

Budget Message

2020 -2021



Respond, Recover and Rebuild

April 2020

Dear Budget Committee Members:

The *strategic focus* and *financial discipline* that Lane County has exhibited over the past several years has resulted in structurally balanced budgets, increased reserves, enhanced stability and greater responsiveness to community needs. This progress has been made, not with layoffs or cuts in services, but rather with thoughtful and diligent management of resources and debt, including controlling expenses such as pension and health insurance costs.

The unprecedented global pandemic of 2020 reminds us why our focus and discipline is so important. We have and will continue to call upon the stability created over the past several years to respond, recover and rebuild. Lane County has long faced scarcity of resources, due to a unique combination of having the seventh lowest county property tax rate in the state and a steep, 90 percent decline in federal timber revenue. This scarcity of resources, paired with an abundance of talent, has created a resiliency that pervades in the culture of our organization. We remain committed to a singular purpose: to improve lives. We carry out our work by exhibiting passion to serve our community, drive to connect with others and focus on solutions to challenges.

It remains unclear the full extent of the effect that COVID-19 will have on our local communities, our state, our nation and our world. There is no question that few, if any, single events in recent memory have had such a swift and vast impact. The widespread social and economic impacts, as well as the scale of deaths, has touched everyone in our country in some way.

“The unprecedented global pandemic of 2020 reminds us why our strategic focus and financial discipline is so important.”

States and local communities that acted quickly and coordinated emergency response effectively have fared better than those that have not. While the first confirmed COVID-19 case in Oregon didn't happen until February 28 and the first confirmed case in Lane County didn't happen until March 17, Lane County began preparation and response efforts early:

- January 22: one day after the first case of coronavirus was confirmed in the United States, Lane County held its first Coronavirus coordination meeting with the Oregon Health Authority
- January 27: Lane County conducted its first coronavirus partner coordination meeting with PeaceHealth and the University of Oregon
- February 6: Lane County activated an Incident Command System structure to coordinate emergency response efforts. Public health officials conducted a neighborhood association presentation about COVID-19
- March 2: Lane County opened a Joint Information Center and held its first daily press conference
- March 3: Lane County held its first daily health care provider and partner coordination call
- March 9: Lane County held its first internal COVID-19 planning meeting with managers
- March 10: Lane County opened a non-emergency call center for the public to contact with questions
- March 17: the first positive COVID-19 case in Lane County was reported
- March 20: Lane County announced the creation of a \$400,000 small business loan program. The funding was committed to small businesses in need within the first day.

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- March 23: Lane County opened the Personal Protective Equipment donation center at our Public Works Warehouse
- March 24: Lane County opened a respite shelter for unhoused residents at the Lane County Fairgrounds, including hygiene stations, mobile food service, sleeping areas and medical services
- March 30: Lane County opened a respite shelter for unhoused residents at the Memorial Building, including hygiene stations, mobile food service, sleeping areas and medical services
- April 16: Lane County closed on the purchase of the former VA clinic at 100 River Avenue for use as a COVID-19 recovery site for at-risk populations

The early, swift and coordinated response by highly skilled and dedicated Lane County officials and partners has so far been effective at keeping our community safe and healthy. As of April 20, 2020, Lane County has 48 positive COVID-19 tests, including one suspected COVID-19 death. The projected peak in Lane County is not expected to exhaust local health care capacity, which is a very positive indicator of the local response efforts to date.

As an employer, Lane County moved quickly to set up approximately 900 of its employees to work remotely within a matter of days. This rapid change would have been considered nearly impossible during normal times. The rest of the workforce has been able to safely continue working on site with various public health recommended measures, including physical distancing, regular hand washing, homemade masks and enhanced sanitation of high touch surfaces.

“Lane County is actively preparing for the local economic recovery and support for vulnerable populations that will be critical to rebuilding our local community in the aftermath of this public health crisis”

Just as we were prepared to respond to the local public health emergency created by COVID-19, Lane County is actively preparing for the local economic recovery and support for vulnerable populations that will be critical to rebuilding our local community in the aftermath of this public health crisis. We are also monitoring impacts on County resources, particularly Behavioral Health, Parks, Lane Events Center, Roads,

and Parole and Probation. We are also developing workforce re-entry plans for our employees to ensure a smooth transition back to on-site work in the future. Our workforce has and will continue to demonstrate passion to serve, drive to connect and focus on solutions as we work to improve lives in Lane County.

Stepping Up to Fund Solutions to Homelessness

For the fourth year in a row, the Fiscal Year 2020-21 (FY 20-21) Proposed Budget is structurally balanced in its primary operating funds, including the General Fund, without the use of reserves and includes no layoffs nor reductions in services. We are actively monitoring several funds, including Behavioral Health, Parole and Probation, Parks, Lane Events Center, Roads and others.

In the past few years, our structurally balanced budgets and increased reserves have allowed additional General Fund investments in several strategic priorities. We have invested General Fund resources in enhanced mental health services in the Jail, a \$2 million Housing Improvement Program (HIP), a \$1 million investment in a behavioral crisis center, several new Permanent Supportive Housing projects, the purchase of a new office for Parole and Probation, investment in new space for Developmental Disabilities, and the recent purchase of the former VA clinic for emergency public health response and possible future shelter needs.

The FY 20-21 Proposed Budget includes \$1.3 million in General Funds to operate a new shelter and navigation center, as well as additional housing and shelter recommendations such as rapid resolution/rehousing/tenant supports. The proposed shelter and navigation center is a low barrier public shelter for unhoused residents that will provide shelter and supportive services that connect individuals to

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permanent housing. The additional funding for operating the shelter and navigation center follows Lane County's recent purchase of the former VA clinic for approximately \$1.8 million.

The shelter and navigation center operational funding was identified as part of our priority-based budgeting process to fulfill the commitment from the Board of Commissioners to implement the recommendations of the Shelter Feasibility Study. The Study is a roadmap to end homelessness with specific investments in shelter, housing and supportive services. The Study was approved by the

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Board and Eugene City Council in May 2019. The proposed \$1.3 million represents Lane County's commitment to open and operate the facility. Homelessness is a community crisis and Lane County cannot solve this crisis alone. Therefore, fully funding the operation of the shelter and navigation center will require additional community partners to step up and provide matching funds.

Pursuant to ORS 294.391, this document represents the FY 20-21 budget message and transmittal of the Proposed budget. The Proposed FY 20-21 budget for all funds totals \$774,027,525 which is a \$6,378,174 or 0.82 percent decrease from the current fiscal year. The Proposed General Fund budget is \$116,932,710 which is a \$3,231,516 or 2.68 percent decrease from current fiscal year. We have received the Distinguished Budget Presentation Award from the Government Finance Officers Association, which is the highest award possible for governmental budgeting, for the fifteenth time. This continued recognition, along with Lane County's low debt burden, removal from the Secretary of State's watch list, six consecutive successful audits of the use of Public Safety Levy resources, and receipt of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting received for FY 18-19 for the sixteenth year in a row, are all reflections of how the limited taxpayer resources we collect are being managed responsibly. In recognition of the sound financial management, Lane County's bond rating was increased to Aa1 in 2019, the second increase in two years. This rating is the second highest issued by Moody's Investor Services and the highest rating in Lane County's history.

Local Services

Assessment and Taxation (A&T) maintains a stable budget for FY 20-21, but the department continues to face workload challenges due to low staffing levels relative to other assessment offices around the state. State funding from the County Assessment Function Funding Assistance (CAFFA) grant has continued to decline and is now at a 16 percent expense reimbursement rate – a significant decline from the 35-40 percent originally intended to fund counties when implemented in 1989. The reclassification of the senior office assistants to assessment and taxation specialists has helped with recruitment efforts. Assessment and Taxation also reclassified an existing position to create a new management analyst position which will be responsible for serving as a technical resource, preparing analytical reports, assisting with fit gap analysis, and helping with the software system replacement project.

Reappraisal of properties has continued over the past year including residential properties in Springfield and Thurston neighborhoods, and multifamily properties in Eugene in order to ensure that taxable properties are correctly placed on the tax roll.

The FY 20-21 Proposed Budget includes a limited duration addition of 1.0 FTE for a Deputy Assessor beginning January 2021. The current Assessor plans to retire at the end of the current term, and a Deputy Assessor position will greatly assist with Assessment & Taxation's transition to a new Assessor. Having this position on staff while seasoned resources are available will ensure continuity of services to Lane County and the taxing districts served. The limited duration position will end in early 2023.

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County Administration continues to focus on long-term financial stability, repairing critical services to make our community safer, healthier and more vibrant, and continuing to invest in a high performing local workforce. County Administration staff have been actively supporting our local public health response to the COVID-19 global pandemic, including public information, logistics support and economic recovery.

Continued tracking and reporting on the countywide strategic planning efforts for the newly revised Lane County Strategic Plan remains a focus. This includes establishing criteria and tools for implementing our new Strategic Lenses: financial stewardship, equity and collective impact.

Equity 2.0 is our plan to re-focus our efforts to increase equity among all of our employees and to create equity in our community and in the services we provide. Through our membership with the Government Alliance on Race and Equity, eight Lane County employees participated in a northwest cohort, lasting 9 months and bringing a wealth of knowledge to our organization.

The FY 20-21 Administration budget shows increased expenses from current year in order to prepare for and conduct the required redistricting process which happens every 10 years, following the U.S. Census. The Administration Office also continues to lead initiatives on affordable housing and coordinates the Countywide Capital Improvement Plan document creation within the Budget Office.

Economic Development has continued funding high priority community and economic development efforts in rural communities, including improved broadband access and community revitalization efforts. In FY 20-21 the Economic Development office will coordinate with public and private sector partners to recover and rebuild our local economy from the impacts of COVID-19, as well as continue providing support and leadership on various countywide efforts, including the Farmers Market, Market District and parking solutions.

To support local economic recovery and rebuilding, the FY 20-21 Proposed Budget includes funding for expanding our partnerships with the Oregon Manufacturing Extension Partnership through investment in a Commercial Weatherization Fund; Bring Recycling through an investment in the Commercial Sustainability and Efficiency Fund; and Elevate Lane County through an investment in the Rural Career Technical Education Program.

Parole & Probation (P&P) is focused on the development of the new office location, which is currently in the final architectural phase of construction. The Division has far exceeded capacity in its current main office and had to place probation officers in satellite offices in various buildings to provide workspace for current staff. P&P will move into a renovated facility located at 2699 Roosevelt Boulevard, which is part of a property purchased by the County's General Fund in January 2020. Construction is set to begin in January 2021 and conclude summer 2021. Operating expenses are expected to increase as a result of this renovation and subsequent move to a larger facility.

All probation officer positions in P&P are currently filled, for the first time in several years. There are approximately 3,000 clients (2,800 felony and 200 misdemeanor) on community supervision and the Division has successfully utilized evidence based practices to effectively reduce recidivism and restore those impacted by crime improving the quality of life for all in Lane County.

A 2018 Actual Cost Study (ACS), identified the need for \$25 million more in statewide funding, based on the actual daily cost of community supervision. Unfortunately, the increase recommended in the ACS was not funded in the last legislative session and while the Legislature agreed to review this need in the short session, the funding was not made available. This leaves community corrections funding short for FY 20-21.

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The Operations Division consists of the County Clerk, Financial Services and Facilities. The County Clerk includes the programs of Elections, Deeds & Records, Archives, and the Board of Property Tax Appeals. Elections provides accurate, efficient, and timely customer service to the citizens of Lane County while complying with federal, state, and local laws for conducting elections and processing voter registrations. COVID-19 has resulted in challenges regarding the delivery of absentee ballots to countries where national mail service has been shut down. As a result of COVID-19, Elections has restructured the way in which staff will work together to process ballots and provide customer service during the May 2020 election.

Financial Services secured an unmodified opinion in the independent auditor's annual financial audit stating that the audited financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the County in conformity with generally accepted accounting principles. The FY 20-21 Budget contains a 1.0 FTE Accounting Analyst position to respond to backlog of projects, new GASB 87 requirements, and efficient request responses. This addition will restore the position reclassified to support the Payroll program in FY 19-20.

Procurement's strategic priority to actively encourage participation by minority and woman-owned businesses (as well as other underutilized businesses) links to the County's Strategic Plan priority of Vibrant Communities. The key activity area to enhance equity and access in service delivery and representation in governance has been a major focus over the past year with the intent to strengthen the businesses within the various communities through education and outreach, and to add value to the communities that call Lane County home.

The Facilities program is moving back to County Administration after being managed by the Department of Public Works since FY 15-16. This move will provide additional opportunities for collaboration with the County's Capital Improvement Program which was one of the recommendations of the 2019 Facilities Assessment conducted by FM Insight Consulting, an independent consultant hired by the County as part of our focus on reviewing internal services. The current year budget restores a manager position, previously eliminated in FY 12-13 due to budget reductions. The new Capital & Facilities Manager will oversee both the Facilities and the Capital Projects program. In the FY 20-21 budget, we are also adding one (1) senior Program Specialist position as well as two (2) custodians and one (1) maintenance specialist within Facilities in order to increase the emphasis on preventative maintenance, emergency and corrective repairs.

County Counsel continues to focus on streamlining Workers' Compensation claims to improve customer service and limit liability and costs to the County. In line with the goal of providing department support through proactive advice, the County Counsel worked to enhance the training program entitled Managing Within the Law, which is designed to educate supervisors and managers for risk mitigation in employment claims, and provided seventeen hours of training to both County employees and affiliated organizations.

County Counsel also successfully provided legal support throughout the County's collective bargaining processes including participating in the interest-based bargaining process with Local 626, created Lane Code solutions to improve road safety including controls over tree cutting next to roadways and remediation of dangerous conditions and assisted with exemptions and bidding documents for Lane Events Center and Parks projects. The coming year's projects will include modernizing access to the Lane Code and Lane Manual policies with user friendly options for ease of public access.

District Attorney's Office Criminal Prosecution Division reviewed over 6,800 referrals from law enforcement agencies and hired a dedicated DUII investigator that serves warrants and assists the seven assigned prosecutors with the major vehicle crash related assault cases and DUII cases. While the addition of a fifth attorney to the major crimes team a couple of years ago has helped to address the

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increase in violent crime, it came at the expense of the Chief Deputy position. Additionally, new State legislation was passed in early 2019 which requires that all Grand Jury proceedings be recorded. A paralegal position to provide this newly mandated service was added to the FY 19-20 budget with one-time revenue while the County continues to explore whether the State will provide funding for this new ongoing expenditure. The FY 20-21 budget contains a one-time transfer of discretionary general fund to cover the cost of 1.0 FTE prosecutor due to reduction of available grant funds from the State. The hope is that the grant funds will become available prior to July 1, 2020 and the backfill of discretionary general fund will be unnecessary.

In FY 19-20 the Family Law Division handled more than 4,100 cases and collected approximately \$20 million in child support for Lane County children and families, despite the Division undergoing extensive training for a new State software system.

In FY 20-21 the District Attorney's Office will merge the former Death Investigations Division and the Victim Services Division with Prosecution Clerical Support to create a new Support Services Division. The Death Investigations program continues to perform investigations of approximately 1200 unattended or non-natural deaths in Lane County annually; however, the permanent closure of the previously used body transportation company has forced a shift to using more costly on-call funeral homes for this service. Victim Services provided services to over 2,000 petitioners seeking protective orders and 2,300 crime victims in Lane County in FY 19-20. These impressive numbers are due in large part to the approximately 4,400 hours of work provided by volunteers.

The District Attorney's Office currently operates out of the Lane County Courthouse. The building is 60 years old, representing the oldest building the County maintains, and its systems are failing and costly to maintain. The District Attorney's Office has run out of space to efficiently and effectively meet community needs.

Lane County Office of Emergency Management's purpose is to ensure that the County is prepared to respond to emergencies. The Office reports to the County Administrator, ensuring coordination of protection, prevention, mitigation, response, and recovery activities that increase the County's capabilities to minimize loss of life and reduce impacts from the effects of disasters.

“During FY 19-20, as the COVID-19 virus spread globally, Lane County was prepared to respond to this communicable disease locally”

During FY 19-20, as the COVID-19 virus spread globally, Lane County was prepared to respond to this communicable disease locally. In fact, in January 2020, Lane County began coordinating with the Oregon Health Authority, PeaceHealth and the University of Oregon to prepare for the local impacts.

Lane County Public Health is utilizing information from the World Health Organization, Centers for Disease Control, and Oregon Health Authority to make the most accurate and up-to-date recommendations for personal protective equipment, caring for/isolating those suspect cases who could or do have the potential to spread the virus. The Lane County Emergency Operation Center has been activated to support the efforts of Lane County Public Health to scale up resources and support, as the international concern over this virus increases.

Health and Human Services (H&HS) provides system oversight and direct services for clinical and community health, behavioral health (mental health and substance abuse), developmental disabilities, youth services, and basic needs/social services.

Administration is adding an Accounting Analyst position to support the growing financial management needs of the Department.

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Behavioral Health concluded the five-year Transformation Project in January 2020, which included significant increases in client access to treatment and services. The Medication Assisted Treatment Program purchased a new building that will greatly increase access to residents seeking treatment for opioid addiction and expand both methadone and buprenorphine treatment to enhance access to care in our community. The building remodel is expected to be completed in 2020.

In FY 19-20, Behavioral Health also implemented a Plan Do Study Act (PDSA) process to improve access to care for the Children and Adolescent Program, developed compliance dashboards to improve clinical documentation, and developed a new Crisis Prevention and Response protocol.

One of the largest strains on resources for the Behavioral Health division is the need for our forensic services in the community. Behavioral Health is mandated by the State of Oregon to provide services for specific community members involved in the criminal justice system who are unfit to stand trial due to mental illness, those mandated into supervision by the Psychiatric Security Review Board; those reintegrating into the community from the State Hospital; and diverting some community members with criminal offenses from jail into behavioral health services. Much of this work is unbillable to insurance providers, yet is required by the State. This leaves a large amount of FTE funded by other programs within Behavioral Health. Behavioral Health will be looking at funding options for this unfunded State mandate.

During the current fiscal year, a significant statewide gap has been identified in adequate funding for the intersection of behavioral health and public safety services. The Proposed budget reflects an increase of \$950K in state funding we are expecting to receive, based on a percentage of statewide funding. This is contingent on legislative approval and as such was delayed earlier in the year due to the session ending early, and is anticipated to come through allocation by the Emergency Board or a special session. This money would fund mandated services provided by the CMHP that offer little to no reimbursement from insurance payers and is a necessary support for community safety.

The Proposed budget reflects a \$6M transfer from LaneCare reserves to Lane County Behavioral Health to support expenses associated with critical operations incurred over the last two fiscal years. This is a one-time transfer that will allow LCBH to maintain current service levels and ensure the long term financial success of the organization, and the current Proposed budget reflects a structurally balanced budget moving forward.

Community Health Centers provided 82,297 services to 32,156 patients in 2019. This is a 10 percent increase in patients served and a 7 percent increase in encounters. The Division also successfully implemented an innovative pilot program to integrate oral health care with primary care services. The program targeted two groups at high risk for compromised oral health – adult patients with diabetes, and children under 12 years of age. The Division will see a wide range of activities related to the planned opening a new clinic in Cottage Grove in the spring of 2021, expansion of integration of preventive dental services into primary care, an increased focus on identifying social determinants of health, and in expanding services such as case management to better address these needs in FY 20-21. The FY 20-21 Proposed Budget includes an addition of one Accounting Clerk 2 to address the increased billing needs with the addition of a primary care clinic and planned expansion of the Medication Assisted Treatment services.

Developmental Disabilities Services (DDS) served over 2,600 individuals in Lane County with intellectual and developmental disabilities in FY 19-20. An increase in state funding provided the ability to hire an additional 12.5 FTE to support timely and quality services to a vulnerable population. The Division has improved the client experience of the Oregon Needs Assessment by working through the division level Trauma Informed Care Committee to evaluate and design improved processes and tools. Review and enhancement of the DDS emergency response and business continuity plans to ensure the

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most vulnerable individuals are consistently identified and supported during an emergency was also accomplished over the past year.

Planning is underway for a new DDS building to meet the increasing service demands and improve equity and access for clients. The building will make use of the site where the Armory currently stands on the same campus as Lane County Behavioral Health and Youth Services. The building is projected to be about 24,400 square feet and cost \$14.7 million and will be funded jointly with County Discretionary General Fund, existing DDS reserves from State funding and future Fees and State funding. The projected completion date for the new building is mid-year 2022.

Human Services administers a range of programs that support vulnerable people in need in our communities. FY 19-20 saw the start of implementation of the Technical Assistance Collaborative (TAC) Shelter Feasibility Study and Systems Analysis. Expanded temporary shelter capacity and access center services for homeless persons has resulted in 256 Dawn to Dawn Shelter beds, 18 families in short-term housing and 24 transitional housing beds for youth. Resource development for service funding was completed for the 51-unit MLK Commons Housing First building in collaboration with Homes for Good, which is currently under construction and anticipated to open in 2020.

The Division also implemented a Federal Substance Abuse and Mental Health Services Administration five year grant in support of the Frequent User Services Engagement community collaborative project targeting integrated behavioral health services and housing for the top 100 users of health care and public safety services. The Dovetail program also completed its third year integrating services provided by H&HS Divisions to achieve better outcomes for chronic clients and implemented the expansion of STEP Employment and Housing program for homeless and unstably housed who receive SNAP. The Veterans program completed the expansion of service capacity with Measure 96 funding from the State of Oregon and added capacity to provide services in Florence two days a week.

The FY 20-21 Proposed Budget includes approximately \$1.3 million in additional discretionary general fund to support Lane County's portion of the cost to operate a new low barrier shelter and navigation center, as well as additional housing and shelter recommendations such as rapid resolution/rehousing/tenant supports. In May, 2019, the Board of Commissioners and Eugene City Council approved the Shelter Feasibility Study and committed to working together to fund and implement its recommendations. For several months, Lane County and City of Eugene staff worked together to identify potential sites for a shelter and navigation center, and engage community and neighborhood stakeholders. In April 2020, Lane County purchased the former VA clinic at 100 River Avenue for COVID-19 emergency response, as well as potential use as a future shelter and navigation center. Additional funding from partner agencies will be required to fully fund the operations and open the facility in late 2020.

LaneCare (formerly Trillium Behavioral Health) was redesigned in FY 19-20 to encompass the complexity of the changes in how the Coordinated Care Organizations (CCO) would be reallocated throughout Oregon and refocus services (Behavioral Health, Social Determinants of Health) starting in 2020. Staff grew by 7.0 FTE in order to meet the demands of the health plan. The major focus has been with the Oregon Health Authority's determination that 2020 would see two CCOs established in Lane County. LaneCare has been focused on creating relationships with both CCOs and creation of two separate and embedded teams to work with and be physically located within the CCOs, as well as redesigning the internal LaneCare structure to maintain CCO confidentiality and specificity.

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In July 2019, Lane County Public Health was awarded accreditation by the national Public Health Accreditation Board. Initial accreditation assesses a health department's capacity to carry out the ten Essential Public Health Services; manage an effective health department; and, maintain strong and effective communications with its governing entity.

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Public Health is developing a new strategic plan that will incorporate the strategic lenses adopted by the County in the most recent revision of the County's strategic plan. Regarding Financial Stewardship, Public Health has undertaken an internal initiative to educate staff about the budgeting process and to make fiscal management of programs more transparent. Regarding Equity, Public Health is expanding outreach to rural areas of Lane County, participating in the Government Alliance on Race and Equity (GARE), and using the Bay Area Regional Health Inequities Initiative (BARHII) framework to assess the Department's performance and identify opportunities to address health inequities in Lane County. Finally, regarding Collective Impact, Public Health continues to be a core member of the Live Healthy Lane Coalition which is currently developing the next county-wide Community Health Improvement Plan (CHIP). Collective Impact has been the guiding principle behind the CHIP and animates all planning and implementation activities, with the goal of further expanding cross-sector partnerships in the next iteration.

Communicable Disease has expanded community-based services to include two full-time Disease Intervention Specialists who work to prevent the spread of infectious disease by identifying and notifying those who may have been exposed to disease and ensuring that those who are infected receive appropriate treatment and other health and social services. Prevention staff worked with Intergovernmental Relations to develop a bill to make Naloxone available in pharmacies in Oregon. Senate Bill 910 was signed by Governor Brown in June 2019. Environmental Health staff and LRAPA won a \$4.9 million EPA grant to improve Oakridge air quality over the next five years.

It is difficult at this point to anticipate the full impact of COVID-19 on services and budgets in Public Health; however, our emergency response has already required suspension of non-essential activities and reassignment of staff. Even in a best case scenario, regular services will not be resumed fully for several months. In the meantime, whatever effort is needed will be directed toward mitigating the effects of COVID-19 on populations at greatest risk and responding to provider and community requests for support.

Youth Services increased diversion services by implementing the Impacts of Crime class for youth who receive a first time property or behavioral misdemeanor referral (centered on an evidence based curriculum by The Change Companies) and implemented a separate portion of the class for parents/guardians to attend that is facilitated by our Bilingual Mental Health Specialists. The Division also expanded least restrictive alternatives to confinement and increasing trauma informed services by providing available beds in our non-secure residential building for youth brought to detention on 1) non-detainable charges, or 2) detainable charges with a risk score that indicates release when there are no community release resources. Seventy-five youth have accessed this service since December 2018.

Following the Lane County Circuit Court's February 2020 Supplemental Local Rules, Restorative Services implemented mandatory mediation for parents of minor children who are separating or divorcing. Since implementation, the number of scheduled mediation appointments has more than doubled. The increased mediation appointments resulted in the onboarding of a Temporary Family Mediator.

In our continued efforts toward quality improvement and strengthening our services, we have hired a researcher from the University of Oregon to examine current trends related to racial equity outcomes in our

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current practices. This research, scheduled for completion in spring 2020, will enable us to identify existing racial and ethnic disparities in order to examine how to best reduce such disparities in our system.

Human Resources (HR) continues to advance strategic planning initiatives by focusing on employee engagement, wellness, equity and inclusion. We continue to invest in the highly successful Emerging Leaders program which prepares employees for successful careers at the County through instruction in leadership, coaching, management policies and strategy. In addition, recognizing the vital role of the supervisor/employee relationship in driving employee engagement and successful results, we rolled out required leadership training for all supervisors and managers along with an annual continuing education requirement. We also continue to invest in other training and development opportunities in line with the increased efforts to invest in employees.

Human Resources successfully negotiated the first employee contract here at Lane County through Interest Based Bargaining with the 626 Bargaining Unit. We are looking forward to expanding that model with other unions in the future. We are also currently in training with AFSCME for Joint Labor Management Committee provided by the State Mediation Conciliation Service.

Health and wellness initiatives were broadened with the expansion of employee participation in the County-sponsored Live Well Center which now boasts 60 percent participation by employees. In large part due to efforts like these, Lane County is recognized as one of the healthiest employers in Oregon and is included in the list of 100 healthiest employers in the US.

Human Resources will continue its work on the pay equity project in FY 20-21.

Public Works continues to leverage its resources in new and innovative ways. Since the adoption of House Bill 2017, which substantially increased transportation funding for infrastructure maintenance services in the community, Public Works has been able to shift its Capital Improvement Program focus. The funding provided by the Bill has brought additional resources for infrastructure safety, bridges and structure improvements and capacity enhancement projects. Additionally, focus of department efforts are driven by the implementation of the Transportation Safety Action Plan, investment in safety improvements recommended by the Road and Bridge Capital Improvement Plan, increased chip seal and other road surface maintenance improvements, and ensuring the safety and reliability of Lane County's bridges for decades to come. As part of the continued focus on internal services and expenses, review and implementation of the Fleet services audit completed in FY18-19, brings exciting new opportunities for improvements in operational efficiencies.

The Roads and Bridges Division, responsible for 1,472 miles of roadways and 429 bridges, completed a County-wide road condition assessment in FY18-19, revealing that Lane County is rated the top in road condition status in Oregon. Safety continues to be the highest priority to the Division, and partnerships with the County's Fatal Crash Investigation and Systematic Engineering and Implementation teams promise to lead to enhancements in best practices for maintenance, remediation and construction in the future.

The Lane County Animal Services Division currently has just 1.5 FTE Animal Welfare Officers to serve all of Lane County. The FY 20-21 Proposed Budget includes an additional .50 FTE, which will enhance services provided by the Division by bringing the total full-time officer positions to 2.0 FTE. This enhancement will allow us to provide continuous coverage and succession planning as needed for the future of the program.

The Parks Division has been impacted most significantly by COVID-19 due to reductions in Transient Room Taxes, Car Rental Taxes and fees for service. Parks has responded by not filling seasonal positions

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and making other adjustments. Due to these and other factors, the Parks Division represents the only fund in Lane County that is not structurally balanced. Additional corrective actions will be required.

Parks remains committed to providing opportunities for healthy activities for Lane County residents and visitors by fostering existing and new collaborative partnerships. Parks is also working to leverage investments to avoid higher deferred maintenance and develop a preventative maintenance schedule. To support these goals, Parks is implementing recommendations from the newly adopted Parks Master Plan which is anticipated to help maximize strategic investments in revenue and enhancing services to better serve the identified needs of our visitors through the year 2038. An initial step in the plan will include a Facility Condition Assessment, planned to be performed in FY 20-21 to create a Facility Condition Index for Park assets and develop a capital asset strategy to prioritize various replacement and remediation efforts. The plan also includes recommendations for accounting procedures and community collaboration. To support those areas, a senior Accounting Clerk and Natural Areas Coordinator were funded by Transient Room Tax and Car Rental Tax in FY 19-20. The positions are helping streamline cash handling procedures and better leverage our volunteer resources. The FY 20-21 Proposed Budget includes \$200,000 in Video Lottery and Transient Room Tax funds to repair the Stewart Covered Bridge which is no longer an operational roadway and therefore not eligible for Road Fund support.

The Lane Events Center (LEC) Division is also significantly impacted by COVID-19 due to reduced revenue from Transient Room Taxes and fees for service. The LEC fund remains balanced at this time. LEC has completed a facilities condition assessment in FY 17-18 which identified \$27 million in repair and maintenance needs. Based on the assessment, LEC is developing a long-term plan to repair and maintain facilities. In FY 20-21 a Facility Assessment and Market Analysis to develop a new Business Plan will include options for replacing or renovating existing structures to maximize flexibility and revenue potential. Creation of a new Marketing Plan in conjunction with the Business Plan will increase opportunities for new events and support the visitor and convention industry.

Waste Management continues to look to the FY 18-19 Solid Waste Master Plan to guide regional waste management activities through 2025. A key goal for the Division continues to be the reduction of long-term waste generation and to increase the amount of materials diverted through waste separation, prevention and recycling efforts. To this end, Lane County achieved a 53 percent recovery rate (total amount of material recycled out of total waste generated). This achievement gave Lane County the highest recovery rate in the State for the third straight year.

Sheriff's Office continues to maximize services provided by the voter-approved Public Safety Levy by developing and maintaining partnerships with internal and external stakeholders, as well as community partners. This includes adding WellPath mental health staff to meet immediate needs of inmates with mental illness by expanding mental health assistance for up to 240 inmates needing services. There is continued efficient utilization of existing levy funding to maintain 367 local offender beds, while maximizing services provided with levy dollars and continuing the discussion with the community on service levels to determine the services the community values the most.

Facilities used by the Lane County's Sheriff's Office are continuing to age and resulting in multiple safety issues. The Patrol and Administration divisions are currently located in the Lane County Courthouse which was not designed for the secure movement of inmates transported to the courthouse daily by the Sheriff's office transport section. Deputies routinely move multiple in-custody inmates with a variety of criminal charges through public spaces.

Currently, Main Office Patrol is staffed with 25 deputy sheriffs, which allows enough staff to provide 24 hour response to emergency calls for service without dropping below minimum staffing levels (three deputies and a sergeant for dayshift and swing shift, and two deputies and a sergeant for graveyard). However, a 2013 study conducted by the Police Executive Research Forum (PERF), warned that staffing

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levels need to be increased to at least 30 patrol deputies (with an additional sergeant and detective) to maintain current service levels without risking high staff burnout and turnover rates. Restoring patrol to 30 deputies would bring patrol up to approximately 68 percent of the 2003 level and 31 percent of the 1979 level. An additional detective would restore the Criminal Investigation Section to 5 detectives, approximately 20% of the 1979 staffing level, but sufficient to investigate most child sexual assaults and other Measure 11 violent felonies in unincorporated Lane County. Restoring the Police Services Division of the Sheriff's Office to Phase 2 of the Lane County Public Safety Repair Plan will not measurably increase patrol or investigative service levels, but would allow the Sheriff's Office stability without risking high degrees of staff burnout and turnover rates. Senior patrol qualified deputy sheriffs have left the Sheriff's Office for other agencies over the course of the last few years.

The Sheriff's Office is unable to be the primary investigating agency of fatal crashes on County roads where criminal prosecution is likely to occur due to lack of trained staff and necessary equipment. The Sheriff's Office has identified two deputies who have received crash investigation training, however, finding funding for the necessary equipment remains a challenge.

Technology Services' (TS) mission is to leverage technology to improve lives. In addition to serving internal customers, TS hosts Regional Technology Infrastructure Services, serving local cities and other partners with a shared data center, networking and application services.

Technology Services is entering year 3 of its 3-year strategic plan with the strategic priorities of Communication, Customer Service, Infrastructure and Innovation. Woven into these priorities are four themes: Security, Office 365, Data Analytics and COVID-19 impacts. The Security theme focusses on completion of the Windows 10 upgrade and cyber security awareness training for users and standard privilege access on workstations. Office 365 efforts are focused on leveraging value provided by cloud and other services already part of our existing Office 365 subscription. Data Analytics is the focus on growth in data integration and availability of analytics to front line staff. The impacts of COVID-19 workforce changes, including unprecedented remote work capabilities, has called our attention to the rapidly changing needs of technology for Lane County. To date, Lane County has approximately 900 employees set up to work remotely.

A few major accomplishments in FY 19-20 included the move to a new VOIP based telephone system, which was implemented in late 2019. One FTE position was added to the budget to support this new function Countywide. The upgrade of the County's financial system, PeopleSoft, is also on track to be completed by end of the current year. The creation of a Tableau Users Group and hosting of training opportunities has increased collaboration and access to data analytics tools for County departments.

There are two (2) Information Technology Specialist positions being added to Technology Services in FY 20-21 to provide support for the PC replacement program, service desk duties and field services work to County departments. The addition of the positions is needed due to the growth in Countywide FTE in recent years which has resulted in a shortage of technology staff to provide the level of customer service required to maintain efficient operations.

Conclusion

For the fourth year in a row, the Fiscal Year 2020-21 Proposed Budget is structurally balanced in its primary operating funds, including the General Fund, without the use of reserves and includes no layoffs nor reductions in services. The FY 20-21 Proposed Budget includes \$1.3 million in additional funding to open and operate a new shelter and navigation center, as well as additional renter and housing supports.

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The *strategic focus* and *financial discipline* that Lane County has exhibited over the past several years has resulted in structurally balanced budgets, increased reserves, enhanced stability and greater responsiveness to community needs. This progress has been made with thoughtful and diligent management of resources and debt, including controlling expenses such as pension and health insurance costs.

“We have and will continue to call upon the stability created over the past several years to respond, recover and rebuild.”

The unprecedented global pandemic of 2020 reminds us why our focus and discipline is so important. We have and will continue to call upon the stability created over the past several years to respond, recover and rebuild. Lane County has long faced scarcity of resources, due to a unique combination of having the seventh lowest county property tax rate in the state and a steep, 90 percent decline in federal timber revenue over the past two decades.

This scarcity of resources, paired with an abundance of talent, has created a resiliency that pervades in the culture of our organization. We remain committed to a singular purpose: to improve lives. We carry out our work by exhibiting passion to serve our community, drive to connect with others and focus on solutions to challenges.



Steve Mokrohisky
County Administrator

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