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### EXECUTIVE BUDGET MESSAGE

Thursday May 2, 1996  
Presented by Chair Beverly Stein

This 1996-97 budget is shaped by a number of significant challenges which have long term implications. In this budget I have tried to initiate course adjustments to position the County to respond to changes we know are coming.

Some of the challenges this budget attempts to respond to are:

- Reductions in federal and state funding, in particular the impact on health care, programs for the elderly, domestic violence and homeless interventions
- Supporting financially stressed schools to achieve their mission of educating our youth
- Investing in support for children and families and crime prevention to avoid even more expensive future interventions and recognizing the importance of system changes in the areas of public safety and support for children and families
- Maintaining our investments in our human, technological, evaluation and physical infrastructure to insure cost effective services

In preparing this budget I have been consistently mindful of the Urgent Benchmarks adopted by the Board of County Commissioners to guide our policy decisions and shape our investments. In attempting to achieve these Benchmarks, I have proposed combinations of financial investments, increased efforts to collaborate, short and long term planning efforts, and improved capacity to evaluate what we do already.

This budget reflects the significant investments we are making in public safety and our library system through the ongoing and new resources we expect from passage of the public safety and library bonds and levies. The Board has already passed on these budget items which make major investments in increasing our jail capacity, alcohol and drug abuse treatment facilities for offenders, opening up libraries longer hours and improving library facilities.

This year the County will experience a growth of \$16 million in its General Fund. However, almost \$7 million of that will be needed to maintain current services. Of the remainder, \$5 million is ongoing money. Almost one third of that amount, \$1.5 million, is proposed for services of direct assistance to schools. The final \$4 million is one time only money. Again, \$1.5 million of that money is proposed to backfill reductions in crucial support programs for schools and families.



# Budget Message

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Similarly, the budget proposes to add 190 new employees. However, less than 9 of these are funded through the General Fund. Many of the balance of these positions are directly related to our public safety and library levies or are in recognition of positions added during the last fiscal year, such as staffing the Singles Homeless Assessment Center and Technicians in Community Corrections.

Additional improvements to public safety will come from the use of SB 1145 Community Corrections funds. Later this year, the Local Public Safety Coordinating Council will make programming recommendations to the Board for use of the funds.

This budget builds on significant investments made by the Board in prior years. I would like to note especially enhancements made in the last few years which respond to juvenile crime by providing swift and sure sanctions for offenders early in their involvement with the system and by providing more comprehensive sanctions for sex offenders. We have also made major strides in developing a system of family supports throughout the County using our Family Centers, Caring Communities and neighborhood facilities like Brentwood Darlington as focal points for service delivery and capacity building. We have also deepened our investments in facilities, information technology and training which have improved service delivery and customer satisfaction in the County.

## **Backfilling Federal Cutbacks Selectively**

For many years the Board of County Commissioners has been reluctant to backfill state and federal cuts for fear there is a never ending list of state and federal responsibilities we could take over if we showed we were willing. However, we now find ourselves in a time when the cuts are hitting critical core County services; to ignore them is to ignore aspects of the fundamental mission of the County.

For that reason this budget includes over \$1 million in restorations of federal and state reductions, including funds for primary health care, the homeless, school alcohol, drug and violence prevention services, and congregate and home delivered meals for the elderly. Recognizing this will be an ongoing issue as additional federal cutbacks kick in over the next few years through block grants or entitlement restrictions, I am also proposing that we look carefully at how we are delivering services in these cutback areas and make some long range plans for service changes and advocacy.

## **Analyzing the County's Role in Health Care**

Multnomah County has developed a nationally known system of primary health care clinics. Over recent years that system has been augmented with a variety of public health and primary care programs in neighborhoods, schools and in conjunction with other services. The primary care clinics for many years survived on a funding base of Medicaid fee for service funds.

# Budget Message

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With the advent of the Oregon Health Plan and the increasingly managed care environment of local health care, maintaining the traditional mission of safety net health care in our clinics is becoming increasingly difficult. Outside of our CareOregon clients, we are picking up the health care of the working poor and others who don't qualify for the Oregon Health Plan. Meanwhile, Medicaid funding for this population is being reduced. This year the reduction for our clinics is \$1.7 million; next year at least an additional \$1 million will be lost.

As managed care becomes the dominant form of health care delivery, we also find ourselves subsidizing managed care organizations because of the excellent ways we have found to increase access and health promotion activities through Parent Child Development Centers, school based health centers, neighborhood outreach efforts and through our primary health clinics.

The real solution for this problem is some form of universal health care reform to assure all people are covered by health insurance. It is my hope that over the next year the Health Department and I will be able to work with private providers in the Oregon Health Systems in Collaboration (OHSIC) group to design a collaborative way of extending health care to the uninsured. It would not be my goal to reduce our \$4 million general fund commitment to health care, but to figure out if we can leverage this resource with private sector resources to extend access further.

In this budget I have included \$600,000 in one time only money for primary health care services with a commitment from the Health Department to raise an additional \$200,000 through fees. I have asked the Health Department to look at prioritizing services and have included funds for studying access to coordinated, leveraged health care services in the County.

Affordable, accessible, quality health care for all has long been a priority of mine. It saddens me that our County services must be reduced. However, it is important to neither put our heads in the sand and hope that things improve, nor to prop up a system which requires ever increasing taxpayer funds to pay for health care for working people. Instead, I am advocating an aggressive partnership with other stakeholders to transform our health care delivery system. This will certainly involve advocacy with the State to expand the impact of the Oregon Health Plan and other methods of extending health care to the uninsured.

The next year will also bring additional County services into a managed care environment as we implement the children's mental health capitation project and as alcohol and drug treatment services are bought into the Oregon Health Plan. On the State level, Aging Services will be exploring the possibilities for using managed care for long term care for the elderly and people with disabilities. Throughout this budget there are investments to advance our managed care agenda and develop our expertise as Multnomah County emerges as a public sector leader in this arena.

# Budget Message

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## **Supporting Children and Youth to Succeed in Schools**

The school funding crisis has consumed the largest share of new resources the County has available. I am proposing to use almost 1/3 of our new ongoing money, and over 1/3 of our one time only resources to assist schools. Specifically, I have included more than \$3 million in this budget to help prepare children to enter school, to help teachers and parents ensure that children are safe and stay engaged as productive students once they enter school and to assure that youth graduate from high school.

Approximately one half of this funding will backfill and maintain important support programs in the areas of violence reduction (PAX - Positive Alternative eXperience), alcohol and drug intervention (Counteract, Touchstone), school retention (Hispanic Retention program), and early referral for families with children who are experiencing developmental delays. The backfilled programs are not funded with ongoing money. Consideration of permanent funding for them must be a part of our community's search for an ongoing school funding solution.

The other half of the funding will strengthen the existing partnership between the schools and County service providers. These programs include intervention programs to reduce teen pregnancy, raise the quality of training for family child care providers through the library, stabilize and expand our Healthy Start model which was piloted successfully in Brentwood Darlington, expand the ability of our Parent Child Development Centers to work with 4 and 5 year olds, extend our mental health consulting services to all County Headstarts, and partner with the Campbell Institute to extend the Friends of Children intensive mentoring program.

These expansions are directly linked to the County's Benchmarks for reducing student alcohol and drug use, increasing drug treatment services, reducing violent crime, increasing the success of diversion programs, reducing teen pregnancy, increasing the percentages of children ready to learn on entering school and graduating from school, and increasing access to mental health and health care services.

## **Creating a Continuum of Services for Children and Families**

The Multnomah Commission on Children and Families (MCCF) has provided the County with a philosophy and vision for supporting children and families. The underlying role of the Commission is to advocate for a wellness approach to services that support the resiliency of families and reduction of risks through early intervention along the continuum of ages 0 to 18. This is potentially a radical change in our service system and will take time to implement. However, with shrinking resources it is an essential direction to move. The MCCF is charged with keeping us focused on this change.

In support of this mission, Bill Farver from my office, chaired a Wellness Team which looked at over 35 approaches to expanding our wellness work based on a group of benchmarks identified by the Wellness Subcommittee of MCCF. The Wellness Team included over 40 people from our Health, Community and Family Services, Library and Juvenile Justice Departments as well as

# Budget Message

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representatives from the MCCF, Leaders Roundtable, Portland Parks, Portland Police, Portland Public Schools, Multnomah Education Service District, State Children and Family Services and our Budget and Quality Office.

The projects were ranked using 12 criteria. These recommendations formed the basis for my decisions on requests for funding throughout this budget. These increases include early intervention services for child abuse victims and for girls entering puberty, permanent funding for the Asian Family Center, training funds for individual and community capacity building through the Community Leadership Institute and the Caring Communities, and the schools support package mentioned earlier.

During the deliberations of the Wellness Team, a number of needed system changes emerged which had also been identified by the Commission on Children and Families. These system issues will be addressed in the next year through departments, the Wellness Team, and the MCCF as part of their ongoing work. New funding in this budget is targeted to address systems changes such as:

- Need for standardized data collection for tracking
- Use of "family advocates" for families in crisis
- Changing the norms of society regarding poverty, violence, etc.
- Coordination of services including with schools
- Improved public access to services including evenings, weekends, culturally specific services, neighborhood access, etc.
- Education for providers on diversity issues, collaboration, best practices
- Coordination among case managers
- Better avenues for consumer input
- Encouraging flexible funding mechanisms
- Promoting proactive rather than reactive service models

## **Focusing on Program Evaluation and Outcomes**

During the last year we have made progress in emphasizing evaluations and outcomes for programs. I believe we have a long way to go to have the evaluation capacity we need. However, every year I see progress in our capacity in this area.

Jim Carlson of the Budget and Quality Office has brought together an interdepartmental group of evaluators. During the past year, he has assisted Juvenile Justice in surveying juvenile probationers, provided an initial evaluation of the mental health pre-trial release program, trained department staff on updating and improving Key Results, and awarded the contract for the sex offender residential program evaluation. The Juvenile Justice and Community and Family Services Departments have also made major strides in building outcome measures into their client service contracts.

# Budget Message

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We are still identifying gaps in our capacity. We hope to remedy those in the public safety system with the assistance of the funds from Public Safety bonds which support information technology. Improvements in our county-wide information technology will provide tools to many people who have not had them and will increase our capacity to work more effectively across department lines. We are working to develop the capacity to evaluate and track clients across departments in both the public safety and social services arenas.

## **Maintaining County Infrastructure for Quality**

With the strong support of this Board, the County is demonstrating results in several areas which are key to building a skilled, productive work force which is the basis for improved effectiveness, efficiency and customer service. Our new training manager, Shery Stump, has worked very closely with our internal management team and has devised a comprehensive training program which supports developing leadership throughout the organization, supports working in teams, provides excellent customer service, and facilitates processes and meetings. The training program includes an evaluation component and is directly connected to the learning objectives necessary to implement RESULTS (Reaching Excellent Service Utilizing Leadership & Team Strategies).

Over the last year RESULTS Teams have reported the following successes:

- Health clinics increased immunization rates of 2-year olds in well-baby programs from 50% to 90%
- Information Services reduced unnecessary reports for expected annual savings of \$21,000
- Dental clinics decreased clients on waiting list and improved access time by 50%
- Health Community Test Site Program improved fee collection for HIV testing with anticipated additional revenues of \$20,000/year
- Health Field Services improved identification of Medicaid eligible visits at clinics with an anticipated revenue increase of \$33,000/year
- TransCentral Library increased customer satisfaction, decreased the delivery time of reserved materials and improved the location of multi-media materials
- Brentwood Darlington health clinic increased the rate of early referrals for post-natal visits

This is just a sampling of the cost savings and improved services our employees are creating.

We have continued our increased commitment to facilities maintenance although we are still not reducing our backlog of deferred maintenance. We hope, through the bonds, to deal with some of our facilities needs in two key areas for County services - public safety and the libraries.

I can report dramatic progress to you in implementing the Strategic Plan for Information Technology. In this budget, the County has made a long term commitment to effective use of information technology. Departments have determined the resources they need, and we have

# Budget Message

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funded the acquisition and have begun funding the replacement costs for this important infrastructure component. We have provided funding for the conversion to a standard office software suite intended to speed effective interdepartmental communication. There are funds for training necessary to meet the technological needs of our work force, and for positions within departments to assist in hardware and software support and training. The County will have new capacities to plan, manage data, integrate public safety and human services data, and develop applications for geographic information services.

## **Strategic Investments in Urgent Benchmark Priorities**

Major funding decisions continue to be linked to our Urgent Benchmarks. We had three benchmark forums this year and will continue this format next year. I also hope to move our budgeting process toward an even greater emphasis on the benchmarks. As part of that effort, I am proposing the Board have a day long work session this September to re-evaluate and reaffirm our Urgent Benchmarks.

In this budget, I am proposing the following efforts to address specific Urgent Benchmarks:

- **Reduce Teen Pregnancy**
  - Expansion of STARS (Students Aren't Ready for Sex) to all interested six graders in the County
  - Expansion of WYN (Waiting for Your Next) to cover teen parents and their partners
  - Provide Family Centers the ability to intervene earlier in the lives of pre-adolescent girls
- **Increase Percentage of Drug-Free Babies**
  - Stabilization of the Brentwood Darlington Community Health Team and expansion to other districts
- **Reduce Domestic Abuse/Child Abuse**
  - Provide ability of Family Center personnel to intervene earlier with families who could use support
  - Provide intensive mentoring services through the Friends of Children program
  - Expand the Parent Child Service Centers to a seventh site at the Asian Family Center
- **Spousal Abuse**
  - Provide expanded out of shelter services to victims of abuse unable to access shelter services
  - Provide continuation of some support for legal assistance for victims of abuse

# Budget Message

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- **Elder Abuse**
  - Expand Elder Hotline to more adequately handle a variety of needs of elders
  - Expand assistance for the public guardian program to deal with increased caseloads
- **Reduce Student Alcohol and Drug Use**
  - Provide continuation funding for Counteract and Touchstone programs formerly funded through Portland Public Schools
  - Expand Touchstone model to additional County schools
- **Reduce Violent Crime - Adult**
  - Open additional jail beds with the passage of the Public Safety Levy and Bond
  - Remodel current jails to make more efficient use of space and increase capacity
  - Open additional secure alcohol and drug treatment beds
  - Provide additional patrol services to residents of unincorporated East County
- **Reduce Violent Crime - Juvenile**
  - Complete additional capacity at Juvenile Home
  - Begin operation of residential sex offender program
- **Increase Success of Diversion Programs - Adult**
  - Open additional secure alcohol and drug treatment beds as a step in the sanction and treatment continuum
  - Annualize funding for and evaluate success of pilot mental health diversion program
- **Increase Success of Diversion Programs - Juvenile**
  - Expand Juvenile efforts in Payback and Community Service / Restitution programs
  - Pilot truancy program with PAX in two neighborhoods
- **Reduce Recidivism - Adult**
  - Pilot an approach to deal with repeat African-American offenders
  - Provide opportunities for offenders sentenced through SB1145 to receive treatment, job training and housing to end criminal activity
- **Reduce Recidivism - Juvenile**
  - Stabilize the flexible funding approach for young offenders
  - Provide computer education and training opportunities for offenders within Juvenile Detention



# Budget Message

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- **Increase Drug Treatment Services**
  - Provide continuation funding for Counteract and Touchstone programs formerly funded through Portland Public Schools
  - Expand Touchstone model to additional County schools
  - Open additional secure alcohol and drug treatment beds as a step in the treatment continuum
- **Increase Health Care Services**
  - Begin discussions with other major health care providers aimed at stabilizing and expanding the primary care coverage for our community
  - Provide bridge funding to mitigate impact of federal reductions
- **Increase Mental Health Services**
  - Open County Mental Health Triage Center
  - Expand mental health consultation services to children and families in County Headstarts
- **Increase County Work Force and Contractor Diversity**
  - Contract with City of Portland to expand our M/WBE programs
  - Work with other jurisdictions to respond to results of the disparity study
  - Fund annual County diversity conference
- **Increase County Government Accountability and Responsiveness**
  - Centralize and expand Information and Referral Services Countywide
  - Provide more accessible services countywide:
    - East County Focal Point for Aging Services
    - Family Resource Center coordinators in 3 Caring Communities

## **Getting Ahead of the Curve: Linking Social Services with Jobs**

The County's goal of quality of life for all citizens and commitment to children growing up with hope for the future are closely tied to the economic viability of families. Almost all of the County and Commission on Children and Families Urgent Benchmarks can be linked to the condition of poverty.

I think we share a belief that the best route out of poverty or low wage jobs is a living wage job. As safety net and human services resources diminish in relationship to the need, the imperative to think in terms of economic self sufficiency within a healthy community is even greater. We recognize at the same time we cannot abandon our commitment to being the safety net of last resort for people who are not able to take care of themselves. Over the last year the County has begun to involve itself in the issues of work force preparation and jobs as a result of our stewardship of the Strategic Investment Program (SIP). We have learned a lot about what is

# Budget Message

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necessary to secure jobs for people---make sure they can do the jobs and keep the jobs. Commissioners Collier and Kelley have done an excellent job of steering this process.

Traditionally the social service delivery system and the work force preparation and "job-getting" systems have been separated by jurisdiction, priority and sometimes philosophy. Using what we have learned from the SIP process, I will be offering the Board a policy paper in the near future defining a proposed role for the County in work force. I expect the policy to emphasize orienting our service providers to think in terms of jobs, providing information to social service providers about work force resources and to informing people in the work force system about available social services. The focal point will be how to take advantage of a strong economy with low unemployment to secure employment opportunities for County clients including ex-offenders, single parents, people with low wage jobs who depend on County services like health care, and people with other barriers to employment.

## **Thanks and Appreciations**

Special thanks for budget preparation this year go to Dave Warren, who again shepherded the process, to Keri Hardwick and Chris Tebben, for developing a new budget database system and providing analysis and advice for the wellness process.

The Budget Team at Juvenile Justice planned and developed their budget using a cross-sectional team of department employees, while the Health Department continued to decentralize their budget making process throughout the department. I applaud these efforts in involving and collaborating with employees. The entire budget staff, under the direction of Barry Crook, was able to engage with departments early in the process on their key issues and provided careful analysis of departmental submissions.

Thanks also to the citizen members of our Citizen Budget Advisory Committees who provided a sounding board and reflective thinking on many budget issues.

And finally, I want to especially thank Bill Farver for his thoughtfulness and careful analysis in helping to build this budget.

# Budget Message

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## BOARD BUDGET NOTES

### POTENTIAL CONTINGENCY TRANSFERS THE BOARD WILL ENTERTAIN DURING 1996-97

#### GENERAL FUND CONTINGENCY

The Board will consider requests for transfer from General Fund contingency during 1996-97 to address the following issues. At the time the budget was adopted, the Board was not prepared to allocate resources to deal with these problems either because the cost was not known at that time or because the Board was not satisfied that the actions proposed were in a form final enough to be approved.

- Mental Health Triage Center - Possible requirement to increase funding
- Children's Mental Health Capitation - Possible reserve requirements
- Infrastructure support for workforce development - In addition to SIP funding
- Youth Investment Program- Backfill lost Federal and State revenue
- Alcohol and Drug Assessment - Streamline and consolidate assessment methodologies on intake into jail
- In Jail programs - Pilot project to replace daytime TV with counseling and education programs
- Community Health Clinics Coalition - Grant process to address niche populations not adequately served by OHP and to stimulate fundraising efforts.
- Domestic Violence
- Programs to deal with adolescent girls
- Courthouse consultant

#### PUBLIC SAFETY LEVY CONTINGENCY

The Board will consider a transfer from the Levy Fund contingency during 1996-97 to implement a hiring process for additional Corrections Officers and staff, after reviewing the Sheriff's recruitment plan emphasizing enhanced minority and female recruitment efforts at the local level. The Board will also consider a transfer to cover the cost of early hires of Corrections staff associated with opening new beds in facilities under construction.

### BRIEFING REQUESTED BY THE BOARD DURING 1996-97

Both the Library and Aging Services provide telephone access to citizens, a reference line in the Library and the Senior Helpline in Aging Services. The Board requests Aging Services and the Library to provide a joint briefing about the potential of linking these programs to save money and provide enhanced service.