

**Transcript of the Board of Commissioners  
Multnomah Building, Board Room 100  
501 SE Hawthorne Blvd., Portland, Oregon  
Thursday, May 22, 2014**

**BUDGET WORK SESSION #13**

Chair Marissa Madrigal called the meeting to order at 11:07.m. with Vice-Chair Diane McKeel and Commissioners Liesl Wendt and Loretta Smith present. Commissioner Judy Shiprack was excused.

Also attending were Jenny Madkour, County Attorney, and Marina Baker, Assistant Board Clerk.

**[THE FOLLOWING TEXT IS THE BYPRODUCT OF THE CLOSED CAPTIONING OF THIS PROGRAM. THE TEXT HAS NOT BEEN PROOFREAD, AND SHOULD NOT BE CONSIDERED A FINAL TRANSCRIPT.]**

**BWS-13a    FY 2015 Budget Work Session - Dept. Budget Amendments & Financial & Budget Policies Follow Up. Presenters: Karyne Kieta, Deputy Director, DCM; Susan Myers, Director, DCHS; David Hidalgo, Mental Health Director, DCHS; Rob Kodiriy, Finances, DCHS; Mark Campbell, County Chief Financial Officer; Travis Graves, HR Director.**

**Chair Madrigal:** HELLO AGAIN, EVERYONE. AND WELCOME TO THE 13th BUDGET WORK SESSION OF THE MULTNOMAH COUNTY BUDGET COMMITTEE FOR THE 2015 BUDGET. KARYNE, WOULD YOU LIKE TO GET US STARTED?

**Ms. Kieta:** GOOD MORNING, CHAIR MADRIGAL, KARYNE KIETA BUDGET DIRECTOR AND I HAVE BESIDE ME THE COUNTY ECONOMIST AND HE'S ALSO HERE TO HELP ME KEEP TRACK OF ALL THE DETAILS AS WE WORK THROUGH TODAY'S VERY TECHNICAL SESSION. I WOULD LIKE TO BRIEFLY GO OVER THE AGENDA BEFORE WE START TO DIG INTO THE MATERIAL. A MAJORITY OF THE SESSION TODAY WILL BE DEVOTED TO THE BOARD AND DEPARTMENT AMENDMENTS AND THE BUDGET NOTES WHICH I WILL BE WALKING YOU THROUGH. WE'LL ALSO HAVE A FOLLOW-UP WORK SESSION FROM THE DEPARTMENT OF COUNTY MANAGEMENT ON THE FINANCIAL POLICIES, SPECIFICALLY ABOUT THE ONE TIME ONLY POLICY AND THE PROPOSED CHANGE THERE AND WE'LL ALSO HAVE A BRIEFING FOLLOW-UP ON THE CHILDCARE PROGRAM OFFERS. SO TO DATE WE HAVE COMPLETED ALL OF THE DEPARTMENTAL PRESENTATIONS AND YOU'VE HEARD RECOMMENDATIONS FROM THE CIC AND THE CENTRAL CBACs AND YOU'VE HEARD TESTIMONY AT THREE PUBLIC HEARINGS. TODAY, WILL BE ONE OF YOUR FEW REMAINING BUDGET WORK SESSIONS AND OPPORTUNITIES TO PROPOSE, REVIEW AND DELIBERATE ON ANY AMENDMENTS AND BUDGET NOTES.

AFTER THIS SESSION WE HAVE ONE MORE FOLLOW-UP WORK SESSION NEXT WEEK ON WEDNESDAY, WHICH IS THE DAY BEFORE WE ADOPT, AND TYPICALLY, WE RESERVE THAT SESSION FOR ANY LAST, LAST-MINUTE ITEMS OR UNFORESEEN CIRCUMSTANCES, SOMETHING THAT COMES UP WHERE WE NEED TO MAKE

ADJUSTMENTS SO WE ARE HOPING TODAY TO GET ALL THE PROPOSED CHANGES THAT THE BOARD MAY HAVE. THERE WILL BE NO VOTES TODAY. AGAIN, THIS IS MERELY AN OPPORTUNITY TO DELIBERATE AND GET YOUR QUESTIONS ANSWERED IN PREPARATION FOR THE VOTE ON MAY 29th. SO THAT BEING SAID I WOULD LIKE TO MOVE INTO THE AMENDMENTS. EACH YEAR WE MAKE CHANGES TO THE BUDGET AFTER IT HAS BEEN APPROVED BY THE BOARD BUT BEFORE IT'S ADOPTED. THESE CHANGES ARE MADE THROUGH BUDGET AMENDMENTS AND THE BOARD WILL VOTE ON THESE DURING THE BUDGET ADOPTION PROCESS. JUST A POINT OF OREGON BUDGET LAW THAT THE SUM OF ALL THE AMENDMENTS PROPOSED AND ADOPTED CANNOT CHANGE ANY FUND BY MORE THAN 10%. SO I WOULD LIKE TO DIRECT YOUR ATTENTION TO ATTACHMENT A BOARD AMENDMENTS AND THIS SHEET WITH THE BLUE BORDER.

THE ONLY CRITERION FOR A BOARD AMENDMENT IS THAT IT IS PROPOSED BY A MEMBER OF THE BOARD AND WHAT I WOULD LIKE TO DO IS KIND OF DESCRIBE THE SHEET AND WALK THROUGH CURRENTLY WHAT YOU HAVE ON THE SHEET. SO ATTACHMENT A., THE BOARD BUDGET AMENDMENTS, IS REALLY MADE UP OF TWO CHARTS. THE FIRST CHART HAS THE PROPOSED FUNDING SOURCES, SO THAT'S THE REVENUE AVAILABLE TO ALLOCATE OR TO APPROPRIATE AND THEN THE SECOND PART OF THE CHART IS THE PROPOSED NEW EXPENDITURES. AND IF YOU LOOK ACROSS AT THE PROPOSED FUNDING SOURCES, WE IDENTIFY A PROGRAM NUMBER AND A LITTLE DESCRIPTION. WE IDENTIFY WHETHER IT'S ONE TIME ONLY OR ONGOING, WHAT DEPARTMENT IT WOULD AFFECT, IF IT WAS INCLUDED IN THE EXECUTIVE BUDGET OR THE AMOUNT THAT'S CURRENTLY INCLUDED IN THE EXECUTIVE BUDGET AND WHAT THE PROPOSED CHANGE WOULD BE AND THE VERY END COLUMN THAT'S SHADED IN BLUE DESCRIBES THE NET CHANGE ITSELF.

CURRENTLY IN THE PROPOSED FUNDING SOURCES, THERE IS AN ADDITIONAL 2.358471 DOLLARS THAT'S AVAILABLE FOR THE BOARD TO APPROPRIATE. WE HAVE A NUMBER OF AMENDMENTS THAT HAVE BEEN PROPOSED TO DATE. THREE OF THOSE AMENDMENTS HAVE COMPANION BUDGET NOTES. TYPICALLY WHEN WE PLACE ANYTHING INTO CONTINGENCY WE ASK FOR A BUDGET NOTE THAT DESCRIBES THE POLICY DIRECTION THAT THE BOARD IS EXPECTING TO SEE IN ORDER FOR THE DEPARTMENTS TO ACCESS THOSE DOLLARS. THERE IS CURRENTLY \$1.364 MILLION IN PROPOSED AMENDMENTS AT THIS TIME, WHICH WOULD LEAVE AN AVAILABLE BALANCE OF \$994,000. AND IF THE BOARD WOULD LIKE WE CAN WALK THROUGH EACH ONE OF THOSE AMENDMENTS OR WE CAN DISCUSS ANY INDIVIDUAL AMENDMENTS THAT YOU WOULD LIKE TO DO.

**Commissioner Smith:** I WOULD LIKE TO ADD A BUDGET NOTE TO THE PROMISE NEIGHBORHOOD AMENDMENT. SINCE 2010, THE COALITION OF COMMUNITIES OF COLOR HAVE PUBLISHED SEVERAL REPORTS DOCUMENTING DISPARITIES IN A WIDE RANGE OF OUTCOMES IN SERVICES EXPERIENCED BY COMMUNITIES OF COLOR LIVING IN MULTNOMAH COUNTY. THE BOARD OF COMMISSIONERS IS PLACING \$1 MILLION IN GENERAL FUND CONTINGENCY FOR PROGRAMS TO ERADICATE SOCIAL AND ECONOMIC DISPARITIES EXPERIENCED BY PEOPLE OF COLOR IN MULTNOMAH COUNTY. THE BOARD IS INTERESTED IN PROGRAMS -- I DON'T HAVE MY GLASSES. PROGRAMS FOLLOWING THE TEMPLATE OF THE FEDERAL PROMISE NEIGHBORHOOD INITIATIVES, INCLUDING EFFORTS TO SUPPORT YOUTH AND

COMMUNITIES OF COLOR. THE BOARD IS SEEKING TO DEVELOP EVIDENCE-BASED SOLUTIONS TAILORED TO THE CULTURAL SPECIFICS OF EACH COMMUNITY THROUGH A COLLABORATIVE INFRASTRUCTURE THAT PROMOTES LONG-TERM IMPACTS AND POSITIVE RESULTS. A MULTIDEPARTMENTAL TEAM LED BY THE DEPARTMENT OF COUNTY OF HUMAN SERVICES AND INCLUDING THE DEPARTMENT OF COMMUNITY JUSTICE, THE OFFICE OF DIVERSITY AND EQUITY ALONG WITH COMMUNITY STAKEHOLDERS AND PHILANTHROPIC COMMUNITIES SHALL WORK TOGETHER TO PLAN HOW THIS FUNDING WILL BE USED TO ADDRESS SOCIOECONOMIC DISPARITIES, INCLUSIVE OF SCHOOL RETENTION, COMPLETION AND REDUCTION IN SCHOOL SUSPENSIONS AND EXPULSIONS.

THIS TEAM WILL REPORT BACK TO THE BOARD BY AUGUST 31st, 2014, WITH A PROGRAM PROPOSAL THAT INCLUDES ONE, IDENTIFICATION OF HOW COUNTY RESOURCES WILL BE USED IN LEVERAGE TO ELIMINATE DISPARITIES WITHIN COMMUNITIES OF COLOR, DESCRIPTIONS OF THE PROGRAM THAT WILL BE IMPLEMENTED IN THIS FUNDING, WHICH COMMUNITIES OF COLOR THE PROGRAMS WILL BE DESIGNED TO SERVE, HOW MANY PEOPLE CAN BE SERVED WITH THIS FUNDING, THE PROGRAM'S DESIRED OUTCOMES INCLUDING PERFORMANCE MEASURES AND TARGETS THAT DIRECTLY RESPOND TO THE UNSETTLING PROFILE REPORT BY THE COMMUNITIES OF COLOR. DEVELOPMENT OF SUCCESSFUL TRAINING AND CONSULTANT METHODS THAT ESTABLISH COMPETENCIES TO SUPPORT SUCCESSFUL FAMILIES OF COLOR AND YOUTH RESIDING IN MULTNOMAH COUNTY AS A RESULT OF POVERTY. FUNDING WILL BE RELEASED BY THE BOARD UPON APPROVAL OF THE PROGRAM PROPOSAL AFTER PROGRAM IMPLEMENTATION BEGINS. THE TEAM WILL REPORT BACK TO THE BOARD ON PROGRAM PROGRESS, INCLUDING SUCCESSES, CHALLENGES, AND/OR IMPLEMENTATION BARRIERS. ONE REPORT SHOULD OCCUR BY DECEMBER 31st 2014 AND ANOTHER BY MARCH 31st, 2015. THANK YOU.

**Ms. Kieta:** MAY I ASK A CLARIFYING QUESTION? THE CURRENT BUDGET AMENDMENT FOR THE MILLION DOLLARS DOES NOT DIRECT THE MONEY TO BE EARMARKED IN CONTINGENCY.

**Commissioner Smith:** YES AND WE WOULD MOVE THAT -- SCRATCH THAT INITIAL AMENDMENT AND PUT THE BUDGET NOTE IN TO PUT THE DOLLARS INTO CONTINGENCY.

**Chair Madrigal:** I WOULD ALSO LIKE TO MAKE AN AMENDMENT IN THE EXECUTIVE BUDGET. THERE IS \$250,000 EARMARKED FOR A FUTURE PROGRAM TO ELIMINATE RACIAL DISPARITIES AND I WOULD LIKE TO RELEASE THAT EARMARK.

**Ms. Kieta:** THANK YOU. ARE THERE ANY OTHER AMENDMENTS THAT THE BOARD WOULD LIKE TO DISCUSS AT THIS TIME FOR THE BOARD AMENDMENTS?

**Commissioner Smith:** NOT AMENDMENTS BUT BUDGET NOTES. I WOULD LIKE TO DIRECT THE SAFE ROUTES TO SCHOOL FOLKS WHO DO THAT DEPARTMENT TO GIVE A REPORT BACK TO THE BOARD BY SEPTEMBER 30th REGARDING CROSSWALKS AND HOW WE CAN BETTER SERVE COMMUNITIES IN THE UNINCORPORATED AREAS WITH CROSSWALK SAFETY FOR CHILDREN.

**Chair Madrigal:** I WOULD LIKE TO PROPOSE AN AMENDMENT. THIS AMENDMENT IS TO REFLECT THE RECOMMENDATIONS OF THE COMMITTEE THAT REVIEWED THE FUNDS SO IT'S KIND OF A LONG ONE, BEAR WITH ME. THERE ARE -- THERE WERE A FEW SECTIONS IN THE EXECUTIVE BUDGET THAT MATCH THE RECOMMENDATIONS FROM THE GROUP AND THOSE WERE A DA POSITION SOME FUNDING FOR DCJ'S RECOVERY SYSTEM OF CARE AND ADMINISTRATIVE SUPPORT IN THE PROGRAM. SO THOSE WILL NOT BE PART OF THE AMENDMENTS. THE OTHER SECTIONS TOTAL TO \$1,930,790. AND INCLUDE FUNDING FOR A DEFENSE COORDINATOR, DCJ SUPERVISION OF 3194 OFFENDERS, OFFENDER SERVICES IN DCJ, REPORT AND ASSESSMENT NEEDS, EVALUATION DATA AND REPORTS, SHERIFF ACCESS AND INTERVIEWS, LAW ENFORCEMENT, A NAVIGATOR AND PSYCHOLOGICAL EVALUATIONS. IS IT NECESSARY TO DETAIL THE COST OF THOSE INDIVIDUAL THINGS OR SHOULD I JUST SUBMIT?

**Ms. Kieta:** YOU CAN SUBMIT THAT FOR THE RECORD AND WE WILL INCORPORATE IT AND UPDATE THIS AMENDMENT SHEET.

**Chair Madrigal:** OKAY, GREAT. SO AGAIN THAT TOTAL IS \$1,930,790.

**Ms. Kieta:** IS THERE ANYTHING ELSE THAT THE BOARD WOULD LIKE TO PROPOSE AT THIS TIME? THANK YOU. YOU COULD NOW TURN TO ATTACHMENT 1A, IT LOOKS VERY SIMILAR TO THE BOARD AMENDMENT ATTACHMENTS. IT HAS THE BLUE BORDER. THIS SHEET IS FOR FISCAL YEAR 2015 PROGRAMS FOR INDIVIDUAL CONSIDERATION. THIS WILL ALLOW THE BOARD TO VOTE SEPARATELY ON THE TWO PROGRAM OFFERS, 50066, THE JUVENILE COMMUNITY INTERFACE SERVICES AND PROGRAM OFFER 25139A, ANTI-POVERTY SERVICES TO ALLOW COMMISSIONERS AGAIN TO HAVE AN INDIVIDUAL VOTE ON THESE PROGRAM OFFERS. THEY ARE INCLUDED IN THE APPROVED BUDGET. MOVING ON, I WOULD NOW LIKE TO DIRECT YOUR ATTENTION TO ANOTHER ATTACHMENT A., THIS IS THE DEPARTMENT AMENDMENT SHEET AND THIS YOU CAN FIND THIS ON YOUR LEGAL-SIZED SHEETS.

WE HAVE TIGHTENED DOWN ON THE DEPARTMENT AMENDMENT PROCESS THIS YEAR, PARTICULARLY WITH REGARD TO THE HOUSE CLEANING ITEMS. THERE ARE OTHER AVENUES FOR THE DEPARTMENTS TO MAKE THOSE CHANGES WHICH INCLUDES BUDGET MODIFICATIONS DURING THE YEAR SO WE REALLY TRIED TO DISTILL IT DOWN TO THE THINGS THAT WERE VERY IMPORTANT THAT THE ADOPTED BUDGET REFLECT. THERE ARE FIVE CATEGORIES OF AMENDMENTS AND I WILL BE REVIEWING THOSE ONE AT A TIME AND WE CAN TAKE ANY QUESTIONS THAT YOU HAVE. WE HAVE STAFF HERE FROM THE DEPARTMENTS IN THE EVENT THAT YOU HAVE MORE SPECIFIC QUESTIONS WITH REGARD TO ANY OF THESE AMENDMENTS AND I WOULD REALLY LIKE TO START WITH THE EASIEST CATEGORY OF AMENDMENTS AND WORK MY WAY UP. WE'LL START WITH THE TECHNICAL AMENDMENTS WHICH SHOULD BE YOUR FIRST SHEET ON PAGE 1 AND IT HAS BEEN THE GREEN BORDER, IT SAYS TECHNICAL AMENDMENTS, AND TECHNICAL AMENDMENTS ARE CONSIDERED HOUSECLEANING ITEMS AND THEY MAKE ADJUSTMENTS BETWEEN OBJECT CODES, THEY DO NOT CHANGE THE BOTTOM LINE OF A DEPARTMENT OR FUND. I WOULD LIKE TO DESCRIBE THIS SHEET AS WE GO THROUGH, YOU'LL SEE IN THE FIRST COLUMN THE PROGRAM OFFERS THAT IT

AFFECTS. YOU'LL SEE THE NEXT COLUMN REFLECTS THE PROGRAM NAME, THEN THE DEPARTMENTS, WHAT THE NET GENERAL FUND CHANGE WOULD BE, THE NET OTHER FUNDS CHANGE, THE TOTAL CHANGE AND IF THERE ARE ANY CHANGES IN FTE, AND THEN WE'VE ALSO INCLUDED A DESCRIPTION.

SO THERE IS ONLY ONE TECHNICAL AMENDMENT THIS YEAR AND THIS IMPLEMENTS A SALARY, THE MULTNOMAH COUNTY SALARY COMMISSION RECOMMENDATIONS FOR 2015. YOU HEARD FROM THEM A FEW WEEKS AGO. AND THE SALARY COMMISSION SETS THE SALARIES FOR THE CHAIR, THE BOARD, THE SHERIFF, AND THE SUPPLEMENTAL SALARY FOR THE D.A. THE COMMISSION'S RECOMMENDATION WAS TO INCREASE THE SALARIES, 2.7%, WHICH WAS WHAT WE GAVE TO THE NONREPRESENTED EMPLOYEES. THIS IS A TOTAL INCREASE OF \$20,000. WE HAD ANTICIPATED THIS AND SO THERE WAS MONEY SET ASIDE IN CONTINGENCY AND SO WE WERE JUST MOVING IT OVER TO THE APPROPRIATE PROGRAM OFFERS. NEXT IF YOU FLIP THE PAGE, I WOULD LIKE TO MOVE ONTO STAFFING AMENDMENTS AND THIS IS IN COLOR CODED IN BLUE. THE BLUE BORDER. WE HAVE THREE STAFFING AMENDMENTS THIS YEAR. AND TYPICALLY, STAFFING AMENDMENTS INCORPORATE POSITION RECLASSIFICATIONS THAT YOU'VE ALREADY APPROVED BY BUD MODS THIS YEAR. THEY OCCURRED AFTER THE DEPARTMENTS SUBMITTED THEIR REQUESTED BUDGETS AND WE WOULD LIKE TO GET THESE AMENDMENTS INTO THE BUDGET SO WHEN WE START THE ADOPTED BUDGET ON JULY 1st, WE'LL HAVE THE APPROPRIATE RECLASSIFICATIONS IN. AGAIN, THE BOARD HAS ALREADY APPROVED THESE.

IF YOU LOOK AT THE FIRST STAFFING AMENDMENT, YOU'LL SEE VARIOUS. THIS PARTICULAR AMENDMENT CONSOLIDATES A NUMBER OF RECLASSIFICATIONS. IT ACTUALLY UPDATES 32 POSITIONS THAT THE BOARD APPROVED FOR RECLASSIFICATIONS ALREADY, WHICH, AS I MENTIONED, WERE SUBMITTED AFTER THE DEPARTMENTS SUBMITTED THEIR REQUESTED BUDGETS. WE'RE GETTING INTO MORE AND MORE AMENDMENTS I WOULD TO CALL OUT SOME HIGHLIGHTS. I DIDN'T WANT TO GO THROUGH EVERY ONE OF THEM. IF YOU LOOK AT THE LAST AMENDMENT ON THIS PAGE 1 OF STAFFING AMENDMENTS, PROGRAM OFFER 80008. YOU HEARD A LITTLE BIT ABOUT THIS WHEN THE LIBRARY DEPARTMENT DID THEIR PRESENTATION AND ALSO AGAIN FROM THE TAX SUPERVISING CONSERVATION COMMISSION QUESTION. THIS ADDS THE LIBRARY SAFETY AND SECURITY MANAGER AND THIS WAS APPROVED VIA A BUD MOD THIS YEAR BUT IT WAS AFTER THE DEPARTMENT SUBMITTED THEIR REQUEST SO THIS INCORPORATES THIS POSITION INTO FISCAL YEAR 2015. IF YOU TURN TO THE NEXT PAGE, WE'RE MOVING ONTO REVENUE AMENDMENTS. AND WE HAVE 20 OF THOSE. THESE ARE IN THE YELLOW BORDER. REVENUE AMENDMENTS INCORPORATE REVENUES THAT WERE NOT INCLUDED IN THE EXECUTIVE BUDGET. AN EXAMPLE OF A REVENUE AMENDMENT WOULD BE A GRANT THAT WAS AWARDED TO A DEPARTMENT IN APRIL, AFTER THE PROGRAM OFFERS WERE TURNED IN OR BWC, BEGINNING WORKING CAPITAL THAT WAS IN EXCESS OF THE AMOUNT THAT THE DEPARTMENTS ANTICIPATED WHEN THEY SUBMITTED THEIR REQUESTED BUDGETS.

SO IF YOU LOOK AT THIS FIRST REVENUE AMENDMENT ON PAGE ONE OF THE REVENUE AMENDMENTS, IT SAYS FACILITIES CAPITAL IMPROVEMENTS PROGRAM AND THE CAPITAL ASSET PRESERVATION PROGRAM. THIS AMENDMENT AND THE

NEXT TWO ARE GENERALLY WITHIN THE SAME EXPLANATION. BECAUSE WE HAVE BETTER INFORMATION AT THIS TIME OF THE YEAR, THE PAYMENTS AND PROJECTED OBLIGATIONS ARE REVIEWED IN THE CAPITAL, THE I.T. AND THE FLEET FUNDS AND THE ESTIMATES ARE REVISED BASED ON THE PROGRESS MADE ON PARTICULAR PROJECTS AND MONEYS AVAILABLE AND TIMELINES ARE REVISED. SO THIS JUST UPDATES THE NUMBERS BASED ON BETTER INFORMATION. IF YOU LOOK AT THE LAST REVENUE AMENDMENT ON THIS PAGE, PROGRAM OFFER 40050A, THIS AMENDMENT ADDS \$214,000 DUE TO A GRANT FROM THE OREGON HEALTH AUTHORITY JAIL DIVERSION, IT'S PART OF THE MENTAL HEALTH SERVICES PROGRAM. IT WILL FOCUS ON TRANSITION PLANNING FROM THE JAIL. A PORTION OF THIS GRANT WAS APPROVED BY THE BOARD ON 5/15 AND THIS ALLOCATES THE GRANT INTO 2015. AND WE ALSO HAVE A COMPANION GRANT ON THE NEXT PAGE FOR THE PORTION THAT RELATES TO COUNTY HUMAN SERVICES.

**Commissioner Smith:** MADAM CHAIR I HAVE A QUESTION. YOU SAID WE ALLOCATED THIS ON 5/15. WAS THAT INCLUDED FOR GENERAL FUND MONEY?

**Ms. Kieta:** THIS IS GRANT FUNDING SO IT'S PROBABLY IN THE FEDERAL STATE FUND OR IT'S IN THE OTHER FUNDS CATEGORY.

**Commissioner Smith:** SO WE PAY FOR IT TWICE WITH THIS NEW GRANT?

**Ms. Kieta:** NO, SO THE GRANT CROSSES FISCAL YEAR. WHAT THE BOARD APPROVED THIS YEAR WAS FOR THE PORTION FOR THIS YEAR. THE WORK WILL CONTINUE ON INTO NEXT FISCAL YEAR AND SO THIS AMENDMENT REFLECTS WHAT WILL HAPPEN IN THE NEXT FISCAL YEAR.

**Commissioner Smith:** OKAY, GOT IT.

**Ms. Kieta:** AND IF YOU -- THIS NEXT PAGE, PAGE TWO OF THE REVENUE AMENDMENTS I HAD ALREADY MENTIONED THAT THE FIRST REVENUE AMENDMENT HERE IS COUNTY HUMAN SERVICES COMPANION TO THE HEALTH DEPARTMENT. AND I WOULD LIKE YOU TO GO AHEAD AND FLIP THE PAGE AGAIN TO PAGE 3 OF THE REVENUE AMENDMENTS. AND THIS IS ALSO A LIBRARY DEPARTMENT REVENUE AMENDMENT AND YOU HEARD ABOUT THIS ONE ALSO DURING THE LIBRARY PRESENTATION. IT'S PROGRAM OFFER 80019. THIS AMENDMENT INCREASES THE FUNDING TO THE LIBRARY FUND FROM THE LIBRARY DISTRICT. YOU WILL ALSO SEE A COMPANION AMENDMENT WHEN YOU WALK THROUGH THE LIBRARY DISTRICTS AMENDMENTS AND THE LIBRARY SERVES AS A FISCAL AGENT FOR THE OREGON VIRTUAL REFERENCE. AND THEY AGREED TO THIS ROLE FOR ONE MORE YEAR SO THIS AMENDMENT REFLECTS THAT AGREEMENT.

IF YOU TURN TO PAGE 4 OF YOUR REVENUE AMENDMENTS, I WOULD LIKE TO INVITE UP FOLKS FROM COUNTY HUMAN SERVICES. THIS IS A VERY TECHNICAL AMENDMENT AND I WOULD LIKE TO ASK THEM TO COME UP AND EXPLAIN IT, A BRIEF SUMMARY IS IT INCREASES THE FEDERAL STATE FUND BY \$2.4 MILLION TO RECOGNIZE ADDITIONAL STATE MENTAL HEALTH GRANTS AND BEGINNING WORKING CAPITAL AND IT'S ONE TIME ONLY FUNDING AND IT WILL BE APPLIED ACROSS NINE PROGRAM OFFERS. AT THIS TIME, ROB KODIRIY AND SUSAN MYERS.

**Mr. Hidalgo:** GOOD MORNING CHAIR MADRIGAL AND COMMISSIONERS. FOR THE RECORD, I'M DAVID HILADGO, MENTAL HEALTH DIRECTOR FOR COUNTY HUMAN SERVICES, AND WITH ME IS ROB KODIRIY.

**Mr. Kodiriy:** I'M A FINANCE MANAGER FOR DCHS.

**Mr. Hidalgo:** AND SO THE AMENDMENT THAT KARYNE IS DESCRIBING IS BEGINNING WORKING CAPITAL DOLLARS THAT COME ACROSS SEVERAL DIFFERENT PROGRAMS. THERE'S MANY REASONS THAT WE HAVE DOLLARS THAT FLOW INTO A FISCAL YEAR. ONE IS WE COME GENERALLY EVERY YEAR TO TRUE UP OUR FUNDS AND SO THIS YEAR WE'VE COME ON TIME AND BEFORE THE BUDGET. SO THAT IS A GOOD SIGN THAT WE HAD GOOD INFORMATION. ONE OF THE REASONS THAT THESE DOLLARS WERE NOT UTILIZED AND THAT THEY ARE COMING FORWARD AS BEGINNING WORKING CAPITAL IS THERE WERE ADDITIONAL AMENDMENTS THAT CAME IN FROM THE STATE. ONE SIGNIFICANTLY YOU'LL SEE IN THE LINE THERE FOR THE ADULT MENTAL HEALTH INITIATIVE. THOSE ARE DOLLARS THAT ARE DEDICATED SPECIFICALLY SO THEY CAN'T BE USED IN ANY OTHER CATEGORICAL TYPE FUNDING. THEY'RE FOR INDIVIDUALS COMING DIRECTLY OUT OF THE STATE HOSPITAL, IT'S APPROXIMATELY \$900,000.

GIVEN THAT THE STATE NOTIFIED US MID FISCAL YEAR THAT THEY WOULD BE REDUCING OUR FUNDS IN FY 14 AND ALSO THROUGH THE END OF THE BIENNium THROUGH FY 15 WE WANTED TO MAKE SURE THAT WE HAD SOME DOLLARS TO MITIGATE ANY SIGNIFICANT PROGRAM REDUCTIONS BASED ON THAT STATE CUTS. SO WHAT WE DID DO IS LOOK THROUGH OUR PROGRAMS AND BASED ON SOME OF THE REDUCTIONS THAT WE HAD, DETERMINE IF THERE WAS ANY NEED TO BACK FILL SO YOU'LL SEE IN SOME OF THOSE OTHER PROGRAM AREAS, THOSE ARE DOLLARS THAT WE DID NEED TO BACK FILL IN. THERE WAS ALSO AN AREA OF HOUSING. WE HAD AN AGREEMENT WITH THE CITY, APPROXIMATELY TWO YEARS AGO WHEN THERE WAS SOME STATE REDUCTIONS FOR FUNDING. AND THE CITY STEPPED UP WITH APPROXIMATELY \$150,000 TO SUPPLEMENT AND KEEP THE FUNDING FOR THE HOUSING PROGRAM WHOLE. WE KNEW IT WAS A TEMPORARY FIX AND SO WE KNEW THAT WE NEEDED IN THIS FISCAL YEAR TO COME UP WITH SOME BACK FILL DOLLARS TO BE ABLE TO IN FY 15 ENSURE THAT THOSE TRANSITIONAL HOUSING VETS WERE AVAILABLE. AS WE LOOK THROUGH OUR PROGRAMS, WE KNEW THAT THE DOLLARS FROM THE STATE REDUCTIONS DO CROSS OVER INTO FISCAL YEARS AND SO THAT'S WHY AGAIN THESE ARE COMING INTO THIS FY 15 AMENDMENT.

**Commissioner Smith:** MADAM CHAIR, I HAVE A QUESTION. SO THIS IS JUST TO MOVE THE MONEY FROM THE FEDERAL STATE FUND FROM YOUR DEPARTMENT OVER, BUT YOU'VE ALREADY IDENTIFIED IT IN THIS YEAR'S BUDGET AND IT'S IN THE EXECUTIVE BUDGET AS WELL?

**Mr. Hidalgo:** NOT THE EXECUTIVE NO, NOT AT THIS TIME.

**Commissioner Smith:** WE'RE MOVING IT FROM THE FEDERAL STATE FUND OVER SO THIS IS NEW MONEY?

Mr. Hidalgo: YES.

**Commissioner Smith:** THAT'S IN CONTINGENCY OF SORTS IN ONE OF THOSE FUNDS?

**Mr. Kodiriy:** I DON'T THINK THIS IS NEW MONEY. THIS IS -- WE HAVE FEDERAL STATE FUNDS WHICH ARE -- SO JUST ONE THING I WANT TO ADD, WE ARE SUBJECT FOR SETTLEMENTS FOR THESE FUNDS, AND UNLESS WE HEAR OTHERWISE, FROM THE STATE, WE DO NOT APPROPRIATE IT. SO WE KEEP IT IN A SEPARATE ACCOUNT, AND I THINK THIS IS A PROCESS WHERE WE RECEIVE THE CONFIRMATION FROM THE STATE WHERE WE CAN SETTLE AND PLUS, WE RECEIVED THE FINAL PROJECTIONS FROM THE STATE FOR FY 14 AND FY 15 PROJECTIONS IN REGARDS TO THESE PROGRAM OFFERS SO WE CAN NOW APPROPRIATE THESE FUNDS.

**Commissioner Smith:** WHAT YOU'LL DO WHEN YOU GET THE STATE MONEY YOU'LL REIMBURSE THE FUND BACK?

**Mr. Kodiriy:** NO, THIS IS BASICALLY A LEFTOVER OF WHATEVER STATE PROVIDED FOR US.

**Commissioner Smith:** WE DIDN'T ALLOCATE ANY GENERAL FUND MONEY TO THIS, DID WE?

**Mr. Hidalgo:** IF I CAN ALSO RESPOND, I MAY HAVE CONFUSED WITH MY COMMENT NEW. THERE IS SOME NEW IN THE MIX HERE. THAT'S WHERE I THINK IT CAN BE CONFUSING. THE AMENDMENT FOR THE ADULT MENTAL HEALTH INITIATIVE, THOSE ARE DOLLARS THAT CAME IN AN AMENDMENT AFTER OUR BUDGET HAD BEEN SUBMITTED. APPROXIMATELY THAT \$900,000. THOSE ARE DOLLARS THAT CONTINUE THE WORK. WHILE IT'S A NEW AMENDMENT FROM THE STATE, IT CONTINUES THE WORK WE DO WITH STATE HOSPITAL DISCHARGES.

**Commissioner Smith:** CAN WE IDENTIFY IT IN OUR BUDGET OR IS IT A NEW BUDGET ITEM TOTALLY?

**Ms. Kieta:** SO IT'S NEW MONEY OVER AND ABOVE WHAT THE DEPARTMENT HAD ANTICIPATED WHEN THEY SUBMITTED THEIR BUDGET REQUEST AND SO THIS WILL GO INTO THOSE EXISTING PROGRAM OFFERS THAT YOU SEE FOR SERVICES THAT WE ARE DOING.

**Commissioner Smith:** OKAY. AND SO THE ORIGINAL MONEY, DID THAT COME FROM GENERAL FUND MONEY?

**Mr. Hidalgo:** NO, THESE ARE ALL STATE FUNDED PROGRAMS AND THE GOOD NEWS IS THAT THE STATE IS CONTINUING TO FUND THIS WORK. WE ARE OBLIGATED TO HELP PEOPLE OUT OF THE STATE HOSPITAL SO WE ARE GLAD THEY'RE CONTINUING TO FUND IT.

**Commissioner Smith:** THANK YOU.



**Mr. Hidalgo:** ABSOLUTELY, THANK YOU. OKAY, GREAT.

**Ms. Kieta:** THANK YOU. IF YOU WOULD TURN TO PAGE 5 OF THE REVENUE AMENDMENTS, THE FIRST AMENDMENT ON THIS PAGE, 25020A AND 25020A, IT'S THE SAME PROGRAM OFFER. AND THIS IMPLEMENTS FISCAL YEAR COMPONENTS OF THE BOARD APPROVED BUD MOD ON APRIL 3rd OF THIS YEAR. IT EXPANDS THE GATEKEEPER AND OPTIONS COUNSELING SERVICES IN MULTNOMAH, COLUMBIA, WASHINGTON AND CLACKAMAS COUNTIES. THE SECOND PIECE OF THIS AGAIN IS FOR DEVELOPMENT OF COMMUNITY BASED MENTAL HEALTH PROGRAMS THAT TARGET DEPRESSION, ANXIETY AND SUBSTANCE ABUSE IN OLDER ADULTS AND PEOPLE WITH DISABILITIES. IF YOU TURN TO PAGE 6 PLEASE OF THE REVENUE AMENDMENTS, I JUST WANT TO NOTE THAT THE FIRST AMENDMENT ON THIS SHEET, 50015A, THIS IS MERELY A CORRECTION TO THE CHRONIC OFFENDER PROGRAM. WE HAD ACTUALLY PUT IT IN \$20,000 LESS THAN THEY'RE WILLING TO GIVE US SO WE ARE INCREASING IT TO TAKE THE \$20,000. AND IF YOU TURN THE PAGE PLEASE ON PAGE 7 OF THE REVENUE AMENDMENTS. IF YOU LOOK AT THE FIRST AMENDMENT, IT HAS A NUMBER OF PROGRAM OFFERS ASSOCIATED WITH IT. IT'S ALL IN THE LIBRARY AND WE TALKED A LITTLE BIT ABOUT THIS DURING THE LIBRARY PRESENTATION AND ALSO A TSCC QUESTION. WE SEE THIS AMENDMENT ANNUALLY AND IT RECOGNIZES DONATIONS THAT WERE MADE TO THE LIBRARY DISTRICT, AND THEN FROM THE DISTRICT, THE LIBRARY FUND, AND WE'VE TYPICALLY ADDED THE REVENUE AMENDMENT AT THIS TIME RATHER THAN THE REQUESTED BUDGET TO REFLECT THE FOUNDATION'S DESIRE NOT TO SUPPLANT EXISTING FUNDING SOURCES AND TO SEE WHERE THEY WOULD LIKE TO ENHANCE OTHER PARTICULAR PROGRAMS. AND THE NEXT AMENDMENT ALSO HAS A NUMBER OF PROGRAM OFFERS THAT IT IMPACTS AND IT'S WITH COUNTY MANAGEMENT PARTICULARLY, ASSESSMENT, RECORDING AND TAXATION. AND THIS AMENDMENT REDUCES THE REVENUES BY \$579,000. DUE TO LOWER REPORTING FEES, AS WAS PRESENTED AT OUR LAST GENERAL FUND FORECAST AND BECAUSE MIKE SAID SO. [ LAUGHTER ] IF YOU TURN THE PAGE, PLEASE, TO PAGE 8, PROGRAM OFFER 60065, SHERIFF'S RIVER PATROL. THE SHERIFF RECEIVED A GRANT, THE URBAN AREA SERVICES INITIATIVE GRANT TO PURCHASE A DIVE TEAM RESPONSE AND SUPPORT BUS. THIS WILL ALLOW THEM TO APPROPRIATE THAT AND PURCHASE THAT VEHICLE. AND IF YOU LOOK AT THE NEXT AMENDMENT DOWN IS 10027, THIS ESSENTIALLY REDUCES THE AMOUNT OF LEVY WE'LL NEED. IT'S REALLY VERY TECHNICAL. AND THE LAST OF THE REVENUE AMENDMENTS, 95000, FUND LEVEL TRANSACTIONS, AGAIN THIS ADJUSTS MOTOR VEHICLE RENTAL TAX TO REFLECT THE MAY FORECAST.

**Commissioner Smith:** MADAM CHAIR, I HAVE A QUICK QUESTION GOING BACK TO THE DIVE TEAM. IT SAYS IT'S GOING TO PURCHASE A DIVE TEAM RESPONSE AND SUPPORT VEHICLE. SO DOES DIVE TEAM RESPONSE MEAN PERSONNEL OR IS THAT JUST GENERIC?

**Ms. Kieta:** I BELIEVE THAT THE SHERIFF DOES HAVE A DIVE TEAM THAT ARE POPULATED BY -- I'M NOT SURE EXACTLY WHAT THE CLASSIFICATION IS BUT THEY DO HAVE PEOPLE WITH THAT RESPONSIBILITY. THIS AMENDMENT ACTUALLY PURCHASES THE BUS. SO IT'S A CAPITAL ITEM.

**Commissioner Smith:** IT'S NOT GIVING PERSONNEL MONEY FOR DIVE TEAM? OKAY.

**Ms. Kieta:** THIS IS ACTUALLY TO BUY A BUS. IF YOU WILL TURN THE PAGE, WE'RE MOVING ONTO CARRYOVER AMENDMENTS. WE ONLY HAVE ONE CARRYOVER AMENDMENT THIS YEAR. AND THE CRITERIA FOR A CARRYOVER AMENDMENT IS A ONE TIME ONLY REAPPROPRIATION IN 2015 OF AN EXPENDITURE THAT WAS AUTHORIZED IN 2014. THIS IS LIMITED TO THE GENERAL FUND AND THE DEPARTMENTS MUST HAVE A PURCHASE ORDER AND HAVE ORDERED SOMETHING AND THEY WON'T RECEIVE IT PRIOR TO THE END OF THE FISCAL YEAR. WE DO HAVE ONE AND IT IS IN COUNTY HUMAN SERVICES. THIS REALLY CARRIES OVER ONE TIME ONLY FUNDING THAT WAS FOR A FORMAL EVALUATION OF THE COMMUNITY SCHOOLS. THAT EVALUATION WILL NOT BE COMPLETED BY THE END OF THIS FISCAL YEAR. THESE DOLLARS ARE COMMITTED TO A CONTRACT AND THEY'RE NOT GOING TO BE FINALIZED. THEY WANT TO CARRY THAT OVER INTO FISCAL YEAR 2015.

IF YOU TURN THE PAGE WE'RE MOVING ONTO PROGRAM AMENDMENTS AND WE HAVE ONE PROGRAM AMENDMENT THIS YEAR. PROGRAM AMENDMENTS MAKE A PROGRAMMATIC OR POLICY DRIVEN CHANGE IN A DEPARTMENT'S BUDGET THAT RESULTS IN A CHANGE OF FUNDING OR STAFFING LEVELS. THIS PARTICULAR PROGRAM AMENDMENT, 25119 AND 25121, THE ENERGY ASSISTANCE WEATHERIZATION, IT REALLOCATES -- THE REASON IT IS A PROGRAM AMENDMENT IS BECAUSE IT REALLOCATES DIRECT CLIENT ASSISTANCE FUNDING TO ONE FTE. AND THIS IS TO ADDRESS AN AUDIT FINDING THAT THERE WERE INSUFFICIENT INSPECTORS STAFFING AND IT CREATED A BACK LOG IN THE PROCESS OF HELPING CLIENTS ACCESS THE WEATHERIZATION ASSISTANCE SO THE DEPARTMENT IS RESPONDING TO AN AUDIT FINDING. AND THAT CONCLUDES THE DEPARTMENT AMENDMENTS. YOU'LL HAVE TIME TO REVIEW THOSE. WE WILL COME BACK IF YOU HAVE ANY QUESTIONS ON WEDNESDAY. AND WHAT I WOULD LIKE TO DO NOW IS MOVE ONTO THE BUDGET NOTES. AND WE HAVE A NUMBER OF BUDGET NOTES. AND TWO NEW BUDGET NOTES ADDED WHICH WE WILL INCORPORATE INTO THIS DOCUMENT. THAT WOULD BOARD LIKE TO GO OVER EACH BUDGET NOTE? WE CAN DO A BRIEF SUMMARY OF EACH ONE OR ARE FOLKS FAIRLY COMFORTABLE WITH WHAT WE HAVE?

**Chair Madrigal:** I'M COMFORTABLE. COMMISSIONERS?

**Ms. Kieta:** OKAY. SO THAT KIND OF WRAPS OUR TECHNICAL PIECE OF THE WORK SESSION TODAY. OUR NEXT MEETING IS SCHEDULED FOR WEDNESDAY MAY 28th AND AGAIN THAT WILL BE REALLY THE LAST TIME AVAILABLE TO MAKE ANY PROPOSED CHANGES THAT THE BOARD WOULD LIKE TO DO TO THE APPROVED BUDGET. ON MAY 29th, THERE'S A NUMBER OF STEPS THAT WE WILL GO THROUGH TO ADOPT THE BUDGET. YOU ALL ARE FAIRLY FAMILIAR WITH THIS PROCESS NOW. WE HAVE A RESOLUTION TO ADOPT THE BUDGET. THERE ARE FOUR ATTACHMENTS TO THAT RESOLUTION. WE NEED TO ADOPT THE LEVY AND ADD VALOREM TAXES. WE NEED TO ADOPT THE FUND STRUCTURE, THE COMPENSATION PLAN AND THE BEST PART FOR LAST, WE WILL HAVE THE UNVEILING OF THE NEW 2015 BUDGET COVER WHICH WE'VE KEPT UNDER TOP SECRET WRAP. [LAUGHTER]

**Commissioner Smith:** WE GET TO SEE IT EARLY? [LAUGHTER]

**Ms. Kieta:** NO! WE WILL ALSO HAVE THE ARTIST HERE TO TALK ABOUT HER INSPIRATION FOR THIS. IF THE BOARD DOESN'T HAVE ANY FURTHER QUESTIONS, I'D LIKE TO ASK MARK CAMPBELL TO COME UP AND WE'LL MOVE INTO THE CONVERSATION ABOUT THE FINANCIAL POLICIES AND ONE TIME ONLY.

**Mr. Campbell:** GOOD MORNING, MARK CAMPBELL, COUNTY CHIEF FINANCIAL OFFICER. I'M HERE TODAY TO FOLLOW UP ON THE CHANGES WE'VE RECOMMENDED TO THE COUNTY'S FINANCIAL AND BUDGET POLICIES, SPECIFICALLY I WOULD LIKE TO FOCUS ON THE RECOMMENDATIONS TO THE CHANGES OF THE EXISTING POLICY ON THE USE OF ONE-TIME ONLY RESOURCES. WE PROPOSED TO MODIFY THE POLICY TO ANNUALLY EARMARK HALF THOSE RESOURCES FOR MAJOR FACILITIES CAPITAL. I DON'T HAVE A FORMAL PRESENTATION PREPARED BUT I WOULD LIKE TO OFFER A PERSPECTIVE ON WHAT WE'RE PROPOSING AND WHY. BEST PRACTICES IN BUDGETING AND FINANCIAL MANAGEMENT STRESS THE IMPORTANCE OF FUNDING ONGOING OPERATIONS WITH ONGOING FUNDS. AND TO LIMIT THE USE OF NONRECURRING REVENUES TO PROGRAMS OR PROJECTS THAT DO NOT REQUIRE FUTURE OBLIGATIONS. I WANT TO MAKE VERY CLEAR THAT THE POLICY THAT'S IN EXISTENCE RIGHT NOW REFLECTS THOSE BEST PRACTICES. BUT OVER THE PAST EIGHT TO 10 YEARS WE'VE BEEN FORTUNATE IN THE SENSE THAT WE'VE BEEN ABLE TO USE ONE TIME ONLY REVENUES TO MANAGE THROUGH SOME SIGNIFICANT BUDGET SHORTFALLS.

WE'VE USED THOSE ONE TIME ONLY REVENUES TO SUPPORT CORE PROGRAMS THAT MIGHT OTHERWISE HAVE BEEN CUT AS A RESULT OF THE SUNSET OF THE MULTNOMAH COUNTY ITAX. WE'VE USED ONE TIME ONLY RESOURCES TO SUSTAIN PROGRAMS DURING THE GREAT RECESSION. AND WE'VE ALSO USED ONE TIME ONLY RESOURCES TO CREATE A GLIDE PATH TOWARDS ELIMINATION OF OUR STRUCTURAL DEFICIT. EIGHT YEARS AGO, WE WOULD NOT HAVE MADE A RECOMMENDATION LIKE THIS. IT WOULD NOT HAVE BEEN A PRUDENT USE OF RESOURCES AT THE TIME. GIVEN SOME OF THE CHALLENGES THAT WE WERE FACING. I WAS REFLECTING ON THIS EARLIER THIS WEEK, WHEN I HAD THE OPPORTUNITY TO MAKE A RATINGS PRESENTATION TO MOODY'S AND IN ARE DEVELOPING THAT PRESENTATION I WAS STRUCK BY HOW MUCH OUR FINANCIAL FORTUNES HAVE CHANGED SINCE 2007. WE'VE TOUCHED ON THIS BEFORE BUT I THINK IT BEARS REPEATING. MULTNOMAH COUNTY HAS EMERGED FROM THE RECESSION BETTER THAN ALMOST ANY OTHER JURISDICTION IN THE STATE OF OREGON, AND I THINK THAT'S A TESTAMENT TO THE BOARD'S GUIDANCE AND DIRECTION IN ESTABLISHING BUDGET PRIORITIES AND OUR ADHERENCE TO FINANCIAL POLICIES. THE FACT THAT WE DIDN'T HAVE TO MAKE CUTS TO THE UPCOMING BUDGET AND ALSO THE FACT THAT IT'S BALANCED OVER AT LEAST THE NEXT THREE YEARS PROVIDES US WITH FLEXIBILITY THAT WE HAVE NOT HAD IN RECENT TIMES.

SO THAT GOT US TO THINKING ABOUT HOW WE MIGHT APPROACH OUR INFRASTRUCTURE NEEDS. THE FACILITIES ASSETS STRATEGIC PLAN IDENTIFIED THAT 52% OF THE COUNTY'S FACILITIES REPRESENTING ABOUT 58% OF THE PORTFOLIO SQUARE-FOOTAGE ARE DESIGNATED TO TIER TWO OR TIER THREE.

THOSE BUILDINGS ARE AMONG THE COUNTY'S MOST EXPENSIVE TO OPERATE. BY PRIORITIZING REPLACEMENT OR RENOVATION OF OUR TIER TWO AND TIER THREE BUILDINGS, WE CAN TURN A ONE TIME INVESTMENT INTO ONGOING SAVINGS RESULTING FROM GREATER OVERALL BUILDING EFFICIENCY. SETTING ASIDE ONE TIME ONLY RESOURCES FOR CAPITAL CAN ALSO PRESERVE THE COUNTY'S LIMITED DEBT CAPACITY. THE CHALLENGE WE'VE FACED OVER THE PAST DECADE AND FRANKLY, IT'S BEEN A CHALLENGE SINCE I'VE BEEN WITH THE COUNTY HAS BEEN THE IDENTIFICATION OF A DEDICATED FUNDING STREAM FOR CAPITAL PROJECTS. AS YOU KNOW, WE HAVE THE ASSET PRESERVATION AND CAPITAL IMPROVEMENTS PROGRAM FREES. BUT THOSE AREN'T SUFFICIENT TO PROVIDE FOR MAJOR RECAPITALIZATION EFFORTS. WE'RE NOT UNIQUE IN THIS REGARD. THIS IS AN ISSUE THAT LOCAL GOVERNMENTS THROUGHOUT THE COUNTY HAVE STRUGGLED WITH AND I BELIEVE IT'S A REFLECTION OF THE FACT THAT MUCH OF THE PUBLIC INFRASTRUCTURE IN THIS COUNTRY DATES BACK GENERATIONS. YOU KNOW, AND I LIKE TO THINK ABOUT THINGS IN SIMPLE TERMS SO I THINK ABOUT MY OWN HOUSE AND MY HOUSE WAS BUILT IN 1911 AND IT'S A FINE HOUSE. BUT OLDER HOUSES HAVE A CERTAIN CHARACTER TO THEM BUT OVER TIME IT'S REQUIRED A NUMBER OF UPGRADES AND ADDITIONS AND THERE WILL BE A TIME WHEN IT'S NOT COST EFFECTIVE TO MAINTAIN IT ANYMORE. THE RECOMMENDATION TO ALLOCATE 50% OF 1 TIME ONLY IS MADE IN RECOGNITION OF THAT CHALLENGE AND I THINK THAT THE AVERAGE AGE OF OUR FACILITIES IS RIGHT AROUND 50 YEARS. THE QUESTION ISN'T WHETHER WE WILL NEED TO REPLACE OR RENOVATE THESE FACILITIES, IT'S A QUESTION OF WHEN. AS RECENTLY AS 2012 THE BOARD ADOPTED A BUDGET NOTE THAT DIRECTED STAFF TO IDENTIFY OPTIONS TO PROVIDE AN ONGOING FUNDING MECHANISM FOR CAPITAL ASSET REPLACEMENT AND IT SEEMED REASONABLE, YOU KNOW, GIVEN THE FACT THAT WE'VE ACHIEVED A MEASURE OF FINANCIAL STABILITY THAT WE WOULD BE ABLE TO COMMIT ONE TIME ONLY RESOURCES TO ADDRESS THOSE NEEDS AND I'LL TAKE ANY QUESTIONS THAT YOU MIGHT HAVE.

**Commissioner Smith:** I HAVE A QUESTION. WOULD THAT CAPITAL ASSET INCLUDE OUR BRIDGES?

**Mr. Campbell:** UNDER THE POLICY, THE RECOMMENDATIONS OF THE POLICY, IT WOULD NOT. BUT IT COULD BE SOMETHING THAT WE DISCUSS IN THE FUTURE.

**Commissioner Smith:** ONE OF THE ISSUES THAT I WOULD LIKE TO BE ABLE TO KIND OF MESSAGE A LITTLE BIT WHEN YOU SAY 50% OF THOSE ONE TIME ONLY FUNDS, WE'RE A SOCIAL SERVICE ORGANIZATION AND TO PUT THOSE DOLLARS INTO DIRECT SERVICES FOR ME IS WHERE I WOULD GO BUT I WOULD LIKE TO BE ABLE TO SAY IF WE CAN PRIORITIZE HALF OF THOSE DOLLARS AND NOT TOTALLY COMMIT 50%, BUT PRIORITIZE THOSE DOLLARS AS NEEDED, BECAUSE WE'VE DONE PRETTY WELL THE PAST EIGHT YEARS WITHOUT THAT PARTICULAR POLICY AND THE OTHER ISSUE THAT I'M REALLY CONCERNED ABOUT, I'M CONCERNED ABOUT DISASTER PREPAREDNESS AND IF THERE'S SOME EXTRA DOLLARS BECAUSE WE ARE GOING TO BE THE ONES WHO HAVE TO DECLARE THE EMERGENCY WITH THE GOVERNOR AND HOPEFULLY, FOR THE NATIONAL FOLKS. SO I WOULDN'T WANT TO BIND US TO THAT BECAUSE I'M REALLY CONCERNED ABOUT DISASTER PREPAREDNESS, NO MATTER WHAT DISASTER IT IS, IF IT'S AN EARTHQUAKE THAT MAY HAVE SOME IMPACT ON OUR BRIDGES OR SOME OTHER INFRASTRUCTURE THAT WE WOULD

HAVE THAT FLEXIBILITY TO DO THAT. I SO APPRECIATE YOU HAVING THAT CONVERSATION WITH MOODY'S AND BY THE WAY WHAT IS OUR RATING NOW? DID WE UPGRADE IT?

**Mr. Campbell:** THEY HAVEN'T GIVEN US A RATING BUT I'M ASSUMING THAT IT WILL GET UPGRADED TO A1.

**Commissioner Smith:** OKAY.

**Chair Madrigal:** ANY OTHER QUESTIONS? OKAY. THANK YOU.

**Ms. Kieta:** I WOULD LIKE TO INVITE TRAVIS GRAVES UP TO PROVIDE A LITTLE BIT MORE INFORMATION AND RESPOND TO BOARD QUESTIONS ON THE CHILDCARE PROGRAM OFFERS.

**Mr. Graves:** GOOD MORNING CHAIR, COMMISSIONERS, TRAVIS GRAVES, MULTNOMAH COUNTY HUMAN RESOURCES DIRECTOR. THANKS FOR ASKING ME BACK TO TALK TO YOU A LITTLE BIT MORE ABOUT THE CHILDCARE PROGRAM OFFERS. I WOULD LET YOU KNOW THE GENESIS OF THIS AND GIVING SOME CREDIT WHERE CREDIT IS DUE. THIS ACTUALLY STARTED A COUPLE OF YEARS AGO IN DISCUSSIONS FROM A LEADERSHIP ACADEMY ALUMNI AND ONE OF HIS PROJECTS WAS LOOKING AT CHILDCARE. THE CHAIR WAS VERY INTERESTED IN LOOKING AT THIS AS A BENEFIT FOR OUR COUNTY EMPLOYEES AND PUT TOGETHER A WORK GROUP THAT HAD MEMBERS OF COMMISSIONER STAFF AND OTHERS, COUNTY FOLK AND REALLY JUMP STARTED THE EVALUATION AND LOOKED TO SAY WHAT ARE BEST PRACTICES OUT THERE AND WHAT ARE WAYS THAT THE COUNTY MIGHT BE ABLE TO STRUCTURE THIS. ONE THING I WANT TO SAY TO BE REALLY CLEAR, TOO, THE PROGRAM OFFERS THAT WE'VE SUBMITTED ARE REALLY KIND OF A SKELETON OR A FRAMEWORK BY WHICH WE WOULD BEGIN PROJECT PLANNING AND DEVELOPMENT BUT AT THIS TIME, WE HAVEN'T DONE A LOT OF THE POLICY AND PROJECT DEVELOPMENT PLANNING. HOWEVER, WE DID SURVEY ALL OF OUR EMPLOYEES WHICH REALLY HELPED US GIVE AN IDEA WHAT IF OUR EMPLOYEES ARE INTERESTED IN LOOKING FOR AND THE SURVEY SHOWED US THAT THE LOCATION AND QUALITY OF CHILDCARE WERE THE MOST IMPORTANT FACTORS AS COMPARED TO EVEN PRICE.

FOLKS WERE LOOKING FOR NEAR SITE OR CLOSE TO WORK OR CLOSE TO HOME CHILDCARE OF GOOD QUALITY AND OVER 95% OF THESE WERE ACTUALLY INTERESTED FOR EMPLOYER SPONSORED CHILDCARE. THE BUDGET OFFICE DID THEIR BEST TO BE ABLE TO DO AN ANALYSIS OF BEST PRACTICES AND OTHER ORGANIZATIONS TO HELP US COME UP WITH SOME BENCHMARKS IN TERMS OF WHAT THAT PROGRAM OFFER WOULD ACTUALLY COST OR THOSE PROGRAM OFFERS. AND FROM THERE AT THE REQUEST OF THE CHAIR WE BUILT THE TWO PROGRAM OFFERS. SO THE COST ESTIMATES REALLY COME FROM THE NUMBER AND AGE RANGES OF CHILDREN THAT WERE ACTUALLY IDENTIFIED IN THE SURVEY AND LOOKING AT KIND OF AN AVERAGE TUITION COST FOR CHILDCARE ACROSS OREGON. WE ALSO USED EXPERT ESTIMATES IN TERMS OF TRYING TO GET AN UNDERSTANDING OF IF 180 OR 300 PEOPLE SAID THEY WOULD USE THIS SERVICE, HOW MANY WOULD ACTUALLY COME IF WE BUILT IT? ESSENTIALLY WE USED A HIGH

ESTIMATE AS WELL SO HOPEFULLY, WE WOULD BE OVERSHOOTING A LITTLE BIT RATHER THAN UNDERSHOOTING. THE PROGRAMS WOULD BE HOUSED IN OUR BENEFITS OFFICE AND THEY WOULD BE OFFERED TO EMPLOYEES LIKE ANY OTHER BENEFITS. WHAT WE'RE LOOKING AT BETWEEN THE TWO DIFFERENT PROGRAM OFFERS IS LOOKING AT TRYING TO CREATE AN ORGANIZATION OR A PROCESS WHERE WE COULD FIND QUALITY CHILDCARE CENTERS AND VET THEM TO ENSURE THAT THEY ARE OF QUALITY. AND THEN MANAGE AND SUSTAIN THAT NETWORK. WE WOULD ALSO WANT TO HELP CONNECT OUR EMPLOYEES TO THOSE DIFFERENT NETWORKS, AND THEN ALSO PROVIDE PRIORITIZATION BECAUSE AS WE DISCUSSED LAST TIME IT'S OFTEN WITH CHILDCARE FACILITIES, THERE'S A WAITING LIST. WE WOULD HOPE WE WOULD BE ABLE TO BUILD IN PRIORITIZATION FOR OUR OWN EMPLOYEES.

THE SECOND PROGRAM OFFER REALLY WE WERE TAKING A LOOK AT WOULD THERE BE A WAY TO ALSO REDUCE SOME TUITION FOR THE EMPLOYEES THAT WE HAVE? NOW, IT'S BASED ON ESTIMATES SO I THINK AS WE BUILD THE PROGRAM AND MAKE ALL THE FINAL DECISIONS, WE MAY LEARN DIFFERENT THINGS AS WE DO THAT. WE WOULD BE DOING IN THAT CONVERSATION WITH THE CHAIR AND MOVING FORWARD IF THE BOARD CHOOSES TO CONTINUE TO FUND THAT. AS WITH ANY BENEFIT ONE THING I SHOULD HAVE MENTIONED LAST TIME, TOO, IS WE WOULD NEED TO INVOLVE OUR UNION PARTNERS. WE WOULD NEED TO -- IT'S A MANDATORY SUBJECT OF BARGAINING. WE WOULD BE GIVING NOTICE AND TALKING THROUGH THAT WITH OUR UNION PARTNERS. AND I'M HAPPY TO ANSWER ANY OTHER QUESTIONS. I HOPE THAT HELPS GIVE YOU A LITTLE BIT MORE OF A FRAMEWORK FOR IT.

**Commissioner Smith:** MADAM CHAIR, DO YOU FORESEE ANY ISSUES WITH ANY OF OUR UNIONS TO BARGAIN FOR THAT PARTICULAR BENEFIT?

**Mr. Graves:** KIND OF HARD TO SAY. I WOULD THINK, GENERALLY SPEAKING, BECAUSE WE'RE NOT NECESSARILY ASKING FOR SKIN IN THE GAME FROM THE UNIONS, IT WOULD BE A BENEFIT THAT WE WOULD BE ADDING TO THE PORTFOLIO SO I DON'T ANTICIPATE A HUGE AMOUNT OF QUESTIONS. THEY MIGHT HAVE QUESTIONS HOW IT WOULD BE ADMINISTERED AND HOW IT WOULD LOOK FOR THEIR ACTUAL MEMBERSHIP. ONE OF THE THINGS WE WOULD WANT TO MAKE SURE WE WANT TO DO IS HAVE SOME SAFEGUARDS FOR THE COUNTY TOO, IF FINANCIALLY WE'RE NOT IN THE SAME SITUATION AND CAN'T CONTINUE TO AFFORD IT.

**Commissioner Smith:** I LIKE THIS WHOLE IDEA ABOUT DAYCARE. I KNOW HOW EXPENSIVE IT CAN BE AND I'VE GONE THROUGH THIS FOR MANY YEARS FOR FIVE YEARS. THE ISSUE THAT I WOULD BE CONCERNED ABOUT IS IN TERMS OF THE COLLECTIVE BARGAINING AND WHO ACTUALLY CAN GET THIS BENEFIT? IS IT SOMEONE WHO'S MAKING \$15 AN HOUR OR SOMEONE WHO'S A COMMISSIONER OR A DEPARTMENT HEAD? BECAUSE I THINK THOSE FOLKS WHO ARE IN THAT RANGE BETWEEN THE \$15 AND THE \$30, THEY'RE MOSTLY IMPACTED IF THEY HAVE, YOU KNOW, YOUNG FAMILIES WHO NEED TO GO TO DAYCARE. AND TO HAVE THAT FAIRNESS PUT IN THERE BECAUSE I THINK THAT'S BASICALLY WHAT WE'RE BASICALLY TRYING TO DO THAT IS HELP THOSE FOLKS WHO ARE STRUGGLING TO

PAY FOR THESE VERY EXPENSIVE DAYCARE BILLS. I WOULDN'T WANT TO HAVE A KID TODAY COMPARED TO 20 YEARS AGO.

**Mr. Graves:** IT CAN BE VERY EXPENSIVE AND IT'S MUCH DIFFERENT FOR FAMILIES THAT MAY BE DUAL INCOME, COMPARED TO SOMEBODY WORKING IN OUR LIBRARY PART-TIME AS A SINGLE PARENT. WE HAVEN'T MADE THOSE DECISIONS IN TERMS OF HOW TO ACTUALLY IMPLEMENT IT BUT THAT IS A FRAMEWORK WE'RE GOING TO WANT TO THINK THROUGH, TALK WITH OUR UNIONS ABOUT, TALK WITH THE CHAIR TO SEE HOW TO FRAME THAT. IT MAKES A LOT OF SENSE TO CONSIDER TO BE ABLE TO DO IT IN THAT WAY.

**Commissioner Smith:** THANK YOU.

**Chair Madrigal:** JUST A COMMENT, ANECDOTALLY, MY 4-YEAR-OLD IS ON THREE DIFFERENT WAITING LISTS RIGHT NOW. SO THE PRIORITIZATION OF COUNTY EMPLOYEES WITH DAYCARE PROVIDERS IS HUGE. IT'S REALLY DIFFICULT TO GET IN, ESPECIALLY IF THEY HAVEN'T BEEN IN BEFORE. SO I THINK I'M GLAD THAT WE HAVE THAT PIECE THERE. ANY QUESTIONS? OKAY.

**Mr. Graves:** THANK YOU.

**Ms. Kieta:** BEFORE WE CONCLUDE, I WANT TO GIVE YOU ONE LAST SHOT, IF YOU WOULD LIKE ANY ADDITIONAL FOLLOW-UP ITEMS, WE CAN HAVE THAT READY FOR NEXT WEDNESDAY.

**Chair Madrigal:** ANY SPECIFIC FOLLOW-UP QUESTIONS? OKAY. AND TUESDAY WILL BE A STAFF WORK DAY, WE WON'T HAVE ANY WORK SESSION AFTER THE HOLIDAY UNTIL WEDNESDAY. ANY LAST-MINUTE AMENDMENTS OR ANYTHING, BUDGET NOTES? OKAY. GREAT. THERE BEING NO FURTHER BUSINESS, WE'RE ADJOURNED. [ GAVEL ]

**BWS-13b    FY 2015 Budget Work Session – Multnomah County Library District Budget Amendments. Presenters: Becky Cobb, Library Deputy Director.**

**Chair Madrigal:** WE FORGOT THE LIBRARY, NOT THAT WE DON'T LOVE YOU. WE ARE NOW CONVENING AS THE BUDGET COMMITTEE FOR THE LIBRARY DISTRICT AND BUDGET WORK SESSION 13B.

**Ms. Cobb:** THANK YOU, BECKY COBB, AND I KNOW THIS IS STILL A NEW PROCESS FOR MOST OF US, IT'S OKAY. WE JUST HAVE THREE AMENDMENTS THAT YOU ALREADY SAW ON THE COUNTY BUDGET SIDE BUT WE NEED TO RECOGNIZE THEM ON THE LIBRARY DISTRICT FUND SIDE AS WELL BECAUSE THEY IMPACT THAT FUND. SO I DON'T THINK THERE'S ANY SURPRISES HERE. I DID JUST WANT TO HIGHLIGHT THE REVENUE AMENDMENT FROM THE LIBRARY FOUNDATION AND JUST TO NOTE THAT OF THE OVER \$800,000 THAT THEY'LL BE PROVIDING FOR PROGRAMS AND COLLECTIONS NEXT YEAR, THAT THE VAST MAJORITY OF THAT IS FOCUSED ON THE ENHANCEMENT OF PROGRAMS FOR CHILDREN, BOTH THROUGH OUR EVERY CHILD INITIATIVE, FROM BIRTH TO AGE FIVE AND FOR SCHOOL AGED CHILDREN AND THOSE EXTRA FUNDS, THOSE ENHANCEMENTS REALLY HAVE AN IMPACT ON THE

LIBRARY'S ABILITY TO EXPAND THE REGION IMPACT OF THOSE PROGRAMS SO I JUST WANTED TO HIGHLIGHT THOSE IN PARTICULAR AND WE REALLY APPRECIATE THEIR SUPPORT FROM YEAR TO YEAR. SO THIS WILL BE PART OF YOUR BUDGET ADOPTION PACKAGE FOR NEXT WEEK, FOR THE DISTRICT.

**Chair Madrigal:** ANY QUESTIONS ABOUT THESE AMENDMENTS?

**Commissioner Smith:** NO, THANK YOU.

**Chair Madrigal:** ANY FURTHER BUSINESS ON THE LIBRARY DISTRICT? OKAY! WE ARE ADJOURNED. [ GAVEL ]

### **ADJOURNMENT**

The meeting was adjourned at 11:58 a.m.

This transcript was prepared by LNS Captioning and edited by the Board Clerk's office. For access to the video and/or board packet materials, please view at:  
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Submitted by:  
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