

ANNOTATED MINUTES

Tuesday, February 19, 1991 - 9:00 AM
Multnomah County Courthouse, Room 602

WORK SESSION

1. Work Session to Discuss Public Testimony Regarding Budget Reductions and to Hear Committee Reports. Presented by Merlin Reynolds and Dave Warren

MERLIN REYNOLDS FACILITATED BOARD DISCUSSION ON PUBLIC TESTIMONY, COMMITTEE REPORTS AND BUDGET PRIORITIES. COMMISSIONERS ANDERSON AND KELLEY SUBMITTED BUDGET REDUCTION SUGGESTIONS. HANK MIGGINS REPORTED ON STATUS OF CITY/COUNTY CONSOLIDATION STUDY; LINDA ALEXANDER REPORTED ON STATUS OF COST EFFICIENCY/PRODUCTIVITY SAVING EFFORTS. BOARD CONSENSUS FOR MS. ALEXANDER TO ESTABLISH AN EXECUTIVE STEERING COMMITTEE TO REVIEW THE WORK PLAN FOR PURCHASING AND WAREHOUSING INTEGRATION AND AN IMPLEMENTATION PROJECT TEAM TO LOOK AT SAVINGS IN THE TRAFFIC PLAN, PRINTING AND DUPLICATION AND COPIER SERVICE OPTIONS. BOARD DISCUSSED TIER 1 AND TIER 2 AT RISK PROGRAMS AND IDENTIFIED AREAS OF POTENTIAL REDUCTIONS.

Tuesday, February 19, 1991 - 1:30 PM
Multnomah County Courthouse, Room 602

BOARD BRIEFING

2. Budget Office Briefing on Revenue Projections. Presented by Ben Buisman

BEN BUISMAN SLIDE PRESENTATION. MR. BUISMAN AND JANICE DRUIAN RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

Tuesday, February 19, 1991 - 2:00 PM
Multnomah County Courthouse, Room 602

AGENDA REVIEW

3. Review of Agenda for Regular Meeting of February 21, 1991

- R-1 LINDA ALEXANDER ADVISED BUDGET MUST BE SUBMITTED TO DEPARTMENT OF REVENUE BY MARCH 1. COMMISSIONER HANSEN ADVISED HE MAY NEED ADDITIONAL TIME TO REVIEW DATA.
- R-2 LARRY BAXTER ADVISED THERE WAS NO RESPONSE TO THE PUBLISHED NOTICE. COUNTY COUNSEL LARRY KRESSEL SUBMITTED PROPOSED RESOLUTION FOR CONSIDERATION THURSDAY. BOARD EXPRESSED NEED FOR ORDINANCE AMENDMENT REQUIRING COUNTY TO NOTIFY OTHER TAXING DISTRICTS OF PROPOSED PROPERTY TRANSFERS.
- R-4 DENNIS FITZ DISCUSSED ASSET FORFEITURE CASES.

Thursday, February 21, 1991 - 9:30 AM
Multnomah County Courthouse, Room 602

REGULAR MEETING

Chair Gladys McCoy convened the meeting at 9:32 a.m., with Vice-Chair Rick Bauman and Commissioners Pauline Anderson, Sharron Kelley and Gary Hansen present.

CONSENT CALENDAR

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER ANDERSON, THE CONSENT CALENDAR (ITEMS C-1 AND C-2) WAS UNANIMOUSLY APPROVED.

JUSTICE SERVICES

SHERIFF'S OFFICE

- C-1 Liquor License Application Change of Ownership Submitted by Sheriff's Office with Recommendation for Approval as Follows:
Retail Malt Beverage for the King's Wild, 13550 SE Powell Blvd, Portland.

DEPARTMENT OF HUMAN SERVICES

AGING SERVICES AND JUVENILE JUSTICE DIVISIONS

- C-2 Ratification of Amendments #6 and #7 to the Intergovernmental Agreement Between the Oregon Department of Human Resources and Multnomah County,

REGULAR AGENDA

DEPARTMENT OF GENERAL SERVICES

- R-1 RESOLUTION in the Matter of Certifying an Estimate of Expenditures for the FY 1991-92 Property Tax Program in Accordance with HB 2338

COMMISSIONER BAUMAN MOVED AND COMMISSIONER ANDERSON SECONDED, APPROVAL OF R-1. UPON REQUEST FOR ADDITIONAL TIME FOR CONSIDERATION, COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, THAT R-1 BE CONTINUED FOR ONE WEEK. LINDA ALEXANDER EXPLANATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. IT WAS APPROVED THAT R-1 BE CONTINUED TO THURSDAY, FEBRUARY 28, 1991, WITH COMMISSIONERS ANDERSON, BAUMAN, KELLEY AND HANSEN VOTING AYE AND COMMISSIONER McCOY VOTING NO.

- R-2 PUBLIC HEARING in the Matter of the Request for Approval to Transfer Five Tax Foreclosed Properties to the Housing Authority of Portland

COMMISSIONER BAUMAN MOVED AND COMMISSIONER ANDERSON SECONDED, APPROVAL OF R-2. HELEN BARNEY EXPLANATION AND TESTIMONY IN SUPPORT OF REQUEST. ORDER 91-20 UNANIMOUSLY APPROVED.

JUSTICE SERVICES

SHERIFF'S OFFICE

- R-3 Ratification of an Intergovernmental Agreement Between Multnomah County and the City of Gresham wherein the Multnomah County Sheriff's Office will Conduct Background Checks on Purchasers of Weapons for the City of Gresham

UPON MOTION OF COMMISSIONER BAUMAN, SECONDED BY COMMISSIONER ANDERSON, R-3 WAS UNANIMOUSLY APPROVED.


- R-4 Ratification of an Intergovernmental Agreement Between Multnomah County and the City of Gresham to Provide Enforcement of Multnomah County

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER HANSEN, R-4 WAS
UNANIMOUSLY APPROVED.**

**A PRESS CONFERENCE WAS HELD IMMEDIATELY
FOLLOWING THE REGULAR AGENDA WITH KEN
UPTON AND ARLENE COLLINS ANNOUNCING THAT
LOCAL 88 AFSCME RATIFIED A 1 YEAR CONTRACT
WHICH INCLUDES A WAGE FREEZE IN RESPONSE
TO MEASURE 5. MR. UPTON AND MS. COLLINS
RESPONSE TO BOARD AND PRESS QUESTIONS.**

There being no further business, the meeting was adjourned at 10:05 a.m.

OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad

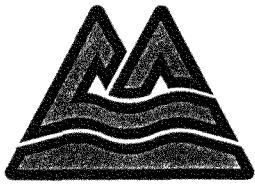
Friday, February 22, 1991 - 1:30 PM
Multnomah County Courthouse, Room 602

WORK SESSION

1. Work Session to Provide Policy Guidance for the Preparation of the Chair's Executive Budget. Presented by Merlin Reynolds and Dave Warren

**MERLIN REYNOLDS FACILITATED BOARD REVIEW
OF POLICY DIRECTION AND STRATEGIC PLANNING
MANDATES. MR. REYNOLDS AND DAVE WARREN
RESPONSE TO QUESTIONS AND BOARD DISCUSSION
ON THE \$8 TO \$13 MILLION REMAINING
SHORTFALL. VICE-CHAIR BAUMAN SUGGESTED
ALTERNATIVE FUNDING FOR THE LIBRARY FOR
\$7.1 MILLION. COMMISSIONERS BAUMAN AND
ANDERSON TO DISCUSS ISSUE AT FEBRUARY 26
LIBRARY BOARD MEETING. COMMISSIONER
HANSEN SUGGESTED 1% BIT INCREASE FOR \$12
MILLION. CHAIR MCCOY INVITED
COMMISSIONERS TO ATTEND MARCH 1 MEETING
TO DISCUSS ISSUE WITH BUSINESS COMMUNITY.
COMMISSIONER KELLEY SUBMITTED PROPOSED**

REMEDIES SUGGESTING THE COUNTY FOCUS ON EFFICIENCIES RATHER THAN ALTERNATIVE REVENUE FUNDING AT THIS TIME. COMMISSIONER ANDERSON SUGGESTED INCREASED USER AND BUSINESS LICENSE FEES. MR. WARREN DESCRIBED THE BUDGET PROCESS AND REVIEWED THE CALENDAR FOR PREPARING THE PRINTED BUDGET, HOLDING PUBLIC HEARINGS AND THE MANDATED ADOPTION DATE.



MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
ROOM 606, COUNTY COURTHOUSE
1021 S.W. FOURTH AVENUE
PORTLAND, OREGON 97204

GLADYS McCOY • CHAIR • 248-3308
PAULINE ANDERSON • DISTRICT 1 • 248-5220
GARY HANSEN • DISTRICT 2 • 248-5219
RICK BAUMAN • DISTRICT 3 • 248-5217
SHARRON KELLEY • DISTRICT 4 • 248-5213
CLERK'S OFFICE • 248-3277

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

FEBRUARY 18 - 22, 1991

Monday, February 18, 1991 - HOLIDAY - Courthouse Closed.
Tuesday, February 19, 1991 - 9:00 AM - Work Session. . . .Page 2
Tuesday, February 19, 1991 - 1:30 PM - Board Briefing. . .Page 2
Tuesday, February 19, 1991 - 2:00 PM - Agenda Review . . .Page 2
Thursday, February 21, 1991 - 9:30 AM - Regular Meeting. .Page 2
Friday, February 22, 1991 - 1:30 PM - Work SessionPage 3

Thursday Meetings of the Multnomah County Board of Commissioners are recorded and can be seen at the following times:

Thursday, 10:00 PM, Channel 11 for East and West side subscribers
Friday, 6:00 PM, Channel 27 for Paragon Cable (Multnomah East) subscribers
Saturday 12:00 PM, Channel 21 for East Portland and East County subscribers

Tuesday, February 19, 1991 - 9:00 AM - 12:00 PM

Multnomah County Courthouse, Room 602

WORK SESSION

1. Work Session to Discuss Public Testimony Regarding Budget Reductions and to Hear Committee Reports. Presented by Merlin Reynolds and Dave Warren
-

Tuesday, February 19, 1991 - 1:30 PM

Multnomah County Courthouse, Room 602

BOARD BRIEFING

2. Budget Office Briefing on Revenue Projections. Presented by Ben Buisman
-

Tuesday, February 19, 1991 - 2:00 PM

Multnomah County Courthouse, Room 602

AGENDA REVIEW

3. Review of Agenda for Regular Meeting of February 21, 1991
-

Thursday, February 21, 1991 - 9:30 AM

Multnomah County Courthouse, Room 602

REGULAR MEETING

CONSENT CALENDAR

JUSTICE SERVICES

SHERIFF'S OFFICE

- C-1 Liquor License Application Change of Ownership Submitted by Sheriff's Office with Recommendation for Approval as Follows:
Retail Malt Beverage for the King's Wild, 13550 SE Powell Blvd, Portland.

DEPARTMENT OF HUMAN SERVICES

AGING SERVICES AND JUVENILE JUSTICE DIVISIONS

- C-2 Ratification of Amendments #6 and #7 to the Intergovernmental Agreement Between the Oregon Department of Human Resources and Multnomah County, Providing Additional Petroleum Violation Escrow, Stripper Well and Low Income Energy Assistance Weatherization Funds through June 30, 1991

REGULAR AGENDA

DEPARTMENT OF GENERAL SERVICES

- R-1 RESOLUTION in the Matter of Certifying an Estimate of Expenditures for the FY 1991-92 Property Tax Program in Accordance with HB 2338
- R-2 PUBLIC HEARING in the Matter of the Request for Approval to Transfer Five Tax Foreclosed Properties to the Housing Authority of Portland (From January 31, 1991)

JUSTICE SERVICES

SHERIFF'S OFFICE

- R-3 Ratification of an Intergovernmental Agreement Between Multnomah County and the City of Gresham wherein the Multnomah County Sheriff's Office will Conduct Background Checks on Purchasers of Weapons for the City of Gresham
- R-4 Ratification of an Intergovernmental Agreement Between Multnomah County and the City of Gresham to Provide Enforcement of Multnomah County Ordinance No. 633 (Forfeiture) within the Jurisdiction of the City of Gresham

Friday, February 22, 1991 - 1:30 PM - 4:30 PM

Multnomah County Courthouse, Room 602

WORK SESSION

1. Work Session to Provide Policy Guidance for the Preparation of the Chair's Executive Budget. Presented by Merlin Reynolds and Dave Warren
-

Meeting Date: 1 FEB 19 1991

Agenda No.: WORK Session #1

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: Board Work Session

Tuesday Regular Meeting
~~XXXXXXXXXX~~ 2/19/91
(date)

Thursday Regular Meeting
~~XXXXXXXXXX~~
(date)

DEPARTMENT Nondepartmental

DIVISION County Chair's Office

CONTACT Merlin Reynolds/Dave Warren TELEPHONE X-3308

PERSON(S) MAKING PRESENTATION Merlin Reynolds, Dave Warren

ACTION REQUESTED:

☒ INFORMATIONAL ONLY

☐ POLICY DIRECTION

☐ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 9:00 a.m. - Noon

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested, as well as personnel and fiscal/budgetary impacts, if applicable):

Work Session to discuss public testimony for the preparation of the Executive Budget. Presented by Merlin Reynolds and Dave Warren.

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL

Gladys McCreary

Or

DEPARTMENT MANAGER _____

(All accompanying documents must have required signatures)

CLERK OF
COUNTY COMMISSIONERS
1991 FEB 14 AM 8:20
MULTNOMAH COUNTY
OREGON



GLADYS McCOY, Multnomah County Chair

Room 134, County Courthouse
1021 S.W. Fourth Avenue
Portland, Oregon 97204
(503) 248-3308

M E M O R A N D U M

TO : Commissioner Pauline Anderson
Commissioner Rick Bauman
Commissioner Gary Hansen
Commissioner Sharron Kelley

FROM : Merlin Reynolds *Merlin*
Staff Assistant

THRU : Gladys McCoy
Multnomah County Chair

DATE : January 30, 1991

RE : Change of Program Reduction Worksessions

Per my conversation with your staffs, the February 5 and 6, 1991 worksessions have been rescheduled to February 19th from 9 a.m. to noon, and February 22nd from 1:30 to 4:30 p.m.

If there are problems with either date, please contact me as soon as possible.

MGR:ddf
cc: Office of the Board Clerk

BOARD OF
COUNTY COMMISSIONERS
1991 JAN 31 AM 10:49
MULTNOMAH COUNTY
OREGON

D. Rogers
101/606



MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
ROOM 606, COUNTY COURTHOUSE
1021 S.W. FOURTH AVENUE
PORTLAND, OREGON 97204

GLADYS McCOY •	CHAIR	• 248-3308
PAULINE ANDERSON •	DISTRICT 1	• 248-5220
GARY HANSEN •	DISTRICT 2	• 248-5219
RICK BAUMAN •	DISTRICT 3	• 248-5217
SHARRON KELLEY •	DISTRICT 4	• 248-5213
CLERK'S OFFICE •		• 248-3277

BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

WORK SESSION

February 19, 1991
9:00 a.m. - 12:00 p.m.

A G E N D A

1. Opening, Ground Rules & Agenda Review
2. Committee Reports
3. BCC Identify Budget Priorities
4. Budget Process and Timeline
5. Closing



Co Kelley
handout

I. Suggestions from Public Testimony

1. Make efficiency cuts
2. Cut middle management (specific mention of Aging Services)
3. Allow contractors to submit their own efficiency cuts
4. Cut paperwork
5. Third-party billings at teen clinics
6. Adjust sliding scale fees at health clinics
7. Share buildings/infrastructure with other agencies
8. Use volunteers/train non-professionals
9. Cut salaries, travel and training
10. Contract out more

II. Suggestions for Executive Budget

Eliminate/reduce all non-essential expenditures for all departments and functions, for example:

1. Travel
2. Fleet usage
3. Conferences
4. Internal use of consultants
5. Food budgets (except in the jail and juvenile detention)
6. Dues and Subscriptions
7. Outside phone lines
8. Redundancies
- 9.. New hiring
10. Consolidate Office Assistant positions
11. Increase self-funding of programs
12. Reduce management/administrative positions/layers
13. Centralize or contract out support services where there are savings
14. Proceed with interjurisdictional shifts and consolidations

III. Budget priorities

A. Except for efficiency cuts, do not reduce basic public safety: jail space, juvenile detention and probation, community corrections, prosecution, law enforcement.

B. Except for efficiency cuts, do not reduce basic health services: low-income health care, essential senior services, homeless assistance, basic social services/mental health/alcohol and drug, youth service centers, teen health clinics, vector control.

C. Except for efficiency cuts, do not reduce core support services: building maintenance, assessment and taxation.

Co Kelley
handout

February 11, 1991

Mel Huie
Metro
2000 S.W. First Avenue
Portland, Oregon 97201

Re: Metropolitan Greenspaces, Oxbox Park, Blue Lake Park

Dear Mel:

I am writing you to follow up on the meeting on February 11 about Metropolitan Greenspaces, Oxbox Park and Blue Lake Park.

We understand that as part of Phase 3 of the Metropolitan Greenspaces plan there are a group of park professionals developing a finance and management plan for the acquisition of open spaces, wildlife corridors and greenways. With this letter, Multnomah County requests that this group also evaluate the merits of an expanded role for Metro in funding and managing parks with regional significance, including Oxbox Park and Blue Lake Park. Aspects of this analysis may include redefinition of jurisdictional roles as well as specific proposals for funding, labor issues, management personnel, legal steps and hurdles, and other administrative issues.

Because Multnomah County is experiencing a substantial budgetary shortfall with severe programs cuts contemplated for July 1, our preference is to see a plan developed which would aid the County at the time of final budget decisions during June. This timetable may be within reach if your group were to give this idea sufficient priority. Nevertheless, we recognize the importance of the Metropolitan Greenspaces program and do not request that you take any steps which would hinder the success of that plan.

In considering such a plan, it is important to understand that Glendoveer golf course and the Expo Center generate revenue which will be needed to keep crucial County programs afloat. It is highly unlikely that these resources could play

any initial role in funding due to the current revenue situation.

Please recognize that the Board of Commissioners has taken no formal action regarding these issues, and nothing in this letter should be read to imply any statement of policy by the Board or myself.

Thank you for your consideration of this issue.

Very truly yours,

Gladys McCoy, County Chair

cc: Rena Cusma

1592L - 9

Page _____

BEFORE THE BOARD OF COMMISSIONERS

FOR THE COUNTY OF _____

ORDINANCE NO. _____

An ordinance establishing a Regional Citizens Commission and directing the preparation of a report to elected officials in the Portland metropolitan region.

_____ County ordains as follows:

Section 1. Findings and Purpose

A. The Multnomah County Charter Review Committee, which consisted of 13 Multnomah County residents appointed by the Multnomah County delegation to the state legislature, included in its final report for 1990 a request for the creation of a citizen commission to study the merits of enhancing the provision or funding of county services on a regional basis in the Portland metropolitan area.

B. The passage of Measure 5 in November of 1990 has made dramatic changes in the capacity and means of financing local government services. This Measure will have an uneven impact within the Portland metropolitan area.

C. Local elected officials will benefit from hearing a citizen perspective on the issues pertinent to regional government.

Section 2. Establishment of a Regional Citizens Commission

A. _____ County shall participate in the establishment of the Regional Citizens Commission. The Regional Citizens Commission shall consist of twelve members: four residents of Clackamas County, four residents of Multnomah County, and four residents of Washington County.

B. Each participating county shall be responsible for the appointment of four members of the Commission no later than February 28, 1991. No member of the Commission shall be an employee or the spouse of an employee of any city or county or the Metropolitan Service District ("Metro"). Any member of the Commission who misses two or more consecutive meetings may be replaced by the appointing county, at its discretion, subject to the restrictions on membership. Members of the Commission shall not receive compensation.

C. The Regional Citizens Commission shall select a Chair and a Vice-Chair from among its members. The Commission shall be staffed by one graduate student from Portland State University. The costs of staff and supplies shall be shared equally by Clackamas County, Multnomah County, Washington County, and Metro in an amount not to exceed \$2000 per year for each agency or \$8000 a year in total.

The Commission shall also be staffed on an as-needed, as-requested basis by employees the three counties and Metro.

Section 3. Workplan for the Commission

The Commission shall examine the public services provided by the three counties and prepare a Report analyzing the advisability and feasibility of providing or funding any of these services on a regional basis. Staff shall present the Commission with previous studies undertaken about regional government in the Portland metropolitan area and other pertinent information such as county demographics, county budgets, and county organizational plans. The Commission shall determine the degree and the form of input it wishes from government employees and the general public.

Section 4. Due Date for Report

The Commission shall report the results of its work to the three counties and to Metro by August 15, 1991. If the report is not finished by that date, the Commission shall provide these agencies with an interim report. Within sixty days of the completion of the final report, the three counties and Metro shall either terminate the Commission or give the Commission an additional charge.

ADOPTED this _____ day of _____, 1990, being the date of its second reading before the Board of County Commissioners of _____ County.

SHARRON KELLEY
Multnomah County Commissioner
District 4



606 County Courthouse
Portland, Oregon 97204
(503) 248-5213

CoKelley handout

TO: Interested Parties

FROM: Multnomah County Commissioner Sharron Kelley

RE: Coordination of Consolidation Efforts

DATE: February 11, 1991

In the past few months, several different ideas have been mentioned in our efforts to streamline and improve local government. It is important that the various groups interested in one or more of these ideas work in a coordinated fashion without working at cross-purposes.

The ideas recently mentioned to streamline local government include: city/county consolidation, three-county consolidation, three-county/Metro merger, tri-county citizens commission to recommend specific service consolidation, tax sharing, redrawing county boundaries, and police consolidation.

In addition to elected officials in the metropolitan area, other interested parties considering one or more of these ideas include the Portland Metropolitan Chamber of Commerce, the League of Women Voters and the Multnomah County Citizen Involvement Committee. There will also be a Charter Commission looking at Metro and its future.

Although these various ideas have substantially different end products, there are a number of common factors relevant to most or all of them. These include studying: the legal steps necessary to implement the proposal; the expense of levelling wage and benefit differentials in a consolidation; the savings of reduced management personnel from a consolidation; the efficiencies that would occur from a consolidation; the improvement in service results that would improve in a consolidation; the value of simplifying local government; the impact on public accountability and control from a consolidation; and the equity issues surrounding who pays for and who receives services as these affect the current situation and any change.

One way to consolidate these efforts would be for the

School of Urban Affairs at Portland State University to act as a neutral umbrella organization which would coordinate timetables and provide data and academic analysis as appropriate. Some of these issues are technical, while others require subjective judgment. But most of the subjective or political issues require technical information to understand the nature of the trade-offs. Although it will be up to elected officials to take the ultimate steps and responsibility for any plan, each official is "at-risk of" or perceived to view the issues from the perspective of their agency or district. Thus, there also remains an advantage to using a citizens commission to help formulate the questions and guide the process.

1592L - 11



MULTNOMAH COUNTY OREGON

Co Anderson
handout

BOARD OF COUNTY COMMISSIONERS
GLADYS McCOY
PAULINE ANDERSON
GARY HANSEN
RICK BAUMAN
SHARRON KELLEY

DEPARTMENT OF GENERAL SERVICES
PORTLAND BUILDING
1120 SW FIFTH, 14TH FLOOR
PORTLAND, OR 97204-1934

AT OTHER LOCATIONS:

OFFICE OF THE DIRECTOR	(503) 248-3303
EMPLOYEE SERVICES	(503) 248-5015
FINANCE	(503) 248-3312
LABOR RELATIONS	(503) 248-5135
ADMINISTRATIVE SERVICES	(503) 248-5111
ASSESSMENT & TAXATION	(503) 248-3345
ELECTIONS	(503) 248-3720
INFORMATION SERVICES	(503) 248-3749

MEMORANDUM

TO: Board of County Commissioners
Internal Committee Chair
Commissioner Pauline Anderson

FROM: Linda Alexander, Director *Linda Alexander*
Department of General Services

DATE: February 19, 1991

SUBJECT: Productivity Savings - Hill & Associates Report

In January 1991, an analysis of County support functions was performed by Hill and Associates, Portland, Oregon (Attachment A, Executive Summary). Also on January 4, I was directed by the Chair's Office to "implement the Hill study" (Attachment B).

On January 23 in a meeting in the Chair's Office, Kathy Busse and Lillie Walker were assigned to develop a work plan to "implement" the combining of purchasing and warehousing functions currently performed in Purchasing and in the Health Division's supply section. They were to involve two managers assigned by DHS, Dwayne Prather of the Health Division and Ardys Craghead from the Director's Office. Kathy Busse was also requested to obtain the services of experts in traffic and distribution for the purpose of developing a comprehensive traffic and distribution plan. The plan would also incorporate the requirements for interoffice mail service currently performed under contract by the City of Portland into the County health stores and central stores distribution activities. A work plan is attached (Attachment C). Also, CNA Industrial Engineering Co. have been engaged to perform the traffic study with a due date of March 20. The current situation is as follows:

- The work plan was developed after eight hours of meetings between Health Division staff and Administrative Services Division staff.
- A list of Health Division concerns/tasks/responsibilities have been developed (see the last section of the work plan document). Most of which will be addressed in the distribution/traffic study. The concerns which relate to Purchasing and Stores are addressed in the work plan.

February 19, 1991

Page 2

There are significant savings possible by fully implementing the Hill report which can make a difference in the budget decisions that the Board makes. Complete information will not be available until the completion of the traffic plan and therefore not available for the Chair's Executive Budget unless she decides to impute some savings reductions.

In order for the Hill study recommendations to receive the broadest possible consideration, I am recommending that two committees be established.

- One, an Executive Steering Committee under the auspice of the Internal Committee Chair, Commissioner Anderson. Serving with her would be Commissioner Sharron Kelley, Dr. Gary Oxman, Hank Miggins, Gary Blackmer, Bob Skipper, Linda Alexander, and Duane Zussy.
- Two, an implementation project team chaired/project managed by Kathy Busse and comprised of Dwight Wallis, Mike Delman, Robert Trachtenberg, Dwayne Prather, Lillie Walker, Mark Campbell (Budget), Ardys Craghead, Bill Farver, and Barbara Simon. We can expect that there would be a core group in this project team and others would come in and out as the need arises. For example, Dwight Wallis, the records manager is very involved in the traffic analysis and interoffice mail study. Lillie Walker would be more involved in the purchasing/warehousing/health supply issues as would Dwayne Prather and Ardys Craghead. The other people on the project team, however, will be interested in the full spectrum of potential savings.

This project needs to be fast tracked in order to reach agreement on the level of savings available in this budget period. I suggest that the first meeting of the Executive Steering Committee should be held as soon as possible to review Kathy Busse's work plan for purchasing and warehousing integration.

Subsequent meetings would be necessary to review the traffic plan and the printing/duplicating and copier service options.

368A/LA/js

Attachments

MULTNOMAH COUNTY, OREGON
BOARD OF COUNTY COMMISSIONERS
CHAIR OF THE BOARD

ANALYSIS OF COUNTY SUPPORT FUNCTIONS

EXECUTIVE SUMMARY

STUDY BACKGROUND

The passage of Initiative Five will likely result in a significant reduction in the revenue and resulting program and service activity of Multnomah County. The projected reduction of about \$24 Million amounts to a nearly twenty per cent reduction in General Fund revenue.

To address this crisis, the Multnomah County Chair initially directed all County Directors to:

- Immediately institute a selective hiring freeze;
- Reduce spending in all departments;
- Explore maintaining services through "fees for service;" and

requested that District Attorney Shrunk and Sheriff Skipper join in taking similar steps in their programs immediately. Initial County Chair / department actions include the following:

- Eliminate three administrative positions in General Services,
- Eliminate three positions in Human Resources,
- Eliminate two positions in Community Corrections, and
- Merge Human Resources Stores Unit with County Stores Unit.

In addition, the Director, Department of General Services was directed to "hire a consultant to conduct a "work stream" evaluation to identify where unnecessary duplication of County functions are taking place. This evaluation is to be completed as soon as possible." This study is the product of this direction.

More recently, the County Board of Commissioners and department directors have undertaken a series of intensive program assessments and budget reviews with the intent of meeting the Initiative Five Mandate.

PURPOSE

The primary focus of the study was:

- Identification of administrative functional duplications among departments, and
- Identification of opportunities to improve administrative efficiency from a county wide perspective.

Improved administrative efficiency is to be accomplished through implementation of the following actions, in priority order:

- Eliminate unnecessary tasks or activities,
- Combine tasks or activities, and
- Simplify tasks or activities.

A secondary emphasis was identification of opportunities to enhance organizational structures and / or relationships and otherwise reduce County costs.

STUDY ELEMENTS

This study was originally envisioned as an analysis of administrative functions and limited assessment of County "Stores" activity. This study scope was expanded to include contracted support services provided by the City of Portland and to recognize the complexity of the County's "Stores" operations which embraces a variety of administrative and other inter-department support functions. As a result, the study was redefined as an analysis of County support functions. These functions include the following:

- Printing and publication,
- Distribution,
- Payroll,
- Purchasing and Contracts Administration,
- Warehousing,
- Accounts Payable,
- Employee Services,
- Accounts Receivable, and
- Copier Services.

To accommodate the increase in scope within existing budget and time constraints (i.e., the expansion of support function definition, service contracts and greater complexity), study and analysis priorities were redirected to provide maximum functional exposure at the "survey" level. Specific instruction to avoid consuming limited resources through overly detailed examination of one or two functions was promptly implemented.

Exhibit 1 presents the relationship among study elements and County support functions which were examined at a detailed survey level. Exhibit 2 presents County support functions examined and their presence among County organizational and operating units. Study support function documentation and recommendations are presented in the study text.

SUMMARY OF POTENTIAL SAVINGS

Exhibit 3 presents a preliminary summary of **estimated potential** savings associated with eliminating, combining or simplifying current County support functions or altering current organizational relationships. These achievable savings could reach \$ 600,000, or more depending on the level of service the Board determines is appropriate and degree of County manager's commitments to cost reduction.

Due to the survey nature of this study and the frequent lack of appropriate or verifiable data, detailed financial analyses could not be performed. Significant research and / or cost benefit analysis will be required to specifically determine the actual savings associated with some study recommendations. However, the estimates provided are believed to be reliable indicators of the magnitude and relative cost saving potential of implementing recommendations. Also, it is critical to note that many of the most obvious actions to improve County support services efficiency require a degree of investment. A short term view will thus deny the County of notable long term benefits, both tangible and intangible.

Discussion of specific cost saving opportunities and required cost saving actions are presented in the appropriate support function section (see Sections 2 through 10).

PRINCIPAL OBSERVATIONS AND RECOMMENDATIONS

Three sets of observations made during the course of our study, and their attendant recommendations, are particularly notable and deserve attention of County policy makers. These observations involved the following:

- Approach Regarding Acquisition of Cost Effective Support Services,
- Consolidation of Duplicative Support Service Capabilities, and
- Reduction of Administrative Work Load Through Effective Use of Automated Systems and Tools.

Each of these are examined below. In addition, specific functionally oriented observations and recommendations are presented in Sections 2 through 10. These functional observations frequently expand and reinforce comments presented here.

MULTNOMAH COUNTY

ANALYSIS OF SUPPORT FUNCTIONS

STUDY APPROACH CONCEPTUAL CROSSWALK

COUNTY SUPPORT FUNCTION	STUDY SCOPE ELEMENT		
	ADMINISTRATIVE FUNCTIONS	STORES CONSOLIDATION	PORTLAND CONTRACTS
PRINTING & PUBLICATION			X
DISTRIBUTION		X	X
PAYROLL	X	X	
PURCHASING	X	X	
WAREHOUSING		X	
ACCOUNTS PAYABLE	X	X	
EMPLOYEE SERVICES	X	X	
ACCOUNTS RECEIVABLE	X		
COPIER SERVICES			X

MULTNOMAH COUNTY

SUMMARY OF COUNTY SUPPORT FUNCTIONS

COUNTY SUPPORT FUNCTION	COUNTY ORGANIZATION / OPERATIONAL UNIT									
	DCC	DES	DGS	DHS	DISTRICT ATTORNEY	LIBRARY	SHERIFF	CENTRAL STORES	HEALTH STORES	PDX CONTRACT
PRINTING & PUBLICATION						X				X
DISTRIBUTION						X	X	X	X	X
PAYROLL	X	X	X	X	X	X	X			
PURCHASING	X	X	X	X	X	X	X	X	X	
WAREHOUSING	X	X						X	X	
ACCOUNTS PAYABLE	X	X	X	X	X	X	X		X	
EMPLOYEE SERVICES	X	X	X	X	X	X	X			
ACCOUNTS RECEIVABLE	X	X	X	X	X	X	X			
COPIER SERVICES										X

MULTNOMAH COUNTY

SUMMARY OF POTENTIAL ANNUAL SAVINGS

SUPPORT FUNCTION	POTENTIAL ANNUAL SAVINGS	
	IMMEDIATE	NEAR - TERM
PRINTING & PUBLICATION Management Control Service Options Study	\$126,000 ✓ \$76,000 ✓	
DISTRIBUTION Service Options Study Surcharges		\$124,000 \$21,000
PAYROLL Payroll System *		\$70,000
PURCHASING Stores Consolidation Purchase System *		\$69,000 \$54,000
WAREHOUSING Stores Consolidation		\$27,000
ACCOUNTS PAYABLE Purchase System *		\$16,000
EMPLOYEE SERVICES Payroll System *		\$45,000
ACCOUNTS RECEIVABLE	nil	nil
COPIER SERVICES Management Control Service Options Study	\$18,000 Open	
INFORMATION SERVICES		\$37,000
TOTAL	\$220,000	\$463,000

NOTES: 1. "IMMEDIATE" INDICATES POTENTIAL SAVINGS WHICH CAN BE REALIZED BY IMMEDIATE ACTION
 "NEAR-TERM" INDICATES POTENTIAL SAVING AFTER AN INVESTMENT OR FUNCTIONAL CHANGE
 2. * INDICATES SAVINGS POSSIBLE ONLY AFTER ENHANCEMENT FULLY IMPLEMENTED

ACQUISITION OF SUPPORT SERVICES

OBSERVATION

There is currently no mechanism in place for the Board to determine whether support services are provided in the most cost effective manner available. The County needs to establish a policy and implementation mechanism for periodically re-examining support service delivery alternatives available and the relevant TOTAL cost of providing each service through each alternative source. Services should, as a matter of policy, be provided by those who meet defined County performance expectations at the least cost. A comparable federal government program (OMB Circular A-76 Cost Comparison Studies) have consistently resulted in savings of 20 to 35 per cent over a period exceeding 20 years for those activities subjected to cost analysis, work simplification, and process improvement.

Numerous County support functions are suitable candidates for this type of review. The most notable are those services currently provided by the City of Portland under contract. These include:

- Printing and Publication,
- Distribution (Mail and Light Materials), and
- Copier Services.

RECOMMENDATION

The County should immediately implement an aggressive program of evaluating the cost effectiveness of alternative service providers across the complete scope of suitable support service areas. Alternative providers might include current County organizations, other government organizations, public sector providers resulting from a merger of existing organizations and private sector businesses.

Care must be taken to ensure analyses are comprehensive, well structured and supported by the best information available. This care is particularly important since there is a pronounced tendency of County managers to consider employee labor and other materials as free resources once budgeted and approved. One observed form of this attitude is to assume, without the benefit of analysis, that an alternative method of accomplishing work is more expensive because it requires external (outside the department, division, unit or program) expenditure of funds. A complimentary behavior observed on numerous occasions is to view cost effectiveness strictly from a short-term department, division or program perspective. Cost analyses must be based on a corporate County perspective.

Since current contracts with the City of Portland expire on June 30, 1991, priority should be given to an analysis of available alternative providers for all or part of the following services:

- Printing and Publication,

- Distribution and Mail Services, and
- Copier Services.

We also suggest that the County evaluate proposals by the City of Portland to continue providing the above services on a Request for Proposal bid basis. As a purchaser of services, the County is not concerned with a provider's organizational considerations or service cost structure. The County is seeking services of an appropriate quality level at the best price.

DISTRIBUTION

OBSERVATION

There are at least six County organizations or contract relationships providing some type of distribution services within County government. Three of the most visible are:

- City of Portland Mail / Delivery Contract,
- Health Stores, and
- Central Stores.

These three alone account for over \$600,000 in costs annually (see Exhibit 4). Remaining, identified and unidentified, providers will likely add significantly to this total.

While all distribution providers do not provide the same scope and level of service, there is significant duplication. This duplication results from decentralized decision making at the department and program levels. We believe that substantial savings, without a degradation of service, can be accomplished through collective planning and analysis, and ensuring that all potential providers are considered.

Additional information regarding distribution activities and cost saving opportunities is provided in Section 3.

RECOMMENDATION

The County should immediately implement a comprehensive service cost analysis of distribution requirements, service strategies and alternative providers. This type of an analysis is particularly demanding and requires specific skills in both cost benefit analysis and traffic analysis. We believe the services of an experienced traffic analyst or distribution systems engineer should be secured.

MULTNOMAH COUNTY

POTENTIAL FUNCTIONAL CONSOLIDATIONS

COUNTY SUPPORT FUNCTION	ACTIVITY SUPPORT SERVICE RESOURCES		
	CENTRAL STORES	HEALTH STORES	PORTLAND CONTRACT
DISTRIBUTION			
Estimated Annual Cost	\$58,000	\$202,000	\$360,000
FTE's	0.60	2.80	5.50
Vehicles	1	3	5
PAYROLL			
Estimated Annual Cost	nil	nil	n / a
FTE's	nil	nil	n / a
Vehicles	n / a	n / a	n / a
PURCHASING			
Estimated Annual Cost	\$12,000	\$150,000	n / a
FTE's	0.50	4.45	n / a
Vehicles	n / a	n / a	n / a
WAREHOUSING			
Estimated Annual Cost	\$50,000	\$135,000	n / a
FTE's	1.90	4.90	n / a
Vehicles	n / a	n / a	n / a
ACCOUNTS PAYABLE			
Estimated Annual Cost	\$12,000	\$22,000	n / a
FTE's	0.50	0.85	n / a
Vehicles	n / a	n / a	n / a
ACCOUNTS RECEIVABLE			
Estimated Annual Cost	nil	nil	n / a
FTE's	nil	nil	n / a
Vehicles	n / a	n / a	n / a
TOTAL			
Estimated Annual Cost	\$132,000	\$509,000	\$360,000
FTE's	3.50	13.00	5.50
Vehicles	1	3	5

NOTES: 1. Portland FTE count is estimate of staff involved in vehicle based distribution.
 2. Average annual vehicle cost used in distribution is about \$42,000.

AUTOMATED SYSTEMS AND TOOLS

OBSERVATION

Many County support services are paper oriented, labor intensive and are characterized by avoidable review and editing procedures, multiple entry of source materials into complementary but stand alone information processing arrangements and unnecessary delays in elapsed time processing. Interestingly, many of these support processes are common to many or all County departments and programs. Examples include:

- Payroll,
- Purchasing, and
- Program, Grant or Project Accounting.

While there is no apparent duplication of activities and tasks among departments, it is clear the present structure of many local support systems and activities is inefficient from a corporate County perspective. As with distribution, decentralized decision making focused on satisfying immediate local need is costly for the County as a whole. Substantial savings appear possible through collective planning and implementation of common service systems, procedures and tools.

In this period of budget stress and the resulting search for cost reduction, it may be enlightening to reflect on past decisions and observe how they are manifested today. For a variety of reasons, often because of lower perceived value, support services (frequently County common services) tend to be targets of cuts to the immediate benefit of client programs. However, upon closer inspection, we see that real or apparent needs will be provided on a local basis out of resources initially intended for client services. The present duplication of distribution capabilities and the development of local management information and accounting systems existing solely to serve one division or program are classic examples. This legacy of cutting necessary common service capabilities creates inefficient single-purpose local systems. These systems cost more, effectively reduce resources available for client services, and deny decision makers at the corporate County level valuable, if not essential management information necessary for effective corporate planning, control, and evaluation of both departments / programs and their respective managers.

RECOMMENDATION

The County can take a significant step in reducing its long-term reliance on costly paper / people systems and processes by introducing less expensive automated alternatives. These automated processes can reduce costs and increase the accuracy and timeliness of both support and program services. Specific automated support systems improvements which should be immediately implemented include the following:

- Payroll System Upgrade,

- Purchasing System Upgrade, and
- LGFS Analysis and Management Report Enhancements.

These initiatives have almost immediate or near-term pay back periods plus substantial intangible benefits. Exhibit 5 summarizes the principal cost and benefits of these improvements. Additional information is provided in Sections 3 and 4.

Appendix A presents a possible approach for implementing an ongoing process of development and implementation of new and enhanced "common" automated systems and tools

MULTNOMAH COUNTY

POTENTIAL ANNUAL SYSTEMS IMPROVEMENT SAVINGS

COUNTY SUPPORT FUNCTION	SYSTEMS IMPROVEMENT INITIATIVE		
	PAYROLL UPGRADE	PURCHASE UPGRADE	LGFS REPORTING
DISTRIBUTION			
PAYROLL	\$70,000		
PURCHASING		\$23,000	
WAREHOUSING			
ACCOUNTS PAYABLE		\$16,000	
EMPLOYEE SERVICES	\$45,000		
ACCOUNTS RECEIVABLE			
COPIER SERVICES			
INFORMATION SERVICES			\$87,000
SYSTEMS MAINTENANCE COST REDUCTION COST INCREASE		\$50,000 \$19,000	\$50,000
NET ANNUAL SAVINGS	\$115,000	\$70,000	\$37,000
ONE TIME INVESTMENT	\$90,000	\$111,000	NIL

NOTES: 1. SAVINGS ARE POSSIBLE ONLY AFTER SYSTEMS IMPROVEMENTS ARE FULLY IMPLEMENTED.

2. ONE TIME COST FOR PURCHASE SYSTEM IS NET OF ONE YEAR MAINTENANCE COST DEFERRAL OF \$19,000

POSITION	Principal, Hill and Associates, Portland, Oregon
EDUCATION	M.P.A., Financial Management, Seattle University M.A., Economics, Washington State University B.S., Economics, Portland State University
RANGE OF EXPERIENCE	His background includes over twenty years of experience with public, private and non-profit organizations. This includes management and consulting experience in the areas of management and organizational review and evaluation, productivity improvement, workload and staffing standards, capital and operational budgeting, financial planning and control, information system design, program and systems analysis, public sector product and service pricing, cost allocation plans, and investment analysis.
PROFESSIONAL AND BUSINESS HISTORY	Hill and Associates: Principal, 1988 Price Waterhouse: Director, 1986; Senior Manager, 1985; Manager, 1983. State of Washington, Executive Office of the Governor, Office of Financial Management: Assistant Director, 1978-1983. U.S. Department of Labor, Region X: Regional Director, Management Planning and Control, 1972-1978. State of Oregon, Employment Security Department: State Labor Market Economist, 1970-1972. U.S. Department of Defense, U.S. Navy: Material Officer, 1969-1970; Contracting/Disbursing Officer, 1967-1969.
PROFESSIONAL AND BUSINESS EXPERIENCE	Directed organization / management review activities for a management audit of the Tri-County Metropolitan Transportation District of Oregon. Principal activities included analysis of planning, organizing, staffing, direction and control activities across all organization functions. Special emphasis was placed on Board - management and organization - customer relationships. Project scope included coordinating Board, management, special interest and community involvement, service performance analysis, development and feasibility of financing options, and development of improved organizational structures. Planned, organized and directed statewide management and productivity improvement program. Program elements included improvement of systems and management control, technology transfer, staff development and organization design. Served as member of a state productivity board.

Directed organizational reviews and developed work load and staffing standards for a large Pacific Northwest local government. Reviews were performed and standards developed for the following functional areas;

- Purchasing / Contracts,
- Accounts Payable,
- Payroll, and
- Personnel.

Work involved extensive contact with senior government managers and functional manager and their staff. Opportunities were identified to improve service delivery quality and timeliness through enhanced organization design, modifications to staffing structure, simplified work method and practices, strengthened internal control procedures and introduction of new management and systems tools.

Directed management engineering program which emphasized establishment of work measurement and quality control systems for state agencies and programs. Program features included work scheduling, staff-level standards for over twenty-five organizational units.

Planned, organized and directed performance and management review program for federally funded job training and employment placement programs in the states of Oregon, Washington, Idaho and Alaska. Activities included accomplishment of over twenty five performance reviews, and development of internal performance review training program including preparation of curriculum, instruction of grantee staff and assessment of grantee performance. Over forty persons were trained and assessed under this program.

Directed state-wide program of organization performance and management reviews. Activities included determination of compliance with enabling legislation, level organizational efficiency and effectiveness, identification of opportunities to improve product and service quality and unit pricing, and provided technical assistance and training to improve organization and employee performance. Audits examined financial and operational, program and governance functions. Performance audits were accomplished in the following areas:

- Transportation
- Public Safety
- Human Resources
- Library Services
- Agriculture
- Energy
- Natural Resources
- Personnel
- Financial Management

Performed performance and organization review of field operations for a major forest products industry firm. Activities included review of field operations mission, goals and objectives, determination of current performance, determination of staff skill / capabilities requirements, assessment of current staff capabilities, appropriateness of resource levels and allocations, identification of functions and activities requiring enhanced staff capabilities and development of a new organizational structure. Project results included establishment of a new organizational structure, re-allocation of staff, re-prioritization of functions and activities and staff re-training.

Planned, organized and directed establishment of statewide management systems, and organizational design and staffing standards. Management standards emphasized agency planning, organization, staffing, direction and control functions for the following management systems: financial, program operations, executive, asset, procurement, data processing, personnel administration, inventory control and communications.

Planned, organized and directed establishment of statewide management systems, and organizational design and staffing standards. Management standards emphasized agency planning, organization, staffing, direction and control functions for the following management systems: financial, program operations, executive, asset, procurement, data processing, personnel administration, inventory control and communications.

Served on National Advisory Board, Council of State Governments Productivity Research Center. Personally developed programs and initiatives that were implemented in at least sixteen states.

Directed development of statewide office automation needs assessment, requirement definition, acquisition and system implementation procedures. Served as chairperson of a state office systems committee.

Planned, organized and directed preparation of state agency and local government information and office systems strategic plans. Principal activities included identification of requirements, design and assessment of system design, identification of system related issues and selection of appropriate agency strategies. Project scope included data processing services, word processing, microcomputers, voice and electronic mail, photocomposition, document distribution and local area networking.

Prepared and directed implementation of state agency office systems implementation plan. Activities included identification and prioritization of office implementation initiatives, equipment assessment and selection, facilities preparation, development of office systems procedures, staff training and impact analysis.

Planned, organized and directed establishment of two new state agencies. Principal activities included selecting organization design, establishing goals/objectives and staffing structure, and design and implementation of management systems.

Designed integrated legislative information system in support of five-year strategic plan. The design provided for improved communications, reduced paperwork, improved management of information resources and improved information and reporting timeliness, accuracy and completeness.

Developed and promulgated statewide consulting services' procurement procedures. Administered statewide consulting service contract filing and review system with an annual volume of over 3,000 contracts.

Directed review and identified opportunities for improved financial planning and management control of a multiple user library network. Opportunities included enhanced budgeting and accounting techniques and practices, elimination of redundant work methods and improved workload distribution.

Designed and implemented financial control, contract management, case tracking and program performance information systems. Trained affected staff in systems operations and management in effective systems use.

Managed state internal consulting group. Engagements included contracting and contract administration, management and program reviews, systems analyses, cost benefit analyses, information system design and implementation, staff development and productivity improvement.

Conducted numerous management, program performance and financial audits of various state programs and state and local federal grantees.

PROFESSIONAL AND BUSINESS AFFILIATIONS

Member, Institute of Management Consultants
Member, National Association of Business Economists
Member, American Management Association
Member, National Bureau of Professional Management Consultants
Member, American Society for Public Administration
Member, National Advisory Board, Council of
State Governments Productivity Research Center
Member, Institute for Certification of Computer Professionals
Member, Omicron Delta Epsilon (Economic Honor Society)

COMMUNITY SERVICES AND SOCIAL ORGANIZATIONS

Member, National Eagle Scouts Association
District Board Member, Boy Scouts of America
Member, Board of Directors, YMCA
Program Coordinator, American Cancer Society

**PRESENTATIONS
AND SEMINARS**

- "State Government Productivity Improvement," Joint Regulatory and Oversight Committee, State of Washington, August 1982
- "State Government Productivity Initiatives," State Government Committee, House of Representatives, State of Washington, September 1982
- "Management Improvement in Government," State Government Committee, House of Representatives, State of Washington, April 1983
- "Office Automation," Governor's Office and Executive Department, State of Oregon, January 1984
- "Office Information Systems Trends," Elected Officials and Senior Managers, City of Tacoma, Washington, May 1984
- "Technology and Management Effectiveness," Technology Conference, Oakland, California, June 1984
- "Micro Computer Hazards," The Business Journal, May 20, 1985
- "Infra-structure Requirements and Financing Strategies," Association of Oregon Counties Convention, November 1986
- "Productivity Improvement in Local Government," Oregon Municipal Finance Officers Association Convention, March 1987
- "Business Planning," Oregon Public Ports Association Annual Conference, April 1988
- "Strategic Business and Development Planning," Pacific Coast Congress of Harbormasters and Port Managers Annual Conference, March 1989.
- "Development of Association Mission, Goals and Strategies," Oregon Public Ports Association Conference, Gold Beach, Oregon, September, 1989
- "Strategic Business Planning," Oregon Special Districts Association Annual Conference, Lincoln City, Oregon, March 1990.
- "Internal Controls," Oregon Fiscal Association Annual Conference, Wilsonville, Oregon, March 1990.

Ben F. Adkins, Principal, Ben Adkins & Associates
NW Management Engineers
P.O. Box 7613
Olympia, Washington 98507
(206) 352 5553

Education

B.S.	Industrial Engineering, Arizona State University	
	Minor: Psychology	1964
M.B.A.	Business, Western New England College	1971
M.S.	Systems Management, University of Southern California	1983

Registered professional engineer

Experience

Mr. Adkins has over 30 years of experience as a line and staff manager and as a management and engineering consultant in the areas of facilities operation, maintenance, and construction; management/industrial engineering; and personnel management. He has special expertise in assessing and improving organizational performance, project and program management, and the effects of nuclear weapons.

• Productivity & Quality Enhancement

Developed and implemented a Washington State-wide work measurement and productivity enhancement program; established productivity and staffing-level standards for over 20 Washington State government programs; established new quality control management practices for a federal facilities operations and maintenance organization resulting in annual savings of \$73,000; created a statistical productivity measurement baseline for six large U.S. Air Force research and development installations.

• Management & Organizational Assessments

Conducted reviews for the American Lake Veterans Administration Medical Center, Washington State Energy Office, Department of Fisheries, Aviation Section of the Washington State Patrol, Bureau of Facility Management material control, and over 30 major federal installations.

• Project Management

Developed organizational concepts and provided all logistical planning and support for establishing the Pacific Northwest Electric Power and Conservation Planning Council with headquarters in Portland, Oregon; prepared the work plan and implemented organizational enhancements in the Washington State Energy Office over an 18-month period; established effective new methods of controlling design and

funding of U.S. Air Force research and development facility maintenance, repair, and construction projects which saved \$28,000 annually; provided management oversight for over one hundred time-sensitive facility construction projects in the Republic of Vietnam; wrote the first contingency plan for the withdrawal of all U.S. Air Force engineering personnel and equipment from Vietnam.

- Feasibility Studies & Cost Analyses

Cost allocation study, Washington State Board of Industrial Insurance Appeals and the U.S. Department of Labor; study of the Early Retirement Act of 1982, Washington State Office of Financial Management and the financial committees of the legislature; a comparison of operation and maintenance costs of U.S. Air Force bases by contract vs. in-service forces; facility maintenance work order man-hour and cost variances.

- Training and Facilitation

Developed and hosted quarterly productivity enhancement seminars for Washington State government managers; helped instruct Department of Social and Health Services Office of Financial Recovery staff in constructing a total organization productivity measure using the objectives matrix; provided consultative support to executive managers and senior Washington State government officials in the development of policies impacting program effectiveness; trained technical staff in industrial and management engineering skills; trained supervisors in management practices.

- Facilities Management

A line and staff facilities manager for over 15 years. Managed federal and state organizations responsible for facilities programming, budgeting, siting, construction, operation, maintenance, modification, and demolition -- the full life cycle that facilities go through.

- Facilities Siting and Master Planning

Over five years of experience siting facilities, master planning major federal installations, and planning community developments. As an engineer-scientist with Booz-Allen Applied Research, he was one of the early developers of computer aided master planning, the development of life cycle costs for facility location decisions, and the development of heuristic techniques for determining the effectiveness of a given set of facility sitings for an installation. He was selected by the Department of the Air Force to serve as their program manager for computer aided decisions regarding the cost and effectiveness tradeoffs of alternate facility sitings.

• Inspection and Investigation

Inspected over 20 major U.S. Air Force installations; assessed organizational readiness to fulfill their operational missions and their degree of compliance with established laws, policies and regulations. Served as technical advisor to the U.S. Air Force Inspector General for investigation of employee malfeasance and misfeasance.

• Nuclear Safeguards and Security

Established a performance measurement system for assessing the cost-effectiveness of the nuclear safeguards and security program, Battelle Pacific Northwest Laboratories.

Professional Affiliations

American Management Association

American Society for Quality Control

Senior member, Institute of Industrial Engineers

Board of Directors, Puget Sound Chapter, Institute of Industrial Engineers, 1984-1988.

Director and Assistant Director, Government Division, Institute of Industrial Engineers, 1979-1983.

Vice President, treasurer, photographer, and other offices, Washington, D.C. Chapter, Institute of Industrial Engineers, 1969-1976.

Honors and Awards

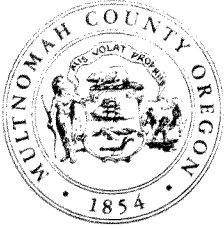
Most outstanding young industrial engineer in Washington, D.C. metropolitan area, 1973-1974.

U.S. Air Force civil engineering achievement award for professional excellence; 1969.

Various decorations, U.S. Air Force, 1955-1979.

Publications

Mr. Adkins has published over 50 technical documents related to organizational effectiveness, productivity enhancement, feasibility, cost containment, statistical applications, and facilities management.



GLADYS McCOY, Multnomah County Chair

Room 134, County Courthouse
1021 S.W. Fourth Avenue
Portland, Oregon 97204
(503) 248-3308

RECEIVED
JAN 11 1991

DEPARTMENT
DIRECTOR
MULTNOMAH COUNTY DEPT

TO: Linda Alexander, Director
Department of General Services
FROM: Hank Miggins, Executive Assistant
Chair's Office
DATE: January 4, 1991
SUBJECT: Issues to Resolve for the 91-92 Budget

As we try to confront the effects of the property tax limitation, a number of issues have come up that will require resolution in the budget process.

I am assigning the following issues to you.

Budget with each dept help

Curtis Smith

Dario Boyer

Barbara Simon J. Driscoll

Kathy Buse Stones

*Dave Royer
Supt. of
Intergovernmental
Affairs*

- Calculating the savings from our hiring freeze this year, *selective*
- Preparing layoff/seniority lists, *each dept should do suggest Budget*
- Designing and implementing "Project Save",
- Designing and implementing a job counseling program for terminated employees,
- Designing a plan to induce eligible employees to take early retirement, possibly including payoffs,
- Calculating the savings from implementing a monthly payroll,
- Identifying and preparing for legislative consideration changes in statutory requirements for Assessment and Taxation and Elections that would materially reduce County costs,
- Preparing legislation including on the tax roll inventory and other property currently exempt from property tax,
- Preparing legislation eliminating discounts for early payment of property taxes,
- Implementing the Hill study

Issues to Resolve
January 4, 1991

What I need from you for each issue is:

- an analysis of the merits and disadvantages of pursuing each course (except, of course, the hiring freeze, layoff lists, and "Project Save")
- an implementation plan for each issue in enough detail that we can put it into the 91-92 Executive Budget if we choose.

I need the plans and analysis by the end of February.

I realize that the timing could not be much worse in terms of the demands on your energies and the availability of your staff. However, the time we have is the time we have. We are all going to struggle to get everything done that needs to be done.

With that in mind, I need your help in keeping me aware of what is being done to deal with these issues. I want you to keep me informed of the progress you are making and the obstacles you are facing as you work through them. Please take the time to let me know by January 11

- who will be working on these items and
- what process you expect to use to complete the project in time to make the necessary allocations in the 91-92 budget.

You and I will review how things are going at regular meetings between now and the end of February.

Let me know if you have any questions about the foregoing. If you have strong objections to any of the issues you have been assigned, please talk to me as soon as possible.



MULTNOMAH COUNTY OREGON

ATTACHMENT C

DEPARTMENT OF GENERAL SERVICES
ADMINISTRATIVE SERVICES DIVISION
2505 S.E. 11TH AVENUE
PORTLAND, OREGON 97202
(503) 248-5111

GLADYS McCOY
COUNTY CHAIR

MEMORANDUM

TO: Linda Alexander

FROM: Kathy Busse
Lillie Walker

RECEIVED
FEB 15 1991

DEPARTMENT OF GENERAL SERVICES
DIRECTOR'S OFFICE
MULTNOMAH COUNTY, OREGON

DATE: February 14, 1991

SUBJECT: CONSOLIDATION OF REDUNDANT FUNCTIONS IN HEALTH
SUPPLY WITH PURCHASING AND CENTRAL STORES

On January 23, we were directed to develop a workplan implementing the recommendation of Hill and Associates to merge the redundant functions in Health Supply with Purchasing and Central Stores.

We were further instructed to meet with Dwayne Prather and Ardys Craghead to address Health Division's concerns in the workplan.

Approach:

Lillie and I have continued to work with Dwayne and Ardys to undertake a careful examination of the current functions in Health Supply, to identify each activity and arrive at an informed estimate of the associated costs of each. We have considered dollar volume, number of material items, type of activity, as well as work stream and handling procedures.

Those functions that fall within Purchasing/Central Stores activity have been further analyzed by Purchasing for redundancies and adjusted to accurately project FTE requirements based on Purchasing workload standards. Those functions that were unique to the Health Division, or were part of the division's clerical or management infrastructure, were identified and set aside to be organized as they feel appropriate.

The consolidated purchasing and warehouse activity was to be assigned specific performance standards to establish a clear line of accountability and assist the discussion at the policy level, should the Health Division seek a higher standard of support.

Linda Alexander
February 14, 1991
Page Two

In following this general approach, both Administrative Services and the Health Division would be expected to garner needed resources to collect and share data, exchange information, consult with appropriate professional and management staff to ensure all substantial concerns would be addressed in the recommendations.

Purchasing expects to capture savings by eliminating redundant activities, simplifying procedures and combining tasks or activities. We also anticipate a significant change in the organizational relationships between the Health Division's support services and Purchasing. This relationship must be clearly defined and supported to maximize short and long-term benefits.

Activity Detail:

1. Define and summarize functions within Health Supply.

Dwayne Prather provided Purchasing with a detailed description of all functions currently provided by Health Supply (attached). We toured the Health Supply facility and met on four occasions (approx. eight hours) with Ardys Craghead and/or Dwayne to review the descriptions and concerns. We also talked with Ward Evans, the Health Supply Warehouse Supervisor and staff, to clarify internal procedures.

It should be noted that we postponed discussion of distribution concerns until a traffic study consultant is hired.

2. Sort functions to determine which are redundant with Purchasing and which are outside the scope of Purchasing.

Source material: Section 6, Exhibit 2, of the Hill Report; the Purchasing Manual and Administrative Rules; Health Supply logs and supply order forms; the Health Supply Issues and Concerns document; and Health Supply staff interviews.

After discussing each function with Dwayne and Ardys, we attempted to determine which functions were redundant. The following chart is a summary of Purchasing's findings.

LOCATION OF HEALTH SUPPLY FUNCTIONS/ACTIVITIES

<u>Purchasing</u>	<u>Stores Inventory Control</u>	<u>Warehousing</u>	<u>Direct Service to Clinics</u>	<u>Questions</u>
(9) ordering non-stock items	(10) ordering stock items	(13) receiving shipments, storing supplies	(11) ordering & re-ordering, storing and shipping of Health Div. forms	(16b) manual reports by unit managers sent to middle management
(19) meeting with vendors	(12a) payment of bills for stock items	(14) filling stock orders, packaging & shipping to clinics	(12b) payment of bills for non-stock items	(17b) special requests & emergency actions
(20b) conversion of small purchases to requirements contracts or bids	(15) inventory control		(20a) initial phone orders/ completing requisition forms	(18) coord./ management of family planning grant

Linda Alexander
February 14, 1991
Page Four

There are some differences between Health Supply and Purchasing tasks and procedures. We attempted to isolate those not performed by Purchasing that are critical to the operation of the Health Division. Those activities are identified in the column "Direct Service to Clinics."

The fifth column represents functions for which we have questions that must be answered before we could conclude Purchasing performs all or some part of the function. With the exception of handling birth control supplies for Multnomah County clinics, the functions in this column have been excluded from our volume analysis and budget.

3. Analyze sorted functions (Purchasing, Warehouse and Inventory Control); review for opportunities to reduce administrative costs by merging with Purchasing.

We reviewed Health Supply purchases, adjusted for redundancy, identified efficiencies by simplifying some procedures (eg. conversion of individual purchases to requirements contracts). During this process, we met with Health Supply staff to "walk through" the purchasing process from initiation to payment of bills for both stock and non-stock items.

4. Assign costs by volume of activity at current Purchasing performance standards.

We reviewed the volume of Health Supply purchasing activity for both stock and non-stock items, including the type of purchases and usage; we added conditions, if any, and applied current purchasing staff volumes for equivalent positions to arrive at a projected FTE requirement.

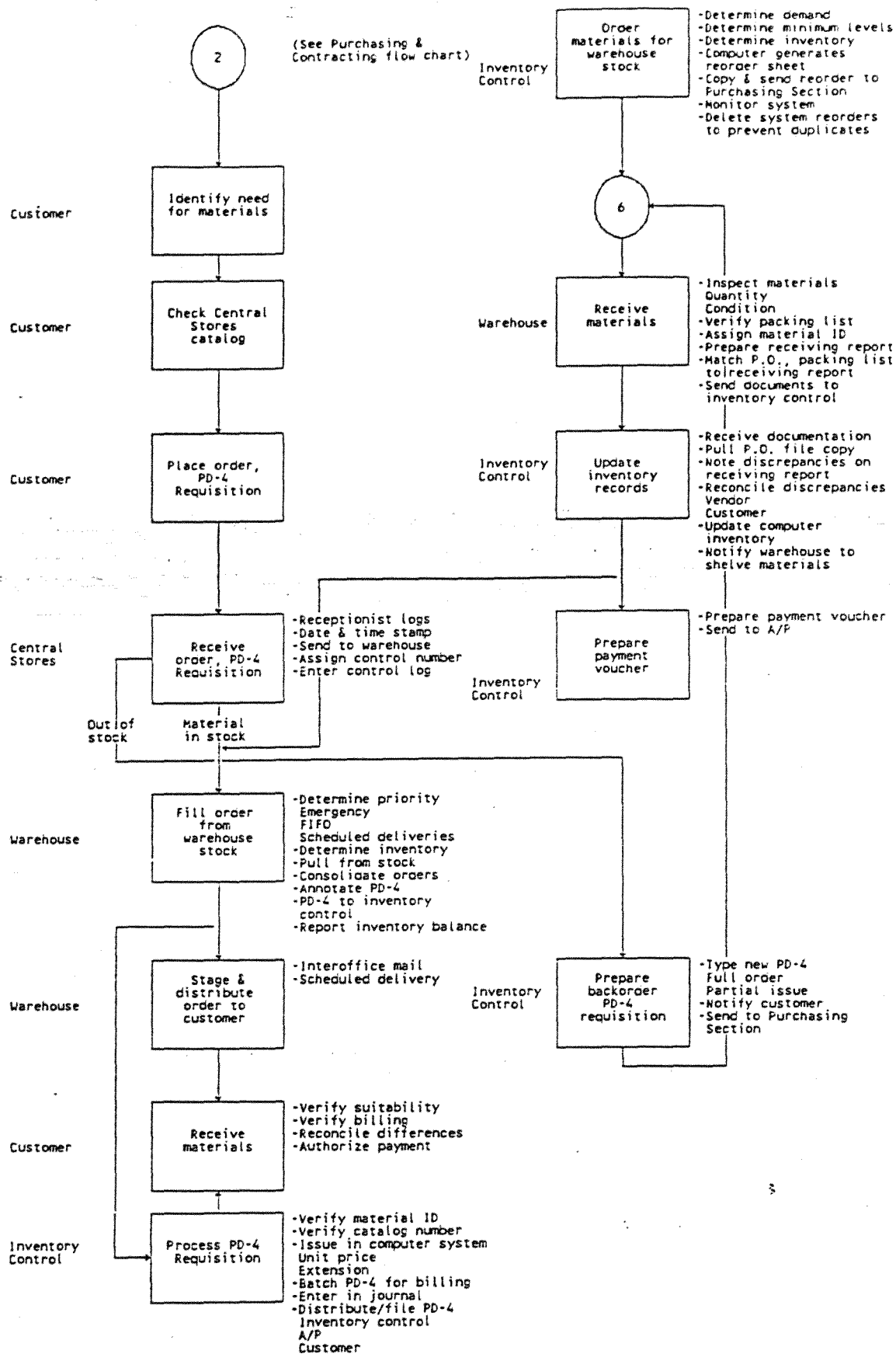
5. Prepare workplan and budget.

We prepared a workplan that incorporates the additional volume of purchasing activity into Purchasing and Central Stores. The merged functions have been assigned performance standards that Purchasing/Central Stores has met or exceeded for the past six consecutive quarters.

The budget projects both transitional and continuing costs for the merged functions (attached).

KB:273Adm:c1
Attachments

WAREHOUSE FUNCTION ACTIVITIES & TASKS



MULTNOMAH COUNTY

POTENTIAL FUNCTIONAL CONSOLIDATIONS

COUNTY SUPPORT FUNCTION	ACTIVITY SUPPORT SERVICE RESOURCES		
	CENTRAL STORES	HEALTH STORES	PORTLAND CONTRACT
DISTRIBUTION			
Estimated Annual Cost	\$58,000	\$202,000	\$360,000
FTE's	0.60	2.80	5.50
Vehicles	1	3	5
PAYROLL			
Estimated Annual Cost	nil	nil	n / a
FTE's	nil	nil	n / a
Vehicles	n / a	n / a	n / a
PURCHASING			
Estimated Annual Cost	\$12,000	\$150,000	n / a
FTE's	0.50	4.45	n / a
Vehicles	n / a	n / a	n / a
WAREHOUSING			
Estimated Annual Cost	\$50,000	\$135,000	n / a
FTE's	1.90	4.90	n / a
Vehicles	n / a	n / a	n / a
ACCOUNTS PAYABLE			
Estimated Annual Cost	\$12,000	\$22,000	n / a
FTE's	0.50	0.85	n / a
Vehicles	n / a	n / a	n / a
ACCOUNTS RECEIVABLE			
Estimated Annual Cost	nil	nil	n / a
FTE's	nil	nil	n / a
Vehicles	n / a	n / a	n / a
TOTAL			
Estimated Annual Cost	\$132,000	\$509,000	\$360,000
FTE's	3.50	13.00	5.50
Vehicles	1	3	5

NOTES: 1. Portland FTE count is estimate of staff involved in vehicle based distribution.
2. Average annual vehicle cost used in distribution is about \$42,000.

WORK PLAN FOR INTEGRATION OF HEALTH & PURCHASING STORES

GOAL: Consolidate duplicative functions of Health Supply and Purchasing Section for economy and efficiency.

KEY OBJECTIVES:

PURCHASING FUNCTION:

1. Assure all applicable laws, State and County Administrative Rules, Ordinances, and grant funding criteria are adhered to.
2. Provide clerical support to clinics for the purchase of medical equipment, supplies and non-stock drug/pharmaceutical purchases.
3. Maintain records of all active contracts and purchasing transactions generated by the clinics in the inventory system.

WAREHOUSE/CENTRAL STORES:

1. Assure accountability for the movement, storage and control of all inventory for health supply items.
2. Assure appropriate storage temperatures and safety of pharmaceutical supplies.
3. Prepare and package clinic orders for distribution in accordance to Medical Order Requests.

WKPLN2

WORKPLAN (cont'd.)

Page 2.

OBJECTIVE 1. Assure all applicable laws, State and County Administrative Rules, Ordinances and grant funding criteria are adhered to.

KEY ACTIVITIES	PERSON(S) RESPONSIBLE	DUE DATES	OUTPUTS/STANDARDS
Comply with ORS 279, PCRB Rules State OARs and grant criteria	Purch. Spec. (PS)/Supv.	7/1-9/30/91	Policy/procedures and rules developed and implemented
Purchase medical equipment, supplies and pharmaceuticals in the most economical and efficient manner	PS/Supv. OA-2/Supv.	7/1 - 9/30/91	Receipt of appropriate supplies for use. Document cost savings.

OBJECTIVE 2. Provide clerical support for the purchase non-stock drug/pharmaceutical, medical equipment and supplies.

KEY ACTIVITIES	PERSON(S) RESPONSIBLE	DUE DATES	OUTPUTS/STANDARDS
Consolidate/process non- stock orders received from Health Division & clinics	Buyer/PS/OA-2	7/1/91	Requirements/Term contract or Bid issued
Identify sources of supply for informal non-stock items	Buyer/PS	7/1-9/30/91	Sufficient competition to drive prices
Formally bid non-stock items over \$10,000	Buyer/PS	9/30/91	Three-year bid on repetitive purchases
Receive customer complaints and make adjustments as necessary	PS/OA-2	9/30/91	Customer satisfaction

WORKPLAN - PURCHASING/HEALTH SUPPLY INTEGRATION

Page 3.

OBJECTIVE 3. Maintain records of all active contracts and purchasing transactions generated by Health Clinics.

KEY ACTIVITIES

Key clinic purchasing transactions into medical inventory system	OA-2/PS	9/30-12/31/91	Retrieval of transactions and statistics from system on a monthly and quarterly basis.
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WORKPLAN - PURCHASING/HEALTH SUPPLY INTEGRATION

Page 4.

WAREHOUSE/STORES OBJECTIVES

OBJECTIVE 1. Assure accountability of movement, storage, and control of all Health Supply items in stock.

KEY ACTIVITIES	PERSON(S) RESPONSIBLE	DUE DATES	OUTPUTS/STANDARDS
Implement sound inventory procedures for accurate timely records of items on hand	Op. Sup. (OP) Whse Chief PS/Supv.	7/1/91 9/30/91	Consistent, accurate records of all items stored

OBJECTIVE 2. Assure items are stored in spaces with temperatures appropriate to prevent loss and promote safety.

Insure instructions for storage and temperatures are strictly adhered to	OP/Whse Chief FM	7/1/91 9/30/91	Storage in secure, refrigerated or air conditioned area
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OBJECTIVE 3. Support distribution/delivery of Health Supply orders to appropriate clinics

Fill orders for stock items stored in warehouse	Whse Chief Whsemen	ongoing	Accurate timely receipt of of supplies/pharmaceuticals
Package/prepare orders for distribution as indicated	Whse Chief Whsemen	ongoing	Orders ready for delivery to various clinic as specified

STAFFING REQUIREMENTS FOR INTEGRATION
OF
HEALTH SUPPLY AND PURCHASING STORES

PURCHASING/WAREHOUSE STAFF SUPPORT:

Function

FTE Required

Data entry, telephone contact with clinics, mail handling, filing and retrieval of statistical data for monthly, quarterly reports. Invoice clinics for stock items.

OA2 - 2FTE

Solicit quotes, process POs, supplier sourcing, assuring accurate descriptions for non-stock orders. Consolidating orders received from various clinics. Check re-orderpoints and back orders.

Purchasing
Spec. - 1-FTE

Fill orders for stock items, receive and inspect supplies. Stock shelves, package orders and prepare for delivery. Inventory items 4 times annually, return defective supplies. Rotate stock as necessary.

Warehousemen
2-FTE

Total FTEs Required

5 FTE

Note: The Purchasing Section/Warehouse can house the 5 additional FTE in its facility. Herman Miller panels and components would be required to create work stations for the 3 staff to be housed in the Purchasing office. Some capital improvement would be necessary for air conditioning for some pharmaceuticals, additional shelving and work stations in the warehouse.

BUDGET ESTIMATE**INTEGRATION HEALTH SUPPLY, PURCHASING &
WAREHOUSE FUNCTIONS WITH PURCHASING SECTION****FY 91-92**

<u>PERSONAL SERVICES</u>	<u>BUDGETED AMOUNT</u>
2 Warehouse Workers @ 32,000	\$ 64,000
2 OA2's @ \$ 32,000	\$ 64,000
1 Purchasing Spec I	\$ 36,500
1 Senior O.A.	<u>\$ 36,500</u>
TOTAL PERSONAL SERVICES	\$ 200,000
 Materials and Services	 \$ 6,000
Indirect Costs (telephone)	\$ 1,500
Capital (security improvements)	<u>\$ 5,000</u>
TOTAL ESTIMATED BUDGET	<u>\$ 213,000</u>

REQUIRED HEALTH SUPPLY SERVICES FOR HEALTH CLINICS

January 22, 1991

1. Medical Records Transfer. Required transfer of medical records between clinics.

A. Issues and Concerns.

- Risk Management and Malpractice Suits
- Practice Issues Raised by Professional Staff if Records not Available
- Client Services
- An Integral Part of the Health Care Delivery System
- Must have at clinic before they can see patient

B. How This is Carried Out.

- (1) Must carry beepers for intercept and pick-up and delivery of medical records.
- (2) Must be on-call for when clients are seen with walk-in visits.
- (3) We do this to avoid high-risk practice of medicine.
- (4) This meets the expectation of medical profession by having medical history in hand for client visit.
- (5) Medical staff will be concerned with confidentiality issues of drivers.
- (6) Staff must be bonded and cleared for handling sensitive material.

2. Transfer of Pharmacy Items. Required transport of pharmacy goods between clinics and warehouse.

A. Issues and Concerns.

- ° Risk Management for Stolen Goods
- ° Drug Enforcement Agency and State Board of Pharmacy Legal Issues Related to the Handling of Controlled Substances
- ° Client Service Issues – pain and suffering small possibility of life threatening if not delivered in time required
- ° An Integral Part of the Health Care Delivery System

B. How This is Carried Out.

- (1) Must be able to deliver and (in some cases wait up to 15 minutes if necessary) pick up drug items on short notice.
- (2) Because driver is the only transport of drugs to teen clinics who have no pharmacy in school, they must occasionally wait for pharmacist to dispense because patient is waiting at teen clinic.
- (3) Must know procedure for handling controlled drugs.
- (4) County must have a concern for the confidentiality and trustworthiness of the driver.
- (5) Staff must be bonded, trained, and cleared for handling a high volume of pharmacy items for 18 sites on a systemwide basis.
- (6) Must get signed document certifying received item or items
- (7) Different items must be stored at different temperatures (kept frozen, or kept at refrigerator temperature or kept at room temperature or kept from excessive heat

3. Transfer of Laboratory Items. Requires transport of laboratory items between clinics and the Gill Building laboratory.

A. Issues and Concerns.

- ° Risk Management for Public and Staff Safety
- ° Legal Issues of Handling Medical Waste
- ° Threat of Improper Handling of Contagious Disease (HIV/hepatitis)
- ° Concern for Client Services
- ° An Integral Part of the Health Care Delivery System
- ° Must be delivered to Central Lab within a certain time limit

B. How This is Carried Out.

- (1) Must be able to transport laboratory specimens, including highly contagious diseases such as HIV and hepatitis, to the central laboratory twice daily.
- (2) Must be flexible in schedule (to adjust to waiting 5 minutes at a clinic while blood draw is completed and prepared for transport).
- (3) Must be trained in special handling of lab specimens (for individual safety as well as general risk management).
- (4) Must be trained on how to handle emergency situations (where there has been loss or breakage of specimen containers).
- (5) Must be super reliable in getting the specimen to the right stop while handling many other supply and pharmacy items.
- (6) Staff must be bonded, cleared, and trained for handling a high volume of laboratory items on a systemwide basis.
- (7) Storage and handling - temperature difference for different specimens; some frozen, some refrigerated, some room temperature

4. Transport of Medical Equipment and Supplies. Required to deliver medical equipment and consumable supplies to clinics.

A. Issues and Concerns.

- ° Risk Management for the Protection of Inventory Goods (specifically needles, syringes, and other items profitable for resale).
- ° Security of Goods While in Transit
- ° Delivery of Goods in a Safe and Efficient Manner
- ° Knowledge of Medical Equipment Maintenance
- ° Ability to Lift Heavy Loads
- ° Responsive to Client Service Issues
- ° An Integral Part of the Health Care Delivery System
- ° Life threatening if not received in timely manner
- ° Transfer of liquid nitrogen from one clinic to another (dangerous gas)

B. How This is Carried Out.

- (1) In addition to transporting laboratory specimens, pharmacy items, and medical records, driver must deliver \$500,000 in consumable medical supplies to 18 clinic sites.
- (2) Must pick up capital equipment items occasionally and transfer between clinics (audio testing units, furniture, or exam tables).
- (3) Must pick up return items for salvage to Central Stores.
- (4) Occasionally must move small items from one room to another in a clinic (move a 4-drawer file from room A to room B).

- (5) Must evaluate broken or malfunctioning equipment in clinics and help assess whether item is repairable on site or whether it requires transport to Health Supply or the vendor.
- (6) Requires a signed document receipt to be returned by driver
- (7) Requires special handling for different storage temperatures

5. Transport Medical Waste to Gill Building Central Laboratory. Requires transport of medical waste as required.

A. Issues and Concerns.

- Risk Management for Proper Handling and Liability
- Personal Risk and Community Risk Issues
- Training for Emergency Situations
- An Integral Part of the Health Care Delivery System
- Know State regulations for handling

B. How This is Carried Out.

- (1) Must pick up and transfer medical waste (needles, syringes, blood soaked dressings, and tissue) to the Gill Building Central Laboratory for autoclaving.
- (2) Requires special training and handling for individual and public safety.

6. Transport of Local Vendor Items to Health Supply or Clinics. Requires the pick-up and transfer of items from vendors

A. Issues and Concerns.

- ° Risk Management Concerns for Individuals in 18 Sites Required to Pick-up and Transfer Items on Their Own
- ° Cost Avoidance by Having This Function Consolidated
- ° An Integral Part of the Health Care Delivery System
- ° Save transportation costs
- ° Get item in a hurry
- ° Life threatening if not done in a timely manner

B. How This is Carried Out.

- (1) Must pick up small purchases (3-5 per week) from local vendor who either will not deliver or who would charge a substantial delivery fee.
- (2) By consolidating this to one place managers and other support staff are not making various trips and thus diverting their time from their budgeted purpose and eliminating travel cost.

7. Transport of Cash and Negotiables. Requires the transport of up to several thousand dollars in cash and negotiables to the Gill Building on a daily basis.

A. Issues and Concerns.

- ° Risk of Loss
- ° Trustworthy Staff
- ° An Integral Part of the Health Care Delivery System²

B. How This is Carried Out.

- (1) Must pick up "money" package on a daily basis for transport to the Gill Building Accounts Receivable unit for review and deposit.
- (2) Must assure proper handling and security of money and negotiables while in transit.
- (3) Avoids 8 to 10 clerks losing 30-45 minutes per day while leaving clinic for bank deposit.
- (4) Sign for pick up of cash

8. Transport of Payroll. Requires pick-up of payroll and distribution to staff in 18 locations.

A. Issues and Concerns.

- Risk Management for the Handling of Checks
- Service to Staff
- An Integral Part of the Health Care System
- Meet delivery deadlines
- Pick up time sheets
- Pick up and delivery of mileage checks

B. How This is Carried Out.

- (1) Avoids 18 different managers or payroll staff from duplicating this effort every two weeks.

9. Ordering Non-Stock Medical Equipment, Supplies, and Pharmacy Items.

Requires the initial item identification, comparative pricing, and purchase of \$990,000 (approximately _____ items) worth of capital equipment, medical supplies, and pharmacy items.

A. Issues and Concerns.

- Concern for the Proper/Adequate Support of the Individual Medical Practice (approximately 40 medical providers in the system) plus all non-providers
- Uniformity of Non-Stock Items Between 18 Clinic Sites (this is particularly important when staff are frequently moving from site to site within the system)
- Quality control
- Ordering of right item
- Assemble materials
- Avoidance of These Tasks Being Done at 18 Different Clinic Sites (by managers and OA staff)
- An integral part of the Health Care Delivery System

B. How This is Carried Out.

- (1) Must take simple information arriving in paper form that requests capital equipment, medical supplies and pharmacy items that are not in our normal stock inventory and decide what exactly is wanted by the person making the order (determine exact size, shape, purpose of medical equipment/supply items or drugs).
- (2) Must contact originator, which could be any of the medical providers and a host of clinical managers and lab technicians to verify specifics of the order.
- (3) Must develop price quotes by calling or sending written forms (FAX) to medical supply vendors from all over the Northwest and the nation to develop the lowest prices.
- (4) Must prepare purchasing documents for forwarding to purchasing.

- (5) Must keep records of purchases for control of back-orders and questions from the clinics.

10. Ordering of Stock Items.

The ordering of medical supplies and pharmacy items for stock is done on an as needed basis.

A. Issues and Concerns.

- Must have an extensive knowledge of the computer inventory control system, and extensive knowledge of the coding system required to operate the computer.
- Must have an extensive knowledge of generic drug terms.
- Quality control
- Must have an extensive knowledge of medical equipment terminology.
- Must be able to interface with the many medical professionals in 18 different sites as the consolidated central point for ordering of stock items.
- An integral part of the health care system
- Can not run out of items

B. How This is Carried Out.

- (1) Based upon the pre-set reordering point the system generates a form identifying a specific item that has reached the predesignated point and is in need of reordering.
- (2) The staff purchasing specialist determines if there is anything unusual about reordering this item at the specific predesignated level. The analysis is to determine factors within the health care delivery system that would indicate a different date or number of items to be reordered.

- (3) Once the decision is made the order is completed and sent into the requisitioning process for purchasing.

11. The Ordering of Health Educational Material, and Health Division Forms.

Pamphlets, brochures and forms, including medical records, are ordered as the items reach reordering point.

A. Issues and Concerns.

- Must have a thorough understanding of the print shop ordering process.
- Must have a thorough understanding of the current inventory and the individuals who are programmatically responsible for the various forms (there are _____ of program areas, each with its own program manager responsible for the form).
- Must contact Health Educators and others about changes/revisions
- Must have good communication skills in dealing with individuals who are in need of inventory items when in fact those are unavailable at the present time.
- An integral part of the health care system

B. How This is Carried Out.

- (1) All sites send in requisition for health education materials and forms on a regularly scheduled basis.
- (2) A very high percentage of these are filled on a regular basis but with the huge inventory (_____ of forms and _____ of pamphlets) and the problem that many of these forms come from other sources, like the state Health Division and the Oregon Health Sciences University, it is impossible to always have stock on hand.

(3) The consolidation of this effort for efficiency and control is critical and avoids having clerks and managers in 18 different sites and other program staff developing their own forms and attempting to manage their own inventories.

(4) Must contact vendors for price and information

12. Payment of Bills for \$990,000 Worth of Capital Equipment, Medical Equipment and Medical Supplies and Pharmacy Items.

On a daily basis develop the paper trail and documentation to prepare vouchers for payment of bills to vendors who have supplied the Health Division with medical equipment, supplies and pharmacy items.

A. Issues and Concerns.

- ° Must be concerns with diligence necessary to assure that proper charges are made to the county since the county seldom (less than 1% purchases at market prices). This creates a substantial effort and effort in fabrication and a ____% of bills being rebilled to the county because of incorrect charges.
- ° Requires an individual to be very familiar with the accounts payables process and must be diligent in following up with vendors on a nationwide basis for those items that have been back-ordered or damaged/lost en route.
- ° The work of developing this information on a high volume of bills at the raw development level is a very demanding task. It must be done well to avoid problems of vendors and the county receiving inappropriate charges for overdue bills.
- ° An integral part of the health care delivery system

B. How This is Carried Out.

- (1) The process feeds paper from the receiving dock to this desk for matching with original invoice and purchasing documentation.
- (2) The huge problem is the tracking of inappropriate charges and finally getting a bill ready for payment.
- (3) This requires extensive telephoning to vendors and a very sophisticated follow-up system with plenty of notes and backup material.
- (4) Need to know correct account code to charge
- (5) Met deadline so don't lose discounts

13. Receiving of Shipments.

On a daily basis shipments are received at the Ford Building and opened, inspected and signed for by Health Supply.

A. Issues and Concerns.

- All shipments are inventoried very carefully upon receipt but the items from pharmaceutical companies are given special attention and of course anything received as a control drug must follow the strict documentation required by the drug enforcement agencies.
- An integral part of the health care delivery system
- Quality control - need to be real familiar with items to make sure that right item is received

B. How This is Carried Out.

- (1) Shipments are carefully opened and inspected and signed for to assure that supplies are received in a suitable manner.

- (2) Shipments are put into proper stocking sequence based upon a predetermined shelving and stocking arrangement and must be put in place within 24 hours of receipt.

14. The Filling of Orders, Checking of Orders, Packing and Shipment of Orders.

On a daily basis orders are received, filled, checked, packed and shipped to clinics from the Health Supply warehouse.

A. Issues and Concerns.

- ° As in all business of this nature we fill orders within 24 hours of receipt and we verify all orders before shipment.
- ° Each shipment is packed in a proper manner and prepared for pick up by the Health Supply driver. Each order must have its own packing slip.
- ° Accountability is extremely important since we are handling a high volume of expensive items and high security items and the driver must receive a signed copy of the invoice by a responsible person at each clinic site.
- ° An integral part of the health care delivery system

B. How This is Carried Out.

- (1) Orders for stock items are filled on a regularly scheduled basis from all of the 18 different sites with a total of 27 different ordering points submitting orders monthly.
- (2) Orders are sent to the inventory clerk which is identified in the following paragraph and are then sent to the warehouse staff who go down isles and pick out items and fill orders.

- (3) Each order is checked by someone other than the order puller and then the items are packed for shipment.
- (4) Special handling required. The Health Supply does receive orders and ship immunizations which do require special handling with ice and other kinds of special handling for the vials in terms of packing and shipping.
- (5) One item needs to be kept frozen
- (6) Two dozen items need to be kept under refrigeration
- (3) Each order is checked by someone other than the order puller and then the items are packed for shipment.
- (4) Special handling required. The Health Supply does receive orders and ship immunizations which do require special handling with ice and other kinds of special handling for the vials in terms of packing and shipping.
- (5) One item needs to be kept frozen
- (6) Two dozen items need to be kept under refrigeration

15. Inventory Control.

Each item that is received or shipped is processed through the inventory control computer system.

A. Issues and Concerns.

- ° With well over a million and a half dollars of inventory processed through each year it is imperative that strict controls be both in place and in force.
- ° Must have a thorough knowledge of drug language, medical supply terminology and how units are issued

- We must constantly guard against improper entries and other errors that cause both paper losses as well as the potential of real losses.
- This is a critical position because its activities affect the flow of nearly all of the other activities within Health Supply.
- An integral part of the health care delivery system

B. How This is Carried Out.

- (1) The monthly ordering system provides documents.
- (2) Inventory is entered for review and classifications by another staff person.
- (3) Items out and adjustments are entered by this person.
- (4) The backup secondary control check point occurs in both Health Supply as well as the Department of General Services Accounts Payable.

16. Monthly Reports and Accountability.

There are each month 14 reports and accountability activities assuring proper handling of inventoried items.

A. Issues and Concerns.

- Must assure complete accountability of all items.
- Must be able to make reports on activity levels as well as on actual counts and accountability of items handled.
- Must be completely familiar with the inventory control system as well as much of the detail in the packaging of all of the inventory where many errors can be found through a misunderstanding of packaging by volume.

B. How This is Carried Out.

- (1) There are monthly and bimonthly inventory of items within the warehouse.
- (2) There are monthly reports generated by the system as well as manually by the unit manager.
- (3) Several of these reports are sent to middle management for review and verification.

17. Special Request and Emergency Actions.

With 650 staff located in 27 different locations it is normal to have special requests and emergencies on a daily basis.

A. Issues and Concerns.

- Many of the requests are for services that entail either looking for a special nonstock piece of equipment or supply item and these must be responded to with concern and care for both the patient services as well as for providing the medical staff with the item appropriate to their needs. Examples are:

- Emergencies occur for a variety of reasons but include examples as follows:

- ° It is imperative that the support of the Health Division's 27 sites and specifically the 18 clinic sites have the flexibility and staffing to respond to special requests on emergencies as an integral part of the health care delivery system.

B. How This is Carried Out.

- (1) Most requests are transmitted by telephone and are usually screened and approved for order by the Health Supply manager. In his absence there is an individual designated to take the lead role and handle and direct staff to respond to these requests and emergencies.
- (2) In some cases the nature of the request may require approval or verification of activity by the Director of Support Services or even a Director of Clinical Services or the Health Division Director before action will be taken.
- (3) The high majority of the request are within the experience of the Health Supply manager and are considered both reasonable and appropriate for Health Supply to respond to. In these cases the manager directs staff to take certain actions to accommodate the request or respond to the emergency.
- (4) In some cases the resources necessary to respond to the request or emergency are not within the capability of Health Supply and services are called upon outside Health Supply which may come from either other county agencies or outside vendors. Examples are as follows:

18. Coordination and Management of State Contracts.

The manager of Health Supply has the additional responsibility of coordination and management of state contracts, including the state Family Planning Grant and contracts for the purchase of 500 drug line items and etc.

A. Issues and Concerns.

- The programmatic coordination and management of contracts is resident in the Health Supply manager. Without his extensive experience in this field this capacity would be required to reside in a program staff most likely reporting to management staff on the 8th floor of the JK Gill Building.
- The consolidation of a number of the contracts that relate to supplies as well as the family planning grant (and the potential for a statewide laboratory grant similar to the family planning one) are most appropriately consolidated in the Health Supply manager.

B. How This is Carried Out.

- (1) The Health Supply manager coordinates with the state Health Division and the University of Oregon Health Sciences Center on certain aspects of programs (i.e., the family planning program) that relate to items within his area of responsibility.
- (2) Health Supply manager is a critical player in the management of the immunization program within this large urban county. He is the contact point for the county's Health Division with the state Health Division regarding the supply and inventory control of some \$_____ worth of immunizations given within Multnomah County each year.

- (3) Improper management would cost the county thousands of dollars each year.

19. Meeting With Sales Representatives From Vendor Sales Representatives.

Each week there are vendor sales representatives who contact the Health Supply manager for a discussion of the new product lines and to determine whether the services currently provided are appropriate.

A. Issues and Concerns.

- ° A thorough knowledge of the health care delivery system to be able to discuss changes in the system with vendors and identify new items that will be offered to medical staff for evaluation.
- ° To take requests from the medical professional staff and convert those requests into specifics for discussion with sales representatives in regard to new items in the marketplace or under research and discussion of when those might be available for purchase.
- ° Requires a thorough understanding of pharmaceuticals, medical supplies and equipment and our own Multnomah County health care delivery system to mesh these important issues with the various vendor sales representatives.

B. How This is Carried Out.

- (1) The Health Supply manager meets weekly with different vendor sales representatives and is informed of new product line, new items and has both the capability and the authority to discuss issues and items with the sales representatives in the exploration of a variety of issues and products.

- (2) The Health Supply manager also must have the authority, experience and knowledge to discuss products and inventory items with the Medical Director, the Pharmacy Manager and the Director of Support Services, Clinical Services and Dental Services in order to provide the best items to the users within the Multnomah County health care delivery system.

(20)

SUMMARY OF PROGRAM AREAS AT RISK BECAUSE OF MEASURE 5

January 15, 1991	Tier 1	Tier 2	Subtotals
Human Services			
Admin Prog. Dev. Spec	44,000		284,000
Admin P. I. O.	69,000		
Admin Receptionist	12,000		
Admin Graphic Arts	36,000		
Admin MIS Coordinator	57,000		
Admin Financial Tech	38,000		
Admin OA 2	28,000		
HSD Teen Health Clinics	165,000	1,184,000	6,063,000
HSD Field Services		1,875,000	
HSD Dental		796,000	
HSD Vector Control	53,000	228,000	
HSD Burnside Clinic		474,000	
HSD Mid-County Clinic		801,000	
HSD EMS	112,000		
HSD Corrections Hlth	8,000		
HSD Corrections Health MCRC		117,000	
HSD Corrections Hlth - levy reduction	250,000		
Juvenile Dependency Unit	311,000		311,000
SSD Teen Clinics	38,000	76,000	568,000
SSD Indirect	27,000		
SSD Youth Svcs Cut	200,000		
SSD CHIERS/Acupuncture		227,000	
ASD Indigent Burials	20,000		159,000
ASD Svc Ctr, Transport, Pub. Guardian	139,000		
SUBTOTAL	1,607,000	5,778,000	7,385,000
Department of Community Corrections			
3% Cuts (DCC)	218,000		300,000
Admin OA2	27,000		
Admin Mgmt Analyst	38,000		
Counc. for Prost. Alternatives	17,000		
Option 3		1,222,000	1,222,000
Probation		1,458,000	1,458,000
A&D Beds - levy reduction	400,000		400,000
SUBTOTAL	700,000	2,680,000	3,380,000
District Attorney			
Service Cuts (DA)	200,000		1,250,000
Jail Neutral Policy Cuts	300,000		
District Court Prosecution		750,000	
SUBTOTAL	500,000	750,000	1,250,000

SUMMARY OF PROGRAM AREAS AT RISK BECAUSE OF MEASURE 5

January 15, 1991	Tier 1	Tier 2	Subtotals
Sheriff			
Sheriff-listed cuts	1,256,000		1,256,000
Patrol Funded by Svc District	0		494,000
River Patrol		344,000	
Alarm Ordinance User Fees	150,000		
Restitution Center		1,350,000	5,050,000
Courthouse Jail		1,900,000	
Reduced Levy Collection (Sheriff)	1,800,000		
SUBTOTAL	3,206,000	3,594,000	6,800,000
Environmental Services			
Animal Control	298,000	1,090,000	1,388,000
Facilities Management	1,236,000	1,000,000	2,407,000
Fac. Mgmt Parking	36,000		
Fac. Mgmt - levy reduction	100,000		
Electronics Levy reduction	12,000		
Electronics	23,000		
Administration (DES)	117,000		193,000
Film liaison	6,000		
Emerg. Mgmt	10,000		
Surveyor	60,000		
Planning/Columbia Gorge	37,000		37,000
Parks	484,000		484,000
SUBTOTAL	2,419,000	2,090,000	4,509,000
General Services			
3% Cuts (DGS)	406,000		456,000
Admin Svcs - Contracts Mgr	50,000		
Health Promotion		162,000	162,000
A&T/Elections reduced standards		750,000	750,000
ISD Systems Mtce	200,000		200,000
P&B	260,000		260,000
SUBTOTAL	916,000	912,000	1,828,000
Library			
Reduced Levy Collection	2,500,000		2,826,000
Hours/books/branches to 18% level		326,000	
SUBTOTAL	2,500,000	326,000	2,826,000

SUMMARY OF PROGRAM AREAS AT RISK BECAUSE OF MEASURE 5

January 15, 1991

Nondepartmental

	Tier 1	Tier 2	Subtotals
BCC 20%	171,000		446,000
Chair 20%	166,000		
Clerk	37,000		
Auditor	72,000		
Arts Commission	76,000	303,000	379,000
PMCOA	16,000	63,000	79,000
MHRC	25,000	98,000	123,000
County Counsel 20%	158,000		158,000
CIC	80,000		80,000
Soil & Water District 100%	32,000		268,000
Extension Svc 100%	151,000		
Oregon Historical Society 20%	5,000		
Civic Action Teams 100%	25,000		
Youth Today 100%	5,000		
METRO Assessment		35,000	
Charter Commission	7,000		
OTA 100%	8,000		
Exempt COLA		600,000	600,000
SUBTOTAL	1,034,000	1,099,000	2,133,000
TOTAL OF RISK AREAS	12,882,000	17,229,000	30,111,000

POTENTIAL TRANSFERS TO OTHER JURISDICTIONS THAT ARE BEING DISCUSSED

Parks and Cemeteries to METRO
Mental Health to the State of Oregon
Long-Term Care (Aging Services) to the State
Metropolitan Arts Committee to the City of Portland or METRO
Emergency Management to METRO
Land Use Planning to cities
Oregon Historical Society funding to the State of Oregon
Metropolitan Human Relations Committee to METRO

POTENTIAL COUNTY/CITY COOPERATION, CONSOLIDATION,
OR TRANSFERS BEING DISCUSSED

Employee Training, Testing, Wellness
Risk Management/ Insurance
Citizen Involvement
Cable Regulation
Purchasing
Central Stores
Records
Electronic Services
Facilities Management
Fleet
CDBG/Housing Programs
Parks/Recreation
Emergency Management

CUTS TO REACH A BALANCED BUDGET

ACROSS THE BOARD

Wages and Benefits	
Union Wage Freeze	\$2,225
Exempt COLA freeze	600
Workers Comp. Reduced rate	490
Inflationary increases for contractors	215
Exempt Class Comp	250
total	\$3,780
Rollback in 5% materials and Services increase across the board	\$2,500
Internal County Efficiencies and Joint City/County Efficiencies	\$1,500
Subtotal	\$7,780

<u>DCC</u>	
OA2	27
Management Analyst	38
total	65
subtotal	7,845

<u>DES</u>	
Admin	123
Gorge	20
Parks	484
Animal control	298
Emerg. Mana	10
Surveyor	60
Electronics	23
* Facilities Management	1,236
* Eliminate Animal Control	1,090
total	3,344
subtotal	11,189

DGS

Internal Savings	406
Contracts Manager	50
ISD Maintenance	600
* ISD Systems Development Fund	500
total	1,556

subtotal	12,745
----------	--------

DHS

Admin	156
(PDS 44, Recpt. 12, Graphic Arts 43, MIS 57)	
EMS	112
* Vector Control	53
* Indirect	27
* Indigent Burials	20
total	348

subtotal	13,093
----------	--------

DA

Admin	70
* Phase One identified by DA	130
* Phase Two identified by DA	300
total	500

Subtotal	13,593
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* <u>Library</u>	2,826
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Subtotal	16,419
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Non Dept.

Board	128
Chair	147
Planning and Budget	200
CIC	80
CATS	25
Youth Today, Charter Comm. OTA	20
Annexation	60
PMCOA	16
MAC	76
MHRC	25
Auditor	35
Counsel	75

total	887
-------	-----

Subtotal	17,306
----------	--------

Sheriff

Close MCCF	3,400
* Close CHJ	1,900
* Sell Additional 30 Beds to Federal Marshal	1,000

With opening of MCIJ II and the 80 new A/D beds, we will have virtually the same number of "secure" beds.

Cuts identified by the Sheriff	\$945
* Close Street Supervision	\$225
Marshal revenue assumed in revenue forecast	
Additional Efficiency/Administrative Cuts in Sheriff's Office	\$500
Eliminate West Side Car	\$275
* Reduce River Patrol	\$175
total	\$8,195
Grand Total	\$25,501

ADDS

Fund Child Abuse Priority #1 package \$2,250 (phased in starting in October)

$25,501 - 2,250 = 23,211$

Add Backs *** $9,460 + \$2,500 = 11,960$ BIT two tiered 2 and 3% \$2,500 for Intermediate Sanctions

Intermediate Sanctions Possibilities

Open day reporting center to serve the population currently released on matrix.

Expand Pretrial Release program through courts.

Expand intensive supervision with outpatient A/D treatment

Expand intensive supervision and treatment of sex offenders

Expand OWTS/ADAPT services.

Fund with ** new revenue source \$2,500

TOTALS

Permanent Cuts \$16,035

Add Backs 9,460

New Revenue for Intermediate Sanctions \$2,500

OTO MONEY Goal of \$4 million

94% Spending Cap Additional \$2,000 to BWC
Review Capital Projects for cancellation
Limited contribution to retirement benefits \$750,000?
Voluntary Furlough \$250,000
Make some reductions starting in May (save last two months of
this year)

OTHER POTENTIAL REVENUES

City non-assessment of Street Light Levy \$1.2
City non-assessment of Parks Levy
City non-assessment of BOEC Levy

Utility Franchise Fee \$3,750,000 (to fund mid-county patrol)
River patrol fee \$300,000
Alarm Ordinance \$150,000
Elimination of TSCC \$220,000
Vehicle Rental Tax \$400,000 or 800,000 to MAC or handicapped
transport
Beer and Wine Tax

2247

2-5

BCC WORKSESSION
Summary
19 February 1991

AGENDA

1. Opening
2. BCC discussion of public meetings
3. Committee Reports
4. BCC identify budget priorities
5. Budget process and timeline
6. Closing

1. OPENING

- * Commissioners each identified what was important for them to get out of today's meeting:

Commissioner Hansen

- To get the specifics of the budget timeline
- Identification of the budget cuts and when they would happen
- Beginning discussion of alternative revenue

Commissioner Bauman

- Approach the difficult budget decisions
- An identified order for budget cuts
- Board priorities for the budget

Commissioner Anderson

- All of the above
- To talk about what the Board heard in the public meetings
- To identify what are acceptable and unacceptable cuts from Tier 1 and 2

Commissioner Kelley

- Identify some areas for efficient cuts and areas where further efficiency review needs to be done.
- For the Chair to hear what the Board is saying and to use it in putting together the Executive budget

Chair McCoy

- To hear what the Board thinks concerning the public meetings
- To clarify the budget process
- To hear the Board's thinking concerning alternative revenue

* Ground rules for the meeting:

- One person speaks at a time
- Treat each other with respect
- End on time (12 noon)

* Review the Agenda

- Board discussion of public meeting as agenda item #2

2. BOARD DISCUSSION OF PUBLIC MEETINGS

Commissioner Kelley

Commissioner Kelley summarizes three things that she heard at the public meeting:

1. County must make efficiency cuts
2. County cannot cut human services programs
3. County cannot cut public safety programs

Commissioner Anderson

- Much of the testimony was just anti-government, which was not helpful.
- Clearly, much of the testimony was to not cut services to most vulnerable.
- What was heard in public meetings does not necessarily represent large portion of the public's thinking.
- It seems that public safety for most of the people seems to focus on police and fire protection.

Chair McCoy

- Commissioner Kelley's list is a good one.
- People do not want human services cuts.
- Public testimony was good in that it was a good reality check, but Board needs to remember that what they heard may not be representative.

- Should not cut young people's programs that the County provides.
- What may be most important is what the meetings meant to each commissioner and the individuals values of each commissioner.

Commissioner Bauman

- 80% of the testimony was in support of human services programs.
- 10% of the public testimony was in support of public safety programs.
- 10% of the public testimony was in support of assorted other County programs.
- This clearly is not reflective of the real public.
- What is clear is that the work of the County has clear importance to the community.

Commissioner Hansen

- Was not impressed by the many viewpoints of what Measure 5 meant.
- The clear message of Measure 5 was that people wanted their property taxes reduced or limited.
- Provided a good reality check concerning how important County services are.
- Clearly, the human services programs are very important to this community.

* Additional Comments Made By Commissioners:

- Measure 5 passed 52% to 48%, this was not a mandate.
- Life preserving services are the most important services to preserve.
- The message is not cut the fat.
- Some services we do not do well should not be cut because they are critical, we may not do them well because we have not put enough money in them so they could be done well.
- Cuts have to be made, we cannot look to alternative revenue just to build back the status quo.
- Getting back \$24 million should not be the goal.
- We should decide what we are going to do and then do it well. County services need a new focus that clarifies the County's role in this community.

3. COMMITTEE REPORTS

* Regional Issues:

Commissioner Kelley

There are potentially many other issues, but the Commissioner focused on the following:

- Parks:

Discussions were held with Metro concerning taking over responsibility of County parks. Metro is having funding problems of their own that would make transfers difficult. The Commissioner is recommending County support of a regional parks system study. There is a concern for County employees if the parks were transferred. The commissioners showed support of the Regional Parks Plan but were concerned about timing and length of time it would take to conduct and develop a meaningful study and plan.

- Teen Clinics:

The Commissioner has been holding discussions with ESD concerning possible duplication of services by ESD health nurses in the schools, and health services the county provides in schools. She is seeking to clarify roles by ESD and County, so that duplication does not occur. She also feels the larger issue of who provides health care needs further work (State, ESD and County).

- MHRC & MAC:

It was suggested that both these programs be funded through dues money from Metro. This idea should be taken to Metro as part of the effort to expand the roles of these organizations to a regional scope. Approval to expand roles would have to be approved by other counties.

- Emergency Management & EMS:

The Commissioner feels that emergency management should be done on a regional scale, and feels that the County should transfer to Metro. The Commissioner feels that a citizen commission should be established to explore regional issues that include regional EMS, and PSU has agreed to provide staffing of such a committee (\$500 a month).

Metro has a charter commission looking at regional government, and maybe they should be looking at these issues and not another committee. Regional governance is clearly a major issue. Unfortunately, there is a general distrust by the other two counties of Metro and regionalism.

* County-City Services Report:

Hank Miggins

- The preliminary report shows that there are not any great savings to be made at this time.
- The next step is for the project managers for the County and City to review the reports and come up with specific recommendations and identify areas where further examination is necessary.
- There is some concern with the aggressiveness of the study, and that more of a "slamdunk" approach needed to be taken.
- Clearly, decisions must be made at the top, but there must be some level of program evaluation to guide those top level decisions.

* State Report:

Commissioner Hansen

- There is not much information at this point because it is early in the legislative session.
- Key elements that must be examined and will offer some prospective at this point are the Governor's Budget and the states view of options 1,2 and 3 in corrections.
 - The commissioner will be tracking the State and keep the board informed of the situation.

* Internal Issues:

Commissioner Anderson

- Linda Alexander, Director of DGS, gave the Board a review of the findings from the "Workstream study" conducted by Hill and Associates.

* Commissioner Anderson identified other elements of importance:

- Streamlining the contract monitoring done by the County.
- Consolidating all planning functions of the County into the Chair's office.
- Contracting out for some county services.
- Changes in fleet management and use.
- Reducing duplication across departmental lines.

The Board directed Linda Alexander to pull together a work group that will propose recommendations to implement the internal efficiencies that have been identified.

4. BCC IDENTIFY BUDGET PRIORITIES

Commissioner Anderson

Cuts

- Wages and benefits
 - Exempt COLA freeze
 - Workers Comp rate reduced
 - Contractors
 - Exempt class comp
 - Union wage freeze
- Roll-back 5% materials and services

Tier 1 and 2

- DHS cuts below Admin 1 & 2 unacceptable
- Cut SSD indirect
- Do not cut teen clinics and field services

DCC

- Do not go Option 3
- Do not cut probation
- Do cut A & D levy
- Do not cut prostitution alternatives
- Do not cut D.A. prosecution

Sheriff

- Do not cut river patrol
- Support user fees for Alarm Ordinance
- Animal control Tier 1 cuts okay
- Tier 1 facilities management cuts okay
- Cut parking
- Cut levy reductions

DES

- Cut DES Admin

DGS

- All cuts in DG's okay

Library

- Library cuts unacceptable in the long run.

Non- Department

- Tier 1 cuts okay for BCC, Chair, clerk, MAC and others.

Commissioner Bauman

- All Tier 1 cuts are acceptable.

Commissioner Hansen

- Tier 1 unworkable.
- 5% cut in each department is workable (\$6.5 million), that would be decided by department directors.
- 4% salary reductions
- Consideration of other remedies.

Commissioner Kelley

- 5% cut has merit
- Prefer efficiency cuts in following areas:
- Travel
- Fleet usage
- Conferences
- Consultants
- Dues and subscriptions
- Phone lines (outside lines)

- We cannot cut public safety and safety to our most vulnerable.
- Finally when we get down to the remaining cuts we will have to look at libraries and parks.

Chair McCoy

- Will not cut prevention programs
- Will not cut programs for frail elderly.
- Will not cut programs for first time offenders.
- Will not cut support services.

Can support much of Tier 1 with minor changes and include wage and comp savings.

The time had run out for this meeting so the Board spent the last few minutes developing agenda for Friday:

1. Opening
 2. Budget office identify remaining "budget gap" after today's work.
 3. Board recommendations concerning filling the remaining budget gap.
 4. Budget process and timeline
 5. Closing
-
5. Budget process and Timeline
 - * Postponed til Friday worksession
 6. Closing
 - There was a general feeling that the Board had not gotten as far as they had wanted in the meetings.

Adjourned at 12 noon

MGR/mrm
6719G

Meeting Date: FEBRUARY 19, 1991

Agenda No.: B-2

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM
(For Non-Budgetary Items)

SUBJECT: REVENUE PROJECTIONS

BCC Informal 2-19-91 BCC Formal _____
(date) (date)

DEPARTMENT Nondepartmental DIVISION Budget Office

CONTACT Ben Buisman TELEPHONE 248-3575

PERSON(S) MAKING PRESENTATION Ben Buisman

ACTION REQUESTED:

☒ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☐ APPROVAL

ESTIMATED TIME NEEDED ON BOARD AGENDA: 30 minutes

CHECK IF YOU REQUIRE OFFICIAL WRITTEN NOTICE OF ACTION TAKEN: _____

BRIEF SUMMARY (include statement of rationale for action requested,
as well as personnel and fiscal/budgetary impacts, if applicable):

Budget Office briefing on Revenue Projections to the Board of
County Commissioners.

(If space is inadequate, please use other side)

SIGNATURES:

ELECTED OFFICIAL

Or

DEPARTMENT MANAGER

(All accompanying documents must have required signatures)

BOARD OF
COUNTY COMMISSIONERS
1991 FEB 13 AM 8:17
MULTNOMAH COUNTY
OREGON

Taxing District--A governing body that may levy a property tax.

Levy Code--A geographic area with a unique combination of Taxing Districts.

Tax Rate--The amount a property owner may be charged by Taxing District, stated in dollars per thousand of property valuation.

Valuation--The value of a property for taxing purposes, as set by the County Assessor.

Tax Rate = The total amount levied by the Taxing District divided by the Valuation within that District.

Bonded Indebtedness--A government debt taken on for the purpose of capital purchase or improvement. A levy may be imposed to repay the debt. Measure 5 does not limit taxation to repay bonded indebtedness.

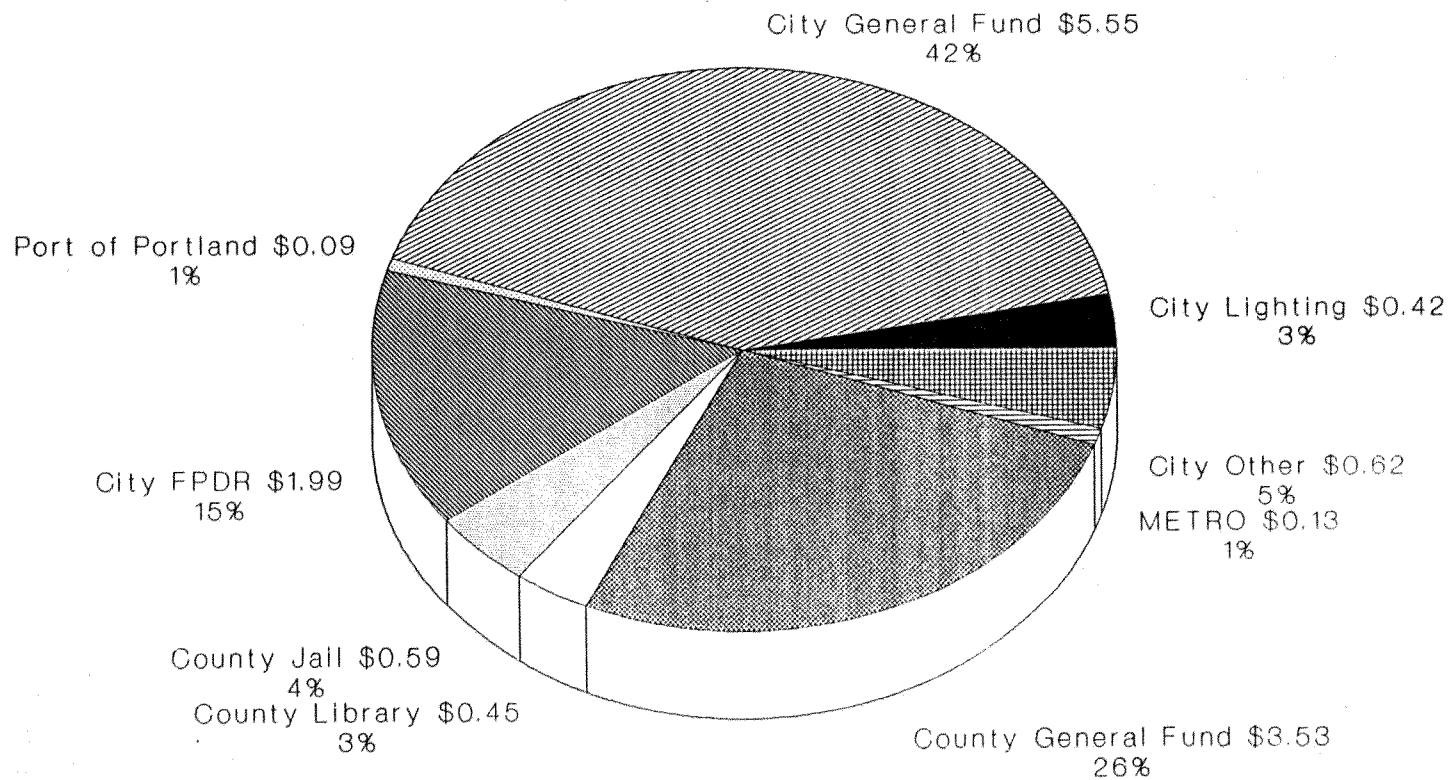
Measure 5 limits the total rate, other than to repay bonded indebtedness, local governments may impose on a property to \$10. Where the sum of Tax Rates that could be imposed exceeds \$10, each Tax Rate must be reduced proportionally.

Multnomah County Levy Code 001 FY1991-92

(approximate rates for exhibition only)

Rates per thousand

Prior to Measure 5



Before Measure 5

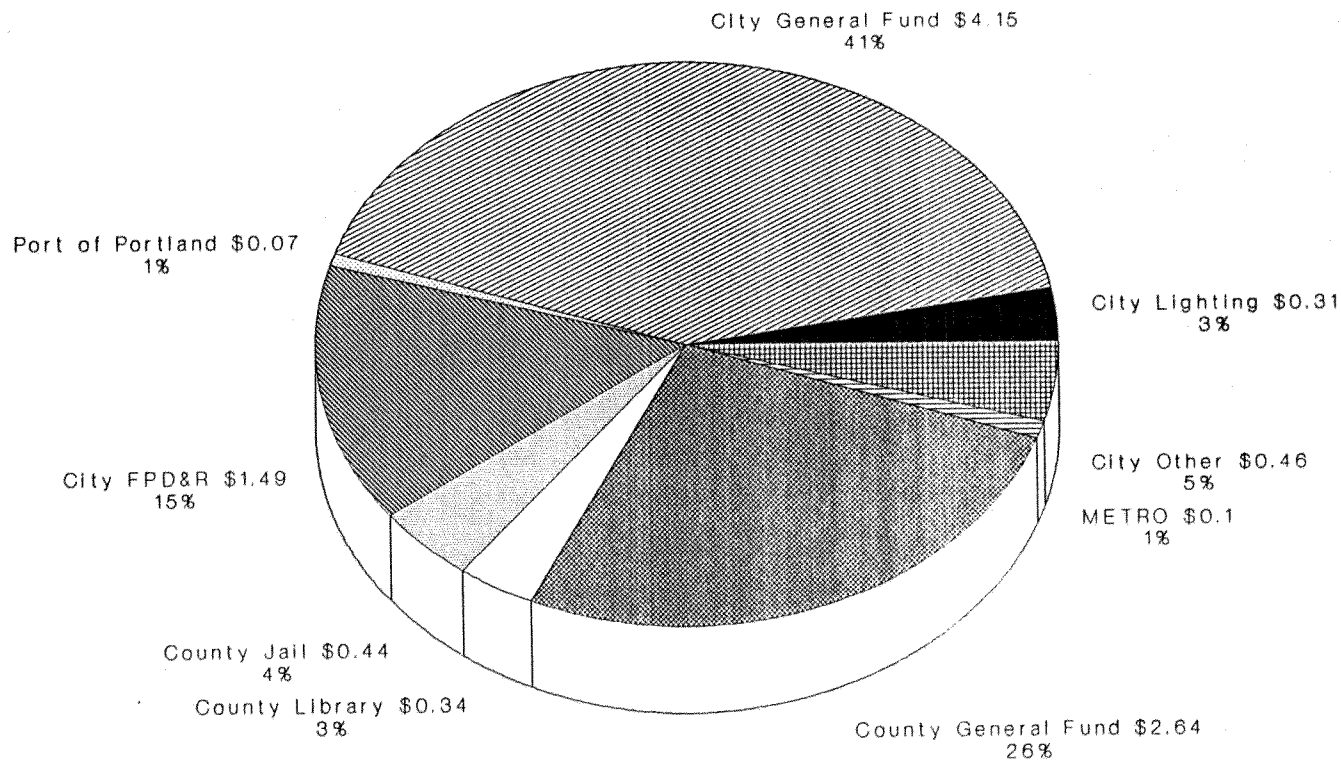
Portland	\$8.58	64%
Metro	0.13	1%
Port	0.09	1%
County	4.57	34%
Total	\$13.37	100%

Multnomah County Levy Code 001 FY1991-92

(approximate rates for exhibition only)

Rates per Thousand

After Measure 5. Percentages remain the same.



With Measure 5

Portland	\$6.41	64%
Metro	0.10	1%
Port	0.07	1%
County	3.42	34%
Total	\$10.00	100%

<u>Change in Valuation</u>	<u>Levy Loss</u>	<u>Appropriation Loss</u>
0%	\$27.210M	\$24.952M
5%	\$24.062M	\$22.065M
10%	\$21.165M	\$19.408M
15%	\$18.285M	\$16.767M
20%	\$15.421M	\$14.141M
47%	\$0	\$0

PROPERTY TAX COMPUTATION

General Fund (100)

Tax base - Fiscal Year ending June 30, 1991	\$76,417,859
Plus: Constitutionally allowed 6% increase	\$4,585,072

TOTAL GENERAL FUND PROPERTY TAX	\$81,002,931
--	---------------------

Tax base - Fiscal Year ending June 30, 1992	\$81,002,931
Less amount exceeding shared 1% Constitutional Limitation	\$16,358,579
Less Delinquencies and Discounts on amount billed	\$5,365,481

TOTAL AVAILABLE FOR APPROPRIATION	\$59,278,870
--	---------------------

Library Levy Fund (162)

3-year Serial Levy - Fiscal Year ending June 30, 1992	\$10,300,000
Less amount exceeding shared 1% Constitutional Limitation	\$2,080,090
Less Delinquencies and Discounts on amount billed	\$682,253

TOTAL AVAILABLE FOR APPROPRIATION	\$7,537,658
--	--------------------

Jail Levy Fund (169)

3-year Serial Levy - Fiscal Year ending June 30, 1992	\$13,500,000
Less amount exceeding shared 1% Constitutional Limitation	\$2,726,331
Less Delinquencies and Discounts on amount billed	\$894,215

TOTAL AVAILABLE FOR APPROPRIATION	\$9,879,454
--	--------------------

NOTES:

Levy amount exceeding shared 1% Constitutional Limitation	\$21,165,000	}
Loss in appropriation total due to property tax limitation	\$19,408,305	
Average property tax discount	2.0%	
Property tax delinquency rate	6.3%	
Average valuation change	10.0%	

<u>Tax Levy Analysis</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>
Levy within 6% limitation	\$68,014,453	\$72,095,320	\$76,417,859	\$81,002,931
Jail Levy outside 6% limitation	\$4,700,000	\$4,700,000	\$13,500,000	\$13,500,000
Library Levy outside 6% limitation	\$7,500,000	\$7,500,000	\$10,300,000	\$10,300,000
Total Proposed Levy	\$80,214,453	\$84,295,320	\$100,217,859	\$104,802,931
Loss due to 1% limitation				\$21,165,000
Total Proposed Levy less loss	\$80,214,453	\$84,295,320	\$100,217,859	\$83,637,931

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Total Proposed Levy less loss	\$80,214,453	\$84,295,320	\$100,217,859	\$83,637,931

WITHOUT MEASURE 5

MULTNOMAH COUNTY GENERAL FUND REVENUE FORECAST FISCAL YEARS 1990/91 - 1991/92

REVENUE SOURCE	(in millions)						
	1986/87 Actual	1987/88 Actual	1988/89 Actual	1989/90 Actual	1990/91 Budget	1990/91 Forecast	1991/92 Forecast
UNCOMMITTED WORKING CAPITAL	9.3	8.0	7.0	10.3	8.0	7.6	5.8
LIBRARY ENDOWMENT						0.7	
<u>MAJOR REVENUE SOURCES</u>							
PROPERTY TAX: W/I 6% LIMIT	60.2	63.2	67.4	71.5	75.2	75.7	79.3
BUSINESS INCOME TAX	5.6	10.6	13.8	13.7	17.2	16.9	17.9
SERVICE REIMBURSEMENTS	2.3	2.6	3.4	4.0	5.9	5.9	5.9
MOTOR VEHICLE RENTAL TAX	3.2	3.6	4.0	5.4	5.0	5.0	5.5
INTEREST	1.4	1.7	1.9	1.8	2.0	1.8	1.6
EXPO REVENUES	1.1	1.3	1.4	1.8	1.6	1.6	1.9
CIGARETTE TAX SHARING	1.2	1.2	1.2	1.1	1.1	1.1	1.0
LIQUOR REVENUE SHARING	1.0	1.1	1.1	1.1	1.0	1.0	1.0
O & C LAND GRANT REVENUES	0.8	0.7	1.2	1.2	1.1	1.1	1.1
RECORDING FEES	1.0	1.0	1.0	1.0	1.2	1.1	1.1
PROPERTY/SPACE RENTALS	0.8	0.9	0.9	0.9	1.0	0.9	0.9
US FEDERAL MARSHAL	0.0	1.1	1.6	1.9	1.8	1.7	2.2
A&T APPRAISAL SUPPLEMENT					2.2	2.2	2.0
SUBTOTAL:	87.9	97.0	105.9	115.7	124.3	124.3	127.2
Percent change:		10.4%	9.2%	9.3%	7.4%	7.4%	2.3%
ALL OTHER GENERAL FUND:	18.1	13.9	10.1	11.4	12.7	12.7	13.3
TOTAL GENERAL FUND:	\$106.0	\$110.9	\$116.0	\$127.1	\$137.0	\$137.0	\$140.5
LIBRARY SERIAL LEVY (FUND 162)	2.9	7.1	7.4	7.4	10.1	10.1	10.1
JAIL LEVY FUND (FUND 169)		4.3	4.5	4.6	12.4	12.6	13.0
TOTAL:							\$163.6
							=====
							02/15/91

WITH MEASURE 5

MULTNOMAH COUNTY GENERAL FUND REVENUE FORECAST FISCAL YEARS 1990/91 - 1991/92

REVENUE SOURCE	(in millions)						
	1986/87 Actual	1987/88 Actual	1988/89 Actual	1989/90 Actual	1990/91 Budget	1990/91 Forecast	1991/92 Forecast
UNCOMMITTED WORKING CAPITAL	9.3	8.0	7.0	10.3	8.0	7.6	5.8
LIBRARY ENDOWMENT						0.7	
<u>MAJOR REVENUE SOURCES</u>							
PROPERTY TAX: w/i 6% LIMIT	60.2	63.2	67.4	71.5	75.2	75.7	64.2
BUSINESS INCOME TAX	5.6	10.6	13.8	13.7	17.2	16.9	18.4
SERVICE REIMBURSEMENTS	2.3	2.6	3.4	4.0	5.9	5.9	5.9
MOTOR VEHICLE RENTAL TAX	3.2	3.6	4.0	5.4	5.0	5.0	5.5
INTEREST	1.4	1.7	1.9	2.0	2.0	1.8	1.3
EXPO REVENUES	1.1	1.3	1.4	1.6	1.6	1.6	1.9
CIGARETTE TAX SHARING	1.2	1.2	1.2	1.1	1.1	1.1	1.0
LIQUOR REVENUE SHARING	1.0	1.1	1.1	1.1	1.0	1.0	1.0
O & C LAND GRANT REVENUES	0.8	0.7	1.2	1.2	1.1	1.1	1.1
RECORDING FEES	1.0	1.0	1.0	1.0	1.2	1.1	1.1
PROPERTY/SPACE RENTALS	0.8	0.9	0.9	0.9	1.0	0.9	0.9
US FEDERAL MARSHAL	0.0	1.1	1.6	1.9	1.8	1.7	2.2
A&T APPRAISAL SUPPLEMENT					2.2	2.2	2.0
SUBTOTAL:	87.9	97.0	105.9	115.7	124.3	124.3	112.3
Percent change:		10.4%	9.2%	9.3%	7.4%	7.4%	-9.7%
ALL OTHER GEN'L FUND	18.1	13.9	10.1	11.4	12.7	12.7	13.3
TOTAL GENERAL FUND:	\$106.0	\$110.9	\$116.0	\$127.1	\$137.0	\$137.0	\$125.6
LIBRARY SERIAL LEVY (FUND 162)	2.9	7.1	7.4	7.4	10.1	10.1	8.2
JAIL LEVY FUND (FUND 169)		4.3	4.5	4.6	12.4	12.6	10.5
TOTAL:							\$144.3
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							02/15/91

MULTNOMAH COUNTY GENERAL FUND REVENUE FORECAST
FISCAL YEAR 1991/92
(in millions)

REVENUE SOURCE	WITHOUT Measure 5	WITH Measure 5
BEGINNING WORKING CAPITAL	5.8	5.8
<u>MAJOR REVENUE SOURCES</u>		
PROPERTY TAX: w/i 6% LIMIT	79.3	64.2
BUSINESS INCOME TAX	17.9	18.4
SERVICE REIMBURSEMENTS	5.9	5.9
MOTOR VEHICLE RENTAL TAX	5.5	5.5
INTEREST	1.6	1.3
EXPO REVENUES	1.9	1.9
CIGARETTE TAX SHARING	1.0	1.0
LIQUOR REVENUE SHARING	1.0	1.0
O & C LAND GRANT REVENUES	1.1	1.1
RECORDING FEES	1.1	1.1
PROPERTY/SPACE RENTALS	0.9	0.9
US FEDERAL MARSHAL	2.2	2.2
A&T APPRAISAL SUPPLEMENT	2.0	2.0
SUBTOTAL:	\$127.2	\$112.3
ALL OTHER GEN'L FUND	13.3	13.3
TOTAL GENERAL FUND:	\$140.5	\$125.6
LIBRARY SERIAL LEVY (FUND 162)	10.1	8.2
JAIL LEVY FUND (FUND 169)	13.0	10.5
TOTAL:	\$163.6	\$144.3
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FY1990-91 GENERAL FUND BUDGET	\$137.0M
Health/Dental increase	+\$1.5M
Class Comp	+\$0.8M
Liability/Workers Comp	-\$0.2M
2 Extra Days in 1991-92	+\$0.5M
Contractual COLA	+\$1.3M
Bargainable COLA (est 5%)	+\$2.4M
5.6% M&S/Capital inflation	<u>+\$2.4M</u>
EXPECTED 1991-92 REQUIREMENTS	\$145.8M

FY1991-92 GENERAL FUND F'CAST	\$125.6M
GENERAL FUND SHORTFALL	-\$20.2M

LIBRARY FUND PROPERTY TAX LOSS	-\$1.9M
JAIL FUND PROPERTY TAX LOSS	<u>-\$2.5M</u>
	-\$24.6M