

Clackamas County

Water Environment Services

Surface Water Management Committee of
Clackamas County

June 6, 2016

2016-17 Budget Review

Water Environment Services (WES)

FY 2016-17 Budget Presentation
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The mission of WES is to provide resource recovery and watershed protection services to our community so they can live, work, and play in a healthy environment.

WES

Administration

Office of the Director

Human Resources

Budget and Financial Planning

Customer Service and Outreach

Communications

Customer Service

Utility Billings

Wastewater and Stormwater Permits

Operations

Environmental Monitoring

Resource Recovery

Wastewater Treatment

Wastewater Infrastructure Maintenance and Repair

Watershed Protection

Planning and Capital Delivery

Capital Delivery

Information Management

Regulatory Management and Compliance

Administration

- By 2016, a decision will be made regarding the governance and/or co-investment strategy for the Tri-City and CCSD #1 districts, which allow for each district to benefit from the maximum practical economy of scale.
- By 2017, WES will establish a rate setting strategy that ensures no more than a 10% rate increase in any given year.
- By 2017, employees know what is expected of them and be evaluated consistent with annual work plans aligned to the Strategic Business Plan.
- Total Line of Business Budget
 - CCSD No. 1 \$1,847,564
 - TCSD \$448,417
 - SWMACC 26,638\$2,322,619
- General Fund support \$0
- Other sources of revenue
 - Service Fees \$2,322,619

Significant Issues/Changes: Financial planning once co-investment strategy decided.

Customer Service and Outreach

- 99% of customers are billed appropriately.
 - 90% of inspected businesses are in compliance with discharge rules.
 - 75% of customers say they had a positive customer service experience.
 - Total Line of Business Budget
 - CCSD No. 1 \$2,672,023
 - TCSD \$474,790
 - SWMACC 25,779
- | | |
|----------------------------|-------------|
| | \$3,172,592 |
| • General Fund support | \$0 |
| • Other sources of revenue | |
| ○ Service Fees | \$3,172,592 |

Significant Issues/Changes:

Operations

- 100% free from discharge violations.
 - 90% of maintenance performed that is preventative vs. corrective.
 - 50% of district streams are healthy.
 - Total Line of Business Budget
 - CCSD No. 1 \$10,612,926
 - TCSD \$5,786,227
 - SWMACC 121,787
- \$16,520,940
- General Fund support \$0
 - Other sources of revenue
 - Service Fees \$16,520,940

Significant Issues/Changes:

Planning and Capital Delivery

- By June 2016, Clackamas County will have a comprehensive Plan in place that will achieve sewer improvements and funding to support the expected regional 20-year growth horizon.
- By 2017 and year-over-year thereafter, WES will provide its partner communities the wastewater infrastructure capacity required to support a minimum of 5 years or projected growth.
- 100% of compliance strategy measures are fully implemented.
- Total Line of Business Budget
 - CCSD No. 1 \$2,696,321
 - TCSD \$940,512
 - SWMACC \$28,756
 - \$3,665,589
- General Fund support \$0
- Other sources of revenue
 - Service Fees \$3,665,589

Significant Issues/Changes: Program also responsible for \$17.0 million capital budget.

Department-wide Budget Overview

- Total departmental budget
 - CCSD No. 1 \$92.1 million
 - TCSD \$20.7 million
 - SWMACC \$0.7 million
- Total General Fund support = \$0
- Other revenue source/s:
 - Monthly Service Fees
 - Miscellaneous Service Fees
- Major expenditure categories:

○ Operations	\$25.7 million	23%
○ Capital Outlay	\$17.0 million	15%
○ Debt Service	\$7.7 million	7%
○ Contingencies, Reserves	\$63.0 million	55%

Financial Trends

- Revenue trends
 - Steady growth due to fee increase and customer growth
- Expenditure trends
 - Overall operations and maintenance costs are approximately flat this year.
- Capital Outlay
 - Anticipating significant growth over the next several years due to solids handling capacity needs and asset replacement.
- FTE:
 - FY 2015-16 total FTE = 107
 - FY 2016-17 total FTE = 105
 - Transfer of the Soils Group (4 FTE) to DTD and a request for two new positions (Purchasing Liaison and Process Engineer).

Major Themes

- Generally similar to 2015-16 Budget
- Operations and Maintenance increase of \$70,000
 - To support stormwater infrastructure mapping and maintenance efforts, and for projects such as building structural controls and restoration activities.
- Monthly service fee to remain constant at \$4.00/ESU/month

QUESTIONS?

www.Clackamas.us/WES