

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Policy Session Worksheet

**Presentation Date:** 6-8-2021      **Approx. Start Time:** 2 p.m.      **Approx. Length:** 45 Mins.

**Presentation Title:** Association of Oregon Counties (AOC) Dues Structure

**Department:** County Administration

**Presenters:** Tracy Moreland, County Administration; Gina Firman Nikkel, AOC Executive Director

**WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?** No decision; information item

### **EXECUTIVE SUMMARY:**

On April 20, 2021, the Board requested a Policy Session to discuss the AOC membership dues structure.

AOC Executive Director Gina Firman Nikkel will present an overview of the dues structure. In addition, she will review changes to the structure that were approved by the AOC Board of Directors for implementation starting in 2022.

Over the past three years the AOC membership has been assessing the dues structure to address a lack of dues increases over the past 15 years, challenges with lost revenue from unpaid dues, confusion over the dues formula, and the equity of the formula.

Members worked together to modify the dues structure for the long-term benefit of AOC and the 36 counties through the Membership Committee, Budget and Finance Committee, and Board of Directors.

The changes to the dues structure, approved by the Board of Directors, are as follows:

- Maintain the current dues structure which includes a base fee, county percent of assessed value and county percent of population, with 20 x base fee cap.
- Move to a tiered base fee by population.
- Move voluntary dues into one required General Fund dues assessment.
- Update population and assessed value figures every three years.
- Increase dues annually at three percent, and no more than five percent, to maintain current service levels.

The financial impact of the dues structure impacts each county differently. Clackamas County will see a decrease in their share of county dues assessed in 2022 under the new structure - from \$114,537.75 (2021) to \$107,449.30 (2022), even with a total dues increase of 5 percent - as projected for 2022 AOC budget development. In the past three years Clackamas County has opted not to pay some voluntary dues assessments. In 2021, because Clackamas County opted not to pay some voluntary dues, the payment made to AOC was \$88,909.92, or \$92,664.40 (if dues for Federal Lands and the Council of Forest Trust Land Counties are included.) While Clackamas County will see an overall decrease in dues assessed in 2022, the move from required and voluntary dues to one required dues amount will result in the county paying more

in 2022, with a projected increase of \$14,785.30, or \$18,539.39 if dues for Federal Lands and the Council of Forest Trust Land Counties are included.

**FINANCIAL IMPLICATIONS (current year and ongoing):**

Is this item in your current budget? X YES  NO

What is the cost? Clackamas County dues will be \$111,203.79 in 2022. In 2021 Clackamas County paid dues of \$92,664.40

What is the funding source? General Fund

**STRATEGIC PLAN ALIGNMENT:**

*How does this item align with your Department's Strategic Business Plan goals?*

The County's partnership with AOC can be tied to measurable results that support county services and priorities.

*How does this item align with the County's Performance Clackamas goals?*

Building Public Trust through Good Government is accomplished by designing and delivering "services that make a difference and measure our effectiveness in terms of results for our customers." AOC supports Clackamas County by working with counties, other local government associations and county affiliate and associate organizations; advocates and coordinates on behalf of counties with the state legislature, state agencies, Congress, and federal agencies.

**LEGAL/POLICY REQUIREMENTS:** N/A

**PUBLIC/GOVERNMENTAL PARTICIPATION:** N/A

**OPTIONS:** N/A

**RECOMMENDATION:** N/A

**ATTACHMENTS:** AOC presentation slides

**SUBMITTED BY:** Tracy Moreland

Division Director/Head Approval \_\_\_\_\_

Department Director/Head Approval \_\_\_\_\_

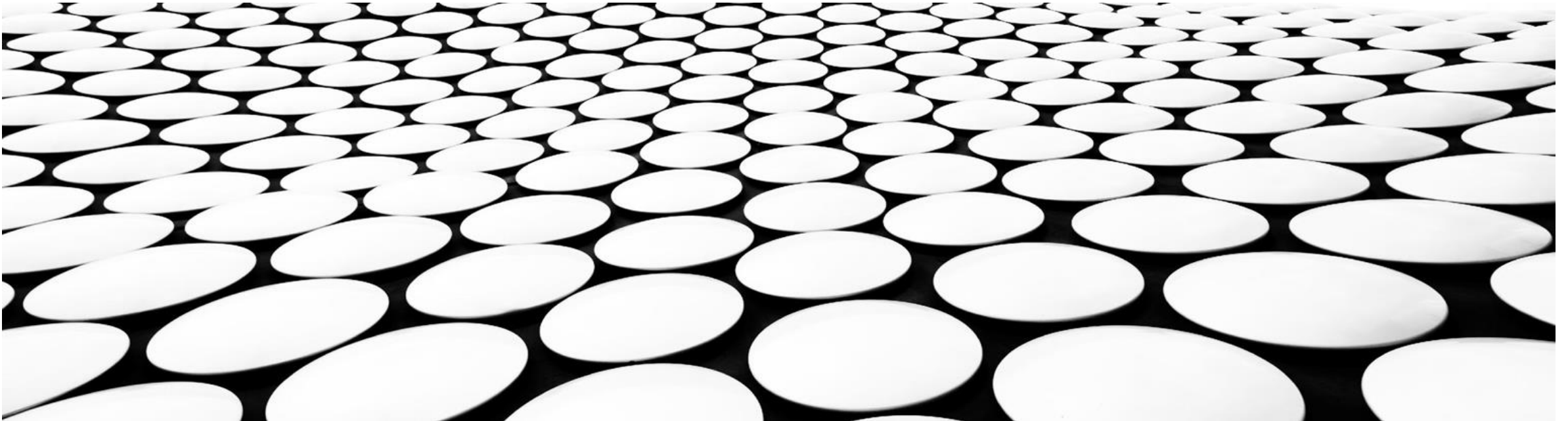
County Administrator Approval \_\_\_\_\_

For information on this issue or copies of attachments, please contact Tracy Moreland, Policy Advisor  
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# AOC DUES OVERVIEW

PRESENTED TO THE CLACKAMAS COUNTY BOARD OF COMMISSIONERS  
GINA NIKKEL, EXECUTIVE DIRECTOR, ASSOCIATION OF OREGON COUNTIES





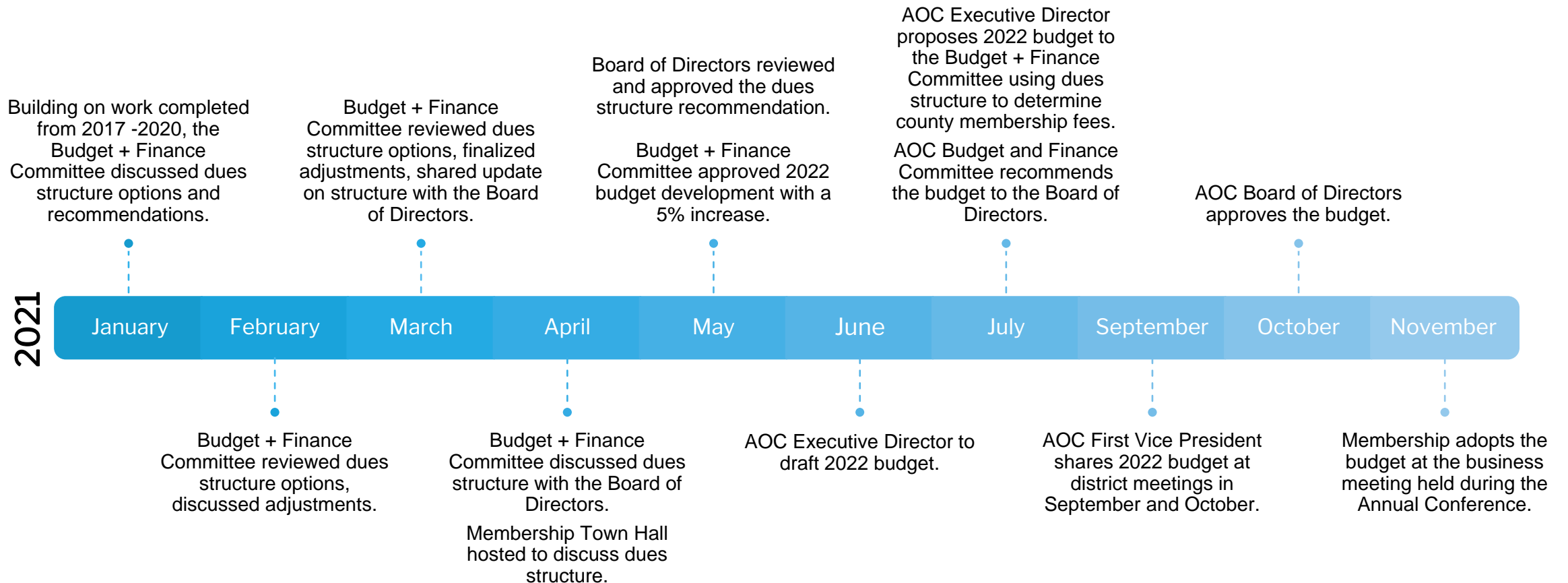
## WHY WAS AOC TALKING ABOUT ITS DUES STRUCTURE?

- Address the annual deficit and ensure dues adequately provide for association activities.
- Help members understand how membership dues are calculated.
- Explain impact of minimal dues increases over a 15-year period, with minor changes to the base fee.
- Simplify the dues calculation and stabilize revenue projections.
- Ensure the AOC dues structure and membership fee aligns with organizational needs and member value.

## WHO HAS BEEN TALKING ABOUT THE DUES STRUCTURE?

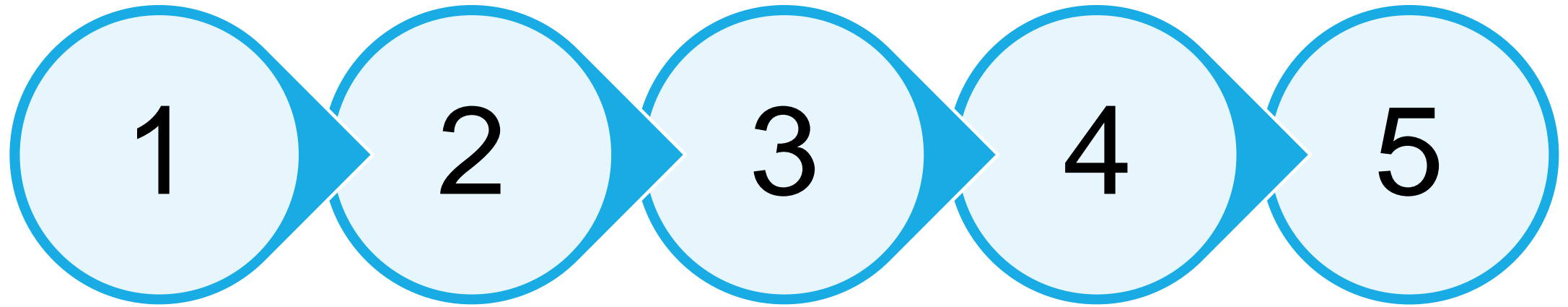
- 2017 – AOC Board of Directors
- 2018 – AOC Dues Task Force
- 2020 – AOC Membership Committee
- 2021 – AOC Budget + Finance Committee, AOC Membership Committee, AOC Membership (Town Hall)

# WHAT IS THE TIMELINE?



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# WHAT ARE THE VARIABLES THAT LEAD TO A DUES CHANGE? WHAT DOES THE BOARD OF DIRECTORS CONSIDER ANNUALLY?



- Will there be any budget cuts?
- What is the amount we need to save?

- Will the budget be status quo?
- What is the increase required to maintain status quo?

- Will there be budget enhancements?
- What is the increase required?

- What is the total amount of membership dues to be assessed?

- What is the base fee to be assessed?

# HOW ARE COUNTY MEMBERSHIP DUES DETERMINED?

Membership Dues - <i>variable</i>	• Set by Board of Directors annually, with escalator
Tiered Base Fee - <i>variable</i>	• Set by Board of Directors annually, based on population
50% Assessed Value (AV)	• Source: Department of Revenue
50% Population (POP)	• Source: PSU Population Research Center
Sub-Total	• Base fee + AV county share + POP county share
Cap (20 x Base Fee)	• Amount over cap is redistributed equally to other counties
Total	• Sub-total + share of cap

\*Dues are increased annually by three percent. Any increase of dues at 3.1 percent to 5 percent is considered an increase for the cost of doing business and is subject to review and approval by the board of directors. Any increase of dues at 5.1 percent or greater is considered a special project or budget enhancement subject to review and approval by the entire membership.

# Tiered Base Fee

Using 2021 Figures

Budgeted Dues (2021)	\$ 1,315,237.97
Base Fee Per County <10k	\$ 10,000.00
Base Fee Per County <50k	\$ 15,000.00
Base Fee Per County <100k	\$ 20,000.00
Base Fee Per County <200k	\$ 25,000.00
Base Fee Per County <300k	\$ 30,000.00
Base Fee Per County <400k	\$ 35,000.00
Base Fee Per County >400k	\$ 40,000.00
Base Fee Total	\$ 705,000.00
Sub-Total	\$ 610,237.97
Assessed Value Total	\$ 305,118.99
Population Total	\$ 305,118.99
Cap	\$ 200,000.00
Cap redistribution total	\$ -
Cap redistribution per county	\$ -

	Base Fee by County	Assessed Value	% of Assessed Value	Assessed Fee by County	Population (PSU)	% of Population	Population Fee by County	Total GF Dues w/ Cap
BAKER COUNTY	\$ 15,000.00	\$ 1,706,452.00	0.39%	\$ 1,183.14	16,910	0.40%	\$ 1,208.88	\$ 17,392.02
BENTON COUNTY	\$ 20,000.00	\$ 9,201,050.00	2.09%	\$ 6,379.39	94,665	2.22%	\$ 6,767.51	\$ 33,146.90
<b>CLACKAMAS COUNTY</b>	<b>\$ 35,000.00</b>	<b>\$ 53,136,861.00</b>	<b>12.07%</b>	<b>\$ 36,841.54</b>	<b>426,515</b>	<b>9.99%</b>	<b>\$ 30,491.13</b>	<b>\$ 102,332.67</b>
CLATSOP COUNTY	\$ 15,000.00	\$ 6,535,964.00	1.49%	\$ 4,531.60	39,455	0.92%	\$ 2,820.60	\$ 22,352.20
COLUMBIA COUNTY	\$ 20,000.00	\$ 5,624,688.00	1.28%	\$ 3,899.78	53,280	1.25%	\$ 3,808.93	\$ 27,708.72
COOS COUNTY	\$ 20,000.00	\$ 5,800,525.00	1.32%	\$ 4,021.70	63,315	1.48%	\$ 4,526.33	\$ 28,548.02
CROOK COUNTY	\$ 15,000.00	\$ 2,334,962.00	0.53%	\$ 1,618.91	23,440	0.55%	\$ 1,675.70	\$ 18,294.61
CURRY COUNTY	\$ 15,000.00	\$ 3,233,391.00	0.73%	\$ 2,241.82	23,005	0.54%	\$ 1,644.60	\$ 18,886.42
DESCHUTES COUNTY	\$ 25,000.00	\$ 25,903,911.00	5.89%	\$ 17,960.04	197,015	4.62%	\$ 14,084.41	\$ 57,044.44
DOUGLAS COUNTY	\$ 25,000.00	\$ 9,727,382.00	2.21%	\$ 6,744.31	112,530	2.64%	\$ 8,044.66	\$ 39,788.97
GILLIAM COUNTY	\$ 10,000.00	\$ 831,685.00	0.19%	\$ 576.63	1,990	0.05%	\$ 142.26	\$ 10,718.90
GRANT COUNTY	\$ 10,000.00	\$ 608,740.00	0.14%	\$ 422.06	7,315	0.17%	\$ 522.94	\$ 10,945.00
HARNEY COUNTY	\$ 10,000.00	\$ 593,752.00	0.13%	\$ 411.67	7,280	0.17%	\$ 520.44	\$ 10,932.11
HOOD RIVER COUNTY	\$ 15,000.00	\$ 2,784,326.00	0.63%	\$ 1,930.47	25,640	0.60%	\$ 1,832.98	\$ 18,763.44
JACKSON COUNTY	\$ 30,000.00	\$ 21,841,347.00	4.96%	\$ 15,143.33	223,240	5.23%	\$ 15,959.20	\$ 61,102.53
JEFFERSON COUNTY	\$ 15,000.00	\$ 1,860,621.00	0.42%	\$ 1,290.03	24,105	0.56%	\$ 1,723.24	\$ 18,013.27
JOSEPHINE COUNTY	\$ 20,000.00	\$ 8,108,971.00	1.84%	\$ 5,622.22	86,560	2.03%	\$ 6,188.09	\$ 31,810.30
KLAMATH COUNTY	\$ 20,000.00	\$ 6,076,665.00	1.38%	\$ 4,213.15	68,075	1.59%	\$ 4,866.61	\$ 29,079.77
LAKE COUNTY	\$ 10,000.00	\$ 977,627.00	0.22%	\$ 677.82	8,075	0.19%	\$ 577.27	\$ 11,255.09
LANE COUNTY	\$ 35,000.00	\$ 35,510,296.00	8.07%	\$ 24,620.46	381,365	8.94%	\$ 27,263.40	\$ 86,883.86
LINCOLN COUNTY	\$ 15,000.00	\$ 8,249,799.00	1.87%	\$ 5,719.86	48,305	1.13%	\$ 3,453.28	\$ 24,173.13
LINN COUNTY	\$ 25,000.00	\$ 10,629,452.00	2.42%	\$ 7,369.75	127,320	2.98%	\$ 9,101.98	\$ 41,471.73
MALHEUR COUNTY	\$ 15,000.00	\$ 2,184,233.00	0.50%	\$ 1,514.40	32,105	0.75%	\$ 2,295.15	\$ 18,809.56
MARION COUNTY	\$ 35,000.00	\$ 26,502,974.00	6.02%	\$ 18,375.39	349,120	8.18%	\$ 24,958.24	\$ 78,333.63
MORROW COUNTY	\$ 15,000.00	\$ 2,479,102.00	0.56%	\$ 1,718.84	12,825	0.30%	\$ 916.85	\$ 17,635.69
MULTNOMAH COUNTY	\$ 40,000.00	\$ 85,874,388.00	19.51%	\$ 59,539.55	829,560	19.44%	\$ 59,304.42	\$ 158,843.96
POLK COUNTY	\$ 20,000.00	\$ 6,439,463.00	1.46%	\$ 4,464.69	83,805	1.96%	\$ 5,991.14	\$ 30,455.83
SHERMAN COUNTY	\$ 10,000.00	\$ 487,155.00	0.11%	\$ 337.76	1,795	0.04%	\$ 128.32	\$ 10,466.08
TILLAMOOK COUNTY	\$ 15,000.00	\$ 5,297,850.00	1.20%	\$ 3,673.17	26,530	0.62%	\$ 1,896.60	\$ 20,569.78
UMATILLA COUNTY	\$ 20,000.00	\$ 6,367,794.00	1.45%	\$ 4,415.00	81,495	1.91%	\$ 5,826.00	\$ 30,241.00
UNION COUNTY	\$ 15,000.00	\$ 2,060,915.00	0.47%	\$ 1,428.90	26,840	0.63%	\$ 1,918.76	\$ 18,347.67
WALLOWA COUNTY	\$ 10,000.00	\$ 859,322.00	0.20%	\$ 595.80	7,160	0.17%	\$ 511.86	\$ 11,107.66
WASCO COUNTY	\$ 15,000.00	\$ 2,523,564.00	0.57%	\$ 1,749.67	27,295	0.64%	\$ 1,951.29	\$ 18,700.96
WASHINGTON COUNTY	\$ 40,000.00	\$ 68,032,356.00	15.46%	\$ 47,169.08	620,080	14.53%	\$ 44,328.90	\$ 131,497.98
WHEELER COUNTY	\$ 10,000.00	\$ 148,016.00	0.03%	\$ 102.62	1,440	0.03%	\$ 102.94	\$ 10,205.57
YAMHILL COUNTY	\$ 25,000.00	\$ 9,540,085.00	2.17%	\$ 6,614.46	108,605	2.54%	\$ 7,764.06	\$ 39,378.52
<b>TOTAL</b>	<b>\$ 705,000.00</b>	<b>\$ 440,075,684.00</b>	<b>1</b>	<b>\$ 305,118.99</b>	<b>4,268,055</b>	<b>1</b>	<b>\$ 305,118.99</b>	<b>\$ 1,315,237.97</b>



# WHAT IS THE IMPACT ON CLACKAMAS COUNTY?

GENERAL FUND	2019	2020	2021	2022	2023	2024	2025
Total Membership Dues	1,247,354	1,375,485	1,486,787	1,561,127	1,639,183	1,721,142	1,807,200
General Fund Share	58,944.79	76,342.08	83,840.20	107,449.30	112,821.77	118,462.85	124,386.00
Public Lands Share	5,069.72	5,069.72	5,069.72				
Lottery Vol. Share	4,754.18	4,754.18*	4,754.18*				
Veterans Vol. Share	12,307.63	12,307.63	12,307.63*				
PERS Vol. Share	8,566.02	8,566.02*	8,566.02*				
Federal Lands Share	2,627.59	2,627.59*	2,627.59	2,627.59	2,896.92	3,041.76	3,193.85
CFTLC Share	553.90	553.90*	553.90	553.90	610.67	641.21	673.27
CFTLC Vol. Share	573.00	573.00*	573.00	573.00	631.73	663.32	696.49
<b>CLACKAMAS TOTAL</b>	<b>93,396.83</b>	<b>110,794.12</b>	<b>118,292.24</b>	<b>111,203.79</b>	<b>116,576.26</b>	<b>122,217.34</b>	<b>128,140.49</b>
<i>Unpaid Vol. Dues*</i>	0	17,074.69	25,627.84	<i>*assuming a 5% increase to membership dues annually.</i>			
<i>Amount Paid</i>	93,396.83	93,719.43	92,664.40				



## NEXT STEPS?

- AOC staff building 2022 budget using the dues structure approved by the AOC Board of Directors in May.
- Present the proposed 2022 budget to the AOC Budget + Finance Committee in July.
- Distribute and discuss the 2022 budget at AOC District Meetings in September and October.
- Present the proposed 2022 budget recommended by the AOC Budget + Finance Committee to the AOC Board of Directors for approval in October.
- Present the proposed 2022 budget recommended by the AOC Board of Directors to the AOC membership in November.