



TILLAMOOK COUNTY BOARD OF COMMISSIONERS

Mary Faith Bell - Doug Olson - Erin Skaar

BOARD MEETING

Wednesday, October 2, 2024, 9:00 AM

Join In Person:

County Courthouse, Board of Commissioners' Meeting Room 106, 201 Laurel Avenue, Tillamook

Join Virtually:

tillamookcounty.gov/bocc/page/meetings-agendas-minutes or 1-971-254-3149, ID: 866 914 607#

Additional viewing options are available at tctvonline.com. Closed captioning and translation options are available for recorded videos at www.youtube.com/@tillamookcounty1434.

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MEETING - 2024-10-02 BOCC MEETING AUDIO.MP4

CALL TO ORDER – Wednesday, October 2, 2024 9:00 a.m.

1. [Welcome & Request to Sign Guest List](#)
02:59

2. [Pledge of Allegiance](#)
03:04

3. [Public Comment](#)
03:22

[Environmental Health Services Fees](#)/Dwaine McClintock

4. [Non-Agenda Items](#): There were none.
08:38

CONSENT CALENDAR

5. [Consideration of a New Full On-Premises Sales Liquor License Application for Dew Restaurant; and a New Limited On-Premises Sales Liquor License Application for The Mook at Alderbrook](#)
08:42

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Board approved the consent calendar.

LEGISLATIVE - ADMINISTRATIVE

6. Consideration of the Adoption of a Strategic Plan for Tillamook County 2024-2028/Terry Moore, Senior Fellow; Mike Gleason, Senior Fellow, Center for Public Service, Portland State University
25:35

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Board adopted the strategic plan.

7. Consideration of a Resolution in the Matter of Proclaiming October 2024 as Domestic Violence Awareness Month in Tillamook County, Oregon/Valerie Bundy, Executive Director, Tides of Change
11:19

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Board signed #R24-014.

AGENDA ITEM TAKEN OUT OF ORDER

8. Consideration of an Eleventh Amendment to Oregon Health Authority 2023-2025 Intergovernmental Agreement #180028 for the Financing of Public Health Services/Marlene Putman, Administrator, Health and Human Services
1:01:55

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Chair signed the amendment.

9. Consideration of an Order in the Matter of Modifying Fees for Environmental Health Services at the Tillamook County Health and Human Services Department/Jaime Craig, Environmental Health Program Manager, Health and Human Services
01:06:59

The agenda item was rescheduled for consideration at the Board of Commissioners' October 9, 2024 meeting.

10. Consideration of an Order in the Matter of a Notice of Intent to Award a Contract for Engineering Services for Burton Creek Culvert Replacement/Chris Laity, Director, Public Works
01:34:50

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Board signed Order #24-057.

11. Consideration of an Agreement with Govspend for Annual Procurement Subscription Services/Isabel Gilda, Executive Assistant
01:43:46

A motion was made by Commissioner Skaar and seconded by Vice-Chair Olson. The motion passed with three aye votes. The Chair signed the agreement.

12. Board Concerns
01:46:26

Candidate Forum; Representative Gomberg Ballot Measures; Forest Service Trails Meeting/Commissioner Doug Olson
Forest Service Trails Meeting/Chris Laity, Director, Public Works
Forest Service Trails Meeting/Sarah Absher, Director, Department of Community Development

OTHER MEETINGS AND ANNOUNCEMENTS

01:55:28

The Commissioners will attend a public hearing on **Monday, September 30, 2024** at **9:00 a.m.** for the appeal of a Tillamook County Planning Commission's approval of Conditional Use Request #851-24-000192-PLNG to Update the Master Plan for Nehalem Bay State Park. The hearing will be in the Board of Commissioners' Meeting Room 106 at the Tillamook County Courthouse, 201 Laurel Avenue, Tillamook. The teleconference number is 1-971-254-3149, Conference ID: 887 242 77#.

The Commissioners will hold an executive session on **Monday, September 30, 2024** at **12:00 p.m.** pursuant to ORS 192.660(2)(a), to consider the employment of a public officer, employee, staff member, or individual agent. The executive session will be held in the Board of Commissioners' Meeting Room 106 at the Tillamook County Courthouse, 201 Laurel Avenue, Tillamook. The executive session is not open to the public.

The Commissioners will hold a Board Briefing on **Wednesday, October 2, 2024** at **2:00 p.m.** to discuss weekly Commissioner updates. The meeting will be held in the Board of Commissioners' Meeting Room 106 at the Tillamook County Courthouse, 201 Laurel Avenue, Tillamook. The teleconference number is 1-971-254-3149, Conference ID: 866 914 607#.

The Commissioners will attend a Budget Committee Roundtable meeting on **Wednesday, October 9, 2024** at **1:00 p.m.** to discuss upcoming budget planning. The meeting will be held in the Board of Commissioners' Meeting Room 106 in the Tillamook County Courthouse, 201 Laurel Avenue, Tillamook. The teleconference number is 1-971-254-3149, Conference ID: 866 914 607#.

ADJOURN – 10:55 a.m.

BOARD OF COMMISSIONERS' BOARD MEETING

Wednesday, October 2, 2024

	Present	Absent		Present	Absent
Mary Faith Bell	<u>✓</u>	<u> </u>	Rachel Hagerty	<u>✓</u>	<u> </u>
Doug Olson	<u>✓</u>	<u> </u>	Bill Sargent	<u> </u>	<u>✓</u>
Erin Skaar	<u>✓</u>	<u> </u>			

PLEASE PRINT

Name

Email or Address

Item of Interest

Ducine H McIniszek

Ducine McIniszek@gmail.com

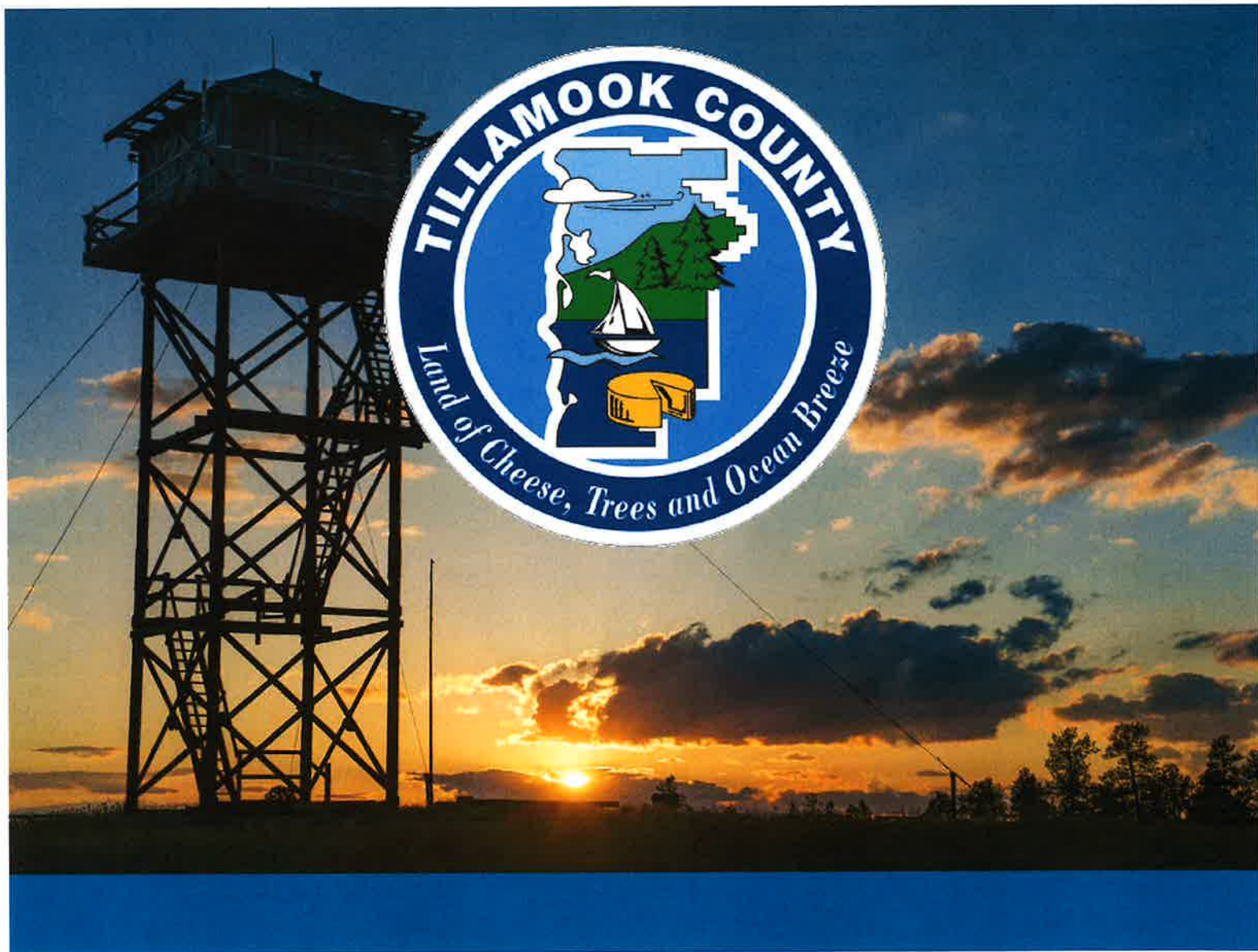
Tax/

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Strategic Plan

Tillamook County

2024-2028



Acknowledgments

In April 2023, Tillamook County partnered with the Center for Public Service (CPS) at Portland State University to create a Strategic Plan (the Plan) to guide County priorities and work during FY 2024–25 and beyond.

CPS staff (Terry Moore, Micheal Gleason, Paul Manson, Elizabeth Braatz) designed and managed the work plan for the project, and did most of the research and technical writing.

The County used its Leadership Team of County Commissioners (Mary Faith Bell, Chair; Doug Olson, Vice-Chair; Erin D. Skaar, Commissioner), department heads, and Board of Commissioners' office staff to review, comment, amend, and ultimately approve work products and this final Strategic Plan. Over the course of the project, that Leadership Team met over a dozen times.

For more information about this report go to the Strategic Plan section of the Tillamook County website: <https://www.tillamookcounty.gov/bocc>

For more details about the Plan or process, contact: Rachel Hagerty, Chief of Staff, Office of the Board of County Commissioners, (503) 842-3404 or rachel.hagerty@tillamookcounty.gov.

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Strategic Plan for Tillamook County: Summary

WHAT THE COUNTY WANTS

The Board of Commissioners of Tillamook County wants to identify and make progress addressing the County's most pressing issues. Broadly, the County's ultimate goals are to achieve its vision for County government and operations while providing the public services at the core of its mission.

- **Vision.** Tillamook County is responsible, strategic, resilient, and responsive, and a great place to work.
- **Mission.** Providing excellent public services for the people, places, and unique communities of Tillamook County.

HOW THE COUNTY IS PURSUING ITS GOALS IN THIS PLAN

Meeting those goals requires taking actions. The process by which an organization sets priorities for effective action is often referred to as *strategic planning*; its conclusions about priority actions are formally adopted as policy in a *strategic plan*.

As the County Board and staff implement the Plan's actions, the Plan directs them to emphasize certain *values*:

- **Values.** Serving with integrity, excellence, and commitment.

The figure below shows how the Plan worked from broad goals to the selection, funding, and staffing of actions aimed at its goals. Comparing Goals and Conditions (Forces) helped identify Focus Areas (Issues, Priorities). The County then identified and evaluated potential actions to arrive at the priority actions that it has committed to implement by adopting this Plan.

ISSUES THE COUNTY WILL FOCUS ON

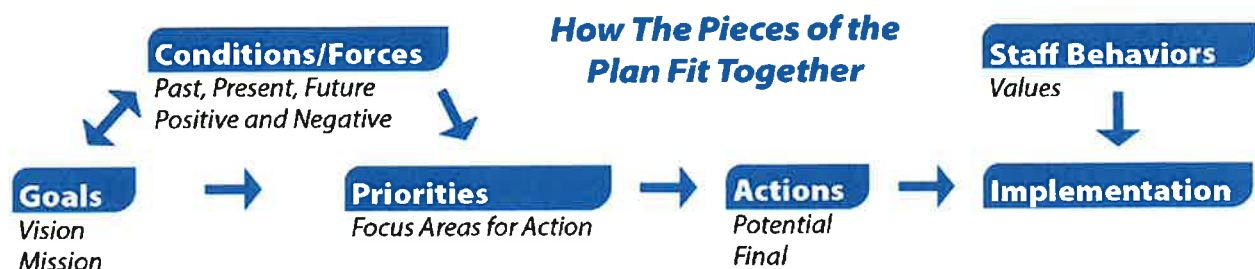
The *Situation Assessment* the County conducted provided baseline information to support decisions about the priority issues, focus areas, and actions. The Assessment:

- Evaluated information from several sources, including County documents, interviews, informal polls of County leaders, and a survey of County employees.
- Addressed forces external to the County in five categories: Demographic and Social, Technological, Economic, Environmental, and Political.
- Focused on forces internal to the County—on its systems, policies, and procedures. The baseline conclusion: start with actions to address some weaknesses in financial position, central service, and management systems that support the existing portfolio of customer services. Expanding existing customer services or adding new ones should come later. The County's strengths tend to be associated with staff attributes; its weaknesses tend to be associated with system attributes.

The Board used information in the Assessment and its supporting documents to answer this question:

What are the Issues (Problems or Opportunities) that are both significant and pressing, and that will not be addressed soon or well without a special effort of the Board and its Leadership Team?

The Board concluded that the focus of the Plan and special attention of Board should be on four issues: Governance, Finance, Central Services, and Services to Customers.



ACTIONS THE COUNTY WILL TAKE

A strategic plan tries to look forward and be relevant for about five years. But situations change rapidly, and the long-run view of a strategic plan is more important as context for a short-run (annual) action plan. Its current work should be consistent with its long-term objectives.

GOVERNANCE

G1 Revenue Generation Evaluation. Ways to move from tax-based services to fee- or grant-based services.

G2 Cost Reduction Evaluation. One can balance a budget by seeking more revenue (G1) or by reducing costs (G2), and usually some of both.

G3 Policies and Procedures Evaluation. Effectiveness of Board operating procedures, County management practices, communication with the public, and other operating procedures.

G4 Department Audits. Similar to G3, but applied at the department level: current duties/ assignments, desired outcomes and metrics, potential changes in operating procedures, customer satisfaction, and more.

FINANCE

F1 Comprehensive Financial Assessment. A broader and deeper assessment of the County's current and likely future financial situation: revenue and cost forecasting (overlaps G1 and G2), evaluation and possible changes to financial systems and procedures (e.g., financial software and indirect-cost allocation), and changes to the budget process.

F2 Financial Plan. Based on the Financial Assessment in F1, this Financial Plan will describe agreements about a work plan of actions to improve financial operations and conditions.

CENTRAL SERVICES

The Leadership Team concluded that all central services need some evaluation so that common problems get addressed, and that central services need to be organized and managed to coordinate their delivery to the departments that deliver services to County residents, businesses, property owners, and visitors.

CS1 Central Services Integrated Assessment.

A more detailed assessment of strengths and weaknesses, investigating how consolidating the many departments that provide central services might improve coordination, responsiveness, and effectiveness.

SERVICES TO CUSTOMERS

The Situation Assessment concluded the County's focus now should be on governance, finance, and central services. Once those functions achieve an improved and appropriate operating level, the County can turn to major actions related to improving or expanding services to its customers. Operating departments will continue to maintain and improve the type, level, and efficiency of their services, subject to the constraints on their budgets, resources, and capacities. One action, however, could be woven into G4 in the Year 1 work plan if resources are available.

SC1 Mandated Services Clarity and Focus.

Departments should be able to define their mandated services, their work on services that are not mandated, and the rough percent of time and budget spent on each.

FOR MORE INFORMATION

About this report or process, contact:

Rachel Hagerty, Chief of Staff, Office of the Board of County Commissioners, (503) 842-3404 or

rachel.hagerty@tillamookcounty.gov.

1 The Strategic Plan: What and Why?

Tillamook is a rural county with limited financial resources. It provides services to a large area. Its historically higher-paying jobs in natural resources (timber and fisheries) have decreased, as has the relative contributions of federal and state support to the County budget. Social problems once concentrated in larger urban areas have come to the County, as have mandates to address social, environmental, and infrastructure issues. The County's advantages of climate, scenic beauty, recreation opportunities, and rural lifestyle remain, but simultaneously create demands by tourists and owners of second homes for more services.

In short, the growth in demand and requirements for County services has outstripped the growth in revenue to provide them.

The Board of Commissioners of Tillamook County (the Board) recognizes these problems and wants to identify and make progress addressing the County's most pressing issues. That process of prioritization and action is often referred to as strategic planning, and its conclusions about priority actions are formally adopted as policy in a strategic plan.

The purposes and structure of such plans are approximately the same for all strategic plans, regardless of whether an organization is large or small, public or private:

- Strategic plans usually move from (1) broad statements about an organization's vision, mission, and values, to (2) an evaluation of past, current, and likely future conditions, to (3) key issues to address to improve productivity and satisfaction for employees and customers, to (4) specific actions that are priorities for the organization.

- In other words, most plans aim to identify goals, the opportunities and obstacles related to achieving those goals, and the relative importance of different goals, and then evaluate actions in terms of their likely effectiveness and costs in achieving those goals.

At the right is the process the County used to develop its plan.

2024

April - July: Preliminary Assessment, Scoping

July - Oct: Situation Assessment
(Conditions: Challenges & Opportunities)

2025

Nov - April: Vision, Mission, Values, Focus Areas

May - July: Actions

Aug - Sept: Draft and Final Strategic Plan



2 Foundation for Action

Counties in Oregon deliver similar types of services, many of which are required by federal or state mandates, or by organizations that contribute to the funding. Moreover, at the highest level, all local governments would support the statement that their goal is to promote the health, safety, and welfare of the groups they serve: residents, businesses, recognized special interest and charitable organizations, taxpayers, visitors.

Despite the high-level similarities, local governments point to many details that make their situations unique: geographic, demographic, cultural, and economic attributes; citizen aspirations for quality of life; and the willingness and capacity to work on those aspirations. These differences lead to different approaches to policy and service delivery.

Strategic plans usually start with a statement of purpose: what are we trying to achieve; where do we hope to get to? The primary mission of local governments, including Tillamook County, is to deliver services it has committed to delivering. But its voters have some choices about the type of those services and their attributes (e.g., level, cost, fees, location, timing, ...): choices made on their behalf by their elected Commissioners.

The purpose statement is sometimes called a goals statement. It is sometimes about what the local government wants for its customers as final outcomes (e.g., more jobs, affordable housing, less crime, emergency preparedness). But it is more often about the government as an organization—about how the organization should behave in order to have the strong support of the people it was organized to serve. In this Plan, Tillamook County has the second focus.

Like most strategic plans, this Plan describes its goals in three parts:

- **Vision:** What future is the County aiming for as an organization? What does its leadership see as the future for what County government will be doing? How it will be doing it, and how it will be perceived by the customers it serves?
- **Mission:** What are the roles of County leadership and staff as they pursue the vision? What gets done, by whom?
- **Values:** Among the many attributes of good behavior, what do County employees agree to pay particular attention to as they pursue the vision and mission?

The County Leadership Team created a subcommittee to evaluate and recommend statements for vision, mission, and values, with the charge to keep the recommendation concise. Their recommendation was approved by the Leadership Team in April 2024:

- Vision** Tillamook County is responsible, strategic, resilient, and responsive, and a great place to work.
- Mission** Providing excellent public services for the people, places, and unique communities of Tillamook County.
- Values** Serving with integrity, excellence, and commitment.

The County's intent is that these statements be not just words, but that they be standards by which decisions and actions are evaluated by the Board and by County staff. Yes, that solution gets the immediate job done, but is it resilient? Does it serve all our unique communities? If not, how do we balance the scale? Did we have an open discussion leading to an evidence-based decision, and did we then do what we said we would do (integrity and commitment)?

3 Situation Assessment¹

The Situation Assessment provided baseline information to support decisions about the priority issues (challenges and opportunities), focus areas, and actions. It evaluated information from several sources:

- Over 700 County documents (ordinances, budgets, procedures, studies, and more)
- Interviews with Commissioners and Department Heads
- Polls of the Leadership Team at several key decision points during the development of the Plan
- Survey of all employees
- Reports and articles from cities, counties, and public and private research organizations on a broad range of external factors that may influence the delivery of County services in the future.

The Assessment starts by describing principles and systems that are typical of a modern and effective local government, and uses that description as a basis for evaluating County operations. It looks at forces that impact (1) the

need for County services, and (2) the County's ability to provide those services:

- *External forces* are ones over which the County has little or no control (e.g., the national economy, national and state changes in demographics, state and federal mandates). Nonetheless, external forces that are current or just over the horizon may need the County's immediate attention to encourage important opportunities and mitigate potential problems.
- *Internal forces* are about the strengths and weaknesses of the County operation: how it makes decisions, funds its operations, manages the delivery of its services, and provides central (administrative) services to its departments that are providing services to customers.

Though the external forces are influential, they are ones mainly known to the County, and not ones that have direct, immediate, and cost-effective policy solutions. The Assessment groups them into five categories:



¹See Appendix A, Situation Assessment. The Assessment uses methods and a format consistent with the typical structure of a strategic plan. It is fundamentally a SWOT Analysis: it identifies the County's internal *Strengths* and *Weaknesses* related to its primary mission (the delivery of certain public services to County residents, businesses, property owners, and visitors), and the external *Opportunities* and *Threats* that it faces as it goes about delivering those services. The presumption is that information and discussion about those factors will help the County government identify and prioritize areas for improvement and action.

- **Demographic and Social** The demographic and socioeconomic characteristics of the population served by the County largely determine the type and quantity of services the County provides. Examples: aging population and exit of youth; disproportionate percent of the County real-estate value owned by non-residents (second homes).
- **Technological** Technological change may allow or require a county to reshape its service infrastructure to improve the cost or quality of services. Examples: applications of digital advances to communication (internet; cyberattacks), data processing and storage, artificial intelligence, and infrastructure.
- **Economic** Fluctuations in county, state, national, and global economies will impact what services residents need, what residents can afford to pay for those services, and a county's ability to provide those services at that cost. Examples: continued shift from high-wage natural resource and manufacturing economy to a diverse-wage service economy; globalization; extensive natural resources and natural amenity; developable land.
- **Environmental** Some environmental issues are local and can be partially controlled; broader issues and state and federal mandates are conditions that a county cannot control but must respond to. Examples: relative abundance of natural resources and environmental quality; increasing natural and human threats to those resources.
- **Political** The actions of other political entities can affect a county's service provision directly (e.g., federal or state mandates); local interest groups may cause policy to shift unexpectedly and rapidly. Examples: national, state, and local trends toward increasing polarization of political views, and the result-

ing decline of civil discourse and compromise solutions to collective problems; increasing differences among residents in average income, housing cost, and availability of housing.

A majority of the Assessment's findings, however, relate to internal systems. Its baseline conclusion is that the Plan should start with actions to address some weaknesses in financial position, support service, and management systems that support its existing portfolio of services to customers. Only after some of those weaknesses have been corrected should it turn to issues related to expanding existing customer services or adding new ones.

The Assessment had some general findings about the County's performance in delivering services. Broadly, its current strengths tend to be associated with staff attributes, and its weaknesses tend to be associated with system attributes:

Strengths

1. Commitment of Board and senior staff (collectively, the Leadership Team) to serving the County and getting the job done.
2. Willingness of Leadership Team to consider organizational change (e.g., to do the work involved in creating a strategic plan).
3. Willingness and ability to "make do."
4. Direct contact with and understanding of the community.



Weaknesses

1. Little evidence-based decision-making at the strategic level. Limited systems, procedures, and culture for County-wide system thinking.
2. Focus on the immediate problems and doing the work: nobody has the time to think of systems
3. Related to point 2 above (and as a counterpoint to point 4 under Strengths, above), when the Employee Survey asked, "What is one thing you believe the County could do better to serve citizens or stakeholders?" the top answer was some version of a better understanding of or focus on "public needs priorities."
4. The downside of a "make do" and "learn to live with it" culture: it makes it hard to have a culture where employees are actively engaged in furthering County meta-objectives and for raising and working cooperatively on County-wide issues.
5. Related to point 4: an emphasis on "what works for my department" without out enough attention to "what can my department do to support the broader County goals of current service delivery and of ongoing capacity to deliver and improve those services."
6. No central public engagement strategy and processes.



Conclusion

The internal weaknesses are understandable and derive in part from external problems. A fundamental issue that is simultaneously a threat and a weakness is current and future funding.

The Assessment followed this high-level analysis with deeper look at County systems through the lens of a modern local government, noting several specific things that the County could do to improve its decision-making, its systems for delivering internal services to County departments, and its external services to customers (residents, businesses, property owners, other organizations, visitors).

It is typical for assessments like this one to have more to say about what needs improvement than about what is working well. But in a complex, interdependent, multipurpose county government like Tillamook, the fact that critical services get delivered day after day is an exceptional achievement that often goes unnoticed, or at least unacknowledged by the people getting the services. Despite the problems the Assessment found, the observable fact is that the County Commissioners and staff are getting the services delivered.

The message of the Assessment is that current and expected declines in external financial resources, coupled with growth in population (a majority of which is of non-resident property owners and visitors) and demands for services, are likely to exhaust cash reserves in a year or two. "Making do" is a strategy of diminishing returns: if the squeezing is continuous, it delivers less juice each time. County leadership has considered this message and decided that (1) stronger action now is prudent, and (2) this Plan will be the blueprint for a program of action.

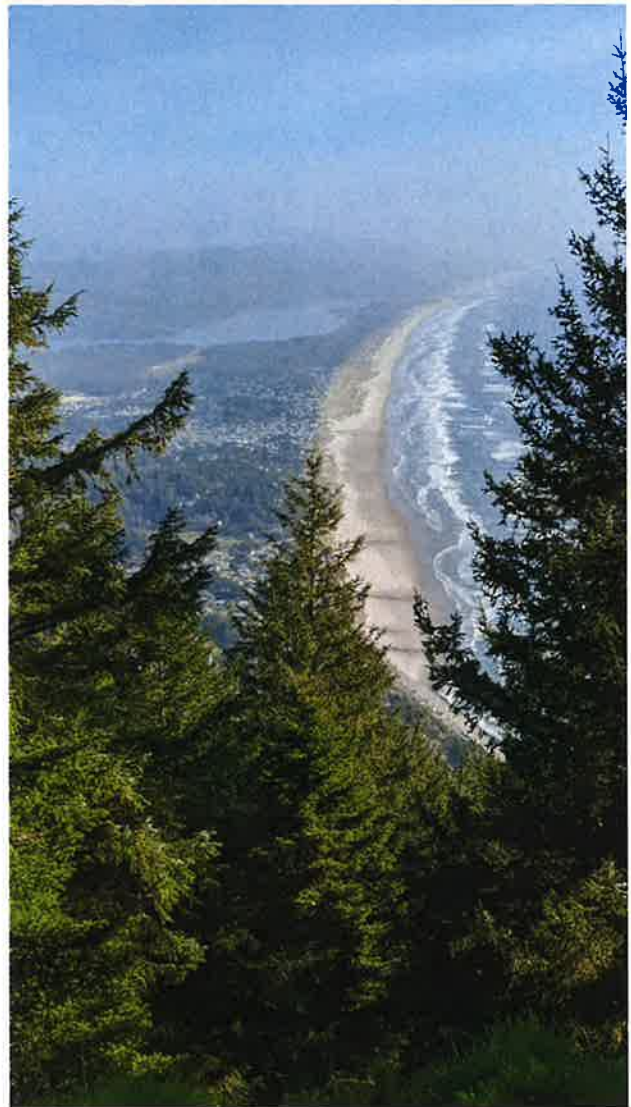
4 Focus Areas and Actions²

A strategic plan tries to look forward and be relevant for at least five years. But situations change rapidly, and the long-run view of a strategic plan is more important as context for a short-run (annual) action plan. Current work should be consistent with long-term objectives.

Given the evaluation of issues (Chapter 3 above) and the decisions about Vision, Mission, and Values (Chapter 2 above), the Board and Leadership Team turned to Actions. Their charge: (1) identify the issues (problems or opportunities) that most urgently need the attention of County leadership, and (2) for each issues, identify 1 – 3 priority actions for County to take.

4.1 Focus Areas: What Issues Will Get Special Attention by the Board?

An organization of the type and size of the County must pay a lot of attention to stability. It has legal obligations—to the constituents it serves, and to federal, state, and interest groups that help fund those services—to reliably provide specific services to specific standards. Usually, most of its services and funding do not change from one year to the next. A strategic plan for Tillamook County, which has over twenty departments (some of which are managed by independently elected public officials), would face large obstacles if it aspired to restructure many services and systems quickly. This Plan deals with only a small percentage of what the County does. It starts from the assumption that for most (if not all) services to external customers, processes for delivering those services, while not perfect, are not in immediate danger of major failure. It assumes that departments, and their management and staff, will generally be able to use their budgets to meet at least a minimally acceptable level of service, and probably more.



The focus of the Plan is not on the details of the daily operations of the outward facing departments. Rather, the Plan's actions should meet this criterion:

Given our Situation Assessment, what are the Issues (Problems or Opportunities) that are both significant and pressing, and that will not be addressed soon or well without a special effort of the Board and its Leadership Team.

²See Appendix B for more detail on the identification, evaluation, and selection of *Focus Areas* (aka, Priority Areas or Priority Issues) and Actions.

Sometimes the significant and pressing issue needing the special attention of the Board can be a departmental issue: e.g., securing state and federal funding for an emergency public work, or dealing with critical negotiation with a partner agency. More often, however, the issues in a strategic plan are about governance, finance, and central services. More often they are about issues that cut across departments: ones that affect all departments and whose resolutions would improve with the coordinated participation of the departments in finding solutions. More often they are about broader policy (e.g., roles of Commissioners and Leadership Team), but they can also be about details (e.g., schedule and systems for integrating policy and budget decisions). Thus, they can be about either “doing the right thing” (policy) or “doing things right” (implementation and operations).

In Spring 2024 the Leadership Team discussed the many issues in the Situation Assessment and agreed on the four focus areas for this Plan:

- 1. Governance** The focus is on board roles, delegation, ways to help separate decision-making from operations and implementation, and best practices for efficient decision-making support systems (e.g., agenda priorities, calendars, data, staff work, documentation).
- 2. Finance** In many plans, finance is a part of governance or central services. But finance is such a big issue to the County over the next several years that the Leadership Team made it a separate focus area. It covers financial planning, budgeting, and evaluation of net-revenue-generating capacity of existing and potential new funding sources.
- 3. Central Services** These are the administrative services that some County departments

provide to other County departments to facilitate the work of those departments. Examples include finance, human resources, legal, information technology, building and fleet maintenance, and public relations. The Leadership Team used the information in the Situation Assessment and their experiences to provide many examples of areas for improvement.

- 4. Services to Customers** The majority of the County’s budget goes to providing services to customers. Some services are distributed to all people throughout the County; some are more specifically directed at certain groups or at certain locations. Given everything that should be done to upgrade systems for decision-making and central service operations, and given budget constraints, the Leadership Team agreed that the Plan should be cautious about expanding existing services

4.2 Actions: What Will the County Do to Address Key Issues in Focus Areas?

From May through July, 2024, the Board and Leadership Team worked on identifying and evaluating a long list potential actions in each of the four focus areas, and then selecting a short list of priority actions for the Plan. The criteria for selecting actions were similar to those for selecting focus areas:

- Is there a pressing need for starting or completing the action?
- To start or complete the action, does it need the special attention of the Board or Leadership Team? In other words, is it unlikely to progress well if simply added to the normal work and budget of some department?
- What are the potential and likely benefits and costs of the action? Are the net benefits likely to be significant?

Governance

Leadership Team rated four actions related to Governance well above others. Some of the actions incorporate other actions that did not rate as highly.

G1 Revenue Generation Evaluation

The Leadership Team rated finding ways to move from tax-based services to fee- or grant-based services the highest, by far, of all actions. It is a key piece of addressing financial issues, and the Board of Commissioners wants to be directly involved in this issue. Included here is not only analysis, but also attention to when, where, and how to communicate that analysis to partners, stakeholders, and the public. The County Budget Committee has begun some work related to this action and the next one.

G2 Cost Reduction Evaluation

This action relates to G1: one can balance a budget by seeking more revenue or by reducing costs (usually some of both). Examples of cost reduction: cutting obsolescent or little used services; investing in technology in the short run to reduce costs in the longer run for net cost reduction; outsourcing, productivity assessments. G2 overlaps G3 and G4, which both would be looking at efficiency of decisions and operations and, therefore, at outcomes and costs. The evaluations in G1 and G2 could be melded into a larger, single evaluation, or they could be separated. G3 and G4 could also be part of a larger study.

G3 Policies and Procedures Evaluation.

This action subsumes others noted by the Leadership Team: (1) to “evaluate BOC effectiveness, calendar, best practices,” (2) to improve “the culture of leadership,” and (3) to improve “transparency: conversation and commitment to public.”

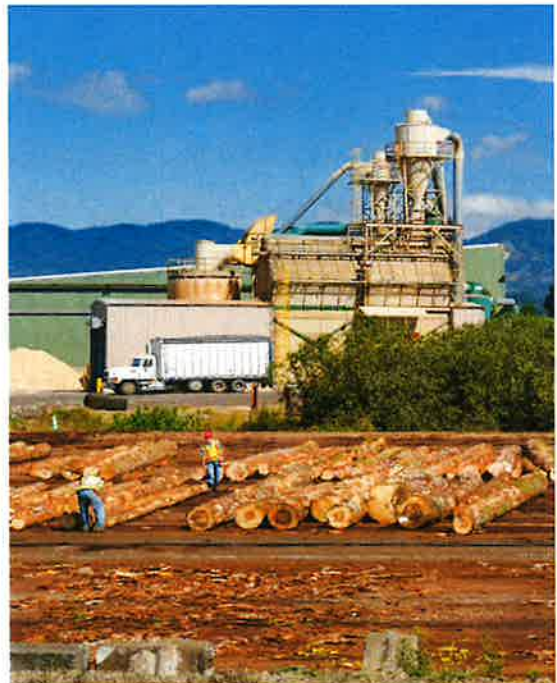
G4 Department Audits

These are “performance” audits, not “accounting” audits. They would cover current duties/assignments; desired outcomes, with metrics; identification and comparison of effectiveness of current performance of existing tasks to potential future performance with revised tasks; satisfaction survey or “customer services” survey of central services.

These evaluations overlap. As the County works on implementing Actions G1 – G4, it may choose to combine some of these actions into a comprehensive evaluation.

Finance

The Leadership Team rated as important several individual actions related to getting better information about what is done now, why, and with what results, and what could be done to improve those results. Their conclusion was that it would be more efficient and effective to bundle these items into a single, comprehensive evaluation of financial issues.



F1 Comprehensive Financial Assessment

The Leadership Team's high-ranking actions for Finance addressed Revenue Generation (G1), Cost Reduction (G2), financial/investment advisor, changes to financial systems (including suggestions on financial software and indirect-cost allocation), and changes to the budget process. This Plan notes the County's commitment to some kind of comprehensive financial evaluation that addresses these and related financial topics but leaves the details for that evaluation to be worked out and presented to the Board in a staff report soon after this Plan and this action are adopted by the Board.

F2 Financial Plan

The Financial Assessment in F1 will cover a lot of issues will find many possibilities for actions. Some actions will overlap, some will compete, some will be of more importance to some constituencies than others. Just as this Strategic Plan had to identify and evaluate many options to get to agreement on priorities for all County operations, the Financial Plan will describe agreements about a work plan of actions to improve financial operations and conditions.

The Board's commitment in this Strategic Plan to cost-effective improvements to financial systems will make the improvements happen faster and better. This action is likely to extend into Year 2 of the Strategic Plan. The implementation of suggested improvements would certainly go into Year 2.

Central Services

The Leadership Team concluded that all central services need some level of evaluation to see that common problems get addressed, and (probably most importantly) that central services need to be organized and managed in a way that



emphasizes coordinated delivery of central services to the departments whose mission it is to deliver services to County residents, businesses, property owners, and visitors. That conclusion suggested a solution like the one described above for Finance: a comprehensive evaluation of all central services.

CS1 Central Services Integrated Assessment

The Leadership Team incorporated several actions on its initial long list into a single action (an "integrated assessment"). Members of the Leadership Team in both central services and customer services departments expressed a willingness to investigate improving the coordination, responsiveness, and effectiveness of central services by consolidating the many departments that provide central services (e.g., Human Resources, Information Services, Facilities, and more) into an overarching Central Services department. Doing some level of evaluation and specification before taking such a step is part of this action. This Plan leaves the development of a detailed work plan for this action as the action's first task, which would occur in Fall 2024, immediately after the Plan is adopted.

The scope of this project and the need for some assessment of best practices from other jurisdictions as they apply to Tillamook County across multiple services suggests the possibility of hiring outside consulting expertise to contribute to the assessment, and perhaps manage it.

This assessment would be structured similar to the one in G4. An important difference is that there would be more focus on common issues, communication, coordination, and consolidation across departments.

Services to Customers

The previous three focus areas are about the internal performance of the County: how it makes policy decisions, funds and manages the finances of its operation, and provides services to its customer-service departments. This focus area is about the external performance of the County: how it provides services (e.g., sheriff and public safety, courts and justice, land use planning and building inspection, transportation systems, disaster preparedness and response, environmental protection, health care, library, and more) to its customers (primarily: residents, businesses, not-for-profit organizations of all sizes, property owners, and visitors).

The Leadership Team supports the conclusion in the Situation Assessment that the County's focus now should be on its central services. Once those are at an improved and appropriate operating level, then the County can turn to major actions related to improving or expanding services provided to its customers.

That conclusion does not mean that operating departments should not always be in a continuous process of improving the type, level, and efficiency of delivery of their services, subject to the constraints on their budgets, resources, and capacities. Rather, it means that the County will, in general, not do any work in the first year of the Plan on investigating or promoting significant changes (either expansions or contractions) to the type, amount, level, or distribution of the services it currently provides. That kind of change

can come after Central Services are operating at levels to support that kind of change and have at least modest processes for seeking and reliably implementing best practices.

One action, however, could be woven into the Year 1 general evaluation:

SC1 Mandated Services Clarity and Focus

The Leadership Team wanted some action to get clear information about mandated services. This action could be woven into the work in G4, Department Audits. Departments should be able to define their mandated services, their work on services that are not mandated, and the rough percent of time and budget spent on each. This analysis will need to address the points made previously about special-revenue funds (e.g., such services may not be unfunded mandates, but once funds are secured for specific purposes, performance is required).



5 Plan Implementation and Immediate Next Steps

5.1 Schedule for Integrating the Strategic Plan and Budget

The vision, mission, and values in a strategic plan are relatively stable. Actions, however, will change more frequently. Ones completed in Year 1 will make space for some new ones in Year 2. Or ones intended for Year 3 could become irrelevant by then because of changing conditions. Thus, a typical practice is to (1) make amendments to the actions of a strategic plan every year, and (2) do a full review and rewrite of the plan every 4 – 7 years.

For example, this Plan is titled “Strategic Plan for Tillamook County, 2024 – 2028.” The work it recommends in September and November of 2025, 2026, and 2027 is to create an addendum to this Plan that would cover: what happened this year (what did the County try with respect to Plan actions; what did it achieve?) and what should be done next year (how to continue and finish actions that have been started, and start new actions that make the cut to become Plan priorities).

That schedule synchronizes the Board’s policy decisions and work agenda with the County’s budget process (see table at right). The budget runs on a fiscal year (July 1 to June 30). The Budget Committee makes recommendations during the second quarter (Q2) of the calendar year, and the Board adopts the

budget before the end of Q2. By revising its Plan in Q4 of the previous year and giving a general idea of a work plan and budget for implementing priority actions, the Board is able to give clearer direction to the Budget Committee about the Board’s policy agenda for the next fiscal year.

The Board and Leadership Team will refine this suggested schedule as part of their work on developing an integrated work plan for the first year of Plan implementation.

Connecting the annual activities of Strategic Plan and Budget

Year/ Qtr	Plan Activities	Budget Activities	Other Activities
24/4	Adopt Plan; Create work plans for actions, with schedule and budgets	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
25/1	Implement Year1 Actions. Coordinate w/ Budget Committee	Begin budget process. Review Strategic Plan and BoC work Plan	
25/2	Implement Year1 Actions. Coordinate w/ Budget Committee	Develop FY 24/25 Budget consistent with County goals & policy in Strategic Plan. Coordinate with Plan implementation	
25/3	Implement Year1 Actions. Evaluation of (1) Year 1 work completed, (2) potential Year 2 actions & work plan. BoC discussion of Year 2 actions	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities	Update long-run financial forecasts
25/4	Implement Year1 Actions. Adopt Year 2 Plan amendment	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities.	
26/1	Implement Year 2 Actions. Coordinate w/ Budget Committee	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
	Etc. as above		

5.2 Year-1 Work Plan

Many of the actions in Chapter 4 have a similar structure (i.e., an evaluation of specific service issues), overlap and interconnectedness (e.g., G1-4, F1, and CS1), or both. The County wants to address these issues efficiently with an integrated work plan—one that moves incrementally on related actions together instead of completing a couple before giving a lot of attention to the others. That integration allows the County to start the work quickly, reduces duplication via consolidation, saves money by using County staff, it trains County staff while they are doing the evaluation, and fits better with the County staff and budget resources.

In Year 1 the County staff will manage and conduct a preliminary evaluation of all the sub-issues in G1-4, F1, and CS1. The County may, during the course of that investigation complete sufficient evaluation to support interim or final policy decision related to some aspects of the issues. Many decisions, however, will be made after the completion of the full evaluation, scheduled for the end of 3rd Quarter 2025. Those decisions could include new policies and procedures across all areas of governance, finance, and central services. In some cases they may authorize further evaluation, perhaps with the assistance of specialized contractors, of the details of the design and implementation. Those decisions could include new policies and procedures across all areas of governance, finance, and central services. In some cases they may authorize further evaluation, perhaps with the assistance of specialized contractors, of the details of the design and implementation.

5.3 Other Start-Up Work

Most of the County's work in Year 1 of the Plan will be on actions that (1) gather and get leadership agreement on critical information related to County decision-making and operations, and (2) use that information to make decisions about ways to improve the processes and systems used for Board policy decisions, central service support to departments delivering services to customers, and communication at all levels. The dilemma that creates is that the County would be using systems and techniques with identified weaknesses as the basis for creating better systems and techniques.

The Board of Commissioners, Chief of Staff, and researchers helping the County develop this Plan began addressing this issue in July 2024. Their solution was for researchers to describe and do training around some interim changes to County procedures for project management, communication and documentation related to issues and potential solutions, and Board and staff responsibilities. That work is underway as this Plan is being written and adopted—thus, it is not part of this Plan.

The Board's target is to have an integrated work plan for implementation of Plan actions, and interim communication and management procedures in place by the end of 2024, and to begin work on the integrated work plan in Q1 2025.

Situation Assessment

Appendix A of the Tillamook County Strategic Plan

July 2024

**Prepared by the Center for Public Service
at Portland State University**

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1 Introduction

1.1 What is a Situation Assessment?

In 2023 / 2024, Tillamook County worked to create a *Strategic Plan* (the Plan) to identify and address opportunities and challenges for County operations. It contracted with the Center for Public Service (CPS) at Portland State University to help develop the Plan.

In the Summer of 2023 CPS did research to create a draft *Situation Assessment* (the Assessment) that provided information about past, current, and potential future conditions in Tillamook County. It addressed issues and opportunities that may merit County action. The Board of County Commissioners and the County Leadership Team reviewed and approved that draft in October 2023.

Further work done in Winter and Spring on other parts of the Plan (1) clarified the County's purposes (Vision, Mission, and Values), (2) came to conclusions about categories of issues most in need of attention (Focus Areas), and (3) gathered the opinions of County employees about the relevance of those focus areas to the performance of their respective departments. All that information is relevant to an evaluation of what actions to include in the Plan.

Thus, in June and July 2024 CPS updated the draft Situation Assessment to create this final version that could serve as a fact base for the County's work on "identifying, evaluating, and selecting" actions for the Strategic Plan.

1.2 How was the Situation Assessment created?

The Assessment started with County documents. CPS staff were not surprised to find few documents that rigorously evaluated department performance—such evaluation is the theory but not the practice in local government. Thus, CPS supplemented those documents with other sources: (1) interviews with County staff and elected officials; (2) a survey of senior County staff; and (3) a review of reports and articles on a broad range of external forces that may influence or affect the delivery of services in the future.

The Assessment uses methods and a format consistent with the typical structure of a strategic plan, and one that the authors have used in other such plans. It is fundamentally a *SWOT Analysis*: it identifies the County's internal *Strengths* and *Weaknesses* related to its primary mission (the delivery of certain public services to County residents, businesses, property owners, and visitors), and the external *Opportunities* and *Threats* that it

faces as it goes about delivering those services. The presumption is that information and discussion about those factors will help the County government identify and prioritize areas for improvement and action.

The Situation Assessment summarizes findings from the sources noted above and has the following structure:

- **Section 2, Forces Affecting the County's Ability to Deliver Services**, describes significant (and primarily *external*) forces: what are they now, how have they changed over the time, and what they suggest about their potential effects in the future. This Assessment is similar to a standard evaluation of Opportunities and Threats (part of a SWOT analysis). Most of these forces are things over which the County has no control (e.g., the national economy, national and state changes in demographics, federal mandates).
- **Section 3, County Performance on Service Delivery**, shifts to forces *internal* to County government (the Strengths and Weaknesses of a SWOT analysis) that affect its ability to deliver services. It starts by describing principles and systems that are typical of a modern and effective local government. To the extent that Tillamook County pursues such principles with systems designed to accommodate them and simultaneously delivers desired public facilities and services, it should be doing a relatively good job of honoring the principles and delivering the services. In other words, the pursuit of clear outcomes, subject to principles, with effective systems would be a fundamental *strength* of the County. Where the assessment finds such conditions are less evident, it will note *weaknesses*. What do the strengths and weaknesses suggest about big issues the Plan should pay attention to?
- **Section 4, Implications for the Strategic Plan**, provides some direction for the future content of the Plan. In the context of a SWOT analysis, the Plan focuses on things the County can do to maintain or enhance its Strengths or reduce its Weaknesses, in the context of external Opportunities and Threats.

2. Forces Affecting the County's Ability to Deliver Services

Many forces out of the County's control impact its ability to deliver services. In the context of a SWOT analysis, these are *external* forces that may be positive and merit pursuit (*Opportunities*), negative and require mitigation (*Threats*). The saying that "Every problem is an opportunity" often applies in SWOT analysis: the search for solution to an identified threat can reveal an opportunity whose benefits exceed those of the previous status quo.

This Assessment looks at some of these key forces in five categories:

- **Demographic and Social.** The demographic and socioeconomic characteristics of the population served by a county largely determine the type and quantity of services the county provides.
- **Technological.** Technological change may allow or require a county to reshape its service infrastructure to improve the cost or quality of services.
- **Economic.** Fluctuations in county, state, national, and global economies will impact what services residents need, what residents can afford to pay for those services, and a county's ability to provide those services at that cost.
- **Environmental.** Some environmental issues are local and can be partially controlled; broader issues and state and federal mandates are conditions that a county cannot control but must respond to.
- **Political.** The actions of other political entities can affect a county's service provision directly (e.g., federal or state mandates); local interest groups may cause policy to shift unexpectedly and rapidly.

These five categories of forces are not the same as evaluation criteria, and some things a local government might care about fall into more than one category. For example, the *distribution of the impacts* of these forces is typically a criterion for evaluating potential policy responses, and is variously referred to as *fairness*, *equity*, or *social justice*. Thus, equity considerations apply to any proposed action (who benefits and who pays?) and may themselves be important external or internal political forces that influence the choice of priority actions. This Assessment deals with equity issues not as a separate category of forces, but as ones addressed as appropriate when considering the five categories of forces listed above.

This section describes how these forces impact the County's work, both now and potentially in the future.

2.1 Demographic and Social Forces

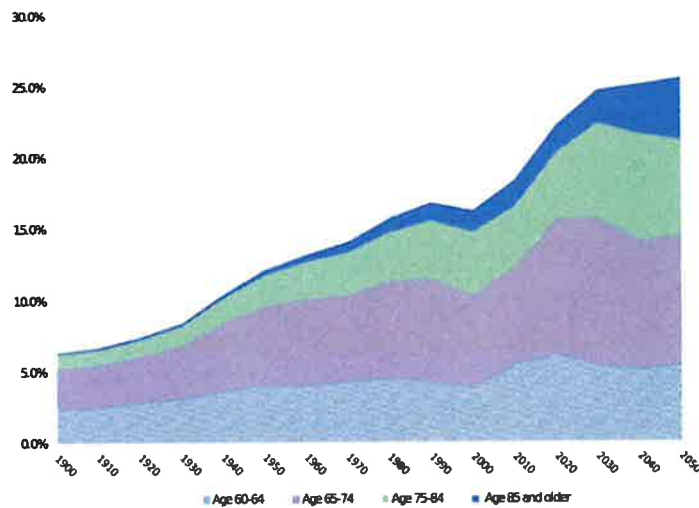
County government exists primarily to provide services to residents and property owners. Thus, the number of residents, their characteristics, and their service preferences are important external factors to consider in a strategic plan. Population characteristics that often impact service demand include age, economic status, race, educational attainment, and household size.

Tillamook County had 27,000 residents as of 2021.¹ Over the last twenty years, Tillamook has experienced:

- Modest growth in population.
- Greater increases in the age group 55-69 years old. This trend is typical throughout the U.S. because of the aging and longer lives of the large baby-boom generation (see Exhibit 1 below). But Tillamook County has a higher percentage of older adults than both the state (18%), and the nation (16.5%) (U.S. Census Bureau, 2019a). The likely reasons: retirement, the draw of Tillamook County's natural amenities and recreation opportunities, and proximity to the Portland metropolitan area.
- An out-migration of younger adults aged 15-34 (Chun et al, 2020).
- Modest changes in racial and ethnic diversity as the percentage of the population identifying as Latino, and to a lesser extent Asian and Black, has continued to grow (Chun et al., 2020). A higher percentage of people identify as White (93%) in Tillamook County than both do in the state (87%) or the U.S. (76%) (U.S. Census Bureau, 2019a). But the percentages for Clatsop and Columbia Counties are almost identical to Tillamook's. The recent survey of Tillamook County residents (see below) found almost half of the respondents "concerned" or "very concerned" about discrimination in the County.
- Modest increases in median household income. Exhibit 2 compares the County to Oregon (2014), showing the County with higher percentages in lower-income categories.

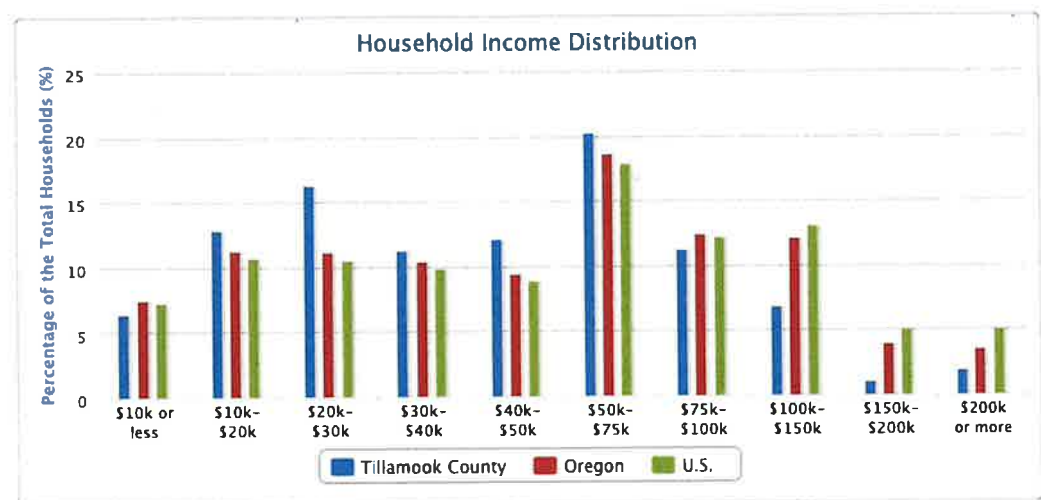
¹ Tillamook County Community Visioning 2020 to 2040 (2021)

Exhibit 1: Aging in the United States, 1900 to 2050



Source: US Census Bureau, compiled by U.S. Administration on Aging (2014)

Exhibit 2: Household Income Distribution, 2014



Source: US Census Data, accessed via USA.com <http://www.usa.com/tillamook-county-or-income-and-careers.htm>

People's socio-demographic characteristics can be the basis for inferences about what services they may value (e.g., older people may, on average, be more concerned about health care; people with low-income may, on average, be more concerned about affordable housing). A more direct method is to ask them what they value. That method, however, takes a lot of time and money to be done correctly. Fortunately, such work was done recently and well for Tillamook County. In 2021 Oregon State University's Policy Analysis Lab, working for the Tillamook County Futures Council, conducted an extensive survey (in both content and sample size) of

Tillamook County residents.² There is so much information in that report that is relevant to the development of this strategic plan that CPS attached its summary as an appendix to this Situation Assessment.

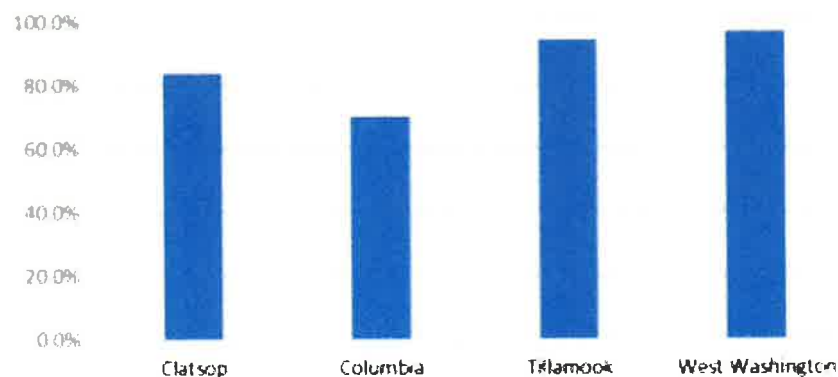
Another good source of socioeconomic and demographic information is the Economic Opportunities Analysis for the Central Tillamook Region.³ Though 10 years old it, it is thorough, its historical data are unchanged, and the changes in the big-picture socioeconomic and demographic characteristics in the last 10 years have not been large.

2.2 Technological Forces

At the top of most lists about technology is the digital world and the opportunities and challenges it brings to all organizations—public or private, big or small:

- **Internet access and speeds.** Access to high-speed internet provides access to information, and opportunities for education and employment. Reliable basic service is a core service in today's world. The "digital gap" between urban/rural and rich/poor is no longer the chasm it was 15 years ago. Like electricity, it was slower to arrive in rural areas, but it is now mainly available (though relatively expensive for some). The rapid expansion of internet services via low-orbit satellites (especially from Starlink at SpaceX) is likely to increase the quality and may stabilize pricing for rural internet. Exhibit 3 shows a comparison of some counties in NW Oregon.

Exhibit 3: Access to Broadband, Counties in NW Oregon



Source: NW Oregon 2018-2023 Comprehensive Economic Development Strategy (CEDS) September 2018

² Tillamook County Community Visioning 2020 to 2040, 2021.

³ Commercial and Industrial Buildable Lands Inventory and Economic Opportunities Analysis for the Central Tillamook Region, ECONorthwest, June 2013.

- **Digital data storage and retrieval.** As chip technology has allowed smaller and faster chips, the price of storage has decreased. That trend is likely to continue.
- **Cyberattack.** Increasing digital technology is accompanied by an ongoing engagement between hackers and system protectors, Destructive hacking is always a theoretical threat, but the County has first-hand experience that even a rural county can be a target for ransom demands.
- **Artificial Intelligence.** The topic de jour in the press: lots of people excited about the possibilities; at least as many people worried about a technology that may cross the boundary of human control. At the industry level, the expectation of experts is that AI will do more to increase the productivity of existing jobs than to eliminate jobs: high-tech, financial activities, professional and technical services will be the most impacted, while social assistance, food services, and most types of manufacturing the least impacted. Analysis of industry composition among states suggest about 15% of all jobs could be affected, that there is little variability among states, and that Oregon is in the middle of the pack.⁴ Given that the County is not at the cutting edge of digital technology, the implication of this force County action is mainly “monitor.”

The County has both critical and secondary roles in an important class of technologies: those related to typical and critical public infrastructure like water, roads, power, and emergency services. The County is not in bad shape here. For example: “Power rates are some of the lowest in the country. Water and sewer infrastructure is in place in most of the key industrial development areas.”⁵ The anecdotal evidence, however, suggests that some County facilities may not have—now or soon—sufficient revenue to implement best practices for efficient life-cycle maintenance, much less for purchases of new technologies.

It is no insight to say that Tillamook County should pay attention to opportunities to improve its own operations by improving the technologies it uses to deliver them. The County has a role in keeping public infrastructure functional and capable of supporting other technological advances. Less obvious is that the County may have opportunities to support other private and public service providers as they look for

⁴ Oregon Economic and Revenue Forecast, Department of Administrative Services, August 2023, pages 10 -12.

⁵ NW Oregon 2018-2023 Comprehensive Economic Development Strategy (CEDS) September 2018

opportunities to improve infrastructure or the use of technologies to deliver services, or that there may be opportunities for the County to get grants or use its existing authorities to create new systems for service delivery (e.g., creating a service district to broadband or alternative energy production)

2.3 Economic Forces

Abundant natural resources have historically been the basis of Tillamook County's economy. Timber, dairy farming, and fishing are still actively supporting Tillamook County's economy and culture. But economic activity related to the non-extractive use natural resources (e.g., tourism, construction of second homes, retirement spending) has grown while employment in those forestry and fishing has declined.

In Tillamook County the 20 years between 1990 and 2011, employment in the industrial sector grew by about 10%; employment in the commercial sector grew by about 25%.⁶ In 2011, the number of industrial sector employees was about half of the number of commercial sector employees. Exhibit 4 shows the composition of employment by industry in the County in 2021: The total is about 11,000; about 8% of the employment is in farming, fishing, or forestry (down from 10% in 2013).

Exhibit 4: Employment by Occupation , Tillamook County, 2021



Source: US Census Bureau, ACS 5-years estimate, <https://datausa.io/profile/geo/tillamook-county-or#economy>

⁶ Economic Opportunity Analysis, ECONorthwest, 2013. Industrial Sector: Natural Resources and Mining, Construction, Manufacturing, Wholesale Trade, and Transportation, Warehousing, and Utilities. Commercial Sector: Retail trade, Information, Finance and Insurance, Real Estate, Professional and Scientific Services, Management of Companies, Administrative and Support Services, Private Educational Services, Health Care and Social Assistance, Accommodations and Food Services, and Other Services.

Statewide, the decline of timber activity and revenue is not predicted to turn around, nor are large increases in high-tech expected:

“...industries like timber and high-tech, which have been Oregon’s strength in both the recent past and historically, are now expected to grow the slowest moving forward. Productivity and output from the state’s technology producers is expected to continue growing quickly, however employment is not likely to follow suit. Similarly, the timber industry remains under pressure from both market-based conditions and federal regulations. Barring major changes to either, the slow growth to downward trajectory of the industry in Oregon is likely to continue.”⁷

Some of the biggest strengths of the Tillamook County economy are locational and not likely to change quickly in response to market downturns. Tillamook County has extensive natural resources and natural amenity, a relatively mild climate, ample water, developed transportation infrastructure, developable land, and reasonable proximity and connections to the Portland metropolitan area.

These strengths will mitigate the negative impacts of economic downturns, but they cannot provide complete protection. The health of the global economy affects the U.S. economy, and those effects ripple down to Oregon and to the County. The U.S. economy has had large swings in the past 25 years. Most analysts believe that it is close to the end of a long run of positive growth, and that a recession is certainly possible and maybe likely (typical optimism predicts a short recession).⁸

Moreover, as the next section on environmental forces explains, the number and intensity of natural events that cause economic turmoil have increased. And as the section on political factors explains, national and state economic and environmental policy can have big local effects (changes in County revenues from the Oregon that are tied to timber

⁷ Oregon Economic and Revenue Forecast, August 2023, page 20.

<https://www.oregon.gov/das/oea/Documents/forecast0923.pdf>

⁸ Among the analysts are those in the Oregon’s Office of Economic Analysis in the Department of Administrative Services, who do quarterly short-run (2-3 year) forecast of the national and state economy and likely impacts of Oregon’s revenues for government operations. The most recent report (Oregon Economic and Revenue Forecast, August 2023) expects a “soft landing” for the national economy and a good outlook for Oregon: “The combination of the post-pandemic rise in start-up activity, large increase in federal investment, including in semiconductors, and the potential of generative AI should all help to boost productivity in the years ahead. Oregon is well-positioned to benefit.”

harvest will change depending on state policies that encourage or restrict such harvest).

Other economic interdependencies have effects on the Tillamook economy. The direction of relationships is understandable, but forecasting their magnitude or timing is more informed speculation than science. Some examples:

- Multiple issues related to affordable housing exist around the state, and they affect the economy negatively in several ways: lack of affordable work force housing makes jobs at existing wages less attractive; homelessness and its related causes and effects require the attention and resources of state and local governments, and are difficult to fund with "user fees."
- Natural and social systems have become increasingly less stable over the last few decades. Climate-related natural disasters have increased in numbers and intensity, while growth has continued in zones most at risk. Covid problems and worries are down but not out, and the experience has increased awareness of vulnerability to pandemics and their social and economic consequences. Politics have grown more polarized and uncertain, making economic decisions more risky and more focused on the short-run.

Counteracting multiple uncertainties is the general predictability of age-related needs: children go to school, get jobs, get married, have families, retire. As people age their needs change. The baby boomers are mainly in retirement; the echo boomers are coming up. Tillamook County is seeing the implications: tourism, second homes, and changes in demands for services. County government must continually look for ways to ensure that new (and often parttime) residents are paying for the services required to serve them and maintain quality of life for existing residents. And though the economic activity associated with tourism means jobs, wages, and revenues in the County, a large percentage of such jobs are entry level, seasonal, and temporary, and economic downturns and natural events (e.g., Covid) can cause variability in annual activity.

2.4 Environmental Forces

About 70% Tillamook County's 1,100 square miles is farmland, public or private forest, natural lands held by conservation agencies, or land trusts.

Section 2.3 above noted the huge importance of natural resources and amenity (beaches, estuaries, rivers, mountains, forests for fishing, farming, logging, clean water and air, recreation, and more) in Tillamook County to

quality of life and the economy. That is the most important conclusion of this section as well.

But as growth occurs and the environment changes from human and natural causes, the amount and quality of those resources, and there ongoing capacity to generate historical ecosystem services, can decrease. The County needs to both steward its resources (maintain their capacity to serve future generations) and be prepared for events that can damage those resources and the people that use them. That point may have been controversial 20 years ago, but it is recognized by Tillamook County residents and in County documents. For example:

- “In the past, there has been limited awareness about the investment required to maintain fire protection. From fuels reduction, education and prevention to evacuation, citizens must have the information and resources to be active participants in reducing their risk to wildland fire. For many years, there has been a reliance on insurance, local government, fire service, federal agencies, and many other types of organizations to aid us when disaster strikes.”⁹
- “Following a year that included a global pandemic, social unrest, and destructive wildfires, it is not surprising that emergency preparedness was on the minds of many community leaders. Several noted that disaster preparedness was not a key part of the earlier visioning work, in part due to a lack of understanding about the risks to Tillamook County caused by climate change and the Cascadia subduction zone. Community leaders reported that the County has made great strides to prepare residents, but that more work is needed to ensure that the community will be ready when disaster strikes.... Many fear the lack of funding and resources will inhibit the county’s ability to roll out sufficient public education and its ability to act quickly in the face of disaster.”¹⁰

2.5 Political Forces

Among the dominant themes of political commentary in the U.S. for the last two decades has been the increasing polarization of political views, and the resulting decline of civil discourse and compromise solutions to collective problems. The survey of County residents done for the Tillamook County Futures Council in 2021 found evidence of similar issues in the County.

⁹ The Tillamook County Community Wildfire Protection Plan.

¹⁰ Tillamook County Community Visioning 2020 to 2040 (2021)

Institutionally, CPS is committed to a political process that listens to different opinions, makes an objective attempt to distinguish between fact and opinion, finds ways to engage the public in discussion, and ultimately confides in elected officials to find a solution that most parties in a dispute can live with.

Mike Gleason of CPS elaborated on those points in a meeting of the Leadership Team in September 2023 as follows:

Politics is a principal job of elected officials. Politics is how a civilized society reconciles divergent views. An efficient and effective political board will clarify what the public issues are, create an effective policy response, and implement and monitor the solution.

In a representative democracy the people elect citizens whose responsibility it is to search for the public interests and to maintain and operate the commonwealth. The public interest is defined by a majority vote of the governing body. The vote must be done in a public space, at an advertised time, with time allowed for public input.

These points are consistent with—perhaps the basis for—our description section 3.2 (below) about the attributes of a modern local government: its mission, principles, systems, and procedures.

Our point: the evolution of politics at all levels over the last 40 years has moved away from cooperation and toward confrontation. That is an external force with which all local governments must contend as they try to make decisions that optimize across diverse interests, rather leave significant groups marginalized and angry about the decision and the process.

Going a little deeper, CPS expects that *statewide* politics will continue to be polarized into the near future. Issues that affect counties in general and Tillamook County in particular may be slow to attain resolution, or stalled all together. Those issues include:

- Law enforcement, particularly with regard to drug offenses and weapons control.
- Use of natural resources, particularly the forests and fisheries. At a high-level, all can agree that this generation has an obligation to manage resources in a way that allows future generations to enjoy the use of those resources. The devil, drama, and drivel are in the details.
- Wind and solar power and the dislocation of natural resource capacity through the creation of statewide reserves.

- Affordable housing will continue to be a priority of the state, which will affect land use and building codes and will almost certainly consider mandates, some of which may be unfunded.
- Economic development assistance is likely to be driven by the historically compelling argument that the statewide economy is primarily urban, so assistance should go to creating attractive and forward-looking economic clusters in urban areas. Representatives of rural will make their cases, and will, as they have in the past, get a share of the assistance. Tillamook County is unlikely to see much earmarked money without a legislative strategy.

At the County level, pending changes in County elected leadership could have effects on the outcomes of the Strategic Plan. Some thought needs to be given to integrating the new Board member into this process.

The normal division between those people who live in the County full-time and those who are parttime or transient citizens, whether they own property or are just visiting, are producing some tension. Difference in average income, housing cost, and availability of housing will probably need some political attention. Part of the resolution is likely to require some analysis (by County staff or consultants) of whether there is an unpaid differential between the cost of public services and the tax and fee contributions of full-time residents, part-time residents, and visitors.

Heavy seasonal use of local natural resources by visitors will increase pressure on the County to evaluate the tradeoffs between developing tourism as an economic objective, and controlling tourism (through regulations or ,more likely, fees) to pursue livability objectives for resident citizens.

In the broad area of "risk assessment" the biggest and most difficult problems tend to be ones of (1) high impact and low probability, and (2) common-property resources (e.g., fisheries). The global discussions and actions about global warming over the last 40 years illustrate both problems. In contrast, public opinion leads to public action in responding after the fact to disasters (e.g., wildfires, hurricanes, earthquakes). That is the context for efforts of Oregon counties to respond to state mandates and local preferences for disaster mitigation and response plans: there is a lot to do, and limited staff and funding to do it.

3. County Performance on Service Delivery

3.1 How This Assessment Thinks About Performance

Section 2 discussed forces *external* to the County: ones that County government might want to respond to (to mitigate or enhance), but ones that it cannot not control. Section 3 looks at forces *internal* to the County: ones that County government does or should have the ability to control.

This assessment links three related concepts:

1. What does a modern local government look like? What are its typical goals? What principles does it honor as it pursues those goals? What systems does it use to pursue those goals? The authors find a lot of agreement in the professional literature and practice of local government. A description of that agreement serves as a benchmark for evaluating Tillamook County.
2. If the citizens of Tillamook County, their elected officials, and the staff to those elected officials agree on goals, principles, and systems, one would expect a direct connection to *internal Strengths and Weaknesses*. A local government is *strong* if it can point to systems that are designed to follow principles and achieve desired outcomes subject to those principles; it is *weak* to the extent that it lacks or fails to truly consider such principles, or lacks or fails to use such systems. One should expect *tradeoffs* among goals, principles, and systems: it is not possible to maximize on more than one thing at a time. Governance systems operate in a multi-goal and multi-principle world. Decisionmakers and the public must make tradeoffs at every turn (service quality vs. service cost; current users vs. future users; environment vs. economy; infrastructure vs. social program; efficiency vs. equity; and on and on)—they must *optimize*.
3. Performance on delivery of most services will depend more on internal strengths and weaknesses than on external opportunities and threats. If the County delivers desired services consistent with its principles, it has Strengths; where it does not, it has weaknesses.

The rest of Section 3 uses that logic to evaluate the strengths and weaknesses of County governance and service delivery,

3.2 Attributes of a Modern Local Government

There are many ways to organize a list of desirable attributes for local government. The one that follows is the authors' attempt to keep the list relatively simple and understandable by using just three broad categories

to group attributes: (1) Evidence-based decisions, (2) Effective systems, and (3) Effective communication. How a local government pursues these broad goals define its organizational culture, and how it communicates that culture to employees, partners, and citizens affects its ability to make and implement critical decisions.

Evidence-based decisions

Everyone recognizes that elected officials make decisions about big policy issues. But all employees in all departments also make decisions every day: their jobs require it. The topics of the decisions vary in magnitude, importance, and public visibility, so the effort to collect, evaluate, discuss, and document evidence to support them varies as well. The point here is that evidence-based decisionmaking can and should permeate local government. It is needed not just for good policy decisions but for good operational decisions as well. Typical attributes of good decisionmaking:

1. **Standard steps:** (1) set goals, (2) assess the situation, (3) create and evaluate options for actions, (4) choose a direction for action, (5) develop a work plan for implementing the action, (6) carry out the work plan, and (7) monitor the implementation of the work plan and the results (performance measurement).
2. **Good information.** Characteristics include accuracy, comparison to best or accepted practices, identification of limitations and variability, distinguishing between objective facts and subjective values, accessibility.
3. **Clear communication.** Different audiences have different needs and abilities for processing technical information.
4. **Match of the level of evidence to the importance of the decision.** The effort to collect, evaluate, and communicate evidence will be greater for important public policy decisions than for daily administrative decisions. Infinity and perfection are not the goals: effectiveness (optimization) is. Data and analysis are not an end: they are a means and a habit.
5. **Search for best practices.** A good way to make effective decisions is to recognize that local issues are rarely unique, and that other governments have addressed the issues previously. Many resources are available to find some examples of best (or, at least, workable) practices.
6. **Documentation.** Staff reports in support of decisions should address the steps: the goal was...; the situation (opportunities, challenges, and constraints on solutions/actions) were...; the evaluations of the options considered for action were...; the action chosen was....

Effective systems

This attribute overlaps “Evidence-based decisionmaking” because such decisionmaking is itself a system.

1. **Policy understood as different from management.** Policy and management interact—many people in the organization do some of both. The point here is that decisionmakers and staff must understand them as different to be able to get clear on what parts they are or should be working on. Elected commissioners are the only ones that can make high-level decisions about county policy (e.g., budget, regulations). They are assisted in doing so by management and staff. To the extent commissioners spend time on management tasks that could be delegated to other staff, they reduce the time they have available for policy work. In a Commission form of government (with commissioners not only in charge of policy, but also with responsibility for the effective operation of county departments), the potential pitfall is one of getting involved in seemingly urgent (and ultimately endless) operational issues that make policy work piecemeal, incomplete, and slow. One way to describe the critical difference: doing the right things (policy choices about types and level of service), and then doing those things the right way (management choices about how to deliver the prescribed types and levels of services in ways that are effective and fair).
2. **Standards and performance measurement.** Type of level of service is a policy question. General standards may also be a policy question (e.g., will a county do just what is necessary to meet state or federally mandated standards, or will it go farther?). At some point, however, it falls to management to set more specific and achievable standards that it can use to measure its performance and adjust its actions.
3. **Resources to match the standards.** If resources are insufficient, standards cannot be met, and operations will be less effective. If they are excessive, operations will be inefficient.
4. **Streamlined and coordinated.** As with resources and standards, a balance is desirable: in this case between “whatever I want to do” (authoritarian decisions) and “paralyzing bureaucracy” (lots of talk; little action).
5. **Effective purchase, operation, and maintenance of natural capital and standard capital facilities and equipment.** These forms of capital compose the commonwealth. Good government manages the commonwealth for the current and ongoing benefit of the citizens that own it. There are always tradeoffs. Natural capital can deliver value by harvesting or by being left in place. Standard capital

(facilities and equipment) requires good systems for evaluating life-cycle performance on capital purchases, and a management process that maintains that performance as the capital ages through that lifecycle.

6. **Central support services.** The delivery of diverse services has some common elements: labor, facilities, equipment, accounting, and more. A county delivers potentially dozens of services. It will gain efficiencies by centralizing certain administrative and logistical functions: e.g., human resources, facility management, procurement, motor pool, information technology, legal, The goal for these support services is not to tell the departments responsible for service delivery to end users what their mission should be or exactly how they should try to accomplish it. Rather, it is assist them in achieving their approved mission by providing them with certain services faster, cheaper, or of higher quality than what they would be able to provide for themselves.
7. **Delegation.** Effective operation requires delegation. If less experienced and lower paid employees can successfully carryout functions previously done by a supervisor, everyone can win. The same task gets done at less cost. The supervisor has more time for other supervision that only he or she can do. The less-experienced employee gains experience, is on a path of advancement, and may be more in touch with operational issues and service quality closer to end-users.
8. **Work with partners (co-producers).** Every product is co-produced. Communication with co-producers is very likely to increase the efficiency of service delivery.
9. **Leadership involved in the overall mission.** Yes, there are efficiencies to specialization. Departments make sense, but they also have the tendency to become silos. In an effective organization, the members of the leadership team are incentivized to work not only on producing and monitoring the services that their department is responsible for, but also on larger countywide and multidisciplinary issues.

Effective Communication

That communication must occur with employees, with public- and private-sector partners in service delivery, and with citizens. That communication has some similar principles with all audiences. It must go both ways: talk and listen. It must be civil: name-calling, blame, flaming emails, and the like will not create an atmosphere of cooperation, trust, and compromise that is

essential for dealing with large groups with different needs and values. It must be transparent: on any given topic there are not different stories for different audiences. In addition:

1. With employees. The County should have a clear mission and performance standards. The organizational culture should facilitate and reward good performance, and simultaneously encourage experimentation and new ideas. It should encourage feedback and simultaneously reduce penalties. Infinity and perfection are not part of the model.
2. With the public. Start with the idea of the public as owners of the commonwealth. Local governments can and should go beyond the basics of legal notice. They involve people in ways to help them learn what they want and express opinions. Local government can leverage and personalize its outreach, and improve its operational effectiveness and morale, if it considers all employees to be ambassadors to the public. More specifically, good public engagement in a modern local government includes:
 - a. Updated web site
 - b. Citizen task forces (usually better than permanent committees)
 - c. Periodic outreach. A comprehensive, coordinated communication program across departments. Occasional statistical samples for benchmarking and for key special issues.

3.3 County Performance: Principles, Systems, and Outcomes

How do the governance and operational systems at Tillamook County compare to those of a modern local government described in Section 3.2?

First, some context. No local government can excel in all areas. We skip regional governments like states or special service districts and look at the typical multi-purpose local governments: in the West, cities and counties,

Big multi-purpose local governments (e.g., Portland, Multnomah County) exist predominantly in urban areas. They deliver dozens of services and serve 50,000 to 500,000 people (or more). They have big budgets and big staffs, and they do a lot of work. But with size comes complexity. No big government is always doing everything well. The best are doing many things well, most other things well enough (no immediate crisis), and trying to make progress on most of the systems that are substandard.

Small multi-purpose governments (e.g., Manzanita, Lake County¹¹) tend to be more rural, less dense, and provide fewer and less complicated services. They also have a lot less revenue and staff for providing services. As a result, they face similar problems at a different scale, with the best doing some things well, many things well enough, but still having many areas for potential improvement.

Thus, it should be no surprise to find Tillamook County doing some things well and needing some modest or significant improvement on others. Taking a clear look at the operation at a broad level is the purpose of this Situation Assessment.

The assessment here is more qualitative than quantitative. CPS is drawing not only on the data summarized above in Chapter 2, but also on the experience of staff that it gathered from (1) group exercises about issues and actions done with Leadership Team members at work sessions in October (2023), February (2024), and April; and (2) a formal survey sent to all County employees in June 2024. Others in the County may have good reasons to disagree with parts of the assessment.

Such disagreement is expected: the purpose of this assessment is to flag potential issues for discussion and clarification by the County's Leadership Team. The Leadership Team did its review of this final version of the Situation Assessment in June and July 2024, and it used the information in this final version as a foundation for its decisions about the Focus Areas and Actions for the Strategic Plan.

With that context, what does CPS see as a County's strengths and weaknesses compared to those of other multi-purpose governments of its type? *Broadly, its current strengths tend to be associated with staff attributes, and its weaknesses tend to be associated with system attributes:*

Strengths

1. Commitment of Board and senior staff (collectively, the Leadership Team) to serving the County and getting the job done.
2. Willingness of Leadership Team to consider organizational change (e.g., to do the work involved in creating a strategic plan).
3. Willingness and ability to "make do."
4. Direct contact with and understanding of community.

¹¹ The population density (persons/square mile) of Lake County, Oregon, is 1; of Multnomah County 1900; of Tillamook County 21.

Weaknesses

1. Little evidence-based decisionmaking at the strategic level. Limited systems, procedures, and culture for County-wide system thinking.
2. Focus on the immediate problems and doing the work: nobody has the time to think of systems.
3. Related to point 2 above (and as a counterpoint to point 4 under Strengths, above), when the Employee Survey asked, "What is one thing you believe the County could do better to serve citizens or stakeholders?" the top answer was some version of a better understanding of or focus on "public needs priorities."
4. The downside of a "make do" and "learn to live with it" culture: it makes it hard to have a culture where employees are actively engaged in furthering County meta-objectives and for raising and working cooperatively on County-wide issues.
5. Related to point 4: an emphasis on "what works for my department" without enough attention to "what can my department do to support the broader County goals of current service delivery and of ongoing capacity to deliver and improve those services."
6. No central Public Engagement strategy and processes.

The Employee Survey question about what the County could do better got many responses that were variations on the points above.

The internal weaknesses are understandable and derive in part from external problems. A fundamental issue that is simultaneously a threat and a weakness is current and future funding. That issue cuts across problems with wages and staff acquisition and retention; departments' abilities to deliver their basic services (and, thus, the difficulty of allocating time and resources to work on County-wide issues and systems); effective coordination with co-producers; effective communication with citizens; and more.

This high-level analysis is supported by a deeper look at County systems through the lens of a modern local government. How well do Tillamook County's systems for governance and service delivery match those described above? CPS's observations follow.

Evidence-based decisions

1. **Standard steps:** Not part of the County culture. Full steps may be used in some cases in some departments, but otherwise needs improvement. That improvement begins and ends with the Commissioners: if they do not ask for formal analysis, authorize budget for staff to do it, or use it when it is delivered, then the practical staff response is to spend time on other tasks where something concrete is being demanded.
2. **Good information.** Amount, quality, archiving, and retrieval probably okay in a few departments, but needs improvement. Digitizing, archiving, recordkeeping came up several times in interviews and survey. No standard practices or templates for staff reports.
3. **Clear communication.** No PR director; no County-wide communication plan or protocols (for all departments). This is a key central service obligation. It doesn't necessarily require a new department or a new fulltime staff position. It does require, however, that someone develop a strategy and procedures, and then be available to departments to assist with and enforce their implementation. In addition to communication with the public, the workplace culture could be improved with guidance on internal communication that is approved by the Board.
4. **Match of the level of evidence to the importance of the decision.** We have no specific evidence to point to, but most local governments are not disciplined about this (e.g., budget committees may focus on things they can grasp like (a few thousand dollars for dog park improvements) and may ignore big complicated big-ticket items (millions of dollars for a new accounting system).
5. **Search for best practices.** Some departments probably do this, but it is not part of the organizational culture.

Effective systems

1. **Policy understood as different from management.** This understanding is inherently more difficult in a Commission form of government. At a minimum, we think the County needs to look at this issue and clarify the respective roles of Commissioners and department heads in the area of overlapping management responsibilities.
2. **Standards and performance measurement.** In the hundreds of documents we reviewed, we found very little evaluation of County policies or department activities.
3. **Resources to match the standards.** We are relatively confident that resources are insufficient to do what Commissioners and department

heads would *like* to be able to do. Since there is appears to be no management culture of standards-based evaluation, and thus few documents (there are some exceptions in some departments) that articulate formal standards, it is not possible to evaluate the degree to which standards are being met. At a minimum, the County continues to provide its standard bundle of services (a positive), but comparing measurements of level of service relative to expected standards is not something that is common practice.

4. **Streamlined and coordinated.** As we noted, a County strength is the “make do” attitude of its managers and staff. Because the County has many small departments, operations within those departments can be relatively streamlined and coordinated. The coordination across departments, however, needs improvement.
5. **Effective purchase, operation, and maintenance of natural capital and standard capital facilities and equipment.** Again, “make do.” There is a general recognition on the Leadership Team that the County is behind in several areas on life-cycle maintenance of existing capital, and on cost-effective investments in labor-saving new technologies and equipment. But there is a general feeling that improvements would be beyond the County’s budget.
6. **Central support services.** Our interviews suggest that managers of support services would like to make some improvements to antiquated and ad hoc systems, but that is hard because of (1) existing workloads and limited staff and budget (primarily, and (2) in some cases, lack of compliance from operational departments with existing procedures. At the same time, operational departments find the services slow or ineffective and thus seek their ways to get what they need in a more timely manner.
7. **Delegation.** Delegation is hard if there is a scarcity of staff or if available staff lack the experience or training to effectively complete the job. That is the case in some parts of the County organization.
8. **Work with partners (co-producers).** Our interviews suggest that most departments do a pretty good job of this. There is always more that could be done, but the County has a good base to work from.
9. **Leadership involved in the overall mission.** In an effective organization, members of the leadership team are incentivized to work not only on producing and monitoring the services that their department is responsible for, but also on larger countywide and multidisciplinary issues. In the County, that may happen on an ad hoc basis, but it is not part of the County culture or managers’ job descriptions or evaluation criteria.

Effective Communication

Every organization can improve its communication with public- and private-sector partners in service delivery, with citizens, and internally. A place to start is with clear communication protocols. Communication and relationship training can take it a step farther. The development of a strategic plan is an opportunity to work from the Leadership Team out to the broad audience of partners and the public.

To get to peak performance, any organization must work to reduce fear. A commitment to continuous improvement will fail if negative feedback is discouraged and punished. Cultural change in this area must be reflected in feedback and evaluation procedures.

Regarding public communication and engagement, the County lacks protocols and staff assignments that would be necessary for an integrated public engagement effort.

The organization of the evaluation above does not give enough detail about a central force that is both a threat and a weakness, and where the County has both strengths and opportunities: financial resources and budget. Budget issues are strategic issues. Those issues are resolved annually by an adopted budget: the fundamental policy statement about how the organization will provide services to implement an organization's vision, mission, and higher-level policies.

CPS has these observations after review of the Tillamook County adopted budget and budget process:

1. The County does the hard work required to comply with the legal requirement of having a balanced budget.
2. The budget has adequate reserves to cushion unforeseen budgetary shortfalls.
3. The budget process lacks or needs to improve several elements:
 - a. The system for forecasting revenues and expenditures.
 - b. Efforts for the timely creation and implementation of strategic plans to intervene in revenue problem.
 - c. Staff resources to analyze options in a timely fashion.

- d. The design and documentation of methods by which the organization makes future decisions about financing, operational issues, and organizational design.
- e. Underinvestment in capital improvements and technology that would increase operational effectiveness.
- f. Internal business services (e.g., budgeting, personnel, administrative support, maintenance and repair, auditing and oversight, data processing) are without common leadership, strong culture of a common mission, and management procedures that keep the focus on the common mission.
- g. Because the budget process merges strategic issues and foundational operating issues into one process, there is not enough time to analyze and choose organizational changes necessary to address potential future needs and problems.

4. Implications for the Strategic Plan

No one can predict the future. CPS has made assumptions and provided evidence and anecdotes in support of its guesses. Others may have other information or may dispute our information or interpret it differently. Ultimately, the County Commission will debate possible actions and make its judgment about what is in the best interest of County residents. This memorandum is input to that debate.

It is typical for assessments like this one to have more to say about what needs improvement than about what is working well. But in a complex, interdependent, multipurpose county government like Tillamook, the fact that critical services get delivered day after day is an amazing achievement that often goes unnoticed, or at least unacknowledged by the people getting the services. We acknowledge it here: whatever this document finds as obstacles, weaknesses, or threats, the observable fact is that the County Commissioners and staff are getting the services delivered.

Of course, the complicated institutional machinery that facilitates service delivery always has components that are obsolescent and less than fully efficient. But we repeat what we said in Section 3.3. regarding the County's strengths and weaknesses: *its current strengths tend to be associated with staff attributes, and its weaknesses tend to be associated with system attributes*. Thus, most of our critique is about practices, not about people. Staff are doing a good job of delivering services to customers with the budget, staff, equipment, support services, and operating procedures they

have; they could a better job to the extent those inputs to their production functions were increased or improved.

The purpose of the Situation Assessment is to provide a set of facts that the LT can agree to as a basis for suggesting and evaluating *focus areas* for actions, and *priority actions* within those focus areas. A report on Focus Areas (Task 3.2 Focus Areas, Recommendations, 1 April 2024) was approved by the Leadership Team at a Work Session in April 2024). That report recommended four focus areas for actions in the Strategic Plan: Governance, Finance, Central Services, and People and Places (i.e., services delivered to customers).

The results of the Employee Survey support the decisions the Leadership Team made about focus areas: all focus areas got an average rating on *importance* of between about 70 and 80 (on a scale of 100).

At that Work Session, the Leadership Team did an exercise to generate preliminary ideas about Actions that might address issues in those Focus Areas and be candidates for Actions to include in the Strategic Plan. The list of potential actions generated at the that Work Session was the starting point to more detailed work on Actions that the Leadership Team did at Work Sessions in June and July 2024.

The results of the Employee Survey support the Leadership Team's conclusion that actions need to be taken to address performance in the four focus areas: all focus areas got an average rating on *performance* of between about 50 and 55 (on a scale of 100). In addition, the survey allowed employees to give more specific ideas about one thing the County could do to better serve its citizens. The responses were incorporated into materials reviewed by the Leadership Team as it made decisions about priority actions at its work session in July 2024.

Appendix A Summary of Findings from Tillamook County Community Visioning 2020 to 2040 (2021). Pages 5 - 9

Tillamook County is facing important challenges and likely transitions: expansion of tourism, threats to the environment and natural beauty of the area, the arrival and inclusion of new residents, housing affordability crisis, and overcoming political polarization, just to name a few. Oregon State University's Policy Analysis Lab sought to understand how the people of Tillamook County wish to navigate these challenges and transitions and build the community they hope to see in the future. We conducted this work during the Fall and Winter of 2020 and 2021, in the midst of a pandemic and national strife over elections, public health responses, and a struggling economy. This report reflects what we have come to believe is true of the people of Tillamook County at this point in time.

Tillamook County residents agree that the county's natural beauty is truly special. Given how highly residents value their natural areas, the majority said that environmental conservation efforts are important, and they preferred conservation over development; however, residents are split, generally along industry lines, as to whether or not they believe efforts are being made to protect natural areas. Individuals who work more closely with natural resources, recreation and tourism have more positive views of the county's efforts to conserve natural lands. Respondents with less connection to the natural resource industries were more likely to believe that the local environment is polluted, presumably due to industrial practices, as many respondents expressed concern about environmental degradation caused by the natural resources industries. This clear divide over the environmental impact of traditional industries indicates a point of contention among community members that will likely need to be addressed in the new community vision.

Residents love the way of life that attracted them or kept them in Tillamook County. Over two-thirds said they favor policies that will protect the quiet, rural way of life they know and the balance favor expanding amenities often found in rural places such as abundant open space, access to outdoor recreation and an agrarian character. This protection of the "feel" of the community is consistent with community members' love and appreciation of Tillamook County's natural beauty as well as their great pride in the natural resource-based industries that have traditionally driven the economy. These industries have instilled "barn-raising values" in the community which some believe has led to a long history of local residents collaborating in times of crisis. Tillamook County residents have an optimistic view of their community's neighborliness and community spirit when it comes to addressing crises like natural disasters, with over three quarters of them affirming that this is the general spirit of the community. They are somewhat less in agreement about how much they actually trust one another (perhaps with regard to decisions about the future of the county), and quite divided over the degree to which they believe the community is a safe place to share opinions and concerns without judgment. In practical terms this means people will help a stranded motorist or loan a piece of farm equipment to a neighbor, or evacuate a family during flooding, no matter their ideological differences, but when it comes to making community decisions or having honest safe conversations about COVID, masks, clear-cutting, tourism, politics, or religion, there is less trust and greater reservation about speaking up.

Surprisingly, nearly half of the residents said they have experienced one form of discrimination or another, with younger and non-white residents more likely to say they have experienced discrimination. However, the source of that discrimination and the recipients of that discrimination are not widely agreed upon. White, older, and conservative residents may be as likely to feel marginalized or silenced as non-white, younger, or newly arrived people, but the reasons for their feelings of mistreatment, or perhaps fears of speaking up, are varied and linked

to their social status (age, race, sexual orientation, etc.). Some groups clearly are not yet heard, and there is evidence of at least pockets of criticism from those groups historically absent or silenced. Community leaders worried that the Latino community's concerns are not adequately voiced nor heard, yet also worried that some community members may have resented the fact that even our survey was made available in Spanish. Gay respondents expressed fear of coming out in Tillamook County, while some community members expressed anger that we let respondents identify their gender as something other than male or female. While we did not ask respondents to identify their political ideology, written survey responses led us to believe that some conservatives do not feel heard, particularly by the local government which they believe caters to liberal policies and is responsible for a loss of freedom and way of life.

Regarding inclusion and diversity of opinions, a significant number of students expressed a particular frustration with this issue of lack of openness to new ideas, or appreciation for new identities and people, and they indicated that this is one reason some anticipate leaving Tillamook when they are able. The loss of young people and the aging of the county is not an especially large concern for residents when compared to other concerns; however, about one third of survey respondents expressed significant concern. Many youths are in fact planning to leave to pursue educational and career opportunities, but this does not mean there is a lack of local opportunity. The TBCC receives high praise and residents care very much about the presence of educational opportunities. There is a divide over how much people think that there are enough educational opportunities available locally. On the whole, the population is also ambivalent regarding how students are performing academically and how easily they can access extracurricular activities. There is somewhat more pessimism about educational performance among younger adults, perhaps expressing concerns about their own children's experience of the educational system, in comparison to retirees with no children any longer in the system. The group ambivalence on this issue is reminiscent of other sections in this study where respondents were asked about other people's knowledge or experience, a case where some of our survey respondents may have been hesitant to venture an opinion on something about which they have no current knowledge.

The state of Tillamook County's economy and the availability of jobs is concerning to more than the community's youth, and nearly three quarters of residents expressed great concern over job security, the availability of year-round employment and jobs that pay a living wage. Such concerns ranked among the highest of all concerns for survey respondents which is not surprising given that many individuals may have lost or feared losing their jobs during the pandemic, as well as the fact that wages and job creation have been a growing topic of political conversation nationally. While residents support traditional natural resources-based industries like fishing, farming, and forestry, they also expressed a desire for increased diversification of the economy. Despite the push for new and different job opportunities, there is also a sentiment expressed by some that the kind of jobs that Tillamook County should seek to create should uphold the existing culture and spirit of the county so that long-time residents are not pushed out of the community. For instance, rather than attempt to bring in generic corporate jobs, they hoped to see science, technology, engineering and math (STEM) positions related to the natural resources industries that already exist. Community leaders expressed a similar sentiment and highlighted innovative opportunities like prawn farming, anaerobic digestion, and the aerospace work done by NearSpace as industries that could fill open niches within

Tillamook County's economy without detracting from the existing natural resources industries, while possibly adding jobs and activity in those industries as well. While we did not specifically survey the rest of the community about the kinds of economic diversification they wished to see, their support for existing industries and strong desire to maintain the existing rural feel of the community suggests that they would be accepting of the kinds of jobs and industries described above if they paid well enough.

Though widely supported, the tourism industry was also the cause of much concern for survey respondents and interviewees alike. In written survey comments, many residents expressed frustration with the low wages that the tourism industry pays as they believed that it is difficult for individuals to support themselves on low-paying, predominantly seasonal work. Residents fear that low wages would reduce the vitality of their community by increasing the number of people who are food insecure or close to homelessness and decreasing the number of skilled individuals willing to move to the county for work.

Some of the strongest sentiments expressed on any topics in both the survey and community leader interviews were related to tourism and its physical impacts, which is not surprising given that Tillamook County experienced a significant increase in the number of visitors during the summer of 2020 when our research began. In addition to overcrowding, a lack of staffing and the closure of some facilities, such as bathrooms, due to the pandemic led to increased levels of trash, human waste and bad behavior in some recreation areas. Many residents found this deeply upsetting. Most survey respondents agreed that tourism could be managed more effectively, and nearly three quarters indicated that they wanted the county to increase efforts to mitigate the negative impacts of tourism such as overcrowding and environmental impacts. Despite the issues associated with tourism, it appears that Tillamook County residents understand that tourism is a key component of their economy and not one that can be done away with.

Community leaders linked increased tourism and the purchase of rental homes with decreased housing stock and increased home prices for year-round residents. The broader public did not show as much concern over this issue of vacation homes, but concern regarding access to safe and affordable housing ranks among the top concerns for many survey respondents. Residents tied the lack of housing, affordable or otherwise, to the inability of employers to find quality help which some believed threatened the economy as well as the resilience of the community. Community members offered two solutions to the housing supply issue 1) restrict the sale of homes that will be used as second homes and vacation rentals 2) build more housing. We did

Residents believe that destination management and expanded or improved infrastructure is needed to ensure that the community is not overwhelmed by the number of people who want to visit and wish that the County would invest more to reduce tourism's impact on the community. not survey or ask interviewees about their opinions of the first solution, but did ask several questions about building and development.

Residents were evenly split with regards to their opinion as to whether the county and its cities should focus on developing multi-family or single-family homes. While one would expect differences of opinion to emerge between individuals living in the more urban incorporated areas versus the more rural unincorporated areas, no significant differences were observed. Likewise, few differences in opinion exist when the data is broken down by age, region and length spent within the county. What is notable is that few residents appear to be entirely neutral on this topic with almost one third having a very strong preference one way or the other. It is possible that factors other than those we have looked at are influencing these opinions and more work may need to be done on this subject in order to determine the kind of housing residents wish to see in each area of the county. Residents do show clear preference for keeping the majority of growth and development within existing cities which is not surprising given how much they value the rural nature of the county; however, central county and inland residents, categories that both include individuals living in the city of Tillamook, show a stronger preference for growth outside city limits perhaps due to perceptions that Tillamook city is already too developed. As expected by members of the Futures Council, some "not in my backyard" sentiment is observed in our data with residents in unincorporated areas preferring to

see growth happen in cities, while residents in incorporated areas (cities) preferring that growth happen in the unincorporated areas.

As development increases and new individuals are attracted to the community either as vacationers or residents, Tillamook County will need to work to update and increase critical infrastructure to support the growing population. Improvements to roads, bridges, water, sewer, electric grid, parking, and public transportation were all noted by residents as requiring improvements in the near future in order to keep up with increased use. Overcrowding from tourism likely contributed to frustrations related to inadequate infrastructure in a community that was not built to regularly host more than double its population.

Residents were also asked about social infrastructure such as social services, childcare and broadband as these topics were found to be correlated with topics related to physical infrastructure. About half of residents expressed concern over access to social services in general. This high level of concern may warrant more research on this topic to determine which specific services residents are most concerned about. Understanding what residents consider “social services” may also provide an understanding of the regional differences in concern. On the topic of childcare, younger residents, who are likely in the process of raising children, expressed great concern about access to childcare and pessimism about the availability and affordability of existing childcare options. Although no community members drew the connection, childcare affordability is tied to the availability of jobs that pay a living wage as childcare is one more large expense that working families must finance. Access to broadband internet is also top-of-mind, but not critically concerning, for many residents. Residents note that even in areas which may have access to broadband, many still have trouble connecting due to speed and affordability issues. The pessimism regarding the access and affordability of both childcare and broadband, in addition to written comments provided by residents, suggests that issues of equity are critical to consider when thinking about infrastructure and access of services.

Access to healthcare is one of the biggest concerns for Tillamook County residents, which is not surprising given that a significant portion of the population are retirees. Younger adults show more moderate concern. For the most part, residents believe that the healthcare that they need is available to them, but residents living on the coast and in the northern and southern areas of the county feel as though their health care needs are not being met. The answers the respondents gave about health care access are related to their answers about public transportation suggesting that the reasons some individuals may be pessimistic is due to a lack of adequate public transportation to and from health care facilities located outside of the community they live in.

When it comes to the kinds of activities that keep people healthy, most residents agree that recreation is available and affordable to them. Residents living inland and in the central portion of the county are more pessimistic about their ability to access affordable recreation. The meaning of this difference deserves further reflection regarding whether opportunities are objectively further away or perceived as more expensive, or if residents inland and central residents do not perceive nearby recreational opportunities to indeed be of the same nature as perhaps beaches and hiking on the coast. When it comes to the food required to keep people healthy, the data is somewhat unclear due to the drastic differences in opinion observed between the random and community samples. These competing findings, more in contradiction than on any other of the indicators, deserves further exploration regarding how the respondents’ characteristics in these different areas may impact how people responded to this question. This volatility in measure somehow captured in the sampling method may indicate especially strong and conflicting sentiments on this topic among regions in the county. Those familiar with the geographic location of grocery stores, farm stands, farmers markets, etc. may

be able to offer interpretation for why these differences appear within and between the two samples.

If 2020, revealed anything, it was that disasters and emergencies can happen when least expected. While pandemics may not have been on the minds of most Tillamook County residents prior to 2020, residents were expressing great concern over the ongoing spread of COVID-19 when we surveyed them in January 2021. Residents of all regions appeared to be similarly concerned, but older residents were unsurprisingly more concerned than younger residents. Given the general concern over COVID-19, it is possible that residents might express increased concern over future pandemics and desire that the county make efforts to prepare in advance; however, due to the limited nature of our survey, we cannot know this for a fact. Writers of the new vision may want to assess the community's sentiments about preparedness efforts related to the spread of disease.

As is the case with many coastal communities, Tillamook County sits in a precarious location and is vulnerable to a number of natural disasters including earthquakes, wildfires, tsunamis, floods and mudslides; as such, emergency preparedness is of critical importance. Residents overall expressed high levels of concern about natural disasters with slight degrees of variation among residents from different regions. The majority of residents from all regions indicated that emergency preparedness is important to them and their community; however, they are quite evenly divided when it comes to whether or not the community is adequately prepared for a natural disaster or other emergency. Individuals living in the north are most optimistic about their community's preparedness, perhaps due to the efforts of grassroots groups like the Emergency Volunteer Corps of Nehalem Bay. Central Tillamook County lacks such a grassroots group and this may be one of the reasons that residents who live there indicate that they are the most pessimistic about their community's level of preparedness. It is surprising that no difference in opinion was observed between coastal and inland residents with regards to levels of preparedness as one might expect coastal residents to feel more or less prepared depending on their perceived level of risk and the preparedness activities they have engaged in. Given the overall level of concern about emergency preparedness that community members expressed, it is not surprising that nearly two thirds of residents would like to see the County increase their investments in emergency preparedness.

Crime ranks among one of the greater concerns, and over half of residents indicated that they are very concerned about crime. Similarly, approximately half of residents believe that the community is not safe from crime. Inland and central county residents are the most concerned and feel the least safe. It is interesting to note that index crimes as a whole have declined since 2007 and have remained mostly flat for the last decade. It is possible that the crimes these individuals are concerned about are more minor crimes (or crime adjacent activity) that are not reported in this statistic or that these individuals may feel unsafe due to increased awareness of crimes that do occur thanks in part to social media and increased media coverage.

This concludes a brief narrative summary of the findings of a survey of Tillamook County residents conducted in January 2021 and supplemented by interviews and focus groups with community leaders and targeted groups. The following report details these findings in greater detail and additional data can be found in the appendices that follows.

Synthesis and Further Recommendations Pages 136 - 138

While we have separated the data presented in this report into seven sections, we are well aware that significant connections exist between these categories. In this section, we highlight topics where tradeoffs must be made due to conflicting goals and desires, as well as areas in which one change may lead to multiple benefits across categories. In addition, as our survey could not ask community members about every topic or go into great detail about the topics that we did ask them about, we also provide here suggestions for further exploration.

Tradeoffs

A community can experience conflicting goals, with one group having different interests than another. But a community can also be in agreement on two conflicting goals, not unlike a person who has two heart-felt goals of eating anything that sound good and of maintaining good health. To this point we have pointed out areas of wide-spread agreement or disagreement, but here we address how shared goals and values may still be in conflict with one another. We outline the greatest conflicts that may need to be reconciled in the new Tillamook County Community Vision. It should be noted that these ideas are not always in opposition, and it is possible for the county to promote two seemingly divergent goals at once; however, care must be taken to understand the rippling effects that may occur when supporting some of the desires outlined in the data above. Our goal here is to draw attention to several of the tradeoffs that may need to be considered and balanced when drafting the new community vision. This is a non-exhaustive list – community leaders will be well aware of additional tradeoffs like this, and readers may identify others as well.

- Protection of Tillamook County's natural lands and rural feel may conflict with residents' desire to build more homes.
- For some individuals, support for natural resource industries may feel in opposition to natural resource conservation.
- Tillamook County must balance the desire for a rural quality of life with the fact that Tillamook has become a destination for many tourists.
- The community will need to find a way to attract new jobs without giving up existing rural qualities and running out traditional industries and long-time residents.
- More jobs and higher wages would help families thrive in Tillamook County but may be hard on some small businesses.

Synergies

Some of the community's broadly shared desires were found to complement one another. In these instances, efforts to realize the community's vision in one area would also help to achieve the vision in another area. Understanding these points of synergy will allow the county to tackle more than one issue at once and can help to bring about the community's vision for the county more efficiently and effectively.

- Youth state that they would be more likely to remain in the county if the area was more diverse with regards to jobs and people.
- Less expensive housing supports the economy and the schools by providing employees in all industries and service sectors with a place to live.

- Increased housing availability might decrease some of the animosity towards second homeowners and visitors who stay in rental houses.
- Infrastructure improvements support job growth by providing workers with the necessary services to live and work in Tillamook County.
- Infrastructure improvements would reduce concerns related to overcrowding from tourism.
- Infrastructure improvements may allow residents to feel more prepared for emergencies and thus safer in their communities.
- Addressing discrimination would improve community culture and ensure that residents feel like they can be themselves.
- Improvements to public transit may improve access to healthcare, food, outdoor recreation and reduce congestion created by visitors in the summer.
- Increasing the availability of affordable childcare would make it easier for working parents, which in turn may help to improve Tillamook County's economic growth.
- Higher wages may help make childcare more affordable for working class families.

Areas of Further Exploration

There are a number of areas in which clarification is needed to better understand what Tillamook County community members desire for the future of the county. Defining some concepts more clearly would also ensure that any policies that are created based upon the Tillamook County Community Vision for 2020-2040 reflect the direction that residents want the county to go in.

- It is important to understand why such differing opinions exist about environmental pollution among workers affiliated with different industries (Is it an education and understanding issue, familiarity with current practices and conditions, or something else?)
- More effort will need to be made to understand why some community members feel as though they cannot speak their mind and why so many feel discriminated against.
- There is a great difference between samples with regards to opinions on food access which makes it very difficult to understand how the community feels about this issue.
- What do residents mean by "commercial development"?
- What do residents picture when they think of "multi-family homes"?
- More effort will be needed to understand what social services residents are having the most trouble accessing or are generally most concerned about.
- More work is needed to understand whether access or affordability is the greater issue for a number of topics: Outdoor recreation, Childcare, Housing
- More outreach to some populations, perhaps through focus groups to gain deeper understanding of complex or silenced opinions. A list of suggested populations for continued outreach are below.
 - o Latinos
 - o Youth
 - o Seasonal residents
 - o Those experiencing discrimination

Selecting Focus Areas and Actions

**Appendix B of the
Tillamook County Strategic Plan**

September 2024

**Prepared by the Center for Public Service
at Portland State University**



Between January and July, 2024, the Board of Commissioners and other members of the County's Leadership Team (composed mainly of Department Heads) worked on **Focus Areas** (the most important categories of issues needing the special attention of County leadership) and **Actions** (the best things the County could do over the next few years to address those issues).

For both topics, the Center for Public Service at Portland State did preliminary research and wrote a memorandum that was the basis for a discussion by the Leadership Team at its work sessions about the Strategic Plan. For background information about how the County selected focus areas and actions, this appendix to the Strategic Plan (*Appendix B: Selecting Focus Areas and Actions*) reproduces those memoranda.

The Leadership Team made its final decisions about Focus Areas at its work session at the end of April, 2024, and its final decisions about Actions at its work session in the middle of July, 2024.

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To: Tillamook County Commissioners and Leadership Team
From: Terry Moore and Mike Gleason
Re: Tillamook Strategic Plan
Task 3.2 Focus Areas, Recommendations
Date: 1 April, 2024

1 Background

In April 2023, Tillamook County engaged the Center for Public Service (CPS) at Portland State University to help the County develop a Strategic Plan. To date, CPS has created a Plan outline; drafted a Situation Assessment (October 2023) that summarizes Tillamook County government issues (opportunities and challenges; and finalized vision, mission, and values statements. These statements will guide the development of the Plan's focus areas and the actions that address those areas.

This memorandum recommends four focus areas. The County's Leadership Team (LT) will discuss, amend as desired, and approve a final set of focus areas at its meeting on April 29, 2024.

In May, CPS will help the County identify, evaluate, and select 1-3 actions in each focus area to include in the Plan.

2 Considerations for selecting focus areas

2.1 A structure for thinking about focus areas for County actions

Before jumping to the specifics of local government actions and policy, CPS provides some context. What kinds of things do local governments in the U.S. typically work on? Why do they work on those things and not others, or on nothing at all? The way one describes the context reveals a lot about assumptions and allows people to see whether they agree with the assumptions and the policy choices and actions that might logically derive from them.

CPS's thoughts about public policy are built on these assumptions:

- People are social animals and have found that many individual needs can be met more effectively and efficiently if there is some social order and coordinated common action. Over the course of a million years that order grew from packs and tribes to cities and counties. The size and complexity of the latter, and the economies of scale and production they allowed, required and engendered social contracts and institutions.
- In most of the world today, and certainly in the U.S., services to satisfy the vast array of needs are provided through the efforts of the private sector (individuals and businesses) and the public sector (federal, state, and local governments). Though the private sector dominates in providing consumer goods, it can do so effectively only if the public sector maintains the institutions and infrastructure that the private sector has developed around and grown to rely on. Moreover, (1) the private sector provides some of its goods and services from resources the public sector stewards (e.g.,

recreation services from park land, lumber from forest land), and (2) for tens of millions of U.S. citizens with insufficient resources to purchase essential goods and services provided by the private sector (e.g., food, housing, health care), the public sector is the provider of last resort.

- Together, federal, state, and local governments are responsible for around 38% of the U.S. economy (as measured by Gross Domestic Product) and 17% of the U.S. employment. Local governments are responsible for about 30% of all government spending and almost 50% of all government employment.¹
- Multi-purpose local governments (cities and counties in the western U.S.) provide dozens of different goods and services that people living, working, or visiting within their boundaries need or want.
- In the last fifty years, writers from many fields (biology, evolution, neurology, anthropology, history, philosophy, psychology, self-help, ...) have generated tens of thousands of pages of academic, professional, and popular literature about what people want or need, and about what they or others should do about it. A sweeping generalization is that there is broad agreement that people universally want to satisfy some base level of primary needs (e.g., food, shelter, clothing, health, safety) and higher-order needs (e.g., personal and social development).

In the context of economics and capitalism, there is a logical correspondence between categories of things people want and need, and categories of goods and services that they would be willing to pay some person or organization to provide (demand and supply). There are various ways to structure those categories: no one structure is generally recognized as best.

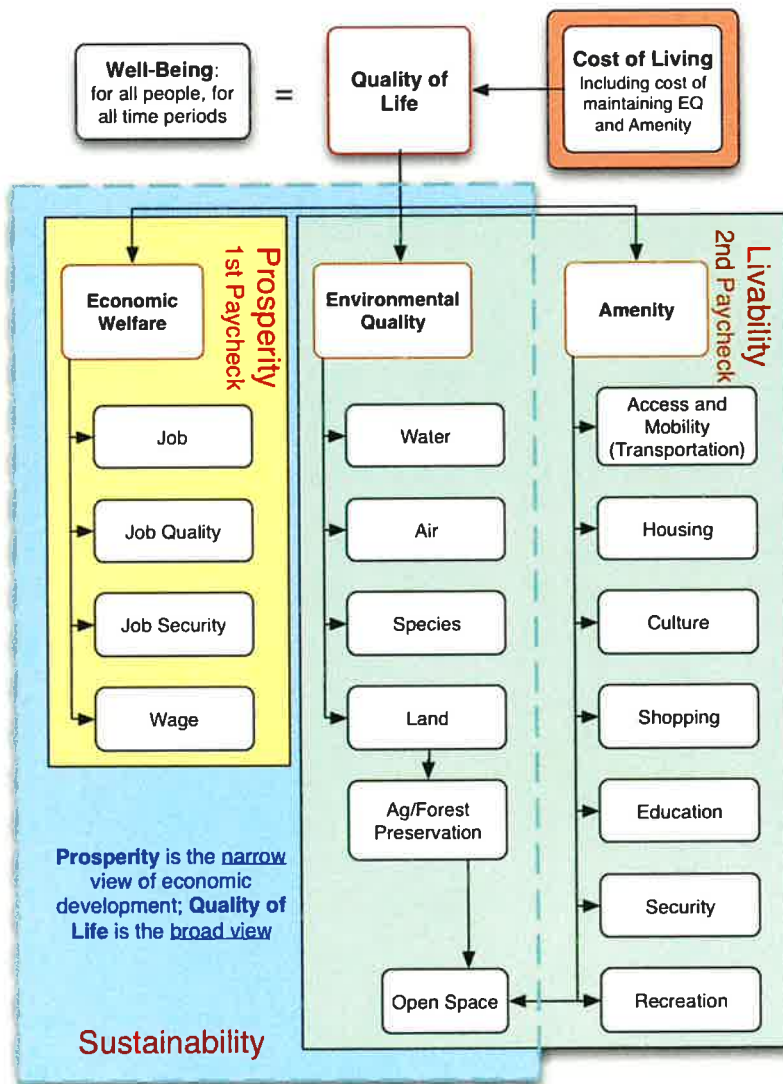
Exhibit 1 shows a structure Terry Moore created and has used in some form for three decades. At the highest level, local multi-purpose governments want to make current and future people who live, work, visit, or own property in their boundaries better off (they want to increase their well-being from what it would have been in the absence of local government actions to increase it). They try to do that by improving quality of life, which they try to do by providing certain goods and services with resources derived from some combination of taxes, fees, and grants from other units of government.

Exhibit 1 breaks that "quality of life" into three broad categories: economic quality, environmental quality, and social / amenity quality. Different people value the sub-components of quality of life differently, and have different abilities to pay for goods and services that allow them pursue quality of life. One can think of economic prosperity as deriving from the ability to have income and accumulate wealth: call that the "first paycheck." But people also understand and act on the fact that their well-being also depends on the environmental and social benefits of place (the "second paycheck"). If they can, they make employment and location decisions that they hope will optimize their quality of life.

¹ These numbers are rough estimates I made from some standard data sources: e.g., U.S. Treasury.Gov; U.S Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; Urban Institute. Statista.com.

Local government sometimes works directly on the first paycheck (e.g., economic development programs). Tillamook County's services are mainly about the second paycheck related to quality of place (e.g., transportation, other infrastructure, building codes), which also impact the private sector's ability to provide economic development, jobs, and first paychecks. Few local governments, if any, work on all the sub-components of quality of life. And some components are primarily delivered by the private sector, though local governments can play a key role in assisting the private sector.

Exhibit 1: A structure for thinking about categories of public policy and action based on what people think they need, want, or value



What are the implications for deciding on focus areas for the Plan?

- Local government actions aim at (1) improving various aspects of quality of life, or (2) the manner in which they make decisions about their more specific objectives and

- operations related to those aims (often referred to as governance). Most strategic plans CPS has seen for local governments reflect that logic.
- The vision and mission statements of a strategic plan will (and should) overlap the plan's focus areas and action statements. Vision and mission provide the broadest, most general view of desired outcomes and activities. They also tend to be longer-run and more stable than actions, which come and go as they are completed or as the situation changes
- Focus areas can be specified to try to cover everything, or to cover a subset of things a given strategic plan wants to focus on.

2.2 Issues in Tillamook County that may merit focused County attention

The County does not have a big role in addressing many of the aspects of quality of life shown in the boxes in Exhibit 1. And in none of the boxes does it carry the full load by itself. For example, residents and property owners in the County almost certainly agree that "education" is a need, and that local government has a role in addressing that need. The County's primary way of addressing that need is by having essentially sole responsibility for the County Library. But many other local and state organizations have the main responsibilities for primary, secondary, and higher education, and the County provides services that support those efforts directly (e.g., the library and its programs) and indirectly (e.g., safe transportation, sheriff, health, public education about various environmental and social issues).

For this memorandum we use the term "issues" to mean problems or opportunities that the County has regarding providing goods and services to address needs and wants of the citizens and organizations it serves, and that are part of its mission and budget. Given that definition: *How well does the structure of needs and wants shown in Exhibit 1 map to the kinds of issues that have been raised so far in this strategic planning process?*

To answer that question we draw from the draft Situation Assessment. The Assessment is based on (1) CPS's interviews of LT members in May-July 2023; (2) an informal survey of senior County staff; (3) CPS's review of several hundred reports and articles on a broad range of external forces that might influence or affect the delivery of services in the future; and (4) comments from the LT about the Assessment at its work session in October 2023. In summary:

- All sources showed, on average, more comments and concerns about weakness and threats than on strengths and opportunities.² Moreover, many of the strengths were listed in the context of "good now but could need improvement, and certainly protection" (e.g., desirable place to live, good relationships with partner service providers, dedicated staff, good at "making do").
- All sources showed, on average, more comments and concerns about forces and issues internal to the County (evaluating needs and funding, setting priorities,

² That is true for most organizations, even ones relatively high performing (in fact, their high performance derives in no small part from a focus on what can be improved).

effectively implementing actions to achieve goals) than about ones external to the County.

- The threats and weaknesses related to the internal issues of decision-making and operations are commonly consolidated under the heading of Governance.
- The external threats and weaknesses of greatest concern related directly or indirectly to funding (e.g., potential changes in state policy on forest habitat that would affect timber revenue; changes in the larger national and state economy that could affect jobs, wages, and cost of living in the County; unfunded state mandates). Other concerns expressed: environmental issues, especially related to natural disasters (fire, flooding, landslides); homelessness and affordable housing; aging population / retaining younger individuals and households; opioid crisis.

3 Recommendations

A strategic plan tries to look forward and be relevant for at least five years. But situations change rapidly, and the long-run view of a strategic plan is more important as context for a short-run (annual) action plan. Current work should be consistent with long-term objectives.

The most pressing issues for the County are in the area of governance. Every local government strategic plan CPS staff have worked on has governance as a focus area, and it covers everything related to decisionmaking and operations (including central services, which includes finance). CPS's judgment is that the County's strategic efforts over the next two years should be primarily in governance, and that there is enough to do with finance and central services that they should be taken out of governance and placed in their own categories.

In that context, we recommend these four focus areas for the Plan:

1. **Governance.** CPS defines this category narrowly to focus on board roles, delegation, ways to help separate decision-making from operations and implementation, and best practices for efficient decision-making support systems (e.g., agenda priorities, calendars, data, staff work, documentation).
2. **Finance.** In many plans, finance is a part of governance. CPS's assessment is that finance is such a big issue to the County over the next several years that it deserves a category of its own. Issues that might be addressed by actions include financial planning, budgeting, and evaluation of net-revenue-generating capacity of existing and potential new funding sources.
3. **Central Services.** The issues that came up during the Situation Analysis were no surprise to the board or LT. Interviews and exercises with the LT members provided many examples of areas for improvement. Limitations of funding limit cost-effective investment in labor-saving and quality-enhancing improvements. In addition to governance and finance systems, other central service areas that need improvement include:

- Information Technology: true with most local governments; technology advances faster than the resources to take advantage of the advances
 - Personnel: issues related to hiring processes and times; comparable wages and benefits to attract and retain staff
 - Policy Analysis: most local governments of the County's size have "analyst" positions often assigned to the decision-makers or (more often) to a manager; that can cut across departments to do consistent evaluations of policy and investment benefits and costs
 - Public Relations: no department or person with responsibility to consolidate; standardize, monitor, and improve communications between the County and the people and organizations it serves
 - Facility Management: trying to make the best of the funds available, but the amount and functionality space and furniture should be addressed soon, as should a more specific and board-approved system for life-cycle maintenance
4. **People and Places.** Given everything that should be done to upgrade systems for decision-making and central service operations, and given budget constraints, CPS believes the Plan should be cautious about expanding existing or creating new services. That said, it is likely that discussions about actions in the next two months will surface some that are important, pressing, and cannot be resolved quickly or well without the board and cross-departmental effort. Such actions would go under this heading in the Plan.

MEMORANDUM

To: Rachel Hagerty, Chief of Staff, and the Tillamook County Leadership Team
From: Terry Moore (with Mike Gleason), Center for Public Service (CPS) at PSU
Re: Tillamook Strategic Plan; Leadership Team Work Session on Actions:
Evaluation and Recommendations
Date: 11 July 2024

This memorandum makes recommendations about actions for a Tillamook County for Strategic Plan. The Leadership Team (LT) will consider and decide on final actions at a work session on July 15, 2024

The rest of this memorandum has two sections:

1. **Methods.** What CPS and LT did to create, evaluate, and decide on the recommendations described in this memorandum, and what is left to be done.
2. **Actions.** The memo describes the actions first by *Focus Area* (e.g., actions relating to governance or central services), and then by *Year* (e.g., first year of the Plan, second year, later).

1. Methods

For completeness and for the record, here is an update of the methods that CPS and the LT have used to get to suggested recommended actions by focus area in this memorandum:

1. Prior to its June work session, LT members reviewed a memorandum from that described prior work by the LT on potential actions: (1) from a survey of LT members done in October 2023, and (2) an exercise at an LT work session in April 2024.
2. At the June work session the LT brainstormed a longer list of potential actions for the strategic plan, and then reduce that list to a smaller number for more detailed consideration prior to their meeting on July 15. LT members looked at each action by focus area, asked questions, added or deleted actions, and adjusted the wording as appropriate. LT members in the meeting room used colored dots to vote their preferences on a full list on the wall. Each had five dots for "high priority" (the color red, meaning that the action should probably be part of the first-year action items of the strategic plan) and five dots for "secondary priority" (blue, meaning that the action may not get worked on until years 2 - 5). Some LT members that were at the meeting virtually and not able to participate in the exercise sent Terry Moore their comments about priority actions.
3. Terry Moore sent LT members a memorandum that (a) summarized the results of steps 1 - 2 above, commented on the pros and cons of the actions, and

consolidated some the votes of the LT members on some actions into broader actions; and (b) asked LT member if they had comments. Chief of Staff Rachel Hagerty and Commissioner Skaar responded. They mainly supported the summary, but gave some important direction that I have incorporated into this memorandum. Among our joint conclusions:

- a. Stick with the consolidated, high-level actions that CPS suggested.
- b. The focus on internal issues (governance, finance, central services) is appropriate in Years 1 and 2.
- c. Because the number of actions is not large (a good thing): (i) CPS need not spend time evaluating the actions for the purpose of picking the best ones and eliminating others—all the recommended actions in the prior CPS memo will make it into the Plan; and (ii) instead of using the evaluation format described in the previous memorandum, spend more time describing the basics of a work plan for the actions.
- d. For some readers, it will be helpful to organize actions by *year* as well as by *focus area*.

The next steps:

1. CPS sends LT members this memorandum prior to the LT work session scheduled for July 15. They should review it and be prepared to comment on its recommendations at the work session.
2. There appears to be enough agreement on the actions described in this memorandum that at its July-15 meeting the LT should be able to discuss, amend as necessary, and approve the actions (at least conditionally: i.e., based on the assumption that requested amendments will be incorporated into a final version of this memo).
 - a. If so, CPS should be able to create a final version of this memo by the end of July, completing all the technical work (and LT approvals of that work) required to support the findings in the Strategic Plan. Thus, CPS would begin writing a draft of the Strategic Plan in early August.
 - b. If not, then at the meeting CPS and the LT will discuss and agree on what steps CPS and the County should take to resolve issues and get to a revised version of recommended Plan actions for the LT to discuss, amend as necessary, and approve at an additional meeting of the LT to be scheduled in August.

2. Discussion of actions and suggestions for actions to include in the Strategic Plan

2.1 Actions by Focus Area

I'll start with some observations about the exercise on actions at the LT work session in June:

1. Similar actions showed up in more than one focus area. The strongest example: "revenue-generating services" got 9 votes under Governance and 8 votes under Finance. Obviously a priority, but it should only be a single action—otherwise probably confusing to manage and less efficient. Where it fits best depends on whether the BoC views this as mainly (1) departmental work that gets delegated, managed, and brought to them as a draft for discussion, amendment, and approval, or (2) something requiring ongoing BoC involvement as the work evolves, probably by a consultant. Input from Rachel Hagerty and Commissioner Skaar suggested in be in governance.
2. Some individual actions by focus area may best be addressed with a consolidated action. Where more information and evaluation are needed to fully understand related issues, a single action to do an evaluation that simultaneously addresses those issues is likely to give better results at less cost than independent evaluation of all the issues. This is true in every focus area.
3. Related to the previous point, a general action that seems indicated across all focus areas is an evaluation to get clear on issues and specific actions by (1) involving affected departments in the evaluation (at least via interviews, if not with data collection and analysis), and (2) getting some outside professional help on best practices, analysis, and (perhaps) project management. If the LT agrees, then the work plans for the actions might look similar even though the topics addressed are different.
4. Finance has been identified repeatedly by the LT as the central service needing the most focused attention. It stands as its own focus area. After that, the LT exercise named only one other central service specifically: facilities. Related to point "2" above, the discussion suggested that all Central Services needed some consistent evaluation before any priority actions related to them could be pursued in confidence.

In my earlier memorandum on actions I explained how I used the LT voting exercise to give a score to the actions as written and, in some cases, as I consolidated them. I combined votes for actions as "priority" and "secondary." I do not show the scoring again here because (1) LT members saw the scoring in my earlier memo, (2) my conversations with Racheal Hagerty Commissioner Skaar suggested the actions as I

had listed them made sense, and (3) the relatively small number of priority and secondary actions means that it is not necessary to do further comparison of actions to determine which to eliminate.³

That last point is important. Most other Strategic Plans I have worked on or reviewed end up with too many focus areas and too many actions in each focus area. The challenge is almost always one of reducing the number of actions to something manageable. Given everything else that leadership, management, and staff have to do to deliver services, maintain operations, and deal with the continual stream of emergencies, it is a push to expect Commissioners and senior managers to be dedicating even 5% of their time to Countywide, cross-department activities. Even well-organized local governments with experience with Strategic Planning struggle to complete four or five Plan actions in a single year.

The Tillamook County Leadership Team, however, has a consensus on a few focus areas and on the need to start work with some assessment of desired outcomes, performance, and cost-effectiveness and potential cost savings (including by reducing the number, type, and level of services, especially non-mandated ones not fully supported by special revenue). It agrees to begin its change agenda by focusing on central services provided to departments providing services to the County's customers. That focus makes sense: the County should (1) understand and address its financial situation, and (2) improve its central services to customer-serving departments—consistent with its expected financial capabilities—before trying to implement big changes in the type or level of its customer services.

In the list that follows, I keep the description relatively simple. I add some more detail later in the memo when I discuss actions by Year. An accompanying memorandum from Mike Gleason provides more detail about his recommendations for procedures the County should use to launch and manage its efforts to implement the actions it adopts in the Strategic Plan.

Governance

G1 is the action rated most highly rated at the June work session of the LT, and some work related to G1 and G2 has already begun by the County Budget Committee. Moreover, work on G1 and G2 will overlap (1) directly with parts of Action F1 (also top rated), and (2) indirectly with G3, G4, and CS1 (because all of which have impacts on efficiency and cost). I address that overlap later when I describe actions *by year*.

G1 Revenue-generating services. This action was far out in front as the highest rated of all actions. Finding ways to move from tax-based services to fee- or

³ For the record, images of the voting sheets from the LT work session on June 14 are included at the end of this memorandum.

grant-based services is a key piece (but still, only a piece⁴) of addressing financial issues, and the Board of Commissioners wants to be directly involved in this issue. Included here is not only analysis, but also attention to when, where, and how to communicate that analysis to partners, stakeholders, and the public.

Work has already begun on this action and the next by the County Budget Committee.

G2 Evaluation of cost-saving activities. This action relates to G1: one can balance a budget by seeing more revenue or by reducing costs (usually some of both). Examples of cost reduction: cutting obsolescent or little used services; investing in technology in the short run to reduce costs in the longer run for net cost reduction; outsourcing, productivity assessments. G2 overlaps G3 and G4, which both would be looking at efficiency of decision and operations and, therefore, at outcomes and costs. The evaluations in G1 and G2 could be melded into a larger, single evaluation, or they could be separated (some consultants specialize in one or the other, but some would be able and willing to do both). G3 and G4 could also be part of a larger study: I discuss how, and some pros and cons, later in this memo,

G3 General evaluation of policies and procedures. The list of actions generated by the LT in April included one to “evaluate BOC effectiveness, calendar, best practices.” I think that action is a subset of this one, which was added in June by the LT. This task also captures actions related to “the culture of leadership” and “transparency: conversation and commitment to public.” My assessment, which I think is shared by most LT members, is that G3 is important, but G1 and G2 are urgent and already in process.

G4 Department audits. The discussion by the LT clarified the action was not “accounting” audits but for “performance” audits. One LT member commented more specifically on what such an audit might include:

Productivity assessment: current duties/assignments; desired outcomes, with metrics (including some version of benefit-to-cost assessment); identification and comparison of effectiveness of current performance of key tasks, and potential future performance with revised tasks.

Quality improvement and quality assurance: evaluation of effectiveness;

⁴ Mike and I do not know the scope of the Budget Committee efforts. But given our experience with other budget committees, we would expect its efforts to be focused on the budget, not all aspects of financial management and revenue generation. It will not have much information about potential cost savings, because current information that compares performance of departments on measurable objectives to the cost of programs aimed at meeting those objectives does not exist for most departments: getting that information is the point of G4.

satisfaction survey or "customer services" survey of central services. Quality improvement processes could also be employed to address areas of "weakness."

G4 overlaps G2. But given the large amount of work needed to complete G1 and G2, G4 and G3 might not be fully under way until Year 2. Alternatively, as I describe below, the County could decide to do a high-level evaluation in Year 1 with mainly County staff that covers G1, G2, G3, and G4, and then drill down to specific policy and procedural changes in Year 2 with the help of consultants.

Finance

Individual actions listed by the LT under Finance were about getting better information about what is done now, why, and with what results, and what could be done to improve those results. That broad level of investigation is probably done most efficiently by having a specialized financial consultant work with the Finance department (primarily) to assemble the information for BoC/LT review and discussion.

Mike Gleason and I made a start at that work as part of the Situation Assessment. Our conclusions then and now: (1) most of the departments, including Finance, think the systems can be improved; (2) the problems relate not to people, but to the systems and procedures that they inherited: ones that have not been updated in large part because there has not been a push or a budget to do so; and (3) the County has already begun steps to address the issues with Commission / Budget Committee. Adopting an action in the Strategic Plan to document the County's commitment to cost-effective improvements to financial systems will make the improvements happen faster and better.

The idea of having a consulting specialist is captured in the LT discussion in its June work session by the idea of financial investment advisor. The discussion at the work session suggested that what was needed was not so much someone to monitor how the County's reserve funds were invested, but rather someone who could evaluate revenue generation (e.g., existing and potential sources of taxes and fees), financial forecasting techniques, potential cost savings, the budgeting process, and other systems for financial management.

Many of those items overlap parts of G1, G2, G3, and G4. For G1, the *evaluation* of how to shift toward revenue-generating services is clearly a financial task, but what policies should be adopted is a task for the Commission (with input from the budget Committee and the Treasurer's Office). For G2 (and G4, and to a lesser extent G3), the evaluation of cost-saving applies broadly to all county departments, not just the Treasurer's Office. That evaluation could be delegated to the Treasurer's Office to do or manage, or to a consultant that reports to someone outside that Office: e.g., the Commission, chief of staff, Budget Committee, special projects manager.

That is a decision that could be made as part of the writing of the Strategic Plan, or it could be an early sub-action of G2/G4 or F1.

F1 Comprehensive evaluation of the County's financial situation and systems.

What would be an effective action for addressing all the high-ranking actions in the Finance area (revenue-generating services, financial/investment advisor, changes to financial systems (including suggestions on financial software and indirect-cost allocation), and to the budget process? Ultimately, I think the County will need the help of a specialist consultant in public finance to work with the Budget Committee and Treasurer's Office to create a comprehensive evaluation of the County's financial situation and systems. That could be the same consultant helping with G1 (and perhaps G2), but it might be someone different,

This action is likely to extend into Year 2 of the Strategic Plan. The implementation of suggested improvements would certainly go into Year 2.

Central Services

Aside from Finance (certainly) and Facilities (maybe), the LT did not call out any other central service for special attention in the Strategic Plan. Rather, it concluded that *all* central services need some level of evaluation to see that common problems get addressed, and (probably most importantly) that central services get organized and managed in a way that emphasizes coordinated delivery of central services to the departments whose mission it is to deliver services to County residents, businesses, property owners, and visitors.

Those points suggest a solution like the ones described above for Finance: a comprehensive evaluation of all central services. That action was on the list and received the most votes under the heading of "Central Services" in the ranking exercise. The kinds of overlaps above among G1-4 and F1 exist here also: C1 overlaps G4, Department Audit (G4, however, would cover *all* departments, not just those considered central services). I would expect the technical work to involve department heads and staff they might suggest in at least interviews and review, and in some cases data collection and analysis. But I would expect the technical work to be done by a consultant reporting directly to the Board of Commissioners.⁵

CS1 Integrated assessment of the County's central services. This action incorporates several actions that the LT had on its starting list into a single action (an "integrated assessment"). Most LT members, both in Central Services departments and in customer-services departments, support or are

⁵ I leave CS1 as a single action, but that can change if the LT believes there are some pressing issues with Facilities that need more immediate attention that might be provided if Facilities were a separate action in the Strategic Plan.

willing to investigate improving the coordination, responsiveness, and effectiveness of Central Services by consolidating the many departments that provide central services (e.g., HR, IT, Facilities) into an overarching Central Services department. This could be the right step, but doing some level of evaluation and specification before taking it would be prudent. The scope of this project and the need for some assessment of best practices as they apply to Tillamook County across multiple services suggests that hiring outside consulting expertise to at least contribute to the study, and probably manage it, would be a good idea.

Independent of who manages and conducts the assessment, the existing Central Services departments should be involved in the evaluation. It is not uncommon to find in such studies that processes that seem inefficient to customer-serving departments are being followed because of policies created in response to directives from prior governing bodies or department heads, and perhaps to deal with special conditions that changed long ago. The assessment must consider what is being done, by whom, and why, and what might be changed—e.g., policies, procedures, funding, tools (hardware and software)—to encourage and deliver increases in productivity.

This assessment would be structured similar to the one in G4, and the description of tasks under G4 applies in general to C1: it is a multi-department audit, but limited to Central Services departments. An important difference in the specifics is that there would be more focus on common issues, communication, coordination, and consolidation across departments.

People and places (i.e., service delivery to customers)

The previous three focus areas are all about the *internal* performance of the County: how it makes policy decisions, funds and manages the finances of its operation, and provides services to its departments that are delivering services to customers. This focus area is about the *external* performance of the County: how it provides services (e.g., sheriff and public safety, courts and justice, land use planning and building inspection, transportation systems, disaster preparedness and response, environmental protection, health care, library, and more) to its customers (primarily: residents, businesses, not-for-profit organizations of all sizes, property owners, and visitors).

All the work on the Strategic Plan to this point supports the conclusion in the Situation Assessment: that the County's focus now should be on its Central Services. Once those are at an improved and appropriate operating level, then the County can turn to major actions related to improving or expanding services provided to its customers.

That conclusion does not mean that operating departments should not always be in a continuous process of improving the type, level, and efficiency of delivery of their services, subject to the constraints on their budgets, resources, and capacities. They should be. Rather, it means that the BoC and LT will not start with countywide actions in the Strategic Plan to expand or significantly change the way those services are now delivered. That kind of change can come after Central Services are operating at levels to support that kind of change, and have at least modest processes for seeking and reliably implementing best practices.

PP1 Define and focus on mandated services. This action should take less time and resources than actions F1 and CS1. It may not require an outside consultant. Departments should be able to define mandated services, their work on services that are not mandated, and the rough percent of time and budget spent on each. This analysis will need to address the points made previously about special-revenue funds (e.g., such services may not be unfunded mandates, but once funds are secured for specific purposes, performance is required).

2.2 Actions by Year

Section 2.1 notes several places where actions are similar, overlap, or both. Some implications: (1) the design of an action could be improved by seeing how other actions have been or are being designed, (2) actions should avoid ineffective duplications and try to take advantage of efficiencies from coordination and division of labor, and (3) the potential advantages just described are more likely to be achieved if actions are staged in a way that allows related things to happen on something like the same schedule.

This section breaks down the actions in Section 2.1 and reorganizes them by year: the same actions—just a different way of presenting them. Organizing by year makes clearer what actions are occurring at the same time and, thus, might be sources of ineffective duplication or opportunities for shared information and more effective work and solutions.

In total, Section 2.1 has only seven actions: G1 to G4, F1, CS1, and PP1. The Board has been clear that financial issues are its top concern—it is already working on those issues through its Budget Committee. That suggests that G1, G2, and F1 are the most pressing and immediate priorities, and that progress should be made on them in Year 1. At the other end of the spectrum, the description of PP1 makes it clear that some progress should be made on finance issues and central services before PP1 can be successfully completed. That leaves G3, G4, and CS1 in the middle: I think all of

those are important, and but with more research and discussion I could probably be persuaded that they have slightly different levels of importance or immediacy.

I can summarize those considerations as Priority Levels 1, 2, and 3:

Level 1: G1,G2, F1

Level 2: G3, G4, CS1

Level 3: PP1

The priority levels could imply a schedule: work first and more on higher priorities, and move down the list as budget and time become available. That statement does not rule out the possibility of starting in Year 1 on more than just Level 1 actions, but it does suggest that any Level 2 actions started in Year 1 will get attention only to the extent that Level 1 actions do not completely occupy the time of the Commissioners and staff.

But there is a different way to go that the County should consider. Given the substantial interconnectedness of G1-4, F1, and CS1, the County could choose to move incrementally on all of them together instead of completing a couple before giving a lot of attention to the others. One way to do that would be to use mainly County staff to manage and conduct a *preliminary* evaluation of all the issues in G1-4, F1, and CS2. Aim to report the results at the end of 3rd Qtr 2025, and based on those results create an RFP to select a consultant to use to create a study with specific recommendations for policies and procedures across all areas of governance, finance, and central services.

With those ideas as context, here are some thoughts about how the County might proceed after it adopts the Plan and begins to implement its actions.

General advice about the Strategic Planning process⁶

I recommend that the Commission approve and stick with an annual schedule for implementing and updating the Strategic Plan. I expect the Board of Commissioners to adopt the Plan in October. October or November is good time to start a one-year cycle for Plan implementation and revision—one that meshes with the budget cycle. That schedule would look something like the one on the next page.

In creating the table I assumed that the County would follow the typical practice of doing a full review and rewrite of the Strategic Plan every 4 - 7 years, but at least in Years 2 and 3 would probably not make changes to Vision, Mission, Values or conduct a new, full-scale Situation Assessment. For example, the Strategic Plan the County adopts this Fall might be call “Strategic Plan for Tillamook County, 2024 -

⁶ An accompanying memorandum from Mike Gleason provides more detail about his recommendations for procedures the County should use to launch and manage its efforts to implement the actions it adopts in the Strategic Plan.

2028,” and the work in roughly Sept – Nov of 2025, 2026, and 2027 would be to create an addendum to that document that would cover: what happened this year (what did the County try with respect to Plan actions; what did it achieve?) and what should be done next year (how to continue and finish actions that have been start, and start new actions that make the cut to become Plan priorities.

The schedule synchronizes the Board’s *policy* decisions and work agenda with the County’s *budget process*. The budget runs on a fiscal year (July 1 to June 30. The Budget Committee makes its recommendations during Q2 of the calendar year, and the Board of Commissioners adopts the budget before the end of Q2. By revising its Strategic Plan in Q4 of the previous year and giving a general idea of a work plan and budget for implementing priority actions, the Commission is able to give clearer direction to the Budget Committee about the Commission’s policy agenda for the next fiscal year—that agenda will certainly require some budget, and potentially some substantial ones (e.g., if the Plan action is to have some department to provide new or expanded services).

Connecting the annual activities of the Strategic Plan and Budget

Year/Qtr	Plan Activities	Budget Activities	Other Activities
24 / 4	Adopt Plan; Create work plans for actions, with schedule and budgets	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
25 / 1	Implement Year1 Actions. Coordinate w/ Budget Com	Begin budget process. Review Strategic Plan and BoC work Plan	
25 / 2	Implement Year1 Actions. Coordinate w/ Budget Com	Develop FY 24/25 Budget consist with County goals & policy expressed in Strategic Plan. Coordinate with Plan implementation.	
25 / 3	Implement Year1 Actions. Evaluation of (1) Year 1 work completed to date, and (2) potential Year 2 actions and work plan. Draft and LT discussion of Year 2 actions	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities.	Update long-run financial forecasts
25 / 4	Implement Year1 Actions. Adopt Year 2 Plan amendment	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities.	
26 / 1	Implement Year 2 Actions. Coordinate w/ Budget Com	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
26 / 2	Implement Year 2 Actions. Coordinate w/ Budget Com	Begin budget process. Review Strategic Plan and BoC work Plan	
26 / 3	Implement Year2 Actions. Evaluation of (1) Year 2 work completed to date, and (2) potential Year 3 actions and work plan. Draft and LT discussion of Year 3 actions	Develop FY 24/25 Budget consist with County goals & policy expressed in Strategic Plan. Coordinate with Plan implementation.	
26 / 4	Implement Year2 Actions. Adopt Year 3 Plan amendment	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities.	Update long-run financial forecasts
	Etc.		

Specific advice about Year-1 Actions

An important point about the actions in the Strategic Plan: they identify generally (1) issues (focus areas) where the County wants to improve its performance in reducing service problems and pursuing opportunities for more and better service; and (2) some broad actions for addressing those issues. Thus, the Plan actions above are only a starting point for what has to happen to get to the details about policies and procedures that the County will adopt and implement to improve service.

There are many ways the Priority Actions shown on pages 4 – 8 could be organized into a coordinated schedule, and it is not for Mike and me to make a specific recommendation about that now. Given my assessment above of LT priorities, however, I'll give an example of what Year 1 might look like, and some ideas about the kinds of decisions the Commission and LT will have to make along the way.

- **Q4, 2024.** Create preliminary work plans for all seven actions. A work plan should address these questions: What is the issue (problem / opportunity)? What are desired outcomes? What actions will be taken by whom, by when? With what budget? A work plan need not be long: the questions I just posed can be answered a level sufficient for LT discussion and approval in 2 – 5 pages. The LT may conclude from the preliminary work plan that an action is so complex that the first step of that action should be the creation of a more detailed work plan. The main point is that some progress be made so that the County has a decent idea of what it can try to accomplish on the action in the next calendar year.

Ideally those Plans would be done before the end of December, and by mid-February at the latest. For that to happen, I recommend that the process for adopting or amending the Plan that happens in Fall include for each action, if possible, a description of who at the County is responsible for creating the work plan. Discussing and ultimately approving the work plans would be Board work item in Nov – Jan. Without specific staff assigns to get this work done (including the development of a standard structure and template for an action work plan), the Plan will stall at the starting gate and will probably not recover. More broadly, someone or some several have to be champions for the Plan, and a few others need to be responsible to coordinate the work, and given the time to do that coordination.⁷

The work plans will provide information that will allow the Commission and LT to make decisions about what it is reasonable to bite off in Year 1 (see next

⁷ See the accompanying memo from Mike Gleason for similar advice from a slightly different perspective.

bullet). I cannot say now exactly what those decisions should or will be. Broadly, however, I would suggest:

- A Goldilocks solution: not too much; not too little. It's a five-year plan: you won't get it done in a year. But making a little progress on most things (even if that progress is just a clear work plan for an action that will otherwise wait until Year 2 to begin), will make the Plan review and amendment process in Q3 and Q4 easier.
- Consider and tie into work that is already under way. Two examples: (1) work by the Budget Committee on issues related to budget and finance (including revenue-generating services), with supporting work from the Treasurer's Office on financial forecasting, and (2) work in the Human Resources Department on hiring practices, pay, benefits, and employee satisfaction.
- Make sure at least one action (or some key phases of one action) gets completed in Year 1. Worst case: complete several phases of an action and have a work plan for how it will be completed with desired outcomes by the end of Q2 2026.
- All the work on the Plan so far suggests that the Commission and the LT think G1, G2, and F1 are the most important items. But in response to the question in the employee survey "What is one thing you believe the County could do better to serve citizens or stakeholders?" only a few of the employees mentioned revenue, finance, or budget, while over 30% mentioned some combination of changes to HR practices, pay, or the workplace environment, and 10% mentioned support to departments / central services. That finding suggests adding CP1 into the Year 1 plan.
- I note previously that G2 needs the kind of information on cost that may be best provided through work done in G3 and G4. A key decision that the County should make by February 2025 is whether its work in Year 1 will focus on (1) a smaller subset of the seven tasks that are most important, thus getting more done on those tasks, or (2) a broader and preliminary analysis of a larger number of actions (e.g. everything except PP1) that can set the stage for more focused investigations in Q4 2025 through Q2 or Q3 2026. The advantages I see of the latter are more integrated analysis and solutions, more engagement by County leadership and staff, and less out-of-pocket cost. Somewhere in between those options is the one of hiring a consulting expert to advise on the management and analysis in those analysis.
- The previous suggestions notwithstanding, the County has some constraints on staff and Commissioner time, and on budget to hire outside

help. More outside help would allow more to be done in Year 1, but it would require more money. Finding where a balance point is a question the Commissioner should try to answer, with information it has available by February of Q1 2025.

In the table above, the top right cell shows “Create BoC work plan for 2025.” That is the product of the kinds of thinking and tasks in the bullets above.

- **Q1, 2025.** Create full work plans, staffing of work plans (including selection and onboarding of consultants if the County goes that direction), standard formats and procedures for the studies, preliminary data collection, communication with department staff and committees. That list of activities seems self-explanatory, and more or less standard for research on organizational operations. If the County had the resources and desire to move quickly, some or most of this work could be done in Q4, 2025, and actual work on the tasks in the work plans for each priority action selected could be begun as early as January.
- **Q2, 2025.** Continue the research begun in Q1. Also in Q2 is some coordination with the Budget Committee to ensure that the activities of the Commission, department heads, and staff that are in the Strategic Plan and Commissioner 2025 Work Plan are funded in the 25 / 26 County Budget adopted at the end of Q2.
- **Q3, 2025.** Continue the research begun in Q1. I recommend that the work plans for the priority actions the County decides to work on in 2025 be structured to get to some milestone by August 2025 (e.g., draft report, or a draft of some significant pieces of the report, or a progress report with some tentative recommendations and questions for the Board). That gives the task teams a fixed target, and it will make the evaluation of progress on the Strategic Plan that is also supposed to happen in Q3 (August and September, per table above) much easier. A full update of the Situation Assessment is not done every year—that happens only about every five years when the County creates a new Plan. But the annual amendments of the 2024 Plan should reference that Plan’s Situation Assessment and provide some assessment of which forces remain mainly the same, and which have changed or are expected to change. That analysis is the basis for recommending the Actions (from the original Plan, or new ones) to include in the 2026 Plan work plan.
- **Q4, 2025.** Amendments to the Strategic Plan, based on the analysis done in Q3. The tasks in Q4 2025 are essentially a repeat of the tasks in Q4 2024. The cycle and generic tasks of the annual strategic planning process is the same year after year. That is intentional: the organization learns, incorporates, and gets increasingly efficient and effective with the process, but every year it

applies the process to slightly different conditions, and some new potential actions.

Background Material:

Results of the Dot Exercise, Work Session on June 14, 2024

FA1 ^{2 Total} Governance

- Evaluate BoC Practices •
- Barriers to Dept Ops
- Dept Audits/Op Assmt ••
- Focus on Rev-Gen Services ••• 8/1
- Develop Culture of Leadership ••
- Transparency, Conversation with
• Commitment to Public
- Evaluation of Cost ^{Savings} Redo Initiatives •• 4/2
- Gen'l Eval of Policies/Procedures •••
- (Many lacking) 3/3

FA2 Finance

- Rev-Gen Services; ^{Fee}Stability, Predictability 8/1
- Revised Budget Process ••
- L-Term Financial Plan •••
- Wage/Pay Policies •• Improved Process ••
- New Financial Software •••
- Allocation of Indirect Cost •••
- Financial Investment Advisor •••
- Need Planning for Both Gen Fund
- Special Revenue ••• 4/1

FA3 Central Services

- Adequate tools & support •
- Assess needs ••
- Improve responsiveness ••
- Improve ^{Organize, Structure} Communication ^{Coordinating across Depts}
- Facilities ••
- Integrated Assmt of ••• 6/1
- Central Serv ••

FA4 People & Places
(Service Delivery to Customers)

- Communication/Commitment ••
- Employees: Public
- Create Incorp. Cities in So. Co. •••
- Annual SWOT •
- Define/focus on Mandated Services ••• 5/2
- Given resources, how
do we prioritize? •••

IMPLEMENTING THE TILLAMOOK COUNTY STRATEGIC PLAN

The vision, mission, and values in any strategic plan are relatively stable. Actions change more frequently. Ones completed in Year 1 will make space for new ones in Year 2. Or ones intended for Year 3 could become irrelevant by then because of changing conditions. Thus, a typical practice is to (1) make amendments to the actions of a strategic plan every year, and (2) do a full review and rewrite of the plan every 4 – 7 years.

The Tillamook Strategic Plan was adopted in Fall 2025. Its actions will be reviewed and updated annually. In September and November of 2025, 2026, and 2027 the Board and staff will create an amendment to this Plan that will cover: (1) what the County tried to achieve in the current year with respect to Plan actions, and what it actually did achieve; and (2) what it will try achieve in the next year (how to continue and finish actions that have been started, and what new actions have become Plan priorities and will be started).

The annual schedule for Plan activities (see table) synchronizes the Board's policy decisions and work agenda with the County's budget process. By revising its Plan in Q4 of the previous year and giving a general idea of a work plan and budget for implementing priority actions, the Board is able to give clearer direction to the Budget Committee about the Board's policy agenda for the next fiscal year. The Board and Leadership Team may refine this suggested schedule as part of their work on developing an integrated work plan for the first year of Plan implementation, and later as they gain more experience with their Plan.

Connecting the annual activities of Strategic Plan and Budget

Year/ Qtr	Plan Activities	Budget Activities	Other Activities
24/4	Adopt Plan; Create work plans for actions, with schedule and budgets	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
25/1	Implement Year1 Actions. Coordinate w/ Budget Committee	Begin budget process. Review Strategic Plan and BoC work Plan	
25/2	Implement Year1 Actions. Coordinate w/ Budget Committee	Develop FY 24/25 Budget consistent with County goals & policy in Strategic Plan. Coordinate with Plan implementation	
25/3	Implement Year1 Actions. Evaluation of (1) Year 1 work completed, (2) potential Year 2 actions & work plan. BoC discussion of Year 2 actions	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities	Update long-run financial forecasts
25/4	Implement Year1 Actions. Adopt Year 2 Plan amendment	Assistance with budget and financial actions in the Strategic Plan. Other responsibilities.	
26/1	Implement Year 2 Actions. Coordinate w/ Budget Committee	Coordination w/ & comment on proposed Strategic Plan	Create BoC work plan for 2025
	Etc. as above		