

Structure Committee - Executive Summary

This committee was formed with a clear bias toward organizational streamlining and cost reduction. In this quest the committee has examined what services the County is mandated by state law to provide. It has taken a written survey of employees that allowed anonymity, if the respondent preferred, with a more than 20% response, much greater than anticipated. It conducted interviews in all major departments with face to face discussions with over 60 department heads and staff. Lastly, it looked at how other organizations, both public and private, are organized for comparison. What was learned was materially different than what was expected.

The Committee found that the County, with just a few very minor exceptions, is providing no services that are not specifically mandated under the state charter. Cost cutting has had ongoing focus for a number of years and, if anything, has perhaps gone too far. The County has little or no bench strength in the administrative departments sustained by the General Fund and maintenance in all areas has been deferred to the extreme leaving the County vulnerable to costly surprises. Organizationally there are some opportunities for improvement but they will take time to implement and they will not be the magic cost saving bullet that saves the budget.

Experts on organization say that a Board of Directors (Commissioners) should be responsible to hire a chief executive, set policy and provide fiscal oversight. Coos County Commissioners have never hired a chief executive and consequently have themselves mired in the myriad details of running the day to day affairs of the County. There is little time left for policy development or fiscal oversight beyond statutory budget preparation and expenditure approvals. There is no time for long range planning, departmental progress reviews or even periodic performance analyses. This should be squarely addressed as soon as possible.

As the Committee points out in its Findings, Conclusions and Recommendations, the details of which can be found in those documents, some opportunities exist for a realignment of functions, sharing of employees, and perhaps consolidation of departments. The Committee would urge such opportunities be approached cautiously and with ample input from staff. Information Technology plays a very important role in supporting processes and interaction between departments. They must be involved in any reorganization effort. Do not expect immediate cost saving from such efforts.

The most important issue, however, and the one that first needs to be addressed by the BOC is whether it is ready to elevate its role to that of governance rather than management. Departmental staff universally recognizes the need for administrative leadership.

To be sure, there are areas where efficiencies can be realized, particularly in the public works areas. Constructing an IT function that provides easy interdepartmental interface will eventually yield cost savings and make the entire process of providing service to the citizens of Coos County run much more smoothly.

County staff has been very candid in the surveys and interviews and generous with their comments and suggestions for improvement. It has made the job of the Committee much easier and provided the basis for a much more meaningful product. As taxpaying citizens we also thank them for their dedication and hard work under some very challenging conditions.

The Committee concludes with four significant recommendations for consideration by the BOC:

1. The Committee strongly recommends the BOC create and fill the position of County Administrator at the earliest opportunity. The position would provide much needed coordination, guidance and support of county departments. It is anticipated the Administrator would form a leadership team of county managers to seek and implement ways to minimize or eliminate duplication of effort, examine opportunities to consolidate or realign certain departmental functions, reduction of waste, more effective management of County assets including forestry and plant and equipment, more appropriate delegation of authority and higher levels of fiscal and operational accountability throughout the year.
2. A complete review of the IT function is essential. A comprehensive policy concerning how the County develops and manages its IT function is essential. The Committee recognizes the budgetary constraints any sort of major IT overhaul might face. Nevertheless, it is likely that substantial intermediate and long term cost savings could be realized with a better IT plan.
3. A critical analysis of at least two of the major departments that receive funding from the General Fund is urgently needed. The two departments in question are Solid Waste and Parks. Both profess to be self-funded from internally generated fees but, to the extent actual revenues do not materialize as anticipated in the budget, could put the General Fund at considerable risk. Such an analysis must take into consideration capital demands, deferred maintenance and market or industry trends.
4. The BOC should leave no stone unturned in the search for increased revenues. To their credit the BOC, unlike some counties instituted cost cuts early and put the savings in reserves but those reserves are being consumed. The cost of government, largely in personal services and especially in the cost of health care and PERS, is rising at a much faster rate the County's ability to increase revenues even if the O & C issue did not exist. The loss of O & C funds turns a long term problem into a short term fiscal crisis. Nevertheless, this issue, including a "Plan B" in the event revenue efforts are not successful in a timely manner, must be addressed and quickly.