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Щоб попросити переклад або спеціальні послуги для осіб з особливими потребами, зверніться до нас, скориставшись такими контактними даними: **bcc@clackamas.us | 503-655-8581**.

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Clackamas County
www.clackamas.us

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: April 21, 2026 **Approx. Start Time:** 2:30pm **Approx. Length:** 30 minutes

Presentation Title: Cost Recovery for Fines, Fees, and Revenue Agreements Policy (Amended)

Department: Finance

Presenters: Elizabeth Comfort, Finance Director, Cindy Becker, Project Manager

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff is requesting Board approval of the amended Cost Recovery for Fines, Fees, and Revenue Agreements Policy.

EXECUTIVE SUMMARY:

The Cost Recovery policy was approved in June 2020 and amended/approved by the Board in December 2024. The December amendments clarified cost recovery intent and standardized the process for increases.

Additional policy changes are being requested to do the following:

- Add the exception for the District Attorney's office pursuant to ORS 8.705
- Clarify which Consumer Price Index will be used (CPI-U, West Region December)
- Include penny elimination rounding language consistent with the Treasurer's language

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO N/A, Policy Review Only

What is the cost? \$ N/A

What is the funding source? N/A

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department's Strategic Business Plan goals?
 - Transparency in cost recovery
- How does this item align with the County's Performance Clackamas goals?
 - Public trust in good government

LEGAL/POLICY REQUIREMENTS:

N/A

PUBLIC/GOVERNMENTAL PARTICIPATION:

N/A

OPTIONS:

- Option 1: Board approval of the amended policy as presented
- Option 2: Board approval of the amended policy with modifications
- Option 3: Board does not approve the amended policy.

RECOMMENDATION:

Staff respectfully recommends Option 1: Board approval of the amended policy as presented.

ATTACHMENTS:

- Cost Recovery Policy with redlined edits
- Final Cost Recovery Policy

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____ Elizabeth Comfort

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Jennifer Johnson @ 503-742-5400
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<input checked="" type="checkbox"/>	Administrative Policy
<input type="checkbox"/>	Operational Policy

Clackamas County Policy

Name of Policy	Cost Recovery for Fines, Fees, and Revenue Agreements	Policy #	FIN- 1.100
Policy Owner Name	Elizabeth Comfort	Effective Date	June 1, 2020
Policy Owner Position	Finance Director	Approved Date	April 28, 2020
		Amended Date	December, 2024 January 2026
Approved By	Board of County Commissioners	Next Review Date	December, 2027 ⁹

I. PURPOSE AND SCOPE

The purpose of this policy is to set forth long-term financially sustainable practices for cost recovery and preservation of the County’s discretionary funds.

This policy applies to all County departments, Districts, and Elected Officials.

Exception: ORS 8.705 states that the District Attorney’s Office is responsible for their own written policy that includes discovery fees.

II. AUTHORITY

ORS 203.035 authorizes the Board of County Commissioners to promulgate policies for the management and operation of Clackamas County Government.

III. GENERAL POLICY

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

IV. DEFINITIONS

- a. Cost recovery – Refers to the requirement for the organization to ensure that regular resources are not used to subsidize programs.
- b. CPI – Consumer Price; ~~Index~~ West Region Size A CPI-U, West Region December
- 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 cost recovery.
- 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 – a suite of services provided by county staff or contractors.
- 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) that is not directly attributable to a service or program.

V. POLICY GUIDELINES

a. Rate Increases

The Board of County Commissioners sets rates annually by resolution. Unless otherwise approved by the Board for specific programs or services, fees and fines will automatically increase up to 3% consistent with the current amount of the Consumer Price Index for the Western United States (CPI): CPI-U, West Region December. If the CPI increases more than 3%, the Board of County Commissioners shall decide whether to increase fees/fines accordingly.

1. Requests to Increase Fees/Fines above the Board authorized Percentage

Only the Board has the authority to grant an exception to increase fees/fines more than the Board's authorized increase. Instances in which the Board will consider exceptions are as follows:

- a.) Fees Outside of the County's Control Instances where the County has no control over rate setting, such as fees/fines established by the State of Oregon or the County has entered into a legally enforceable agreement that cannot be renegotiated.
- b.) Inability to increase fees will result in significant reduction or the elimination of services.

2. Requests to Increase Fees/Fines below the Board authorized Percentage

Department may request to keep their fees/fines flat or less than the Board authorized percentage for programs or services that are provided for the Public Good.

b. New Programs/Services:

When proposing new programs or services, departments are required to seek approval from the Board of all proposed services, their full costs (both direct and indirect), proposed rate structure and corresponding anticipated revenues, including fees. The analysis must include a comparison of rates for similar services charged by neighboring jurisdictions and consideration of alternate service delivery options.

c. 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.

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.

d. Periodic Reviews and Changes:

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.

VI. PROCESS AND PROCEDURES

a. Requests to change fees approved by the Board:

Requests to increase fees above the Board approved percentage shall be submitted to the Board for approval. Requests must include legal mandates, if applicable, three-year funding history including rate history, regional fees, and CPI.

Requests to keep fees flat or less than the Board approved percentage shall be submitted to the Board of Commissioners for approval.

b. Requests for approval for fees/fines for new programs or services

Requests to establish fee/fines for new programs or services must be submitted to the Board for approval. Requests must include legal mandates, if applicable, ~~three~~ year~~three-year~~ funding history (if available) and regional fees. The Board may approve such requests outside of the annual rate resolution.

c. In order to account for pennies no longer being made for circulation on November 12, 2025, rounding rules are:

Round to the nearest nickel

o Example: \$5.08 becomes \$5.10

o Example: \$6.06 becomes \$6.05

- If the programs prefers to round to the quarter, it must be rounded down.

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VII. ACCESS TO POLICY

[PowerDMS](#)

VIII. ADDENDA

Clackamas County Code, Appendix A: Fees Clackamas County Code, Appendix B: Fines <https://dochub.clackamas.us/documents/drupal/bb8f8bb1-d3b8-4ad4-a964-a0f538008c85>

This policy conforms to the guidance found in the following source publication: GFOA Best Practice on Establishing Government Charges and Fees <https://www.gfoa.org/materials/establishing-government-charges-and-fees>

Actions on this Policy:	
Original Policy effective date:	June, 2020
Amended Policy effective dates:	December, 2024 January, 2026



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