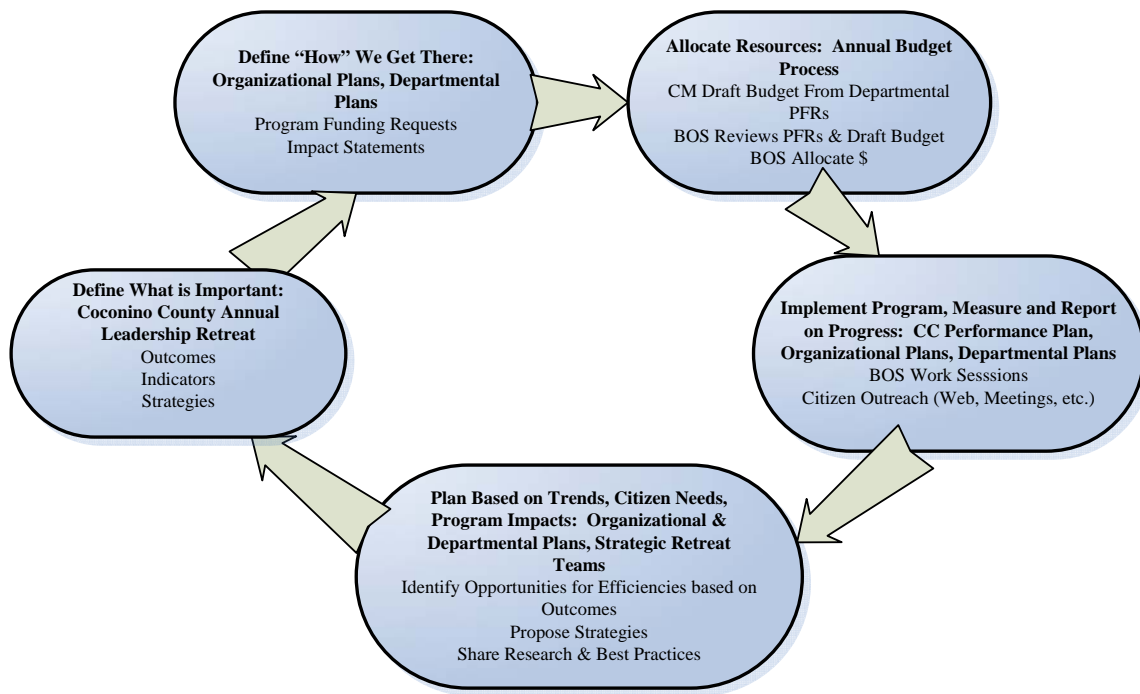


## Coconino County Strategic Budget Process

In 2008, Coconino County Leadership adopted a new form of budgeting for Coconino County. The previous budgeting process was based on incremental growth and focused on what to add, rather than the value of each and every program that Coconino County provides and funds.

The new, strategic budget process links the County's strategic plan to the allocation of resources with a review of every County funded program and service. The new budget process aligned organizational planning efforts and measurement of the performance of specific programs and services to the strategic priorities of Coconino County.

### Coconino County Strategic Budget Process Overview



While every program the County funds has a constituency and many have mandates, the level of service that the County provides to implement those programs varies widely. Coconino County is the second largest County in the United States and has the second lowest secondary property tax rate in the entire state. So for many years, the County has struggled to meet the requirements of state and federal mandates and provide the same services as Counties receiving as much as ten times the financial resource per capita.

Recognizing that limited funding could inhibit achieving the County Leadership's mission and vision, they decided to focus their efforts on six strategic priorities:

**Community Vitality:** Coconino County supports citizens in taking responsibility for themselves, their families, their neighbors, and their communities. Government and citizens collaborate to care for the most vulnerable populations and to nurture the healthy development of youth and families. All citizens live in communities where they are valued, connected to others, and their diversity and uniqueness are respected.

**Cultural and Natural Resources:** Coconino County provides visionary leadership celebrating, enhancing and sustaining cultural and natural resources. Coconino County preserves, conserves, manages and protects our cultural heritage and natural assets now and for future generations.

**Economic Vitality and Development:** Coconino County is a leader in developing collaborative opportunities for establishing, retaining, building and attracting vital businesses that are compatible with our region and its vision for the future. Residents have many options to earn livable wages and enjoy rewarding work.

**Organizational & Fiscal Health:** Coconino County implements sound financial and organizational management to achieve a strong and flexible County government, thus meeting the current and future needs of residents. Citizens experience operational accountability and seamless accessibility to services. Efficient systems and an innovative, flexible, diverse, well-trained and responsive work force are foundational for County service delivery.

**Public Health:** Coconino County strives for residents and visitors to enjoy an optimal quality of life in clean, healthy communities. Prevention, education and health care are accessible to all, contributing to long, healthy lives. Everyone works together to prevent or respond to diseases, accidents and public health emergencies.

**Public Safety:** Coconino County proactively and responsively mitigates situations that threaten safety and welfare in partnership with our community. Public Safety improves quality of life for people in the community through preparedness, education, prevention, and corrective actions to ensure justice, to provide avenues for reform, and to create a community where people feel safe at home, work and play.

For the development of the FY11 budget, employee teams were asked to identify specific strategies and measures of progress for each of the six areas. In addition, every Department and many of the Outside Agencies funded by County general funds were asked to develop program funding requests that described the programs and services historically funded by the County and how they each contribute to the strategic priority area outcomes and strategies.

Step One of the process was to identify the six strategic priority areas. This was done with feedback from citizens about the outcomes that were most important to them in each of these six areas.

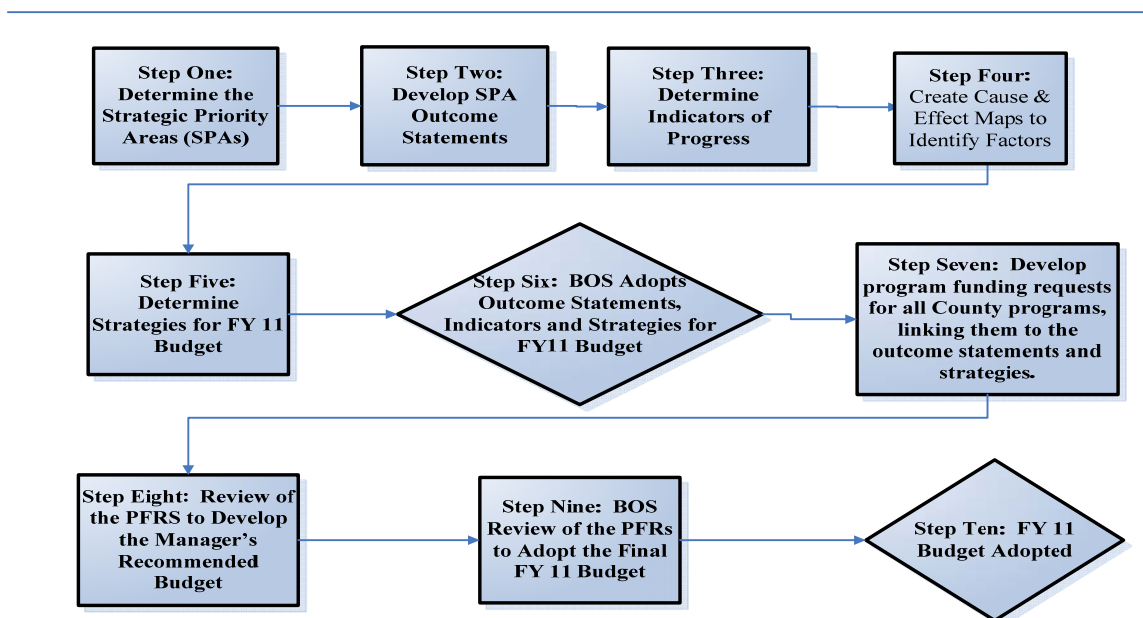
Step Two involved developing outcome statements about the results that would be achieved in each area. These statements provided a framework for evaluating how each and every County program contributed to achieving these results.

In addition to defining outcomes for each area, Step Three involved determining some initial measurements of those outcomes to know if the County was making progress. Step Four engaged employee teams to develop maps of the factors (both internal to the County and external) that influence the achievement of outcomes. So for instance, the economy was a big factor to consider in the County’s efforts to implement new technology and retain highly talented staff.

Step Five involved those same employee teams identifying specific strategies to achieve the strategic priority area outcomes. In Step Six the Board had the benefit of reviewing the strategies, outcome statement and indicators with all County elected and appointed leadership before they were adopted. In Step Seven, each Department developed a written description of their programs and service (program funding requests) to link their specific programs to the strategies and outcomes identified by County leadership.

Using the PFRs, the County Manager reviewed all of the program funding requests and made recommendations for his recommended budget based on the impact of those programs as well as meetings with the Department Directors and staff on the impact of proposed cuts to the county budget (step eight). During the annual budget meetings with the Departments, the Board reviewed the program funding requests and the manager’s recommended budget (step nine) to make their final tentative budget to be adopted on June 7, 2010 (step ten).

### Strategic Budget Process in Ten Steps



While FY11 was only the second year of the Strategic Budget Process, the County will continue to budget using the new process. The process has contributed to the County's ability to make informed decisions, understanding how to best align the needs of Coconino County citizens with limited resources to efficiently and strategically provide the highest value for the citizens of Coconino County.