

ANNOTATED MINUTES

Tuesday, May 19, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BUDGET WORK SESSION

Chair Beverly Stein convened the meeting at 9:34 a.m., with Vice-Chair Sharron Kelley and Commissioner Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

WS-1 Multnomah County Department of Aging and Disability Services 1998-99 Budget Overview and Highlights; Citizen Budget Advisory Committee Presentation; Issues and Opportunities; Questions and Answers.

JIM MCCONNELL, MARY SHORTALL, SHARON MILLER, DON CARLSON, CHRIS REISNER AND DICK FRENCH PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

The budget session was adjourned and the briefing convened at 10:25 a.m.

Tuesday, May 19, 1998 - 10:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BOARD BRIEFING

B-1 Overview of Multnomah County Fiscal Year 1998-99 Revenue Projections. Presented by Mark Campbell and Dave Warren.

DAVE WARREN AND MARK CAMPBELL PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

The briefing was adjourned at 11:05 a.m.

Wednesday, May 20, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

WORK SESSION

Chair Beverly Stein convened the meeting at 9:35 a.m., with Vice-Chair Sharron Kelley and Commissioner Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

WS-2 A Systems Approach to Alcohol and Drug Treatment For Offenders. Presented by Peter Ozanne with Dan Noelle, Elyse Clawson, Ginger Martin, Kevin Criswell and Norma Jaeger.

PETER OZANNE, GINGER MARTIN, NORMA JAEGER, JACQUELYN JAMIESON AND DAN NOELLE, PRESENTATION AND RESPONSE TO BOARD QUESTIONS, COMMENTS AND DISCUSSION.

There being no further business, the meeting was adjourned at 11:16 a.m.

Wednesday, May 20, 1998 - 6:00 PM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BUDGET HEARING

Chair Beverly Stein convened the meeting at 6:03 p.m., with Vice-Chair Sharron Kelley and Commissioner Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

PH-1 1998-99 Multnomah County Budget Overview and Opportunity for Public Testimony on the 1998-99 Multnomah County Budget with Testimony Limited to Three Minutes Per Person.

RICHARD LUCETTI TESTIMONY IN SUPPORT OF FUNDING FOR SCHOOL ATTENDANCE PROGRAM ON BEHALF OF THE HISPANIC COMMUNITY. RIC BURGER TESTIMONY IN SUPPORT OF EMERGENCY HOUSING FUNDING IN AGING AND DISABILITY SERVICES BUDGET.

PAUL KAPTUR, BYRON KELLAR AND FRED WEARN TESTIMONY IN SUPPORT OF SCHOOL FUNDING. MAXINE THOMPSON AND MARY ANNE ALLEN TESTIMONY IN SUPPORT OF SCHOOL ATTENDANCE AD HEADLICE PROGRAM FUNDING. BLAIR CRUMPACKER TESTIMONY IN SUPPORT OF SCHOOL FUNDING. BOARD COMMENTS IN APPRECIATION.

There being no further business, the meeting was adjourned at 6:30 p.m.

Thursday, May 21, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

REGULAR MEETING

Chair Beverly Stein convened the meeting at 9:37 a.m., with Vice-Chair Sharron Kelley and Commissioner Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

CONSENT CALENDAR

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, CONSENT CALENDAR ITEMS C-1, C-2 AND C-4 THROUGH C-8 WERE UNANIMOUSLY APPROVED.

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-1 ORDER Authorizing Distribution of Proceeds from the Sale of tax Foreclosed Properties for the Period July 1, 1996 through June 30, 1997

ORDER 98-58.

C-2 ORDER Authorizing Execution of Deed D981550 Upon Complete Performance of Contract 15677 with Elsie P. Flores and Billy Ray Flores

ORDER 98-59.

- C-4 ORDER Authorizing Cancellation of Land Sale Contract 15476R with Irene Haskins Upon Default of Payments and Performance of Covenants

ORDER 98-60.

- C-5 ORDER Authorizing Cancellation of Land Sale Contract 15477 with Fred Miles Upon Default of Payments and Performance of Covenants

ORDER 98-61.

- C-6 ORDER Authorizing Cancellation of Land Sale Contract 15524 with Deborah Long Upon Default of Payments and Performance of Covenants

ORDER 98-62.

- C-7 ORDER Authorizing Cancellation of Land Sale Contract 15772 with Robert H. Hunter Upon Default of Payments and Performance of Covenants

ORDER 98-63.

DEPARTMENT OF SUPPORT SERVICES

- C-8 Budget Modification DSS 11 Adding \$6,195.00 Oregon State Police, Office of Emergency Management Revenue to the Emergency Management Program Budget

DEPARTMENT OF JUVENILE AND ADULT COMMUNITY JUSTICE

- C-9 Amendment 1 to Intergovernmental Agreement 700358 with the Oregon Youth Authority to Accept Grant Funds and to Extend Provision of Services for Continuation of Gang Transition Services through June 30, 1999

- C-10 Budget Modification DCJ 17 Adding \$53,836 Casey Foundation, City of Portland and Metro Revenue to the Federal/State Budget

REGULAR AGENDA

- C-3 ORDER Authorizing Cancellation of Land Sale Contract 15244R2 with William and Dorothy Jelinek Upon Default of Payments and Performance of Covenants

**AT THE REQUEST OF THE DEPARTMENT VIA
CHAIR STEIN AND UPON MOTION OF
COMMISSIONER KELLEY, SECONDED BY
COMMISSIONER HANSEN, C-3 WAS
UNANIMOUSLY POSTPONED INDEFINITELY.**

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

NO ONE WISHED TO COMMENT.

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- R-2 Results from RESULTS: Department of Community and Family Services RESULTS Celebration and Financial Services Improvement Effort Presentation by Lorenzo Poe, Sue Larsen, Carla Gonzales, Mike Waddell, Heather Nolte, Jeanette Hankins and Chris Yager

***LOLENZO POE, SUE LARSEN, CHRIS YAGER,
JEANETTE HANKINS, HEATHER NOLTE AND
MIKE WADDELL PRESENTATION AND
RESPONSE TO BOARD QUESTIONS, DISCUSSION
AND COMMENTS IN APPRECIATION.***

NON-DEPARTMENTAL

- R-3 Information and Request for Policy Direction on City of Gresham Proposed Property Tax Exemption for New Transit Oriented Development. Presented by Richard Ross and Jonathon Harker.

***COMMISSIONER SHARRON KELLEY, RICHARD
ROSS AND JOHNATHON HARKER
PRESENTATION AND RESPONSE TO BOARD
QUESTIONS AND DISCUSSION.***

DEPARTMENT OF SUPPORT SERVICES

- R-4 RESOLUTION Authorizing Issuance and Sale of Short-Term Promissory Notes (Tax and Revenue Anticipation Notes, Series 1998) in the Amount of \$11,000,000 for the Purpose of Meeting Current Expenses of the County for the 1998-99 Fiscal Year

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-4. HARRY MORTON EXPLANATION AND RESPONSE TO BOARD QUESTIONS. RESOLUTION 98-64 UNANIMOUSLY APPROVED.

DEPARTMENT OF ENVIRONMENTAL SERVICES

R-5 First Reading of an ORDINANCE Amending the Multnomah County Animal Control Code Chapter 8.10 to Provide for Certain New Definitions, and Regulations Relating to Exotic Animals, Potentially Dangerous Dogs, Dangerous Dogs, Limited Search Warrants and State Court Enforcement

ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF FIRST READING. HANK MIGGINS EXPLANATION. JOHN VAN STRY TESTIMONY IN OPPOSITION TO COUNTY LEGISLATION CONCERNING EXOTIC ANIMALS. JACKIE SINNOTT GAVE HER THREE MINUTES TO JOHN. DWAYNE KAPTUR, STEVEN BELKNAP, ROBERT BABCOCK, THOMAS BUCHHOLZ, GINGER BECKEN, TERRIE KAUFMAN AND DEBBIE WALDING TESTIMONY IN OPPOSITION TO COUNTY LEGISLATION CONCERNING EXOTIC ANIMALS. MIKE KEELE AND JAN HIXSON TESTIMONY IN SUPPORT OF PROPOSED ORDINANCE. CHRISTINE CAVE, STEVEN HIGGS, ANDY TURUDIC AND DAVID NOLL TESTIMONY IN OPPOSITION TO COUNTY LEGISLATION CONCERNING EXOTIC ANIMALS. FOLLOWING BOARD DISCUSSION WITH HANK MIGGINS AND COUNTY COUNSEL MATTHEW RYAN AND UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, THE FIRST READING WAS UNANIMOUSLY CONTINUED TO JUNE 11, 1998.

There being no further business, the meeting was adjourned at 11:10 a.m.

Thursday, May 21, 1998 - 11:00 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

EXECUTIVE SESSION

Chair Beverly Stein convened the meeting at 11:21 a.m., with Vice-Chair Sharron Kelley and Commissioner Gary Hansen present, and Commission Districts 1 and 3 positions vacant.

E-1 The Multnomah County Board of Commissioners Will Meet in Executive Session Pursuant to ORS 192.660(1)(d) for Labor Negotiator Consultation Concerning Labor Negotiations. Presented by Kenneth Upton and Darrell Murray.

EXECUTIVE SESSION HELD.

There being no further business, the meeting was adjourned at 12:21 p.m.

OFFICE OF THE BOARD CLERK
FOR MULTNOMAH COUNTY, OREGON

Deborah L. Bogstad

Deborah L. Bogstad



MULTNOMAH COUNTY, OREGON

BOARD OF COMMISSIONERS

Beverly Stein, Chair

1120 SW Fifth Avenue, Suite 1515
Portland, Or 97204-1914
Phone: (503) 248-3308 FAX (503) 248-3093
Email: Mult.Chair@co.multnomah.or.us

Vacant, Commission District 1

1120 SW Fifth Avenue, Suite 1500
Portland, Or 97204-1914
Phone: (503) 248-5220 FAX (503) 248-5440
Email:

Gary Hansen, Commission Dist. 2

1120 SW Fifth Avenue, Suite 1500
Portland, Or 97204-1914
Phone: (503) 248-5219 FAX (503) 248-5440
Email: Gary.D.Hansen@co.multnomah.or.us

Vacant, Commission District 3

1120 SW Fifth Avenue, Suite 1500
Portland, Or 97204-1914
Phone: (503) 248-5217 FAX (503) 248-5262
Email:

Sharron Kelley, Commission Dist. 4

1120 SW Fifth Avenue, Suite 1500
Portland, Or 97204-1914
Phone: (503) 248-5213 FAX (503) 248-5262
Email:
Sharron.E.Kelley@co.multnomah.or.us

ANY QUESTIONS? CALL BOARD CLERK DEB BOGSTAD @ 248-3277

INDIVIDUALS WITH DISABILITIES MAY CALL THE BOARD CLERK AT 248-3277, OR MULTNOMAH COUNTY TDD PHONE 248-5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.

MAY 19, 20 & 21, 1998 BOARD MEETINGS

FASTLOOK AGENDA ITEMS OF INTEREST

2	Department of Aging and Disability Services Budget Session
2	Overview of Multnomah County 98-99 Revenue Projections
2	Work Session: A Systems Approach to Alcohol & Drug Treatment for Offenders
3	PM Public Hearing on County Budget
3	Thursday AM Regular Board Meeting
4	DCFS RESULTS Presentation
5	Gresham Proposed Property Tax Exemption for New Transit Oriented Development
5	Animal Control Code Ordinance
6	Budget Session & Hearing Schedule

Thursday meetings of the Multnomah County Board of Commissioners are cable-cast live and taped and may be seen by Cable subscribers in Multnomah County at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30
Friday, 10:00 PM, Channel 30
Sunday, 1:00 PM, Channel 30

Produced through Multnomah Community Television

Tuesday, May 19, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BUDGET WORK SESSION

WS-1 Multnomah County Department of Aging and Disability Services
1998-99 Budget Overview and Highlights; Citizen Budget Advisory
Committee Presentation; Issues and Opportunities; Questions and
Answers. 1 HOUR REQUESTED.

Tuesday, May 19, 1998 - 10:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BOARD BRIEFING

B-1 Overview of Multnomah County Fiscal Year 1998-99 Revenue
Projections. Presented by Mark Campbell and Dave Warren. 45
MINUTES REQUESTED.

Wednesday, May 20, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

WORK SESSION

WS-2 A Systems Approach to Alcohol and Drug Treatment For Offenders.
Presented by Peter Ozanne with Dan Noelle, Elyse Clawson, Ginger
Martin, Kevin Criswell and Norma Jaeger. 2 HOURS
REQUESTED.



Wednesday, May 20, 1998 - 6:00 PM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

BUDGET HEARING

- PH-1 1998-99 Multnomah County Budget Overview and Opportunity for Public Testimony on the 1998-99 Multnomah County Budget with Testimony Limited to Three Minutes Per Person.
-

Thursday, May 21, 1998 - 9:30 AM
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

REGULAR MEETING

CONSENT CALENDAR

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-1 ORDER Authorizing Distribution of Proceeds from the Sale of tax Foreclosed Properties for the Period July 1, 1996 through June 30, 1997
- C-2 ORDER Authorizing Execution of Deed D981550 Upon Complete Performance of Contract 15677 with Elsie P. Flores and Billy Ray Flores
- C-3 ORDER Authorizing Cancellation of Land Sale Contract 15244R2 with William and Dorothy Jelinek Upon Default of Payments and Performance of Covenants
- C-4 ORDER Authorizing Cancellation of Land Sale Contract 15476R with Irene Haskins Upon Default of Payments and Performance of Covenants

- C-5 ORDER Authorizing Cancellation of Land Sale Contract 15477 with Fred Miles Upon Default of Payments and Performance of Covenants
- C-6 ORDER Authorizing Cancellation of Land Sale Contract 15524 with Deborah Long Upon Default of Payments and Performance of Covenants
- C-7 ORDER Authorizing Cancellation of Land Sale Contract 15772 with Robert H. Hunter Upon Default of Payments and Performance of Covenants

DEPARTMENT OF SUPPORT SERVICES

- C-8 Budget Modification DSS 11 Adding \$6,195.00 Oregon State Police, Office of Emergency Management Revenue to the Emergency Management Program Budget

DEPARTMENT OF JUVENILE AND ADULT COMMUNITY JUSTICE

- C-9 Amendment 1 to Intergovernmental Agreement 700358 with the Oregon Youth Authority to Accept Grant Funds and to Extend Provision of Services for Continuation of Gang Transition Services through June 30, 1999
- C-10 Budget Modification DCJ 17 Adding \$53,836 Casey Foundation, City of Portland and Metro Revenue to the Federal/State Budget

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- R-2 Results from RESULTS: Department of Community and Family Services RESULTS Celebration and Financial Services Improvement Effort Presentation by Lorenzo Poe, Sue Larsen, Carla Gonzales, Mike Waddell, Heather Nolte, Jeanette Hankins and Chris Yager

NON-DEPARTMENTAL

- R-3 Information and Request for Policy Direction on City of Gresham Proposed Property Tax Exemption for New Transit Oriented Development. Presented by Richard Ross and Jonathon Harker. 10 MINUTES REQUESTED.

DEPARTMENT OF SUPPORT SERVICES

- R-4 RESOLUTION Authorizing Issuance and Sale of Short-Term Promissory Notes (Tax and Revenue Anticipation Notes, Series 1998) in the Amount of \$11,000,000 for the Purpose of Meeting Current Expenses of the County for the 1998-99 Fiscal Year

DEPARTMENT OF ENVIRONMENTAL SERVICES

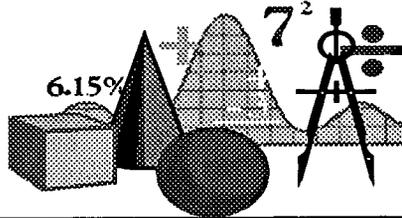
- R-5 First Reading of an ORDINANCE Amending the Multnomah County Animal Control Code Chapter 8.10 to Provide for Certain New Definitions, and Regulations Relating to Exotic Animals, Potentially Dangerous Dogs, Dangerous Dogs, Limited Search Warrants and State Court Enforcement

Thursday, May 21, 1998 - 11:00 AM
(OR IMMEDIATELY FOLLOWING REGULAR AGENDA)
Multnomah County Courthouse, Boardroom 602
1021 SW Fourth Avenue, Portland

EXECUTIVE SESSION

- E-1 The Multnomah County Board of Commissioners Will Meet in Executive Session Pursuant to ORS 192.660(1)(d) for Labor Negotiator Consultation Concerning Labor Negotiations. Presented by Kenneth Upton and Darrell Murray. 1 HOUR REQUESTED.

1998-99 MULTNOMAH COUNTY BUDGET WORK SESSIONS AND PUBLIC HEARINGS



23-Apr	Thursday	9:30 am	PUBLIC HEARING, Executive Budget Presentation and Approval
28-Apr	Tuesday	9:30 am	Central Citizen Budget Advisory Committee Report
		9:45 am	Juvenile & Adult Community Justice
29-Apr	Wednesday	9:30 am	Sheriff
		6:00 pm	PUBLIC HEARING @Gresham Library 385 NW Miller
5-May	Tuesday	9:30 am	District Attorney
		10:30 am	Non-Departmental
6-May	Wednesday	1:30 pm	Environmental Services
		3:00 pm	Support Services
12-May	Tuesday	9:30 am	Health
		1:30 pm	Community & Family Services
14-May	Thursday	10:30 am	Library (after regular Board meeting)
19-May	Tuesday	9:30 am	Aging and Disability Services
		10:30 am	Revenue Overview
20-May	Wednesday	9:30 am	Alcohol and Drug Treatment for Offenders Work Session
		6:00 pm	PUBLIC HEARING in Courthouse Boardroom 602
26-May	Tuesday	9:30 am	PUBLIC HEARING TSCC Hearing
		10:30 am	General Work Session (potential)
		1:30 pm	General Work Session (potential)
28-May	Thursday	9:30 am	PUBLIC HEARING, Adopt Budget

Unless otherwise indicated, all budget sessions will be held in the Multnomah County Courthouse, Boardroom 602, 1021 SW Fourth Avenue, Portland.



CONFIDENTIAL

MULTNOMAH COUNTY OREGON

BEVERLY STEIN
COUNTY CHAIR

EMPLOYEE SERVICES
FINANCE
LABOR RELATIONS
PLANNING & BUDGET
RISK MANAGEMENT

(503) 248-5015
(503) 248-3312
(503) 248-5135
(503) 248-3883
(503) 248-3797

(503) 248-5170 TED

DRAFT

PORTLAND BUILDING
1120 S.W. FIFTH, 14TH FLOOR
P.O. BOX 14700
PORTLAND, OREGON 97293

PURCHASING, CONTRACTS
& CENTRAL STORES

(503) 248-5111

2505 S.E. 11TH, 1ST FLOOR
PORTLAND, OREGON 97202

May 28, 1998

Mr. Grant Zadow
IBEW Local 48
15937 N.E. Airport Way
Portland, Oregon 97230

Mr. George Robins
IUOE Local 701
555 E. First Street
Gladstone, Oregon 97027

Dear Sirs:

As you know, the County, Local 48 and Local 701 have been bargaining for several months. To that end, the County is today placing on the bargaining table an "option" on economics. Specifically, this total compensation option calls for an increase in economic benefit equal in one-time and on-going cost to that which would flow from a 3% base wage increase, effective July 1, 1998. The second and third year one-time and on-going economic increases would be based on U.S. CPI-W, with a minimum economic increase in each year equal to the cost of a 1% base wage increase and the maximum equal in to cost to that of a 4% base wage increase. With respect to the choice of index, if the union prefers and subject to the County's contractual needs being met, the County would reluctantly support using the Portland CPI-W rather than the national index, as a concession to the union.

The bargaining teams have been at work for several months, but have not had an opportunity to discuss economics in detail. The "option" that is placed on the table today is not intended to shortcut the interest based process. However, it is intended as a very serious option, signifying the County's earnest desire to negotiate a mutually acceptable package sooner, rather than later if possible. However, the option is a conceptual economic package that the County would support only in the context of an acceptable overall contract that meets employee and County needs. There is a long way to go before we have attained that goal, but the County approaches the task with guarded optimism. I look forward to meeting with you to continue our joint efforts in that direction.

Sincerely,

Darrell Murray
Deputy Labor Relations Manager

C: Chair Beverly Stein
Larry Nicholas
Mike Oswald
Tom Guiney
Craig Calkins
Bob Thomas
Mike Sciacotti

UPTON Ken W

From: UPTON Ken W
Sent: Wednesday, May 20, 1998 2:30 PM
To: STEIN Beverly E; HANSEN Gary D; KELLEY Sharron E
Cc: FARVER Bill M; SCHOLLES Rhys R; PETERSEN Melinda G; GATES Vickie S; WILLIAMS Rudy; DELMAN Mike H; TRACHTENBERG Robert J; ULLRICK Ellen L; AYERS Susan J; OSWALD Michael L; MURRAY Darrell P; ULLRICK Ellen L; WILTON Nancy L; TINKLE Kathy M; CLARK Susan L; COBB Becky; GOODRICH Jeanne; YOUNG Darlene; FOLEY Patricia H; MILLER Sharon; SHORTALL Mary E; ROOD Jim; SCOTT Rich K; FULLER Joanne; STEWART Joey A; CONILL Fernando J; BOYER Dave A; HARRIS Mindy L; WARREN Dave C; CAMPBELL Mark
Subject: Executive Session--Thursday, May 21--Advanced Notice of Topics

At the executive session to be held tomorrow, there will be members of the core (TLC) management team present as well as other support staff to ensure that any question that comes up can be answered without delay. Key issues will be as follows:

1. **General status of the bargaining with Local 88, General Employees Bargaining Unit.**
2. **Review of the Compensation Package, specifically to include Health and Welfare: Status, informally discussed package, and options for next week.**
3. **Review of the Juvenile Custody Specialist bargaining, Local 88, with a focus on the issue of shift and work assignment issue, in tandem with related issues in the General Employees Unit.**
4. **Status and Plans of other units in bargaining (Darrell Murray): Oregon Nurses Association, Corrections Officers Association, Deputy Sheriffs Association, and Crafts**

As is frequently the case when we have a full agenda, there are a number of issues of interest which don't get the attention they may deserve in the focus on the "Big Picture". What follows is a summary of the matters in the Local 88 General Employees Unit negotiations which may be of Board interest. Some of the matters here are not yet firmly agreed upon, so this must be considered a work in progress:

Article 2: Definitions
 probationary period.

We are moving from a 6 months to a one year

Article 3: Recognition

A fairly significant issue has arisen of the appropriateness regarding the exclusion from the bargaining unit of certain administrative personnel. This is a sticky matter for which a phased in technical solution is being explored.

Article 5: Union Security In the past Union dues/fair share were not deducted until the end of the probationary period. Now such dues/fees will be deducted after thirty days. Additional language has been added regarding the creation of an electronic Union bulletin board, utilizing the Mint as a portal to an AFSCME site.

Article 8: Vacation We are moving away from personal holidays, to incorporating those days into the vacation accrual. A glitch has arisen around the "reduction" in benefit in this arrangement for employees on 4-10 schedules. The journey continues.

Article 9: Sick Leave/Article 10: Other Leaves This discussion has reached some real hard spots in trying to strike some balance with the medical needs of employees, and our needs for dependability and resolution of long term absenteeism issues. The journey continues. Additionally and effort has been made to clarify certain issues regarding the Inclement Weather Policy.

Article 13: Hours of Work A number of scheduling issues continue to be outstanding.

Article 15: Technical Compensation Issues We have consolidated a fragmented collection of technical procedural matters concerning compensation from the Personnel Rules, etc., into a single location. This should be a real "plus" for both management and employees.

Article 16: Pension We are moving to the PERS Pick-up, unless some last minute opposition arises, on September 1. Union demands for enhanced medical benefits for retirees are outstanding.

Article 19: Contract Work The new Article does not constitute a substantive move in the broad rights of the County to contract out work, but it makes such rights much clearer. To address this and other concerns, a firewall has been placed around the contract to ensure that during its term no new legally imposed requirements to contract work out would interfere with BCC prerogatives. This amounts in my mind to not punishing the Union for being flexible on this Article.

Article 20: Workload and Standards. We have placed a new section in this Article entitled "Organizational Excellence" to deal with our commitment to joint training on Labor Relations and Quality issues and to memorialize the process by which employees working in teams need to seek contract modifications when that is relevant.

Article 21: Seniority and Layoff I once defended this Article to the Chair by explaining that while it might involve the vice of the mechanical exercise of seniority, it had the virtue of being so mechanical that it made such layoffs administratively easy. Then came Measure 47, and the realization that the language was a nightmare of complexity and delay in potential layoffs which involved hundreds rather than dozens of employees. Thankfully, our fears were avoided, but the lesson was learned. Susan Ayers of Employee Services did a marvelous job in crafting new language to address the Measure 47 generated issues. The new approach eliminates certain options, but is much simpler and faster. Hopefully, if we ever have to face such challenges again, this Article will be a better tool.

Article 27: Termination The three year contract approach continues.

Addendum D: Leadworkers There has been considerable controversy from time to time regarding the appropriate use and assignment of Leadworkers. The new language is quite explicit and hopefully will be a better guide.

Addendum L: Drug and Alcohol This is a very substantial technical rewrite, largely to harmonize the Commercial Driver's License and general drug and alcohol policy.

I trust the above summary of highlights is helpful. If you would like clarification either before or after the executive session, or believe some particular item should be included in the Session discussion, please call (85053) at your earliest convenience.

Guidance From
The Board
May 21, 1998
Local 88

1. Is the Board still supportive of the consensus economic package?
2. Turning to specifics:
 - A. Upper and lower limits of CPI clauses?
 - 1999?
 - 2000?
 - B. Limitations, if any, on wage decrease or increase due to the Health and Welfare clause?
 - Unbounded.
 - 1%.
 - .5%.
 - C. Compensation Study Set Aside:
 - 1999?
 - 2000?
3. Continued support of the goal of a better sign up system for Juvenile Custody?
4. Supportive of financial trade for sign-up relief for Juvenile Custody?
5. How should we consult going forward?
6. Authority for "wobble"?

Review of
Status of
Economic
Package
May 21, 1998

<u>County Has Offered</u>	<u>Our Consensus Goals</u>
<p><u>Year 1</u></p> <p>July 1, 1998 1.1%</p> <ul style="list-style-type: none"> • We pay Health and Welfare Increases. • We move to PERS Pick-up September 1, 1998. • IT Class Study Implementation. 	<p>July 1, 1998 3%</p> <ul style="list-style-type: none"> • We pay Health and Welfare Increase. • We move to the PERS Pick-up September 1, 1998. • We move to County Bus Passes as per exempt employees plan, September 1, 1998. • IT Class Study Implementation.
<p><u>Year 2</u></p> <p>July 1, 1999 CPI-W National 0% - 2.5%</p> <ul style="list-style-type: none"> • Health and Welfare Package Increase over CPI Discounted from Wage Increase. Joint Committee established for reviewing plan changes. Wage bonus possible. • Compensation Study Set Aside of (.25%) 	<p>July 1, 1999 CPI-W, Portland</p> <ul style="list-style-type: none"> • Health and Welfare Package Increase over CPI Discounted from Wage Increase. Joint Committee established for reviewing plan changes. Wage bonus possible. • Compensation Study Set Aside of (.5% to 1%).
<p><u>Year 3</u></p> <p>July 1, 2000 CPI-W National 0% - 2.5%</p> <ul style="list-style-type: none"> • Health and Welfare as per Year 2. • Compensation Study Set Aside of (.25%). 	<p>July 1, 2000 CPI-W Portland</p> <ul style="list-style-type: none"> • Health and Welfare as Per Year 2. • Compensation Study Set Aside of (.5% to 1%).

MARKET SURVEY EXECUTIVE SUMMARY

Prepared by Debra Larson, Classification/Compensation Analyst
For presentation to Executive Session of Board
May 21, 1998

Purpose of the Survey

To advise the process of negotiations with the General Unit of AFSCME, Local 88, Ken Upton, Director of Labor Relations asked that a market survey and a review of research literature on "Cost of Living" be done to inform the bargaining process. The research addressed the following questions:

- **How has the "Cost of Living" in Multnomah County changed between 1992 and 1998?**

The local Portland area CPI indicates that the cost of living has increased by 30.5%, based upon the local CPI-W figures for the period. The wages of Multnomah County employees have increased by 23.5%. This has resulted in a net loss in "buying power" of 7%. See Table 1.

- **What is Multnomah County's current status in the local labor market relative to pay?**

The County continues to maintain an appropriate market position in the middle of the market. Multnomah County benchmark jobs neither lead the market, nor follow it. The data indicate that over all Multnomah County wages, for benchmark jobs, are at 99.33% of market wages. Please see Figure 1, "1998 Market Pay Comparisons" and Table 2, "1998 Market Data". The 6% PERS "pick up" which is included in our wages may cause people to think that Multnomah County is leading the market locally. However, when the effects of PERS are controlled for, this is not the case.

- **What is Multnomah County's current status in the local labor market relative to "Total Compensation" (pay & benefits)?**

The County continues to maintain an appropriate market position which is in the middle of the market. Our benefit package provides between 27% and 33.5% in additional compensation depending on the salary of the job class involved. For example Office Assistants receive \$2,870.84 per month in total compensation (33.5% from benefits), as compared with Computer Programmers at \$4,742.82 per month in total compensation (27% from benefits). The value of the average benefit package surveyed was \$759.34 per month for Office Assistants, compared to the average of \$720.13 for Multnomah County staff. The value of the average benefit package surveyed was \$917.56 per month for Programmer Analysts, compared to the average of \$1,008.39 for Multnomah County Programmers.

- How has the local labor market changed between 1992 and 1998?

According to our data on the history of bargained general wage increases, the County is approximately 1.7% behind the average changes implemented by other local public employers. Please see Table 2.

- Has Multnomah County changed it's relative standing in the local labor market?

Generally, the County is in the same position in the market, at or slightly below market median. Some job classes are an exception to this general trend. Additional adjustments to salaries were reported by other employers for specific job classes such as Programmer Analysts, due to recruitment and retention problems.

Table 1: Multnomah County Wage Increases Compared with National and Local Consumer Prices Indexes Fiscal Year 1991-92 to 1997-98*

<i>Fiscal Year</i>	<i>Loc. 88 COLA</i>	<i>CPI-W, U.S</i>	<i>CPI-W, Portland</i>
1991-92	0.0%	4.6%	6.4%
1992-93	4.0%	3.0%	4.6%
1993-94	3.0%/3.0%	3.0%	3.5%
1994-95	2.5%	2.3%	2.9%
1995-96	3.0%	3.0%	3.3%
1996-97	2.8%	2.8%	3.2%
1997-98	3.1%	2.7%	3.3%
Percent Change (Compounded)	23.5%	23.4%	30.5%

Notes:

* The national CPI-W data for 1997 shows a deflationary trend: from 3.0% in January, 1997 to 1.1% in March, 1998.

Table 2: 1998 MARKET DATA**

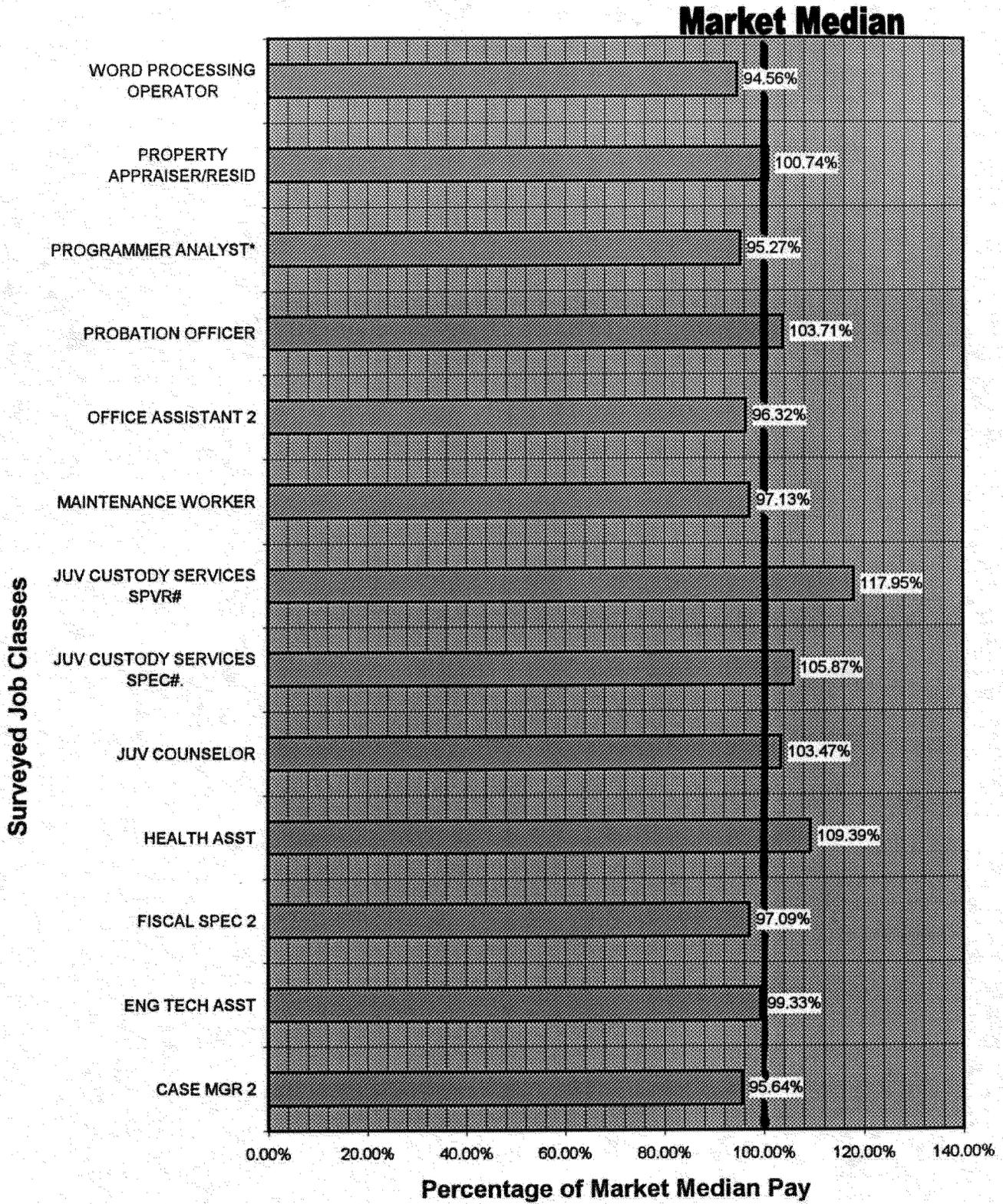
BENCHMARK JOB CLASSES	JOB EVAL	MARKET	MULTNOMAH	ACTUAL SALARY	
	POINTS	MEDIAN (Top Step)	MONTHLY (Top Step)	DIFFERENCE	PERCENT (above/below)
CASE MGR 2	919	\$3,162.00	\$3,024.04	-\$137.96	95.64%
ENG TECH ASST	724	\$3,079.00	\$3,058.25	-\$20.75	99.33%
FISCAL SPEC 2	1035	\$3,519.00	\$3,416.71	-\$102.29	97.09%
HEALTH ASST	398	\$2,063.00	\$2,256.62	\$193.62	109.39%
JUV COUNSELOR	1045	\$3,524.00	\$3,646.44	\$122.44	103.47%
JUV CUSTODY SERVICES SPEC#.	765	\$2,807.00	\$2,971.90	\$164.90	105.87%
JUV CUSTODY SERVICES SPVR#	888	\$3,151.00	\$3,716.50	\$565.50	117.95%
MAINT WORKER	432	\$2,518.00	\$2,445.62	-\$72.38	97.13%
OFFICE ASST 2	398	\$2,233.00	\$2,150.72	-\$82.28	96.32%
PROBATION OFFICER	1088	\$3,516.00	\$3,646.44	\$130.44	103.71%
PROGRAMMER ANALYST*	805	\$3,920.00	\$3,734.42	-\$185.58	95.27%
PROP APPRAISER/RESIDENTIAL	1099	\$3,390.00	\$3,415.08	\$25.08	100.74%
WORD PROCESSING OPERATOR	485	\$2,345.00	\$2,217.52	-\$127.48	94.56%
COUNTY IS @					99.33% of market

* Programmer Analyst 2 was part of the IT Study and has been adjusted toward special sub market pressures -- Treated separately in implementing IT Study

** Multnomah County salaries have been adjusted to control for the employee's 6% contribution to PERS -- Therefore, they may not exactly match our current pay schedules and contracts.

Juvenile Custody Services Specialists and Supervisors are members of a separate AFSCME bargaining unit, currently in negotiations These two job classes are still being researched so they were not used to calculate the average/summary statistic

Figure 1: 1998 Market Pay Comparisons



**Table 3: Multnomah County Wage Increases
Compared with Average Reported Wage Adjustments
in Local Market
Fiscal Year 1991-92 to 1997-98***

<i>Fiscal Year</i>	<i>Loc. 88 COLA</i>	<i>Average Annual Wage Increases Reported</i>	<i>Difference Between Multnomah County & Local Market</i>
1991-92	0.0%	4.0%	-4.0%
1992-93	4.0%	3.3%	+0.7%
1993-94	3.0%/3.0%	3.5%	+2.5%
1994-95	2.5%	3.3%	-0.8%
1995-96	3.0%	2.8%	+0.2%
1996-97	2.8%	2.8%	0%
1997-98	3.1%	3.2%	-0.1%
Percent Change* (Compounded)	23.5%	25.2%	-1.7%

Notes:

* The effects of compounding make the differences cumulative, so the last column doesn't add to the final result. The total compounded figure is used to compute the change/difference in bargained increases.

Technical Notes:

Labor Market Definition --

Before these very important issues could be addressed, it was necessary to determine what the County believes are relevant agencies and businesses with which it competes for employees. Three important criteria were used to identify the employers who comprise our labor market. They include:

- **Nature of Services Provided** --- Employers who provide similar services are most likely to have comparable jobs. Other state, city and county governments, which generally provide services similar to those provided by Multnomah County, are appropriate comparisons.
- **Geographic Proximity** --- Multnomah County is generally trying to attract and hire employees from the greater Portland area for jobs. Some County workers commute from many miles outside the metropolitan area, so even the Vancouver, Salem and Eugene areas are a potential source of labor for the county. This is the relevant job market then for comparisons.

- **Employer Size ---** As a rule, the more similar employers are in size and complexity, the greater the likelihood that comparable positions exist within both organizations. The size of possible survey agencies can best be measured by comparing the number of employees and the size of population that an agency serves. Employers with 500 or more employees were included in the market survey.

Employers & Survey Respondents

No other agency is going to have exactly the same size and structure and job classes as Multnomah County. However, other public sector employers in the local labor market are going to provide reasonable comparisons. The following public employers were surveyed to provide a "snapshot" of our position in the local labor market:

State of Oregon, Linda Vogue, Compensation Specialist

***Clark County**, Steve Foster, HR Director

***Marion County**, Katherine Thompson, Personnel Specialist

Clackamas County, Karen Pearson, Sr. Personnel Analyst

***Washington County**, Mary Fuller, HR Director

***Lane County**, Cheryl McCawley, Personnel Analyst

City of Beaverton, Gemma Smith, HR Director

City of Eugene, Michelle Cline, Compensation Analyst

City of Gresham, John McMillan, HR Director

***City of Hillsboro**, Cecilia Petrocco, HR Director

City of Portland, Nelda Skidmore, Sr. Personnel Analyst

***City of Vancouver**, Debby Watts, Personnel Analyst

Metro Service District, Phil Knutsen, Employee Relations Manager

***PERS "Pickup" as a Confounding Factor in Wages: (the wages of employers with asterisks above have been adjusted to eliminate the effects discussed below)**

When wages contain the PERS 6% pickup, they are artificially inflated by this amount, appearing higher than they are "in fact". This survey handled the issue by **mathematically taking PERS out of the calculations on wages** for Multnomah County and for other jurisdictions where the current practice is to include the 6% PERS pickup in the wages of their employees. About half of the employers surveyed pay the 6% PERS pickup for their employees, and the other half do not. The latter employers have adjusted their wages upward by approximately 6% to make the employees "whole" after the 1993 initiative requiring employees to pay for this portion of their retirement.

PERS contributions are handled separately in the "Total Compensation" part of the analysis. This avoids confusion over the issue of no clear practice by public employers at this time on the handling on the 6% PERS contribution.



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN
DISTRICT 1 (Currently Vacant)
GARY HANSEN
DISTRICT 3 (Currently Vacant)
SHARRON KELLEY

BUDGET & QUALITY OFFICE
PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503)248-3883

TO: Ken Upton, Labor Relations Manager
FROM: J. Mark Campbell, Budget Office *Mark*
DATE: May 21, 1998
SUBJECT: Local 88 – Bus Pass Costing

Ken, you asked me to provide some information regarding the proposal to provide subsidized bus passes to the union.

The information which Payroll provided to Ellen suggests that approximately 18% of exempt employees avail themselves of the bus pass benefit. Exact numbers fluctuate, due to the fact that the bus pass is reimbursed on a monthly basis. Based on an estimate that, on average, there are 105 people who receive this benefit every month I calculate a cost to the County of about \$33 per employee/per month. I suggest this is a reasonable estimate given that we subsidize 75% of the cost of a bus pass and the current rates are \$36 for a two-zone and \$46 for an all-zone pass.

If Local 88 employees took advantage of this benefit at the same level as exempt employees that would translate to a cost of about \$190,000 per year assuming that about 465 employees purchased a bus pass each month. You also asked me to provide a rough cost if the participation rate were higher. If twice as high a percentage of Local 88 employees received the benefit the cost to the County would be about \$350,000 per year. These cost estimates represent the total cost across all funds. As a rule of thumb, the General Fund share of that cost would be about 50%.

Let me know if you require additional information.



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN
DISTRICT 1 (Currently Vacant)
GARY HANSEN
DISTRICT 3 (Currently Vacant)
SHARRON KELLEY

BUDGET & QUALITY OFFICE
PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503)248-3883

TO: Ken Upton, Labor Relations Manager
FROM: J. Mark Campbell, Budget Office *Mark*
DATE: May 21, 1998
SUBJECT: Information Technology Compensation Survey

Ken, here are some rough figures on the initial cost (assuming a July 1, 1998 start date) of implementing the recommendations outlined by the Information Technology (IT) Classification/Compensation Survey.

The data I received from Susan Ayers indicates there are approximately 113 Local 88 employees who would be impacted by the survey. On average, the recommended pay ranges translate to an increase of about 2.5% in the first year. The cost of implementing these recommended IT classifications would be approximately \$135,000 in FY 98-99. This figure represents both the increase in the base salaries as well as the associated increase in roll-up costs.

Please note this is the initial cost the County would incur in FY 98-99, I have not attempted to perform any "equilibrium" analysis to determine the longer term impacts of implementing the recommendations. Also, this represents the estimated cost increase across all funds. Since a large percentage of the employees impacted by this survey are funded out of the Data Processing Fund, I anticipate the direct cost to the General Fund will be roughly \$55,000 in the coming fiscal year.



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN

GARY HANSEN

SHARRON KELLEY

BUDGET & QUALITY
PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503) 248-3883

TO: Ken Upton

FROM: Dave Warren, Budget Manager **DCW**

DATE: May 18, 1998

SUBJECT: Total Compensation Costing

Implementing the policy direction to account for the total compensation of a bargaining unit in establishing annual compensation increases can be extremely complex. Many payroll costs, however, vary with changes in base pay. We have handled these changes for decades by computing "rollup" costs and including them in bargaining and when informing the Board.

What we have not succeeded in doing is find a way to consider changes in the cost of health and dental insurance, costs that rise independently of employee wages. Building this factor into contract negotiation is a different problem. What follows is a way to address it. Unfortunately, the number of computations gives the impression that it is a very complicated solution. It is and it isn't. Basically, the steps compose three calculations.

1. Establish a base year "total compensation" including both employee wages and the cost of health and dental insurance.
2. Compute a total increase amount that will cover both the employees' wage increases and their insurance increases.
3. Convert that increase amount into two allocations by first accounting for insurance costs, then allocating the remainder as a wage rate adjustment.

Total Compensation Costing
May 18, 1998

SAMPLE COMPUTATION

Here is how the proposed solution might have worked if it were in place right now and were being used to determine a cost of living adjustment effective July 1, 1998.

1. Total base year compensation (in this case May 1998).

AFSCME Local 88 Wages \$	94,700,000
Medical/Dental Insurance "proxy" cost	11,145,739
Total "Base Compensation" \$	105,845,739

2. Compensation increase amount (assuming 2.2% CPI):

Total "Base Compensation" \$	105,845,739
Compensation rate change (CPI)	2.20%
Total Compensation increase amount \$	2,328,606

3. Computation of wage rate adjustment

Current Year Medical/Dental "proxy" cost	11,145,739
Next Year Medical/Dental "proxy" cost	12,029,738
Increase Amount	883,999

Total Compensation Increase Amount	2,328,606
Less Medical/Dental Increase Amount	(883,999)
Balance for Wage Rate Increase	1,444,608

Balance for Wage Rate Increase	1,444,608
AFSCME Local 88 Wages	94,700,000
Wage Rate for COLA	1.53%

EXPLANATION OF THE SAMPLE COMPUTATION

The sample computation begs a great many questions. For me the most obvious one would be, "Where did all these numbers come from?" I want to revisit the numbers, explain where they came from, suggest where they ought to come from, and offer some alternatives and why I did not use them.

1. Total base year compensation (in this case May 1998).

I believe that the "total compensation" can be as complicated as all the rest of the factors in the suggestion put together. It might be preferable, ideally, to choose some point in time, look at every employee in the bargaining unit on that date, compute all the "rollup" costs (PERS, workers compensation, liability insurance, unemployment, FICA, Tri-Met payroll tax), opt-out costs, medical/dental/life insurance, and the current base and premium pay for each of those employees, and come up with a "true" total compensation.

Total Compensation Costing
May 18, 1998

The reason I recommend not doing it is that the complexity will add little value. Most of the costs will vary with the base pay. Extracting the information and assembling it will not be rocket science, but it will take time. Different County funds and different departments are charged different workers' compensation and liability premiums based on actuarial assessment of their risk of claims. But, since they are percentages of payroll, the charges will grow 2.2% if the base against which they are computed grows 2.2%. I recommend ignoring these rollup costs and focussing base pay and medical and dental insurance, which do not vary with base pay, as a "proxy" number to use wherever the computation needs "total compensation".

I also recommend not including premium pay or opt out compensation. The numbers are small and affect a small number of employees. If the number of employees who receive this compensation stays pretty much the same from year to year, then it will be reasonably safe to leave them out of the "proxy" amount. Including them will increase complexity without materially affecting the result.

a. AFSCME Local 88 Wages

The sample computation above uses a dummy number for AFSCME Local 88 wages: the 1998-99 AFSCME Local 88 base pay from the Approved 1998-99 Budget rounded off to the nearest \$100,000. *It is only a sample.*

In the actual computation, I recommend using the wages paid to all AFSCME employees who are on the list of insurance enrollees at the end of the open enrollment period. In 1998, that period closes May 22. I do not know if that approximate date is the same from year to year, but it should not matter. The important thing is to establish a base pay amount that is *consistent with the cost of insurance*. I think it is cleaner to use the same people for both amounts than to develop amounts based on two, overlapping but distinct, subsets of the bargaining unit.

b. Medical/Dental Insurance "Proxy" Cost

I think there are at least two ways to go with this costing factor. One way would be to take the accumulated "premiums" for medical and dental insurance for the bargaining unit employees enrolled at the end of the open enrollment period. This will be precise and consistent with what I recommend using as the base wage cost. If others feel strongly that this option is preferable, I do not have overwhelming objections to it. However, I believe it may obscure the overall shift in insurance costs. Bargaining unit members will choose different coverage plans from one year to the next (more or fewer dependents) and different employees will come to work for the County or leave County employment.

I prefer a more abstract number. I suggest using the average annual medical/dental premium for Kaiser and ODS coverage times the number of AFSCME Local 88 represented employees who choose Kaiser or ODS medical coverage. This focuses compensation changes on the choice between the two kinds of insurance. I recognize that this has potential methodological flaws. However, if the policy direction is to allow base pay to be higher as bargaining unit members make medical and dental insurance choices that save the County money, then this method of computing a "proxy" cost will give a reasonable way to arrive at the effects of those choices.

Total Compensation Costing
 May 18, 1998

For the sample above, I used unweighted averages of the 1997-98 medical and dental insurance rates to build the starting point for compensation. Again, other methodologies produce greater precision, but will obscure the changes in overall costs. My preference may not be to everyone's taste and I will not insist on it.

Kaiser rate computation - 97-8 rates

1 party coverage	1,944
2 party coverage	3,889
family coverage	<u>5,833</u>
Composite rate	3,889

ODS rate computation - 97-8 rates

1 party coverage	2,073
2 party coverage	4,132
family coverage	<u>5,655</u>
Composite rate	3,954

The sample computation uses the composite rates from these two tables and applies them to the 2,840 AFSCME Local 88 represented positions in the 1998-99 Approved Budget. Again, I believe the best information will be the list of insurance enrollees at the close of the open enrollment period, so that the following numbers are best understood as examples only. The best that can be said of the amounts used in the sample is that they have the same basis as the wage compensation example.

I assume that 45% of the bargaining unit will be enrolled in Kaiser plans, the remainder will choose ODS medical insurance. That being the case, applying the composite rates above (multiplying the Kaiser number by the Kaiser composite rates, etc.) produces the following "proxy" medical/dental insurance cost.

Bargaining Unit total employees	2,840
Kaiser coverage	1,278
ODS coverage	1,562
Kaiser cost	4,970,091
ODS cost	<u>6,175,648</u>
Total Medical/Dental "proxy" cost	11,145,739

Summing the AFSCME Local 88 wages and the medical dental "proxy" cost gives the "proxy" total compensation amount.

AFSCME Local 88 Wages \$	94,700,000
Medical/Dental Insurance "proxy" cost	<u>11,145,739</u>
Total "Base Compensation" \$	105,845,739

2. Compensation Increase Amount

The sample computation assumes a 2.2% increase overall for next year. Obviously, this will change in future years. Presumably, the future years' increase will be tied to one of various CPI numbers. Obviously, the closer the overall CPI is to the growth in medical and dental insurance costs, the less impact the change in compensation methodology will have.

Assuming a 2.2% increase for next year, the "total compensation" change would be 2.2% of total compensation.

Total "Base Compensation" \$	105,845,739
Compensation rate change (CPI)	2.20%
Total Compensation increase amount \$	2,328,606

3. Computation of wage rate adjustment

Having arrived at a compensation increase amount, the last step is to divide that amount between insurance cost increases and wage increases.

First, I recommend taking the same list of AFSCME Local 88 represented employees used in computing the "proxy" medical/dental insurance base cost and applying to that list the rates for the next year. When the rates are applied, I recommend using actual premiums established by Kaiser. For the ODS rates, however, I recommend using Mercer's long term trend analysis rather than the specific recommended rates for the coming year – the long term trend will show fewer fluctuations. Again, I believe others may have different views about what is appropriate. Consistency from year to year probably outweighs the choice of what factor to use.

The following table uses the same calculation as the 1997-98 rate computation, unweighted average of the premiums. Obviously, if this is not what people want to use, the computation here would reflect a different methodology.

Kaiser rate computation - 98-9 rates	
1 party coverage	2,073
2 party coverage	4,146
family coverage	<u>6,219</u>
Composite rate	4,146
ODS rate computation - 9% increase	
1 party coverage	2,260
2 party coverage	4,504
family coverage	6,164
Composite rate	4,310

Total Compensation Costing
May 18, 1998

Similarly, the calculation of the 1998-99 cost of medical/dental insurance uses the 2,840 budgeted Local 88 represented positions. It assumes the same 45%/55% split. Again, similar calculation methods need to apply to both years, but I do not think it is crucial what those methods are as long as they take the rate structure and the choices of bargaining unit members into account in some reasonable way.

Bargaining Unit total employees	2,840
Kaiser coverage	1,278
ODS coverage	1,562
Kaiser cost	5,298,281
ODS cost	<u>6,731,456</u>
Total Medical/Dental "proxy" cost 98-9	12,029,738

The 1998-99 "proxy" medical/dental cost is then compared to the 1997-98 base "proxy" cost. This gives the increase cost to be absorbed within the overall 2.2% increase parameters.

Current Year Medical/Dental "proxy" cost	11,145,739
Next Year Medical/Dental "proxy" cost	<u>12,029,738</u>
Increase Amount	883,999

The medical/dental increase amount is subtracted from the total increase amount available.

Total Compensation Increase Amount	2,328,606
Less Medical/Dental Increase Amount	<u>(883,999)</u>
Balance for Wage Rate Increase	1,444,608

The balance available for a wage rate increase is then compared to the overall AFSCME Local 88 wages and converted to a percentage cost-of-living adjustment.

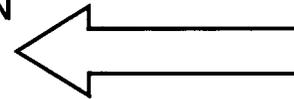
Balance for Wage Rate Increase	1,444,608
AFSCME Local 88 Wages	94,700,000
Wage Rate for COLA	1.53%

JUVENILE CUSTODY SERVICES SPECIALIST

MULTNOMAH COUNTY	\$2,520.26	\$2,840.93	\$3,161.59
PERS adjusted	\$2,369.05	\$2,670.47	\$2,971.90

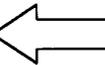
COMPARISON EMPLOYERS :	LOW PT OF PAY RANGE	MIDPOINT OF PAY RANGE	HIGH PT OF PAY RANGE	RANK ORDER
------------------------	---------------------	-----------------------	----------------------	------------

Clark County*	\$2,048.81	\$2,330.74	\$2,612.68	6
Marion County*	\$2,048.07	\$2,395.93	\$2,743.79	5
State of Oregon	\$2,109.00	\$2,458.00	\$2,807.00	MEDIAN
MULTNOMAH COUNTY	\$2,369.05	\$2,670.47	\$2,971.90	3
Washington County*	\$2,475.96	\$2,742.45	\$3,008.94	2
Lane County*	\$2,391.86	\$2,847.25	\$3,302.65	1



JUVENILE CUSTODY SERVICES SPECIALIST

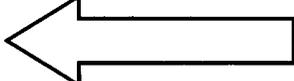
	BENEFITS ONLY									TOTAL COMP	PERCENT BENEFITS	
	6% PERS PICKUP	WAGES WITH PERS	MEDICAL COMPOS	DENTAL & VISION IF SEPARATE	PERSONAL LIFE	DEPENDENT LIFE	DISABILITY	OTHER	PERS			
Clark County*	\$125.98	\$2,738.66	\$309.77	\$72.33	\$0.00	\$9.20	\$0.28	\$13.42	\$0.00	\$193.08	\$3,462.72	126.44%
Marion County*	\$175.14	\$2,918.93	\$300.66	\$56.54	\$0.00	\$7.36	\$0.00	\$3.91	\$0.00	\$243.73	\$3,706.26	126.97%
State of Oregon	\$0.00	\$2,807.00	\$424.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$398.59	\$3,629.59	129.31%
MULTNOMAH COUNTY	\$189.69	\$3,161.59	\$264.93	\$60.42	\$0.00	\$3.30	\$0.00	\$14.23	\$0.00	\$337.03	\$4,031.19	127.51%
Washington County*	\$192.06	\$3,201.00	\$294.13	\$74.05	\$0.00	\$0.93	\$0.27	\$11.20	\$0.00	\$240.08	\$4,013.72	125.39%
Lane County*	\$210.81	\$3,513.46	\$325.15	\$64.85	\$8.60	\$8.75	\$0.00	\$18.83	\$0.00	\$258.27	\$4,408.71	125.48%



JUVENILE CUSTODY SERVICES SUPERVISOR

MULTNOMAH COUNTY	\$3,161.59	\$3,557.66	\$3,953.73
PERS adjusted	\$2,971.90	\$3,344.20	\$3,716.50

COMPARISON EMPLOYERS :	LOW PT OF PAY RANGE	MIDPOINT OF PAY RANGE	HIGH PT OF PAY RANGE	RANK ORDER
------------------------	---------------------	-----------------------	----------------------	------------

State of Oregon	\$2,326.00	\$2,705.00	\$3,084.00	6	
Clark County*	\$2,324.96	\$2,646.58	\$2,968.21	5	117.94%
Marion County*	\$2,352.75	\$2,751.94	\$3,151.12	MEDIAN	
MULTNOMAH COUNTY	\$2,971.90	\$3,344.20	\$3,716.50	3	
Washington County*	\$3,168.74	\$3,509.96	\$3,851.18	2	
Lane County*	\$3,144.61	\$3,739.31	\$4,334.02	1	

JUVENILE CUSTODY SERVICES SUPERVISOR

	BENEFITS ONLY									TOTAL COMP	PERCENT BENEFITS	
	6% PERS PICKUP	WAGES WITH PERS	MEDICAL COMPOS	DENTAL & VISION IF SEPARATE	PERSONAL LIFE	DEPENDENT LIFE	DISABILITY	OTHER	PERS			
State of Oregon		\$2,968.21	\$424.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$437.93	\$3,830.13	124.19%
Clark County*	\$143.12	\$3,111.33	\$309.77	\$72.33	\$0.00	\$10.45	\$0.28	\$15.25	\$0.00	\$219.35	\$3,881.88	124.77%
Marion County*	\$201.14	\$3,352.26	\$300.66	\$56.54	\$0.00	\$8.45	\$0.00	\$4.49	\$0.00	\$279.91	\$4,203.45	125.39%
MULTNOMAH COUNTY	\$237.23	\$3,953.73	\$264.93	\$60.42	\$0.00	\$3.30	\$0.00	\$17.79	\$0.00	\$421.47	\$4,958.87	125.42%
Washington County*	\$245.82	\$4,097.00	\$294.13	\$74.05	\$0.00	\$0.93	\$0.27	\$14.34	\$0.00	\$307.28	\$5,033.81	122.87%
Lane County*	\$276.64	\$4,610.66	\$325.15	\$64.85	\$8.60	\$8.75	\$0.00	\$23.75	\$0.00	\$360.55	\$5,678.95	123.17%

