

PATTERNS OF CHANGE
Five Year Trends--Lane Council of Governments
George Kloeppe, Executive Director
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In anticipation of the annual Goal Setting Session of the L-COG Board of Directors in February, 1986, a review of the recent history of the organization is appropriate. This paper is intended to provide only a brief overview of the most significant changes which the organization has experienced during the period 1980-1985. For a more extensive description of specific elements, attention is directed to the published Annual Reports and Mid-Year Reports for this period.

For perspective, it is important to note that the broad changes which have affected the Lane Council of Governments during the first half of this decade are by no means unique to this community or to this organization. While L-COG has a longer history than most of the 500-plus similar entities across the nation, external events, such as national domestic policy changes and the national economy, have resulted in striking parallels between and among many councils of governments.

Beginning with that "macro" perspective, what is a COG? The National Association of Regional Councils (NARC) has offered the following definition:

A regional council is a public organization encompassing a multi-jurisdictional regional community and is founded, sustained and directly tied to local governments through local and/or state government laws, agreements or other actions. Through communication, planning, policymaking, coordination, advocacy and technical assistance, the regional council serves the local governments and citizens in the region by dealing with issues and needs which cross city, town, county and in some instances, state boundaries. Regional councils serve a region or substate district which consists of a group of neighboring local communities whose residents are joined as a unit economically, socially and geographically.

Regional councils are multi-jurisdictional and multi-purpose organizations with legal status, and are funded in part or in total by member local governments. The governing bodies of councils are primarily composed of local government elected officials and/or appointed representatives of local communities and state government. The majority of regional councils in the country provide comprehensive, areawide policy development and planning, coordinate regional functional planning and operational agencies, and arrange for implementation of regional policies.

Using this definition, L-COG might be considered a "classic regional council". While, like its counterparts elsewhere, L-COG has evolved its own unique approach and procedures, its Work Program reflects a mission which is very close to NARC's description of what a COG "should be". It is worth noting that this description DOES NOT include as a COG function, serving as a "pipeline to the federal financial trough". Such a role may have appropriately been listed for L-COG and other regional councils in the 1960's and 1970's, but its absence represents one of several significant changes of focus in the 1980's.

The L-COG Board of Directors has wrestled with the issues of purpose and "mission" for the agency and, in the winter of 1985, reaffirmed the following statement:

By direction of member agencies, L-COG identifies future trends and coordinates, promotes, plans and provides efficient intergovernmental and specialized services to local governments, other agencies and citizens.

Dissecting this "mission statement", several points become clear:

1. Member agencies are in charge
2. The beneficiaries include local governments, other agencies and citizens.
3. The focal point tends to be in the future.
4. The tasks include coordination, promotion, planning and direct service provision.
5. The "product" is typically either intergovernmental (involving multiple jurisdictions) or specialized (realizing economies of scale).

Finally, in consideration of these definitions and statements of purpose, it can be asserted that regional councils generally, and L-COG in particular, are in business to enhance governmental efficiency and effectiveness; and under relevant statutes, they can do virtually anything that local elected officials deem appropriate to achieve that objective. Ultimately, the constraints boil down to the limits of political will and creativity.

Have COG's changed in recent years? I frankly doubt that the fundamental purpose of most regional councils has shifted much. But, without question, the activities and financial base of L-COG and its sister organizations have undergone considerable change. And, I would assert that such shifts in focus

are not only good, but absolutely necessary, in light of the dynamic changes in the social, political and economic environment of local government.

The 40 year old Lane Council of Governments is by no means alone in its efforts to meet the demands of that changing environment. A recent doctoral dissertation at the University of Maryland revealed the shifting roles of 312 regional councils from across the nation during the period 1977 to 1982. Four of the findings from that survey are particularly interesting:

- . Those COG's that saw their own emphasis as being placed upon national goals declined from 27% to 4%.
- . Those that saw themselves as local entrepreneurs rose from 16% to 35%.
- . The regional service providers among the respondents increased from 7% to 14%.
- . Regional councils emphasizing state concerns remained essentially stable, moving only from 7% to 9%.

The four trends illustrated by these findings can each be applied to L-COG. We, as an organization, are far less involved in the ups and downs of federal domestic policy than we were a few years ago. As will be discussed more extensively later, the federal programs, which in the past prompted COG's to advocate for this national policy or that, have for the most part been eliminated. L-COG's "emphasis" is now much more upon the achievement of local goals and objectives. Similarly, L-COG has become more "entrepreneurial", initiating locally relevant projects "on the come", with the clear expectation of developing new and cost-effective ventures. Loan packaging, computerized mapping and local telephone systems are recent examples.

L-COG's gradual movement toward direct service in recent years also appears to be consistent with the national trend for regional councils. In our case, direct service has been treated both as an appropriate interim solution to an immediate problem, e.g. the assumption of operating responsibilities for the senior programs previously managed by the County, or as a long term venture, based upon standards of efficiency and effectiveness. Another noteworthy aspect of L-COG's "direct service" lies in its Research and Information Services Division. To an increasing extent in recent years, the public, as well as units of local government, is accessing the resources of the Division on a fee-for-service basis. This, too, is consistent with the national trend, as information is rightly treated as a valuable resource or "product".

Finally, the nationwide survey indicated but a modest increase in emphasis upon "state concerns". Such would also fairly characterize L-COG's situation. We have been active participants in the Oregon Regional Councils Association (ORCA), and the process of information sharing and consensus building has been useful. But the Association has not reached (nor perhaps will it reach) a point of effectively asserting a "COG position" in the state policy arena. ORCA's constituents may have common fundamental objectives, but there exists a wide diversity of operating style and political circumstance. In other words, to obtain a consensus--let alone a unanimous agreement--on a state policy question is more difficult by far in ORCA than it is in the L-COG Board. Consequently, L-COG has tended to speak out unilaterally on selected state concerns, and the advocacy voice has been used sparingly.

If the national trends for regional councils can be viewed as generally describing L-COG's recent history, what are the specific patterns of change here at home? The following outlines changes in four areas over the past five years:

- . Program Shifts
- . Adjustment of Purpose
- . Agency Image
- . Financial Changes

In each area, I would editorially submit that the changes have been positive. But, as in other areas of life, institutional change carries with it certain traumatic side effects; and those, too, should be understood and assessed in the context of this review.

PROGRAMS SHIFTS

Five years ago, the FY 1980-81 L-COG Work Program included a listing of ten programs. Some, such as Transportation and Aging, are familiar entries in the current Work Program, although the similarity weakens somewhat as one actually reads the program descriptions. Other items on the listing, such as Criminal Justice, Housing and Water Quality, have effectively disappeared five years later. Typically, the functions which are no longer a part of the Work Program were heavily supported by federal categorical grants, which for years were a mainstay of the COG budget. Of course, those grants have been eliminated

from the intergovernmental scene; and when the money was withdrawn, the local commitment likewise vanished. This aspect of the "New Federalism" provided an interesting--if somewhat painful--study of local priorities. For example, in the Water Quality field--an area of longstanding L-COG activity--there was little question that, when the EPA Section 208 funding was cut off, there would be no continued local effort. L-COG has maintained its annual certification in this field, as a hedge; but the community's priority is clearly not now directed toward enhancing the area's water quality. Without such a priority, there is no reason for the COG to attempt to continue a pointless enterprise. In the area of Criminal Justice, on the other hand, there remained a modest regional interest. For a few years after the Law Enforcement Assistance Administration planning program was cut, L-COG continued to have responsibility for Juvenile Justice grant program administration. Beyond that, a proposal for statewide 9-1-1 emergency communications capability was on the horizon, and the maintenance of staff expertise seemed prudent. As it turned out, this judgment proved appropriate, inasmuch as there has been an ongoing "demand" for planning and coordination services related to public safety and the justice system. The point is that, when there exists a local priority for a particular activity, the absence of federal grant funding has not prevented the conduct of needed projects. Perhaps the most significant and longstanding L-COG programs have not been supported by grant money at all. Efforts such as the nationally recognized Geographic Data System are clearly considered valuable at the local level and are supported appropriately.

The current Work Program for the agency includes over 80 "elements" or tasks in five major categories. Of course, many entries in the FY 1985-86 Program were unheard of five years ago. Perhaps the most significant new work elements relate to the Senior and Disabled Services Program through which L-COG not only administers the traditional Older Americans Act and Oregon Project Independence projects, but also provides case management for the Medicaid recipients in Lane County. At present, these efforts represent approximately one half of the entire agency's activities with a corresponding budgetary impact. But there are other new programs, as well. L-COG's support of three independent regional commissions under the Inergovernmental Service Center concept is noteworthy because of the financial savings which have been realized. The Economic Development Program and particularly the

Business Development Finance project are proving quite successful and, again, represent the fulfillment of a strong local priority. The Urban Transition Program is supported totally by local dollars and may well become a national showcase for improvement of public service delivery. It is being conducted because there is a local priority and because the anticipated benefits are substantial. Finally, Computerized Common Mapping should be mentioned. This project, while still developing, is also locally funded and promises to yield significant savings through the creative use of the available technology.

Indeed, over the past five years, there has been a substantial shift in the programmatic emphasis of the organization. In summary, we have:

1. Moved away from federal categorical grants as a major funding source;
2. Performed more work on a contractual or fee-for-service basis;
3. Geared the organization to quickly respond to local needs; and
4. Focused upon the objectives of efficiency and effectiveness of member governments in the design of annual Work Programs.

As simplistic as it may sound, L-COG does and should do those locally needed jobs which it can accomplish more economically and more effectively than any other agency or institution. By following this ethic over time, millions of dollars have been saved and the public better served.

ADJUSTMENT OF PURPOSE

As was noted earlier, the fundamental purpose of the agency has probably not changed greatly over the past five years. But, for some, there is now a new realization of the objective which was understood by just a few people as long ago as 1945. L-COG exists because issues cross jurisdictional lines; and if problems are to be solved, a capable entity which provides a voice for all parties is needed. The object, just as was true 40 years ago, is to help government to do its job better. Whether by bringing people together to jointly plan their future, coordinating the implementation of a new or improved public service or managing a program which is by its nature regional in scope, the council of governments is a tool available to local officials.

AGENCY IMAGE

Image is important to an organization which is based upon the confidence and good will of its constituents. My sense is that the image of L-COG differs greatly between individuals. Each member of the Board of Directors sees the agency through his or her own unique experience; and it is hard to guess what the general public's image of L-COG might be. Nevertheless, folding all of the different visions of the organization together, I believe there has been a shift in the last few years.

In general, I think that our image in the community reflects the reality of the agency's work. As L-COG has disentangled itself from many of the federal regulations and guidelines (and funding) of the past, its character has become somehow more legitimate. The "silver lining" of the dark cloud of New Federalism may in this case be a cleaner image for the COG. We are, to a much lesser extent than was the case a few years ago, considered a functionary of the federal government. Rather, L-COG is now more often seen as a service provider, a resource. This is not only good, but also valid.

There are, however, two image problems which may forever plague this kind of organization. First, L-COG is involved with so many different things that it is difficult to get two people to agree as to what we do. (My 81 year old father whose son has been a "COG Director" for almost 13 years still does not have a clue as to what I do for a living. It all sounds like gobbledygook...) This is perhaps not a problem, as long as the "stockholders", local officials, are clear about what they are getting from the COG. Frankly, it is toward that end that L-COG spends a fair amount of time and resource printing Newsletters and Annual Reports.

The second image problem has to do with the uninteresting nature of much of our work--and government's work--as viewed by the general public. When we deal with a plan that might have some real-world consequence ten years from now, or provide a service that has a personal impact on a small and/or ignored segment of the community, it is hard to get KEZI interested. Again, that is fair enough, as long as those whose assessment counts are looking beyond the topics on the 6:00 News. L-COG does not get a great deal of "press"; and in my view,

that is quite acceptable. But it is a circumstance which needs to be understood by our membership and, if necessary, changed.

FINANCIAL CHANGES

I suspect that at this point you, the reader, might well assume that this is the section of the report which will highlight the most dramatic change in L-COG's situation during the last five years. Has not the COG budget "soared" to over \$5 million, and the staff increased to over one hundred? The answer is yes. But, read on.

Describing a reasonably complex situation by making a few numerical comparisons is risky--both for the person doing the describing and the reader. So please understand that there should be qualifications attached to the following, and that only the most general of trends are under review. With that stated, let me present some of the related features of two budget years: FY 1980-81 (which had only two months to run when I became Director) and FY 1985-86.

The Financial Statements and Audit for the fiscal year ending June 30, 1981 reveal total agency revenue of \$2,389,766. Of that amount, \$217,853 was from Member Dues. The section of that year's budget which is now called "COG Services" totaled \$919,016, with the balance in the "Pass-Thru" category (notably Criminal Justice, Aging and Water Quality). The "COG Services" section included a Personnel (salaries and benefits) allocation of \$713,919.

What does the L-COG budget look like five years later? Total anticipated revenue for FY 1985-86 is \$5,076,237 with Member Dues totaling \$189,879. "COG Services", perhaps the most relevant comparative figure, is slated to utilize \$1,028,876 in the current fiscal year, with the balance of the funds allocated to "Senior and Disabled Services" (\$1,637,319) "Independent Commissions" (\$498,541) and "Pass-Thru" (\$1,911,501). The Personnel allocation within the "COG Services" section totals \$750,884 this year.

If one was to omit from the total budget the funding allocated to the Senior and Disabled Services Program (which was not an L-COG responsibility 5 years ago, and carries its own state and federal revenue sources) and, likewise, delete the Independent Commissions (which also were not within the L-COG organization in 1981), the agency budget in FY 1985-86 would total \$2.94 million--a half million more than 5 years ago. But, if one was to also delete from the current budget three of the relatively new and freestanding "Pass-Thru" accounts--9-1-1, LTD funding for elderly and handicapped transportation services and the purchase of computer mapping equipment through L-COG by Eugene, EWEB and Lane County--OUR PRESENT BUDGET WOULD BE \$461,879 LESS THAN IT WAS IN 1980-1981.

As noted, such comparisons can easily be carried too far. Yet, through all of the numbers, some patterns emerge:

1. As a revenue source, Dues provides fewer actual dollars and a significantly smaller percentage of the agency's support than five years ago.
2. The "COG Services" section of the budget is now slightly higher (about 12%) than it was five years ago, but the dollars available for personnel in this part of the agency are up only 5.2 percent (\$36,955)--which, after inflation, means a smaller staff to serve the needs of the membership.
3. While dues and federal grants in support of "COG Services" have decreased, fees-for-service and contract revenues have been brought up over the past five years.
4. The magnitude of the Senior and Disabled Services Program has a tendency to overshadow the remainder of the budget and to obscure the fact that the organization is "leaner" than it used to be.
5. L-COG's "Pass-Thru" role, while still substantial, has shifted from the process of administering federal grant-in-aid programs (such as Criminal Justice) at the local level to pooling and managing local funds for multi-jurisdictional projects.

The first five years of the decade of the 80's have been interesting ones for this organization. We have entered into brand new activities, and have adjusted to financial cut-backs in both the dues and grant categories. I think we are, as an agency, more efficient than in years past. But, more importantly, L-COG is now much more focused upon the needs of the local communities of which it is

comprised. The Lane Council of Governments earned a reputation in the decade of the 1970's as being very effective in obtaining and utilizing the federal grant-in-aid system. At the time, that approach served the member jurisdictions well. However, we now live in a substantially different political and economic environment. The alpha-numeric grant programs are, for the most part, gone; and the need to solve our own problems, with our own resources and ingenuity, is greater than ever before. It is my hope that our reputation in the 1980's will also be a positive one and that the course that we have followed is the right one for this place and time.

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