

**CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS**  
Sitting as the Clackamas County Budget Committee

**Policy Session Worksheet**

**Presentation Date:** February 26, 2020 **Approx. Start Time:** 9:00 **Approx. Length:** 2 hours

**Presentation Title:** Quarterly General County Budget Committee Meeting

**Department:** Finance and County Administration

**Presenters:** Gary Schmidt, County Administrator; Elizabeth Comfort, Finance Director; Haley Fish, Deputy Finance Director;

**Other Invitees:** Community members of the Budget Committee; Blaze Riggins, Sr Budget Analyst; Jian Zhang and Roxann Fisher, Budget Analysts; County Budget Task Force

**WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?**

This is an informational meeting regarding planning for the FY20-21 budget development and public process; including policy development.

**EXECUTIVE SUMMARY (why and why now):**

This meeting will follow the agenda included in the packet.

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

Is this item in your current budget?  YES  NO **N/A informational meeting**

What is the cost? \$

What is the funding source?

**STRATEGIC PLAN ALIGNMENT:**

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

Strategic Result: Financial Transparency and Accountability.

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

By 2021, the county's budget will be 100% tied to results with transparency to the public.

**LEGAL/POLICY REQUIREMENTS:**

Budget committee established under ORS 294.414 and additional meetings held from time to time at its discretion (quarterly) in accordance with ORS 294.428 (2).

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

Quarterly Budget Committee meetings promotes public engagement and enhances financial transparency and oversight.

**OPTIONS:**

NA – Informational meeting.

**RECOMMENDATION:**

NA – Informational meeting.

**ATTACHMENTS:**

- Attachment A: Meeting Agenda
- Attachment B: Draft Cost Recovery Policy
- Attachment C: General Fund Forecast
- Attachment D: Department Budget Guidelines
- Attachment E: General Fund Reduction Package Template
- Attachment F: PLP Update Template
- Attachment G: Five Year Summary of Approved Ongoing Policy Level Proposals
- Attachment H: Vacancy Summary Template
- Attachment I: BOLI Capital Project Summary
- Attachment J: 2020 Proposed Budget Calendar
- Attachment K: FY19-20 Budget Committee Priorities
- Attachment L: Performance Clackamas County Plan January 2020 Update

**SUBMITTED BY:**

- Division Director/Head Approval           HF
- Department Director/Head Approval           EC
- County Administrator Approval           GS

For information on this issue or copies of attachments, please contact Haley Fish @ 503-742-5425

## **Quarterly Budget Committee Meeting**

*Wednesday, February 26, 2020*

*9:00 am – 11:00 am*

*PSB Hearing Room*

### **Budget Committee:**

**Public members:** Wilda Parks, Tom Feely, Jan Lee, Shaun Coldwell, and Anh Le

**Board members:** Chair Jim Bernard and Commissioners Paul Savas, Martha Schrader, Ken Humberston and Sonya Fischer

**Staff:** Administrator Gary Schmidt, Deputy Finance Director Christa Wolfe, Deputy Finance Director Haley Fish, Senior Budget Analyst Blaze Riggins, Budget Analyst Roxann Fisher and Budget Analyst Jian Zhang

1. Welcome and Introductions (Gary Schmidt) – 5 min
2. Public and Employee Survey Response Presentation (Dylan Blaylock) – 10 min
3. Cost Recovery Policy (Haley Fish) – 20 Min
4. Finance Director's Report (Elizabeth Comfort) – 30 Min
  - a. Department Organization Updates
  - b. General Fund Forecast
5. Budget Process County Departments (Haley Fish) – 20 Min
  - a. Guidelines
  - b. Cut Packages
  - c. Additional Information
  - d. MFR Expectations
6. Budget Committee Process (Gary Schmidt) - 30 Min
  - a. Presentation Format
  - b. Priorities
  - c. Other Expectations
7. Adjourn



ATTACHMENT B  
COST RECOVERY FOR FINES, FEES, AND REVENUE AGREEMENTS  
Administrative Rule Adopted by the County Administrator  
ARB-FIN-X.XX

## 1. PURPOSE

The purpose of this policy is to set forth long-term financially sustainable practices for cost recovery of Fines, Fees, Revenue Agreements, or other sources of revenue for the County.

The County shall maximize and diversify its revenue base to raise sufficient revenue to support essential county services and to maintain services during periods of declining economic activity. County services providing private benefits should be paid for by fees and charges as much as possible to maximize flexibility in the use of county general revenue sources to meet the cost for services of broader public benefit.

## 2. SCOPE

This policy applies to all County departments and Service Districts that have established Fines, Fees, or enter into Revenue Agreements such as contracts, intergovernmental agreements, grants, leases, or other similar arrangements that generate revenues.

## 3. AUTHORITY

This policy is established by the administrative rule-making of the County Administrator.

## 4. REFERENCES

This policy conforms to the guidance found in the following source publication:

[GFOA Best Practice on Establishing Government Charges and Fees](#)

## 5. DEFINITIONS

- a. Cost recovery – Refers to the requirement for the organization to ensure that regular resources are not used to subsidize the program.
- b. CPI – Consumer Price Index West Region Size A.
- c. Direct costs – Costs that are directly attributed to the delivery of a program or service.
- d. GFOA – Government Finance Officers Association of the United States and Canada.
- e. Indirect costs – Costs (such as administration and overhead) that are indirectly linked to the delivery of a program or service and should be recovered through the cost recovery rate.
- f. Methodology – a rate based on a system-wide cost per unit, where the cost associated with meeting future growth needs are divided by the projected growth in a plan area.
- g. Program – the entire suite of services, including all permits, outreach, public information, which a particular workgroup provides.
- h. Public good – a service, or program, provided for the benefit and/or well-being of the public despite the inability to recover costs for the service provision or program.
- i. Overhead – Overhead includes costs such as payroll processing, accounting services, computer usage, rent(of county owned properties) and other central administrative services.

- j. Service – a service such as plan review, inspections, recycling education or animal control officer response.

## 6. POLICY STATEMENT

It is the general policy of Clackamas County to fully recover costs to the extent legally possible for all services or programs provided whether from fees, fines, revenue agreements, or other revenue generating arrangements for which fees may be charged.

### **New revenues:**

When proposing new programs, services, or fees - departments are required to inform the Board of all proposed services, their full costs (both direct and indirect), proposed rate structure and corresponding anticipated revenues. The analysis must include a comparison of rates for similar services charged by neighboring jurisdictions and consideration of alternate service delivery options. If the proposed rate structure results is less than full recovery the rationale for this recommendation needs to be outlined and full cost recovery rate structure needs to be presented in full detail (ie list of all fees and full recovery rates) as an alternate option. This can be accomplished at a Policy Session or through a Budget presentation. Departments are expected to have vetted the financial aspects of their proposal with the Budget Office prior to making a presentation to the Board. Citizen engagement and feedback is strongly encouraged.

### **Rate Development:**

Cost recovery development should reflect the true and full cost of providing the program or service, with the intent to achieve full cost recovery. This includes both direct and indirect costs, including materials, labor, cost of fee collection, charges for the use of capital facilities and/or equipment, program and department administration and overhead.

The County recommends using GFOA best practice tools such as Full Cost Accounting for Governmental Services (program level analysis) or Activity Based Costing (service level analysis) for calculating service costs and corresponding rates. In some cases, i.e. System Development Charges, rates must be established in accordance with legislative standards. In other cases there are industry standards, historical pretense or service complexities for which it may make sense to contract the rate development out to subject matter expert consultants.

Certain rates, including monthly utility charges, are established with the goal of achieving full cost recovery in the present while also considering future full cost recovery requirements with the goal of keeping annual rate adjustments to a minimum. Also, bond covenants may require the collection of revenues beyond operating and debt service costs. These factors may result in going beyond full cost recovery.

### **Periodic Reviews and Changes:**

Updating rates on a schedule helps smooth charges and fees rather than having uneven impacts with sharp increases. The County sets rates annually by resolution. Departments are required to review rates no less frequently than biannually (unless otherwise specified in approved model/plan) for the impact of inflation, cost increases, adequacy of cost

recovery, service demand and competition (as applicable). The analysis must include a comparison of rates for similar services charged by neighboring jurisdictions and consideration of alternate service delivery options. If no significant changes are noted in the evaluation, then rates should at least be increased by the combined CPI since the last rate adjustment.

### **Charging Less than Full Cost Recovery:**

Only the Board has the authority to grant an exception for charging less than full cost recovery. There are specific instances in which the Board will allow this.

- 1) If the Board determines that is in the best interest of the County not to fully recover costs, direction will be provided to clarify the cost recovery level expected from the subsidized service/program. Some examples of subsidized programs may include:
  - a. A program or service for the public good (examples would be parks, libraries, programming for summer camp).
  - b. A service which provides a general benefit in addition to the private benefit provided to a specific business, property, or individual.
  - c. A program where the impact of imposing or increasing fees on economically at-risk populations or businesses would be detrimental or cost-prohibitive.
  - d. A program or service that supports the overall achievement of County goals.
  - e. A program or service funded primarily by either revenue restricted to such purpose or other new specifically identified revenue which the Board of County Commissioners commits to such purpose.
- 2) If the Board has entered into contractual agreements to provide programs/services without full cost recovery, or made similar commitments in ballot measures presented to County/special district voters.
- 3) A cost recovery model or rate plan previously approved by the governing board with a specified life and/or including a long-term escalation term in process. At which time the model/plan is re-evaluated such plan should conform to this policy.

### **Fees Outside of the County's Control:**

Where fees/fines are established by the State of Oregon, another governing body that the County is subject to, or has entered into a legally enforceable agreement that cannot be renegotiated – the County cannot recover full costs as the County has no control over the setting of these rates. These circumstances do not require a Board exception; however, they do require disclosure during the budget presentations and in the budget materials.

Departments are strongly encouraged to work with the Department of Public and Government Affairs as well as professional associations to employ Oregon legislative action as necessary to ensure appropriate cost recovery.

## **7. KEY RESTRICTIONS**

Exceptions to this policy require specific Board approval for the non-reimbursed or non-recovered costs. See paragraph on Charging Less than Full Cost Recovery and Fees Outside of the County's Control.

## 8. EXHIBITS & APPENDIX

[Clackamas County Code, Appendix A: Fees](#)

[Clackamas County Code, Appendix B: Fines](#)

## 9. QUESTIONS & RESOURCES

For questions related to this policy, please contact the Department of Finance – Budget Office.

## 10. HISTORY

Adopted by the County Administrator: XX/XX/20XX

Effective: XX/XX/20XX

Revised: TBD

DRAFT

ATTACHMENT C

**5 Year General Fund Forecast as of Feb 2020 (7% Vacancy Assumption)**

	Actuals	Projected	Forecast Yr 1	Forecast Yr 2	Forecast Yr 3	Forecast Yr 4	Forecast Yr 5
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Beginning Fund Balance	\$ 30,746,993	\$ 34,864,598	\$ 32,680,749	\$ 32,623,004	\$ 29,711,197	\$ 29,609,548	\$ 28,192,158
<b>REVENUE</b>							
Property Tax	130,774,588	133,442,673	138,608,166	144,192,701	149,864,409	155,762,986	161,897,505
Fees and Fines	2,230,238	1,991,968	1,942,847	1,896,715	1,852,505	1,809,736	1,768,583
Federal, State and Local Revenue	9,644,723	7,674,350	7,741,709	7,862,617	8,187,437	8,372,569	8,562,992
Charge For Services (Recording/Alloc Costs)	14,987,469	16,764,501	16,705,381	17,360,598	17,833,361	18,557,105	19,071,540
All Other Revenue	22,917,479	25,337,512	24,525,789	24,960,748	26,159,091	28,374,282	29,739,161
<b>Operating Revenue</b>	<b>\$ 180,554,497</b>	<b>\$ 185,211,004</b>	<b>\$ 189,523,893</b>	<b>\$ 196,273,379</b>	<b>\$ 203,896,804</b>	<b>\$ 212,876,678</b>	<b>\$ 221,039,780</b>
<b>% Change</b>	<b>4.9%</b>	<b>2.6%</b>	<b>2.3%</b>	<b>3.6%</b>	<b>3.9%</b>	<b>4.4%</b>	<b>3.8%</b>
<b>EXPENDITURES</b>							
Personnel Services	43,619,718	46,686,364	47,002,591	51,232,824	53,794,465	58,635,967	61,567,765
Material and Services	9,058,399	10,540,708	10,751,522	11,031,062	11,328,900	11,623,452	11,925,662
InterFund Loan with WES	244,303	244,303	244,303	244,303	0	0	0
Transfer to General Fund Debt Service Fund	5,066,655	5,277,240	5,202,044	5,141,008	5,067,490	5,004,963	4,984,568
Special Payments	524,382	531,000	536,620	544,072	552,012	559,864	567,921
Operating Subsidy Transfer to Depts	107,749,518	114,077,185	115,437,080	119,715,680	121,313,479	125,816,537	128,576,767
Allocations & Indirect Costs	9,630,517	9,907,106	10,273,912	10,914,199	11,351,368	12,058,887	12,536,724
Capital Outlay	543,400	130,947	133,566	137,039	140,739	144,398	148,152
<b>TO BE DETERMINED</b>							
Library Buildings & Park (Gladstone & Oak Lodge)	0	0	0	225,000	450,000	450,000	450,000
ERP (Financial Software) Replacement	0	0	0	0	0	0	0
Equal Pay Personnel Cost Adjustments TBD June 2020**	0	0	0	0	0	0	0
Debt Service for Courthouse	0	0	0	0	0	0	0
<b>Operating Expense</b>	<b>\$ 176,436,892</b>	<b>\$ 187,394,853</b>	<b>\$ 189,581,638</b>	<b>\$ 199,185,186</b>	<b>\$ 203,998,453</b>	<b>\$ 214,294,068</b>	<b>\$ 220,757,559</b>
<b>% Change from prior year</b>	<b>5.1%</b>	<b>6.2%</b>	<b>1.2%</b>	<b>5.1%</b>	<b>2.4%</b>	<b>5.0%</b>	<b>3.0%</b>
		**					
<b>Net Revenue (Expense)</b>	<b>4,117,605</b>	<b>(2,183,849)</b>	<b>(57,745)</b>	<b>(2,911,807)</b>	<b>(101,649)</b>	<b>(1,417,389)</b>	<b>282,221</b>
<b>Ending Fund Balance</b>	<b>\$ 34,864,598</b>	<b>\$ 32,680,749</b>	<b>\$ 32,623,004</b>	<b>\$ 29,711,197</b>	<b>\$ 29,609,548</b>	<b>\$ 28,192,158</b>	<b>\$ 28,474,380</b>
<b>Total Contingencies &amp; Reserves Requirement</b>	<b>\$ 22,122,327</b>	<b>\$ 22,913,207</b>	<b>\$ 23,534,183</b>	<b>\$ 24,568,201</b>	<b>\$ 25,371,614</b>	<b>\$ 26,471,976</b>	<b>\$ 27,404,487</b>
<b>Fund Balance NET of Reserve Requirements</b>	<b>\$ 12,742,271</b>	<b>\$ 9,767,542</b>	<b>\$ 9,088,820</b>	<b>\$ 5,142,996</b>	<b>\$ 4,237,933</b>	<b>\$ 1,720,183</b>	<b>\$ 1,069,893</b>

Annual ongoing reductions to achieve positive Fund Balance in FY25 (included above)	\$ (4,000,000)	\$ (3,500,000)	\$ (3,000,000)	\$ (2,500,000)	\$ (2,000,000)
Annual % Reduction	-3%	-3%	-2%	-2%	-2%

NOTES AND ASSUMPTIONS:

**FY 17-18** • Property recording fees (land deeds, title documents) contributed \$1M to general fund. However FY20 is net \$0 due to a flat to declining recent revenue trend.

**FY 18-19** • Property tax revenue includes \$2.6MM one time Comcast settlement payment.

**FY 19-20** • The consultation expense on Equal Pay falls within materials and services.

- \$2.7MM in one-time revenue from Employer Contribution Reserve Fund in "All Other Revenue". Resources could be allocated to help offset EPA impact. \*\*
- Projecting stable property tax collection of 4.1%.
- YTD vacancy savings have been incorporated into Personnel costs.
- The index used in forecasting certain figures including COLA is the CPI West Region Size A as published by the Oregon Office of Economic Analysis.
- ERP replacement costs are derived from the preliminary report provided by the consulting agency Plante Moran on 2-18-20.

**FY 20-21** • Includes an estimated \$500K in "All Other Revenue" from Tri-Met Settlement payment.

- Personnel aligns to full costing of personnel with a 7% vacancy rate factor.
- Annual cut to achieve positive Fund Balance in FY25. This annual tiered approach to implementing cuts allows time to incorporate other cost savings policies such as vacancy savings pullbacks and may reduce the overall amount of cuts necessary to achieve a sustainable budget.

**FY 21-22** • Library bond of \$6MM (20 YR) for City of Gladstone IGA (Issue Dec 2021).

- PERS increases incorporated every biennium (FY22, FY 24)





## Department Budget Guidelines

### Fiscal Year 2020/2021

January, 2020

#### Introduction:

The following guidelines provide structure for departments to develop their budgets, including how departments should approach General Fund reductions. The guidelines are intended to help departments identify areas that could result in cost savings to close an anticipated general fund shortfall. These guidelines are not meant to be a one-size fits all solution. Ultimately, Department Directors will propose reductions that balance available funding with service provisions that are in the best interest of residents and county operations.

In proposing program/service level reductions, Departments should offer reductions that balance available funding with Board of County Commissioners' (BCC)/County priorities and community need. The ultimate goal is to keep programs that are producing outcomes that align with the BCC priorities.

#### Guiding Principles:

- Align budgets with BCC priorities and department strategic goals
- Consider elimination of entire programs rather than across the board reductions. This will allow departments to prioritize those programs which most closely align with their specific strategic goals
- Look for alternative ways to provide programs and services
  - Consolidate collaborations which provide consolidation of services within or across departments
  - Identify operational efficiencies
  - Leverage/partner with the private sector
- Balance workload and staff capacity (work/life balance); that is, don't overburden staff with additional programs and duties without identifying resources necessary to maintain them.

#### General Guidelines

- Any new program proposed must be budget neutral. No new program will be considered without a new revenue source or the elimination of another program to achieve the balance. The County will not add services nor otherwise commit additional funds without also adding the resources to cover the fully burdened ongoing program costs.
- Budget proposals must include outcomes that are tied to Performance Clackamas goals
- Guidelines for restricted funds should be reviewed to determine whether allowable costs can be applied against the balance. Identified costs should support strategic goals rather than continuing or proposing a lower priority programmatic expenditure.
- Grants that require general fund support should be reviewed with a cost: benefit lens.

**Personnel:**

- Department Directors should consider staff attrition as a means to help balance their budgets. Anticipate staff reductions as early as possible and choose not to refill vacant positions during FY 19/20 if there is a potential that the position may be eliminated due to budget reductions. The goal is to try to maintain current staffing levels where feasible; however, it will be incumbent upon department directors to identify budget reductions and staffing models that support optimal functioning of their operations.
- Budgets should reflect all Regular full-time and part-time staff
  - Temporary or seasonal staff need to be separately identified and justified in the department's budget documents.
  - Proposed staff reductions must identify and explain the potential service impacts to residents, if applicable.
  - Vacancies: The County Budget Office will provide the list of historical vacancies that have been vacant for since 7/1/2019. Departments must justify business needs for carrying a vacant position forward into the 2020/21 budget.
  - Budget Office will provide personnel estimates using current enrollment electives and next year benefit costs to develop APOS reports.
- When an increase is proposed, departments must justify the programmatic need and identify revenue sources to cover the increased cost.
- Overtime line items should be reviewed and reduced where possible

**Materials & Services (M&S):**

- M&S Budgets should reflect actual expenditures without "cushions" for future use. Unforeseen expenses should be budgeted for in contingency.
- Departments should budget an overall increase of 0% so that the total M&S is no greater than the previous year. Exceptions can be requested during budget reviews.
- All accounts that have historically come in under budget need to be reduced to a historical 3 year average of actuals expenditures.

**Debt:**

- All Debt should be examined for potential refunding/refinancing opportunities.

**Capital Outlay:**

- New capital outlay items funded with General Funds should be minimal. Instead, consider the following:
  - Necessity of item for ongoing operations
  - Lease vs. purchase
  - Other sources of revenue
  - Potential for sharing cost with another department.

**Allocated Charges:**

- The Internal Service allocation methodology will be the lower of: (1) Remaining flat or (2) the prior methodology in FY 2019/2020.
  - Allocated charges will not exceed those for FY 2019/2020
  - The Budget office anticipates hiring a consultant to come in and review the County's current cost allocation model with the goal of revamping the methodology for FY 2021/2022.
- Internal service allocations will be entered into the County's budget software by the Budget Office

#### Ending Fund Balances:

- Ending fund balances may be included in reduction proposals with the understanding that these are one-time funds and are not a long-term solution towards a sustainable budget.
- Ending fund balances must be broken out between non-restrictive (those that can be returned to general fund) and restrictive funds (i.e. grants, donations, earmarked fees, etc.)

#### Fee/Charges for Services Revenue:

[Please refer to the cost recovery policy being developed by the Task Force.]

#### Reduction Packages:

- Budget reductions are expected from all department that receive general funds.
- Each department will propose reduction packages as follows:
  - The County Budget office will provide the total general fund amount for each department against which the percentage reduction(s) will be applied.
  - Departments will develop a **prioritized list** of general fund reductions up to 15% of their general fund amount with subtotals at 5% and 10% levels as shown below:
    - EXAMPLE: Total general fund = \$10,000,000; 15% reduction = \$1,500,000
    - Prioritized list of reduction packages:
 

• Package A	\$300,000
• Package B	\$125,000
• Package C	<u>\$ 75,000</u>
○ Subtotal @ 5%	<b><u>\$500,000</u></b>
• Package D	\$250,000
• Package E	<u>\$250,000</u>
○ Subtotal @ 10%	<b><u>\$1,000,000</u></b>
• Package F	\$100,000
• Package G	<u>\$400,000</u>
○ Total @15%	<b><u>\$1,500,000</u></b>
  - Actual reductions included in the budget may be more or less than 15% for any given department.
  - There must be at least one reduction package per tier. Each package should reflect a reasonable adjustment to service levels and should not result in minor adjustments to single line items in the budget.

- The following reduction strategies are not acceptable:
  - Projecting an increase in revenues simply to make the budget balance
  - Proposing the “Washington Monument”; that is, programs that are clearly not going to be cut by policy makers
  - Requesting resources to cover a popular program, then shifting those resources to cover other program areas.
  - Ignoring savings that have resulted from new technology or equipment
  - Failing to adjust ongoing program expenditures for one-time expenditures.
  
- The County Budget office will provide a template for reduction packages that includes:
  - Program context:
    - Whether the program is mandated/obligated (ORS, county ordinance, contractual agreement, etc.) and if the reduction package meets minimum obligations
    - Whether the program aligns with the BCC strategic priorities
    - Whether the program aligns with the department’s goals
  - Type of reduction (one-time or ongoing),
  - Degree of reduction (partial or entire program/service)
  - Impact on:
    - Services available to residents
    - County staff
    - County operations
    - Other revenue
  
- Departments shall submit all of their budget information to the County Budget Office.



**Clackamas County  
FY 2020-2021 Budget  
General Fund Reduction | Cost Recovery Package**

DEPT UPDATE ALL YELLOW CELLS

<b>Department</b>	FINANCE
<b>Program</b>	Select Here
<b>Reduction Package ID</b>	FINANCE-001
<b>Department Priority Ranking</b>	Select Here
<b>County Outcome(s)</b>	Select Here
	Select Here

**Description of Service Level Reduction**

<b>Board Priority</b>	Select Here
<b>Net General Fund Reduction</b>	\$0
<b>One-Time   Ongoing?</b>	Select Here
<b>Degree of Reduction</b>	Select Here
<b>Previously approved through the PLP process?</b>	Select Here
<b>FTE Reduction (Filled)?</b>	0.00
<b>FTE Reduction (Vacant)?</b>	0.00
<b>Mandated   Obligated Service?</b>	Select Here

[Copy & paste the ORS and or legal requirement for the service provided. Does the agreement expire? Explain how the reduction proposal meets minimum requirements.]

**Proposed Impact**

**How would this proposal impact the residents/customers/operations of Clackamas County:**

A.) External customers?

B.) County operations?

C.) Vulnerable populations?

D.) Equity, diversity and inclusion impacts?



**Clackamas County  
FY 2020-2021 Budget  
General Fund Reduction | Cost Recovery Package**

**How does this impact Strategic Goals and Performance Clackamas?**  
[i.e., tie to county outcome, purpose statements, results and/or performance]

A.) County goals and objectives?

[Redacted]

B.) Department plans and objectives?

[Redacted]

C.) Other county adopted plan(s)?

[Redacted]

**Describe the long-term impact on the County and/or the residents.**

[After-school programs reducing the need for jails and other services. Cost to restart the program. Long-term maintenance costs (i.e., road/facility maintenance)]

[Redacted]

Could an alternative service delivery model reduce program operating costs and reduce impact to residents?  
[Can/Is this service provided by others? Is this a duplicated service?]

[Redacted]

**Would this proposal impact other revenues?**

[Cost recovery proposal resulting in more fee/fine revenue and less general fund support - analysis. Grant impacts - i.e., payback requirements if ended early.]

[Redacted]

**Does this package compromise any existing monitoring, quality assurance/control or risk mitigation efforts?**

[If so, how do you plan to mitigate this?]

[Redacted]



**Clackamas County  
FY 2020-2021 Budget  
General Fund Reduction | Cost Recovery Package**

**Other considerations you would like the County Administrator and/or the budget office to be aware of?**

**Proposed Reduction Scenario Budget Summary**

<b>REVENUES *,**</b>		
Prior Year Revenues	\$	-
Fund Balance @ End of Prior Year	\$	-
Licenses & Permits		
Federal Revenues	\$	-
State Revenues	\$	-
Local Government & Other Agencies	\$	-
Charges for Services	\$	-
Fines & Penalties	\$	-
Miscellaneous Revenue	\$	-
Miscellaneous Sales	\$	-
Other Financing Sources	\$	-
Interfund Transfers (Other than General Fund Support)	\$	-
<b>GENERAL FUND SUPPORT</b>		
<b>Change in Revenues</b>	\$	-

\* Any increase(s) in revenue must be accompanied by a cost recovery analysis.

\*\* If proposing a "right-size" aggregate adjustment of small reductions across a variety of line items, please provide a breakdown summarizing the changes.

<b>EXPENSES</b>		
Personnel Services	\$	-
Materials & Services	\$	-
Indirect Costs	\$	-
Cost Allocation Charges	\$	-
Capital Outlay	\$	-
Interfund Transfer	\$	-
Debt Service	\$	-
Special Payments	\$	-
Reserve for Future Expenditures		
Contingency	\$	-
<b>Reduced Expenses</b>	\$	-

**Total NET General Fund Reduction** \$ -

**Department Contact Information**

<b>Contact Name</b>	
<b>Title/Position</b>	
<b>Email Address</b>	
<b>Secondary Contact</b>	



**Clackamas County**  
**FY 2020 - 2021 General Fund Packages: Reduction | Cost Recovery**

**FINANCE**

BUDGET UPDATE YELLOW CELLS THIS TAB

Reduction Package ID	Department	Department Priority Ranking	County Outcome(s)	Performance Clackamas Program Name	Description of Service Reduction	Board Priority	Degree of Reduction [Partial Service   Full Program   Cost Recovery   Right-Sizing]	One-Time   Ongoing	Mandated / Obligated Service	FTE Reduction (Filled)?	FTE Reduction (Vacancy)?	Net General Fund Reduction
FINANCE-001	FINANCE									0.00	0.00	\$ -
FINANCE-002	FINANCE									0.00	0.00	\$ -
FINANCE-003	FINANCE									0.00	0.00	\$ -
FINANCE-004	FINANCE									0.00	0.00	\$ -
FINANCE-005	FINANCE									0.00	0.00	\$ -
FINANCE-006	FINANCE									0.00	0.00	\$ -
FINANCE-007	FINANCE									0.00	0.00	\$ -
FINANCE-008	FINANCE									0.00	0.00	\$ -
FINANCE-009	FINANCE									0.00	0.00	\$ -
FINANCE-010	FINANCE									0.00	0.00	\$ -
										<b>0.00</b>	<b>0.00</b>	<b>\$ -</b>

Current Year Budget Office Department General Fund Calculation (FY 2019 - 2020)    \$ 2,312,285  
 Budget Office Department General Fund Calculation - before reduction (FY 2020 - 2021)    \$ 2,425,536

Target General Fund Reduction @ 15%    \$ 363,830  
 Proposed Reduction Packages    \$ -  
 Target Achieved? [Y / N]    NO

Proposed GF Reduction Packages			Proposed GF Support Compared to PY w/ Reductions	
5%	Reduction Package 1 @ 0.05	121,277	\$2,304,259	100%
10%	Reduction Package 1 @ 0.1	242,554	\$2,182,982	94%
15%	Reduction Package 1 @ 0.15	363,830	\$2,061,706	89%
			\$2,425,536	105%
<b>Proposed GF Support with ALL Proposed Reduction Packages</b>				



**PLP Information**

Yellow Cells To Be Updated

<b>Department</b>	Finance
<b>Fiscal Year</b>	FY16-17
<b>Ongoing Funding</b>	\$150,000
<b>Purpose</b>	Grants Manager Position
<b>Long Term Legal Impact / Associated Contracts</b>	
<b>Program Results</b>	

Program #	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21 Proposed
FTE Associated (Filled)							
FTE Associated (Vacant)							
Beginning Balance							
Appropriations							
Expenditures							
Remaining Balance							
Other Revenue Generated							

ATTACHMENT G

Five year Summary of Approved Ongoing Policy Level Proposals

Department	Fiscal Year	Ongoing Funding	Purpose	Notes To Date
Assessor	FY15-16	\$ 71,952	Appraisal position	
<b>Assessor Total</b>		\$ 71,952		
Business & Community Services (BCS)	FY16-17	\$ 40,000	Clackamas River Enforcement & Ecology Workgroup (CREEW) - Our River Action Plan	Parks
Business & Community Services (BCS)	FY14-15	\$ 40,000	increase GF support for enhanced Sheriff patrol at county parks	Parks
<b>Business &amp; Community Services (BCS) Total</b>		\$ 80,000		
County Counsel	FY15-16	\$ 120,000	Attorney Position	
<b>County Counsel Total</b>		\$ 120,000		
DA	FY16-17	\$ 81,250	Deputy DA at Family Justice Ctr	Total cost est @ \$131,250; first year cost supported by one-time savings in DA's budget
<b>DA Total</b>		\$ 81,250		
Finance	FY16-17	\$ 150,000	Grants Manager Position	The first two years were covered by the General Fund, then the cost was incorporated into the cost allocation
Finance	FY16-17	\$ 204,000	Performance Clackamas & Fin/Payroll Implementation	The first two years were covered by the General Fund, then the cost was incorporated into the cost allocation
<b>Finance Total</b>		\$ 354,000		
Health Housing & Human Services (H3S)	FY18-19	\$ 1,200,000	Housing and homelessness: establish an Affordable Housing Development Fund, Housing Services Fund, and for planning, analysis, and reporting.	Review if Metro housing bond passes
Health Housing & Human Services (H3S)	FY16-17	\$ 231,000	Workforce Services for Barriered Groups	Community Solutions
Health Housing & Human Services (H3S)	FY15-16	\$ 250,000	Veterans housing	Social Services
Health Housing & Human Services (H3S)	FY15-16	\$ 84,100	Mt. Express staffing & Admin Analyst position	Social Services
Health Housing & Human Services (H3S)	FY15-16	\$ 50,000	Child abuse - Family Stepping Stone & Healthy Families	Children Youth & Families
Health Housing & Human Services (H3S)	FY14-15	\$ 40,450	Unreimbursed costs related to A Safe Place	Children Youth & Families
Health Housing & Human Services (H3S)	FY14-15	\$ 60,000	increase Veterans workforce program	Community Solutions
<b>Health Housing &amp; Human Services (H3S) Total</b>		\$ 1,915,550		
Human Resources	FY16-17	\$ 112,000	HR Analyst – recruitment focus	The first two years were covered by the General Fund, then the cost was incorporated into the cost allocation
Human Resources	FY15-16	\$ 217,459	HR analyst & HR resources coordination positions	The first two years were covered by the General Fund, then the cost was incorporated into the cost allocation
<b>Human Resources Total</b>		\$ 329,459		
Juvenile	FY15-16	\$ 43,200	Parenting curriculum for Juvenile Justice families	
Juvenile	FY15-16	\$ 62,417	FTE Prevention/Vocational Enhancements	
Juvenile	FY15-16	\$ 48,434	crisis shelter for Juvenile Justice youth	
Juvenile	FY14-15	\$ 152,919	Reinstate 2 shelter beds; add 7 treatment beds; add service learning work crews	
<b>Juvenile Total</b>		\$ 306,970		
Non-D	FY15-16	\$ 200,000	Family Justice Center	
<b>Non-D Total</b>		\$ 200,000		
PGA	FY14-15	\$ 174,826	Web content editor and administrative assist	The first two years were covered by the General Fund, then the cost was incorporated into the cost allocation
<b>PGA Total</b>		\$ 174,826		

ATTACHMENT G

Five year Summary of Approved Ongoing Policy Level Proposals

Department	Fiscal Year	Ongoing Funding	Purpose	Notes To Date
			Hire 6 Deputies to achieve full utilization of 26 additional jail beds (8 of which are medical beds for those with mental health and medical needs). Includes inmate costs such as meals	
Sheriff	FY18-19	\$ 1,116,509		
Sheriff	FY16-17	\$ 159,036	Sergeant at Family Justice Center	
<b>Sheriff Total</b>		\$ 1,275,545		
Tourism	FY15-16	\$ 52,000	Arts Alliance and Youth Arts diversion program	
<b>Tourism Total</b>		\$ 52,000		
Transportation & Development	FY14-15	\$ 500,000	Use General Funds to pay for allowable items to free Motor Vehicle funds to pay for road surface treatments	
<b>Transportation &amp; Development Total</b>		\$ 500,000		
Various	FY18-19	\$ 1,116,578	H3S, DTD, Sheriff & DA: code enforcement, prevention education, community partnerships, law enforcement and interdiction	offset by marijuana tax revenue from the State
<b>Various Total</b>		\$ 1,116,578		
<b>Grand Total</b>		\$ 6,578,130		

Sum of Ongoing Funding	Column Labels				
Row Labels	FY14-15	FY15-16	FY16-17	FY18-19	Grand Total
Assessor		\$ 71,952			\$ 71,952
Business & Community Services (BCS)	\$ 40,000		\$ 40,000		\$ 80,000
County Counsel		\$ 120,000			\$ 120,000
DA			\$ 81,250		\$ 81,250
Finance			\$ 354,000		\$ 354,000
Health Housing & Human Services (H3S)	\$ 100,450	\$ 384,100	\$ 231,000	\$ 1,200,000	\$ 1,915,550
Human Resources		\$ 217,459	\$ 112,000		\$ 329,459
Juvenile	\$ 152,919	\$ 154,051			\$ 306,970
Non-D		\$ 200,000			\$ 200,000
PGA	\$ 174,826				\$ 174,826
Sheriff			\$ 159,036	\$ 1,116,509	\$ 1,275,545
Tourism		\$ 52,000			\$ 52,000
Transportation & Development	\$ 500,000				\$ 500,000
Various				\$ 1,116,578	\$ 1,116,578
<b>Grand Total</b>	<b>\$ 968,195</b>	<b>\$ 1,199,562</b>	<b>\$ 977,286</b>	<b>\$ 3,433,087</b>	<b>\$ 6,578,130</b>

ATTACHMENT H

Yellow Cells To Be Updated

\*Data as of 12/31/2019

Job Title	Sum of Annual Salary					Sum of Headcount					Date Became Vacant	Expected Start Date	Recruitment Status	Justification for Carryover		
	FILLED		VACANT			FILLED		VACANT								
	Limit Term	Regular	Temp & Seasonal	Regular	Temp & Seasonal	TOTAL	Limit Term	Regular	Temp & Seasonal	Regular					Temp & Seasonal	TOTAL
<b>7543 - Budget Support</b>		\$ 231,179	\$ -	\$ 192,545	\$ -	\$ 423,724		3		2		5				
Budget Analyst, Senior		\$ 87,900				87,900		1				1				
Blaze Riggins		\$ 87,900				52,152		1				1				
Budget Coordinator		\$ 143,279		\$ 75,593		218,872		2		1		3				
--- VACANT ---				\$ 75,593		75,593				1		1	11/27/2019		SELECT HERE	
Jian Zhang		\$ 71,567				71,567		1				1				
Roxann Fisher		\$ 71,712				71,712		1				1				
Budget Manager				\$ 116,952		116,952				1		1				
--- VACANT ---				\$ 116,952		116,952				1		1	11/7/2019		SELECT HERE	
<b>Grand Total</b>		\$ -	\$ 231,179	\$ -	\$ 192,545	\$ -	\$ 423,724	-	3	-	2	-	5			



**PROPOSED BUDGET CALENDAR**

Blue: Departments
Yellow: Budget Team/ Dept
Tan: Proposed Budget to Administrator
Orange: Budget Committee
Green: Board of Commissioners
Red: Budget Office

January						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

January 8: EMT Budget Plan & Calendar Review

January 22: Department Budget Kick Off Mtg

February						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

February 5: Year End FY19/20 Projections Due

February 25: Department Budgets & Cuts Due

February 26: Budget Committee Quarterly Meeting

March						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 27- March 12: Budget office and department collaboration

March 16 - April 3: County Administrator's review of proposals with Department Directors

April						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

April 6 - 10: Proposed Budget Feedback to Departments

April 13 - 24: Balance and Complete FY20-21 Proposed Budget

April 22: Budget Committee Meeting

April 27: Send out Proposed Budget Books

May						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

May 4 & 5: County Proposed Budget presentation to Budget Committee

May 13 & 14: Public Comment and deliberation - Approval of the Budget

May 26: Agencies & Service Districts Proposed Budget Presented to Budget Committee

June						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

June 11: Budget Adoption at BCC Business Meeting

June 25: Budget Adoption continued if necessary at BCC Business Meeting

## Budget Committee Priorities May 28 – June 4, 2019

Balloon Payment on Loan for Tri-Met Contribution

Budget Policies/Guidelines (no 1-time money for ongoing programs, full cost recovery on charges & BCS guidelines)

Business License Fee (policy session is scheduled)

Change TRT Ordinance to Allow More Resources for Fairground Mtnc.

Children's Levy

Climate Action Plan

Equal Pay Act

Focus Spending in Equity Zones

Housing Projects

Internet Access for All

Jobs-Housing Balance

Land Use: Comprehensive Plan Updates

Mixed Use Housing

New Courthouse

Oak Grove & Gladstone Libraries

Over Expenditures

Reduce Homelessness

Sunrise Corridor

Willamette Falls Legacy Project & Locks

Could also extrapolate from small grants and nonprofit contributions

Facility's Needs: Maintenance, Adequate Staffing

Technology:

- ERP – FY 2020-21
- Budget Software – in FY 2019-20
- Elections – New Software in 2-3 Years
- Assessor
- In general – Financing for technology improvements to allow for ongoing staffing reductions and/or increased efficiencies

Sustainable Budget Going Forward:

- Revenue Opportunities
- Rightsizing Expenditures



# Performance Clackamas County Plan

## January 2020 Update

Board decisions will be informed by managing for results performance information for ongoing operations.

### Grow a Vibrant Economy

- By 2024, 80% of employers within targeted clusters surveyed will report that an adequately trained workforce is available to fill their family wage jobs.
- By 2024, 80% of businesses that pay family wage jobs seeking to locate or expand in Clackamas County will find serviceable commercial or industrial properties which meet their particular business needs.
- By 2024, 75% of participants in the Community Prosperity pilots have experienced improvement in financial stability and access to affordable, healthy foods.

### Build a Strong Infrastructure

- By 2024, funding for the next Phase (from 122nd-172nd) of the Sunrise Gateway multimodal corridor improvements will be committed from federal, state, and/or regional funding sources.
- By 2024, funding for the Interstate 205 (I-205) Widening and Seismic Improvements Project, including the Abernethy Bridge, will be committed from federal, state, and/or regional funding sources.

### Ensure Safe, Healthy and Secure Communities

- By 2024, 80% of victims of domestic violence will not experience further abuse following their initial report.

- By 2025, 1,500 affordable housing units will be developed\*. Those units will be stratified

Lead responsibility	Units	AMI
All County	700	61-110%
Mostly H3S	800	0-60%

\* Included in the overall count are rehabbed units, and units at various construction phases (Viable, Committed, In Development, and Completed).

across Area Median Income (AMI) ranges as shown above.

Reduce chronic homelessness as evidenced:

- By 2023, 30% reduction of chronically homeless people on the Coordinated Housing Access waitlist.
- By 2023, 30% reduction in homeless children and youth (24 and under) on the Coordinated Housing Access waitlist.

### Honor, Utilize, Promote and Invest in our Natural Resources

- By January 2022, a Climate Action plan is adopted for our community with specific recommendations to reach the goal of being carbon neutral by 2050.

### Build Public Trust through Good Government

- By 2023, build a new County Courthouse.
- By 2021, the county's budget will be 100% tied to results with transparency to the public.

### Key Initiatives

- Pollination Policy Initiative, including a Hub to share information to government and private landowners.
- Growing the Mass Timber industry in Clackamas County, which creates family wage jobs.
- Being a catalyst and a convener to stimulate the development of Workforce Housing for those with 60% or less of the Area Median Income.
- Making high speed internet available throughout the County.

### Policy Perspectives

- Equity, Diversity, and Inclusion
- Carbon Neutrality, including developing and implementing a Climate Action Plan
- Healthy and Active Lifestyle, guiding housing, transportation, and land use policies and decisions
- Family Stability, including an emphasis on issues of domestic violence, homelessness and workforce development