

Calculations for Fiscal Year 2025/26 Anticipated Full-Time Equivalent Ratio

Background

In November 1994, voters passed an initiative to correlate the number of staff employed by the City to Gresham's population and growth. As a result, the Charter contains language which allows the City to employ up to 6.5 Full-Time Equivalent (FTE) persons per 1,000 population.

During the budget process for fiscal year 1995/96, the City Council adopted the following methodology to calculate the employee cap and the anticipated ratio:

1. Start with data regarding the population of the City of Gresham as reported by Portland State University (PSU) Center for Population and Census. Because estimates for any given year are not issued until approximately halfway through the subsequent fiscal year, an adjustment is needed to calculate the FTE cap for an upcoming fiscal year.

The adjustment to the current year's population figure will be a percentage determined by averaging the growth rate of the prior three years. This method allows for growth trends, yet balances the effect of any single year against a more historical perspective.

2. The City's FTE cap is calculated by dividing the projected population by 1,000 to determine the "per thousand" population. This number is then multiplied by 6.5 to arrive at the employee cap.
3. The City's Anticipated FTE ratio is calculated by adjusting the total budgeted FTE count downward in order to account for City employees who either provide services primarily outside of Gresham's boundaries or are funded primarily through other revenue sources. The adjustment accounts for employees such as Fire & Emergency Services staff working on contract for Fire District 10 or for the Cities of Troutdale, Fairview and Wood Village to provide suppression and emergency services outside the City's boundaries. The adjustment also reflects employees funded through external grants.

The anticipated FTE ratio is then calculated by dividing the adjusted number of FTEs by the per thousand population.

Projected Population

A. 2024 Population (PSU/Census)	115,233
B. Projected Growth (0.35% times A)	403
C. Projected July 1, 2025 Population (A plus B)	115,636

Employee Cap

D. Per Thousand Population (C divided by 1,000)	115.64
E. Employee Cap (D times 6.5)	751.66

Anticipated FTE Ratio

F. Total Budgeted FTE	691.75
G. Outside Funded FTEs (see Attachment C)	25.00
H. Adjusted 2025/26 FTE Count (F minus G)	666.75
I. FTE below Cap (E minus H)	84.91
J. Anticipated FTE Ratio (H divided by D)	5.77