

MINUTES & NOTICE OF BOARD ACTION

APPROVED

Oct 2 '91



LANE COUNTY BOARD OF COMMISSIONERS

This document, upon approval in a public meeting by the Board of County Commissioners, serves as official minutes of such meetings as required under the Open Meetings Law, ORS 192.650.

Pursuant to notice made by mailing agendas to news media, a selected list of jurisdictions and individuals in Lane County, a meeting of the Board of County Commissioners was held.

Questions should be directed to The Board Office Specialist 3, ext. 4203.

September 3, 1991
9:00 a.m.

STRATEGIC PLANNING
BOARD OF COUNTY COMMISSIONERS

Crossroads
3485 West 1st

Chair Jack Roberts presided with Steve Cornacchia, Ellie Dumdi, Marie Frazier and Jerry Rust present. Staff present: Jim Johnson, Margo Drivas, Nancy Cameron, David Garnick, David Suchart, Bill Van Vactor, Arlene Marshall, Jane Burgess and Sharon Giles. Judy Haldeman, Recording Secretary.

Roberts discussed the outline agenda for the day and asked if there were any deletions or additions desired by other Board members; there were none.

A. Expectations

1. For the Budget Committee in the Budget Process

Rust said that he would prefer broad powers for the Budget Committee to review expenditures with nothing off-limits and stated that it was useful to have their input during the budget process. Frazier said that she felt that policy issues and staffing levels were not something that the Budget Committee felt comfortable discussing; she would have them focus more on need. Roberts noted that the Budget Committee should have the greatest latitude to exercise the responsibility that it would like to assume without taking responsibility for management structure. Johnson suggested that the Budget Committee be asked what its role will be in decision making. The Board concurred that the Budget Committee should be involved in expenditure decisions that are made during the year, such as purchasing the Bus Barn for a daycare facility, and take a more expansive view, if the Committee members feel comfortable doing so. Roberts suggested that the Budget Committee be involved in setting the expenditure target for next year and the Board agreed.

2. For Department Heads in Preparing Budget Requests

Dumdi suggested that Department Heads look at long-term efficiencies for the operation and Rust added that it was important that

departments look at value setting. The management team is an important vehicle according to the Board and should be used for discussion of consolidation of public services, etc. Frazier suggested that departments be allowed to keep a portion of any unexpended funds for long-term planning in the department. Van Vactor commented that the down side of this proposal would be a possible "padding" of the budget. Johnson stated that the ideal value for the organization is that the team will spend what is most appropriate as determined by the Board. The incentive approach will be discussed by the management team and the Budget Committee and the Board will discuss the target for next year based on expectations and values, but there were no changes suggested in the way in which Johnson gets input from the departments on the budget. Frazier suggested that efficiencies be looked at within departments to improve the delivery of the service such as a one-stop building permit process. Johnson responded that there are suggestions from the Budget Committee, Board members and staff frequently, though there is no on-going system in place. The Board suggested that this be discussed with the management team as well. Responding to a comment from Garnick, Roberts stressed that Board expectations should be communicated to department heads early in the process. Johnson summarized that the assignments to the management team were: 1) opinions regarding the rules and values for department directors during the budget process; 2) comments on an incentive system; and 3) performance indicators, periodic reports, action plans and efficiencies.

3. For the County Administrator in Preparing his Budget

Rust stated that he would like to have Johnson provide the Board with his best professional judgment regarding the budget. Rust suggested that Johnson be the public relations officer for the Board in discussing consolidation with the other jurisdictions. Frazier suggested that there be more information included in the budget document and stated that she had requested additional salary lists and organizational charts during the last budget process. Johnson stated that he would prepare the budget as he had in the past with the addition of the organizational charts and a list of cuts rejected by Johnson.

This meeting recessed at 10:33 a.m. to reconvene at 10:45 a.m.

4. For the Board of County Commissioners in the Budget Process

Rust commented that the Board should work with the Budget Committee to set spending targets, work on a value statement for Johnson, participate with the conversations with the Governor and reach out to other jurisdictions within the County. Roberts suggested that the Board proceed with the assumption that there will be no new revenues and that O&C dollars will be down. Frazier asked if this would be a good time to determine what level of service the County is committed

to providing for the people of Lane County. Dumdi agreed that it was important to start this process now and set the wheels in motion. Roberts remarked that the Board needs to be active in helping Johnson formulate the budget and that the goal is to make every change expenditure neutral.

The Board discussed the difficulty of obtaining a new source of revenue for County operations. Roberts summarized that the Board will continue to work through the existing process, work with the management team and Johnson, set expectations earlier working with the Budget Committee, discuss a prioritization process and stick to the target amounts which are set.

This meeting recessed at 11:50 a.m. to reconvene at 1:00 p.m.

B. Tentative Work Plan/Timelines

1. For the Budget Committee in the Budget Process
2. For Department Heads in Preparing Budget Requests
3. For the County Administrator in Preparing his Budget
4. For the Board of County Commissioners in the Budget Process

The Board concurred that there should be a Budget Committee meeting held within one month to discuss expectations and values, timelines and a spending target. Johnson said that he would have the management team look at a schedule that brings a draft proposed budget by the first part of December.

C. Other Issues

1. Consolidation

Rust commented that there could be money saved in administrative support, financial services and overhead between the jurisdictions. He suggested that a working paper be prepared that would identify potential savings and work through MPC to make a case for consolidation. Johnson stated that the lessons learned from the Urban Transition process could be applied to consolidation with the three jurisdictions agreeing to go in a certain direction and using L-COG to coordinate the process. Roberts asked Johnson to put together an agenda packet for the Board with a resolution formally requesting the Cities of Eugene and Springfield to enter into a discussion dealing with consolidation. Rust commented that tax bills will be coming due soon and there will be pressure created which may drive the public toward the issue of consolidation. He asked the Assessor to give the Board an update about Measure 5 and the tax bills.

2. Downsizing

Johnson remarked that demands for County services are increasing and the question for the Board is how to continue to provide these services with decreases in revenue. He stated that there was a tremendous downsizing in 1979 when significant numbers of managers left the organization due to the recession and the decrease in timber receipts.

3. Management Structure

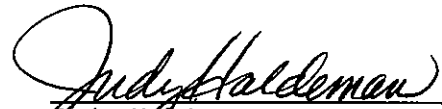
Roberts suggested that there be a review of the management structure by experts outside of the organization in order to assure the Board that Lane County is the thinnest level of government. Dumdi and Frazier commented that they were interested in feedback from others outside of the County. Cornacchia asked Suchart to staff a committee of experts and Roberts asked Board members to think about who they would like to serve on the committee. Roberts will write a memorandum to the Board regarding the charge of the committee.

4. Employee Compensation and Classification System

Cornacchia stated that he did not believe that the current merit system was a true "merit" system and that it was a disadvantage to the highly motivated employees. He noted that the majority of employees receive five percent merit and five percent cost of living increases each year. Cornacchia said that he would prefer to have five or ten percent of the employees receive merit increases of five to ten percent per year. He suggested that the current merit system be looked at closely in the future as a way of decreasing costs in the County budget. Rust said that the Board could examine the merit system and that it may decide not to give five percent to everyone; as five percent of a salary of \$20,000 is much less than five percent of \$50,000 in terms of a cost of living increase. Roberts commented that salary may be the single most important issue in setting the County on a sound fiscal basis for the future.

Johnson suggested that the Board ask the new Human Resources Director for his ideas on how the classification and compensation system should be operating into the future. Johnson said that he is also convinced that the County must make the change and he suggested that non-represented staff be selected first. He encouraged the Board to discuss compensation with state organizations to make changes in a cooperative manner. Roberts said that change should be approached prudently, but with a long-term commitment. Cornacchia mentioned that the County pays both the employer and the employee portion of PERS. The Board will hear from the Human Resources Director within 60 days for his ideas on changes in the compensation program for employees.

There being no further business, this meeting adjourned at 2:43 p.m.



Judy Haldeman
Recording Secretary