

ANNOTATED MINUTES

*Thursday, August 25, 1994 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

REGULAR MEETING

Chair Beverly Stein convened the meeting at 9:32 a.m., with Vice-Chair Tanya Collier, Commissioners Sharron Kelley, Gary Hansen and Dan Saltzman present.

CONSENT CALENDAR

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER HANSEN, THE
CONSENT CALENDAR WAS UNANIMOUSLY
APPROVED.**

NON-DEPARTMENTAL

- C-1** *In the Matter of the Reappointment of Sharon Wylie as Multnomah County Private Sector Board Representative to THE PRIVATE INDUSTRY COUNCIL BOARD*

REGULAR AGENDA

COMMUNITY AND FAMILY SERVICES DIVISION

- R-1** *Request for Approval of a Notice of Intent to Apply to the State of Oregon Housing and Community Services Department, for a \$100,000 Grant from the Housing Development Grant Program, and a \$75,000 Grant from the H.E.L.P. Program, to Provide Development Funding for the Willow Tree II Project*

**COMMISSIONER KELLEY MOVED AND
COMMISSIONER COLLIER SECONDED, APPROVAL OF
R-1. CECILE PITTS EXPLANATION. NOTICE OF
INTENT UNANIMOUSLY APPROVED.**

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-2** *Ratification of Intergovernmental Agreement Contract 300955 Between the State of Oregon, Department of Transportation and Multnomah County, for a Transportation Growth Management Grant to Fund the East Multnomah County Pedestrian Plan*

COMMISSIONER HANSEN MOVED AND

COMMISSIONER COLLIER SECONDED, APPROVAL OF R-2. DAN LAYDEN EXPLANATION AND RESPONSE TO BOARD QUESTIONS. AGREEMENT UNANIMOUSLY APPROVED.

DEPARTMENT OF HEALTH

- R-3 *Budget Modification MCHD 1 Requesting Authorization to Adjust the Emergency Medical Services Program Appropriation to Allow for a Contract to Cover Consultant Services to Provide the Following Services: Prepare RFQ for Single Provider Ambulance Contract, Prepare the Contract, and Set Up the Evaluation Process***

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-3. BILL COLLINS EXPLANATION AND RESPONSE TO BOARD QUESTIONS. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-4 *Request for Approval of a Notice of Intent to Apply for a One Year, \$45,000 Special Projects Funding Grant from the U.S. Department of Agriculture Western Region, for Co-Locating the Women, Infants and Children's Supplemental Nutrition Program (WIC) with Alternative Sites to Promote More Enriched and Coordinated Health Care***

COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-4. ELLEN BARTHOLOMEW EXPLANATION AND RESPONSE TO BOARD QUESTIONS. NOTICE OF INTENT UNANIMOUSLY APPROVED.

NON-DEPARTMENTAL

- R-5 *RESOLUTION in the Matter of Adopting Financial and Budget Policies for Multnomah County, Oregon***

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-5. DAVE BOYER EXPLANATION, DISCUSSION OF PROPOSED AMENDMENTS AND RESPONSE TO BOARD QUESTIONS. BOARD DISCUSSION. COMMISSIONER KELLEY TO SCHEDULE FACT FINDING MEETINGS WITH REPRESENTATIVES OF FINANCE, LABOR RELATIONS, LABOR ORGANIZATIONS, BOARD STAFF AND INTERESTED OTHERS TO DISCUSS THE SET ASIDE AMOUNT OF COUNTY'S LONG TERM LIABILITY FUND AND

VACATION POLICY. MR. BOYER RESPONSE TO BOARD QUESTIONS AND DISCUSSION. FOLLOWING MR. BOYER'S EXPLANATION AND UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER SALTZMAN, IT WAS UNANIMOUSLY APPROVED, THAT PARAGRAPH 2 OF THE TAX REVENUES BACKGROUND BE AMENDED TO REFLECT THAT ". . . THE BOARD CONSIDERED, BUT DID NOT PASS, A THIRD INCREASE IN THE BUSINESS INCOME TAX . . .". FOLLOWING MR. BOYER'S EXPLANATION AND UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT SECTION E OF THE SHORT-TERM AND LONG-TERM DEBT FINANCINGS BE AMENDED TO INCLUDE HOSPITAL, OR NON-PROFIT ORGANIZATION . . . IS ELIGIBLE TO USE THIS TYPE OF FINANCING. BOARD COMMENTS AND DISCUSSION OF ENTREPRENEURIAL ACTIVITIES. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF INCLUSION OF A POLICY ON ENTREPRENEURIAL ACTIVITIES AS PROPOSED BY COMMISSIONER KELLEY, SUBMITTED VIA MEMORANDUM DATED AUGUST 25, 1994. UPON MOTION OF COMMISSIONER COLLIER, SECONDED BY COMMISSIONER HANSEN, IT WAS UNANIMOUSLY APPROVED THAT PARAGRAPH 2 OF THE ENTREPRENEURIAL ACTIVITIES BACKGROUND BE AMENDED TO STATE THAT MULTNOMAH COUNTY WILL ACTIVELY SEEK OPPORTUNITIES TO SELL PRODUCTS AND SERVICES. UPON MOTION OF COMMISSIONER COLLIER, SECONDED BY COMMISSIONER HANSEN, IT WAS APPROVED THAT PARAGRAPH 2 OF THE ENTREPRENEURIAL ACTIVITIES BACKGROUND BE AMENDED TO REFLECT THAT ". . . WHETHER THE REVENUE WOULD BENEFIT TAXPAYERS WHO INDIRECTLY SUPPORTED. . .", WITH COMMISSIONERS HANSEN, COLLIER, SALTZMAN AND STEIN VOTING AYE AND COMMISSIONER KELLEY VOTING NO. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER COLLIER, IT WAS UNANIMOUSLY APPROVED THAT PARAGRAPH 2 OF THE ENTREPRENEURIAL ACTIVITIES BACKGROUND BE AMENDED TO DELETE THE WORDS IN FACT FROM ". . . WHETHER THE ACTIVITY WILL PRODUCE

REVENUE". COMMISSIONER COLLIER'S MOTION TO DELETE ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 3 DIED FOR LACK OF A SECOND. BOARD DISCUSSION. UPON MOTION OF COMMISSIONER COLLIER, SECONDED BY COMMISSIONER HANSEN, IT WAS UNANIMOUSLY APPROVED THAT ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 3 BE AMENDED TO REFLECT THAT "WHETHER THE PRODUCT OR SERVICE IS SUPERIOR, UNIQUE OR BENEFITS THE TAXPAYERS IN THE MARKET, . .". COMMISSIONER COLLIER MOVED AND COMMISSIONER HANSEN SECONDED, TO DELETE ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 8. BOARD COMMENTS AND DISCUSSION. MOTION AND SECOND WITHDRAWN. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER COLLIER, IT WAS APPROVED THAT ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 8 BE AMENDED TO STATE "WHETHER THE COUNTY WILL SUBSIDIZE ITS COSTS OR OVERHEAD COSTS.", WITH COMMISSIONERS HANSEN, COLLIER, SALTZMAN AND STEIN VOTING AYE AND COMMISSIONER KELLEY NO. COMMISSIONER COLLIER'S MOTION TO AMEND ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 9 DIED FOR LACK OF A SECOND. BOARD COMMENTS AND DISCUSSION. COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, TO AMEND ENTREPRENEURIAL ACTIVITIES POLICY STATEMENT 9 TO STATE "TO USE THE REVENUES TO FUND OTHER PRIORITY COUNTY SERVICES." BOARD COMMENTS AND DISCUSSION. AMENDMENT APPROVED, WITH COMMISSIONERS KELLEY, COLLIER, SALTZMAN AND STEIN VOTING AYE AND COMMISSIONER HANSEN VOTING NO. BOARD COMMENTS AND DISCUSSION. RESOLUTION 94-154 UNANIMOUSLY APPROVED, AS AMENDED.

R-6 RESOLUTION in the Matter of Adopting Multnomah County's Investment Policy

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-6. HARRY MORTON EXPLANATION. DAVE BOYER RESPONSE TO BOARD QUESTIONS. RESOLUTION 94-155 UNANIMOUSLY APPROVED.

PUBLIC COMMENT

R-7 *Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.*

***Thursday, August 25, 1994 - 10:15 AM
(Or Immediately Following Regular Meeting)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland***

EXECUTIVE SESSION

E-1 *The Multnomah County Board of Commissioners will Meet in Executive Session Pursuant to ORS 192.660(1)(d) for Deliberations with Labor Relations Staff Regarding Labor Negotiations*

EXECUTIVE SESSION HELD.

There being no further business, the meeting was adjourned at 12:10 p.m.

***OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON***

***Deborah L. Bogstad*
*Deborah L. Bogstad***



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS		
BEVERLY STEIN •	CHAIR •	248-3308
DAN SALTZMAN •	DISTRICT 1 •	248-5220
GARY HANSEN •	DISTRICT 2 •	248-5219
TANYA COLLIER •	DISTRICT 3 •	248-5217
SHARRON KELLEY •	DISTRICT 4 •	248-5213
CLERK'S OFFICE •	248-3277 •	248-5222

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

AUGUST 22, 1994 - AUGUST 26, 1994

Thursday, August 25, 1994 - 9:30 AM - Regular Meeting Page 2

Thursday, August 25, 1994 - 10:15 AM - Executive Session Page 3
(Or Immediately Following Regular Meeting)

Thursday Meetings of the Multnomah County Board of Commissioners are taped and can be seen by Paragon Cable subscribers at the following times:

Thursday, 6:00 PM, Channel 30

Friday, 10:00 PM, Channel 30

Saturday, 12:30 PM, Channel 30

Sunday, 1:00 PM, Channel 30

INDIVIDUALS WITH DISABILITIES MAY CALL THE OFFICE OF THE BOARD CLERK AT 248-3277 OR 248-5222, OR MULTNOMAH COUNTY TDD PHONE 248-5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.

Thursday, August 25, 1994 - 9:30 AM

Multnomah County Courthouse, Room 602
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NON-DEPARTMENTAL

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REGULAR AGENDA

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DEPARTMENT OF ENVIRONMENTAL SERVICES

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*Multnomah County Courthouse, Room 602
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EXECUTIVE SESSION

E-1 *The Multnomah County Board of Commissioners will Meet in Executive Session Pursuant to ORS 192.660(1)(d) for Deliberations with Labor Relations Staff Regarding Labor Negotiations. 1 HOUR REQUESTED.*

Agenda No.: E-1

AGENDA PLACEMENT FORM

8/17/94

CONFIDENTIAL

Handout No. 1

Cheat Sheet for 8/25/94 Executive Session

- 1) 3 year cost of current contract/no changes.....\$42,035,864
- 2) 3 year cost with cost of living increases only....\$44,400,096
- 3) 3 yr. cost of all changes in 8/8 recommendation...\$45,825,000
- 4) Difference over 3 years between nos. 3 and 2
above.....\$1,424,904

Components:

shift differential.....\$ 27,000
weekend differential.....\$ 30,000
1/2% discretion fund.....\$150,000
Total of diff./discretionary.....\$207,000

Difference between 3 and 2 above.....\$1,424,904
minus differential/discretionary.....- 207,000
Cost of NP & CHN steps.....\$1,217,904

1 CHN Step
+2 NP/PA Steps
+1 LPN step drop
\$1,217,904

- 5) Difference between no. 3 and no. 1 above as a percentage...9%
- 6) 3 year cost of contract including all changes in last ONA
option.....\$47,428,923
- 7) Amount needed for FY 94-95 above 3% Health Department/General
Fund COLA set aside if 8/8 management recommendation accepted: .
.....\$373,758

**CONFIDENTIAL****MULTNOMAH COUNTY, OREGON****BOARD OF COUNTY COMMISSIONERS**

BEVERLY STEIN
 DAN SALTZMAN
 GARY HANSEN
 TANYA COLLIER
 SHARRON KELLEY

BUDGET & QUALITY

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

TO: Darrell Murray

FROM: Kathy Innes,
Dave Warren

DATE: August 24, 1994

SUBJECT: Commissioner Saltzman's Request for Information

Assumptions:

- Changes in the contract will affect only employee pay and the "rollup costs" that track such changes.
- Employees move through the ranges established by the contract proposal, but no employees leave. This results in a grouping of the employees at the upper end of the range if enough years are added to the proposals.
- Total costs include medical/dental costs. These are assumed to be constant, that is they inflate 4% per year but do not vary between proposals.

1. Status Quo Cost: What would be the total cost of the existing ONA contract, including all wage and benefit categories for FY 94-95, FY 95-96, and FY 96-97 if no change in contract policy occurs?

This scenario gives the annual cost of step increases, with no other factors affecting cost.

<u>Fiscal Year</u>	<u>Total Cost</u>
1994-95	\$ 13,762,000
1995-96	14,040,000
1996-97	<u>14,233,864</u>
Total 3 Year Cost	\$ 42,035,864

2. Cost of Living Cost: What would be the total cost of the existing ONA contract, including all wage and benefit categories for the same three fiscal years if wages are increased 2.5% across the board effective 7/1/94; 3.2% across the board 7/1/95; and 3.6% across the board effective 7/1/96?

<u>Fiscal Year</u>	<u>Total Cost</u>
1994-95 +2.5% COLA	\$ 14,080,242
1995-96 +3.2% COLA	14,789,382
1996-97 +3.6% COLA	<u>15,530,472</u>
Total 3 Year Cost	\$ 44,400,096

3. Total Cost of Living Cost Plus August 8 Memo Range and Benefit Adjustments: What would be the total cost of the existing ONA contract, including all wage and benefit categories, with the following changes in policy:

7/1/94 -- Create a new range for CHN's as follows: Bottom of range starts as current step 1. Subsequent steps are 3.8% compounding (e.g. step 2 is 103.8% of step 1; set 3 is 103.8% of current step 2, etc.). Add a step 10 (103.8% of step 9); then drop step 1 and renumber the remaining steps 1 through 9. Nurses to be placed on same numeric step they held in previous range without change of anniversary date. The range created by this process is:

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
15.04	15.61	16.20	16.82	17.46	18.12	18.81	19.52	20.26
<u>CHN's</u>				<u>Fiscal Year</u>	<u>Total Cost</u>			
				1994-95	\$ 10,890,667			

7/1/94 -- Create a new range for Nurse Practitioners and Physician Assistants by dropping the existing first step and adding a new top step equal to 104% of the existing top step. NP's and PA's to be placed on the same numeric step they held in the previous range without change of anniversary date. The range created by this process is:

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
19.53	20.11	21.03	21.64	22.27	22.94	23.63	24.58	25.56
<u>NP's</u>				<u>Fiscal Year</u>	<u>Total Cost</u>			
				1994-95	\$ 2,587,367			

7/1/94 -- Delete first step of existing LPN range and renumber remaining steps 1 through 8 with occupants of old step 1 to be placed on new step 1, but LPN's will otherwise remain on the same salary step (not numeric step) held at time of change.

<u>LPN's</u>	<u>Fiscal Year</u>	<u>Total Cost</u>
	1994-95	\$ 649,111

7/1/94 -- Increase the new ranges 2.5% across the board

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$11,137,238
NP's/PA's	2,647,373
LPN's	663,389
1994-95 new ranges +2.5%	\$ 14,448,000

7/1/94 -- Increase evening shift differential \$0.25/hour (no change in night differential); increase weekend differential to a flat \$1.75/hour for all persons receiving the differential.

These amounts are small and subject to wide fluctuations based on the number of employees and shifts needed. Different circumstances will result in different estimates here. However, based on the analysis done under short time constraints, it appears they should all be in the range of about \$20,000.

Commissioner Saltzman's Request for Information
August 24, 1994

Evening shift \$.025 increase	\$9,000
Weekend differential @ \$1.75	10,000

7/1/94 -- 0.5% as a discretionary pool which the team can use to negotiate minor matters (e.g. shortened waiting period for LTD, etc.)

This number varies slightly based on the scenario assumed. However, the current base pay for the bargaining unit is \$960,000; the ONA 8/8/94 proposal would produce a 1994/95 base of \$1,007,000. One half of a percent of either base would produce an allocation of approximately \$50,000 (a range of between \$48,000 and \$53,500).

7/1/95 -- Drop Nurse Practitioner and Physician Assistant bottom step and add a new top step 104% of the then pre-existing top step.

<u>NP's/PA's</u>	<u>Fiscal Year</u>	<u>Total Cost</u>
	1995-96	\$ 2,617,582

7/1/95 -- Increase all ranges as above modified on 7/1/95 by 3.2%.

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$ 11,700,964
NP's/PA's	2,757,711
LPN's	701,325
1995-96 new ranges +3.2%	\$ 15,160,000

7/1/96 -- Increase all ranges 3.6%.

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$ 12,290,710
NP's/PA's	2,978,162
LPN's	736,018
1996-97 new ranges +3.6%	\$ 16,010,000

TOTAL COST, THIS OPTION

<u>Fiscal Year</u>	<u>Total Cost</u>
1994-95	\$ 14,448,000
1995-96	15,160,000
1996-97	16,010,000
Total 3 Year Cost	\$ 45,618,000

4. Last Option Raised for Discussion by ONA.

7/1/94 -- Beginning at bottom step of each range, create new ranges with 4% compounding increments. Then drop and add steps as follows, with affected staff retaining their same numeric step each time a change occurs:

LPN's: on 7/1/94 drop one step at bottom and add one at top. Repeat this on 7/1/95 and again on 7/1/96.

<u>LPN's</u>	<u>Fiscal Year</u>	<u>Total Cost</u>
	1994-95	\$ 632,986
	1995-96	674,269
	1996-97	714,334
	Total 3 Year Cost	\$ 2,021,589

CHN's: on 7/1/95 drop one step and add one step to top then repeat this on 7/1/96.

<u>CHN's</u>	<u>Fiscal Year</u>	<u>Total Cost</u>
	1994-95	\$10,642,567
	1995-96	11,268,601
	1996-97	11,885,000
	Total 3 Year Cost	\$ 33,796,168

NP's: on 7/1/94 drop two steps and add two at the top; on 7/1/95 drop one step at bottom and add one at top; on 7/1/96 drop one step at bottom and add one step at top.

<u>NP's/PA's</u>	<u>Fiscal Year</u>	<u>Total Cost</u>
	1994-95	\$ 2,803,964
	1995-96	2,950,558
	1996-97	2,650,133
	Total 3 Year Cost	\$ 8,404,655

7/1/94 -- increase all ranges as modified by 3%

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$10,932,892
NP's/PA's	2,882,472
LPN's	649,636
1994-95 new ranges +3.0%	\$14,465,000

7/1/94 -- increase evening shift differential \$0.25/hour (no change in night differential); increase weekend differential to a flat \$1.75/hour for all persons receiving the differential.

These amounts are small and subject to wide fluctuations based on the number of employees and shifts needed. Different circumstances will result in different estimates here. However, based on the analysis done under short time constraints, it appears they should all be in the range of about \$20,000.

Evening shift \$.025 increase	\$ 9,000
Weekend differential @ \$1.75	10,000

Commissioner Saltzman's Request for Information
August 24, 1994

7/1/95 -- increase all ranges as modified by 3%

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$ 11,895,106
NP's/PA's	3,118,481
LPN's	<u>710,426</u>
1995-96 new ranges +3.0%	\$ 15,724,013

7/1/95 -- Longevity: pay a 5% (of base) premium for 10 or more years of service and a 10% (of base) premium for 15 plus years of service. These are not compounding premiums.

1995-96	\$ 327,910
1996-96	<u>364,783</u>
Total Cost	\$ 692,693

7/1/96 -- increase all ranges as modified by 3%

<u>Job Title</u>	<u>Total Cost</u>
CHN's	\$ 12,896,966
NP's/PA's	2,877,387
LPN's	<u>772,864</u>
1996-97 new ranges +3.0%	\$ 16,547,217

TOTAL COST, THIS OPTION

<u>Fiscal Year</u>	<u>Total Cost</u>
1994-95	\$ 14,465,000
1995-96	15,724,013
1996-97	16,547,217
Longevity Pay	<u>692,693</u>
Total 3 Year Cost	\$ 47,428,923

CONFIDENTIAL MEMORANDUM

TO: Board of County Commissioners

FROM: Darrell Murray, Deputy Labor Relations Manager **D**

DATE: August 24, 1994

SUBJECT: Information For 8/25 Executive Session

Several Commissioners asked that I obtain further information so the Board can better address the management team's 8/18 recommendation. Several questions are addressed in Dave Warren's memo (attached). Several others are addressed below. I have prepared and attached a "cheat sheet" which summarizes key data.

1. Q: One commissioner desired to know what adjustment would have to be made in the County's existing rates to achieve the weighted average market rates set forth in my August 8 memorandum. A: The following are the applicable rates for July 1, 1994:

<u>CHN's</u>			
<u>Low</u>	<u>5 Yr.</u>	<u>10 Yr.</u>	<u>Maximum</u>
+5.1%	+6.7%	0%	+2.6%
(+\$0.74)	(+\$1.18)	(-\$0.02)	(+\$0.52)

<u>NP's/PA's</u>			
(+10.6%)	(+8.9%)	(+5%)	(+11.9%)
(+\$1.94)	(+1.92)	(+\$1.19)	(+\$2.80)

Comment: The averages in my August 8 memorandum cannot be properly treated as the market rates. They reflect one of many reasonable ways to analyze and compile the data. Each display would have different effects. EXAMPLE: One reasonable way to compile the CHN data would be to include Willamette Falls hospital¹, and to assume that Good Samaritan hospitals and Providence now employ approximately 80% of the nurses that they

¹ Willamette Falls has 206 RN's with rates of \$15.57 at entry, \$19.22 at 5 years, \$19.80 at 10 years, and \$21.41 at maximum.

employed in 1991². This would allow inclusion of these two comparitors in weighted average data, with appropriate reservations as to accuracy. It would also be reasonable to credit the VA's significantly greater paid leave program.³ The approximate effect on "market average" of including these factors is illustrated below. The "A" category figures are wage to wage comparisons; the "B" category figures include the County's greater than average insurance and retirement costs.

Level	8/8 Av.	% Rec. +/-	Revised Avg.	% Rec +/-
Low A	15.23	+1.2%	15.40	+0.13%
Low B		+6.46%		+5.39%
5 Yr. A	18.81	-1.29%	18.97	-2.15%
5 Yr. B		+3.30%		+2.44%
10 Yr. A	19.84	+4.5%	20.12	+3.13%
10 Yr. B		+9.28%		+7.91%
Maximum A	20.34	+2.2%	20.48	+1.40%
Maximum B		+6.7%		+5.90%

As the above illustrates, relatively small changes in data can make significant differences in the results obtained. That is why different surveys reach somewhat different results. The Oregon Association of Hospitals, for example, attempts to cover all private employers in the Portland council. The OAH average top rate reported for Fall 1993 was \$21.11 for RN's. If this number is correct, Multnomah County's rates for 1994-95 (based on committee recommendation) would be 1.6% below the Portland Council average at the ten year and maximum levels, not counting benefits. Including benefits Multnomah County would be 3.18% above average at 10 years, and 2.9% above average at top using the committee's recommendation. In other words, using year old private hospital rates, our new 10 year and top rates would barely be above actual private sector wages.

2. Q: How can we quantify the value to nurses of having a regular day time work schedule with weekends off? A: As you

² In 1991 Legacy Good Samaritan Hospital listed 412 nurses, 80% of which would be 330 RN's. In 1991 Providence listed 476 nurses, 80% of which would be 381. We have reduced the 1991 figures by 20% because we are unable to verify current staffing levels but know that some staff reductions have transpired in large measure due to the effects of managed care. We also assume Legacy pays its hospital nurses on the same scale as its VNA nurses. In 1991, their acute care nurses earned better rates.

³ The VA gives nurses 50 days per year of paid time. Over the course of a 30 year career this is roughly 6.67 days per year more than the average of the comparitors. This equals 2.54% of wages.

know, we have advanced this view in prior ONA negotiations and fact finding as a reason for restraining wages. We are always frustrated, however, because while we know that "banker's hours" are worth something the value varies markedly from individual to individual. We would be grateful for empirical research data on this subject, but I am not aware of any which translates work hours preferences to monetary values. About all we can do is make a subjective judgment and hope we are in the ball park.

3. Q: If we are heading in the direction of increasing the number of evening and weekend clinic hours, what contract language do we intend to use to accomplish this goal? A: Article 3, Management Rights, gives the County the "exclusive right to...determine...work schedules." This is a general provision that would be subject to any specific limitations included in the contract. These limitations are set forth in Article 14, Hours of Work, of the agreement. We are obligated to provide a regular work week not exceeding 40 hours (excluding overtime), with a meal period and two breaks. Full time employees must have a work week consisting of consecutive days of consecutive hours, although split work weeks can be arranged by mutual consent. None of these prevent us from establishing new evening or weekend shifts. Thus, we have presently have the ability to undertake such steps if we deem it in the County's interests to do so. The extent to which such steps are in the works is a question which I understand to be beyond the scope of your question, and best addressed to Billi Odegaard.

4. Q: If we view the notion of a 4 or 5 year contract as a means of circumventing PERS initiative, rather than as an administrative efficiency, what language could we use to prevent payment of the PERS pick-up in the 4th and 5th years? A: "If Measure 8 passes in the November, 1994 election, employer payments provided for in Article 15, section 13, subsection (b) of the County-ONA collective bargaining agreement shall be terminated at the end of business on June 30, 1997 and employees shall thereafter assume and pay that contribution by payroll deduction."

5. Q: If we agree to a 4 or 5 year contract, what is the value of the "windfall" in each of those years if Measure 8 passes and we do not include language preventing nurses from receiving the "pick up" benefit in those years? A: \$699,402 each year multiplied by whatever the cost of living increase might be for the 4th and 5th years.

Comment: If the Board chooses as its objective minimizing employee benefit from PERS pick up after the passage of Measure 8, the most sensible contract duration would be one year. Just about anything beyond this can be characterized as a "windfall" in various degrees.

6. Q: What would be the estimated savings if we offered early retirement to members of the bargaining unit, assuming new hires would be in the bottom third of the range, and assuming we adopt the August 8 management committee recommendations? A: This would be a dicey question even for a highly skilled actuary, which I am not. But I will do my best.

Savings will depend on several factors:

- a. Number of people who take advantage of the program who would not have otherwise at this time.
- b. The date the employees would otherwise have retired had they not been induced to retire early.
- c. What they are earning when they opt out.
- d. What their replacement would cost in wages and other costs (e.g. training, supervisory time, etc.)
- e. The cost of the benefit granted to entice the employees to retire.

All of the foregoing require the crudest of guesses. What we know with reasonable certainty is this. Normal retirement age under PERS is 58 for nurses. Actuarially reduced retirement is available at age 55, but it is a significant pension reduction (something like 7% of pension for each year prior to age 58). We have 21 nurses who have vested in PERS and will be 55 or older by 12/94. They occupy positions representing 18.7 FTE. The average hourly rate of those nurses is \$19.86 per hour. Thus, if all were to retire 1/1/95, the savings in FY 94-95 before replacement cost would be \$476,899 (\$19.86 per hour times 19,522.8 hours between 1/1/95 and 6/30/95 plus a 23% payroll cost factor). The savings per FTE would average \$25,502.62, and do not include savings associated with the revised scheduled recommended August 8. Since most affected employees are at the top of the range I will assume for simplicity sake that not paying the increased top rate to the retirees would increase savings by 2.2%. This raises the per FTE savings in FY 94-95 to \$26,064. This amount would roughly double for subsequent full fiscal years (\$52,127 per retiring FTE).

If we assume replacement of each retiring FTE on 1/1/95 with a new hire at step 2 of the modified range (\$15.61 per hour before COLA), average replacement cost for FY 94-95 would be \$20,045 including payroll costs. Annualized this would be \$40,090. But for each of the next seven years following hire the savings would be reduced by approximately one seventh more each year as the replacement employee moves through the steps until he or she reaches the top step. At that point the replacement's cost equals the cost of the retiree before retirement.

The maximum savings (before considering the retirement incentive) minus replacement cost would be as follows:

<u>Fiscal Yr.</u>	<u>Per FTE</u>	<u>For 18.7 FTE</u>
FY 94-95	\$5,519	\$103,205
FY 95-96	\$9,460	\$176,902
FY 96-97	\$7,901	\$147,748
FY 97-98	\$6,195	\$115,847
FY 98-99	\$4,635	\$ 86,675
FY 99-2000	\$3,075	\$ 57,502
FY 00-01	\$1,520	\$ 28,424
FY 01-02	\$ 0	\$ 0
TOTAL		\$716,303

The next question is what it would take to get people to retire. If memory serves, we offered a \$12,000 lump sum to library managers at the time of their transition to the County in 1990. Only one took advantage of the offer. I am extremely skeptical that this alone would encourage many nurses to retire. Only two nurses have reached the age of full social security eligibility, and the average years of service are under 12 for the target population. This means that the pensions accrued would be small and the income from work perhaps more meaningful.

The cost of a \$13,000 incentive comparable to the library program is obviously \$13,000 per retiring FTE or \$281,996. (This assumes that we would not be obligated to pay PERS contributions on the amount, but that we would have to pay other payroll costs; e.g. FICA. I don't know this to be the case.) A \$25,000 incentive would cost \$546,975 including payroll costs, if all 18.7 FTE retired. In either program, these costs would be incurred immediately while savings would accumulate over 7 years. Some loss of savings would result from the time value of retirement incentive payments. Under absolute best case conditions, a \$25,000 incentive might produce approximately \$150,000 savings over 7 years. It could easily lose money too.

WARNING: The above are very crude estimates. I have purposely taken short cuts to meet deadline requirements. Also, many assumptions require closer scrutiny. For example, I have simplistically assumed that retirees would otherwise work a full seven years before retiring. If they would retire in a shorter period regardless of incentives, actual savings would be less than the amounts projected above. It is unlikely that the target population would uniformly remain another seven years absent an incentive. Some are getting up in years (the oldest 68), and will probably retire before 2002. Also, if Measure 8 passes, a few nurses may retire to ensure the use of their sick leave for pension calculation purposes. In any event, these numbers should

be viewed as potentially embodying a high degree of error (e.g. maybe up to 20% off).

7. Q: What is the average profile of nurses by classification, age, step and seniority? A: Attached is a computer run listing the bargaining unit on these dimensions. I hope to have the averages ready in time for the executive session

- (7) Settlement of Disputes (Article 19), strictly limited, however, to enforcement of Article 2., Section 3.a. (1 - 6), of this Agreement.

Use of the term "employee" elsewhere in this Agreement will specifically exclude on-call and temporary nurses.

b. Reporting

The Association may request periodic reporting by the Health Department relating to patterns of use and compensation of temporary, part-time (less than twenty (20) hours per week) and on-call employees. The parties further agree, that the County shall make every effort to employ permanent full and part-time employees over on-call and temporary employees, pursuant to Article 13.4 b.

ARTICLE 2. RECOGNITION

ARTICLE 3

MANAGEMENT RIGHTS

The County shall retain the exclusive right to exercise the customary functions of management including, but not limited to, directing the activities of the department, determining the levels of service and methods of operation including the introduction of new equipment; the right to hire, layoff, transfer and promote; to discipline or discharge for cause, to determine staffing, work schedules, to establish standards for work performance expectations, and assign work and any other such rights not specifically referred to in this Agreement. Management rights, except where abridged by specific provisions of this Agreement or general law, are not subject to the grievance procedure.

ARTICLE 3. MANAGEMENT RIGHTS

ARTICLE 14

HOURS OF WORK

1. Normal Work Day.

- a. The regular hours of work each shift shall be consecutive except for interruptions for meal periods.
- b. Employees on a five (5) day per week work schedule shall work eight (8) hours per day excluding the meal period.
- c. Employees on a four (4) day per week work schedule shall work ten (10) hours per day excluding the meal period.
- d. So that the County can more effectively meet the health needs of the community, employees may elect, with the consent of the County, to work other than the regular work day. At the discretion of the County with the concurrence of the employee, longer hours in one (1) day may be offset by corresponding shorter hours in another, provided that all hours worked in excess of forty (40) hours in the work week are compensated in either overtime compensation or compensatory time off.

Pursuant to the Fair Labor Standards Act, Section 7(j), in Corrections Health, the work period shall be eighty (80) hours over a fourteen (14) consecutive day period.

2. Work Week.

In no case shall the work week be for more than forty (40) hours excluding the meal period. It is

ARTICLE 14. HOURS OF WORK

understood by the parties that certain programmatic objectives may require the County to make specific changes in the work week. The days of the work week for full-time employees shall be consecutive unless arrangements for a split work week are requested by the employee and approved by the appointing authority.

3. Meal and Rest Periods.

a. All employees shall be granted a lunch period of not less than thirty (30) minutes during each work shift. Time off for a meal shall be permitted to any employee who is requested to and does work two (2) hours beyond his or her regular quitting time. Whenever practicable, meal periods shall be scheduled in the middle of the shift.

b. An employee, with the approval of the appointing authority, may elect to take a one (1) hour meal period in lieu of the thirty (30) minute meal period set out above, provided, however, that no portion of such extended meal period shall be considered time worked for pay purposes. Adjustments to the starting or quitting time shall be made to accommodate the approved extended meal period, subject to the provisions of "c" below.

ARTICLE 14. HOURS OF WORK

c. All full-time employees' work schedules shall provide for a fifteen (15) minute rest period during each half shift. All part-time employees' work schedules shall provide for a fifteen (15) minute rest period during each four (4) hour portion of their shift (if on a four (4) or eight (8) hour per day schedule), or during each five (5) hour portion of their shift (if on a five (5) or ten (10) hour per day schedule).

d. Employees required by their immediate supervisor or designee to remain at their work station or on standby in their assigned facility during their meal and/or rest period, such time shall be considered as time worked.

4. Work Schedules.

Except in an emergency, work schedules shall be posted on all departmental bulletin boards at least two (2) weeks in advance.

5. Weekend Provisions in 24-Hour Facilities.

Employees of 24-hour facilities who are required to work a split work week shall be provided two (2) weekends off in a calendar month. A weekend for purposes of this section shall mean Saturday and Sunday.

If such an employee is required by the County to work on any weekend which results in such employee receiving less than two (2) full weekends off in that calendar month, then such an employee shall receive compensation at the rate of time-and-one-half (1-1/2) his or her rate of pay for all such weekend hours worked.

6. Uniform Time Charging Provisions

a. Rounding Rule

Time charged for all leaves and compensation for time worked under the terms of this Agreement shall be subject to rounding to the nearest quarter of an hour in accordance with the following rules:

a. 0 - 7 minutes rounds to 0 hours

b. 8 - 15 minutes rounds to 1/4 hour

b. Applications

(1) Lateness

An employee who is seven (7) minutes or less late shall be paid for a full shift. An employee who is eight (8) to fifteen (15) minutes late shall not be paid for one quarter (1/4) of an hour.

(2) Working Over

An employee who works over less than eight (8) minutes shall not be compensated. An employee who works eight (8) to fifteen (15) minutes over shall be compensated one quarter (1/4) of an hour at the appropriate rate of pay in accordance with Article 15: Wages.

(3) Leaves

Late and early return from leaves shall be subject to the same rounding practice as specified above.

(4) Management and Employee Rights

The right of management to discipline employees for tardiness is not waived by the above rounding provisions, nor shall the above provision be construed as a right for management to extend the end of the working day beyond the normally scheduled ending time.

7. By agreement of the County and Association, shifts of longer than ten (10) hours may be adopted. Such alternative schedules may include mutually agreed upon exceptions to this agreement or alternative understandings made pursuant to Article 22 (2) for affected Nurses. Nothing herein shall interfere with operation of Article 14, Section 1, Subsection (d).

ARTICLE 14. HOURS OF WORK

ARTICLE 15WAGES1. Wages.a. July 1, 1991.

Effective July 1, 1991 employees shall be compensated in accordance with the wage schedule attached to this Agreement as Addendum A, which by this reference is incorporated herein.

b. January 1, 1992.

Effective January 1, 1992 employees shall be compensated in accordance with the rates set forth in the wage schedule attached to this Agreement as Addendum A-1. These rates reflect an increase of two and one-half percent (2 1/2%) over December 31, 1991 rates.

c. July 1, 1992.

Effective July 1, 1992 employees shall be compensated in accordance with the rates set forth in the wage schedule attached to this Agreement as Addendum A-2. These rates reflect an increase of two and one-half percent (2 1/2%) over June 30, 1992 rates.

ARTICLE 15. WAGES

CONFIDENTIAL

Handout No. 5

How Additional Funding Requirement Derived

FY 94-95 cost of management recommendation	\$14,448,000
Minus FY 94-95 Cost with 2.5% COLA only	<u>\$14,080,242</u>
SUBTOTAL 1	\$ 367,758
Minus 0.5% excess set aside to be absorbed within current Health Dept. Budget	<u>63,000</u>
SUBTOTAL 2	\$ 304,758
Plus Differentials and Discretion Fund	<u>\$ 69,000</u>
	\$ 373,758

**MULTNOMAH COUNTY OREGON**BEVERLY STEIN
COUNTY CHAIREMPLOYEE SERVICES
FINANCE
LABOR RELATIONS
PLANNING & BUDGET
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(503) 248-3797

(503) 248-5170 TDD

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1120 S.W. FIFTH, 14TH FLOOR
P.O. BOX 14700
PORTLAND, OREGON 97214PURCHASING, CONTRACTS
& CENTRAL STORES

(503) 248-5111

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

TO: Merrie Ziady
Health and Benefits Manager

FROM: Susan Ayers *S. Ayers*
Senior Personnel Analyst

DATE: April 5, 1994

SUBJECT: DEMOGRAPHIC INFORMATION - ONA

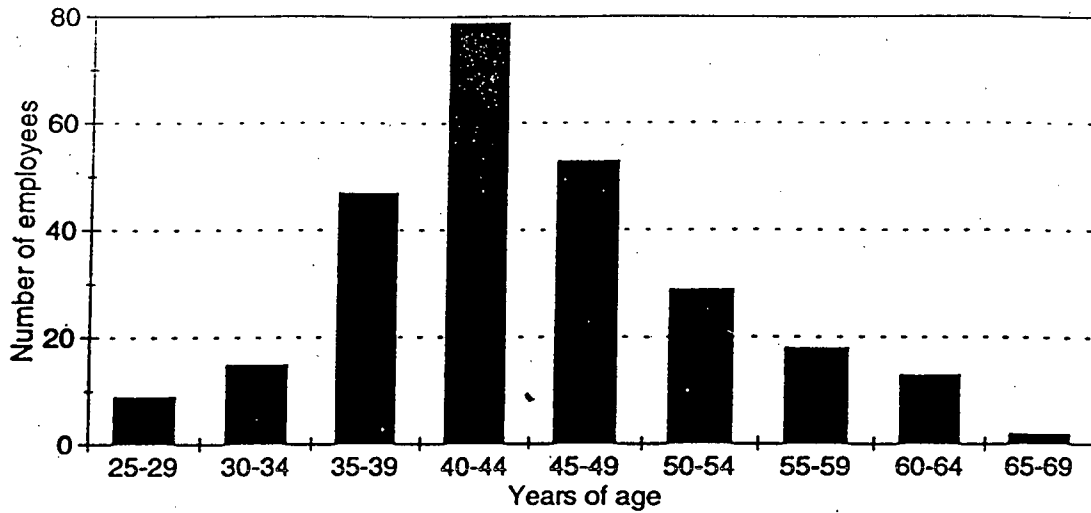
Following is the demographic information you requested regarding ONA employees. The total number of employees is 265.

	<u>Number</u>	<u>% of Total</u>
• Sex		
Male	22	8.3
Female	243	91.7
• Ethnicity		
White	242	91.3
Minority	23	8.7
• Pay Status		
Full-time	212	80.0
Part-time	53	20.0
• Years of Service		
Less than 5	126	47.5
5 - 9	76	28.7
10 - 14	33	12.5
15 - 19	20	7.5
20 - 24	4	1.5
25 - 29	4	1.5
30 or more	2	0.8

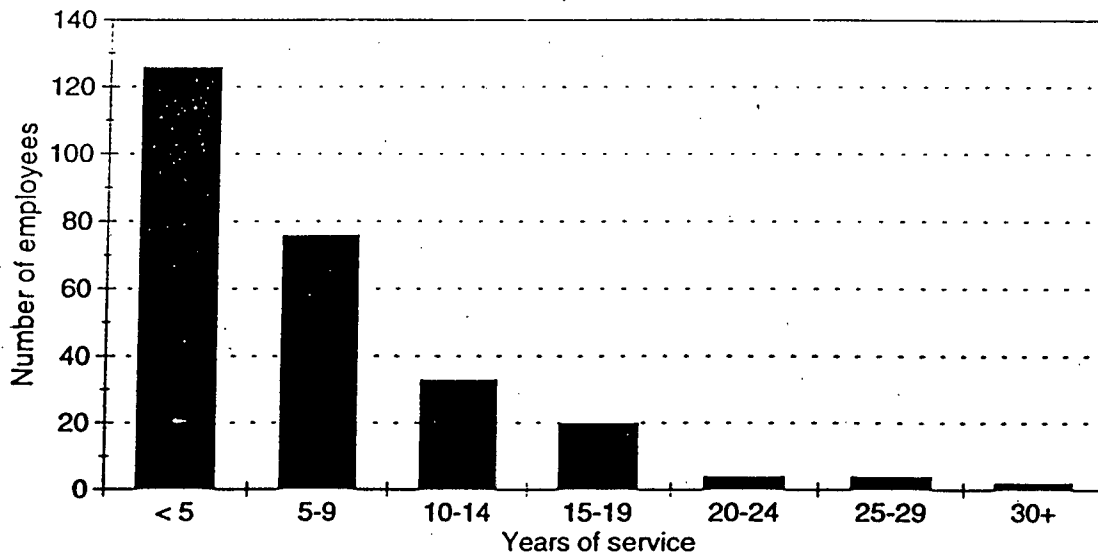
Merrie Ziady
 April 5, 1994
 Page 2

	<u>Number</u>	<u>% of Total</u>
• Age		
20 - 24	0	0.0
25 - 29	9	3.4
30 - 34	15	5.7
35 - 39	47	17.7
40 - 44	79	29.8
45 - 49	53	20.0
50 - 54	29	10.9
55 - 59	18	6.8
60 - 64	13	4.9
65 - 69	2	0.8
• Salary		
\$10.00 - \$12.49	8	3.0
\$12.50 - \$14.99	8	3.0
\$15.00 - \$17.49	44	16.6
\$17.50 - \$19.99	143	54.0
\$20.00 - \$22.49	33	12.5
\$22.50 and over	29	10.9
• Weeks of Sick Leave Accumulated		
Under 4	208	78.8
4 - 7	40	15.2
8 - 11	8	3.0
12 - 15	3	1.1
16 - 19	2	0.8
20 - 23	1	0.4
24 and over	2	0.8

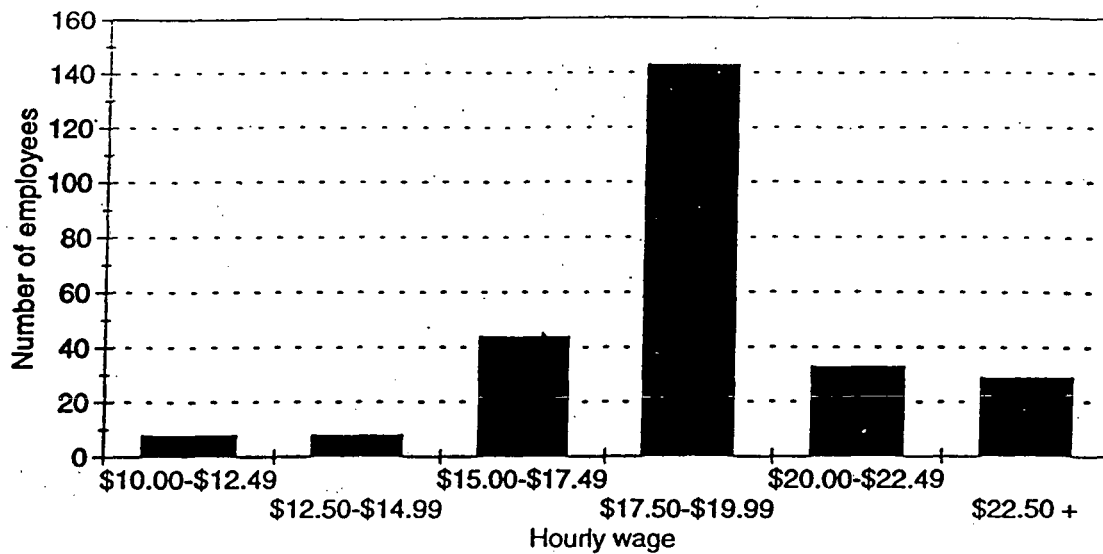
ONA Employees By Age
March, 1994



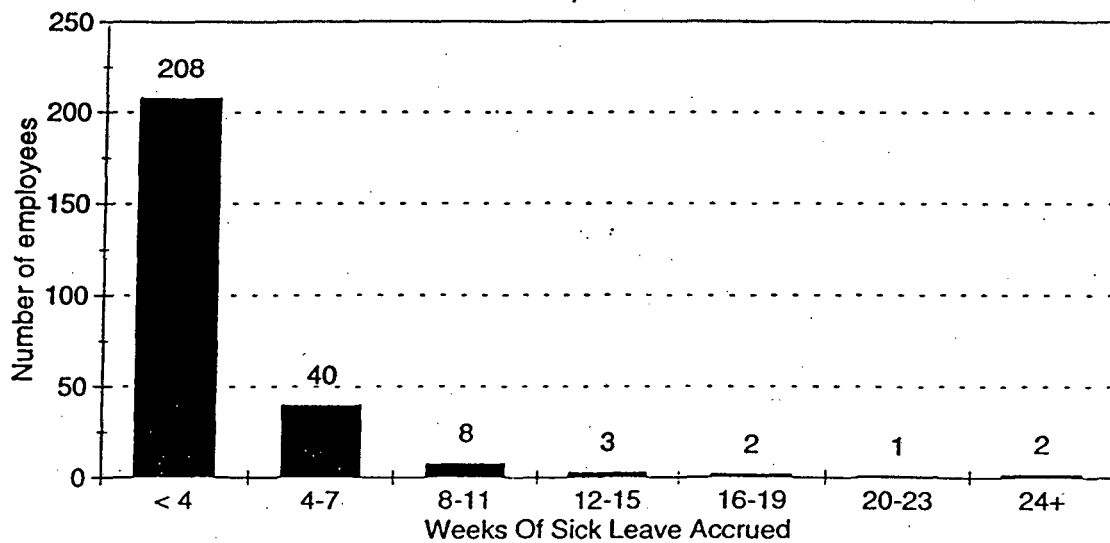
ONA Employees By Years Of Service
March, 1994



ONA Employees By Hourly Wage
March, 1994



ONA Employees By Sick Leave Accrued
March, 1994



Step Num. Number - Percent by Class

NUMBER AND PE OF NURSES
AT EACH SALARY STEP BY CLASS
JANUARY 21, 1994
FILE: ONAWAGE - PIEDATA1

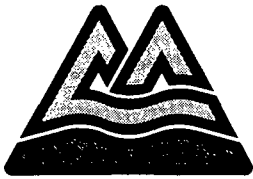
15:17 Thursday, February 3, 1

Issue 1.0

TABLE OF TITLE BY STEP

TITLE	STEP									Total
Frequency Percent	1	2	3	4	5	6	7	8	9	
CHN	0 0.00	6 2.25	2 0.75	9 3.37	17 6.37	27 10.11	21 7.87	7 2.62	47 17.60	136 50.94
CHN/CORR	1 0.37	3 1.12	3 1.12	2 0.75	8 3.00	13 4.87	4 1.50	2 0.75	9 3.37	45 16.85
CHN/CORR/LEAD	0 0.00	0 0.00	1 0.37	0 0.00	0 0.00	1 0.37	0 0.00	0 0.00	0 0.00	2 0.75
CHN/LEAD	0 0.00	0 0.00	1 0.37	0 0.00	2 0.75	4 1.50	3 1.12	3 1.12	10 3.75	23 8.61
LPN	0 0.00	0 0.00	2 0.75	0 0.00	2 0.75	4 1.50	4 1.50	1 0.37	3 1.12	16 5.99
NP	0 0.00	0 0.00	0 0.00	2 0.75	3 1.12	5 1.87	4 1.50	4 1.50	14 5.24	32 11.99
NP/CORR	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	1 0.37	2 0.75	1 0.37	0 0.00	4 1.50
NP/LEAD	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	1 0.37	0 0.00	5 1.87	6 2.25
PHYS ASST	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	1 0.37	1 0.37	0 0.00	1 0.37	3 1.12
Total	1 0.37	9 3.37	9 3.37	13 4.87	32 11.99	56 20.97	40 14.98	18 6.74	89 33.33	267 100.00

Frequency Missing = 2



MULTNOMAH COUNTY OREGON

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COUNTY CHAIR

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

CONFIDENTIAL MEMORANDUM

TO: Board of Commissioners

FROM: Darrell Murray, Deputy Labor Relations Manager 

DATE: August 25, 1994

SUBJECT: Authority on Economics/ONA Negotiations

This is to confirm that the Board has authorized the management team to negotiate tentative agreement on economics within the parameters of the August 8 management team recommendation with two exceptions. First, we are confined to four years instead of five maximum duration. Second, implementation of the CHN's accelerated step/new top step must be on or after July 1, 1995.

Thank you for all the study, thought and debate you gave this matter.

c: Billi Odegaard
Management Team

BOARD OF
COUNTY COMMISSIONERS
1994 AUG 26 AM 9:15
MULTNOMAH COUNTY
OREGON