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January 15, 2020

Greetings!

In January of every year the out-going Chair of the Board of County Commissioners presents a summary of the year's activities to the public. This is my first *State of the County Address*, and I've decided to do things a little differently and share my Address with you in both print and video format. A video of this *State of the County Address* is available on the county's website and social media.

My fellow commissioners are Vice-Chair Court Boice and Commissioner Sue Gold. Together as a Board this year we made some significant strides, but we acknowledge there is still a lot of work left to do.

One of the first matters the Board was faced with was a failing emergency communications system and had to decide how to fund a new microwave tower grid to provide for communications. Money had not been set aside, and the Board was left with the decision as to whether to take money from the Road Fund, or, not have emergency communication towers for law enforcement and first responders. For obvious reasons, money was taken from the Road Fund to pay for the towers. The new towers were approved at a cost of approximately \$800,000. This emergency situation made it clear this Board needed to ensure the county began capital improvement planning and find a way to develop a contingency fund. (At the time, little did we know the towers were going to be the first of several unexpected expenses that were not addressed for in a capital improvement plan.)

Also in January the Board brought back the former Director of Administration and Economic Development, Julie Schmelzer, as our new Director of Operations. Julie's skillset and inter-governmental relations has allowed us to improve services while saving money.

Julie replaced the former County Administrator, and assumed some of the duties of the former Community Development Director as well.

One thing the county heard repeatedly over the past few years was there were too many people in charge, and not enough worker-bees. As a result, the Board re-organized several departments into one large department. The Board combined the former Community Development Department (once known as the Planning Department), the Building Safety Department, Surveyors Office, Parks Department, Emergency Management Office, and the recently created Code Enforcement Division, all into the new, expanded Community Development Department.

That new department has also co-located to improve services, and has begun scanning its documents to improve efficiency. Administrative staff is shared, as is the cost, by all the divisions within the Department, reducing some overhead expenses.

Somewhat controversial, the Board reinstated pay for the Commissioners. Equitable pay has helped ensure accountability and resulted in Commissioners being in the office full time and doing more than just participating in meetings. The current Board has taken on tough conversations—like the possibility of combining special districts, or questioning special districts on their spending. They have also encouraged the various school districts to work together and share ideas and resources; lobbied for more effective fire suppression; worked with the Fire Chief from Gold Beach to secure funding for a Fire and Emergency Training Facility; fought for federal help to dredge our rivers; lobbied for improved services for our Veterans; and are addressing fishery issues that have grossly damaged our tourism economy.

The fisheries issue also affects neighboring Josephine and Jackson counties. We are working with Josephine, and a consultant, to encourage the United States Army Corps of Engineers to fulfill their commitments regarding the number of fish that were to be released into the river when the dam in Jackson County was built.

The Board also re-instated the Economic Development and Tourism program, and brought back Summer Matteson, formerly in the Board's Office, to run that program. Her program was also incorporated into the new Community Development Department. The county receives lottery funds for this position, so it was a logical choice to reinstate the program and work towards improving our economy. Ms. Matteson is working with others on a micro-enterprise program, a business incubator proposal, and has made significant strides in developing youth education opportunities, and has been working on a program whereby all students would receive job experience to prepare them for a career.

The Citizen Revenue Task Force, which was formed under the previous Board, proposed the new Board proceed with a Transient Lodging Tax for the unincorporated areas of the county. That tax was approved by the voters in May. As a result, the Board had to hire a new position to collect

the tax and administer the program. If revenues are as projected by the Task Force, the tax revenue will cover the cost of the position. The new staff person, Miranda Plagge, also works with the new promotions committee on how to improve tourism, and has been helping Gold Beach Main Street with some promotional projects.

The Board also appointed a new Budget Committee this past year. Although criticized for getting rid of experience, the Board wanted fresh eyes to look at the financial situation. The Board also has agreed to have an audit to determine where the county can do better with its finances, but that matter has been rolled over to 2020. Due to other pressing financial concerns, the Board is focusing the coming year on resolving deficiencies found in our past annual audits, and trying to resolve some past budget inconsistencies which need to be cured before the new budget can be proposed.

A new Finance Director was hired in July and has made the Board aware of several concerns she has in her department and the way the county is conducting business. Some of the items brought to light is no one department head can check their budget at any given time to see where they are at in their spending; the current budgeting process doesn't allow for forecasting; there is no formal process set up for capital improvement planning or asset management; and the financial, and HR processes, are cumbersome and very time consuming, often times requiring five people to review one bill. She brought a proposal to the Board for the county to modernize and use software that can help with budgeting and financial processes. The software will also help with transparency by allowing you, the public, to know what we are spending our money on and where we are in the budgeting process.

She also had concerns with past budgets and found what she considers to be errors that impact our spending. She has recommended the Board not proceed further with the budget until a third party has reviewed all the records and addressed any financial inconsistencies.

She has also proposed other software that can help us recruit nationally, ensure our hiring processes are fair, and make for a more efficient way of hiring. Many people do not realize the money wasted on training employees—over 50% of our team has been with the county for less than two years. We need to make sure we are hiring people that are qualified, require minimal training, and are integrated into the county system properly.

The recommendations of the new Finance Director, Sharlyn Harvey, are seriously being considered and some have already been approved.

She has also expressed she does not believe the county needs a full time Finance Director, and there should be other staffing changes in her department as well. She recommended the county contract for County Accountant services, rather than have someone on staff. There was no money

budgeted for these changes, but the Director is so adamant change is needed, that she has offered to leave her position and the money for her position be utilized to purchase the software.

This Board has been diligent in providing more information to the public about its departments, as well as services offered by other agencies. The Board has required a quarterly report program whereby departments must provide the Board quarterly reports at a public meeting so the public is aware of what is going on in the various departments. If you have not had the opportunity to view the meeting videos, I encourage you to do so in that the reports are not only informative, but they address the successes and concerns of our Department Directors.

The Board declared a State of Emergency for the slides on Hookskanadan on Highway 101; the Winchuck River Road slides, Mountain Road slide, the Gardner Ridge washout, and the Hunter Creek area flooding. Thankfully the Governor supported our declaration and we were able to get reimbursed for the work staff did as a result of these disasters.

Our Parks Division was very proactive this year and proposed several new campgrounds which have all been supported by the Board. Currently the Parks Division, led by Josh Hopkins, is self-funded and does not rely on the General Fund. Josh has proposed acquiring some old Forest Service campgrounds on the Elk River, helping the Port of Brookings Harbor with maintenance of their RV park, and proposed a new campground on the Social Security Bar in Brookings. None of these projects have been completed, but are in negotiations.

Related to Parks, the Board approved swapping the state some undevelopable land along Floras Lake for some land along Highway 101 across from Pacific High School. The swap will allow the state park system to expand by 90 acres, and result in the majority of the lake being protected from development.

One of the big unknowns in a county budget is how much inmate medical services will cost. Once incarcerated, an inmate no longer has access to their federal benefits, which includes public health insurance. Therefore, those medical costs are borne by the county. It is almost impossible to accurately budget for these inmate needs, and this past year the county paid \$112,000 for inmate medical costs. Not only do the federal policies hurt counties, but they prevent inmates from accessing their doctors who have the inmate's medical records. The Board has gone on record in support of the bills proposed by Senator Merkley to address the issue, and are working with AllCare on a pilot program to help address these concerns.

Our Sheriff has done a great job this year implementing changes to help address financial needs and increasing coverage within the county. With the help of \$25,000 in donations, the Sheriff reinstated the K-9 patrol, which was unanimously supported by the Board of Commissioners. The patrol is to be self-funded and will begin with two dogs but eventually include four dogs in total—two for protection and two for drug enforcement activities.

A previous Board had agreed all marijuana tax revenue was to go to the General Fund. This Board redirected those funds to the Sheriff's Office to help address crime. The Board also approved a grant from AllCare which enabled the county to continue to partner with the South Coast Inter-Agency Narcotics Team to further the Sheriff's crackdown on drugs.

The Board has spent a considerable amount of time working with other jurisdictions to partner on services, and, has seen their staff successfully secure many grants to fund our programs. I feel I can speak on behalf of the Board by expressing our gratitude in having talented staff eager to seek resources to help provide the best services they can.

The Roads Department asked the Board to allocate money to hire a grant writer for their projects, which helped bring in revenue to pay for equipment and repairs. This department has helped save hundreds of thousands of dollars, long term, by replacing old, inefficient equipment with new vehicles and equipment which can get the work done quicker, with less expense, and require less maintenance. Some of the equipment replaced was forty years old.

The Road Master, Rich Christenson, proposed a program whereby the county could get a new fleet of vehicles at a government rate, and then sell them in three years at a market rate, thereby reducing maintenance costs, saving money, and having a reliable fleet of vehicles. Old vehicles are to be auctioned off.

Also controversial this past year was the Board's decision to not allow county video equipment to be borrowed for free to volunteers without tighter oversight of that equipment. The Board also terminated their contract with Brandt Media, who was filming our meetings, but only because the county had the option to save approximately half of what they were paying Brandt. Although Brandt did a good job, we felt it necessary to save money wherever we could.

As explained, we had some major staffing changes. Overall staffing was a concern for the county. Traditionally the county has a tough time attracting and retaining help in the Sheriff's Office, so the Board approved salary increases to attract deputies. The county has also had a difficult time attracting qualified building inspectors, so this year the Board entered into an inter-governmental agreement with Josephine County to use one of their interns, that county pay for training and education, and travel, at a cost of \$10,000 over three months. This approach allowed us to ensure we had the right fit for the job, but also saved us about \$25,000.

As mentioned earlier, we hired a new Finance Director—the fifth one in four years. She was tasked with ways to improve efficiencies and cut costs, and has proposed several changes that will save money beginning in 2020. Admittedly some of the strategies we are considering will cost money, but we believe you must spend money to save money.

Another staffing change we made was to not have a county surveyor on staff, but to contract for the services. There are projected cost savings we expect to see in the coming fiscal year.

In fall of 2018 the previous Board approved a part time Code Enforcement Officer. Due to the success of the program, the Officer, Dave Fortman, was moved to full time and provisions made to hire a second officer. In the past year he has processed 688 cases and had contact with 441 people. The majority of his workload is in the southern part of the county. Most of his cases deal with safety or sanitation issues.

Our Juvenile Department has implemented new approaches to juvenile behavior. Wendy Lang, who became the Juvenile Director in 2018, has been making changes in the program to better address juvenile behavior.

Other matters we, the Board of County Commissioners, had to address were:

- A request to approve a Second Amendment Sanctuary Ordinance, related to gun control. The Board declined to support the proposal since a resolution was passed related to the matter by a previous Board, and, due to concerns from the Sheriff's Office, as well as concerns raised by the public.
- Two Board members went to Washington DC this year, costing the county about \$2000. The trips were necessary to lobby the federal government for assistance with our river issues as well as the need to address our fires and issues related to sudden oak death. I was one of those members who went to Washington D.C. I am proud to announce as a result of my work in Washington D.C. and with the National Association of Counties, I was appointed by the President to serve on the National Veterans and Military Services Committee.
- This fall the Board approved a Business License Ordinance for the unincorporated areas. Some of the revenues from the program pay for the staff to administer the code. Ideally the new ordinance will help ensure our businesses are up to code, we know what we have here for promotions, and, we can be better prepared to provide assistance in the event of a disaster.
- The Board dug into housing issues and declared a Housing Emergency. They sought clarification on a voucher program and proposed codes to make it easier to secure permits and develop properties. These efforts are on-going. The county identified several properties we own and offered them to the Housing Task Force for development of low to moderate income housing. Although no homes have been developed on those sites, we continue to advocate for partnerships to improve the availability—and condition—of our housing stock.
- The Board offered an amnesty program to encourage people to get their planning and building permits. Unpermitted development is not only unsafe, but our County Assessor, Jim Kolen, reported the taxes foregone by unpermitted development is costing the county money. He estimated the total assessed value collected for non-permitted new construction during the last five years was \$14.5 million.

- As some of you may have noticed, not all county offices are open five days a week, nor are they open even eight hours a day. The Board ordered that, effective January 1, all county offices be open Monday through Friday, from 8:30 a.m. - 5 p.m. There are some exceptions, but our goal is to make sure we are available to you, the citizen. Offices do close for lunch, but are also available by appointment.
- The county has been operating without some common policies, so we have been reviewing draft policies and enacting them when appropriate. One such policy was a credit card policy whereby employees would need to be held accountable for transactions on the cards they have access to, and, limit the number of employees that have credit cards.
- We also supported employees having i.d badges so the public knows who staff is when they are in the field.
- Another matter the Board discovered was the county does not engage in asset management—no one is tracking what we own, its age, or preparing a replacement schedule. Software approved in December will help with this deficiency.
- We created a few committees this year, probably the most significant being the Suicide Awareness and Prevention Council. Suicides in the United States have increased 4.7% from 2016 to 2017. Oregon is the 26th largest state, yet our suicide rate is 14th highest in the nation (up 6.4%) and suicide is the second leading cause of death for our 10 to 34 year olds (up 8.4%). One fifth of those who kill themselves are veterans.
- We discovered employees, and committees, have not been trained in open meeting or open records laws. Our Legal Counsel will be presenting training sessions to them this spring.
- The Board started holding meetings during the summer months in Brookings and Port Orford to make it easier for the public to attend or participate in our meetings. This practice is to continue with this current Board.
- Outside of the Sheriff's Office, and some other limited departments, the county was not conducting background checks on their new hires. That policy has changed and now all hires, including volunteers, must pass a background check.

We have also taken some measures to improve courthouse security and accessibility concerns. These changes were required by the state and are still on-going.

Our buildings are very old and in disrepair. Early in the summer we realized one of our transfer stations was in total disrepair, and although not budgeted, we are facing the challenge of building a new transfer station in Port Orford. During storms some areas of the courthouse do not have generator back-up. This summer our HVAC system went out without warning and resulted in a major unforeseen expense. Again, there was no capital improvement plan to pay for the new system, it was not budgeted, nor was there a contingency fund. Thankfully our Facilities

Maintenance Director, Eric Hanson, was able to reallocate funds from other projects and find a contractor to install a new HVAC system. The new system cost about \$50,000. Shortly after installation, some of the units on the roof of the annex building were stolen, but thankfully law enforcement was able to recover the materials.

Our phone system failed several times, once affecting dispatch, another resulted in all saved messages being deleted. Our contractor, Coos Curry Electric, proposed either a full rebuild or a repair. In that no capital improvement planning had been done for the phones, and there was no contingency, the Board chose to pursue repairing the old system rather than a new system. We have applied for a loan from the state to fund the repair.

In other cost saving measures, the Board discontinued maintaining the tsunami warning sirens that are in the county. Only four of the seventeen were working. Jeremy Dumire, our Emergency Management Director, has more information about the sirens available on the Emergency Management page of our website.

There was much frustration this past year as the new Board realized there has not been proper planning to help meet on-going government needs. Many critical government practices were not in place. As stated, proper budgeting, asset management, and capital improvement planning are seen as matters that must be, and are being, addressed immediately.

Another area of concern for the Board is employee retention. We have very dedicated employees with remarkable integrity. Aside from cost of living raises, most do not see annual salary increases and are behind in their wages as compared to the private sector and other jurisdictions. This past summer the Board approved a wage study to help determine what the wages should be. That study is to be completed next month.

You may have heard much discussion over our special districts. We have over 40 special districts. The county collects the taxes for the special districts, disperses funds to them, but cannot charge them for our services. This puts yet another strain on our already poorly funded departments. As you know, the county also has hundreds of foreclosed properties. People have asked why we don't sell those properties. If we sell the properties, the proceeds from those parcels must be divided amongst all the districts, meaning the county does all the work, but gets approximately just 6% of the sale price. We have decided that some of our properties should be donated, to at least get them on the tax roll, and, some should be diverted to our parks program. How we can address surplus lands is something we are continuing to research.

An on-going issue we are addressing is the provision of public health services. Several years ago the county, with the assistance of other non-profits, funded a costly transition of public health services to Curry Community Health (CCH), which at the time was a new non-profit organization. This fall CCH told us that in ninety days they were going to cease providing the services. Since we



have a contract which requires them to provide public health services until 2021, the county is disputing their decision. I must be clear that although we want CCH to honor their contract, the public health service to our residents is paramount, and is our top concern regarding this controversy.

The Board approved the development of the county's first ever strategic plan. The firm selected was Moss Adams, and the plan is to be completed next month. The local Board of Realtors and Coos-Curry Electric helped fund the plan, with the majority of it being funded out of the General Fund. Ideally this plan will help Commissioners and Departments align their programs and budgets to all go in the same direction and work toward common goals, versus no sound plan or direction to follow.

In conclusion, the Board is challenged with a lack of funds, and the lack of funding has greatly affected our day-to-day operations. We need to start planning ahead, and budgeting for those necessary repairs and operations that, if not addressed, cost us more in the long run.

We are doing the best we can, and appreciate your continued patience and support. We have antiquated ways of doing business, which we are continually improving. Yes, we will need to spend some money this coming year, but it is imperative we get this county on the right track.

If I can ask you for anything today, I would ask you keep an open mind and trust we are doing the right thing and the best we can. And, if you get the chance, please thank your county staff that is often doing multiple jobs at a lower than average rate of pay. They are part of this community—our community-- and they need to be recognized for their dedication and relentless commitment to work with the Board to make Curry County a better place to live.

Thank you for taking the time to review this important State of the County Address.

With kindest regards, I remain,



Christopher Paasch  
Chair, Curry County Commissioners