CITY OF
West Linn

Memorandum

Date: **March 4, 2011**

To: **John Kovash, Mayor**
Members, West Linn City Council

From: **Chris Jordan, City Manager**

Subject: **Organizational Changes Anticipated in the Biennial Budget**

At the December 6, 2010 Citizens' Budget Committee meeting, staff presented the City's five-year financial forecast. As a component of that, staff focused the Committee on the fact that at least $1.2 million would need to be reduced from the 2011-2013 projections to achieve our policy levels for reserves for the upcoming biennium. This is complicated by the fact that this agency has no excess fat. As a matter of fact, on a per capita basis, the City of West Linn has a very small staff size compared with others in the region.

Over the past few months, staff has been working on various methods of achieving those savings, and I would like to provide an update at this time as a preview of what the Committee is likely to see in the budget when you receive it in April. More specifically, I would like to address potential staff changes.

Vacant Positions
Over the past two years, several positions have become vacant due to retirements, resignations, etc. We have purposely allowed some of these positions to remain vacant in anticipation of budget reductions. The four positions we expect to not fund in the budget are:

- Utility Worker in Water
- Library Supervisor for Adult Services
- Police Records Clerk
- Community Service Officer

The directors of these departments have re-engineered their operations to accommodate these reductions; however there is a net decrease in service levels to our citizens because of this.

Administrative Support Staff Reorganization/Reduction
With the continuing advancements in technology, we have concluded that we are in a position to make changes to how we organize our administrative support staff and reduce the number of individuals we have performing these functions. Two key technology changes are the

implementation of the Accella system for building permits, and transitioning to an electronic records management system which we will bring to the Council this spring.

At my direction, this past week, Human Resources Director Jeri Knudsen informed individuals in administrative support functions in City Hall and Public Works that we would need to reduce these positions from 6.1 FTE to 4.5 FTE by July 1, 2011. If this objective is not achieved through voluntary departures by the end of May, we may need to initiate a lay-off action.

We have also initiated an internal recruitment for a position that we anticipate will be filled by one of our current administrative assistants. The new position is Deputy City Recorder. This position will be in charge of customer support services on the second floor and will assist the City Recorder with record keeping. This individual will also act as the recorder when the City Recorder is not available. This position is one of the 4.5 FTE allotted for support positions mentioned above.

When these changes are fully implemented, the second floor of City Hall will have one administrative support position – the Deputy City Recorder. The first floor of City Hall will have 2.5 FTEs in this function – one for Building/Planning; one FTE in Engineering; and 0.5 FTE for Parks and Recreation, which will assume responsibility for managing the main City Hall phone line. Also, Public Works Operations on Norfolk Street will have one FTE for administrative support.

Reduction in Flex-time Opportunities

For as long as I've been City Manager in West Linn (and probably well before my time here), the City of West Linn has prided itself on being an employee-friendly work place. As part of this, we have liberally approved staff's requests for flexible schedules, including many who work nine hours per day for nine days every two weeks, with the tenth day off.

Unfortunately, given the need to make staff reductions, we are no longer able to grant many of these requests due to the need to provide full staff coverage on every work day. I recognize that this is very disappointing to some of our employees, but the business of the City is our first priority and this change is necessary to meet our business needs.

Summary

Although the biennial budget is far from complete at this time, we are beginning to bring the entire financial picture into focus for the next two year period. We have already begun to save money through our intergovernmental agreement with Milwaukie for shared financial management services. With the changes in technology that we have, and are accomplishing, I believe the proposed biennial budget will allow us to manage reductions in staff due to budget constraints without reducing service to our citizens below an acceptable level.

Unfortunately, to make this happen, these staff reductions will have a significant impact on some of our employees and on the overall morale of the staff. This is just one more challenge we will continue to face.

Please let me know if you have any questions.

c: Citizens Budget Committee