

Dear Budget Committee Members,

After my presentation last week I responded to a follow-up request. I provided that information. In addition, Ms. Lacey responded to a question by the committee and submitted the FY18-19 Risk Management Report, an annual report focusing on General Liability and Workers' Compensations expenditures from the Self-Insurance Fund (herein after "SIF report").

I wanted to add some supplementary information to provide additional context for the follow-up documentation.

First, the SIF report at page 4 illustrates the value of the work being done by County Counsel and how much money is being saved by having this legal work done in-house. That value is further demonstrated by the fully loaded hourly rates of our in house attorneys compared to attorneys in private practice with similar experience, shown directly below for your review:

FY19 Staff Rates - In House / Market Rate Comparison			
	Fully Loaded Rate	Market Rate	Years experience
Dingle	\$ 147.67	\$ 332.00	30+
Chinske	\$ 75.55	\$ 259.00	7
Chaney	\$ 84.96	\$ 259.00	9
Tapia	\$ 88.15	\$ 273.00	16
Clark	\$ 101.10	\$ 332.00	30+
Nagles	\$ 83.03	\$ 273.00	16
Pivoda	\$ 46.66	\$ 91.00	
Ogden-Parker	\$ 44.80	\$ 91.00	
Silburn	\$ 35.15	\$ 49.00	
law clerk	\$ 16.19	\$ 55.00	

Second, as the information previously provided by County Counsel about the ratio of attorneys per 1000 population provides great value in that we have fewer attorneys that our comparator counties but provide a broader range of in house legal services.

To reiterate the comparison with Clackamas and Marion is per 1000 residents.

Both Marion and Clackamas Counties handle litigation in-house, except in rare circumstances. Clackamas handles labor in-house, and Marion has recently taken labor in-house as well.

The number of attorneys per 1000 residents are:

- .031 attorneys per one thousand residents for Clackamas;
- .018 attorneys per one thousand residents for Marion;
- .015 attorneys per one thousand residents for Lane.

Third, I mentioned the declining cost the County has been paying for outside counsel. As you can see from the history below, the County spent \$665,682 dollars on outside counsel the year before I started. That number has been reduced substantially by hiring attorneys with the

appropriate skill set that eliminated the need for outside counsel. The vast majority, probably approximately 90%, can be attributed to two cases; one in which we were legally conflicted and could not litigate and the other is a specialty area of law involving suing the federal government for tort claim coverage for our clinic (I mentioned this matter in our budget presentation). Additionally, we periodically require expertise in extremely limited specialty areas like Bond Counsel and Workers Compensation where the amount work and the degree of specialization did not support hiring an attorney(s) with that skill set. Those amounts are not considered General Liability and therefore are not reflected in the table below.

	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20 Q1/Q2
<i>GL Outside Counsel Fees Only</i>	142,883	665,682	164,756	15,088	55,365	11,445	-	-	114,452	212,722	97,088

Finally, as you can see on page 6 of the SIF report, Lane County experienced record-low expenses related to Workers' Compensation for FY18-19. While it is unlikely we will experience this unusually low outlay again, Workers' Compensation and department staff continue to work together to find innovative ways to protect County workers, and to return injured workers to modified or full duty.

Sincerely,
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