,156,600
				Contingency	3,946,000	(50,000)	3,896,000
				Interfund Transfers	19,860,656	-	19,860,656
				Ending Fund Balance	1,197,643	-	1,197,643
Revised Total Fund Resources			49,786,788	Revised Total Fund Requirements			49,786,788

Comments: Transferring \$50,000 from Contingency to Special Payments for additional right-of-way fees associated with customer growth.