

MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
ROOM 605, COUNTY COURTHOUSE
1021 S.W. FOURTH AVENUE
PORTLAND, OREGON 97204

GLADYS McCOY • Chair • 248-3308
PAULINE ANDERSON • District 1 • 248-5220
GRETCHEN KAFOURY • District 2 • 248-5219
RICK BAUMAN • District 3 • 248-5217
• District 4 • 248-5213
JANE McGARVIN • Clerk • 248-3277

AGENDA OF
MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS
FOR THE WEEK OF
April 17 - 21, 1989

Monday, April 17, 1989 - 9:00 AM - Department of General
Services (DGS) Budget,
followed by Citizen Budget
Advisory Committee Report
1:30 PM - Public Hearing and Work
Session - DGS Budget
Tuesday, April 18, 1989 - 8:30 AM - Executive Session . . Page 3
9:00 AM - Informal Meeting . . Page 3
9:30 AM - Work Sessions DHS Budget and
DJS Budget (Sheriff)
7:00 PM - EVENING MEETING/COURTHOUSE -
SERVICE DISTRICTS/PUBLIC
HEARING ON ENTIRE COUNTY
BUDGET
Wednesday, April 19, 1989 - 9:00 AM - Work Sessions (if
needed) DJS and DGS Budgets

Thursday, April 20, 1989 - 9:00 AM Formal Meeting . . . Page 4
9:30 AM Work Sessions (if needed)
Nondepartmental, Library, DES
Budgets
7:00 PM - Budget Hearing - Gresham City
Hall, 1333 SW Eastman Parkway
Council Chambers

NOTE: that this session
replaces the April 24 meeting
which was cancelled due to
lack of a quorum

Tuesday, April 18, 1989 - 8:30 AM

Multnomah County Courthouse, Room 602

EXECUTIVE SESSION

Regarding pending litigation - allowed under ORS 192.660 (1)(h)
John DuBay, County Counsel

9:00 AM

INFORMAL BRIEFINGS

1. Legislative Briefing (if needed) - Fred Neal, Howard Klink
2. Informal Review of Bids and Requests for Proposals:
 - a) Weatherization Program, Installation and Training, Audits and Inspection
3. Informal Review of Formal Agenda of April 20, 1989

PUBLIC TESTIMONY WILL NOT BE TAKEN AT INFORMAL MEETINGS

9:30 AM (following Informal Discussion

BUDGET HEARINGS - Work Session on DHS Budget and DJS Budget: Sheriff
(if required)

Thursday, April 20, 1989 - 9:00 AM

Multnomah County Courthouse, Room 602

Formal Agenda

REGULAR AGENDA

BOARD OF COUNTY COMMISSIONERS

- R-1 In the matter of the appointment of Rose Butler, JoAnn Travis, and Luana Shipp to the Multnomah County Welfare Board, terms expiring April, 1993
- R-2 Resolution in the Matter of Supporting the Goals of the Peace Seder

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-3 Request for approval of private sale of tax foreclosed property (vacant land approximately 50 x 100 feet located on N. Endicott, 175 feet north of N Willis, Portland)
- R-4 Order in the matter of Cancellation of Land Sale Contract 15433 between Multnomah County, Oregon and Dorothy J. Jackson, upon Default of Payments
- R-5 Order in the Matter of the Conveyance of a Permanent Easement together with a Temporary Construction Easement on County land at the Parking Lot of the Boat Ramp at 4825 NE Marine Drive
- R-6 Resolution in the matter of Substituting Light Rail Transit in the I-205 Freeway (for bus lanes allowed when freeway was built)

ORDINANCES - DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-7 Second Reading - An ordinance amending Multnomah County Code Chapter 10.15.110, Park Fees

DEPARTMENT OF GENERAL SERVICES

- R-8 In the matter of ratification of an Intergovernmental Agreement with Portland State University, to allow the County's contract for the purchase of Herman Miller Furnishings, be used by Portland State University

- R-9 In the matter of approving budgets and work plan for the Multnomah Cable Access office, Program in Community Television, and Multnomah Cable Regulatory Office for FY 1989-90
- R-10 Resolution in the Matter of the Establishing a Budget Savings Policy

DEPARTMENT OF HUMAN SERVICES

- R-11 Budget Modification DHS #47 making an appropriation transfer in the amount of \$8,865 within Juvenile Justice Division from Pass-thru to Supplies (\$6,825 for work gloves and boots) and Equipment (\$2,040 for computer to provide assistance in GED training for program participants) for Resources and Development section, and reallocates funds in amended contract with The Private Industry Council
- R-12 In the matter of ratification of an amendment to the State Juvenile Services Plan whereby the Youth Program Office is moving \$5,000 of State JSC revenue from an unobligated balance to contracts, for subcontracting to the NE Neighborhood Coalition, for support of the pilot project to address problems with youth gangs in North and Northeast Portland

BOARD OF COUNTY COMMISSIONERS

- R-13 Resolution in the matter of Certifying the results of the election on County Measure 26-1 - "Charter Amendment relating to Qualification and Salary for County Auditor" as being approved by the voters
- R-14 Resolution in the matter of Certifying the results of the election on County Measure 26-2 - "A Charter Amendment concerning filling vacancies in County Elective Offices" as being approved by the voters
- R-15 Resolution in the matter of Certifying the results of the election on County Measure 26-3 - "Real Estate Transfer Fee with Revenues Dedicated to Homeless Housing" as being defeated by the voters

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

Thursday, 10:00 PM, Channel 11 for East and West side subscribers

Friday, 6:00 PM, Channel 27 for Rogers Multnomah East subscribers

Saturday 12:00 PM, Channel 21 for East Portland and East County subscribers

DEPARTMENT OF GENERAL SERVICES

BUDGET PRESENTATION

1989-90

MULTNOMAH COUNTY
DEPARTMENT OF GENERAL SERVICES
MISSION

To provide excellence in internal management services to County officials and departments and to ensure compliance with State and County mandated statutory requirements for assessment and taxation and elections services while maintaining a high level of commitment to excellent public service.

**MULTNOMAH COUNTY
DEPARTMENT OF GENERAL SERVICES
BUDGET PRESENTATION TO THE
BOARD OF COUNTY COMMISSIONERS**

**April 17, 1989
9:00 a.m.**

DEPARTMENTAL OVERVIEW

1988-89 has been a year of program development and implementation. In the 1988-89 Budget, the Board of County Commissioners enabled significant improvements in the County's management support services. In the Department of General Services, the new projects funded were:

- The implementation of a Countywide risk management program
- Development of a position classification/compensation plan for the County
- Improvements to the County's financial system
- The first phases of a new system for the Assessment and Taxation Division

Also, two critical positions were added: one to provide staffing to the Health Promotion/Benefits Program to enable the County to improve the County benefits program, and the other to provide adequate staffing and critical backup to the Labor Relations function.

The Department has spent this year working with our customers -- the other County departments -- to implement these programs. County department managers, along with County Counsel and DGS's Finance and Employee Services staff have been engaged in identifying the County's risk exposure through the Risk Management Advisory Committee. The classification/compensation study is well underway, working with trained teams of exempt and non-exempt employees and Employee Services staff to review the job duties of more than 1,800 employees. Planning and Budget Division staff have met with users of the financial system to learn what their management and operational needs are. The next step will be to design and deliver training in how to use the system so that the County is able to track financial data by program and activity, and have better data available for decision-making.

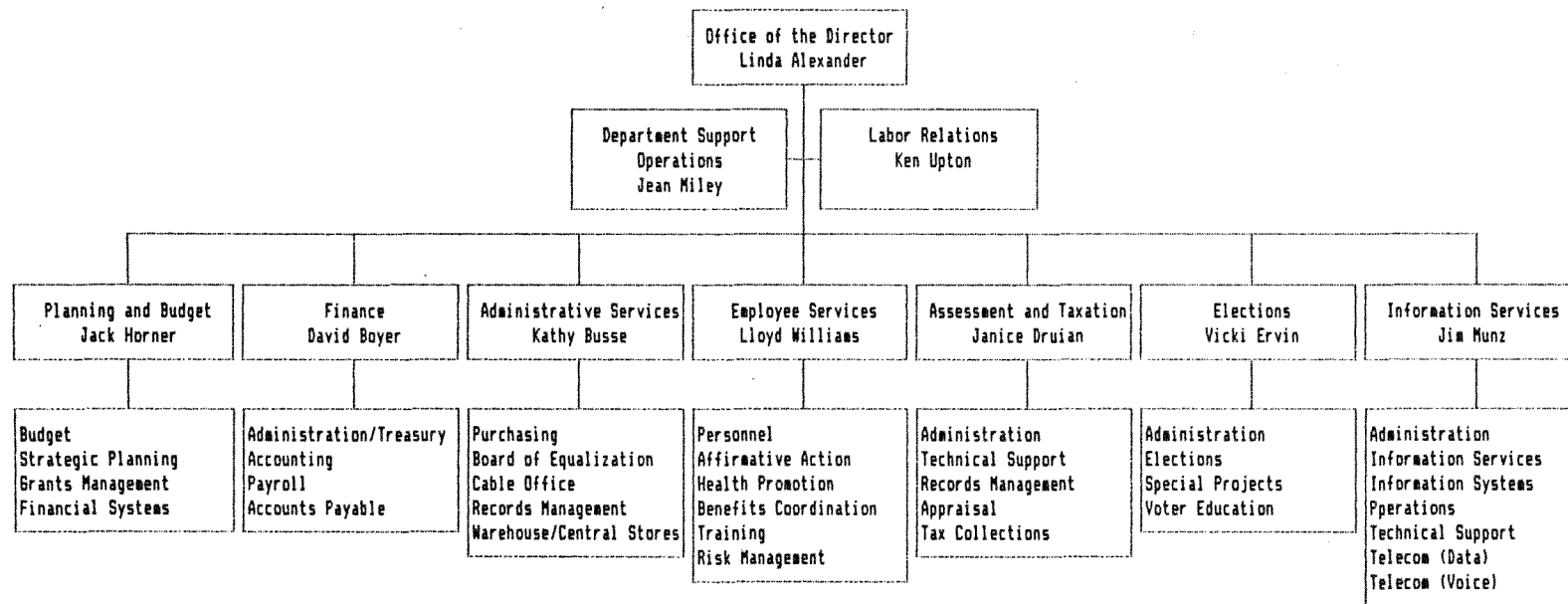
The requirements for the new Assessment and Taxation system have been defined through a process involving the Information Services Division and all Assessment and Taxation functional areas. Work is now underway to identify whether commercial software exists to meet the system requirements or whether we will need to enhance the current system. The additional staff in Labor Relations and the Health Promotion/Benefits Program have given us the resources to, for example, negotiate a three-year bargaining agreement with the County's largest bargaining unit and develop an improved benefits package for two other employee groups.

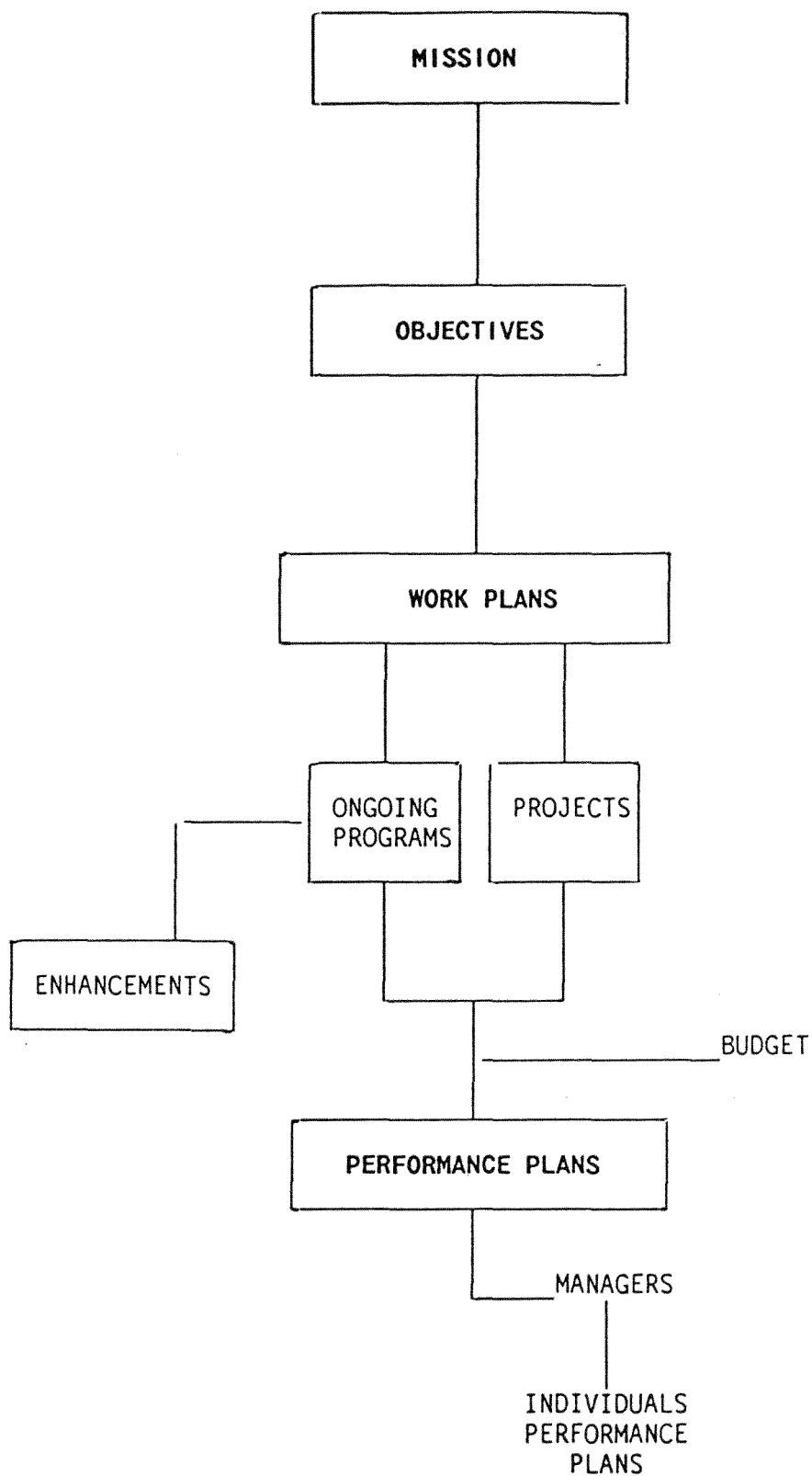
Our job in 1989-90 will be to complete these projects. No new positions have been added to the Department, although some mid-year reclassifications of existing positions are reflected in the Proposed Budget. The only additions to the 1988-89 current service level for the Department are \$375,000 in the Nondepartmental Special Appropriation to complete the system for Assessment and Taxation and \$85,000 to improve the software, security and memory for the County's mainframe computer.

Also in 1989-90, the Planning and Budget Division will assist the Board of County Commissioners to complete the County's strategic plan and begin work on the County's operational plans. Further development in risk management and benefits will have the goal of improving customer satisfaction and containing costs. All DGS divisions will embark on a customer satisfaction review and from that, identify quality improvement projects to undertake in 1989-90. Along with development of the system, Assessment and Taxation will be evaluating its work processes and staffing to ensure that resources are used effectively and that appraisers are adequately trained, and to minimize the additional resources necessary to bring the appraisal process into compliance with State law.

MANAGEMENT MODEL

DEPARTMENT OF GENERAL SERVICES
FISCAL YEAR 1989-90 STRUCTURE





Begin - 1987

Complete - 1990

Department of General Services
Management Model

0372F

FUNCTIONAL OVERVIEW

**DEPARTMENT OF GENERAL SERVICES
PROPOSED BUDGET 1989-90**

FUNCTIONAL OVERVIEW

Direct Services to the Public

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
Administrative Support Division		
Board of Equalization	\$ 95,804	\$ 104,938
Cable Office - Cable Fund	991,715	1,068,070
Division of Assessment and Taxation	5,225,534	5,637,528
Elections Division	1,916,823	2,367,391
TOTAL		
General Fund Total	7,238,161	8,109,857
Cable Fund Total	991,715	1,068,070
Direct Services Total	8,229,876	9,177,927

Support Services to County Departments

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
Labor Relations Section	\$ 248,579	\$ 191,083
Operations Unit	264,298	286,869
Planning and Budget Division	526,976	595,805
Finance Division	911,400	993,014
Administrative Services Division		
Purchasing, Records, Warehouse/Stores	772,804	825,933
Employee Services Division	751,371	553,789
Information Services Division		
Data Processing Fund	5,092,113	5,310,586
Telephone Fund	1,280,599	1,495,053
TOTAL		
General Fund Total	\$3,475,428	\$ 3,446,493
Data Processing Fund Total	5,092,113	5,310,586
Telephone Fund Total	1,280,599	1,495,053
Support Services Total	9,848,140	10,252,132

Insurance Fund Management

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
Employee Services	\$9,158,267	\$10,464,986
Insurance Fund Total	\$9,158,267	\$10,464,986
Insurance Fund Management Total	\$9,158,276	\$10,464,986

Department Management

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
Director's Office	\$ 363,040	\$ 430,532
TOTAL		
General Fund Total	\$ 363,040	\$ 430,532
Department Management Total	\$ 363,040	\$ 430,532

GRAND TOTAL

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
General Fund Total	11,803,607	11,986,882
Cable Fund Total	991,715	1,068,070
Insurance Fund Total	9,158,267	10,464,986
Data Processing Fund Total	5,092,113	5,310,586
Telephone Fund Total	1,280,599	1,495,053
GRAND TOTAL	28,326,301	30,325,577

1537F/JMM/kd

FINANCIAL/DIVISIONAL OVERVIEW

**MULTNOMAH COUNTY
DEPARTMENT OF GENERAL SERVICES
PROPOSED BUDGET 1989-90**

FINANCIAL OVERVIEW

Total General Services Proposed 1989-90 Budget \$30,325,577

Comprised of:

General Fund 11,986,882
(Includes \$1,978,856 in fees, cost recovery
and transfers.)

Insurance Fund* 10,464,986
(Includes \$4,460,000 in beginning working
capital; \$8,886,343 in service reimbursements;
\$440,000 in cash transfers; \$323,300 in interest;
\$650,000 in miscellaneous charges and recoveries.)

Data Processing Fund 5,310,586
(Includes \$4,452,176 from the General Fund;
\$354,341 from the Federal/State Fund; \$185,618
in other service reimbursements; \$179,157 from
outside users and miscellaneous charges; \$110,000
interest and cash transfers; and \$121,666 in
beginning working capital.)

Cable Fund 1,068,070

Telephone Fund** 1,495,053
(Includes \$599,596 in General Fund service
reimbursements; \$393,782 in Federal/State service
reimbursements; \$117,296 in other service
reimbursements; \$265,652 from the State Courts;
\$59,600 from other system users; \$5,040 in interest
and \$207,323 in beginning working capital.)

*In addition to the \$10,464,986 Insurance Fund budget, \$4,269,657 is budgeted in contingency.

**In addition to the \$1,495,053 Telephone Fund budget, \$153,236 is budgeted in contingency.

ORGANIZATIONAL OVERVIEW

Office of the Director

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	3.00 FTE \$ 363,040	3.00 FTE \$ 430,532

Explanation of Changes:

- Increase reflects additional training and capital equipment for Assessment and Taxation, and standard salary and fringe changes.

Labor Relations

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	4.00 FTE \$ 248,579	3.00 FTE \$ 191,083

Explanation of Changes:

- Decrease reflects transfer of Countywide training function (\$86,352) to Employee Services.
- Increases are the result of standard salary and fringe increases and an increase in professional services (\$8,500) for arbitrators.

Operations

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	9.50 FTE \$264,298	9.50 FTE \$286,869

Explanation of Changes:

- Increase reflects standard salary, fringe and materials and services increases.

Planning and Budget

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	11.00 FTE \$ 526,976	11.00 FTE \$ 595,805

Explanation of Changes:

- Increase reflects increased cost for personal services (\$44,031) resulting from mid-year position reclassifications and standard salary and fringe increases.
- Minor increases also appear in professional services and printing for costs associated with strategic and financial system planning, and in supplies for software.

Finance

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
General Fund	21.00 FTE \$ 911,400	21.00 FTE \$ 993,014

Explanation of Changes:

- Budget reflects reclassification of two positions which the Board authorized during 1988-89 and standard salary and fringe increases.

Administrative Services

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
General Fund	18.50 FTE \$868,608	19.08 FTE \$ 930,871
Cable Fund	2.00 FTE \$991,715	2.00 FTE \$1,068,070

Explanation of Changes:

- Staff increase reflects .5 FTE Warehouse Worker for Central Stores to increase coverage for stores and backup for Records and .08 FTE OA 2 to extend the position of Assistant Clerk of the Board of Equalization to cover the session.
- Reduction in printing (\$28,963) is partially offset by increase in postage (\$4,055) to reflect actual costs of operating.

Employee Services

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	12.90 FTE \$ 751,371	9.00 FTE \$ 553,789
Insurance Fund	0.00 FTE \$9,158,267	5.00 FTE \$10,464,986

Explanation of Changes:

- Increase in staff reflects an error correction transferring a Training Coordinator from Labor Relations and .10 increase in a Management Analyst position.
- Benefits/Health Promotion positions (2.0 FTE) and Risk Management positions (3.0 FTE), previously budgeted in the General Fund and service reimbursed by the Insurance Fund, are now budgeted in the Insurance Fund.
- Professional Services contains funds for employee newsletter (\$19,750) and Countywide training (\$32,000) transferred from Labor Relations; 1988-89 one-time-only funding for classification/compensation study has been deleted (\$125,000).
- Insurance Fund increases reflect higher costs for medical/dental (\$179,224), unemployment (\$37,129) and long-term disability (\$158,412); these are the result of bargaining and premium increases.
- Insurance Fund increases for workers' compensation result from \$335,000 of required payments inadvertently omitted from the 1988-89 Budget and estimated increases in claim costs and other related expenses.

Assessment and Taxation

	<u>ADOPTED</u> <u>1988-89</u>	<u>PROPOSED</u> <u>1989-90</u>
General Fund	132.00 FTE \$5,225,534	132.42 FTE \$5,637,528

Explanation of Changes:

- For 1989-90, a new section -- Technical Support -- has been created from positions previously budgeted in Administration. The new unit contains staff and materials devoted to systems support and development and data entry.

- 1989-90 marks the third year of the mapping project. The Records Management budget includes funds for the State contract (\$139,200), the lease purchase payment for the hardware and software (\$122,300) and the maintenance agreement for the equipment (\$39,400). This year also shows full funding for the Geodatabase Administrator position created by reclassification during 1988-89.
- \$35,000 has been budgeted for the first year's lease purchase payment for tax remittance processing equipment. This will replace the equipment presently operating in Tax Collection which is close to obsolete and won't be supported by the vendor after 1991. The cost for the equipment is estimated to be \$150,000-\$250,000.
- The Tax Collection budget decreased temporary funding to fund a .42 FTE OA 2 which will enable a job-share with the Board of Equalization. This will give both organizations more stable staffing for their peak workloads.

Elections

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
General Fund	17.00 FTE \$1,916,823	17.00 FTE \$2,367,391

Explanation of Changes:

- The 1989-90 budget includes a primary election, projected to cost approximately \$300,000 more than a general election.
- \$57,109 is budgeted for the first year's lease purchase payment for an upgrade to the Elections Division computer, the second year payment on computer disk drive (\$11,800) and the third year payment on microfiche hardware (\$17,700).
- The March election budget includes funds for printing a voters' pamphlet (\$20,047) which the Legislature is likely to require for next year. These costs will be offset by revenues from the jurisdictions for whom the election is being conducted.
- Funds are being budgeted for voter education (\$14,857) for the second year.

Information Services

	<u>ADOPTED 1988-89</u>	<u>PROPOSED 1989-90</u>
Telephone Fund	5.00 FTE \$1,280,599	5.00 FTE \$1,495,053
Data Processing Fund	59.00 FTE \$5,092,113	59.00 FTE \$5,310,586

Explanation of Changes:

- The Telephone Fund increased by \$205,454. Most of this increase is in capital (\$205,454) to purchase equipment for new facilities being added to the system, to provide new services requested by users and to replace obsolete system equipment.
- The rates for telephone services will remain the same in 1989-90 and rates for data processing services will decrease by seven percent overall in 1989-90.
- The Information Center budget includes two position reclassifications, adds \$22,560 to professional services to enable technical support from Wang for critical downtime and system improvements, and adds \$12,730 for printer rentals to replace system printers.
- Additions to the current service level budget proposed by the Chair are two software packages -- an end user reporting tool (\$48,000) and security software (\$12,000) -- budgeted in Technical Support, and increased memory for the mainframe (\$25,000) budgeted in Operations.
- The indirect cost rate charged by the General Fund to the Data Processing Fund decreased slightly, resulting in savings of \$29,259.

Metropolitan Human Relations Commission

Multnomah County • City of Portland

March 21, 1989

City and County Budget Proposals

I. Mayor's Proposed City Budget

(A) Current Funding Level:	\$223,597	
(B) "Target" Level Budget:	227,640	
(C) Proposed Cut	-15,195	
	\$212,445	(6.7% cut)

II. County Chair's Proposed Budget

(A) Current Funding Level:	\$223,597	(total)
(B) Current Funding + 5%:	\$115,945	County recommend.
(C) Theoretical Equal Funding:	\$231,890	

III. Combined Proposals

(A) City Share (Proposed):	\$113,820	(.5 of Target)
(Cut)	(15,820)	
	\$98,000	
(B) County Share (Proposed):	\$115,945	
(C) Total MHRC Proposed Budget	\$213,945	
(D) (1) Difference from *CFL	(9,652)	
(2) % Decrease from CFL	-4.3%	
(3) Decrease from City "Target"	(13,695) or 6%	



1120 S.W. Fifth Avenue
Room 520
Portland, Oregon 97204-1989 • (503) 796-5136



**OFFICE OF FISCAL ADMINISTRATION
BUDGET DIVISION**

Program Cut Form

RANK: |

BUREAU: 342: Office of Neighborhood Associations

PROGRAM: 341: M.H.R.C.

CUT PACKAGE TITLE: 5% cut #1

TOTAL COST: \$11,382

FT POSITIONS:

WORKLOAD INDICATORS / PERFORMANCE MEASUREMENTS:

KEY INDICATORS	UNITS OF MEASUREMENT	TOTAL UNITS IF THIS CUT APPROVED
Communicate advocacy positions on civil rights; increase public awareness	# of Communications	1
	# of Communications Rec'd	1200
Conduct Research Studies	# of studies	1
	# of advocacy positions impacting public policy	1
(Continued)		

Describe the services cut by this package and its impact on the program:

This cut would result in the City losing its mayorally-appointed representation to a national forum for advocating for the disabled; loss of one research study, and loss of one community education program.

The impact of this cut would be:

- Elimination (in effect) of the ability to directly advocate, at the level of federal policy development, for disability issues which affect our jurisdiction.
- 33% reduction in ability to identify and research civil and human rights issues affecting the local community and an equal reduction in ability to impact public policy to combat discrimination. This is a core function of the Commission which, by affect, minimizes the occurrences of socially unacceptable behavior like violence against persons and property and other criminal activity.
- 50% reduction in ability to contract formal community education programs either by discontinuing the Harriet Tubman Middle School Essay Competition, or the MHRC quarterly newsletter.
- "In-house" functions would only be impacted by a 22% reduction in time for development and administration of contracts.

**OFFICE OF FISCAL ADMINISTRATION
BUDGET DIVISION**

Program Cut Form

RANK: 1

BUREAU: 342: ONA

PROGRAM: 341: M.H.R.C.

CUT PACKAGE TITLE: 5% cut #1 (Continued)

TOTAL COST: _____

FT POSITIONS: _____

WORKLOAD INDICATORS / PERFORMANCE MEASUREMENTS:

KEY INDICATORS	UNITS OF MEASUREMENT	TOTAL UNITS IF THIS CUT APPROVED
Develop and conduct community education programs	# of programs conducted # of participants	1 250

Describe the services cut by this package and its impact on the program:

DEPARTMENT OF GENERAL SERVICES
CITIZEN BUDGET ADVISORY COMMITTEE

REPORT FOR 1989

**REPORT OF THE DEPARTMENT OF GENERAL SERVICES
CITIZEN BUDGET ADVISORY COMMITTEE
February 1989**

EXECUTIVE SUMMARY

The Committee commends the Board of County Commissioners for assigning a high budgetary priority in the 1988-89 Budget to the need to rebuild and maintain the management services infrastructure. We believe that it is this infrastructure which will enable the County to deliver services to the public in a cost-effective manner.

In general, our conclusions based on this year's review are:

- We think the infrastructure supporting current County functions continues to need support and that the enhancements begun in 1988-89 need to be followed to completion.
- We caution the County against developing additional programs without assuring adequate infrastructure to support them.
- We think that funding for systems and additional staffing for the Division of Assessment and Taxation is critical to the County's ability to appraise property and collect taxes in a fair, accurate and timely manner. Ultimately, the public's confidence in County government and other local governments diminishes if the Assessment and Taxation system is not perceived as being fair, equitable and having integrity.
- We know that the beneficiaries of an adequately staffed and technologically current computer facility are the County departments and service providers. Failure to invest adequately in data processing can imply lower quality service or higher costs to accomplish the same work.
- We commend the Board of County Commissioners for its vision in establishing a strategic planning process for the County and look forward to seeing the outcome of that process.

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**DEPARTMENT OF GENERAL SERVICES
CITIZEN BUDGET ADVISORY COMMITTEE
REPORT FOR 1989**

I. MEMBERSHIP AND METHODOLOGY

The Committee consists of seven members:

Dolores Judkins, Chair	Second year
Marlene Byrne	Fourth year
Kristin Eccles	First year
Paul Eisenberg	Fourth year
Frank Howatt	First year
T.L. Lewis	First year
James Watts	Second year

Not all members were able to attend all meetings, but all had input during the process.

The Committee met on a regular schedule, meeting nine times between December 1 and February 28. We interviewed Linda Alexander, Director of the Department of General Services, and all of the Department's Division Managers in a casual working setting.

Prepared presentations were made by managers from all the Divisions and the County Counsel, followed by questions and open discussion. With the help of our staff, our minutes and our personal notes, we then met for several sessions to formulate our common concerns, issues, and recommendations which make up this report.

II. COMMENT ON THE 1988 REPORT AND FOLLOW-UP

The Citizen Budget Advisory Committee was gratified to see the support received from the Chair and Board of County Commissioners in the 1988-89 budget for most of the needs recommended by the Department and supported by the Citizen Budget Advisory Committee last year. The projects that were implemented were:

- One additional position for Labor Relations
- One additional position for the Health/Benefits Program
- Two additional positions for Risk Management, and funding for associated materials and equipment
- One position and \$125,000 to implement a classification/compensation system
- Two positions to improve the use and documentation of the County's financial system
- \$250,000 to improve the data processing systems for the Assessment and Taxation Division

The Department is making significant strides in accomplishing the goals of the projects begun this year.

The Citizen Budget Advisory Committee of the Department of General Services believes that the County should continue to support improvements to the infrastructure, because it improves the working of the entire County, has permanent value to the County, and in the long run can save money and improve efficiencies.

During its review of the Department this year, the Committee was able to see the operational improvements brought about by the improved staffing levels and revisions in organizational structure in the Labor Relations Section and the Employee Services Division. Grouping of similar functions together with the addition of staff to the Health and Benefits Program and to the Labor Relations Program has improved the morale, productivity and health of key staff members in these areas.

III. DEPARTMENT MANAGEMENT

A. The Current Year Overview

Linda Alexander, the Director of the Department of General Services, appears to the Committee to be doing an excellent job in managing the Department. Her leadership skills are apparent, and it is obvious that the Department is accomplishing the goals it set out for itself. The Committee had an opportunity to meet with the managers of all of the DGS Divisions this year, several of whom were new, and was impressed by their capabilities and dedication.

B. Current Direction

As stated in previous reports, the Committee thinks that it is important to have a sound structure and framework to support all County departments. The framework is provided by the systems and structures in the Department of General Services. These systems and structures must be supported for the other departments to be effective.

IV. COMMENTS ON SPECIFIC DIVISIONS

A. Administrative Services

In last year's deliberations, the Citizen Budget Advisory Committee likened the records management program to a ticking time bomb, which might seriously damage the County if it were not defused. Because additional resources were not made available to the Department for a records manager position, Division Manager Kathy Busse identified other ways to meet this critical need and we commend her for that.

For the past two years there has been discussion about the continuing increase in the number of contracts the County is responsible for as a result of subcontracting out many of its programs and operational responsibilities. For the second year in a row, the Committee sees a need for a contracts manager for the Purchasing Section of the Division, but recognizes that this is not a high priority need and that it has not been submitted in an add package by the Department this year.

The Committee supports the creation of a permanent job-share Office Assistant 2 position funded by the Board of Equalization (.58 FTE) and the Division of Assessment and Taxation (.42 FTE). The job duties are related and the position creates an opportunity to retain an experienced staff person to support both divisions.

Based on the information provided by the Administrative Services Division, there also seems to be a need for third Board of Equalization. The Committee is aware that this is in the County's legislative package. If the Legislature approves the addition of a third Board, the Board of County Commissioners will need to fund it. Further, if the Division of Assessment and Taxation is able to obtain additional appraisers thereby enabling them to defend appraisals at the Board of Equalization hearings, this would likely increase the time needed to hear each appeal which in turn would indicate the need for the third Board of Equalization and for related funding.

B. Division of Assessment and Taxation

The Committee has received copies of the Department of Revenue report on the deterioration of the assessment and taxation systems statewide and the Department of General Services Status Report on Assessment and Taxation, dated January 1989. The Committee is impressed with the gravity of the situation and believes that the public is as well. The Committee understands that the Department of Revenue has the obligation under law to take over the function if the County is not meeting its requirements, but believes that the Department of Revenue doesn't have the resources to enable this.

The County must take the steps necessary to improve the Division of Assessment and Taxation's ability to appraise property and collect taxes in a fair, accurate and timely manner. The Committee is pleased that the improvement process is underway and that the Department of General Services has identified the most critical needs. We believe that nothing should be done to impede the progress of improving equity in the appraisal and taxation system. We would like to see the appraisal process back in compliance with the six-year reappraisal cycle requirement. However, we think that the quality of appraisals conducted is the most important issue.

The Committee feels strongly that the functions of assessment and taxation are fundamental to County government. Ultimately, the public's confidence in County government and other local governments diminishes if the Assessment and Taxation system is not perceived as being fair, equitable and having integrity. This confidence is also diminished if the Board of Equalization process is overturning and revising a high percentage of appraisals. A perception of inequitable appraisals causes an increase in appeals resulting in decisions on property value being made at the Board of Equalization level. This is a self-escalating process that can rapidly get out of control.

The Committee thinks that the most important area requiring investment of resources and technology is Assessment and Taxation. We urge the County Commissioners to invest sufficient resources to rebuild Assessment and Taxation and restore public confidence in the appraisal system. We would like to see the detailed plan mapped out and followed to completion. The Committee supports additional funding for improvement of the appraisal process and the computer systems necessary to support the Division.

The Committee also supports the Board of County Commissioners' continuing funding of the computer mapping project, which is a critical part of the framework for the appraisal and taxation system.

C. ELECTIONS

In 1988-89 for the first time, the County budgeted for voter outreach in the Elections Division; the Committee understands this is the only government in the state which has a specific budget for voter outreach. The Division is to be commended for this. In the future, the Committee would suggest that voter outreach materials be prepared in other languages in addition to English.

D. EMPLOYEE SERVICES DIVISION

The Committee commends the restructuring of the Employee Services Division because it groups similar services -- Personnel, Affirmative Action, Training, Health/Benefits and Risk Management -- together. The hiring of additional staff in Risk Management and Health/Benefits is significantly improving the Division's accomplishment of its tasks.

The Committee thinks that the primary tasks for 1989-90 for the Division are the completion of the classification/compensation system and the implementation of the Risk Management Program. In addition, we think that more training for managers, particularly pertaining to risk prevention, is important and should be funded if possible in the 1989-90 budget.

E. FINANCE

The Finance Division appears to be in good shape in 1989. We commend the efforts of the Division to improve operational efficiencies by projects such as the cooperative efforts with Department of Human Services and the Sheriff's Office to improve those departments' operational efficiencies and to reduce redundant work on the part of Finance staff. Such efforts should be continued and expanded in the future. In addition, we believe that Division Manager David Boyer's goal of developing more technical staff rather than clerical staff will improve the Division's implementation of controls and accountability throughout the County.

F. INFORMATION SERVICES DIVISION

The budget and operations of the Information Services Division have implications for County operations as a whole. In reviewing the add packages presented by the Data Processing Management Committee, the Chair and the Board of County Commissioners should recognize that the benefits of these projects accrue to all computer users in the County. In the case of the Long-Range Plan, beneficiaries include health clinic clients and staff, the District Attorney and other criminal justice systems, everyone using the services of Facilities Management and the taxpayers and taxing jurisdictions served by A & T.

The Committee puts a high priority on the purchase and implementation of security software for the Division. In addition, we believe strongly that it is more cost effective for the County to keep up with the technology in the Information Services Division than to try to catch up later. Without ongoing support and upgrading of capital resources, the County will not maximize the benefit of the major computer purchases it has made recently.

The implementation of the high priority projects on the Long-Range Plan is very important and in particular, the A & T system must be addressed in 1989-90.

In reviewing the telecommunications budget, the Committee was interested to learn about a fiber optic link proposed to be built between the County and Salem. This has the potential of providing significant cost savings and operational efficiencies to the Sheriff's Office and the State correctional system. We are disappointed to learn that there apparently is not adequate support at the state level to fund this project on an ongoing basis. The Committee suggests that the Board of County Commissioners review this situation to determine first if the operational efficiencies anticipated could actually be gained, and second to find a way to get the State to fund its portion of the ongoing costs.

G. LABOR RELATIONS

As noted earlier, the Committee thinks the restructuring of Labor Relations to address only traditional labor relations functions is excellent. The additional staffing provided last year by the Board of County Commissioners provided very critical backup for key personnel in this Section and decreased the considerable risk to the County of having only one informed labor relations staff person. We are aware that there is potential for significant arbitration associated with implementing the classification/compensation study. The Board should recognize that there may be a budget impact if significant arbitration is necessary.

H. PLANNING AND BUDGET DIVISION

The Committee was pleased to hear about the County's strides toward implementing strategic planning for the County. We think that if the strategic planning process is half as successful as hoped, it will be a tremendous improvement in the way the County manages its resources. The Committee thinks that the Board of County Commissioners should be commended for its willingness to undertake this rigorous process and commends it for its vision.

I. COUNTY COUNSEL

The Committee understands that the Office of County Counsel is now part of the Chair's Office, but decided this year to review its functions and budget request because it would not yet be under the purview of the Nondepartmental CBAC. The County Counsel's Office should become part of the Nondepartmental CBAC process next year.

The Committee was informed by County Counsel Larry Kressel that there was a need for additional staff. Although some information was provided to the Committee about staffing levels and ratios, the Committee had no basis on which to judge how these staffing levels related to the workload of the Office. The Committee suggests efforts to gather comparative data to make decisions about what staffing levels are appropriate. If additional staff are needed, the County should consider hiring paraprofessionals rather than attorneys as a cost saving.

V. ACKNOWLEDGMENTS

The Committee would like to thank Linda Alexander, Director of the Department of General Services and all the Division Managers who provided information to the Committee. We would especially like to thank Jean Miley, Assistant to the Director, who staffed the Committee and continued to do an excellent job in making a cohesive document out of our efforts.

Jack Horner -

Budget Information Response - DGS - Strategic Planning Costs 4-17-89

Strategic Planning costs County-wide year-to-date are just over \$63,000. The majority, \$52,000, are for staff time within the Planning and Budget Division. The remainder, \$11,000, is made up of \$1,500 for staff time and \$9,500 for Material and Services expenditures of which \$7,500 has been spent for consulting services.

We expect that the total amount spent for the year will be approximately \$88,000 of which \$73,500 will be staff time in Planning and Budget and the remainder Materials and Services and staff time from other Departments. No additional resources were requested for the process, and none except for Budget Analyst position reclassification have been added. Rather, resources have been reallocated.

Because our first year has been a design and initiation year and did not incorporate the budgeting process, we expect that FY 1989/90 Strategic Planning expenditures will have a different character. Budgeting will be a part of the overall strategic planning process, but it will be an outcome of the operational planning phase in which most program decisions will be made. If budgeting is not considered as part of the strategic planning process, the overall cost for next year is expected to be \$50,000 for the conclusion of strategy planning and initiating operational planning of which \$25,000 will be staff expenditures from within Planning and Budget. Approximately, \$5,000 will be spent for Material and Services items. Expenditures within other Department budgets are hard to estimate, but we project approximately \$20,000. These will be for operational planning.

Budgeting activity will be reduced and the time saved will be spent in operational planning, which will give us the monitoring base and project plans for future year accountability. The operational plan will be the focus of most program and project policy issues.

In subsequent years, we will redo the strategy plan and operational plan in alternate years, and we will budget annually as a predetermined component of the 1st year of each operational plan. We do not expect that costs for strategic planning, including all three components will increase overtime. Time spent this year in planning and initiating the process will be spent next and the following years in refining data, measuring outputs against plan, reviewing financial and program data. We will also be working with departments to assist them in reporting on their programs through the use of LGFS and program monitoring built into our new program budget and multi-year operating plans.

Over time, more staff resources will be used within the Departments to give the Board of County Commissioners the accountability that strategic planning implies. However, we believe that these resources can be absorbed by redirecting management, administrative, and program staff already in place.

STAFF ASSUMPTIONS FOR REMAINDER OF FISCAL YEAR

Jack	40% for	\$4,900
Ben	15% for	\$1,500
David	20% for	\$2,100
John	90% for	\$9,500
Tom	40% for	\$3,500

MULTNOMAH COUNTY
Life and Disability Benefit Summary
Underwritten by Standard Insurance Company of Oregon

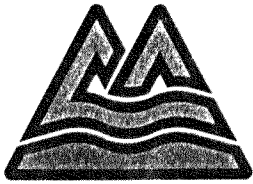
Benefit	Retirees	Managers (Exempt)	Nurses	Crafts	Local 88 and PAA	Correction Officers	Deputy Sheriffs
Life Insurance							
Employer Paid	\$2,000	1x salary	\$20,000	\$10,000	\$10,000	\$20,000	\$10,000
Statutory Life	_____	_____	_____	_____	_____	_____	\$10,000
Voluntary	_____	\$10,000 up to \$250,000	\$10,000 up to \$250,000	\$10,000 up to \$250,000	\$10,000 up to \$250,000	\$10,000 up to \$250,000	\$10,000 up to \$250,000
AD&D Insurance							
Employer Paid	_____	_____	_____	_____	_____	\$20,000	\$10,000
Disability							
Paid by	_____	Employer	Employer	Employee	Employee	Employee	Employee
Elimination Period	_____	30 days	180 days	30 days	30 days	30 days	30 days
Benefit Payable	_____	Monthly benefit	Monthly benefit	Bi-weekly benefit	Bi-weekly benefit	Bi-weekly benefit	Bi-weekly benefit
Bi-Weekly Earnings							
\$766 +	_____	Monthly	Monthly	\$500	\$500	\$500	\$500
\$613 to \$766	_____	benefit of	benefit of	\$400	\$400	\$400	\$400
\$498 to \$613	_____	60% of salary	60% of salary	\$360	\$360	\$360	\$360
\$421 to \$498	_____	to: maximum	to: maximum	\$280	\$280	\$280	\$280
\$345 to \$421	_____	benefit of	benefit of	\$240	\$240	\$240	\$240
\$230 to \$345	_____	\$3,000,	\$3,000	\$160	\$160	\$160	\$160
\$230 & below	_____	\$50 minimum	\$50 minimum	\$120	\$120	\$120	\$120

MULTNOMAH COUNTY
Life and Disability Benefit Summary
Underwritten by Standard Insurance Company of Oregon

Disability Benefit (cont.)	Retirees	Managers (Exempt)	Nurses*	Crafts	Local 88 and PAA	Correction Officers	Deputy Sheriffs
Benefit Duration	_____	Age 65 ADEA	Age 65 ADEA	26 weeks	26 weeks	26 weeks	26 weeks
Mental Illness	_____	24 months	24 months	26 weeks	26 weeks	26 weeks	26 weeks
Substance Abuse	_____	24 months	24 months	26 weeks	26 weeks	26 weeks	26 weeks
Integration							
Social Security	_____	Yes	Yes	No	No	No	No
Retirement	_____	Yes	Yes	No	No	No	No
Workers' Comp.	_____	Yes	Yes	**	**	**	**
Other Sick Pay	_____	Yes	Yes	Yes	Yes	Yes	Yes
Death Benefit	_____	3 months	3 months	No	No	No	No
Rehabilitation	_____	Wage base offset	Wage base offset	N/A	N/A	N/A	N/A
Evidence of Insurability	_____	Not Required	Not Required	Required	Required	Required	Required
Pre-Existing Conditions	_____	3/3/24	3/12	N/A	N/A	N/A	N/A

*In addition to long-term disability plan nurses are eligible to participate in the voluntary short-term plan.

**The plan provides benefits only for non-occupational disabilities.



MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS
GLADYS MCCOY, CHAIR
PAULINE ANDERSON
POLLY CASTERLINE
GRETCHEN KAFOURY
RICK BAUMAN


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

(503) 248-3300

OFFICE OF THE DIRECTOR	(503) 248-3303
PLANNING & BUDGET	(503) 248-3883
COUNTY COUNSEL	(503) 248-3138
EMPLOYEE SERVICES	(503) 248-5015
FINANCE	(503) 248-3312
LABOR RELATIONS	(503) 248-5135

MEMORANDUM

TO: Board of County Commissioners

FROM: Jean M. Miley, Assistant to the Director 

DATE: April 17, 1989

SUBJECT: Response to Questions regarding the Elections Division Budget

At the budget hearing before the Board of County Commissioners this morning, Commissioner Bauman requested two pieces of information regarding the Elections Division budget.

The first was clarification of the voter outreach effort that the Division is budgeting for the second year in 1989-90. Vicki Ervin, Elections Director, is out of town. However, Allen Robertson, one of the Division's two Elections managers, informed me that the Division has not kept any records to determine the correlation of these voter outreach efforts to actual voting. He said that it is the Division's experience, however, that most of the people who register to vote just before an election (which is when these voter outreach drives are held) seem to vote in the subsequent election. He also said that, because of the mobility of the population we serve, it is the experience of all registration efforts that only one out of every 3.5 registration cards garners a new voter. Allen said that registration efforts seem to be critical to keeping existing voters, as well as adding new ones. Attached is information regarding the voter outreach program which Vicki Ervin distributed to our CBAC in January.

As we indicated this morning, after the budget document was printed, we discovered that our budget was \$20,047 above constraint. Because the document was already printed and because we had in the interim identified a need for this amount to fund a voters' guide for the March election, we are preparing an amendment to correct this expenditure. The amendment will add revenue to cover the cost of these voters' guides if the Legislature approves the

Board of County Commissioners
April 17, 1989
Page 2

requirement to provide them. Vicki Ervin indicated to me last week that she sees virtually no chance that the Legislature won't approve the bill. Like other election costs, the districts with candidates or measures on the ballot will pick up the costs. The net effect of this addition to revenue, according to our Budget staff, is that it will free up \$20,047 in General Fund revenue.

Vicki Ervin will be back in the office on Wednesday, April 19. If any additional information is needed (or if I've misled you in any way on these questions), she will be available for expert consultation. If you are interested in pursuing the question of tracking the newly registered voters, she would have to provide you with information on the cost and feasibility of this.

Attachment

cc: Linda Alexander
Vicki Ervin
Allen Robertson

REPORT TO THE CITIZEN BUDGET ADVISORY COMMITTEE

BY VICKI ERVIN, DIRECTOR

ELECTIONS DIVISION

JANUARY 5, 1989

Over the past several years the Elections Division has made changes in procedure in keeping with the ideals expressed in our mission statement (see next page).

We have been conducting as many elections by mail as we legally are permitted to do. This has brought about an increase in voter participation and a decrease in election costs.

In 1987 we installed a new on-line microfiche signature verification system. The system has directly reduced personnel costs for extra hires and has indirectly impacted permanent personnel costs.

In FY 1988-89 we added a new section to our budget, thereby becoming the first election office in the state (including the Secretary of State) to have money appropriated specifically for voter outreach and education.

So far money in that category has been spent on voter registration for the November general election. We sent registration cards directly to more than 10,000 residents in Multnomah County. The persons targeted were unregistered petition signers and persons identified by US West as having new or recently changed telephone listings.

In addition, we staffed a registration drive in 21 locations throughout the county just prior to the registration deadline. In all we received more than 14,600 voter registrations from these efforts.

An additional plan for our new budget category is to participate in Project Mail. This program gives us access to postal records so that we can identify persons who have moved since they last registered to vote. By doing a follow up mailing to these people we can keep our files clean, keep registrations

as current as possible and save money on mailed ballots which would otherwise be returned undeliverable.

Fiscal year 1989-90 does not portend any major program changes for the elections division. Our objectives for the year will include:

- * Conduct 6 elections
- * Enhance new voter outreach programs
- * Begin to streamline internal office procedures by utilizing more consolidated record keeping and capturing more data on microfiche or microfilm.

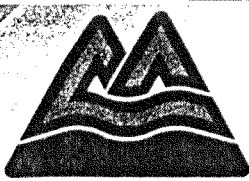
MULTNOMAH COUNTY ELECTIONS DIVISION

MISSION

To serve all citizens and local governments of Multnomah County by providing excellence in the conduct of the electoral process.

- Anticipating and responding to the needs of those citizens and governments.
- Assuring integrity of the electoral process.
- Working for improvements which will result in increased participation and lower costs.

OBJECTIVES (FY 88-89)	FTE	COST
Conduct elections in Multnomah County	16.80	\$1,897,736
Operate non-mandated programs for increased voter outreach and education	.20	19,087
	17.00	\$1,916,823



MULTNOMAH COUNTY OREGON

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BOARD OF COUNTY COMMISSIONERS
GLADYS MCCOY, CHAIR
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POLLY CASTERLINE
GRETCHEN KAFOURY
CAROLINE MILLER

MEMORANDUM

TO: Finance Committee Members

FROM: David A. Boyer, Finance Manager *DB*

DATE: August 20, 1987

SUBJECT: Multnomah County Self Insurance Actuarial Report
Dated May 15, 1987

This is a summary analysis of the Self Insurance Workers' Compensation and Liability Actuarial performed by Alexis Risk Management Services Inc.

The loss forecasting methodology used by Alexis to prepare the Actuarial involved the identification and projection of trends based on Multnomah County's historical loss data, industry standard frequency factors and inflation adjustment factors. This analysis is based on the summary of projected losses shown on the attached pages 12 and 13 of the Alexis Report and is not intended to explain how the forecasts were arrived at.

Summary, Pages 12 and 13 of Alexis Report

The following is a detailed explanation of pages 12 and 13 of the Alexis Report:

1. The incurred losses column for the fiscal years June 30, 1979 through the period ending March 31, 1987, valued as of March 31, 1987, are losses that have already been expensed. Since these expenses have already been recorded to the County's books, they do not need to be considered for reserve contingencies. However, they are a useful tool for budgeting purposes.
2. The IBNR column for the fiscal years June 30, 1979 through the period ending March 31, 1987 represent estimated insurance claims that have been incurred but not reported for each fiscal year. These amounts are projections based on a review of the prior years' historical trends and are recorded as claims payable on the County's financial records. Since they are recorded as a liability on our books, they are not used in determining reserve requirements.
3. The ultimate losses column for the fiscal years ending June 30, 1979 through the period ending March 31, 1987 represent actual incurred losses plus IBNR claims.

4. The ultimate losses for the fiscal years 1987/88 and 1988/89 represent the estimated losses expected to be incurred in each of these fiscal years. If the County were to discontinue its Self Insurance Program and went to a full insurance plan, these potential losses would be liabilities of the Self Insurance Fund and not be covered by the purchased insurance contracts. Therefore, the County should reserve these projected ultimate losses as contingency reserves.

Workers' Compensation

As of June 30, 1987, the current reserved contingency in the Workers' Compensation Section before the internal transfer is \$2,200,000. Based on the above analysis, these reserves should be increased to \$2,856,000 calculated as follows:

<u>Year</u>	<u>Estimated Ultimate Losses</u>
1987/88	\$1,345,000
1988/89	<u>\$1,511,000</u>
Total	<u>\$2,856,000</u>

The deficit of \$772,837 will be partially funded by transferring \$572,078 from the Liability Section. If needed, the Workers' Compensation rates will be adjusted in future years to insure proper funding levels for this program.

Liability

As of June 30, 1987, the current reserve contingency in the liability section before the internal transfer is \$1,428,078. Also based on the above analysis these reserves should be decreased to \$856,000 calculated as follows:

<u>Year</u>	<u>Estimated Ultimate Losses</u>
1987/88	\$ 410,500
1988/89	<u>\$ 445,500</u>
Total	<u>\$ 856,000</u>

The surplus of \$572,078 will be transferred to the Workers' Compensation section to help fund the Workers' Compensation Section deficit.

Combined Insurance Fund Revised Reserves Recommended Actual Compared to Reserves

Although the Alexis Report does not include the Medical/Dental section, Unemployment section or Property section we have attached the combined Insurance Fund Balance Sheet and Expense Revenue Statements for your information.

The following lists the recommended reserves at December 31, 1986, the revised suggested reserves as of June 30, 1987, as compared to the actual reserves at June 30, 1987.

<u>Description</u>	<u>Recommended Reserves December 31, 1986</u>	<u>Revised Recommended Reserves June 30, 1987</u>	<u>Actual Reserves June 30, 1987</u>
Health Med/Den	\$ 250,000	\$ 250,000	\$ 240,137
Unemployment	270,000	270,000	244,604
Liability	1,400,000	856,000	840,646 ⁽¹⁾
Property	150,000	150,000	167,758
Workers' Comp	2,500,000	2,856,000	2,698,672 ⁽²⁾
Total	<u>\$4,570,000</u>	<u>\$4,382,000</u>	<u>\$4,191,810</u>

Although the Insurance Fund equity is less than the suggested loss contingency reserves, we believe the fiscal year 1987/88 rates contained in the adopted Budget will be adequate to preserve County assets and maintain the fiscal stability of the Insurance Fund.

Other Recommendations

It has been suggested that Ordinance #381, regarding the Self-Insurance Fund, be amended to include a section that would require an actuarial study be performed every two years. At this time, we are suggesting this action be delayed until Anne Kelly Feeney's office completes the audit of the Self-Insurance Fund. The audit is expected to be finished in October 1987 and may contain other recommendations regarding Ordinance #381.

If you have any questions, please contact me.

(1) Unaudited figures.

(2) After internal transfer of \$572,078 from the Liability section to the Workers' Compensation section.

8551E/DAB/ld

cc: Linda Alexander
Larry Kressel
Duane Kline
Ben King
Anne Kelly Feeney

V. SUMMARY

These forecasts represent our best estimate of ultimate incurred losses for Workers' Compensation policy years 1978-1988 (1976-88 for Liability). Please note that these are only estimates and may not reflect the eventual actual ultimate paid losses.

A summary of the projections are below:

	<u>WORKERS COMPENSATION</u>		
	<u>Incurred Losses Valued 3/31/87</u>	<u>Ultimate Losses</u>	<u>IBNR</u>
1976			
1977			
1978	\$ 309,294	\$ 309,294	\$ 0
1979	307,152	307,152	0
1980	414,961	425,169	10,208
1981	617,669	640,276	22,607
1982	1,333,660	1,418,881	85,221
1983	957,460	1,070,440	112,980
1984	825,351	995,043	169,692
1985	909,122	1,218,587	309,465
1986	445,254	922,344	477,090
1987		1,345,000	(91,289,000)
1988		1,511,000	
TOTAL			\$1,187,263

Alexsis

LIABILITY

	<u>Incurred Losses</u> <u>Valued 3/31/87</u>	<u>Ultimate</u> <u>Losses</u>	<u>IBNR</u>
1976	\$182,773	\$182,773	\$ 0
1977	151,336	151,336	0
1978	67,856	67,856	0
1979	157,071	164,925	7,854
1980	266,825	294,175	27,350
1981	399,287	440,214	40,927
1982	315,604	351,425	35,821
1983	380,162	423,310	43,148
1984	233,729	273,276	39,547
1985	285,159	366,743	81,584
1986	175,369	338,322	162,953
1987		410,500	
1988		445,500	
TOTAL			\$439,184

Alexsis