

Budget Message

2021 -2022



Never Waste an Opportunity to Do Good

April 2021

Dear Budget Committee Members:

As the end of World War II approached, Winston Churchill is credited with saying “Never let a good crisis go to waste.” Indeed the crisis led to an unlikely alliance between Churchill, Franklin D. Roosevelt and Joseph Stalin, which led to the formation of the United Nations and a historic commitment to world peace.

This example from world history highlights an important lesson: every crisis contains two elements – 1) threats to be managed, and 2) opportunities to be seized. Over the past year, amid multiple crises, Lane County is focused on seizing the opportunities to do the things that may otherwise not have been possible and in the process catapult our communities forward.

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The COVID-19 global pandemic and the Holiday Farm Fire have wreaked havoc on lives, economies and communities in Lane County. These crises have disrupted education, devastated businesses, destroyed homes and have displaced people from their communities. These crises have further exacerbated housing instability for local residents. The issue we must contend with is not *what* challenges confront us, but rather *how* we can best respond to those challenges.

Lane County is no stranger to challenges, given the 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 in the culture of our organization. Over the past several years we have worked to invest in creating a culture of leadership, innovation and excellence. We are focused on a common purpose: to improve lives in Lane County.

The early, swift and coordinated responses to the COVID-19 pandemic and the Holiday Farm Fire has been led by highly skilled and dedicated Lane County officials and partners. We are now positioned to not just recover from these crises, but to catapult our communities forward. Here are some examples of how we have seized opportunities over the past year:

- Over 250,000 vaccine doses have been administered to approximately 50 percent of the adult population in Lane County to date. This represents one of the highest per capita COVID-19 vaccination rates in the state, exceeding all other comparable metro areas in Oregon.
- \$42 million in state and federal funds are being distributed to support renters in need during the pandemic.
- \$4.5 million in funding has been provided to support local businesses negatively impacted by the pandemic.
- \$4 million is being invested in additional public safety and behavioral health crisis response in rural Lane County over the next five years.
- The Commons at MLK has opened – one of the first of its kind in Oregon – providing over 50 units of Permanent Supportive Housing for chronically unhoused individuals.
- The former VA clinic at 100 River Avenue was purchased to serve as a COVID-19 recovery center for unhoused individuals needing to quarantine or isolate. This facility will be converted into a shelter and navigation center for unhoused individuals after the pandemic.

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- The former Red Lion hotel was purchased to provide over 50 rooms for families and individuals displaced from the Holiday Farm Fire. This facility will be converted into Permanent Supportive Housing after fire evacuees are permanently rehoused.
- The property at 13th and Tyler is under construction and will soon provide over 20 units of Permanent Supportive Housing for unhoused families.
- The property at Highway 99 and Roosevelt, known as Four Corners, was purchased and is currently being renovated to provide offender supervision services from Parole and Probation, as well as partnerships with Sponsors to support additional reentry services.
- A new facility to serve people with intellectual and developmental disabilities has broken ground at the Health and Human Services campus on MLK Boulevard.
- Utilized a new Community Benefits framework on two Lane County projects to prioritize local labor, minority and women owned businesses, energy efficiency, living wages and family health benefits, and apprenticeship programs on county capital projects.

In addition to advancing community solutions over the past year, we have remained committed to supporting our dedicated and talented workforce. Despite significant reductions in revenue, increased expenses for response efforts and unique remote work challenges, we have upheld our commitment to support our employees, including no layoffs as a result of short-term budget shortfalls. This commitment sends an important message – our community needs you and we are going to do everything we can to keep you here providing critical services. Additionally, Lane County continues to be recognized statewide and nationally for its investments in health, wellness and flexible leave options to support our workforce during these challenging and uncertain times. This year, the Portland Business Journal ranked Lane County the second healthiest large employer in Oregon.

Not surprisingly, in our 2021 employee satisfaction survey, over 85 percent of employees say they are satisfied with their job and would recommend working for Lane County to someone who asks. This is a 10 percent increase since 2015. Additionally, our employee turnover rate has steadily declined over the past several years and is now below 10 percent – the lowest in over a decade and lower than the average for state and local governments nationally. Our ability to recruit and retain talent is at its zenith. Lane County is truly an employer of choice.

Our commitment to serving the community and supporting our workforce during a time of great need has paid dividends, but has also stressed our budget. Several funds have had to deplete reserves to continue operating at the same or higher levels. Reserves exist to keep us going during times of crisis, so this has been a responsible use of our savings, but as we plan for recovery we must work to replenish those reserves and return to a position of strong financial stability. The recently approved American Rescue Plan will provide critical funding to replace lost revenue and cover increased expenses over the past year. State and federal funds that we receive as one-time resources must be used to fund one-time expenses and stabilize our financial position, not to incur additional ongoing expenses that would exacerbate long-term financial instability.

Just as we were prepared to respond to the local public health emergency created by COVID-19 and the catastrophic destruction to homes, businesses and communities created by the Holiday Farm Fire, Lane County is embarking on investments to support local economic recovery and the needs of vulnerable residents in the aftermath of these crises.

For the fifth year in a row, the Fiscal Year 2021-22 (FY 21-22) Proposed Budget is structurally balanced in its primary operating funds, including the historically distressed General Fund and Road Fund, without the use of reserves and includes neither layoffs nor reductions in services. Due to heavy service demands and constrained ongoing resources, the FY 21-22 Proposed Budget represents one of the most financially stretched budgets we have proposed in recent years.

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Evidence-Based Investments in Behavioral Health and Public Safety

Over the past several years, Lane County has increasingly provided services to clients who fall at the intersection between behavioral health, public safety and criminal justice systems, and who are often unhoused. This population is complex and represents frequent users of high levels of care, utilizing high cost institutional beds, such as emergency departments, Oregon State Hospital and the County jail. Despite the increasingly critical role of behavioral health services in the public safety system, Lane County has historically relied on grant funds and client fees to support the costs of the behavioral health treatment system. Since the services being utilized by these complex clients are not eligible for billing and Lane County has not allocated General Funds to subsidize the cost of these services, there has been a significant gap in proactively serving this population . . . until now.

The FY 21-22 Proposed Budget includes four new behavioral health positions, including two senior mental health specialists to serve as trial visit monitors, a mental health specialist to serve as an access coordinator and a legal counsel to assist with trial support and proactive case management. These positions will provide initial same-day screening and assessment; same-day connections to services for those who don't meet criteria for enrollment in behavioral health services; timely assignment to teams for follow up care oversight and care coordination to avoid overutilization of the emergency departments and the County jail; civil commitment consultations with lead investigators to determine a need for a potential revocation; and collaboration with the courts to inform of progress and the need for higher level of care.

“People who are able to maintain employment, housing and community ties are less likely to reoffend.”

Best practices indicate that people who are able to maintain employment, housing and community ties are less likely to reoffend. The Electronic Surveillance Program (ESP) in the Sheriff's Office provides individuals the opportunity to be productive members of the community while maneuvering through the court

system. The FY 21-22 Proposed Budget establishes the ESP as a stand-alone program in the Sheriff's Office. In collaboration with Pre-Trial services, the ESP ensures compliance with release conditions and reduces the use of jail beds by providing monitoring services of pre-trial defendants. The ESP can also be used for some sentenced offenders serving their sentence locally who are unable to participate in other alternative programs, such as community service or the Sheriff's Work Crew.

The ESP monitors approximately 80 individuals a day. This equates to over 440 unique Pre-Trial defendants and sentenced offenders monitored by ESP annually over the past two years. The FY 21-22 Proposed Budget seeks to nearly double that capacity, estimating that the ESP will grow to approximately 150 individuals being monitored each day with a goal to grow the program as technology expands. ESP is vital in assisting with the management of jail beds.

Enhancing Funding and Coordination of Shelter and Housing Services

Over the past several years, we have invested in a \$2 million Housing Improvement Program (HIP), a \$1 million investment in a behavioral crisis center, additional funding for shelter services, and several new Permanent Supportive Housing projects.

The FY 21-22 Proposed Budget continues to fund our commitment to operate a new shelter and navigation center, as well as additional housing and shelter enhancements such as rapid resolution, rehousing and 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 permanent housing. The funding for operating the shelter and navigation center follows Lane County's purchase and renovation of the former VA clinic in 2020.

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Homelessness is a community crisis and Lane County cannot solve this crisis alone. Therefore, resolving the shelter and housing challenges we face will require our entire community in finding and supporting solutions.

Improving Equity, Access and Inclusion

As a nation, equity efforts are expanding as many organizations and government agencies work to do their part to achieve racial equity. Lane County has been ahead of the curve by adopting important policies, establishing a racial equity action plan, implementing an equity lens and engaging with the community about the root causes of inequities in our community. Over the past several years, Lane County has made significant strides in enhancing our commitment to equity, however, we find ourselves limited in the breadth and depth of work on crucial elements needed to move us forward as an organization and community.

Therefore, the FY 21-22 Proposed Budget includes the creation of one equity manager position, as recommended by a task force of Lane County's Equity and Access Advisory Board. This position will be responsible for strategic leadership of a centralized equity program in Lane County, including enhanced communication, focus and clarity in Lane County's racial equity work; implementation of the County's equity lens across the organization; serving as a thought leader and partner with County leadership; and delivering and measuring results of investments in improving equity. The FY 21-22 Proposed Budget also provides support for additional equity training for all County employees.

Using Data to Drive Decisions at all Levels

Lane County continues to expand its use of data to inform decisions, measure results and solve challenges. The COVID-19 pandemic and Holiday Farm Fire have catalyzed the need to consume relevant, real-time data to respond to community needs. While some departments have staff that analyze and generate reports, there is no central coordination and leadership of data analytics across the organization. This lack of centralized leadership, training and capacity building limits our ability to ensure employees at every level of the organization have the data they need to make the best decisions possible and achieve optimal performance.

Therefore, the FY 21-22 Proposed Budget establishes an Office of Data and Analytics to ensure that Lane County employees at all levels of the organization have access to trusted and actionable insights, in the moment and place needed, to make data driven decisions. The two positions within the Office of Data and Analytics will partner with leadership and staff across the organization to provide data leadership, development, literacy, ethics, equity, technology and innovation. We want to arm every employee with the best information, allowing the best decision making possible.

Each day, every employee in Lane County makes decisions. Those decisions create an opportunity for every employee to be a leader. The author Simon Sinek wrote, "When we tell people to do their jobs, we get workers. When we trust people to get the job done, we get leaders." As we continue to invest in a workforce culture of leadership, innovation and excellence, we propose a new partnership with the Center for Public Impact, called "Failing Forward." Lane County will be one of five counties nationally to participate in a year-long program beginning this summer, to build and implement action plans with the goal of creating an organizational culture that promotes innovation, responsible risk taking and experimentation, and learning from failure.

Pursuant to ORS 294.391, this document represents the FY 21-22 budget message and transmittal of the proposed budget. The proposed FY 21-22 budget for all funds totals \$767,757,739 which is a \$120,523,641 or 13.6 percent decrease from the current fiscal year. The proposed General Fund budget is \$125,051,111 which is a \$3,472,810 or 2.7 percent decrease from current fiscal year. We anticipate

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receiving 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 19-20 for the seventeenth 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.

Services

Assessment and Taxation (A&T) continues to face workload challenges due to low staffing levels relative to other assessment offices around the state. In addition, the Holiday Farm Fire and COVID-19 pandemic have and will continue to increase workload for the department. For property owners impacted by the Holiday Farm Fire, there is currently proposed legislation with the Oregon Legislature that may result in property tax refunds to those property owners affected by the Fire.

COVID-19 has prompted many questions regarding property tax revenue for the FY 21-22 and beyond. The Assessor is currently analyzing sales data to determine if any COVID related property tax value adjustments will be needed and a significant increase in appeals is anticipated for the January 2021 assessment date.

The current Assessor, Mike Cowles, has announced his retirement at the end of his current term in early 2023. To help with the transition that will occur, a two year Deputy Assessor position was added in the current FY 20-21 budget year and the position was filled effective April 5, 2021.

The FY 21-22 Proposed Budget includes the addition of the Assessment & Taxation Mobile Assessor software which will create a digital property record card that allows the field appraiser to make real time changes to property records, eliminating the data entry process upon return to the office. The software will streamline processes and create efficiencies by eliminating duplication.

County Administration, which consists of County Management, Operations and Parole & Probation (P&P) provided oversight, guidance and direct service support to support the organization and community during the COVID-19 pandemic and Sweet Creek and Holiday Farm Fires.

These efforts have included providing critical support through public information, allocating and authorizing millions in CARES Act funding to both internal departments and external businesses, implementing a community emergency response plan for COVID-19, establishing an Emergency Operations Center for coordinating resources and services to community members affected by the Holiday Farm Fire, purchasing a local hotel property to house fire survivors, and developing and implementing policies to support the County's workforce during these unprecedented times.

Financial Services provided financial guidance and reimbursement submissions for the CARES Act revenue received through the State of Oregon and the Finance Manager served as the Finance Chief in the Holiday Day Farm Fire Emergency Operations Center. Facilities provided high touch cleaning, sanitizer, gloves and masks to County Departments in response to the COVID-19 pandemic.

Over the past year, the Department successfully implemented the 2021-2022 Racial Equity Action Plan and Equity Lens Tool, managed the FY 20-21 Budget and maintained financial stability with no service reductions or layoffs and continued to remotely hold all required public meetings and provide for the

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ability for community members to give public comment to the Board of Commissioners and the County's subcommittees. Capital Improvements, along with Procurement, developed a Community Benefits agreement for Capital Project bidding and will continue to work to develop agreements to ensure implementation and success of minority and women set-aside subcontracts and climate-related goals on Community Benefits Bidding (CBB) projects.

Workload within County Clerk increased due to the November 2020 General Election and an increase in recorded documents within Deeds & Records due to a strong real estate market and low interest rates resulting in a refinancing of mortgages. As a result of this increased workload, 2.0 FTE were added to the County Clerk's office in the current year.

In response to the Holiday Farm Fire, Community and Economic Development added 1.0 FTE dedicated to supporting the long-term recovery effort from the Holiday Farm Fire.

Property Tax Foreclosure and Property Management programs are moving from Public Works to County Administration in FY 21-22 as part of Facilities within Operations. This will allow for better collaboration and coordination with maintenance of the County's building assets.

The FY 21-22 Budget includes the addition of 1.0 FTE Equity Manager which will be dedicated to equity work and be responsible for coordinating the implementation of the Equity Lens in our departments. The Law Library is also adding .50 FTE to provide more administrative assistance to library patrons. An addition of 3.0 FTE in Facilities will also assist with the continuing efforts to increase custodial and maintenance service for the County's existing capital assets as well as support additional buildings to be added over the next two fiscal years for Parole & Probation and Development Disabilities.

Parole & Probation will be losing 1.0 Corrections Technician due to the ending of an Adult Treatment Court Enhancement Project Grant on June 30, 2020. In addition, the Division awaits final State allocation of funding for 21-23 biennium to finalize its FY 21-22 budget. The Proposed Budget for Parole & Probation is currently not structurally balanced as reserves are being used to balance expenditures with resources.

An overall focus for FY 21-22 will involve the implementation of the American Rescue Plan funding both internally and externally to the county, region and state while also working to support and catalyze an equitable economic recovery by taking action in alignment with the Oregon Governor's 10-point economic recovery plan.

County Counsel focuses on providing proactive advice to Departments to assist with needs before issues arise. Over the last year, staff transitions to remote work and maintained service levels.

The Department successfully implemented electronic bid document and bidding for Public Works construction, strategized and implemented notification and recording requirements for property on Local Access Roads throughout the County.

County Counsel also successfully provided legal support throughout the County's collective bargaining processes with AFSCME and AFSCME Nurses units in FY 20-21 as well started processes with both the Prosecuting Attorneys and Probation Officers on contracts currently ending June 30, 2020.

The addition of 1.0 FTE in FY 21-22 will provide staffing for additional duties related to Civil Commitments, previously handled by the District Attorney's Office. The addition of the Assistant County Counsel 2 position will cover the additional workload and provide support to Lane County Behavioral Health Services in general.

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The ***Lane County Office of Data & Analytics*** is being created as part of the FY 21-22 budget to ensure that Lane County has access to the best data and actionable insights available to make data driven decisions.

The Office will be housed within Technology Services with oversight from the County Administrator. A focus on recruiting the initial 2.0 FTE and identifying the needs and training/certification needed will be the first priority, followed by working to form leadership roles, relationships, partnerships and processes to align goals and work throughout the County.

District Attorney's Office Criminal Prosecution Division reviewed over 6,500 referrals from law enforcement agencies in FY 20-21. While the COVID-19 pandemic significantly hampered the DUII investigator, assistance with 20 vehicular accidents and serving of two warrants for Manslaughter was accomplished.

The Lane County Circuit Court has yet to return to pre-pandemic operations and there are currently 2,000 pending criminal cases from 2020 alone, with more from 2019. It is unknown how caseloads will be affected in the future.

The impact of Measure 110, passed in November 2020 by Oregon voters, reclassifying possession and penalties for specified drugs, including heroin, methamphetamine, LSD and oxycodone, as well as others, has yet to be felt. Although this will result in a reduction of cases related to possession of these drugs, it is anticipated that property and possibly person crimes will increase as a means to support addiction. More importantly, the measure takes funding away from court diversion programs, and provides screening and referrals, not treatment.

Mental health issues, particularly related to civil commitments, have taken a dramatic increase in attorney and staff time. This workload is being moved to County Counsel as noted above.

The Family Law Division achieved more than \$21 million in weighted child support collections for Lane County children and families and handled more than 3,900 child support cases. This occurred while handling a high volume caseload while adjusting to new workplace restrictions, limited court hearing capacity for a number of months, and remote court hearings.

Death Investigations was hugely impacted by COVID-19. The division was impacted financially due to the increase of supplies required as well as cost. For suspected COVID deaths outside of the hospital, jurisdiction was assumed in order to perform a postmortem COVID swab. In turn that increased the number of deaths under County jurisdiction, requiring a more lengthy investigation process. The impact of investigating additional deaths created a backlog of work, and many more hours worked than the expected 40 hour week by investigators.

One of the County's full-time medical-legal death investigators became nationally board certified, and a part-time morgue attendant was hired to fill a vacant position.

Victim Services Program provided services to 1,440 petitioners seeking Protective orders, and provided 12,829 other services to 2,649 crime victims in Lane County.

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.

FY 20-21 has been a year of significant impacts and workload for Emergency Management. The Emergency Manager and her staff have supported the COVID-19 response efforts in coordination with

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Public Health and activated an Emergency Operations Center in response to the Holiday Farm Fire for a period of 36 days, utilizing 209 staff and working with 88 partner agencies.

As a result of the Holiday Farm Fire impacts, 1.0 FTE was added as a Long Term Recovery Manager in the current budget year, along with a part-time Community Service Worker to support the impacted community.

To support the County's emergency management efforts over the next year, there is an addition of funding for Hazard Mitigation Consultant in the Proposed Budget in order to allow for the hiring of a consultant to spearhead grants and projects specific to the Holiday Farm Wildfire Recovery.

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.

The Department's focus includes promoting equity and decreasing disparities, integrated support for those at the intersection of behavioral health, homelessness, and public safety, strengthening a supportive infrastructure and focusing on our people.

As the lead agency for the COVID-19 pandemic, H&HS has spent the entirety of FY 20-21 managing the public health response and related community support. H&HS received more than \$45M in the first half of the year through CARES Act Funding, with substantial additional funds expected through the American Rescue Plan in the latter part of FY 20-21. Within the Administration Division the Department is adding 1.0 FTE supervisor to lead the Contracts Team and improve planning and oversight in grant and contract compliance.

Behavioral Health Services (BHS) awarded \$2.5M IMPACTS grant to fund two years of Forensic Intensive Treatment Team work, identified funding gaps for state-mandated Forensic services creating opportunity for meaningful discussion with state and local funders, and wrapped up construction to move Medically Assisted Treatment Services which increases overall capacity and improves the quality of services.

The BHS Division also recently integrated the former LaneCare Division and consolidated leadership and program management. This followed implementation of a new Coordinated Care Organization structure in the Lane County region that significantly impacted LaneCare's revenue and financial sustainability. The focus is on capturing operational efficiencies and improving the Behavioral system of care and coordination.

In FY 21-22, BHS is adding a Trial Visit Monitor program, including 2.0 FTE Senior Mental Health Specialists to serve as Trial Visit Monitors and 1.0 FTE Mental Health Specialist to serve as an Access Coordinator. Together, these positions will provide system navigation, oversight and care coordination to individuals at the intersection of the behavioral health and criminal justice systems.

The Clinical Financial Services (CFS) Division Health providers are properly educated, licensed, and certified, medical claims are accurately processed and collected timely, and budget preparation, financial projections, and compliance monitoring are prepared in accordance with appropriate standards

The rapid implementation of telehealth regulations and billing requirements in response to the COVID-19 pandemic added a layer of complexity to revenue cycle tasks and resulted in increased review and manual intervention of charges prior to submission to insurance payers. Increased volume credentialing responsibilities for volunteers used in the Lane County Public Health Mass Vaccination clinics impacted limited resources to perform this work.

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CFS is adding a 1.0 FTE Accounting Clerk, Sr. in FY 21-22 to address the increased billing needs of the Behavioral Health division and planned expansion of the Medication Assisted Treatment services

The Community Health Centers (CHC) provides primary health care services to children, adolescents, and adults in six Eugene/Springfield locations.

CHC operations were significantly impacted by COVID-19 throughout FY 20-21. The Division quickly modified workflows and workspaces to meet required COVID-19 protocols which included working with Technology Services to enable a large number of CHC staff to work off-site. New clinical protocols were implemented regarding the use of Personal Protective Equipment (PPE) and infection control and patient scheduling was modified to limit the risk of transmission while continuing to meet patients' acute needs.

In spite of the challenges, CHC provided 66,619 services to 23,560 patients in 2020, which was a 27% decrease in patients served and a 22% decrease in encounters. The most significant impact was on school based dental prevention program which was unable to provide services from March 2020 through the end of the 20-21 school year. The dental program saw 57% fewer patients and provided 70% fewer encounters. The medical program was able to contain the impact to only a 9% reduction in the number of patients served and an 11% reduction in service volume.

The CHC is budgeting for an expected rebound during FY 21-22 and re-establishing medical services to pre-COVID levels. It is expected that preventive dental services will again be able to provide school-based services starting in late fall.

An addition of 2.0 FTEs to the FY 21-22 budget will expand clinical services and will be funded by additional service revenue. The timeline for activities and expenses related to opening a new clinic site in Cottage Grove remain unknown and is subject to community fund-raising for the capital costs associated with renovation and pre-operational start-up costs. An opening in spring 2022 is anticipated.

Development Disabilities Services (DDS) served over 2,800 individuals in Lane County with intellectual and developmental disabilities, reviewed and recommended approval of 158 emergency plans developed by Adult and Child Foster Providers in response to the pandemic, and collaborated with Public Health and local Brokerages to hold multiple vaccination clinics for individuals with intellectual and developmental disabilities and their caregivers.

It is anticipated that in FY 21-22, there will be increased expenses due to growth in services and moving into a new building currently under construction. DDS continues to experience increased demands for services, and there will be continued challenges to recruit, train, and retain a sufficient workforce to accommodate the growth and provide efficient and quality case management.

In addition, the state is implementing a new rate model for providers of services and has announced several anticipated start dates. The current plan is for the changes to occur sometime in FY 21-22. While DDS funding will not be impacted, there will be a temporary increase in workload as a result of the transition to the new system.

Over FY 20-21, the Human Services Division increased the availability of Permanent Supportive Housing through the completion of a Housing First, 51-unit complex; the MLK Commons. They also collaborated with Homes for Good on planning of services for three additional Permanent Supportive Housing Projects totaling 97 units to be opened in FY 22-24, expanded Coordinated Entry and Outreach services for unhoused individuals by adding a Coordinator, four temporary humanitarian outreach FTE and countywide contracted services, began Rapid Resolution services diverting or rapidly exiting individuals from the shelter system, redesigned Rapid Rehousing services for homeless for implementation in FY 21-22, and placed 120 Pallet Shelters at micro sites and rest stops throughout

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Veterans Services continues to lead the state in total amount of federal VA benefits received with over \$163.8 million received by Lane County Veterans and their survivors.

HSD was instrumental in the response to the COVID-19 pandemic and the Holiday Farm Fire. The influx of funding toward ameliorating the economic impact of COVID-19 increased the FY 20-21 HSD budget by 180%. HSD dedicated 1.0 FTE to work directly with households impacted by the Holiday Farm Fire, assisting in securing housing and services. Additionally, Veteran Services staff reached out to each client in the Holiday Farm fire affected areas to make sure they were aware of the veteran-specific resources for which they could qualify.

In responding to these funds, existing staff time was moved or split to give focus to these new programs; additionally HSD added 2.0 FTE Employment Specialist positions, 8 Temp homeless outreach workers, 2.0 FTE Program Services Coordinators, 1.0 Analyst, 1.0 Office Assistant, 0.50 Temp Administrative Assistant, and two Extra Help Rent Assistant Workers.

Sustainable funding for homeless and permanent housing services for future fiscal years is needed to replace one-time COVID-19 funding. Planning is occurring in partnership with cities in Lane County to investigate ongoing funding and legislative advocacy at the State and Federal level is needed to provide revenue to continue to support existing efforts and expansion of efforts to prevent homelessness and reduce the homeless population in Lane County.

In addition, construction resources are needed to convert the 100 River Avenue Building, purchased as a recovery center during the COVID-19 pandemic, into a Navigation Center and Shelter for homeless singles once the pandemic has ended.

Over the last year, the emergency response to the COVID-19 pandemic has reshaped the Public Health Division (PH). Supervisors have taken on additional responsibilities in Emergency Operations and Logistics and many staff have been reassigned in full or in part to the response. Three new positions in Communicable Disease (nursing supervisor and two nurses) provide consistent, ongoing support and expanded capacity for surveillance and response.

Community needs unrelated to COVID-19 remain or have become more acute. Women, Infants & Children staff work remotely to support nutrition and breast feeding while the WIC classroom now houses contact tracers and WIC staff offices and cubicles have been converted to the COVID-19 Call Center. Home visiting staff now provide virtual support to pregnant women and families while nurses alternate shifts in the Call Center and supporting people in isolation and quarantine. Environmental Health staff assist restaurant owners navigating evolving COVID-19 guidelines and also provide guidance to shelter operators, day care providers, and schools to reduce the risk of viral transmission.

PH's primary goal now is to save lives by containing the spread of the COVID-19 virus and hopes to make vaccination available locally to all Lane County residents before summer begins. PH continues to partner with community-based organizations to ensure equitable vaccine access for groups that have experienced disproportionate morbidity and mortality during the pandemic. At the same time, there is also vaccine hesitancy expected within Lane County, which has one of the highest rates of vaccine refusal in the country.

In general, federal funding and reimbursement are expected to cover the majority of expenses associated with the COVID-19 response and Public Health has also received a grant from the Kresge Foundation to address equity in the response effort. The federal allocation for Lane County's WIC program is not

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keeping pace with increases in local administrative costs and the future of the statewide Family Connects nurse home visiting program is uncertain, as it was not included in Governor Brown's budget.

The Division of Quality & Compliance (Q&C) collaborated with the Public Health division and the COVID-19 Emergency Operations Center to create 36 Tableau dashboards that provide staff and the community with daily updates around all aspects of the COVID-19 pandemic. These dashboards were viewed over 900,000 times as of February 2021. In the provision of end user support for the electronic health record, led 359 training sessions instructing 187 staff and responded and resolved 4339 ticket requests in calendar year 2020.

Q&C shifted work of several staff to support the COVID-19 Emergency Operations Center which slowed progress on some projects and goals but overall had minimal impact on the operations of the Division.

Youth Services (YS) implemented various responses to COVID-19, dependent by service. Restorative Services transitioned all programs to video conferencing platforms, Supervision (probation) adjusted practices to meet increased youth and family needs and decreased family, court and community resources, the Phoenix Program was initially closed and reopened in April 2020, with reduced capacity. Capacity increased to 8 youth in July 2020. COVID testing is required for youth upon admission, which allows youth to reside as a cohort/family. The Phoenix graduation rate has remained constant despite the impacts of COVID-19. The MLK Ed Center initially implemented distance learning and has recently transitioned to in-person learning. MLK community service and vocational program staff were able to meet all service contract requirements despite COVID restrictions. And finally, isolation and quarantine spaces and protocols were established in Detention. COVID testing was made available to youth at intake and nursing staff worked with Detention staff to ensure the proper response to all youth who were identified as COVID positive or presumptive. Two remote access spaces were established for youth to accommodate court, appointments and visitation (provider, assessment, family visitation, etc.).

In FY 20-21 budget adoption process, a Professional/Technical Supervisor position was mistakenly deleted and was re-added to the budget in a recent supplemental budget. In FY 21-22, a 1.0 FTE Program Manager position to support the Division Manager and provide better division oversight, administration, leadership and staff support, transparency, and quality improvement is being added to the Budget.

Ballot Measure 110 passed by Oregon voters in November 2020, could have meaningful and significant impacts on the way youth who possess a controlled substance. It is anticipated that both the minor in possession and drug court programs will be impacted, but the details of those impacts are currently unknown.

The Division continues to focus on identifying existing racial and ethnic disparities in order to examine how to best reduce such disparities in our system.

Human Resources (HR) is dedicated to creating a workplace where all employees thrive. Talent Management, Labor Relations and Workforce Wellness Solutions provide exceptional service by focusing on solutions through collaborative relationships that promote equity, respect, integrity and innovation.

The Department has lead the organization in addressing workforce impacts due to COVID-19 related issues which includes monitoring state and federal laws and regulations. Creation of a Temporary COVID-19 Administrative Procedure, completion of phases 1-3 Pay Equity project, and leading a countywide COVID-19 Workforce Transition team are among the accomplishments of FY 20-21.

The Department also successfully streamlined hiring processes for COVID-19 EOC emergency hires, adjusted New Employee Orientation, full on-line availability, adjusted training opportunities to full online availability, created and rapidly deployed OR-OSHA required training, and implemented and managed

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navigation of Families First Coronavirus Response Act leaves – Emergency Paid Sick Leave Act and Emergency Family and Medical Leave Expansion Act which resulted in approximately 400 leaves.

In the coming year, a critical aspect will be a focus on supporting the County's workforce as it transitions through the current phase of COVID-19 and beyond. This will include ways to support the mental, physical and financial well-being of employees as they adjust to the experiences of the last year.

The FY 21-22 Proposed Budget includes funds to hire a consultant to provide Equity 101 training for all County employees over the next year.

Public Works' mission is to maintain, protect, and enhance the livability and sustainability of Lane County's natural and built environments.

The Administration Division of Public Works broadened the PW Diversity program to focus on Inclusion, Diversity, Equity, and Access (IDEA) Team, published the PW Employee Manual as a tool to support our employees, and maintained internal support service levels under COVID-19 guidelines.

Over the past year, Engineering & Construction Services (ECS) developed an Environmental Services team to address National Pollution Discharge Elimination Systems, Total Maximum Daily Load and Underground Injection Control permit compliance and reporting responsibilities. Roadway safety measures were also implemented such as, rumble strips and pavement safety edges, in the rural pavement preservation projects.

Eight capital projects, totaling \$10 million, are scheduled for construction summer of 2021. In addition, The division will be preparing construction drawings for \$7.5 million to be bid in 2022. This level of work will continue over the next 5 years due to a focus on the Territorial Highway improvements and Pre- and Post-hazard Mitigation improvements. Other large projects will include Kitson Springs Road Slide Repair, River Road Overlay, and Marcola Road Hayden Bridge Seismic Upgrades.

Within the General Services Division, Animal Services conducted site visits to over 313 property sites for animal evacuation, transport and providing food & water to animals sheltering in place during the Holiday Farm Fire. In conjunction with Lane Events Center, agency partners and volunteers, the Division also successfully sheltered over 576 livestock animals while over 100 domestic animals were sheltered with Greenhill Humane Society.

Fleet Services continued to support customers throughout the COVID-19 pandemic. A comprehensive Electric Vehicle (EV) Policy is in development and Fleet has recognized the need for an ample charging infrastructure to support the future EV fleet and successfully contracted with a vendor for our charging solution. Upgrades at several locations will almost double capacity and future plans include continuing to add additional capacity to other County owned facilities throughout the metro area.

Fleet Services also conducted its annual surplus equipment and vehicle auction with sale proceeds from all combined agencies exceeding \$480,000. In addition, five pieces of heavy equipment and two light duty vehicles replacements were purchased and twenty five Sheriff's Office vehicles have been purchased, and one special operations vehicle by way of grant, all replacements.

Focus areas for FY 21-22 will be on implementation of Fleet's new billing model and software, chosen by the Fleet Audit Finance Steering Committee, researching opportunities and feasibility for future of 1st Avenue Shelter which formally housed Lane County Animal Control, and continuing to look for opportunities to automate Animal Services dispatch system.

Budget Message

The Land Management Division operations (LMD) has been drastically impacted by COVID-19 and the Holiday Farm Fire. With the closure of the Customer Service Center providing one-on-one assistance to customers has become difficult and less efficient. Call and email volumes, which were already at an all-time high prior to the Holiday Fire Farm, have increased dramatically. LMD is currently operating beyond capacity to process land use decisions within state mandated timelines. Many staff are working more than 40 hours per week to manage increasing caseloads and provide timely customer responses, which is not always possible.

The addition of 3.0 FTE this year and labor costs for FY21-22 will significantly draw from reserves. This is an expected and necessary result of the increased demand for permitting services resulting from the Holiday Farm Fire.

Accomplishments over the past year include a redesigned and improved permit intake processes to respond to changing customer needs due to COVID-19 and the Holiday Farm Fire, transitioning two-thirds of staff to teleworking, developed virtual inspection protocols, implemented Quick-Start building permit review process, waived fees on all temporary emergency Recreational Vehicle permits in Holiday Farm Fire burn area and issued these permits with an average turnaround of one week, opened a satellite office in the town of Leaburg, collaborated with Economic Development Manager to secure funding for a “Permit Navigator” within LMD to assist Holiday Farm Fire survivors, and worked with Technology Services and Lane County’s Public Information Officer to create several new online tools to help residents understand the redevelopment process and better track their permits.

Lane Events Center has seen its events and activities restricted due to COVID-19 protocols and changing conditions in the State and County. The Lane Events Center and Lane County Fairgrounds were able to assist and respond to the public and community needs during a pandemic and natural disaster and provided space and resources for COVID-19 and Wildfire emergency responses. Current levels of Transient Room Tax (TRT) do not support ongoing maintenance costs. Future decreases or continued low amounts of TRT resources will impact projects and the ability to sustain and improve facility conditions. Due to the Coronavirus Pandemic, TRT levels may remain lower than average for some time.

Renovation of existing facilities and spaces will improve flexibility allowing for diversity usage and additional options in FY 21-22 and future work will continue on deferred maintenance work identified in the Facility Condition Assessment (2017), implementation of the Market Demand Analysis (2020) as well as a planned Fire System Upgrade in the Events Center.

Parks has experienced COVID-19 pandemic effects on their budget. With reductions in Picnic Reservations, Moorage and Recreational Vehicle Registration Fee revenue, overall revenue impacts in FY 20-21 for Park Operations and Camping Operations are projected to total \$350,000. The Holiday Farm Fire also significantly impacted Parks as Parks in the area were closed and there were damages to parks along the McKenzie Corridor including hazardous debris, and structural damage occurred at Old McKenzie Fish Hatchery, Eagle Rock, and Forest Glen.

In spite of the challenges, the Division successfully completed the construction of a new boat ramp and expansion of the parking area at Hendricks Bridge Wayside Park, expanded the off-leash dog area at Armitage Park to include a small dog park, completed a public survey to gather data from likely voters on the public perception and recognition of Lane County Parks and the willingness to support a future funding measure on the ballot, and developed an engineering design for the construction of 20 full-hook up RV camping sites at Armitage Park.

Maintenance and safety improvements to the Stewart Covered Bridge are planned for FY 21-22.

Budget Message

The Roads Division responded to the Holiday Farm Wildfire as a first responder; opening roads, moving supplies, setting up shelters, abating hazards, and fighting fire. In addition the Division worked with establishing communications and helping the community rebuild following the fire. This was all completed under the guidelines associated with the COVID-19 pandemic.

The Division plans to increase efforts and installation of Lane County directed Safety improvement plan as developed by the Fatal Crash Investigation Team and Systematic Engineering Implementation Teams. Lane County has the highest rate of road fatalities in Oregon. Our commitment and efforts to improve road safety and driver education will be a significant effort moving forward. The FY 21-22 budget contains \$12,000 funding to implement a Traffic Safety information campaign.

Future challenges include urban storm-water management as Lane County does not receive any dedicated resources to support this critical work, and a focus on Lane County's bridges and infrastructure which are aging and requiring additional work and costs to replace and improve many of our County's critical infrastructure needs.

The Waste Management Division completed construction remodel at the Florence Transfer Station and completed internal county Climate Action Plan and started the Climate Advisory Committee.

Over the past year, the Division transported over 55,000 tons (up from 50,000) of municipal solid waste from 15 transfer stations spread across Lane County and safely disposed over 202,000 tons of waste at the Short Mountain Landfill for fiscal year 2021 through February. An decrease of commercial waste tonnages at the landfill occurred due to the pandemic, although increased customer counts at transfer stations have placed a strain on operations at various times.

The Division plans to continue rural transfer station improvements to improve operational efficiencies and increase potential for greater waste diversion with priority being placed on organic materials, redesign the Cottage Grove and Veneta Transfer Stations for better traffic flow, continue to produce updated recycling education/outreach materials to keep up with changing guidelines and current focus and increase efforts around food waste prevention.

Public Works has a goal of achieving a 20% operational reserve for its operating funds. Where applicable, each fund met this goal prior to the COVID-19 pandemic. Parks, Lane Events Center and the Road Fund will all need to draw on reserves to replace lost revenue from Transient Room Tax, Car Rental Tax and Gas Tax as a result of the COVID-19 pandemic.

Sheriff's Office

The Sheriff communicated through a variety of methods to update community members on the service levels and ongoing resource limitations affecting police services. He personally contacted all voting households in the Mohawk Valley area to explain the need for additional revenue to provide a dedicated deputy to the area which was instrumental in securing a ballot measure for the May 2021 election to approve a tax for the district.

The Operations Support Division experienced unanticipated overtime and costs associated to the Holiday Farm Fire, including supporting the Emergency Operations Center by operating a call center and offering additional support to the teams working in the field.

Two of the Sheriff's Office owned radio towers are aging and require re-galvanization in order to maintain their long-term integrity at an estimated cost of \$30,000 per tower. The Lane County Sheriff's Office is in process of overhauling our conventional radio infrastructure, which has not been upgraded in 16 years. This overhaul was necessary to continue uninterrupted emergency communications in both

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urban and rural Lane County for Search and Rescue teams. Originally scheduled for 2023 at an estimated cost of \$765,000, moving the project up to 2021 reduced the cost to \$526,150, saving a total of \$238,850.

The Corrections Division partnered with Lane County Behavioral Health in the implementation of the Forensic Intensive Treatment Team which will provide a variety of services to include providing peer support, court liaisons, and mental health services. The program is designed to interface with individuals who have mental health disorders to determine where they will be better served outside the criminal justice system. The Division also enhanced the Electronic Surveillance Program (ESP) to provide increased monitoring services for out of custody Pre-trial defendants not physically lodged within the jail.

The Division worked with the courts, Lane County Public Health and public defenders to maintain critical services while protecting safety while working to reduce the spread of COVID-19. Corrections staff also established remote video “courtrooms” and set up audio/video systems within the jail to provide private and secure access to the courts, attorneys and relatives that limited exposure contacts and eliminated the need for transport to the courthouse or other locations. Population in the jail was reduced from 367 to 260 to ensure physical distancing.

The Residential Re-entry Center (RRC) continued to experience challenges with contracted agencies utilizing RRC beds. The lack of dedicated revenue from contracted agencies drastically impacted the budget in this program, especially when beds are vacant, and has made sustaining the RRC unattainable. The Sheriff’s Office will be eliminating the RRC program for FY 21-22. Additionally, ESP, which was part of the RRC budget, will become a stand-alone program. This program will require General Fund allocation in order to provide these services.

Within Police Services, four additional deputy sheriffs were funded by the Board of County Commissioners for a period of five years using reserves within the Road Fund and General Fund to improve patrol coverage in unincorporated Lane County. Two deputies were assigned in West Lane County and two in the McKenzie River Valley to aid in recovery efforts after the Holiday Farm Fire.

Lane County Search and Rescue (SAR) volunteers responded to over 141 calls for service in 2020 and participated in over 20,890 hours of training, meetings, SAR missions and public events (3,590 of those hours spent at COVID-19 vaccine clinics). The SAR 101 class was attended by 22 new volunteers who successfully completed the minimum Oregon State Sheriffs’ Association SAR standards course. SAR currently has 199 mission ready volunteers.

Within the Criminal Investigation Section, with four detectives and a sergeant, continued to investigate a high volume of sex crimes, serious assaults, homicides and child abuse cases for our service population of 109,000 people. In comparison, the City of Eugene has 34 FTE and the City of Springfield has 15 FTE assigned to these types of cases. Additionally, these detectives routinely assist the cities of Cottage Grove, Oakridge, Florence and Junction City with serious felony cases occurring in their jurisdictions. Lane County Detectives investigated five homicide cases, five Officer Involved Shootings and fourteen criminal shooting investigations where the victim(s) survived in 2020, in addition to their regular daily caseload.

Lane County is experiencing record numbers of traffic fatalities and currently hovers between second and fourth in the state in total deaths. Due to budget cuts in 2008 and 2012, the Lane County Sheriff’s Office has seen an 88 percent reduction in the number of citations issued for dangerous driving behavior. Enforcement is one of the three key components (Education, Enforcement, and Engineering) in reducing traffic fatalities and other significant injury crashes. At our current staffing level, Lane County Sheriff’s Office patrol deputies have very little, if any, time for proactive traffic enforcement due to handling emergency calls for service and other mandated patrol functions.

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Technology Services played a critical role in the County's response to the COVID-19 pandemic and support to the workforce during the transition of a portion of the workforce remote work in order to continue to meet the critical services provided to the community.

The Administration Division tracked and reported expenses related to COVID-19 and the Holiday Farm Fire and participated in Emergency Operations for both unprecedented situations. The division also provided COVID response and support (EOC staffing, EOC technology support, multiple EOC moves and transitions) which included contact Tracing Application development to support Health & Human Services in tracking COVID19 infections as well as mass vaccine event application development for use at the vaccine clinics to check in clients, gather key data and information and report on the effort.

Deployment of a new Virtual Private Network (VPN) solution for telework occurred and remote work setup for County employees using LogMeIn, NetMotion, and AnyConnect applications was implemented to support Lane County Staff during COVID-19 Pandemic.

The Customer Service & Support (CSS) Division has been greatly impacted due to the COVID-19 pandemic and the Holiday Farm Fire with a significant uptick in Help Desk calls and the complexity of the requests has increased due to home network connections, personal devices and general complications for transitioning to remote work so quickly. The CSS Technology Replacement team deployed hundreds of workstations in a very short timeline to support remote work and emergency operations for COVID and the wildfires.

Overall growth in the Lane County workforce has resulted in a decreased ability for the CSS Division to respond to customer technology needs, particularly in the area of desktop replacements. In the last 5 years, the County has added over 400 positions. This has been compounded by a significant percentage of County employees working remotely, which complicates troubleshooting. Remote solutions provide needed flexibility for telework, they also add complexity for troubleshooting technology issues and increase support needs. Requests for virtual meetings, webcams, and virtual private networks, just to name a few, have increased significantly in the last year, with no less demand for existing technology.

Impacts on the Cyber Security and Compliance Division resulted from increased staff time to assist continued operations over the past year and continued focus on Microsoft 365 tools to improve communication and collaboration while maintaining security to mitigate additional risks.

The division successfully expedited remote access availability to all, expedited Microsoft Teams deployment for internal collaboration, expedited hiring process with EOC to get people hired quickly and efficiently during the pandemic and vaccination clinics.

The Lane Radio Interoperability Group completed an upgrade of the Master Site and 3-County system to version 2020.1 following a delay of the upgrade in FY 19-20 due to COVID-19 travel restrictions. An agreement was reached with the vendor to bring the system to a current version this year as part of the ongoing System Upgrade Agreement between the Southwest 7 Consortium and Motorola signed in 2014. This will be the last system upgrade under that agreement.

The Holiday Farm Fire caused the total loss of the Mt. Hagen radio site, impacting communication from that site as well as connectivity to three other radio sites along Hwy. 126. Temporary connections to the other three impacted sites was restored in early November, and a full rebuild of the Mt. Hagen site is scheduled for completion by June. Access to those sites remains challenging due to rockslides along the forest service roads.

The Technology Infrastructure Services Division received COVID-19 pandemic funding to provide for support infrastructure needed to enable the remote and mobile workforce capabilities of Lane County and

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worked to increase the County’s internet bandwidth, deployed new virtual private networking (VPN) application AnyConnect for remote workforce and expedited M365 deployment of TEAMS collaboration application.

Technology Services will also provide daily management oversight and support for the new Lane County Office of Data & Analytics in FY 21-22.

Conclusion

For the fifth year in a row, the FY 21-22 Proposed Budget is structurally balanced in the historically distressed General Fund without the use of reserves and includes neither layoffs nor reductions in services. Several funds, including the Road Fund, have had to use reserves to maintain operations, but the passage of the American Rescue Plan offers a way to replenish those reserves and look forward to rebuilding as the economy recovers from the COVID-19 pandemic. The FY 21-22 Proposed Budget includes additional investment in behavioral health, public safety, equity and data analytics, as well as continued enhanced funding to open and operate a new shelter and navigation center, as well as renter and housing supports.

While one-time state and federal funding will assist in replacing reserves and stabilizing the short-term impacts of the pandemic and wildfire, extreme care must be taken to ensure that any new ongoing expenses are funded with stable on-going revenue.

“We are committed to building on our culture of resiliency to foster even greater leadership, innovation and excellence.”

Lane County’s historic scarcity of resources, paired with an abundance of talent, has created a resiliency that pervades in the culture of our organization. We are committed to building on our culture of resiliency to foster even greater leadership, innovation and excellence. Our common purpose remains: to improve lives in Lane County. When we are at our best, we exhibit a passion to serve, a drive to connect with others and a focus on solutions. Our community deserves no less.

The *strategic focus* and *financial discipline* that Lane County has exhibited over the past several years created a strong foundation that supported our response to two major community crises in the past year – the COVID-19 pandemic and the Holiday Farm Fire.

Every crisis contains two elements – 1) threats to be managed, and 2) opportunities to be seized. Lane County is seizing the opportunities to do the things that may otherwise not have been possible and in the process catapult our communities forward.



Steve Mokrohisky
County Administrator

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