



Washtenaw Board of Commissioners

2012/13 STRATEGIC PRIORITIES AND BUDGET DECISION PRINCIPLES

THE PURPOSE OF THIS DOCUMENT

This document provides direction to the County Administrator regarding the development of the 2012/13 organizational budget. It is intended as a statement of priorities and principles against which the strategic allocation of county resources may be measured to ensure they are meeting the intent of the Board of Commissioners. It should be used by staff, elected officials and the community to evaluate the appropriateness of budget allocations and departmental business plans. While not exclusive – in the sense that not every program, agency or mandate is specifically addressed – these Guidances and principles are deliberately and specifically meant to support the prioritization of resources and provide a means for justifying the challenging and inevitably unpopular decisions forced on the organization by the current economy.

Not only a response to the fiscal crisis faced by local governments across the state, these priorities and principles establish a framework for investing more than \$176M in programs and activities in 2012 and 2013 that will help Washtenaw County's residents and communities recover. The Board recognizes that numerous programs have historically been supported in the budget, but insists that the Administrator streamline the County's business units and narrow the scope of our investments in such a way as to most substantively meet the vision, priorities and principles outlined in this document.

The document comprises three distinct sets of information meant to be used interactively to ensure the best budget possible emerges from our process:

- A vision of a county government reshaped to be more nimble and strategic;
- Five "Guidances" regarding the work the Board seeks to invest in most heavily, accompanied by qualitative priorities meant to focus resources on a reduced set of activities;
- A set of principles to support decision-making by the Administrator and the Planning Advisory Team as they confront the realities of our financial limitations and seek to balance competing interests.

At its heart, this document represents a challenge to Administration from the Board: *reinvent Washtenaw County government to advance community prosperity and security while ensuring long-term institutional stability.*

A VISION FOR A REDESIGNED GOVERNMENT

Fifteen years ago, Washtenaw County embarked on a Business Improvement Process that prepared our organization to weather our current economic downturn better than most of our peers. That process was driven by a vision encapsulated in the simple statement, “Washtenaw County will be a world-class service provider.” We have outgrown that focus to some extent, and the very role of county government has changed as resources and community needs shifted over the past several years. Today, we still embrace the core concept of being world-class in our endeavors, recognizing the talent of our staff and the depth of our community partners. However, the 2010/11 budget acknowledged that a subtle evolution has occurred as our team’s leadership capabilities expanded even as resources diminished, a reflection of the fact that our work goes well-beyond high-quality customer service and provides a foundation for stronger communities and an improved quality-of-life for all the county’s citizens.

Rooted in our long tradition of excellence, the Board finds throughout the organization there is an inspiring refusal to step away from the challenge to create a “World Class Community” even in the face of this new reality. In keeping with that spirit, the Board of Commissioners is working to craft a 2012/13 budget that empowers our staff and partners to find solutions – invent them if need be – to the highest priority issues facing our community and our organization. The County Administrator has concisely articulated our organization’s role in this community-wide endeavor: “To more closely align our organizational structure with the community’s needs and expectations, while managing the limited resources that we are likely to experience over the next decade focusing on opportunities to collaborate and cooperate with those in the public and private sector.”

With that in mind, the Board declares a new vision for the county:

WASHTENAW COUNTY PROVIDES LEADERSHIP TO CREATE WORLD-CLASS COMMUNITY.

“Community” is not a typo. It is about more than a physical place. It is a reflection of the unity we seek, our common intents and beliefs, and our commitment to work in partnership with our neighbors and allies. To what end? Washtenaw County sees its top priority as providing a Citizen Safety Net for our most vulnerable residents, and we assert that this cannot be the role of any single government, department, organization or resident. Moreover, in these challenging economic times our interdependence and history of partnerships with other institutions is a strength on which we must build. “World-class”, too, is a matter of debate but we take it to infer excellence and high standards, that among our peers worldwide we can be noted as a leader in what we do. We will be professional, aspirational, and – above all – human, as we recommit ourselves to being a part of the solution to today’s challenges.

GUIDANCES ON SERVICE PRIORITIZATION

The Board of Commissioners provides the following statements of priorities regarding the work that the County does. These should be interpreted as “impacts” – long-term changes – and “outcomes” – shorter term effects – of the investments we make beginning with the 2012/13 budget. Each Guidance is deliberately broad and simple, affording Administration a measure of flexibility to determine the most appropriate structure and investment level to meet these goals. Each Guidance is also accompanied by statements of the Board’s primary interests, meant to narrow the scope of investments behind each Guidance. These Guidances are not exhaustive – meaning reasonable investment in other pursuits is acceptable – but they should be understood as the Board’s priorities against which the entire budget and departmental work plans will be evaluated.

GUIDANCE ONE:**SUPPORT PROGRAMS THAT HELP RESIDENTS FEEL SAFE AND SECURE**

The Board is prioritizing programs that provide both physical safety and more general feelings of security for residents. Programs that dynamically and creatively bridge these two outcomes will likely find better favor with the Board.

The 2012/13 investments should

- Provide a prompt response to emergencies;
- Target improved mental health and the reduction of substance abuse;
- Improve the strategic integration of human services with the provision of public safety and justice;
- Address homelessness as a public safety and security issue; and
- Consolidate public safety services throughout the county to the maximum extent possible.

GUIDANCE TWO:**SUPPORT PROGRAMS THAT ADDRESS THE BASIC NEEDS OF CHILDREN AND FAMILIES**

Human services are one of our top tier priorities. Providing enough to eat, a safe place to live, and access to health care remains a core function of the Board. There is a special emphasis on programs that protect children and give them a good start in life, knowing the long-term pay-off for investment in nutrition, early childhood education and the like.

The 2012/13 investments should

- Enhance the interoperability of separate departments and agencies offering children's services;
- Market support services more aggressively so residents have better access to help in times of personal crisis;
- Improve housing programs (foreclosure prevention, homelessness, home ownership);
- Ensure early education programs are supported and connected to family support services; and
- Support efforts to reduce hunger and food scarcity.

GUIDANCE THREE:**SUPPORT PROGRAMS THAT INCREASE ECONOMIC OPPORTUNITY FOR RESIDENTS**

Enhancing the environment for job creation is essential to turning around the local economy. The Board recognizes the County's key role in workforce development and its essential partnership in the broader economic development strategy emerging among countywide stakeholders.

The 2012/13 investments should

- Improve services that support small business retention and expansion;
- Ensure job development across the spectrum of education and ability;
- Incorporate and measure job creation as part of overall program investments.

GUIDANCE FOUR:

INTEGRATE EFFORTS ACROSS AGENCIES TO MEET STRATEGIC PRIORITIES

The Board seeks to substantively elevate the County's role in providing leadership on intragovernmental, intergovernmental and intersectoral cooperation and collaboration aimed at improving services to County citizens. Partnership and collaboration are essential components of every County program.

The 2012/13 investments should

- Proactively engage stakeholders in assessing opportunities;
- Focus resources on geographies with the greatest need as evidenced by dependable data; and
- To foster collaboration that accomplishes the following:
 - Reductions in cost or duplication of the provision of "invisible" services; and
 - Increased support for discretionary services that are board priorities.

GUIDANCE FIVE:

ENSURE OUR FISCAL RESPONSIBILITY FOCUSING ON LONG-TERM INSTITUTIONAL STABILITY

Emerging from this current economic crisis, the County should be smaller, stronger and more stable. Our fiscal policies and practices must drive reforms that ensure the sustainability of our programs and workforce.

The 2012/13 investments should

- Improve the sufficiency of structural revenue sources to meet our needs, and
- Advance structural reforms that result in us living within our means;
- Maintain our high bond rating;
- Incrementally increase the unrestricted fund balance to two months of regular general fund operating expenditures;
- Align the total compensation package for employees to balance livable wage goals and maintain a talented staff;
- Focus on wellness programming to control health care costs;
- Incrementally reduce unfunded liabilities; and
- Improve the efficiency of County infrastructure, facilities and equipment to support environmental and fiscal sustainability by reducing our use of external energy sources and controlling cost increases.
- Acknowledge and nurture the entrepreneurial spirit of the staff and departments that are developing and engaging new plans and ideas to streamline their operations, to provide

greater services, and to raise more outside revenue to better serve a greater number of citizens within the county.

DECISION-PRINCIPLES FOR BUDGET ALLOCATIONS

Beyond *what* we do, the Board is further interested in *how* the County achieves objectives and allocates resources such that a coherent and defensible strategy supports our investments. Some expenditures have a greater systemic or tactical effect than others, and Administration is directed to assess the likelihood of success of a program or project using at minimum the following principles. Naturally, not every investment will reflect every principle.

DECISION-PRINCIPLE ONE:

IMPACTS AND OUTCOMES DRIVE INVESTMENT PRIORITIES

The Board seeks programs that maximize the effectiveness of our investments in creating positive community change. In this respect, the investment should

- Directly address an articulated Board priority attendant to one or more of the Guidances listed above;
- Show a clear and logical progression from activity to program outcome to community impact; and
- Evidence impact on a system affecting a Board priority.

DECISION-PRINCIPLE TWO:

SERVICES ARE DELIVERED OPTIMALLY BY THE RIGHT PROVIDER

The Board seeks to reduce overlap in service delivery and to ensure that the best providers in our community are empowered to lead. Investments in programs should reflect

- A knowledge of the field of providers who are spending similar dollars;
- Plans that have the engagement, insight and support of stakeholders;
- A clearly articulated and distinct role for the County, whether as leader, partner or supporter;
- An understanding of the regional context of the problem being addressed both within and beyond our borders; and
- In the case of privatization, a true benefit-cost-analysis with plainly defined standards of performance.

DECISION-PRINCIPLE THREE:

SOCIAL AND FINANCIAL RETURNS ON INVESTMENT ARE CALCULATED, ARTICULATED AND BALANCED

The Board desires programs to be economically efficient *and* to have a solid community impact. The best programs will show

- Substantive leveraging of funding from external sources; and
- A measureable impact on the problem being addressed beyond that of competing tactics.

DECISION-PRINCIPLE FOUR:

BOTH IMMEDIATE NEEDS AND ROOT CAUSES ARE STRATEGICALLY ADDRESSED

The Board supports a continued focus on the root causes of problems that affect the quality of life of County citizens by aggressively pursuing prevention strategies but acknowledges the County's critical role in providing assistance in addressing immediate human needs. To balance these often competing priorities, the decision to invest in work on root causes or immediate needs should reflect the following considerations:

- The County's role is defined relative to other stakeholder investments (e.g. provide for immediate needs when root causes are being addressed elsewhere, or vice versa);
- Addressing immediate needs should also reflect an understanding of the larger system at work (e.g. when providing housing, also consider the employment needs of the constituent to ensure that housing can be sustained);
- The objective of any investment is to "work people out of the system" (which is not to say push or eject) ensuring they are ready to take advantage of supports that lead ultimately to independence.

DECISION-PRINCIPLE FIVE:

PROGRAMS ARE EVIDENCE- AND PERFORMANCE-BASED

The Board prefers programs that are data-driven at all stages, including initiation, implementation and evaluation. The programs most worth investing in

- Include customer-driven metrics;
- Use survey and research data to assess the extent of community needs;
- Measure and report on goals and metrics in department-level business plans; and
- Continually improve using performance-based evaluation.

DECISION-PRINCIPLE SIX:

MANDATES THAT SUPPORT OUTCOMES AND IMPACTS ARE BETTER FUNDED

The Board believes that all mandates on the County should be funded initially at their minimum serviceability level as determined by accepted law or practice in the best judgment of the Administrator or by policy of the Board. Programs designed to meet those mandates that further target an articulated Board priority and can evidence a high likelihood of success should be funded above the minimum level.

The Board acknowledges that elected countywide and judicial officials have a higher level of accountability directly to the public that is heavily influenced by the Board's resource allocation decisions and therefore expects and encourages the active engagement of those officials to inform Administration's recommendation regarding appropriate levels of service around those functions.