



Clackamas County Treasurer's Office

FY 22-23 BUDGET PRESENTATION



2021 Major Accomplishments

AREA	DESCRIPTION
Disasters: No Interruptions to Service	No interruptions in service in any Treasurer's Office functions or operations through COVID, wildfires, ice storms, etc. We have continued to meet all of our performance Clackamas goals and as soon as allowed, our office was open and staffed full time for the public and our customers.
Increase in Online Payment Options	We worked and continue to work with multiple departments and offices, including, but not limited to DTD, LINCC, Resolution Services, CCOM, Clerk, to setup electronic payment processing safely and securely. This provided customers with additional online payment options, while also reducing the County's need to receive paper checks or cash.
Reduction in Paper Checks	We helped reduce the number of paper checks issued to employees, vendors and more by performing extensive outreach to our customers and working with our banking services provider to setup outgoing ACH functionality for more of the County and its component units. This also enhances our disaster preparedness.
Timely Tax Distribution	Through April of fiscal year 2022, we have safely and securely performed the timely tax distribution of over \$944 million to the over 120 taxing districts of Clackamas County.
Electronic Payments	Setup a process to receive Automated Clearing House (ACH) and Electronic Funds Transfer (EFT) for reoccurring transactions to the County (e.g. revenue). We are creating efficiencies by continuing to move payments to our automated process.
Cash Handling Training	Continuing to perform cash handling training to personnel throughout the County. Five trainings are scheduled for over 100 County employees in the spring of 2022.
Fraudulent County Checks	Caught and rejected a barrage of fraudulent checks in fiscal year 2022. From July 2021 through April 2022 we have identified and stopped over \$170,000 in fraud attempts. We are working with the local authorities on these fraud attempts.
Credit Card Optimization	Working with our vendor on credit card optimization techniques to help reduce credit card related fees for the public and County.
Internal Audit Oversight Committee	Continuing to enhance Internal Audit's independence and dual-reporting structure, we recruited for and filled a vacant Internal Audit Oversight Committee community member position.
County Assessment	Internal Audit conducted a comprehensive countywide risk assessment and developed a county governance, risk management and control process assessment.

2021 Major Accomplishments

AREA	DESCRIPTION
Senior Internal Auditor	Thanks to the assistance and commitment of the Board of County Commissioners and County Administration, we hired our Senior Internal Auditor this fiscal year.
Good Government Hotline	Internal Audit received eight reports of alleged fraud, waste and abuse through the Good Government Hotline between July 2021 and April 2022. Six investigations have been closed, including one investigation from 2021. Three reports remain ongoing open investigations.
Internal Audit Plan	<p>Internal Audit remains agile and responsive to COVID, other unexpected disasters effecting Clackamas County, and fraud, waste and abuse reports to the hotline. In fiscal year 2022, resources were allocated to the following critical engagements. Two reports have been issued through April 2022.</p> <ul style="list-style-type: none"> • Election Ballot Security • Clackamas County Sheriff's Office Financial Condition Analysis • Contract Administration (in progress) • NCPRD (in progress) • ARPA Business Support Program (in progress) • Emergency Rental Assistance Program (in progress)
Good Government Hotline	Working with County Counsel and Health, Housing and Human Services, the capacity of the hotline is being increased to include HIPAA/Privacy concerns. This will allow the County to become more efficient and effective in operations, while helping ensure compliance with federal requirements.
Consulting	We provided consulting services as a non-voting member of the County Policy Committee and Information Security and Privacy Committee, supporting several new countywide polices and initiatives. Additionally, we responded to twelve consulting project requests, supporting collaboration and well-informed operations and decision-making practices.
Software Implementation and Upgrade	Implemented and updated accounting software in the Treasurer's office to ensure tax payer, customer and County funds remain safe, liquid and achieve the best yield possible.
Money Management Program	Worked with the Health, Housing and Human Services, Money Management Program to implement a new debit card program. This will better help the County assist seniors and people with disabilities in managing their finances safely.
CCSO Buying Options	Worked with the Sherriff's Office on adding options for them to make purchases.
Paperless	Converted a high percentage of our operations to paperless. Although our office is open and staffed full time, this allows us to be more efficient and work easier with the public and our teleworking customers.

Line of Business/Program	Results Measure		FY 20-21 Actual	FY 21-22 Target	FY 21-22 Projected Performance	FY 22-23 Target
Treasury	% of identified cash handlers that received cash handling and controls training.		39 trained	90%	113 trained	90%
	% of accurate deposit summaries are processed within 4 business days.		100%	95%	100%	95%
	% of bank reconciliations completed within 30 days of receipt of bank statement, % of bank reconciliations completed within 45 days of receipt of bank statement.		100% and 100%	90% and 100%	100% and 100%	90% and 100%
	% of fraudulent checks denied.		100%	100%	100%	100%
	% of tax distributions done timely, in accordance with the law, to the over 120 taxing districts in Clackamas County.		100%	100%	100%	100%
	% of County funds being in qualified depositories or adequately collateralized in accordance with law.		100%	100%	100%	100%

Line of Business/Program	Results Measure	FY 20-21 Actual	FY 21-22 Target	FY 21-22 Projected Performance	FY 22-23 Target
Internal Audit	Develop a business case for a new staff/senior internal auditor.	2021	Complete	Complete	Complete
	Develop Internal Audit policies and procedures.	75%	90%	85%	90%
	% of audit plan that will be completed each calendar year.	87%	90%	87%	90%
	Output: # of audit reports issued (since inception).	11	N/A	14	N/A
	Output: # of audit recommendations (since inception).	96	N/A	96	N/A
	Output: # of reports made to the Good Government Hotline alleging fraud, waste and/or abuse (since inception).	140	N/A	149	N/A

Program Profiles: FY 22-23 Summary

Line of Business	Program Name	Total Funds	% County General Funds	% Restricted Funds	Mandate: Fed/State/Cty /IGA/None	% Program Operated by County	Metrics: % Target Meet/Exceed or Improve
Treasury	Treasury	\$1,084,908	63%	0%	Oregon Revised Statutes & Oregon Constitution	100%	100% generally meeting or exceeding target
Internal Audit	Internal Audit	\$337,152	100%	0%	County Code	100%	100% generally meeting or exceeding target

Department Summary by Fund



Office of the County Treasurer (19)

Department Budget Summary by Fund

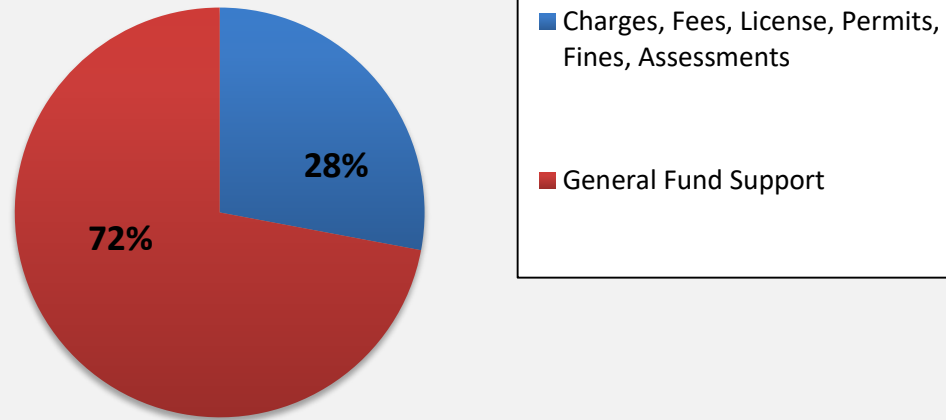
<i>Line of Business</i>		FY 22-23	FY 22-23	FY 22-23	FY 22-23	FY 22-23
<i>Program</i>	<i>Prgm #</i>	FTE	General Fund (100)	ARPA Fund (230)*	Total Budget	General Fund Support in Budget**
Treasury						
Treasury	190101	5.0	1,084,908	-	1,084,908	687,408
Internal Audit						
Internal Audit	190102	2.0	337,152	-	337,152	337,152
TOTAL		7.0	1,422,060	-	1,422,060	1,024,560
FY 21-22 Budget		7.0	1,331,971	6,190	1,338,161	1,004,470
\$ Increase (Decrease)		0.0	90,089	(6,190)	83,899	20,090
% Increase (Decrease)		0.0%	6.8%	-100%	6.3%	2.0%

* FY21-22 ARPA revenue of \$6,190 by the same amount in Personnel Services expense category.

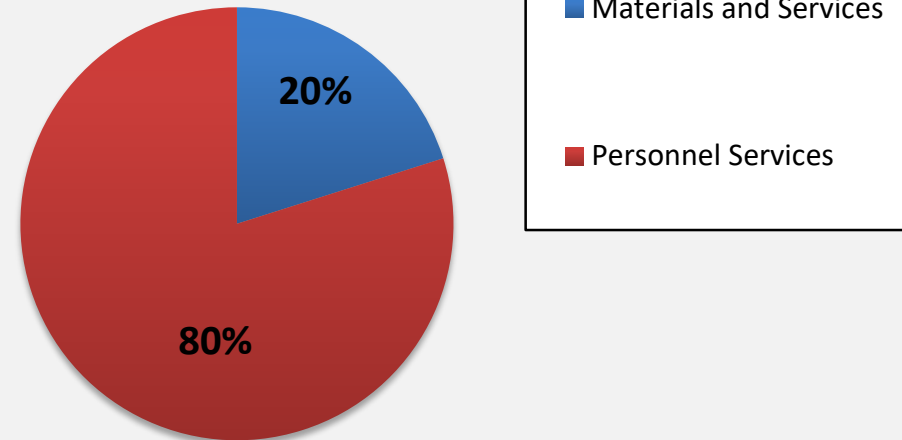
** General Fund subsidy is support from unrestricted General Fund revenues, primarily property tax.

FY 22-23 Revenue and Expenses

Revenues



Expenses



Summary of Revenue & Expenses

Treasurer's Office (19) - General Fund (100)

	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Amended Budget	FY 21-22 Projected Year End	FY 22-23 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations*	3,759	4,163	6,190	6,190	-	(6,190)	-100%
Charges, Fees, License, Permits, Fines, Assessments	503,243	555,343	327,500	402,500	397,500	70,000	21%
General Fund Support	525,224	525,244	1,004,470	930,264	1,024,560	20,090	2%
Operating Revenue	1,032,226	1,084,750	1,338,160	1,338,954	1,422,060	83,900	6%
Total Revenue	1,032,226	1,084,750	1,338,160	1,338,954	1,422,060	83,900	6%
Personnel Services*	851,394	875,299	1,065,989	1,065,990	1,136,089	70,100	7%
Materials and Services	180,832	209,451	272,171	272,964	285,971	13,800	5%
Operating Expenditure	1,032,226	1,084,750	1,338,160	1,338,954	1,422,060	83,900	6%
Total Expense	1,032,226	1,084,750	1,338,160	1,338,954	1,422,060	83,900	6%
Revenue Less Expense**	-	-	-	-	-	-	-
Full Time Equiv Positions (FTE) Budgeted	6.0	7.0	7.0	7.0	7.0	0.0	0%

*FY21-22 ARPA revenue of \$6,190 offset by the same amount in Personnel Services expense category.

**General Fund Departments: Starting in FY21-22, amounts in Revenue Less Expenses will be moved into General Fund Non-Departmental at year-end.

Significant Policy and/or Financial Issues

DESCRIPTION	IMPACT
<p>Pandemic, wildfires, ice storm and other related issues The pandemic, wildfires, ice storm and other related issues expedited the need for improved technology and the reduction of paper heavy work processes, including paper checks. Software upgrades have occurred, as well as taking advantage of software already available.</p>	<p>Implementation of software and software upgrades impact staff time. Additional staff training and vendor communication has occurred and is occurring. There is minimal additional costs as a result of these upgrades. We are also saving the County and the public time and money with these upgrades.</p>
<p>Additional funding sources The County has received a significant influx in funding sources that we have not experienced before. This is in addition to our regular/normal funding sources. For example, CARES, ARPA, FEMA, Metro and more.</p>	<p>The funding increase has required additional staff time to ensure money is safe, but also liquid for use when needed, while still investing funds to earn the best yield possible. The Treasurer's Office sits on a number of committees to help ensure liquidity goals are achieved and maintained.</p>
<p>Armored car transport staffing issues Armored car transport has experienced significant turnover in staffing. Occasionally County funds are not picked up as anticipated. We worked with the Clackamas County Sheriff's Office to implement back-up procedures to safely and securely pick up County funds from the various County locations serviced by our armored car vendor and deliver the funds to the bank.</p>	<ul style="list-style-type: none"> - Funds are not deposited timely in our bank account(s). - The safety of funds are in jeopardy. - We were excited about the opportunity to collaborate with our neighboring departments and offices on a solution to better help ensure timely deposit into our bank account(s). - Impact on staff time.

End of Presentation



Office of the County Treasurer (19)

Department Budget Summary by Fund

<i>Line of Business</i>		FY 22-23	FY 22-23	FY 22-23	FY 22-23	FY 22-23
<i>Program</i>	<i>Prgm #</i>	FTE	General Fund (100)	ARPA Fund (230)*	Total Budget	General Fund Support in Budget**
Treasury						
Treasury	190101	5.0	1,084,908	-	1,084,908	687,408
Internal Audit						
Internal Audit	190102	2.0	337,152	-	337,152	337,152
TOTAL		7.0	1,422,060	-	1,422,060	1,024,560
FY 21-22 Budget		7.0	1,331,971	6,190	1,338,161	1,004,470
\$ Increase (Decrease)		0.0	90,089	(6,190)	83,899	20,090
% Increase (Decrease)		0.0%	6.8%	-100%	6.3%	2.0%

* FY21-22 ARPA revenue of \$6,190 by the same amount in Personnel Services expense category.

** General Fund subsidy is support from unrestricted General Fund revenues, primarily property tax.



Office of the County Treasurer (19)

Office Mission

The Mission of the Treasurer's Office is to provide investment, treasury, and audit services to the public of Clackamas County so they can trust that their funds are safeguarded and to the taxing districts, offices and departments of Clackamas County so they can efficiently and effectively provide services to their customers.

County Treasurer

Brian Nava - County Treasurer

FTE 7.0

Total Budget \$1,422,060

General Fund Support \$1,024,560

Treasury

Brian Nava - Elected

FTE 5.0

Total Budget

\$1,084,908

Gen Fund \$ 687,408

Internal Audit

Brian Nava - Administrator

FTE 2.0

Total Budget

\$337,152

Gen Fund \$ 337,152

Treasury

Brian Nava - Elected

FTE 5.0

Total Budget

\$1,084,908

Gen Fund \$ 687,408

Internal Audit

Brian Nava - Administrator

FTE 2.0

Total Budget

\$337,152

Gen Fund \$ 337,152



Office of the County Treasurer

Treasury Services

Purpose Statement

The purpose of the Treasury Line of Business and Program is to provide active investing, accounting, banking, managing, distribution, and safeguarding services to the public of Clackamas County so they can trust that their funds are secure and to the taxing districts, offices and departments of Clackamas County so they can efficiently and effectively provide services to their customers.

Performance Narrative

This line of business and program has the following main roles and provides the following services:

1. Investing
2. Accounting
3. Banking
4. Managing funds
5. Distribution of funds
6. Safeguarding funds
7. Merchant service maintenance and compliance
8. Interest distribution
9. Cash reconciliations
10. Abandoned property

Key Performance Measures

		FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Target	FY 21-22 Actuals as of Qtr 2	FY 22-23 Target
Result	% of identified cash handlers that received cash controls training.	N/A Note 1	34 trained to date	90%	49 trained to date	90%
Result	% of accurate deposit summaries are processed within 4 business days.	N/A Note 1	100%	95%	100%	95%
Result	% of bank reconciliations completed within 30 days of receipt of bank statement, % of bank reconciliations completed within 45 days of receipt of bank statement.	N/A Note 1	100% and 100%	95% and 100%	100% and 100%	95% and 100%
Result	% of fraudulent checks denied.	N/A Note 1	100%	100%	100%	100%
Result	% of tax distributions done timely, in accordance with the law, to the over 125 taxing districts in Clackamas County.	N/A Note 1	100%	100%	100%	100%
Result	% of County funds being in qualified depositories or adequately collateralized in accordance with law.	N/A Note 1	100%	100%	100%	100%
Output	# of deposit summaries posted (Just for the quarter ended, not a running total).	N/A Note 1	4864	N/A Note 2	4565	N/A Note 2
Output	# of people receiving cash handling training.	N/A Note 1	34 trained to date	N/A Note 2	49 trained to date	N/A Note 2
Output	# of bank reconciliations completed (Just for the quarter ended, not a running total.)	N/A Note 1	56	N/A Note 2	51	N/A Note 2
Output	# of reoccurring EFT/ACH set-up (Fiscal Year)	N/A Note 1	30	N/A Note 2	38	N/A Note 2
Milestone	All organizations will have the ability to set up reoccurring EFT/ACH payments to the County.	N/A Note 1	Complete	2022	Complete	N/A Note 3
Milestone	The Treasurer's Office will implement a macro to upload deposit summaries into the financial management application.	N/A Note 1	Complete	2021	Complete	N/A Note 3
Milestone	% of non-confidential information currently mailed will be available electronically or posted online.	N/A Note 1	90%	2022	100%	2022
Note 1	Fiscal Year 2020-2021 is the first year of Performance Clackamas for the Treasurer's Office.					
Note 2	This is an output measure. There is no "Target" output related to this measure, it is designed for tracking and trend analysis purposes.					
Note 3	This is a milestone measure. The milestone was achieved, so there exists no future target for this measure.					
Note 4	For all Treasurer's Office Performance Clackamas results, view the webpage online being developed by County Administration. This will also provide additional notes and information related to these results.					

Program includes:

Mandated Services ☐ Y

Shared Services ☐ Y

Grant Funding ☐ Y

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (w/funding source)

Explanation Oregon Revised Statutes (ORS) mandates generally all the services outlined above and more. This includes but is not limited to ORS 208, 294, 295 and 451. Grant funding is not necessarily used to fund these services, but it would be in jeopardy if cash management procedures by the Treasurer's Office were not complied with as outlined by the federal government and ORS. For example, the Federal Office of Management and Budget (OMB) Circular A-133 is one of the federal OMB Circulars that outlines and references to cash management requirements.



Office of the County Treasurer

Treasury

Budget Summary

	FY 19-20 Actuals	FY 20-21 Actuals	FY 21-22 Amended Budget	FY 21-22 Projected Year End	FY 22-23 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Federal, State, Local, All Other Gifts & Donations	3,759	4,163	6,190	6,190	-	(6,190)	-100.0%
Charges, Fees, License, Permits, Fines, Assessments	503,243	555,343	327,500	402,500	397,500	(5,000)	-1.2%
General Fund Support	525,225	525,244	670,576	596,369	687,408	16,832	15.3%
Operating Revenue	1,032,227	1,084,750	1,004,266	1,005,059	1,084,908	80,642	7.9%
Total Revenue	1,032,227	1,084,750	1,004,266	1,005,059	1,084,908	80,642	7.9%
Personnel Services	851,394	875,299	746,518	746,518	808,937	62,419	8.4%
Materials & Services	180,832	209,451	257,748	258,541	275,971	18,223	6.7%
Operating Expense	1,032,226	1,084,750	1,004,266	1,005,059	1,084,908	80,642	7.9%
Total Expense	1,032,227	1,084,750	1,004,266	1,005,059	1,084,908	80,642	7.9%
Revenue Less Expense	-	-	-	-	-	-	0.0%

Significant Issues and Changes

Note 1: FY20-21 was the first year of Performance Clackamas for the Treasurer's Office. Previously all functions, services, supplies, allocated costs, etc. were under one budget line item. Due to the upgrades in the County's budget software, Performance Clackamas/MFR software, financial management software, and new chart of accounts, it was decided with the Budget team that the Internal Audit line of business and program would be split out in FY21-22, instead of FY20-21 as originally planned. As such, we will see a decrease in expenses in the Treasury program/line of business and an increase (from \$0) in the Internal Audit line of business/program.

Note 2: Increase in Personnel Services are due to anticipated COLA and PCQ's performed by HR.



Office of the County Treasurer

Internal Audit Services

Purpose Statement

The purpose of the Internal Audit Line of Business and Program is to provide assurance and consulting services to the public, employees, offices and departments of Clackamas County so they can feel confident that the public's interest are protected and can engage with a more accountable, higher performing, and more transparent local government.

Performance Narrative

This line of business and program provides the following services:

1. Consultations
2. Assurance Services: Includes, but is not limited to, performance audits, compliance audits, financial audits, information technology audits.
3. Fraud reviews and audits
4. Follow-up audits

Key Performance Measures

		FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Target	FY 21-22 Actual as of Qtr. 2	FY 22-23 Target
Result	Develop a business case for a new staff internal auditor.	N/A Note 1	2021	2021	2021	N/A Note 3
Result	Develop Internal Audit policies and procedures.	N/A Note 1	75%	2021	75%	100%
Result	% of accepted audit recommendations that are implemented within 2 years.	N/A Note 1	70%	50%	79%	90%
Result	% of audit plan that will be completed each calendar year.	N/A Note 1	Note 5	90%	Note 5	90%
Output	# of audit reports issued (since IA inception).	N/A Note 1	11	N/A Note 2	12	N/A Note 2
Output	# of audit recommendations (since IA inception).	N/A Note 1	92	N/A Note 2	96	N/A Note 2
Output	# of reports made to the Good Government Hotline alleging fraud, waste and/or abuse (since hotline inception).	N/A Note 1	138	N/A Note 2	143	N/A Note 2
Milestone	Develop survey of consultation and assurance service recipients.	N/A Note 1	2021	2021	2021	N/A Note 3
Milestone	Contract for peer review of Internal Audit.	N/A Note 1	In progress	2023	In progress	2023
Milestone	Research will be completed to determine if the Internal Audit function should be codified into County Code.	N/A Note 1	2021	2021	2021	N/A Note 3
Milestone	Hire a new staff/senior auditor.	N/A Note 1	2021	2022	2021	N/A Note 3
Note 1	Fiscal Year 2020-2021 is the first year of Performance Clackamas for the Treasurer's Office.					
Note 2	This is an output measure. There is no "Target" output related to this measure, it is designed for tracking and trend analysis purposes.					
Note 3	This is a milestone measure. The milestone was achieved so there exists no future target for this measure.					
Note 4	For all Treasurer's Office Performance Clackamas results, view the webpage online being developed by County Administration. This will also provide additional notes and information related to these results.					
Note 5	This is a calendar year measurement and not a fiscal year measurement. As of December 31, 2021, 63% of the audit plan was complete. Of 8 engagements identified to be completed by the end of 12/2021, 5 were complete, 3 were in progress, and 0 had not yet started. Of the 3 in progress at calendar year end, 2 were completed during January 2022. Audit Plan timing is impacted by the additional resource demands of advisory and investigative services provided on a prioritized and as needed basis.					

Program includes:

Mandated Services

Shared Services

Grant Funding

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (w/funding source)

Explanation The Office of the County Treasurer's, Internal Audit Line of Business and Program within the Treasurer's Office, works with all county departments, offices, service districts, component units and more. See County Code 2.15 for more information.



Office of the County Treasurer

Internal Audit

Budget Summary

	FY 19-20 Actuals	FY 20-21 Actuals	FY 21-22 Amended Budget	FY 21-22 Projected Year End	FY 22-23 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
General Fund Support	-	-	333,894	333,895	337,152	3,258	1.0%
Operating Revenue	-	-	333,894	333,895	337,152	3,258	1.0%
Total Revenue	-	-	333,894	333,895	337,152	3,258	1.0%
Personnel Services	-	-	319,471	319,472	327,152	7,681	2.4%
Materials & Services	-	-	14,423	14,423	10,000	(4,423)	-30.7%
Operating Expense	-	-	333,894	333,895	337,152	3,258	1.0%
Total Expense	-	-	333,894	333,895	337,152	3,258	1.0%
Revenue Less Expense	-	-	-	-	-	-	0%

Significant Issues and Changes

Note 1: FY20-21 was the first year of Performance Clackamas for the Treasurer's Office. Previously all functions, services, supplies, allocated costs, etc. were under one budget line item. Due to the upgrades in the County's budget software, Performance Clackamas/MFR software, financial management software and new chart of accounts, it was decided with the Budget team that the Internal Audit line of business and program would be split out in FY21-22, instead of FY20-21 as originally planned. As such, we will see a decrease in expenses in the Treasury program/line of business and an increase (from \$0) in the Internal Audit line of business/program.

Note 2: Increases in personnel services costs are generally due to anticipated COLA and PCQ's performed by HR. Treasury is also working with HR on a further analysis of the Internal Audit structure, which could promulgate changes in the near future.