



Supervisor David Couch

MEMORANDUM

TO: The Kern County Board of Supervisors, CAO John Nilon, and County Counsel Theresa Goldner

FROM: The Office of Supervisor David Couch

SUBJECT: County Goals

DATE: December 15, 2015

The following pages contain draft goals we believe the County should consider making a priority in 2016. For each of the 11 goals, we've provided a description and list of benefits for your review and consideration.

The purpose of this document is to generate discussion and focus priorities. It should, therefore, be viewed as a starting point. It is likely that the specific language of the individual goal statements could benefit from revision. We have formatted this memo so as to place each goal statement on a separate page with plenty of white space to encourage jotting down thoughts about revisions. Some of the goals have already been discussed or partially executed. It is also likely that some of the goals may not be as crucial to achieve in the next calendar year as others. Your input in regards to strategic timing and potential stress on resources is appreciated.

At the conclusion of the memorandum, we provide a rough sketch of a process to set goals based on the suggestions below, and the suggestions of other members of the Board and County staff. While we think that having a process for determining goals is important, you should feel free to adapt the process provided in the memorandum in order to make the goal-setting experience as convenient and effective as possible.

1. Continue to analyze departmental reorganizations. As an example, with the impending departure of the Director of Parks and Recreation, the department functions should be reviewed and options examined for efficiencies and cost savings.

In order to reduce redundancies, the County will continue to consolidate functionally-related departments. This goal began in phases during 2015, with the first phases involving ESPS, Waste Management and Roads combining to form the Public Works Department; Employers' Training Resource and Board of Trade combining into a Division of Economic and Workforce Development; and Personnel and the Employee Relations/Health Benefits Division combining to form a comprehensive Human Resources Division. The next phases during 2016 may evaluate adding Parks and Recreation to General Services among others.

Benefits:

The goal will be to reduce duplicative positions through attrition over time. Additionally, the restructuring should facilitate improved communication among people working in similar environments.

2. Develop a Capital and Major Maintenance Master Plan for replacement and maintenance of existing facilities to include security enhancement at County facilities.

The County is responsible for providing physical facilities that are a safe and secure environment and in compliance with State and federal regulatory requirements. County buildings are important to our communities, as they allow the County to provide services to the residents of Kern County. Also, with recent public buildings falling victim to attacks, the goal is to secure our facilities prior to a security breach. By evaluating our County facilities we can better decide the best ways to protect the patrons of the building.

A significant portion of Kern County's buildings are outdated and the maintenance of these structures is significant. Minor alterations and repairs are required to bring existing buildings, structures, facilities, and equipment into compliance with current building codes and applicable federal and State regulations. To better serve our County, our buildings must meet State and federal requirements to accommodate all patrons.

Benefits:

A master plan will provide the County with the opportunity to inventory its assets and assess the need for and the condition of these assets. This assessment should include the opportunity to evaluate issues, challenges and opportunities affecting the provision of capital assets in the future, such as community needs and priorities; the impact of deferred maintenance; funding issues, changes in technology; economic, demographic, or other factors that may affect demand; and legal and regulatory requirements.

3. Develop a comprehensive recruitment and retention strategy for those job classifications that have high turnover rates, such as Deputy Sheriff.

Retaining employees is essential to optimizing operational productivity. Employee turnover generally causes disruption, expense, and recruitment costs. To determine the reason for an increase in turnover rates, all external and internal factors must be evaluated. Implementing a recruitment and retention plan could include (a) a flow diagram of the recruitment process (b) an evaluation of the selection process (c) review all training and onboarding procedures for new employees (d) analyze leadership and mentoring of new and current employees (e) evaluating classification and compensation structures, and (f) exit interviews. This plan will not only document current practices, but document the implementation of changes to make recruitment and retention a success.

Benefits:

Improving the recruitment process and decreasing high turnover rates will help reduce costs, decrease disruptions in service, help eliminate repetitive training costs, increase public satisfaction, create more stability, and boost employee morale.

4. Identify areas for IT efficiencies, enhancements and centralization including major system replacements in Human Resources/Payroll and FMS that will modernize the payroll and general ledger systems and, where appropriate, look to centralize the County's IT functions into one department.

The major Human Resources/Payroll systems are used by the Auditor-Controller and Human Resources Division to process payroll and manage many aspects of County staff. The payroll system requires frequent workarounds and manual fixes and offer limited flexibility to meet the requirements of changing laws and labor agreements. The system is coded in a programming language that is no longer commonly taught and is outdated.

Benefits:

Replacing or upgrading these systems will work to improve the effectiveness and efficiency of the County's personnel and payroll functions, eliminate redundancies and reduce duplication of efforts performed by both departments. Streamlining and simplifying our systems as a whole, rather than being distributed among various departments, allows for greater collaboration and sharing of information needed to provide seamless services to the public and internal employees.

5. Develop a Long Term Strategy to manage and contain employee health care costs while promoting a healthy workforce.

As the cost of providing employee health care rises, it provides an additional strain on departmental budgets. Further, the indirect costs of poor health, such as an absence from work and reduced work productivity, can amplify the amount of direct medical costs. As employee health care costs continue to rise, the County could be subjected to the ACA Cadillac tax in 2018. The Cadillac tax requires an employer to pay 40% of any amount above a \$10,200 value of medical benefits per employee or retiree. Under our current medical plan structure, the County is likely to incur a significant cost for providing such high-value benefits to its employees. This additional tax comes at a time when our current benefits are already increasing steadily of a year-to-year basis.

To face these issues, the County must develop a comprehensive long term strategy for its group health plans and aggressively promote wellness programs.

Benefits:

Creating a strategic plan, comprehensive wellness program, and looking into different medical benefits for employees provides the mutual benefit of improving the lives of individual employees and reducing healthcare costs borne by the taxpayer. Achieving this goal can also reduce the potential Affordable Care Act Cadillac tax beginning in 2018.

6. Target a significant community health issue such as diabetes for a major campaign.

Kern County is one of the unhealthiest counties in California. Of the 58 counties in California, Kern County ranks 58 in heart disease and 57 in diabetes, with more than 60% of the population considered obese. The goal of a health campaign is to warn Kern County residents about potential dangers to their health and encourage them to take practical steps towards a healthier lifestyle. Health campaigns provide practical advice on how to live a healthy lifestyle such as dietary advice, preventative measures, helplines and much more. A successful campaign will include a budget, plan of action, key message, visuals, community partnerships and a strong relationship with local media to get the word out. Reaching out to the community will also increase social connections and a greater sense of community. Lastly, Kern County employees can be a positive and encouraging example for the community through the promotion of employee wellness measures.

Benefits:

Successful health programs help people live healthier, longer and happier lives. A healthy community is a more desirable community in which to live. Preventative health measures can drastically reduce the high cost of treatment on the back end.

7. Develop a strategic plan towards becoming a no kill Animal Shelter.

Currently, thousands of animals are euthanized each year at Kern County Animal Shelters. This goal is to work towards a no kill Animal Shelter by preventing the euthanasia of all adoptable animals. This will require wide-ranging community involvement in managing the pet overpopulation, and the County would need to carry out significant outreach efforts to the various stakeholders. Programs such as the recently established crowdfunding platform, “Pets for Vets”, could be used as a positive springboard for ramping up programs toward a “no kill” Shelter.

Benefits:

In addition to the potential cost savings, preventing the unnecessary euthanasia of adoptable pets and controlling our pet population through more human means is an honorable virtue reflective of Kern County’s residents.

8. Formalize an Audit Committee structure and develop a risk assessment and audit plan beginning in July of 2016.

The purpose of an Audit Committee is to provide independent oversight, assistance, and advice on audits that are the Board of Supervisor's responsibility. The committee would provide an independent forum to which audit matters that merit further study and analysis can be referred. All significant matters that the committee believes merit the Board of Supervisors' attention would be submitted to the Board with recommendations, if appropriate. The committee would provide a forum in which audit concerns and improvements are candidly discussed, analyzed, and prioritized to improve transparency and consistency of current and proposed audit activities. Improved audit activities would include implementation of a countywide risk assessment for purposes of selecting audits to be performed (audit plan). The audit plan would allocate available resources to meet the audit goals and priorities for the upcoming year.

Benefit:

The committee is expected to greatly increase communication among the Board, CAO, Auditors, Auditees, and other interested parties. This improved collaboration will help determine Countywide priorities.

9. Develop a strategic plan for Roads and Fire revenue funds, which rely on shrinking tax revenues, and establish a threshold in discretionary growth to be set aside for one-time costs.

Consistent with the County's multi-year fiscal strategic plan, this goal will better situate the Roads and Fire departments in aligning resources with operational priorities and the needs of the County's residents. Developing a strategic fiscal plan for both Roads and Fire, which we know will be subject to revenue uncertainties, will allow the departments to create a handful of specific, meaningful, relevant, and measurable goals to serve as a guide. These goals shall serve as a template for decision making and, to some degree, better situate and insulate the departments from significant revenue fluctuations. Further, having self-sufficient Road and Fire funds will allow the General Fund to focus on achieving its own strategic fiscal plan and coping with its own challenges.

Benefits:

Aligning resources with operational priorities and the needs of County's citizens.

10. Develop a strategic plan to transfer parks in metropolitan areas to cities.

For many years our Kern County Parks and Recreation Department has taken budget cuts and suffered the consequences of declining quality. Unfortunately, our Parks and Recreation Department are likely to continue having limited resources due to a decline in property taxes resulting from oil and gas assessments. Our general fund departments have been asked to take an annual 1.4% cut that will occur for the next five years. One proposed solution to help solve this problem is to transfer parks that are in metropolitan areas to the cities. Developing a strategic plan to transfer parks will help restore the stability of resources to our County parks through new business practices that emphasize community and will reduce the burden on Kern County's general fund. The transferring of local parks to cities will potentially enhance park amenities and maximize the investment of taxpayers' dollars.

Benefits:

Improve the facilities at our county parks, increase attendance and decrease the financial burden of having County parks as islands within municipal jurisdictions.

11. Explore the creation of an Innovation Council, consisting of representatives from Business, Education, Government, Media, Faith-Based, Arts and Entertainment, and Nonprofit organizations, to identify and recommend solutions to Countywide challenges.

The concept of an Innovation Council is to provide a shared platform for strategic solutions to service challenges across Kern County. Different groups and organizations sharing the same goal of tackling community issues can be strategically advantageous. Increased participation from all sectors will increase community awareness and has more power to influence positive change because a larger and broader section of the community is represented.

Benefits:

Greater synergy and access to ideas and resources. It can help avoid duplication by ensuring efforts and services have a unified goal and approach. Provides greater community awareness and involvement with all of the different sectors representing a broad cross-section of Kern's communities.

2016 Goal Setting Process

One way of achieving a more effective, county-wide goal-setting experience is to extend the County's existing strategic visioning work by requiring a subsequent second effort to create and document a set of goals, which are compatible and consistent with the County's higher level vision. This can be done in a four step process, as follows:

Step #1: Supervisors Generate Potential Goals for Discussion

Each member of the Board will (1) review the County's strategic vision and (2) prepare for a more specific goal-setting discussion by creating a list of three goals for the County using the smart goal writing framework. The goals should be distributed in advance of the meetings discussed, below, in accordance with any applicable open meeting laws.

Step #2: The Board Meets to Draft the 2015-2016 Statement of Goals

After distribution of the draft goals, a meeting of the Board of Supervisors should be held in the point room. The task before the Supervisors at this first meeting will be to reduce the fifteen goals previously circulated down to a statement of five or ten smart goals, drafted in such a way that consensus can be reached on each. A vote to adopt the revised goals should be scheduled for a future public meeting.

Step #3: The Board Receives Feedback from Staff and Approves 2015-2016 Goals.

A hearing to finalize and approve the 2015-2016 County goals should be agendized with a request that department heads review both the draft goal-setting document, and be prepare to discuss with the board (a) any concerns they may have with implementation of the goals, and (b) suggestions for changes necessary in regards to their department to make the goals achievable. The purpose of this discussion is not about the relative size of county budgets, but about aligning the allocation of funds with performance goals.

Step #4: Staff "Closes the Loop" By Reporting on Goal Attainment Progress.

Staff should provide reports to the board on progress towards goal attainment throughout the following year. The goal list should be discussed and referenced when it is applicable to other matters before the Board of Supervisors.