

## Section III – STRATEGIC PLANNING

### Annual Planning Process

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Each year Garfield County embarks on a strategic planning process beginning with a budget update/forecast and a strategic planning retreat during the first quarter. From there the Five Year Plan is developed. The Five Year Plan is a consolidated planning document which identifies the program, project, process, system, equipment and infrastructure improvements which meet with our customers' future expectations of delivery of service.

Based upon primary and secondary research conducted by staff, the plan analyses each key function within the County to create a view of the future categorized into three sections: staffing, operating and capital expenditures. The delta or gap between what exists currently and where the organization wants to be in five years is then translated into actionable steps which can be budgeted, scheduled and tracked to accomplishment. Relationships between actionable steps are discussed, and priorities and sequencing of these steps are also considered. This document, in total, is intended to assist staff and the Board of County Commissioners in establishing a "road map" to help the County prepare for the enormous task of meeting our customer expectations in an environment of uncertainty. It is a living document subject to change and enhancement. However, it is a first step in developing a viable course of action.

During the development of the County's Five Year Plan, department heads and elected officials develop their department or office's vision, mission, long and short-term goals and steps to achieve those goals. These are in alignment with the County's vision, mission and values, which serve as a foundation in preparing for the on-going task of meeting citizen expectations in an ever changing environment.

The vision is a department or office's inspiration and framework for all its strategic planning and answers the question, "Where do we want to go?" The mission statement for each department or office is a brief description of their fundamental purpose and answers the question "Why do we exist?" The goals and objectives detail the steps on how the vision is accomplished and can be summarized as "a dream with a deadline." Goals are an observable and measureable end result having one or more objectives to be achieved and are separated into short term and long term. Short term goals expect accomplishment in a short period of time – generally less than five years – and long term goals are commonly set for five years or more. The steps to achieve the goals are focused on improving results and measured in the following ways:

- Measure progress towards a department or office's goals,
- Measure efficient use of resources,
- Measure effectiveness of services.

In addition to being a part of the long range planning process, goals are reviewed and modified as needed on an ongoing basis.

## 2012 Five Year Plan

Components of the 2012 Five Year Plan include:

### Staffing

The staffing section identifies full time and part time positions per County organization that may be necessary to meet our customer's future expectations for County services. Also included are the related wage and benefits costs associated with these future positions. The majority of positions are identified in the County's annual long range planning process, but approved and added in the budget process. Once approved by the Board of County Commissioners, these positions are monitored and controlled by the Human Resources and Finance Department staff.

### Operating and Capital Expenditures

Operating and Capital Expenditures are listed in alphabetical order by department/office name. Each of the department/offices provides their outlook on expenditures for the next five years. Operating costs include additions or deductions to their current 2011 operating budget for items greater than \$1,000. Capital costs include their 2011 capital budget plus any additional capital requests for the next five years. All additional costs are prioritized as either:

- A. Highest Priority: It is a project or need that is essential;
- B. Medium Priority: It is a project or need necessary to meet customer expectations;
- C. Lowest Priority: It is a project or need that would be very beneficial, but a work around may be possible.

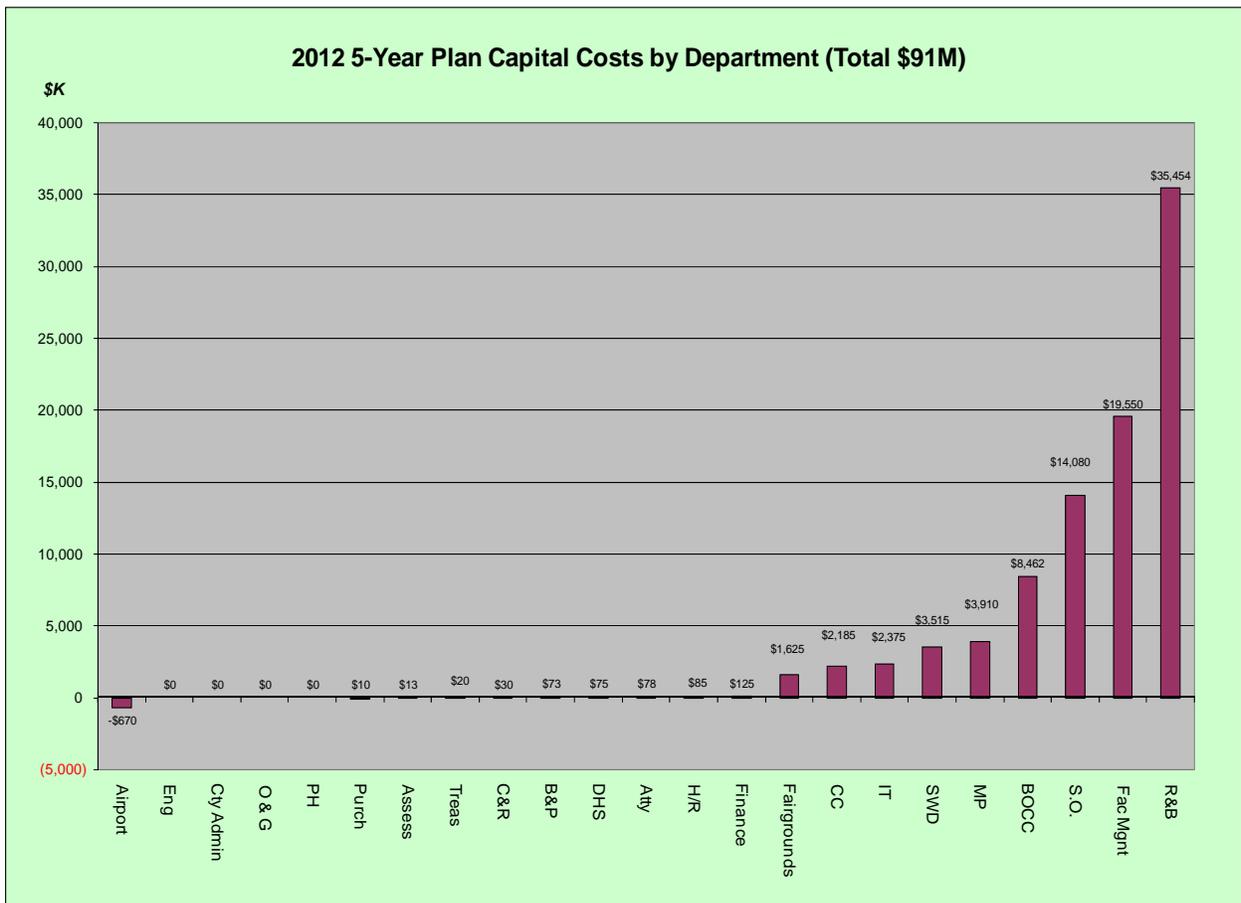
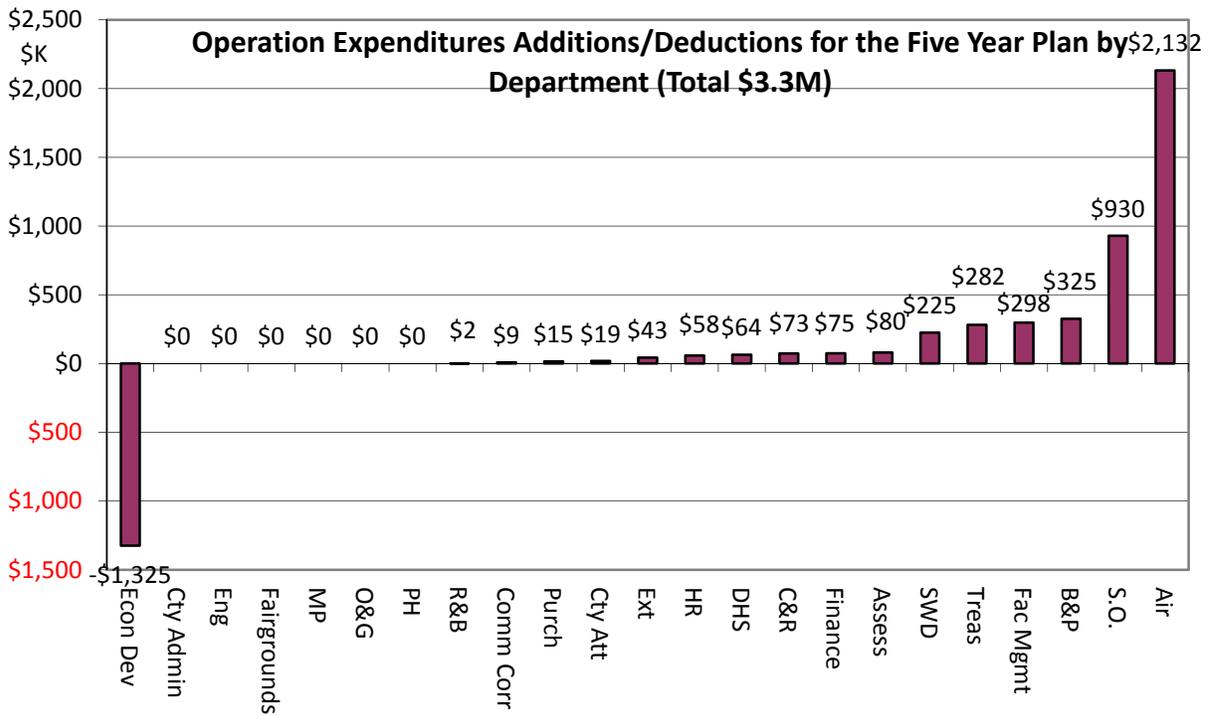
### Improvement Projects

The Improvement Projects section is an outcome from the County Manager's annual Strategic Planning Meeting held in early April with Department Heads to begin the process of putting together the County's 5-year plan that flows into the following year's annual budget process. During the Strategic Plan Meeting, there is time set aside for department heads to brain storm and vote on new Improvement Projects they feel are a priority to be put in following year's annual budget. For 2012, the following three Improvement Projects were chosen: Risk Management, Economic Development and Airport Connectivity Infrastructure.

### Summary

Although broken down into departmental and annual detail the Five Year Plan is summarized as follows:

2012 5-Yr Plan Operating Expenditures Highlights	2012	2013	2014	2015	2016	Total
(Air) Airport Master Plan (10 Year Plan)	\$300k	-	-	-	-	\$300k
(Air) Fog Seal Taxiway Ramp	-	-	-	\$600k	-	\$600k
(Air) Air Fair Economic Development	\$265k	\$265k	\$265k	\$265k	\$265k	\$1,325k
(Econ Dev) Air Fair Economic Development	(\$265k)	(\$265k)	(\$265k)	(\$265k)	(\$265k)	(\$1,325k)
(Fac Mgt) SAR Building Lease & Utilities Expenses	\$32k	\$32k	\$32k	\$32k	\$32k	\$160k
(Fac Mgt) R&M, Custodial & Utilities Exp. due add'l bldgs	-	-	-	\$70k	\$70k	\$140k
(S.O.) Patrol MDTs (45 laptops @ \$4k)	-	\$180k	-	-	-	\$180k
(S.O.) New Vehicles Operating Costs	-	\$120k	\$150k	\$240k	\$240k	\$750k
(R&B) CR 114 CMC Rd. 24' w 3.1 mi. asphalt	\$850k	-	-	-	-	\$850k
(R&B) CR 117 Four Mile rd. 24' w 2 mi. asphalt	\$1M	\$1M	\$1M	-	-	\$3M
(R&B) CR 210 Mile Pond Rd 2.2 Mi. 22' w asphalt	\$600k	-	-	-	-	\$600k



The Five Year Plan is then used as the foundation for developing the annual budget.

## Long Term Financial Planning

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The financial health of Garfield County is significantly dependent upon oil and gas activity. Approximately 50% of the County's total revenue is related to property tax, and almost two thirds of property tax revenue is associated with the oil and gas industry. Because of this, Garfield County has built up a healthy fund balance to assure stable levels of service to Garfield County citizens, stable employment and benefits for its employees, and a strong assurance it will not need to ask the tax payers for tax increases to pay for the growing needs of the County during the expected downturn in our local economy.

In order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain a sound bond rating, the County has determined it will maintain an unassigned fund balance in its General Fund plus its Oil and Gas Mitigation Fund of one third of the County's total General Fund expenditures.

Due to the volatile economy driven by the oil and gas industry, Garfield County also strives to maintain an unassigned fund balance in the general fund in excess of between 5 and 15 percent of total General Fund revenues.

The County assiduously works to maintain a strong, diverse revenue base recognizing that a dependence upon any individual revenue source would cause revenues to become more vulnerable to economic cycles. Revenues are conservatively projected using trend analysis, estimates based on known assumptions, evaluation of the local economy and the primary drivers of that economy, and estimates from other governments (i.e., state and federal). The County aggressively pursues revenue raising strategies to help reduce its dependence on property and sales tax revenues.

Looking forward, the County sees a need for constant re-evaluation of its projects and programs. Projects and programs are revisited, re-evaluated and prioritized during the annual strategic planning process and in preparation for the budget. The County emphasizes continuous improvement of work processes to ensure that the County is providing the best service possible at the lowest possible cost. The County's goal for the foreseeable future is to maintain salaries and benefits at or below 33% of total budget.