

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

Policy Session Worksheet

Presentation Date: Jan 19, 2022 **Approx. Start Time:** 10:00 am **Approx. Length:** 1.0 hours

Presentation Title: Monthly Budget Committee Meeting

Department: Finance and County Administration

Presenters: Gary Schmidt County Administrator; Elizabeth Comfort Finance Director, Sandra Montoya Budget Manager

Other Invitees: Community members of the Budget Committee; Blaze Riggins, Sr Budget Analyst; Jian Zhang and Roxann Fisher, Budget Analysts; Priscilla Montoya, Budget Coordinator

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

This is an informational meeting regarding current finance projects and updates.

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.

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:

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

OPTIONS:

NA – Informational meeting.

RECOMMENDATION:

NA – Informational meeting.

ATTACHMENTS:

Attachment: Meeting Agenda and Supporting Documents

SUBMITTED BY:

Division Director/Head Approval ____

Department Director/Head Approval ____

County Administrator Approval _____

| |
|---|
| For information on this issue or copies of attachments, please contact Blaze Riggins @ briggins@clackamas.us |
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Budget Committee Meeting
Wednesday, January 19th, 2022
10:00 am – 11:00 am
via Zoom Meeting

Budget Committee:

Board members: Chair Tootie Smith, Commissioners; Sonya Fischer, Paul Savas, Martha Schrader, and Mark Shull

Public members: Jan Lee and Wilda Parks

Staff:

County Administrator Gary Schmidt, Finance Director Elizabeth Comfort, Budget Manager Sandra Montoya, Senior Budget Analyst Blaze Riggins

Agenda

1. 2050 General Fund Forecast
2. FY22-23 Budget Planning Calendar
3. Budget Committee Vacancy Update

Attachments:

Discussion Documents:

- Summary - 2050 General Fund Forecast (Page1)
- FY22-23 Budget Planning Calendar (Page 2)

For Review:

- FTE Report Nov 2021 – Trailing 13 Month Overtime (Page 3)
- FTE Report Nov 2021 – YTD FTE Actual vs Budget (Page 4)
- FTE Report Nov 2021 – YTD Vacancy Salary Savings (Page 5)

Summary - 2050 General Fund Forecast With Strategic Reduction Scenario

Excludes Amounts Related to GO Bond (C800)

| | Actuals | Projected | Projected | Forecast Yr 1 | Forecast Yr 2 | Forecast Yr 3 | Forecast Yr 4 | Forecast Yr 5 | Forecast Yr 6 | | Forecast Yr 26 | Forecast Yr 27 | Forecast Yr 28 |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--|---------------------|---------------------|---------------------|
| | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | | FY 47-48 | FY 48-49 | FY 49-50 |
| Beginning Fund Balance | 50,627,960 | 58,807,978 | 67,854,581 | 67,033,078 | 50,264,585 | 44,062,036 | 48,922,199 | 47,426,539 | 46,007,668 | | 69,050,591 | 68,590,765 | 70,105,776 |
| Operating Revenue | 206,377,101 | 213,444,369 | 216,431,723 | 224,475,087 | 232,095,396 | 239,472,150 | 247,209,013 | 255,345,233 | 263,772,200 | | 529,366,560 | 548,539,407 | 568,494,075 |
| Operating Expense | 197,952,779 | 200,341,945 | 209,734,498 | 224,415,081 | 231,515,695 | 239,144,796 | 247,869,058 | 255,758,287 | 267,728,732 | | 524,741,648 | 541,716,176 | 563,858,650 |
| Net Operating Income (Loss) | 8,424,322 | 13,102,424 | 6,697,225 | 60,007 | 579,701 | 327,354 | (660,046) | (413,055) | (3,956,532) | | 4,624,912 | 6,823,230 | 4,635,425 |
| InterFund Loan with WES | 244,303 | 512,455 | | | | | | | | | | | |
| Special Projects - Juvenile Modular | | | | | 110,250 | | | | | | | | |
| Special Projects - WIC | | | | | 750,000 | | | | | | | | |
| Special Projects - BH Clinic Relocation | | | 1,500,000 | 1,500,000 | | | | | | | | | |
| Capital Projects | | | 3,418,728 | 2,500,000 | 2,565,000 | 2,631,690 | 2,700,114 | 2,770,317 | 2,842,345 | | 4,749,239 | 4,872,719 | 4,999,410 |
| Road Improvements / Traffic Study | | | | 5,250,000 | 8,800,000 | | | | | | | | |
| Library Buildings (Gladstone & Oak Lodge) | | | | 12,500,000 | | | | | | | | | |
| Courthouse Capital and Additional O&M | | | 2,600,000 | | 4,400,000 | 7,600,000 | 12,900,000 | 13,000,000 | 13,100,000 | | 15,100,000 | 15,200,000 | 15,300,000 |
| Non Operating & Special Project Expenses | 244,303 | 512,455 | 7,518,728 | 21,750,000 | 16,625,250 | 10,231,690 | 15,600,114 | 15,770,317 | 15,942,345 | | 19,849,239 | 20,072,719 | 20,299,410 |
| Revenue Less Expenses | 8,180,019 | 12,589,969 | (821,503) | (21,689,993) | (16,045,549) | (9,904,336) | (16,260,160) | (16,183,371) | (19,898,877) | | (15,224,327) | (13,249,489) | (15,663,985) |
| Cumulative Strategic Cost Reductions | | | | (4,921,500) | (9,843,000) | (14,764,500) | (14,764,500) | (14,764,500) | (14,764,500) | | (14,764,500) | (14,764,500) | (14,764,500) |
| Rev Less Exp With Strategic Reductions | 8,180,019 | 12,589,969 | (821,503) | (16,768,493) | (6,202,549) | 4,860,164 | (1,495,660) | (1,418,871) | (5,134,377) | | (459,827) | 1,515,011 | (899,485) |
| Ending Fund Balance | 58,807,978 | 71,397,947 | 67,033,078 | 50,264,585 | 44,062,036 | 48,922,199 | 47,426,539 | 46,007,668 | 40,873,291 | | 68,590,765 | 70,105,776 | 69,206,291 |
| Total Contingency & Reserves Requirement | 24,967,502 | 25,530,900 | 26,706,714 | 28,061,123 | 29,061,998 | 30,061,997 | 31,138,283 | 30,364,486 | 31,583,366 | | 64,311,463 | 66,597,021 | 69,195,577 |
| Fund Balance Net of Reserve Requirements | 33,840,476 | 45,867,047 | 40,326,364 | 22,203,462 | 15,000,038 | 18,860,202 | 16,288,256 | 15,643,182 | 9,289,924 | | 4,279,302 | 3,508,755 | 10,714 |

ASSUMPTIONS

- Contingency (5% of operating \$) and Reserves (10% of taxes and fees) are maintained at the policy level
- Funds in excess of Contingency and Reserves are used to mitigate reductions
- PERS increase alternating fiscal years at 8.0% and 1.5%
- Property assessed value growth of 3.8% beginning in year 3
- CPI growth of 2.6% beginning in year 1
- Includes 4.5% COLA increase in FY22-23
- FY 27-28 balloon payment of \$6.7M
- Includes an upfront payment for library buildings (vs. bond payments) which saves approximately \$7 million over time or \$230,00/year
- \$14 million in road improvements related to upcoming traffic study
- \$1.56 million for FY21-22 and \$3.14 million for FY22-23 Equal Pay Act adjustments covered in full by General Fund

STRATEGIC REDUCTIONS NOTES

- Strategic reductions are calculated to provide a glide path over three years. The goal is to ensure financial sustainability over the next 30 years.
- Reductions are needed to cover the costs of capital projects
- Reductions reflect on-going reductions to programs/services (vs. one-time)
- Reductions occur primarily in Years 1, 2 and 3
- Reductions are shown cumulatively taking into account reductions from prior years

FY 2022-23 BUDGET PLANNING CALENDAR
Updated 12-28-21

| |
|-------------------------------|
| Blue: Departments |
| Tan: Budget to Administrator |
| Orange: Budget Committee |
| Green: Board of Commissioners |
| Red: Budget Office |
| Gray: Holiday |

| Jan-22 | | | | | | |
|--------|----|----|----|----|----|----|
| 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 | | | | | |

Jan 4: County Administrator approve Cost Allocation departments' budget
Jan 6: 2nd Quarter Supplemental budget before BCC
Jan 10: Budget Kickoff Meeting
Jan 17: MLK Jr Day
Jan 19: Quarterly Budget Committee Meeting

| Feb-22 | | | | | | |
|--------|----|----|----|----|----|----|
| 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 | | | | | |

Feb 2: 3rd Quarter Supplemental Budget Requests due to Budget Office
Feb 11: Preliminary FY21-22 Projections and FY22-23 Proposed Budgets due
Feb 21: President's Day holiday
Feb 25: OpenGov **1)** FY21-22 Projections, **2)** FY22-23 Proposed Budgets
3) MFR Dept Budget Summary, **4)** MFR Dept Budget Summary by Fund,
5) Dept Summary of Revenue and Expense
Feb 28: Instructions and template for BC presentations emailed

| Mar-22 | | | | | | |
|--------|----|----|----|----|----|----|
| 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 | | |

Mar 3: 3rd Quarter Supplemental budget before BCC
Mar 7: 2nd General Fund Support Transfer (actuals through 12/31/21)
Mar 14 - 24: FY22-23 Proposed budget reviews with County Administrator
Mar 28: Supporting documentation due (fund narratives, org charts, CIP sheets)

| Apr-22 | | | | | | |
|--------|----|----|----|----|----|----|
| 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 |

Apr 5: County Administrator final approval of FY22-23 Proposed budgets
Apr 20: Quarterly Budget Committee Meeting
Apr 22: FY22-23 Proposed budget presentations due from departments

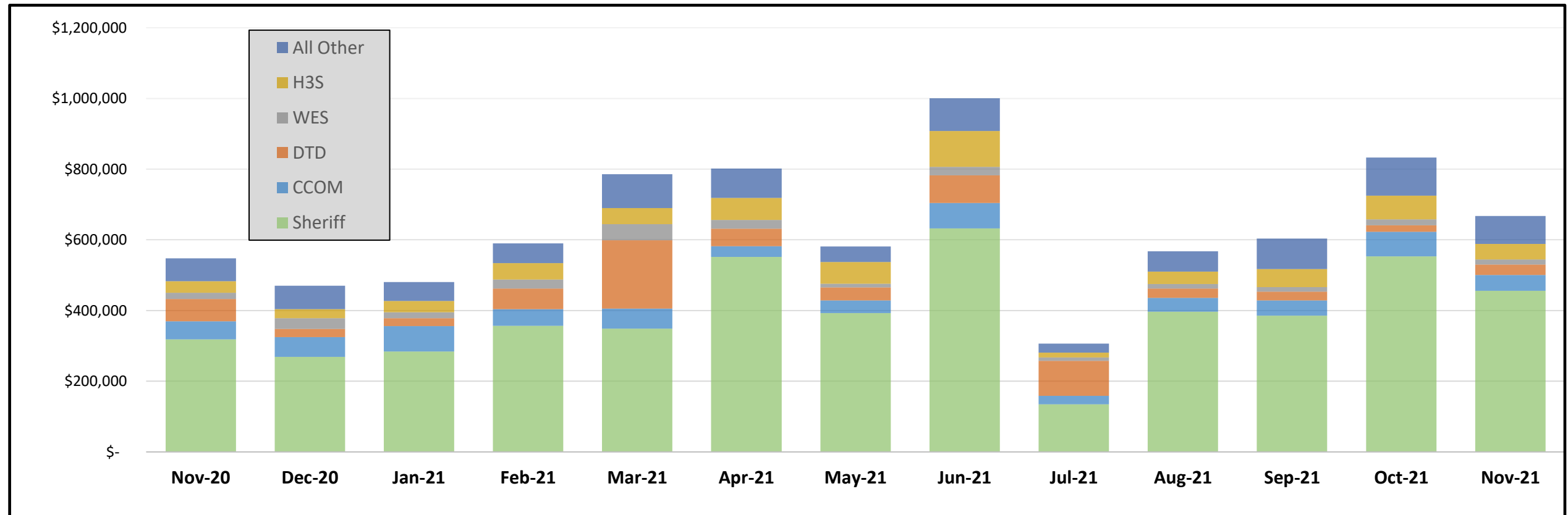
| May-22 | | | | | | |
|--------|----|----|----|----|----|----|
| Su | Mo | Tu | We | Th | Fr | Sa |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

May 11: FY22-23 Proposed budget packets delivered to Budget Committee
May 19: 4th Quarter Supplemental Budget Request due to Budget office
May 23 - 26: FY22-23 presentations to Budget Committee
May 30: Memorial Day holiday

| Jun-22 | | | | | | |
|--------|----|----|----|----|----|----|
| 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 | | |

Jun 9: FY22-23 BCC Budget Adoption
Jun 15: 3rd General Fund Support Transfer (actuals through 3/31/22)
Jun 23: 4th Quarter Supplemental budget before BCC
Sep 1: 4th General Fund Support Transfer (actuals through 6/30/22)

Trailing 13 Month Overtime By Department



| Departments | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 |
|-------------|------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|------------|
| All Other | \$ 65,114 | \$ 66,010 | \$ 53,087 | \$ 55,536 | \$ 96,183 | \$ 83,114 | \$ 43,451 | \$ 92,925 | \$ 25,660 | \$ 57,661 | \$ 86,445 | \$ 108,244 | \$ 78,847 |
| H3S | \$ 32,382 | \$ 25,736 | \$ 32,043 | \$ 47,023 | \$ 44,834 | \$ 62,514 | \$ 61,970 | \$ 101,479 | \$ 13,577 | \$ 34,629 | \$ 50,933 | \$ 67,161 | \$ 44,488 |
| WES | \$ 18,032 | \$ 29,921 | \$ 16,881 | \$ 25,184 | \$ 45,845 | \$ 24,615 | \$ 10,625 | \$ 23,332 | \$ 9,634 | \$ 12,737 | \$ 12,595 | \$ 16,301 | \$ 14,085 |
| DTD | \$ 62,583 | \$ 23,571 | \$ 22,132 | \$ 58,615 | \$ 193,155 | \$ 49,050 | \$ 36,042 | \$ 78,621 | \$ 98,827 | \$ 26,889 | \$ 24,990 | \$ 18,832 | \$ 29,674 |
| CCOM | \$ 51,168 | \$ 55,632 | \$ 71,868 | \$ 46,598 | \$ 57,132 | \$ 31,074 | \$ 35,949 | \$ 72,102 | \$ 23,777 | \$ 39,358 | \$ 42,933 | \$ 69,311 | \$ 44,597 |
| Sheriff | \$ 318,589 | \$ 269,107 | \$ 284,263 | \$ 357,031 | \$ 348,550 | \$ 551,282 | \$ 393,017 | \$ 632,024 | \$ 134,888 | \$ 396,306 | \$ 385,537 | \$ 553,087 | \$ 455,757 |
| Grand Total | \$ 547,869 | \$ 469,976 | \$ 480,273 | \$ 589,986 | \$ 785,699 | \$ 801,649 | \$ 581,054 | \$ 1,000,483 | \$ 306,363 | \$ 567,580 | \$ 603,433 | \$ 832,936 | \$ 667,449 |

The above 5 departments' overtime costs represent approximately 90% of the total of county-wide overtime.

Clackamas County
FY2021-22 FTE YTD Actual Vs Budget as of 11-30-21

| Department | FY22 Adopted Budget Total FTE | Actuals As of 11-30-2021 | | | | Total FTE Variance to Budget Explanation |
|--|-------------------------------------|--------------------------|--------------|----------------|---------------------|--|
| | | Filled FTE | Vacant FTE | Total FTE | Change vs Budget | |
| Assessment & Taxation | 60.0 | 57.0 | 4.0 | 61.0 | 1.0 | 1 new Property Appraiser |
| Business & Community Services (BCS) | 42.5 | 37.0 | 6.5 | 43.5 | 1.0 | 1 new Admin Services Mgr |
| Clackamas 911 (CCOM) | 55.8 | 49.0 | 7.0 | 56.0 | 0.3 | |
| Community Corrections | 96.0 | 82.0 | 14.0 | 96.0 | - | |
| County Administration | 27.0 | 28.5 | 0.5 | 29.0 | 2.0 | 1 new Senior Tourism Specialist, 1 Project Manager |
| County Clerk | 19.0 | 16.0 | 3.0 | 19.0 | - | |
| County Counsel | 12.8 | 12.8 | | 12.8 | - | |
| Disaster Management | 15.8 | 10.8 | 7.0 | 17.8 | 2.0 | 1 Community Relations Spec, 1 Management Analyst |
| District Attorney (DA) | 82.7 | 78.7 | 6.0 | 84.7 | 2.0 | 1 new Victim Advocate, 1 legal assistant |
| Finance / Facilities | 97.7 | 85.7 | 13.5 | 99.2 | 1.5 | 1 new office specialist |
| Health, Housing & Human Services (H3S) | 679.4 | 605.7 | 103.8 | 709.5 | 30.1 | several types of new positions |
| Human Resources (HR) | 43.0 | 38.0 | 7.0 | 45.0 | 2.0 | 2 new Human Resource Analysts |
| Justice Court | 7.0 | 6.0 | 1.0 | 7.0 | - | |
| Juvenile Department | 45.0 | 37.0 | 8.0 | 45.0 | - | |
| Law Library | 2.4 | 1.9 | 0.5 | 2.4 | - | |
| Misc/Pass-Through | 154.5 | 135.5 | 19.0 | 154.5 | - | |
| Public & Government Affairs (PGA) | 22.0 | 20.0 | 3.5 | 23.5 | 1.5 | 1 new PT Community Relations Specialist |
| Resolution Services | 6.8 | 6.8 | - | 6.8 | - | |
| Sheriff's Office (CCSO) | 457.0 | 417.0 | 42.0 | 459.0 | 2.0 | 1 new Office Specialist, 1 new Deputy Sheriff |
| Technology Services (TS) | 55.0 | 49.0 | 7.0 | 56.0 | 1.0 | 1 new Sr IT Administrator |
| Transportation & Development (DTD) | 301.7 | 254.7 | 47.0 | 301.7 | - | |
| Treasurer's Office | 7.0 | 7.0 | - | 7.0 | - | |
| Grand Total | 2,290.1 | 2,036.1 | 300.3 | 2,336.4 | 46.3 | |

The adopted Full-Time Equivalent (FTE) count is compared to the current FTE. Changes vs Budget are detailed in the Notes Column.

Clackamas County
FY21-22 YTD FTE Vacancy Salary Savings as of 11-30-21

| Department | Actuals As of 11-30-2021 | | |
|--|--------------------------|--------------|---------------------|
| | Total FTE | Vacancy Rate | YTD Salary Savings |
| Law Library | 2.4 | 20.9% | \$ 20,588 |
| Resolution Services | 6.8 | 0.0% | \$ - |
| Justice Court | 7.0 | 14.3% | \$ 11,283 |
| Treasurer's Office | 7.0 | 0.0% | \$ - |
| County Counsel | 12.8 | 0.0% | \$ - |
| Disaster Management | 17.8 | 39.3% | \$ 210,961 |
| County Clerk | 19.0 | 15.8% | \$ 98,612 |
| Public & Government Affairs (PGA) | 23.5 | 14.9% | \$ 52,763 |
| County Administration | 29.0 | 1.7% | \$ 37,737 |
| Business & Community Services (BCS) | 43.5 | 14.9% | \$ 305,957 |
| Human Resources (HR) | 45.0 | 15.6% | \$ 226,928 |
| Juvenile Department | 45.0 | 17.8% | \$ 307,417 |
| Technology Services (TS) | 56.0 | 12.5% | \$ 229,959 |
| Clackamas 911 (CCOM) | 56.0 | 12.5% | \$ 267,931 |
| Assessment & Taxation | 61.0 | 6.6% | \$ 77,058 |
| District Attorney (DA) | 84.7 | 7.1% | \$ 129,418 |
| Community Corrections | 96.0 | 14.6% | \$ 305,074 |
| Finance / Facilities | 99.2 | 13.6% | \$ 404,373 |
| Misc/Pass-Through | 154.5 | 12.3% | \$ 597,602 |
| Transportation & Development (DTD) | 301.7 | 15.6% | \$ 1,243,815 |
| Sheriff's Office (CCSO) | 459.0 | 9.2% | \$ 1,368,845 |
| Health, Housing & Human Services (H3S) | 709.5 | 14.6% | \$ 2,605,485 |
| Grand Total | 2,336.4 | 12.9% | \$ 8,501,806 |

