

**Minutes of the Board of Commissioners
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd. Portland, Oregon
Tuesday, August 2, 2011**

MID-YEAR BUDGET WORK SESSION # 1

Chair Jeff Cogen convened the meeting at 9:51 a.m. with Vice-Chair Deborah Kafoury and Commissioners Diane McKeel, Loretta Smith and Judy Shiprack present.

Also attending was Henry H. Lazenby, Jr., County Attorney, and Marina Baker, Assistant Board Clerk.

BWS-1.a Legislative Update, Overview of FY 2012 State Budget Rebalance and Layoff Process. Presenters: Joanne Fuller, Chief Operating Officer; Nancy Bennett & Claudia Black, Government Relations; Karyne Kieta, Budget Director; Travis Graves, HR Director.

Ms. Fuller provided the introduction. Ms. Black and Ms. Bennett provided the legislative update. They discussed the results of their meetings with both Republican and Democratic leaders. Ms. Bennett reviewed the State's budget balance, assumptions and unknowns in the 2012 session and potential cuts the County is facing next year.

Ms. Fuller reminded everyone that the County had to adopt the FY 2012 budget without final information about the State's budget. Now that the State has adopted its budget, the County needs to rebalance its budget to bring it into line with the State allocations, which make up 25-30% of the County's budget. She said that the County budget was very conservative and savings were made by a salary and COLA freeze for unrepresented employees, which saved \$3.4 million, and span of control reductions, which saved \$1.1 million. Additionally, cuts were made to indirect services to get the County to a budget that keeps direct service delivery as completely whole as possible. Ms. Fuller said that the Board will vote on the rebalanced budget on September 16, 2011, which will reflect the reductions in allocations from the State.

Mr. Graves spoke about the layoff process that will be initiated as a result of the State rebalance. He explained that layoffs are never ideal and Human Resources will work to save as many employees as they can. Chair Cogen said that the Board has asked AFSCME Local 88 to share the sacrifice of unrepresented employees and take a 0% COLA increase. He asked Mr. Graves what impact this could have on layoffs. Mr. Graves said this could mitigate losses and likely prevent some layoffs.

The Board thanked them for their briefing.

BWS-1.b FY 2012 State Rebalance – Education and Early Childhood Systems of Care Work Session. Presenters: Wendy Lear, Business Services Director; Peggy Samolinski, SUN Service System; Joshua Todd, Director, Commission on Children, Families & Community.

Mr. Todd made the introductions. He discussed the impacts on staff and budget that the State Rebalance reductions will have on both Education and Early Childhood systems.

Mr. Todd said six of the largest counties were asked to absorb many of the reductions for the rest of the state, so Multnomah County received an overall 26% reduction to the office budget, which impacts support of programs such as Parent Child Development Services, Healthy Start, etc. He provided a summary of program offers (PO) and focused on PO 10007 and 10008, which are taking the largest cuts.

Ms. Lear and Ms. Samolinski spoke about mitigation and reduction strategies and the loss of services to children and families. The presenters discussed the various grants they have applied for and other strategies for bridging the gap in services. The presenters responded to Board questions and comments.

The Board thanked them for their briefing.

**BWS-1.c 10:30 am - FY 2012 State Rebalance - Health Dept. System of Care.
Presenter: Wendy Lear.**

Ms. Lear discussed the two cuts in the Public Health System of Care that are a consequence of the State rebalance. Those include PO 40011, STD/HIV/Hep C Community Prevention Program and PO 40010, Communicable Disease Prevention and Control. She discussed the roles of these programs and described the impacts these reductions will have on the services they provide.

Ms. Lear explained that they are working with the State and the Conference of Local Health Officials to plan how this cut will be implemented across the State and what portion of the reduction will be absorbed at the State versus what is passed down to the Counties. She discussed how these reductions will be managed with administrative and operational staffing changes, and postponement and reductions in outreach and surveillance efforts.

Ms. Lear responded to Board questions and comments. The Board thanked her for the presentation.

**BWS-1.d 11:00 am - FY 2012 State Rebalance - Juvenile Justice System of Care.
Presenters: Scott Taylor, Director, Department of Community Justice (DCJ);
Thuy Vandelinde, Acting Asst. Dir. Of Juvenile Services; Joyce Resare,
Business Services Manager, DCJ.**

Mr. Taylor discussed the cuts to Juvenile Justice that are a consequence of the State rebalance. Those include PO 50017, Family Court Services, and PO 50027, Juvenile Secure Residential A&D Treatment and PO 50029, Juvenile Assessment & Treatment for Youth and Families. He discussed the roles of these programs and described the impacts these reductions will have on the services they provide.

Mr. Taylor responded to Board questions and comments. The Board thanked him for his presentation.

**BWS-1.e 11:30 am - FY 2012 State Rebalance - Anti-poverty System of Care.
Presenters: Mary Li, Community Services Director & Joshua Todd.**

Ms. Li discussed the cuts to the Anti-poverty System of Care including PO 25119, Energy Assistance; PO 25121, Weatherization; and, PO 25139, Anti-poverty Services. She discussed the roles of these programs and described the impacts these reductions will have on the services they provide

Ms. Li stated that the cuts at State level aren't as bad as anticipated, but the County's entire anti-poverty system of care, and large portions of the housing and homelessness systems are at stake due to overall cross systems alignment, integration, coordination and resource leveraging achieved. She explained that there are currently no options for mitigation, absent additional County General Fund or other resources, which are currently unavailable.

Commissioner Shiprack requested a tally to be kept on how much it would cost the County to make these programs whole. Ms. Kieta replied that her department will keep track of that for the Board.

Ms. Li and Mr. Todd responded to Board questions and comments. The Board thanked them for the presentation.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:41 a.m.

Submitted by:
Lynda J. Grow, Board Clerk and
Marina Baker, Assistant Board Clerk
Board of County Commissioners
Multnomah County