



Streamlining Local Government Service Delivery in Lenawee County

**Eric Lupher
CRC's Director of Local Affairs**

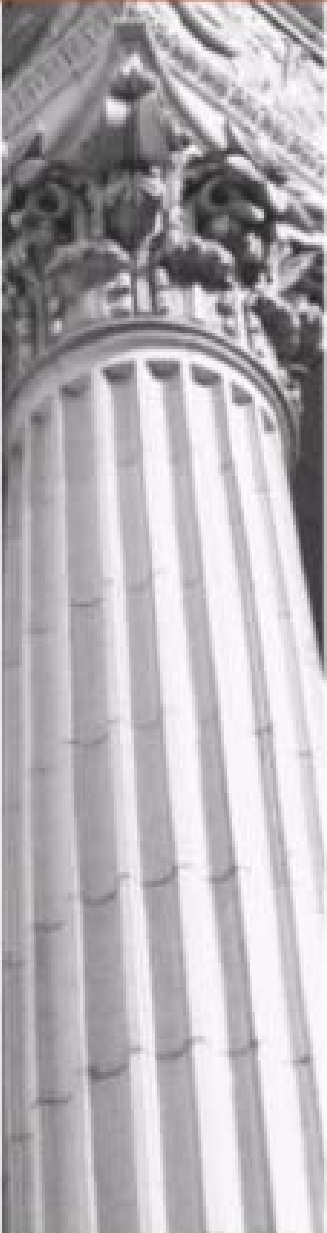
**Dr. Elisabeth Gerber
Professor of Public Policy,
Gerald R. Ford School of Public Policy
University of Michigan**

November 9, 2011



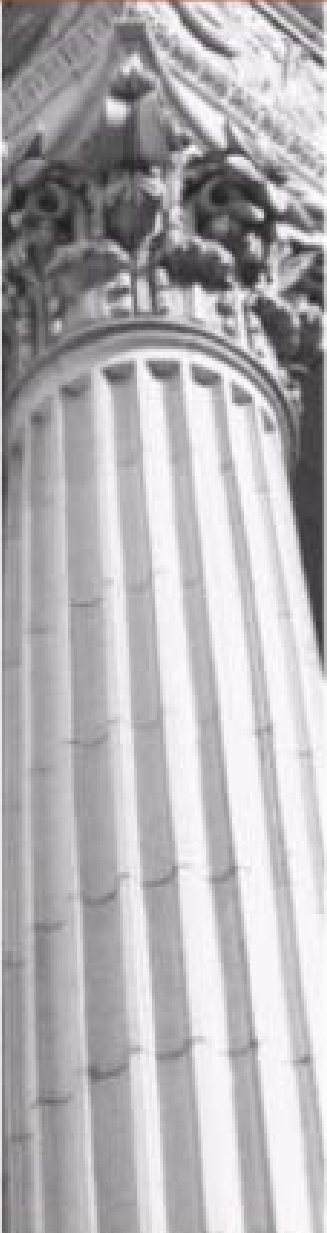
Citizens Research Council of Michigan

- Founded in 1916
- Statewide
- Nonpartisan
- Private not-for-profit
- Promotes sound policy for state and local governments through factual research
- Relies on charitable contributions from Michigan foundations, businesses, organizations, and individuals



CRC/UM Ford School Tasks

- **A vision of the structure of local government**
 - Goal is to streamline the provision of local government services.
- **Compelling reasons for consolidating government service provision**
 - The current service providers
 - The cost of providing services
 - Identification of duplication and overlap.
- **Identify services for which consolidation would minimize the duplication and lead to efficiencies.**
- **Develop the case for change.**



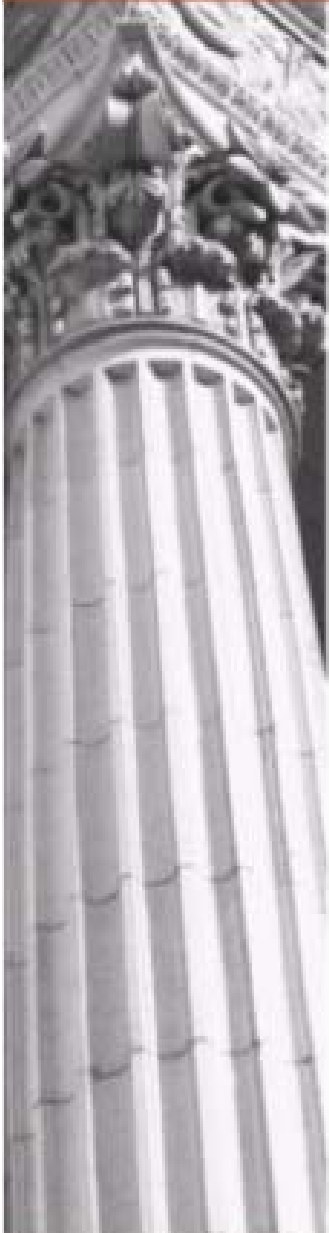
The Context of this Study

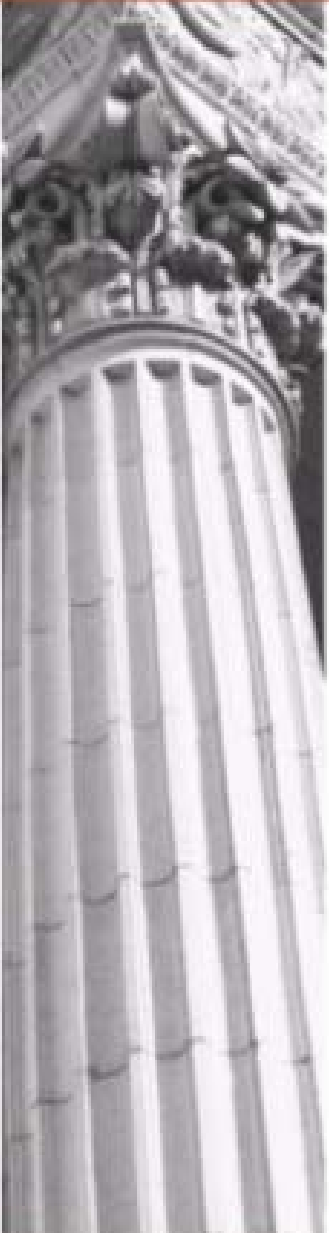
- **Great Recession ended but local governments are still struggling with revenues**
- **Property tax revenues and revenues from state have been reduced and there is no sign of a strong rebound**
- **Local government's options:**
 1. Raise taxes
 2. Cut service levels
 3. Find alternative service delivery models



Options to Streamline Local Government

- **Consolidate Individual Units** – 2 or more governments reorganize as a single government
- **City/County Consolidation** – largest city and county consolidate folding in other governments
- **Intergovernmental Collaboration** – Consolidate providers of individual services but leave same number of governments collaborate to achieve economies of scale





Consolidate Whole Governments

- Are there adjoining governments that are more alike than different?
- Is the menu of services provided alike?
- Is there duplication?
- Are services provided at same levels?
- Are there similarities in tax base/tax effort?
- Are the people of a common character?



City/County Consolidation

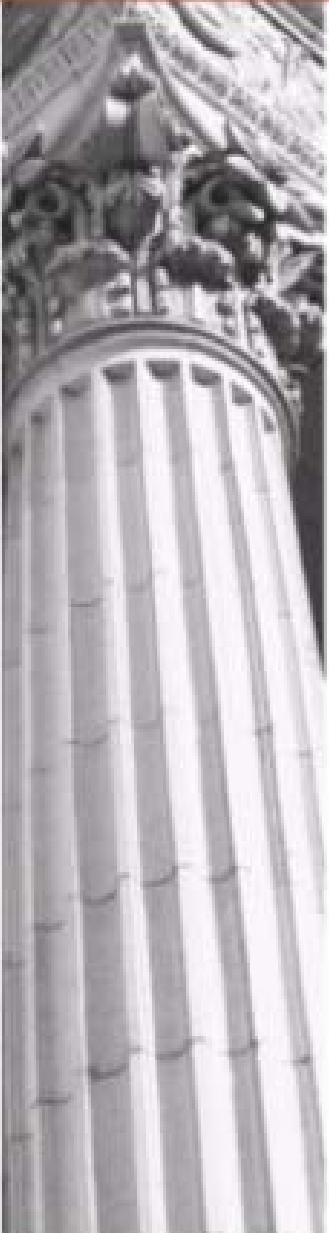
- Is there duplication in county and municipal services?
- Are services well suited to countywide provision?
- Does Adrian/Lenawee County seek to increase its stature to better compete for development?





Consolidate Service Providers

- **Is there duplication in the provision of individual services?**
 - Among municipalities?
 - Between County and municipalities?
- **Are there achievable economies of scale that could help reduce the cost of provision for these services?**





How Homogonous are the Lenawee County communities?

- Is there reason to expect there is uniformity of service provision?
- Do local governments operate in similar manner?
- Are taxes uniformly applied by local governments?



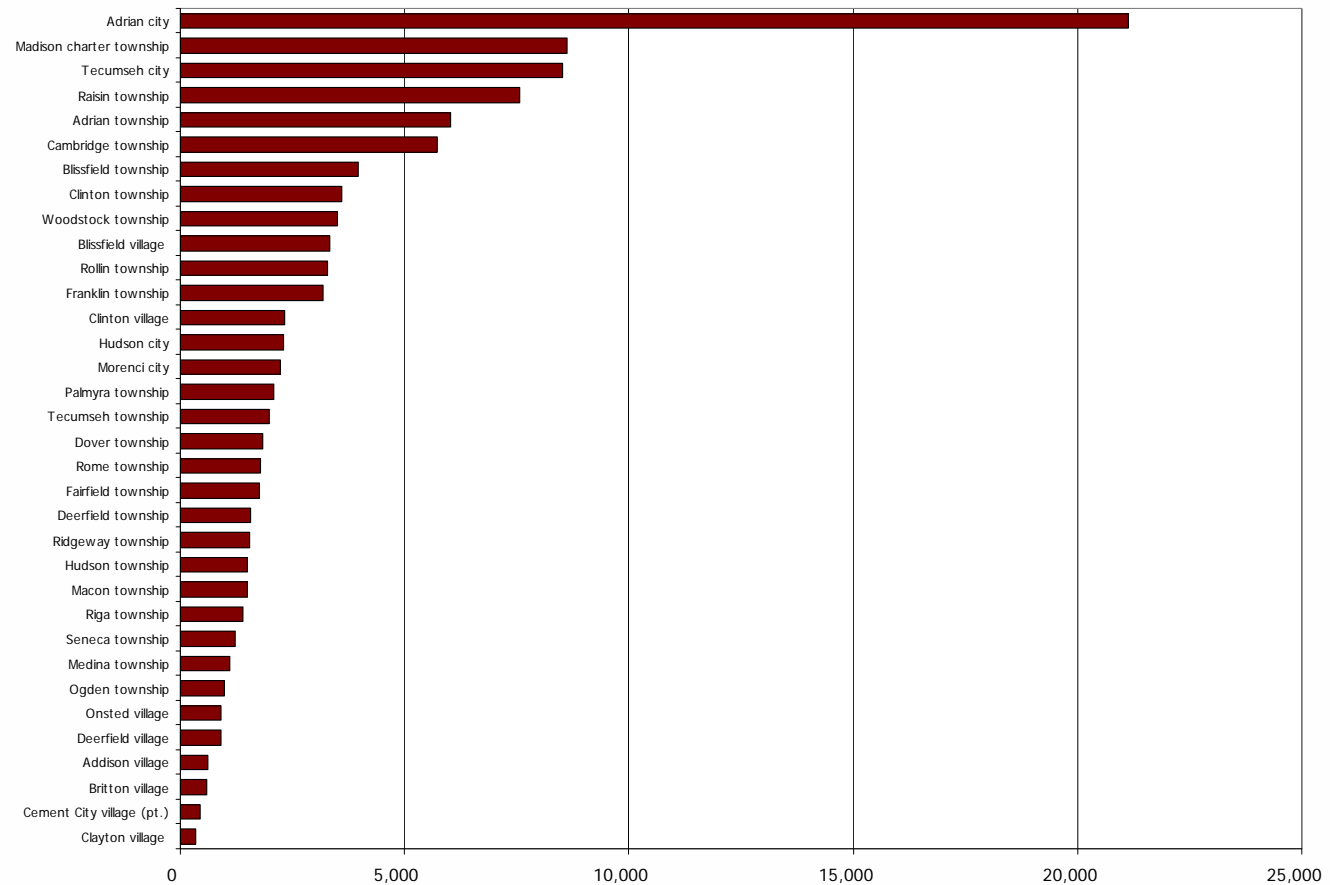


People in Lenawee County and Michigan, 2010

	<u>Lenawee County</u>	<u>Michigan</u>
Population	99,892	9,883,640
Race/ Ethnicity		
Black Persons	2.5%	14.2%
Persons of Hispanic/Latino Origin	7.6%	4.4%
White Persons not Hispanic	87.6%	76.6%
Median Household Income	\$46,684	\$45,254
Percent of Persons below Poverty Level	13.3%	16.1%
Median Age	38.9 years	37.7 years
Percent under 18	23.2%	23.6%
Percent over 65	14.5%	13.4%

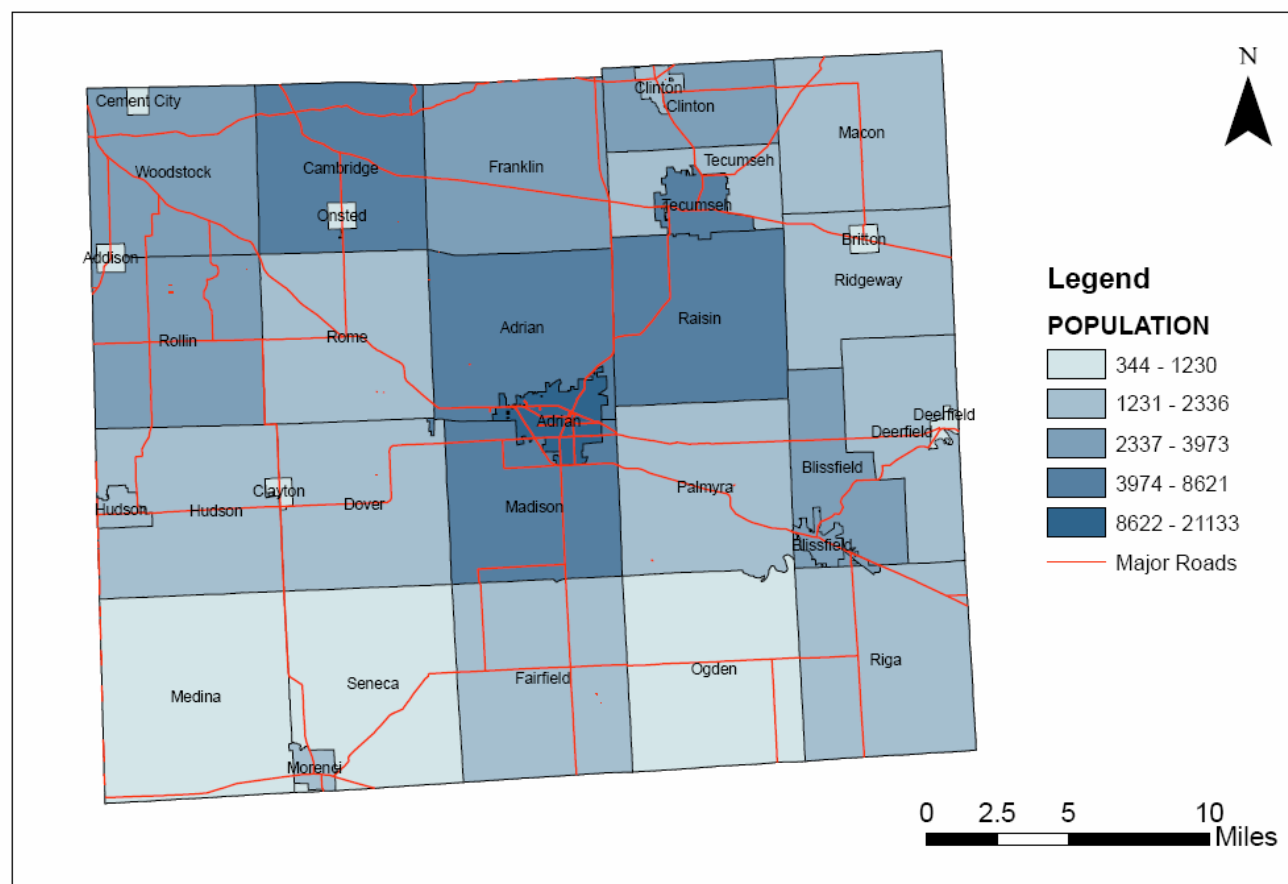


Population of Lenawee County Municipalities, 2010



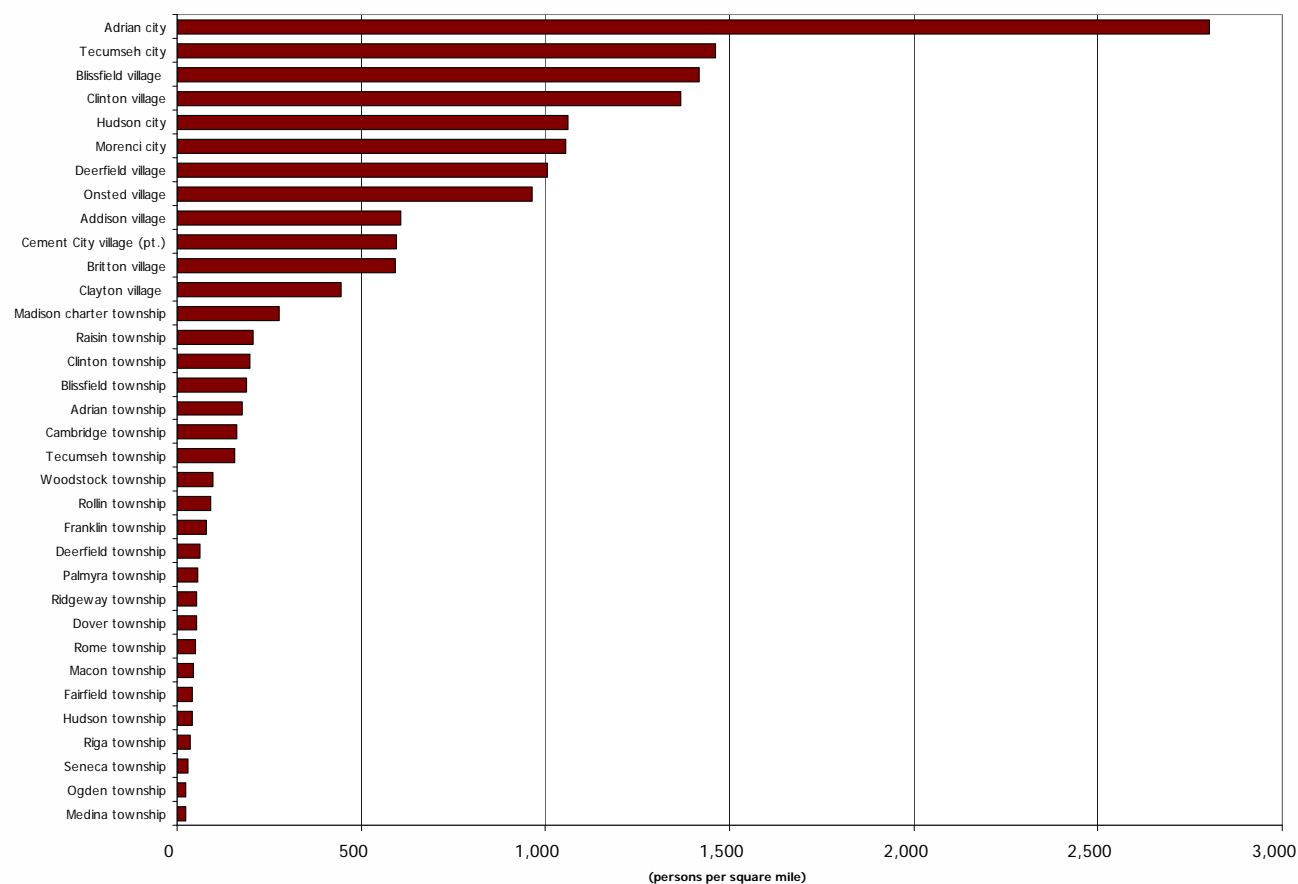


Total Population, 2010 Lenawee County, MI



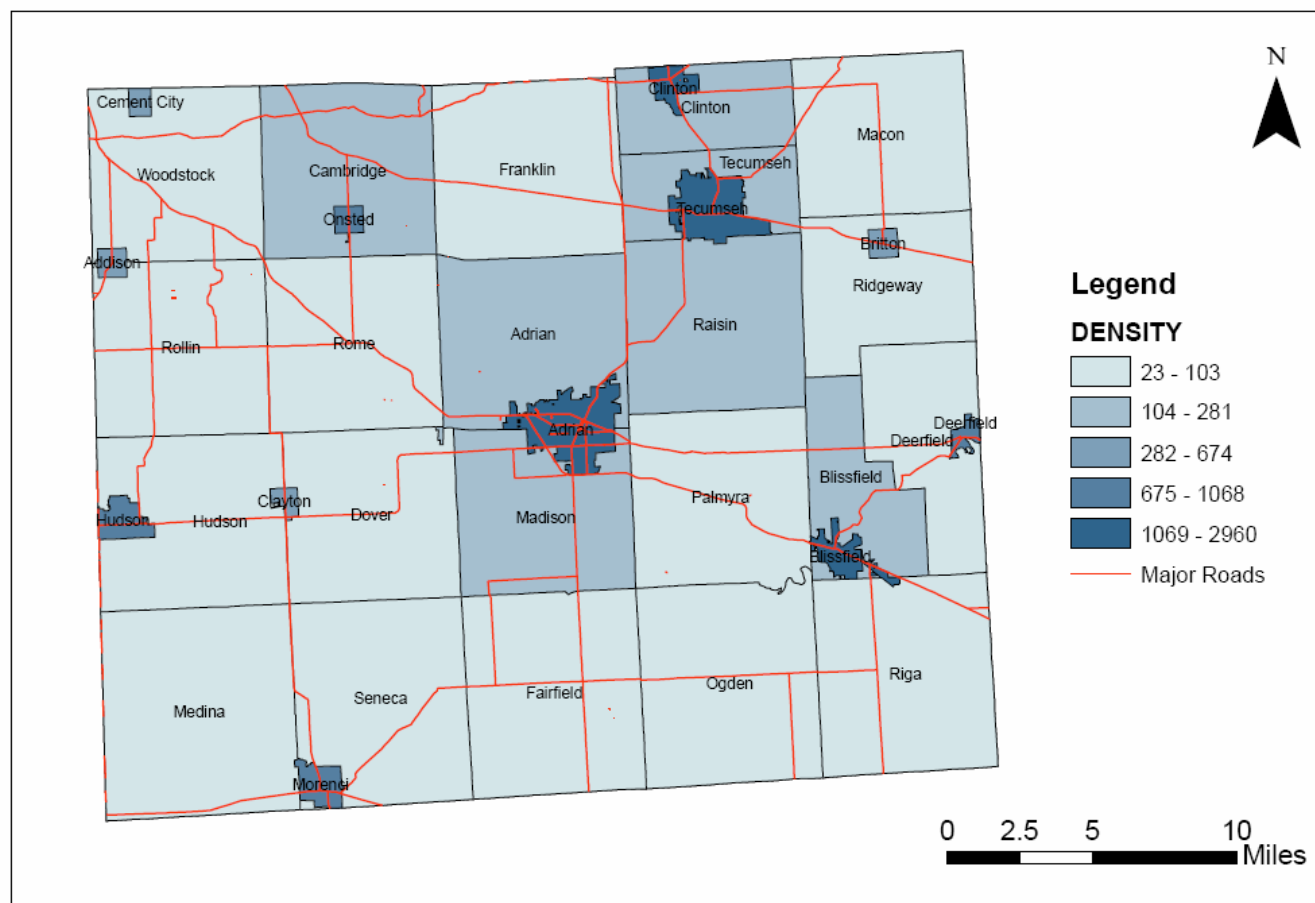


Population Density in Lenawee County Municipalities, 2010



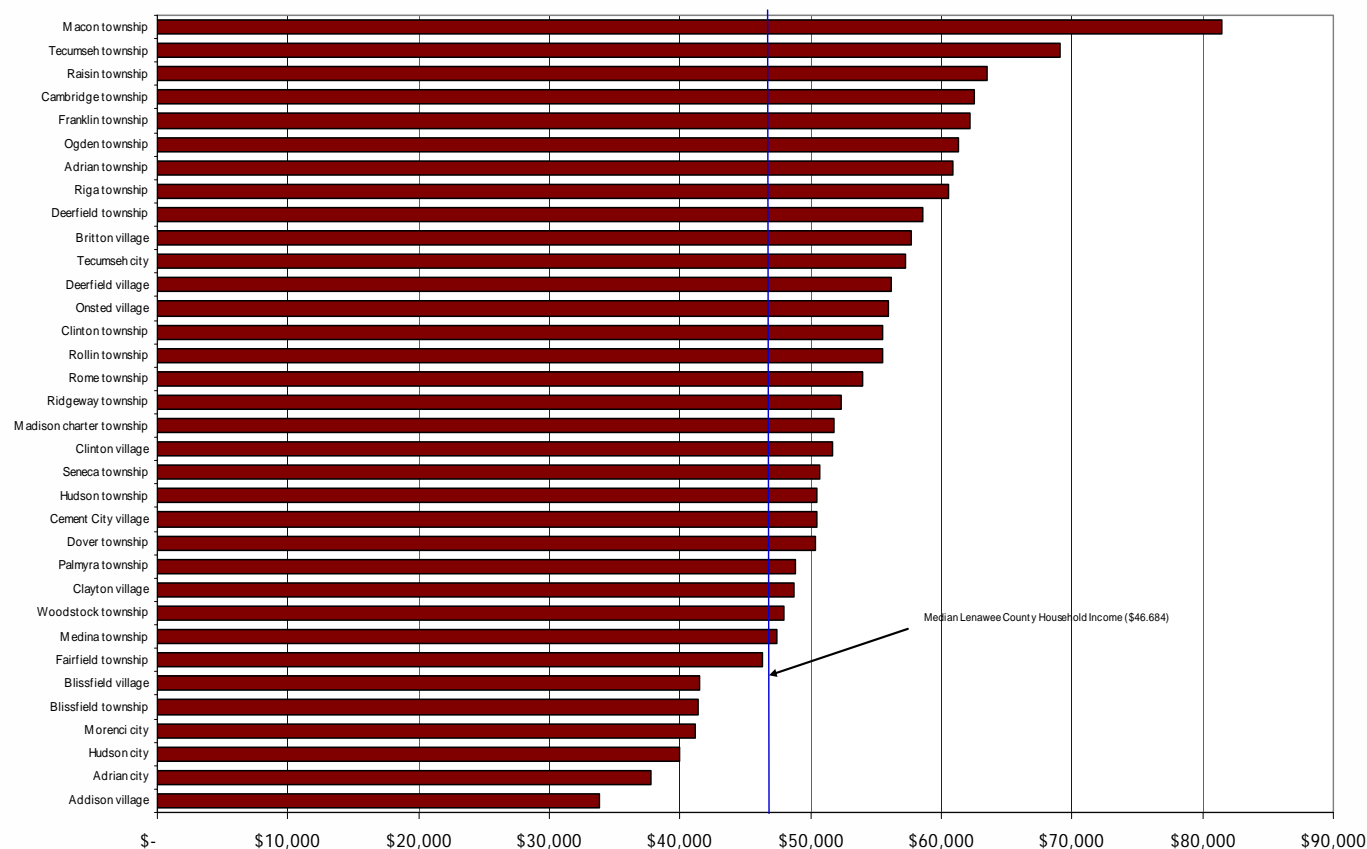


Persons per Square Mile, 2010 Lenawee County, MI



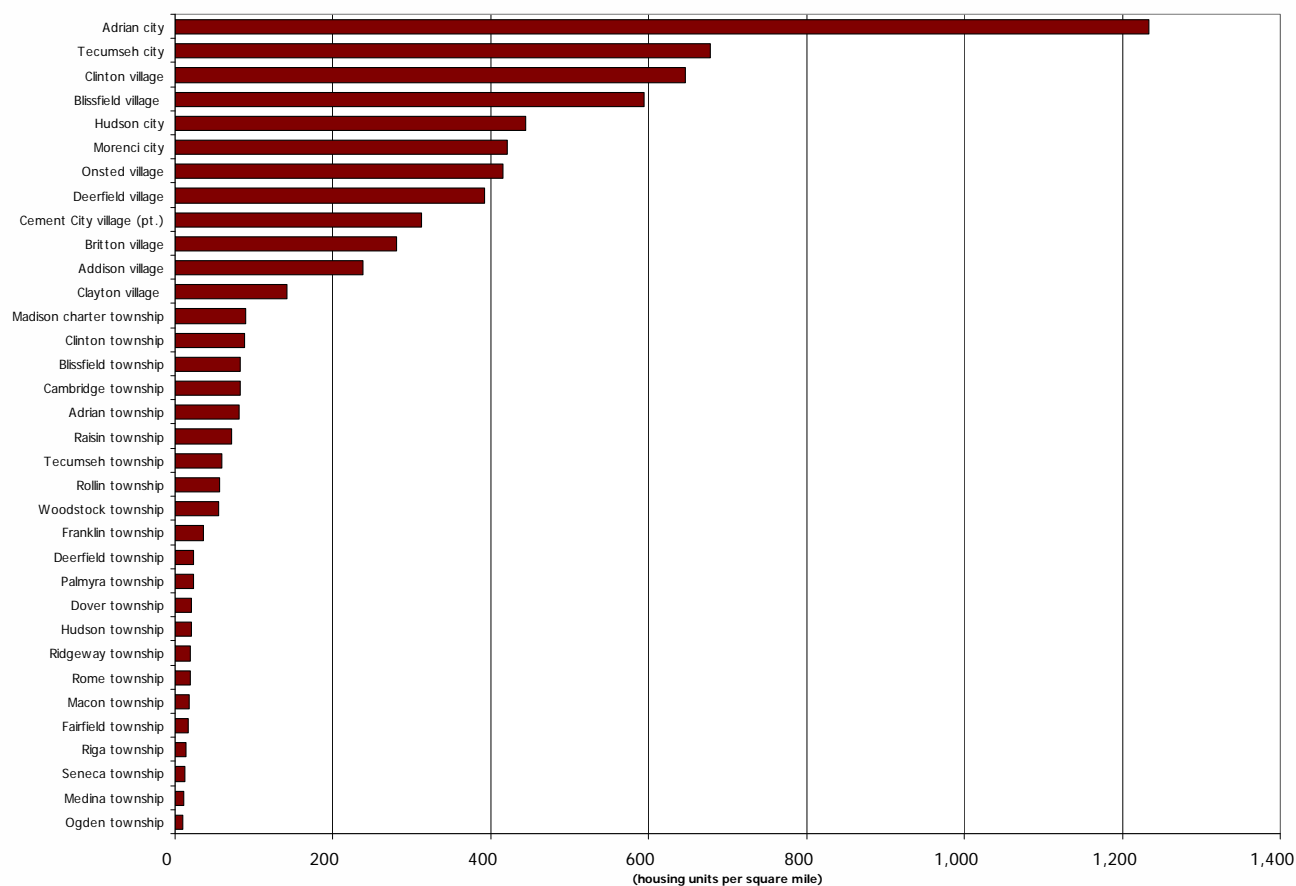


Household Income in Lenawee County by Municipality, 2009



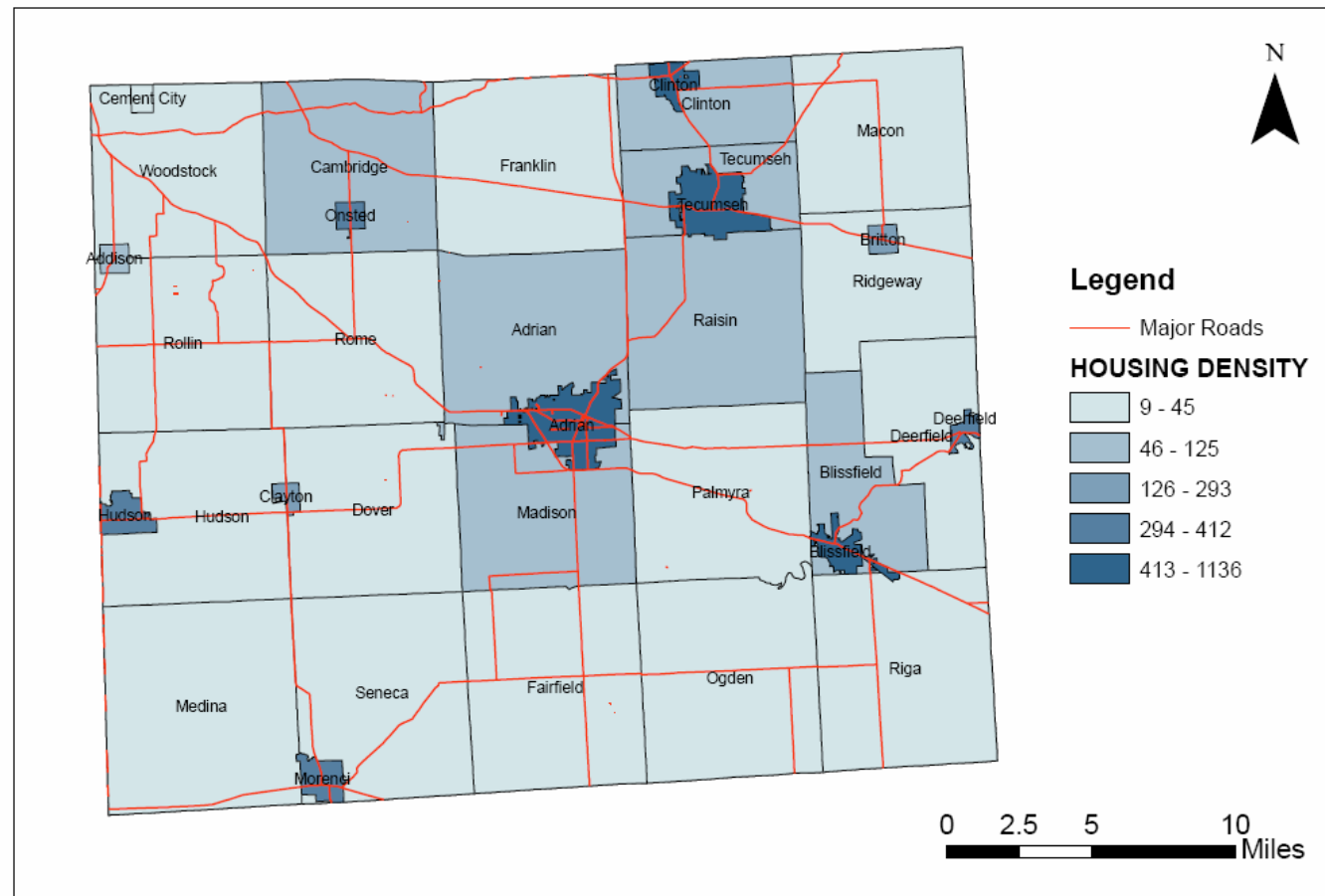


Housing Unit Density in Lenawee County Municipalities, 2010



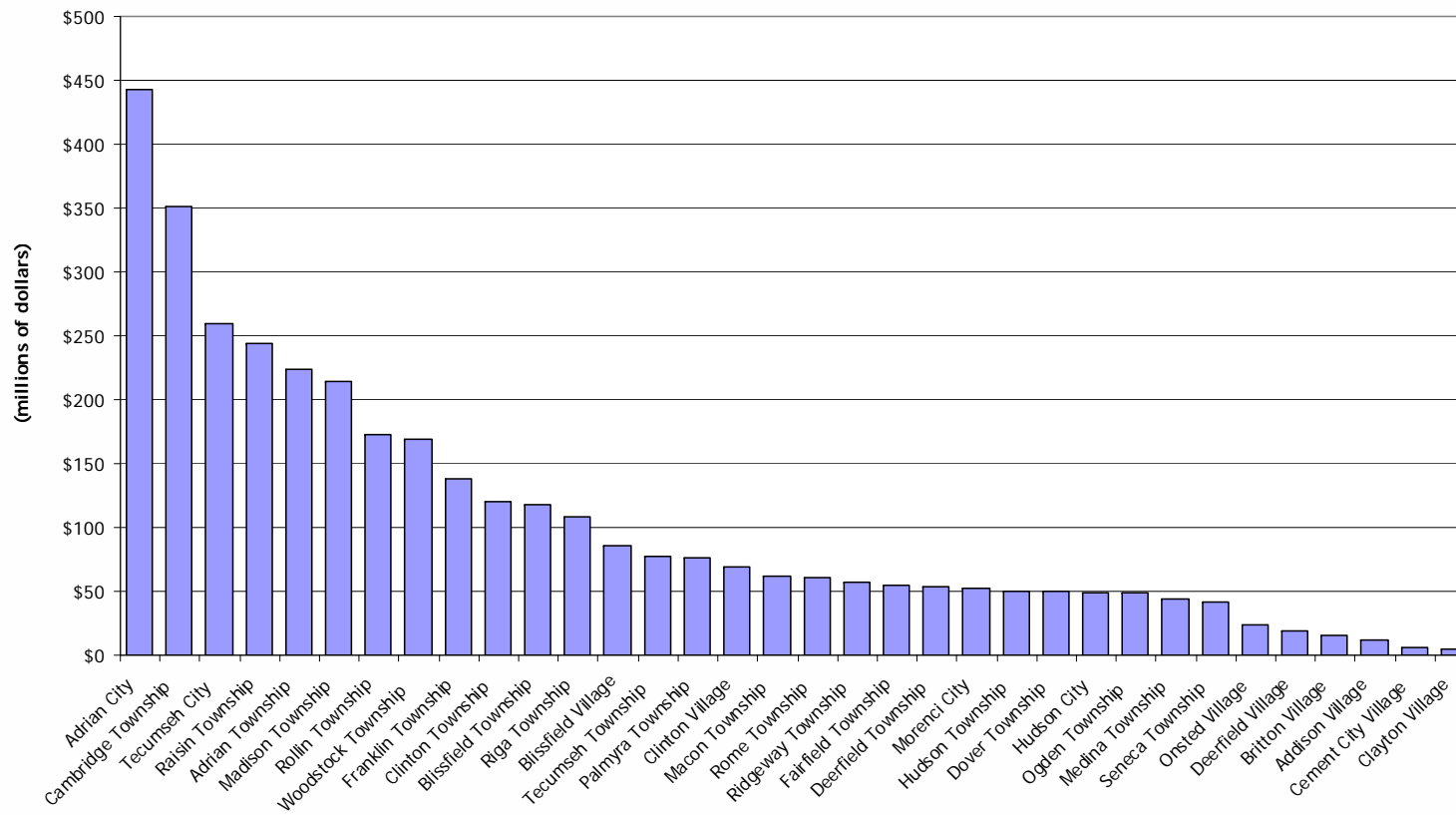


Houses per Square Mile, 2010 Lenawee County, MI



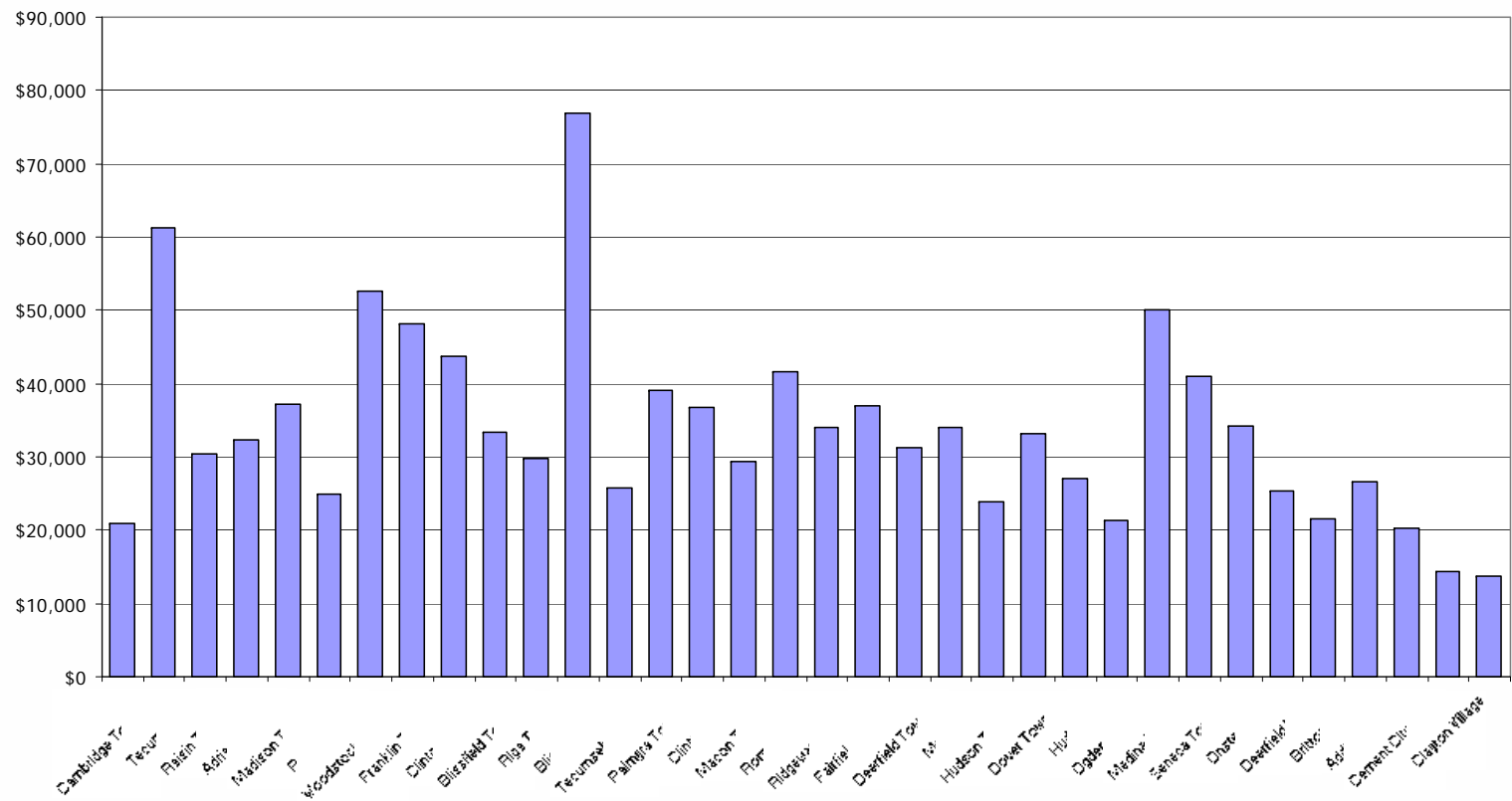


Taxable Value, 2010 Lenawee County Governments



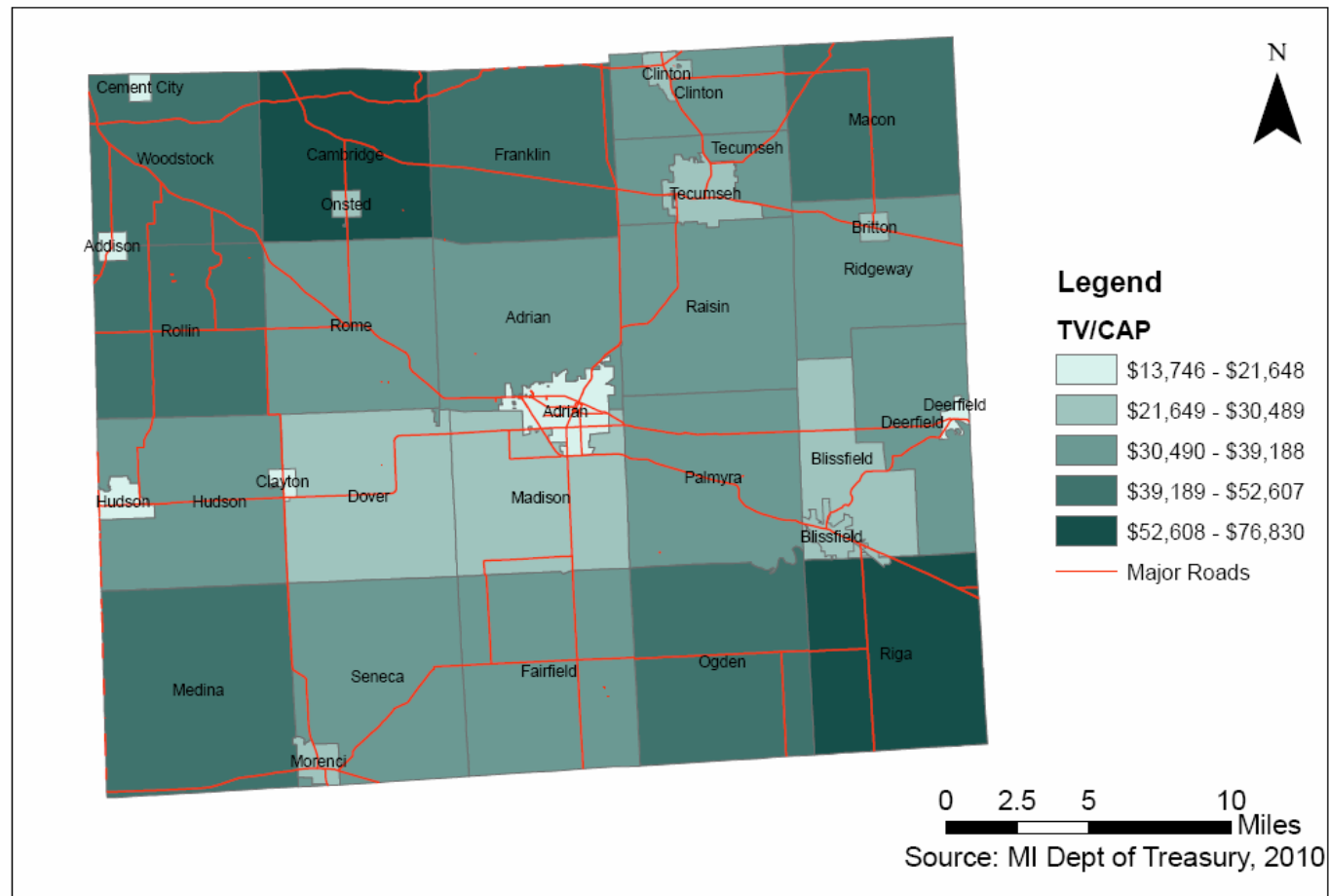


Taxable Value per Capita, 2010 Lenawee County Governments



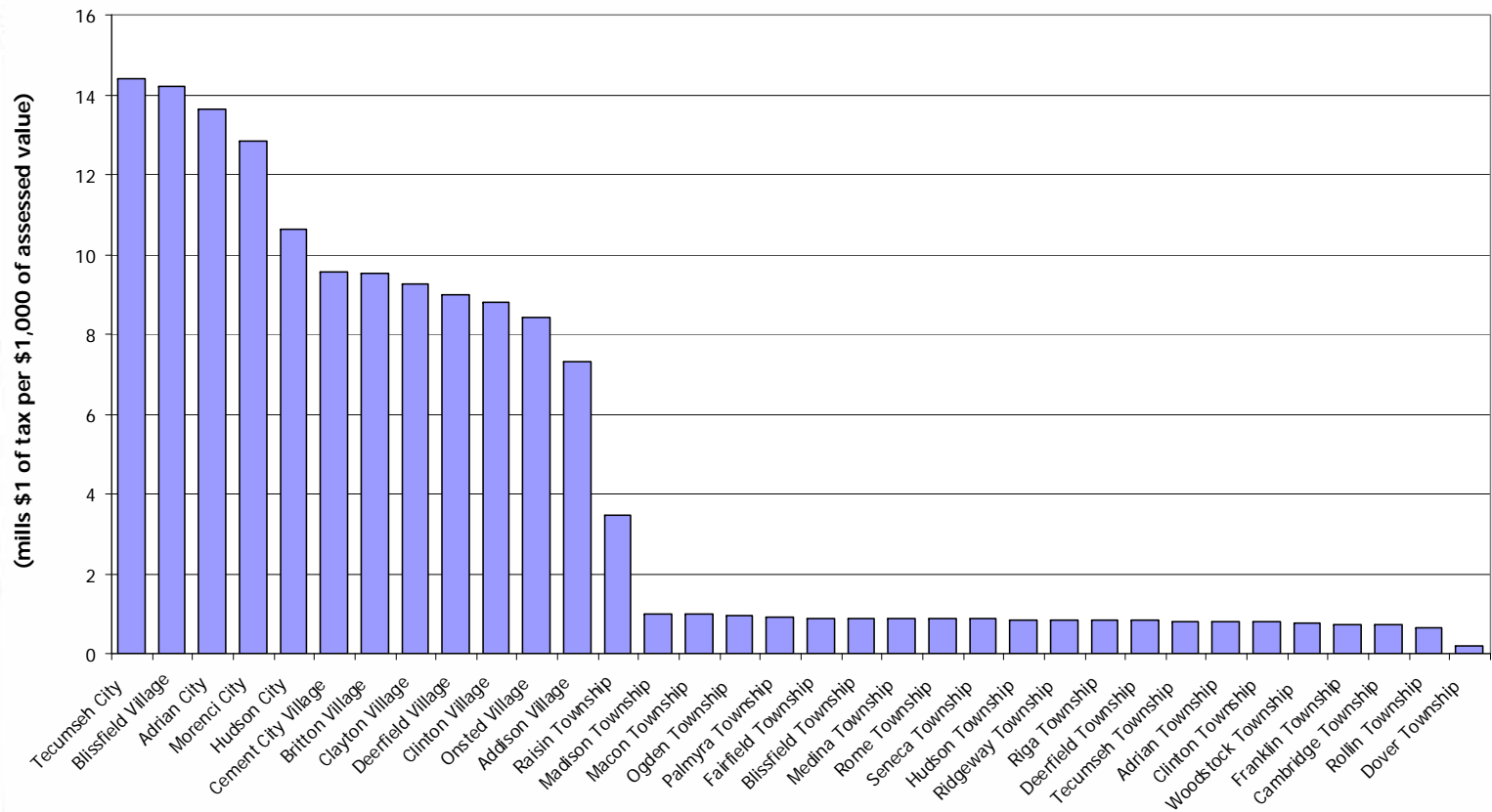


Taxable Value per Capita, 2010 Lenawee County, MI



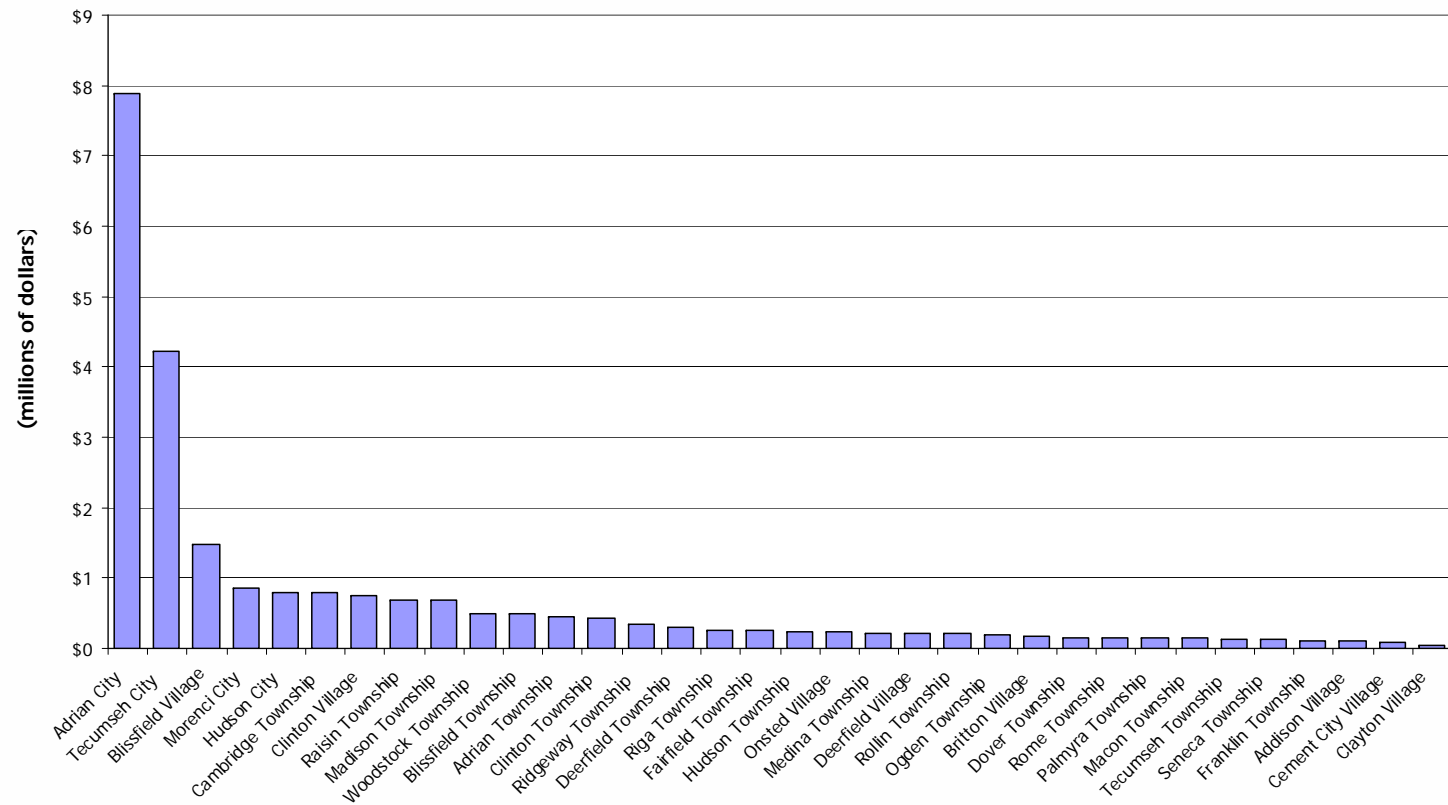


Property Tax Rate, 2010 Lenawee County Governments





Property Tax Revenue, 2010 Lenawee County Governments





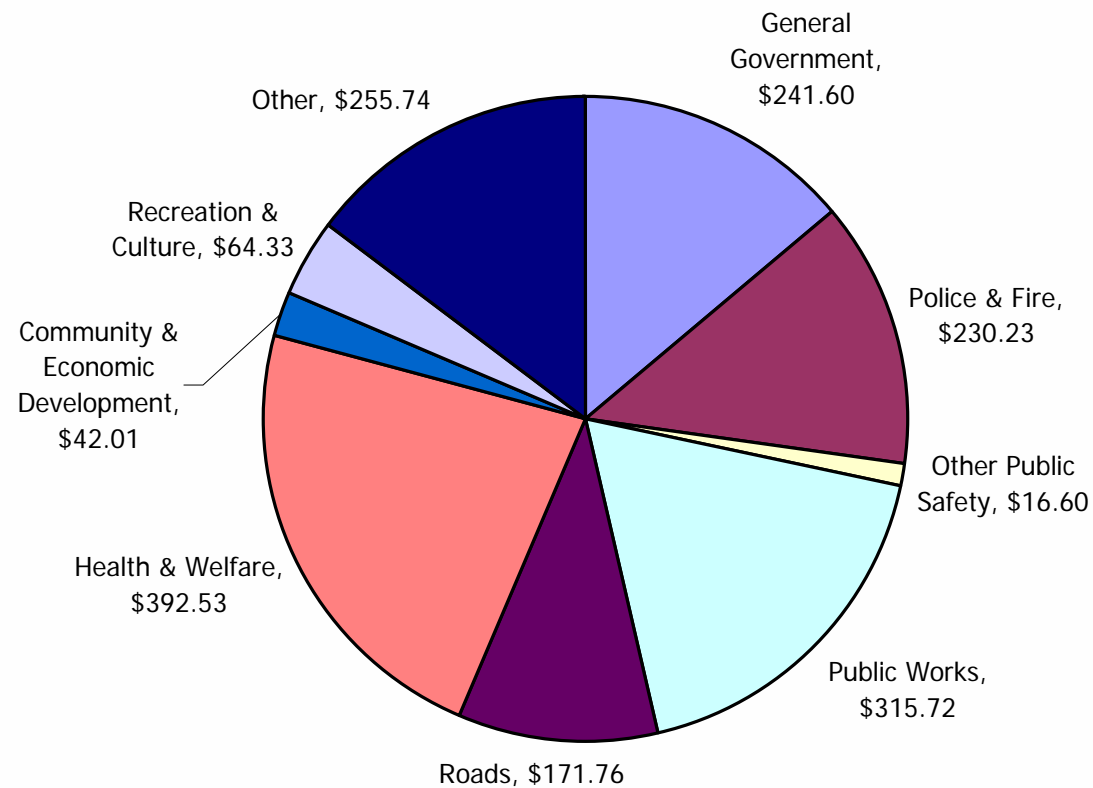
Recap

- **Vast differences in**
 - Where people live
 - How closely together people live
 - Household income
 - Taxable Value of Property
 - Tax Rates levied on property
 - Self-generated property tax revenue





2010 Expenditures by Category County, Cities, Villages, & Townships

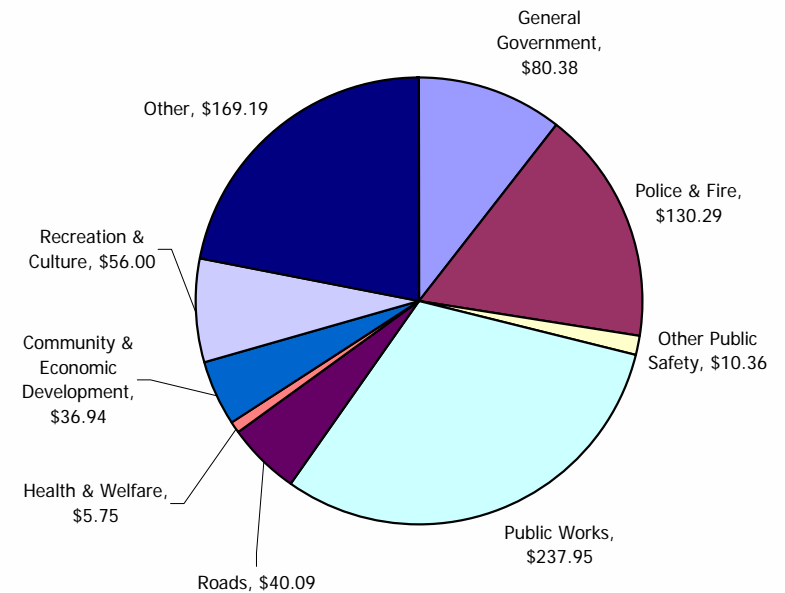
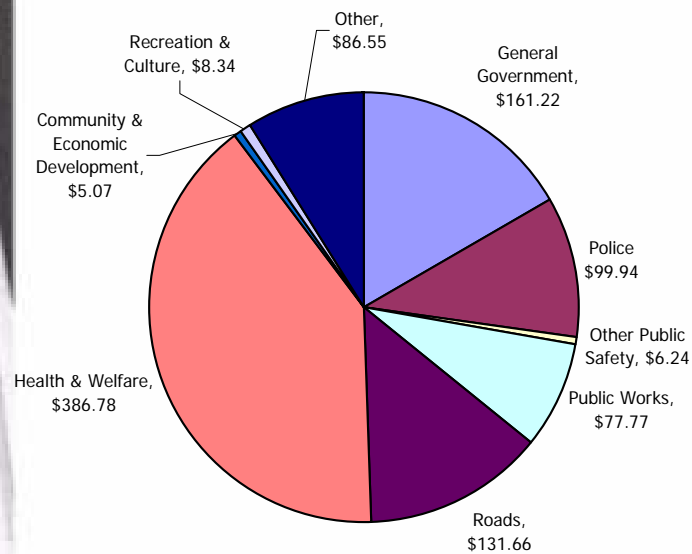




CITIZENS RESEARCH COUNCIL OF MICHIGAN

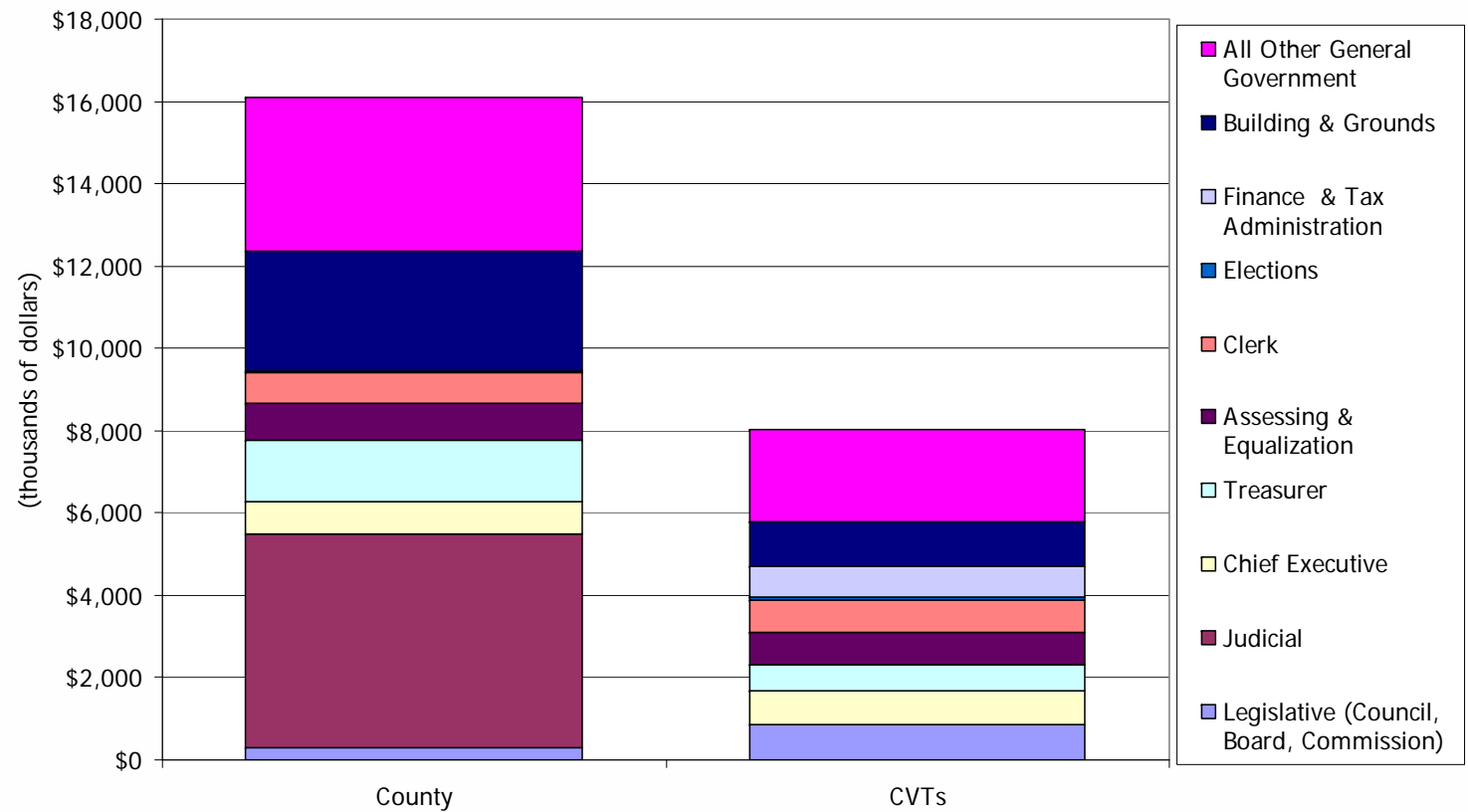
2010 Expenditures for: County

CVTs



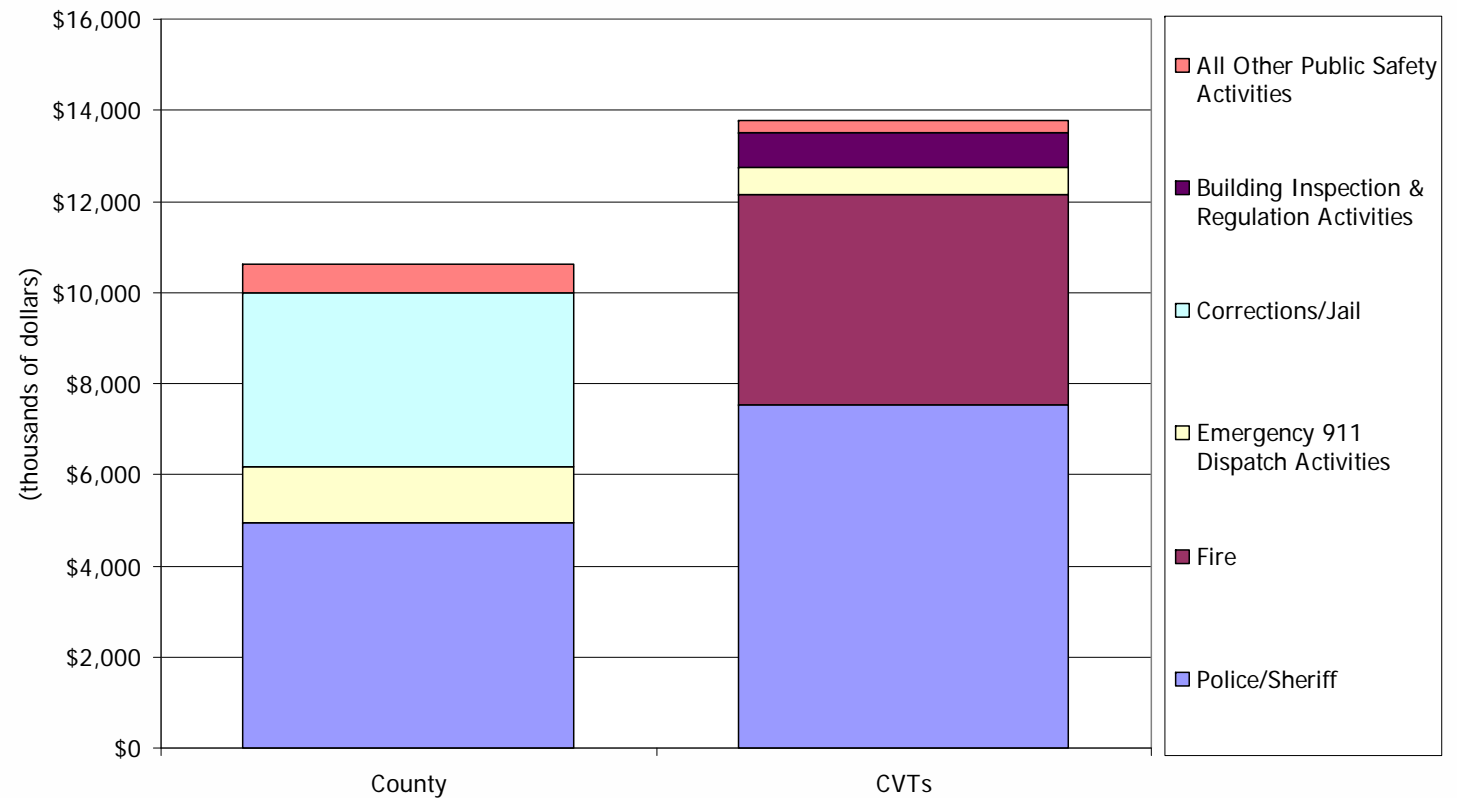


General Government



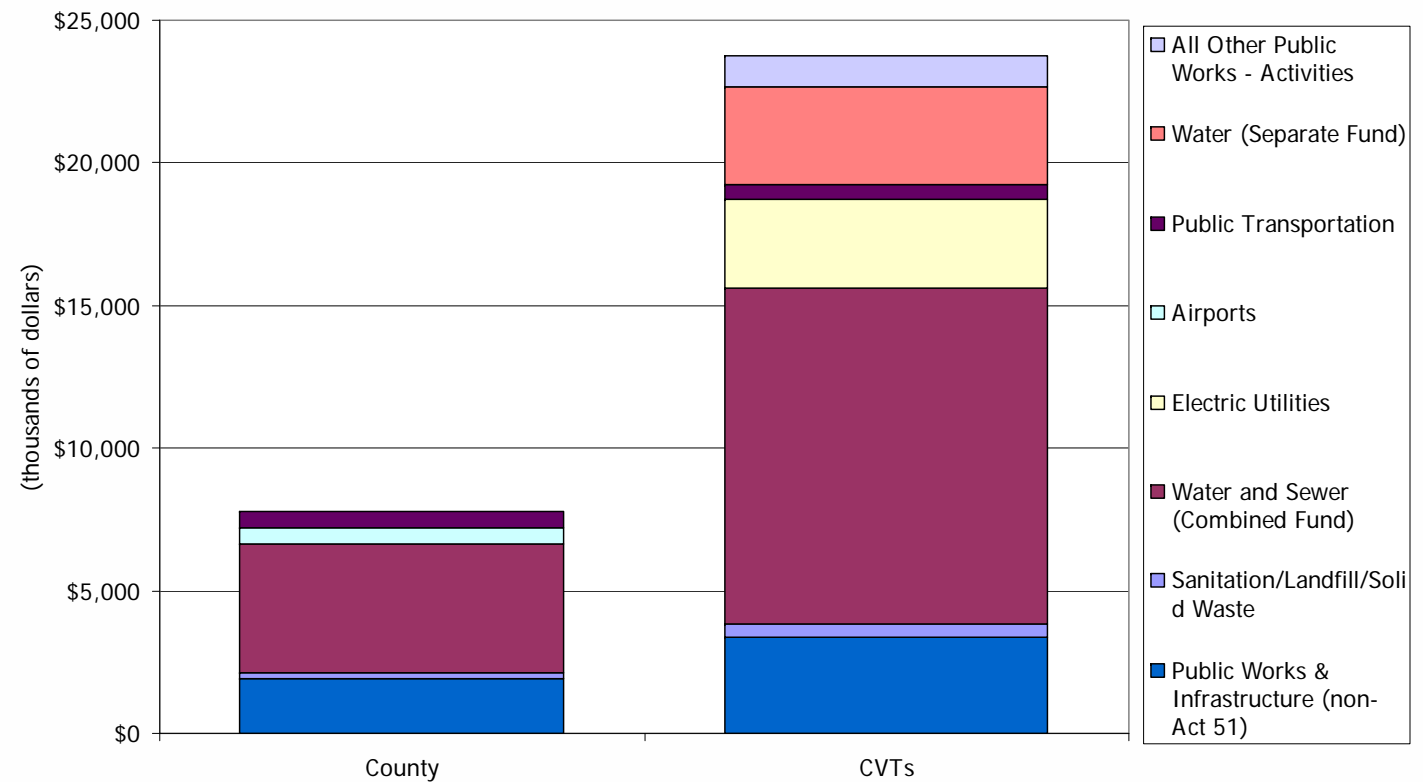


Public Safety



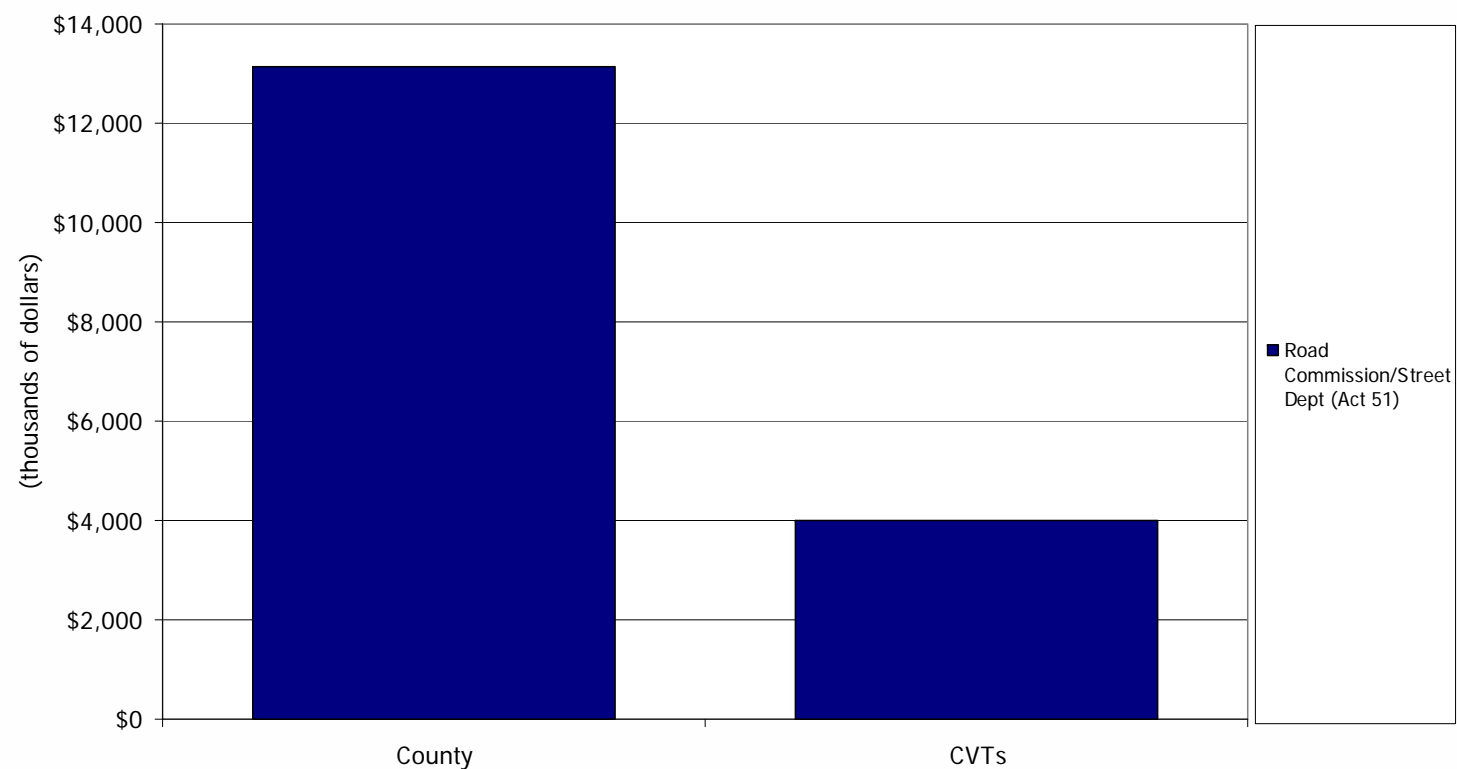


Public Works



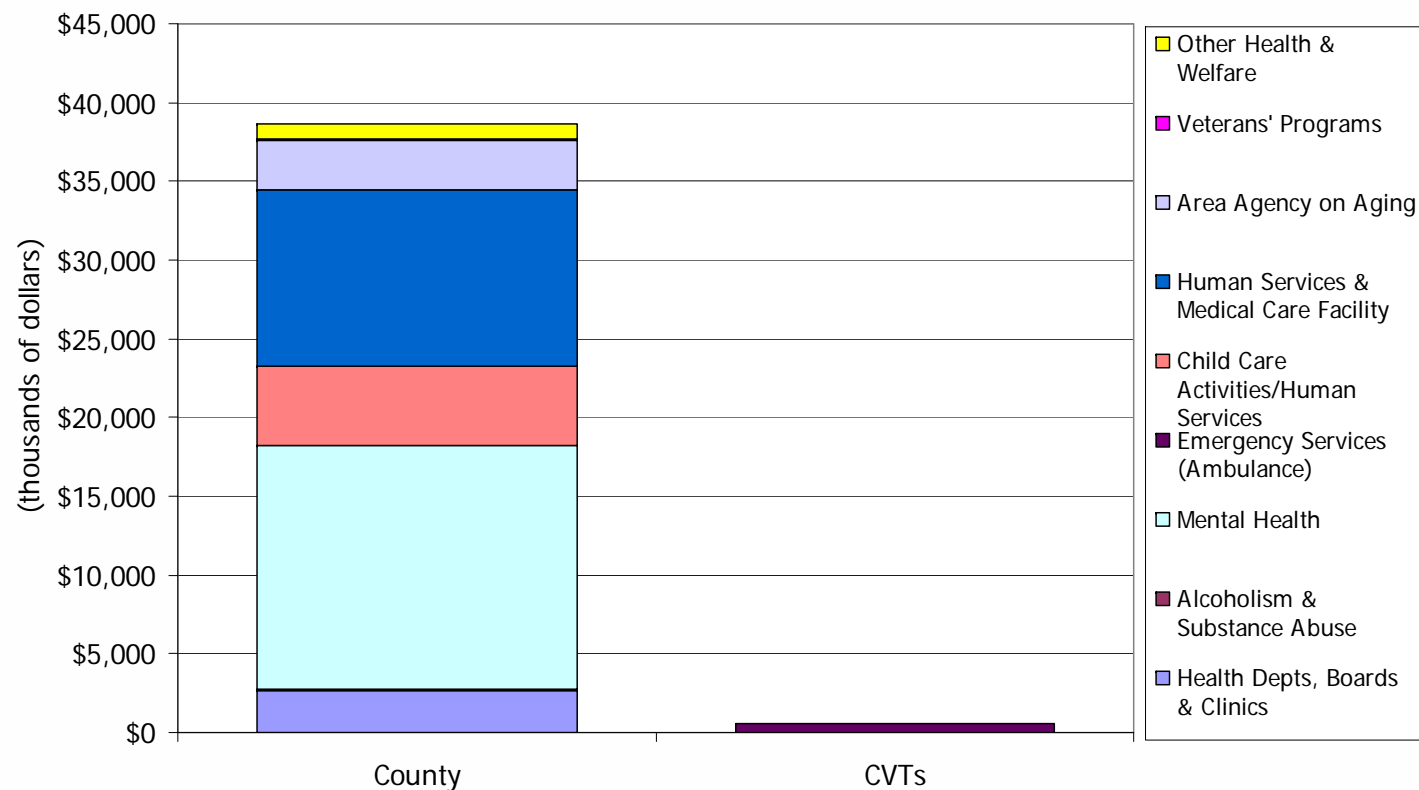


Roads



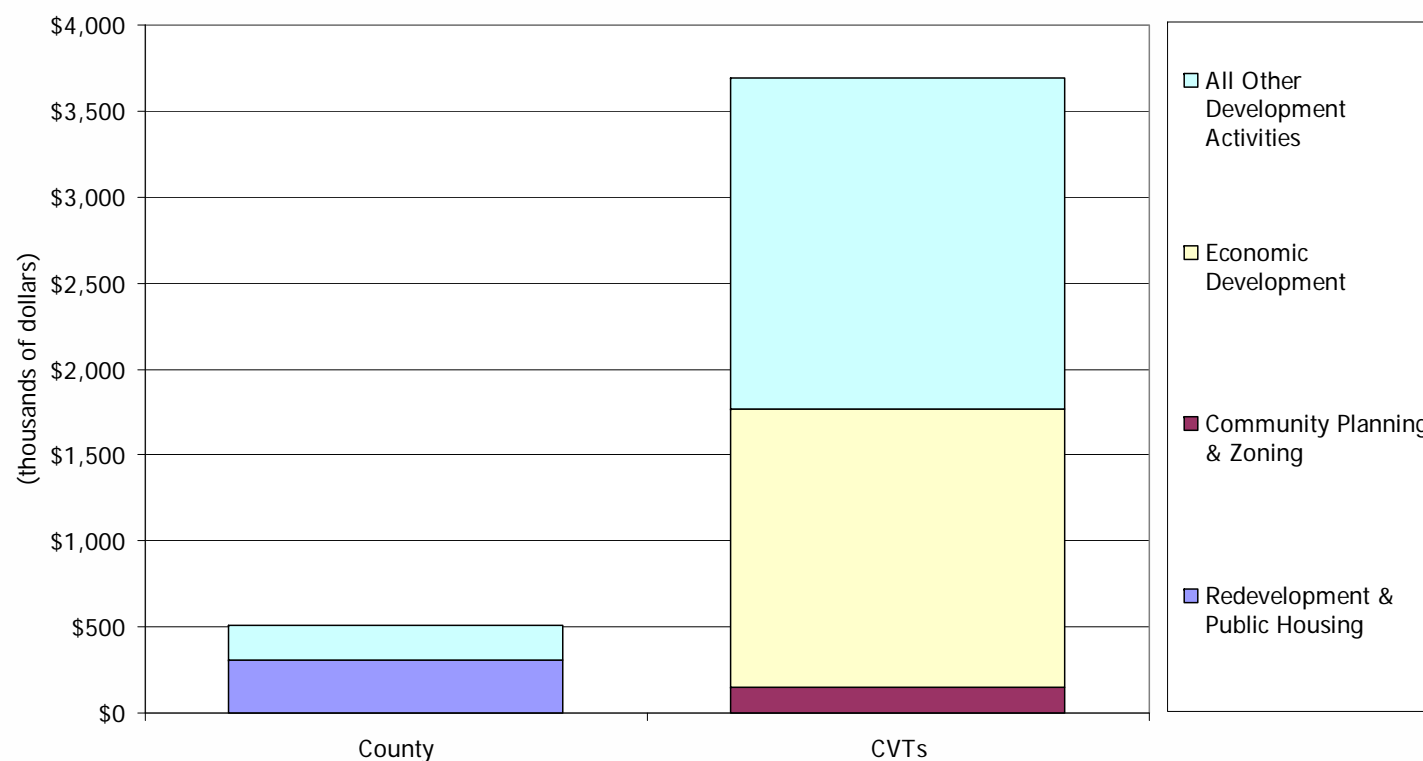


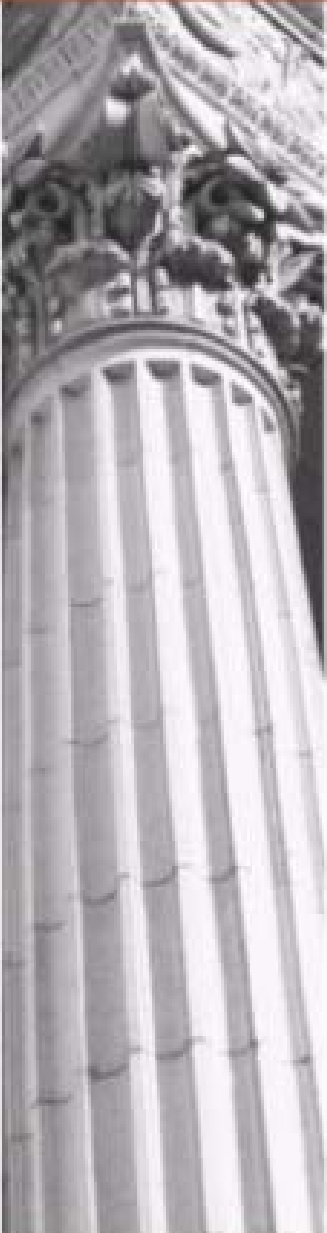
Health and Welfare



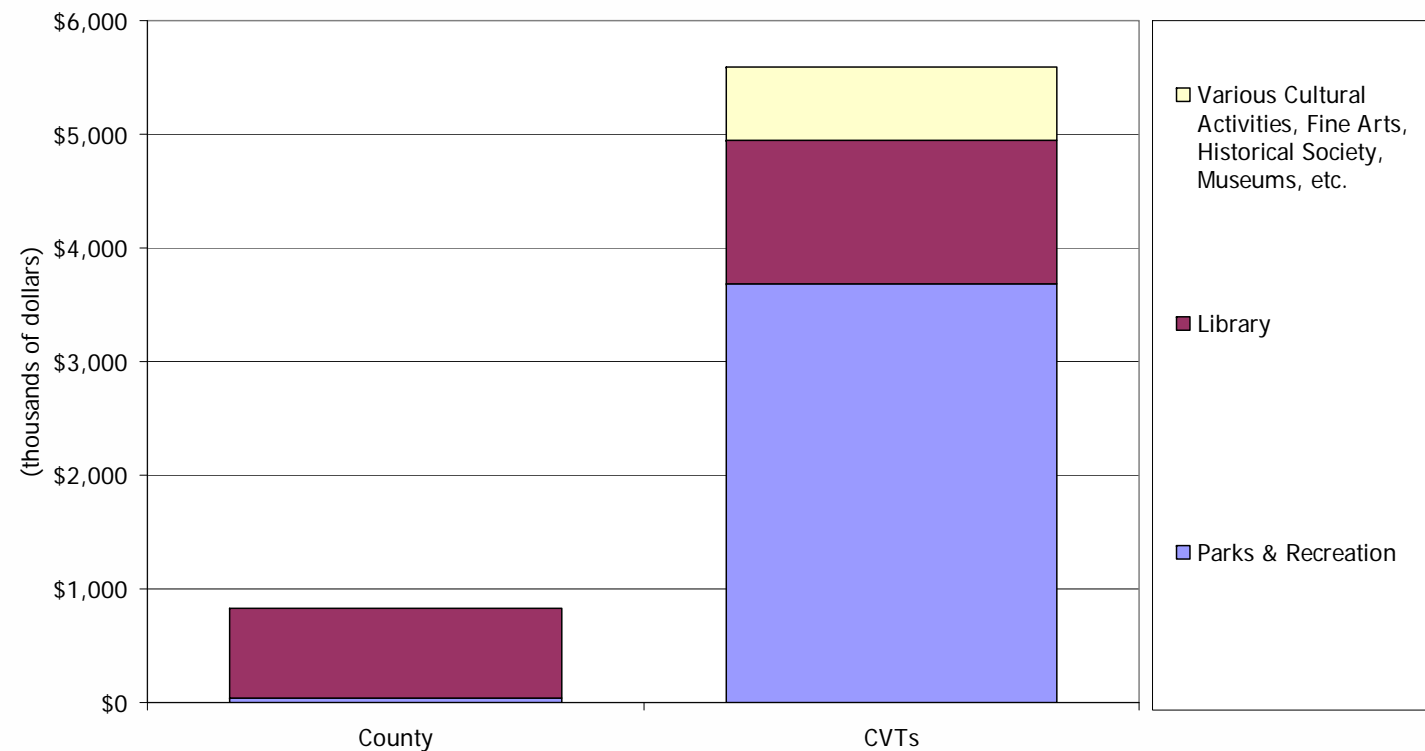


Community & Economic Development





Recreation & Culture





Let's Evaluate

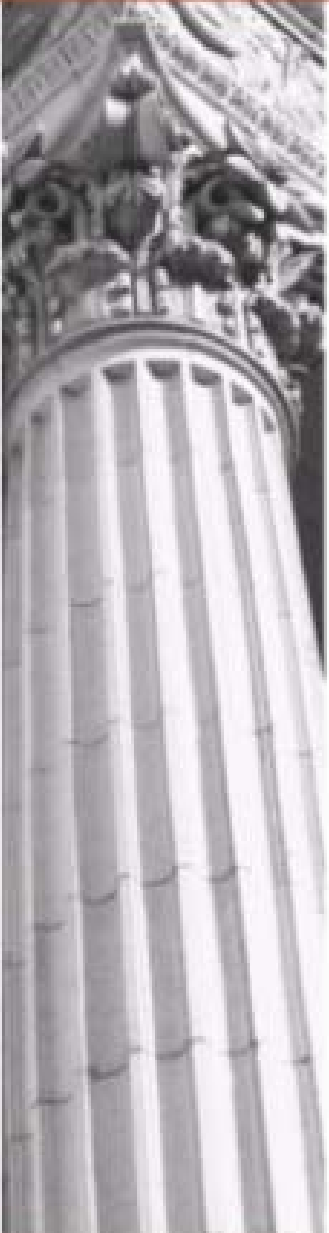
- **Local Government Consolidation**
 - Some duplication of services among CVTs
 - Vast differences between individual governments in size of population, population density, housing density, tax capacity
 - Concentrations of needs are spread throughout the county
 - Opportunities to consolidate local governments are limited





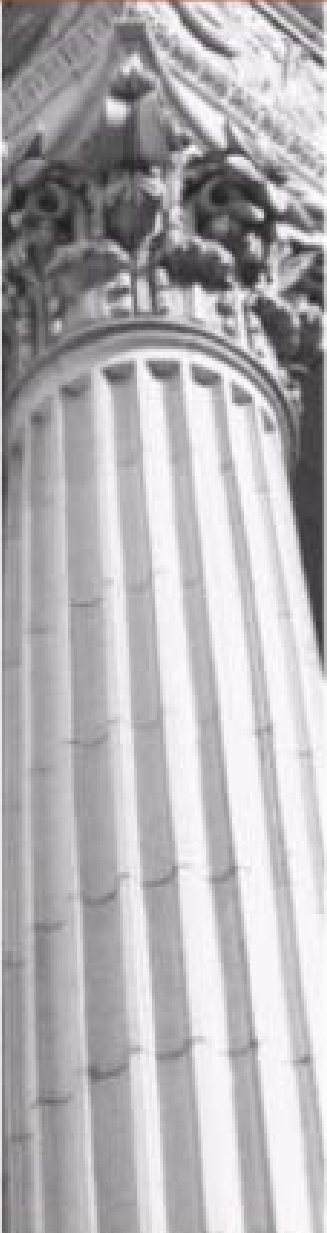
More Evaluation

- **City/County Consolidation**
 - Some duplication in police, roads, library, general government
 - No duplication in several services: health and welfare, courts, jails, water and sewer, fire protection, building inspection
 - Population shift out of Adrian into nearby townships and Tecumseh



Evaluation

- **Intergovernmental Collaboration**
 - Duplication evident in provision of services between county and CVTs and among CVTs
 - Opportunity to address this and create some savings with targeted intergovernmental collaboration



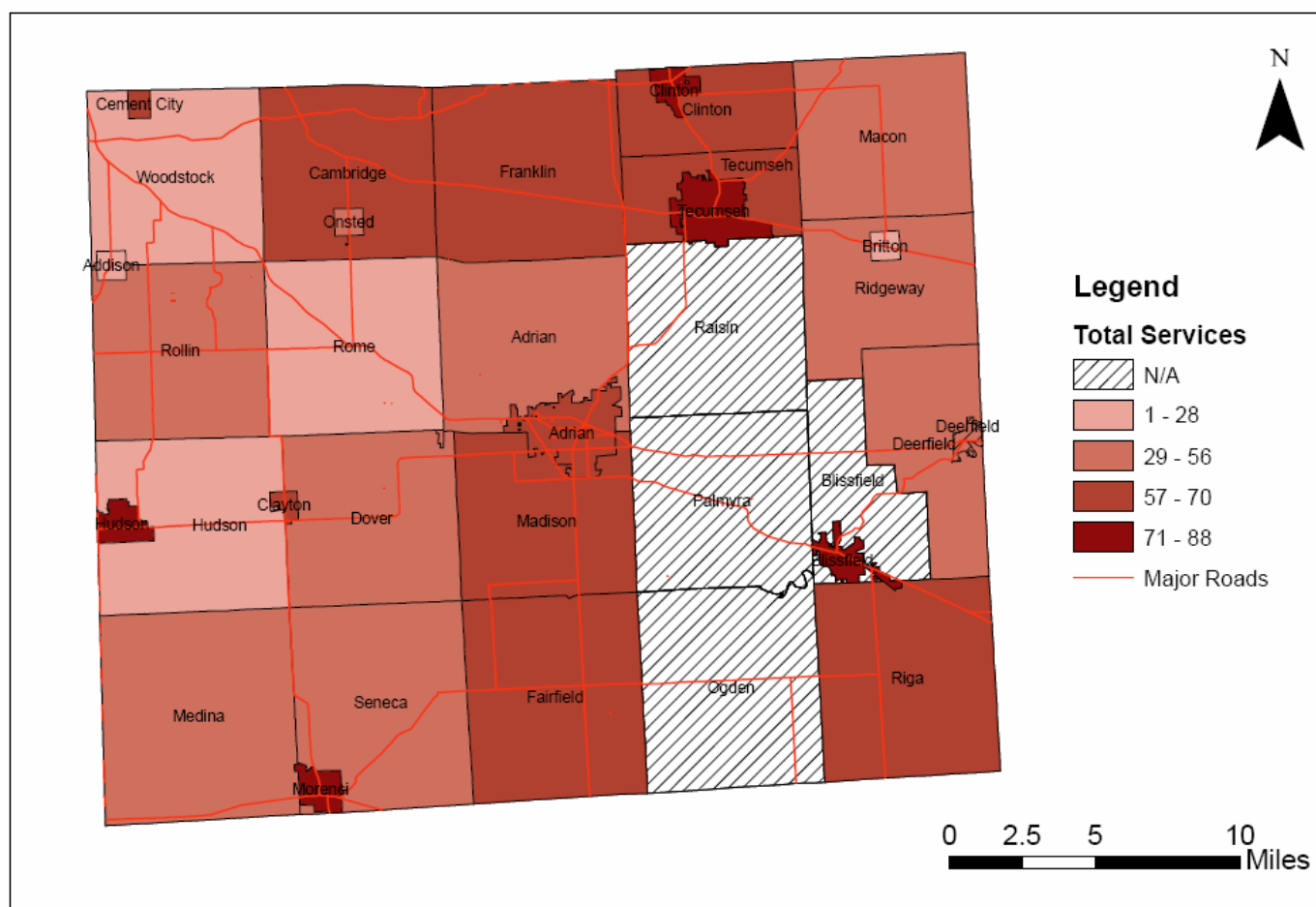
Who's Collaborating Now & Where is Opportunity for More?

- **Students from UM Ford School of Public Policy surveyed local governments**
- **Methodology based on 2005 CRC survey of local governments in 25 MI counties**
- **Includes 29 of 34 local governments**
 - (missing 1 vllg & 4 twps)



CITIZENS RESEARCH COUNCIL OF MICHIGAN

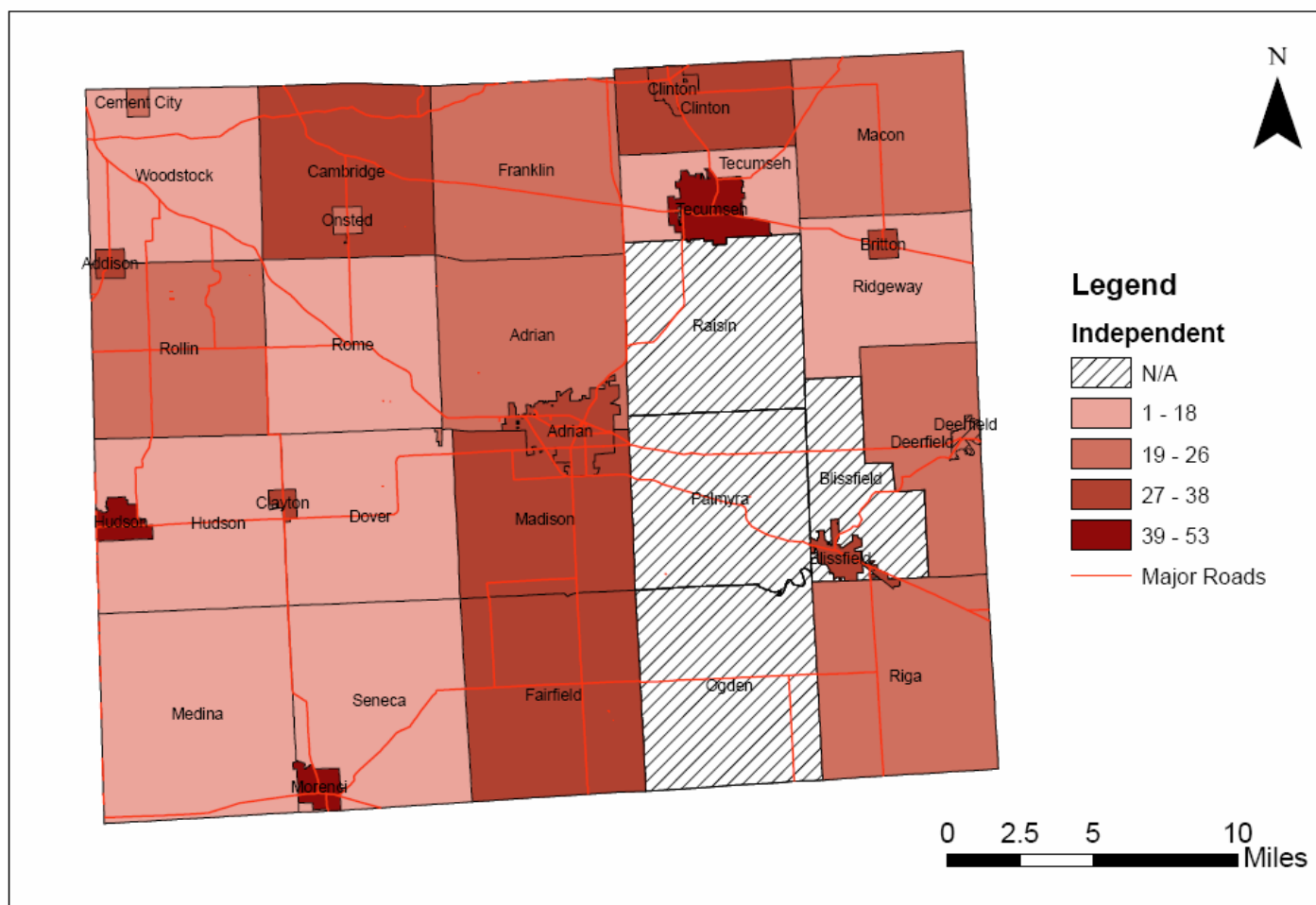
Total Number of Services Provided, 2010 Lenawee County, MI





CITIZENS RESEARCH COUNCIL OF MICHIGAN

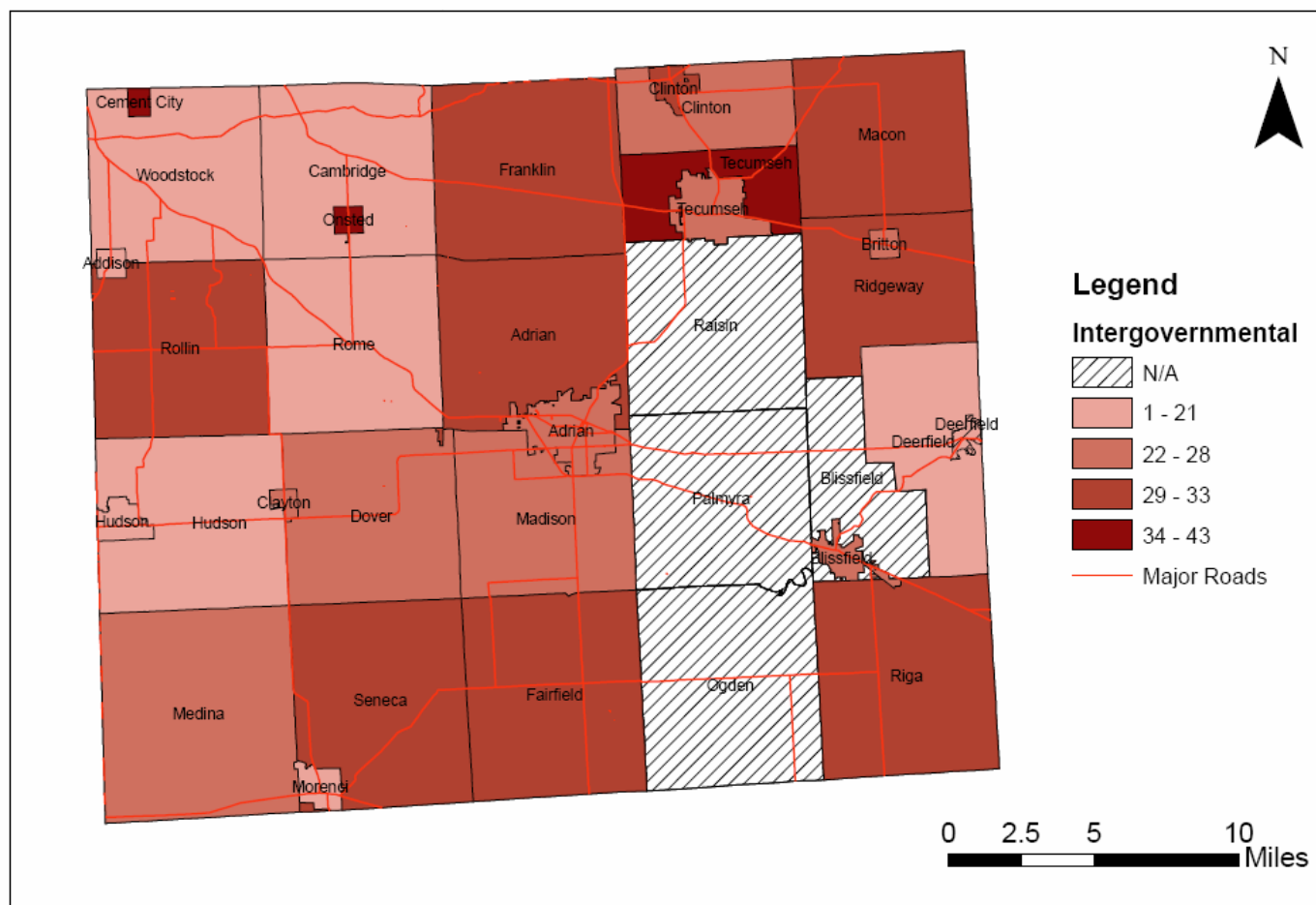
Number of Services Provided Independently, 2010





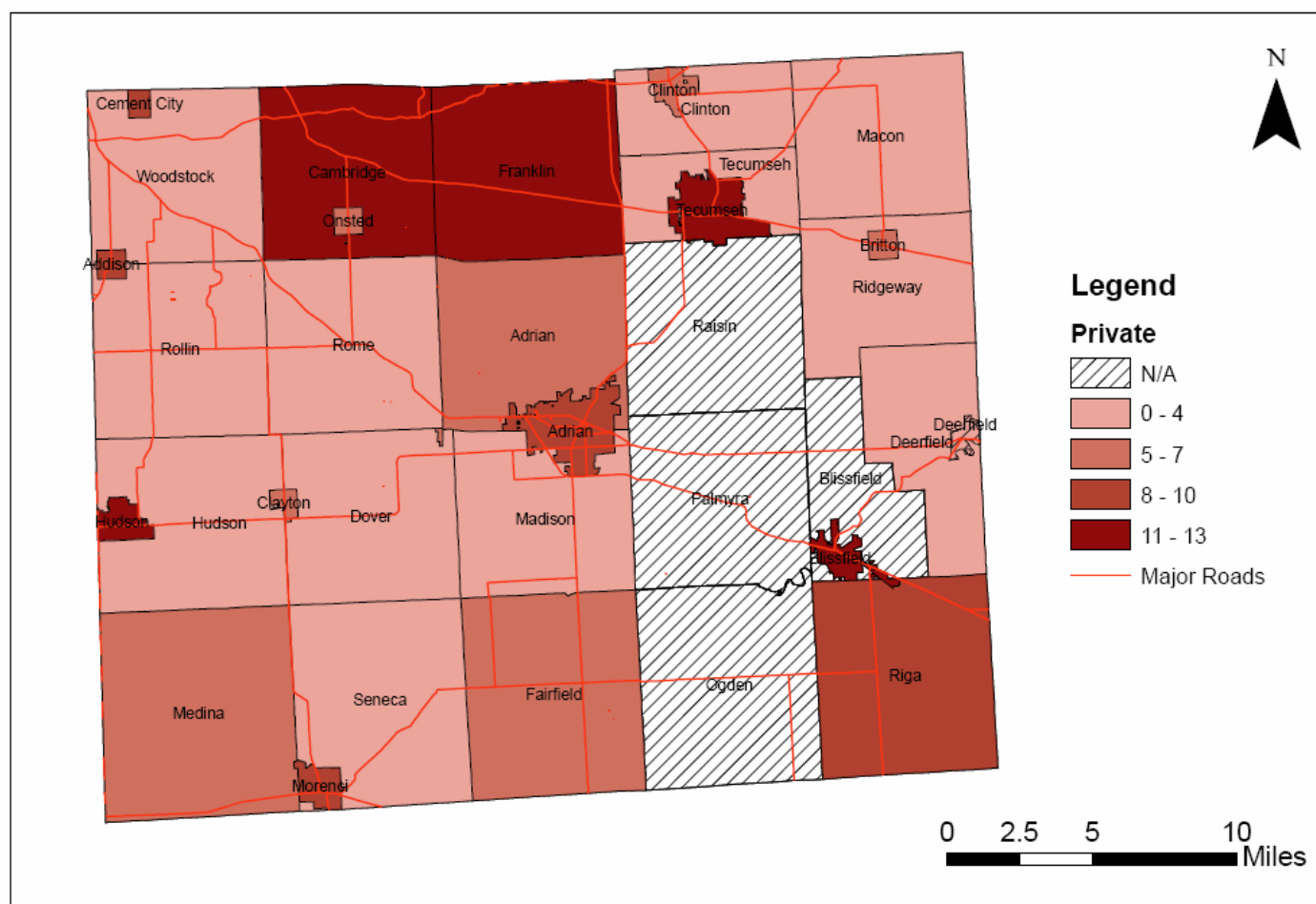
CITIZENS RESEARCH COUNCIL OF MICHIGAN

Number of Services Provided by, or in Collaboration with, Another Government, 2010





Number of Services Provided by Private Providers, 2010





Services with the Highest Levels of Vertical Collaboration

Lenawee County, 2010

1. Jail(s)
2. Detention Center(s)
3. 911/Radio Communication
4. Animal Control
5. Crime Laboratory
6. Restaurant/Food Reg
7. Well Permitting
8. Police Canine Unit
9. Emergency/Disaster Plan
10. Detective/Crime Investigation

CRC's 2005 Survey

1. Police Patrol - Marine
2. Restaurant/Food Reg
3. Police Patrol – Helicopter
4. Jail(s)
5. Police Patrol - Horse
6. Crime Laboratory
7. Air Quality Control
8. Detention Center(s)
9. Septic Permitting
10. Well Permitting



Services with the Highest Levels of Horizontal Collaboration

Lenawee County, 2010

1. Fire Fighter Training
2. Fire Fighting/Rescue
3. Ambulance/EMS
4. Fire Inspection
5. Code Enforcement
6. Fire Investigations
7. Building Inspection
8. Haz/Mat Hand/Resp
9. Building Permits
10. Library

CRC's 2005 Survey

1. Water Treatment
2. Library
3. Sanitary Sewer Treatment
4. Fire Fighting/Rescue
5. Public Bus System
6. Stadiums/Arenas
7. Water Distribution
8. Sanitary Sewerage Coll
9. Fire Fighter Training
10. Building Inspection



Services with the Highest Levels of Private Providers

Lenawee County, 2010

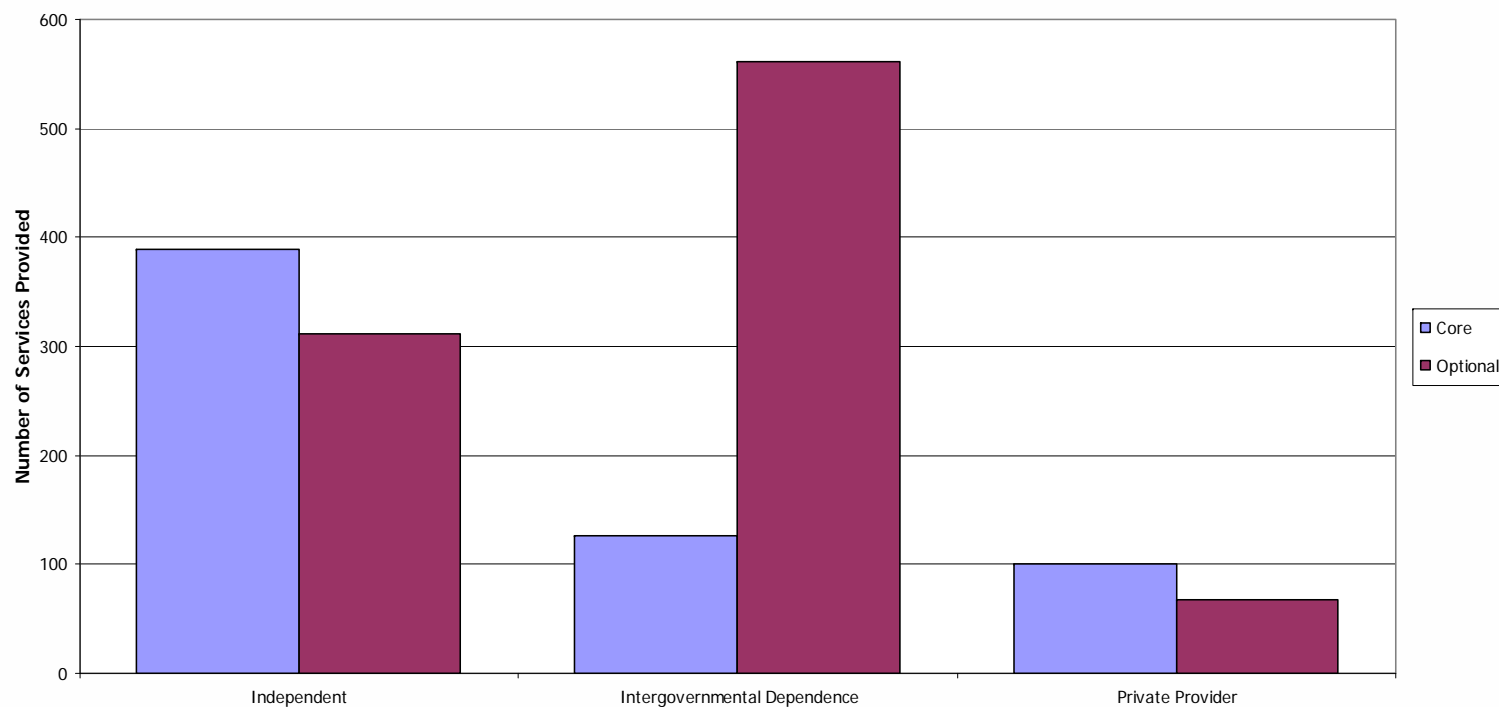
1. Attorney/Legal Service
2. Surveying
3. Engineering
4. Janitorial Services
5. Vehicle Maintenance
6. Residential Waste Collection
7. Website Devel/Mgmt
8. Cable Utility
9. Recycling
10. Non-Residential Waste Collection

CRC's 2005 Survey

1. Cable Utility
2. Gas Utility
3. Broadband Internet Access
4. Electric Utility
5. Wireless Internet (WiFi)
6. Non-Residential Waste Collection
7. Surveying
8. Engineering
9. Attorney/Legal Services
10. Residential Waste Collection



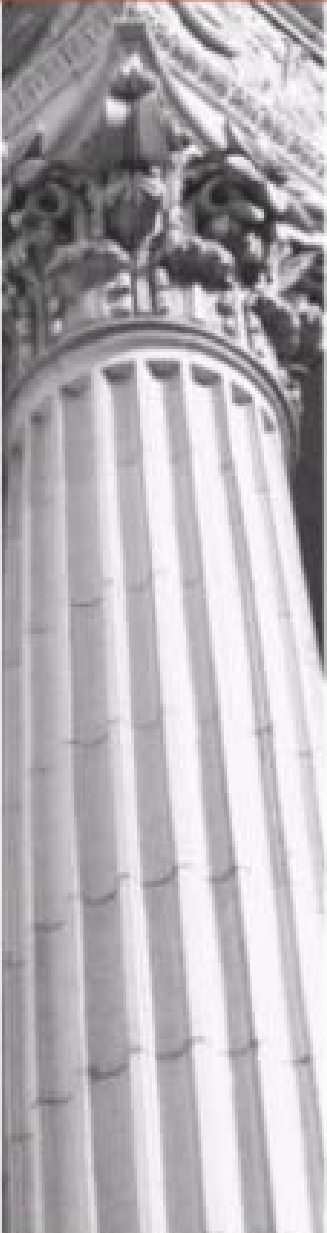
Service Delivery Method





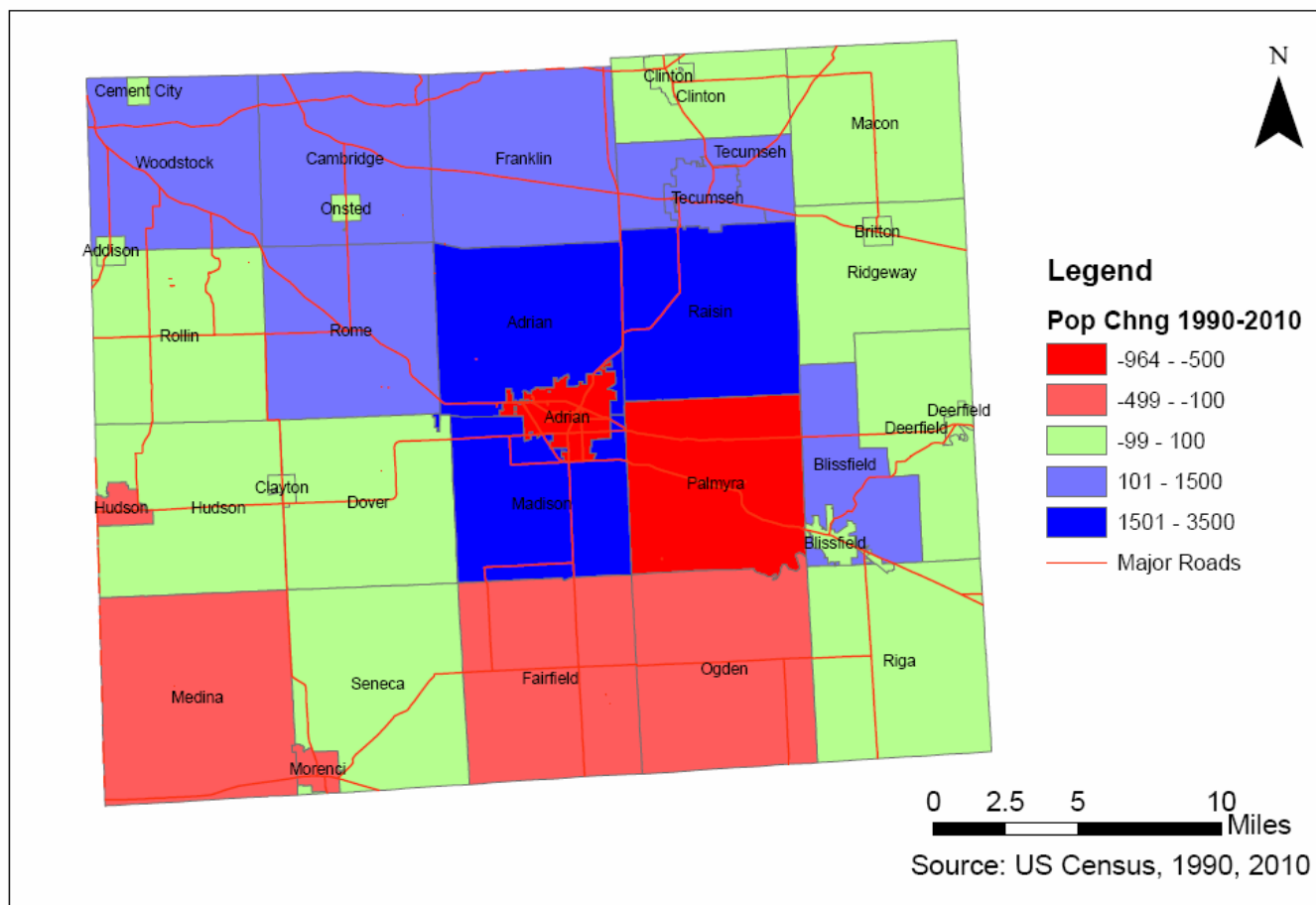
Recommendation: Control Sprawl

- While City of Adrian lost nearly 1,000 people from 2000-2010, townships of Madison, Raisin, and Adrian gained almost 7,000 people
- If governments exist to manage the interaction between people, it is obvious that these townships will be offering more and more municipal services to meet growing needs
- Meanwhile, Adrian sits with unused capacity





Recommendation: Control Sprawl

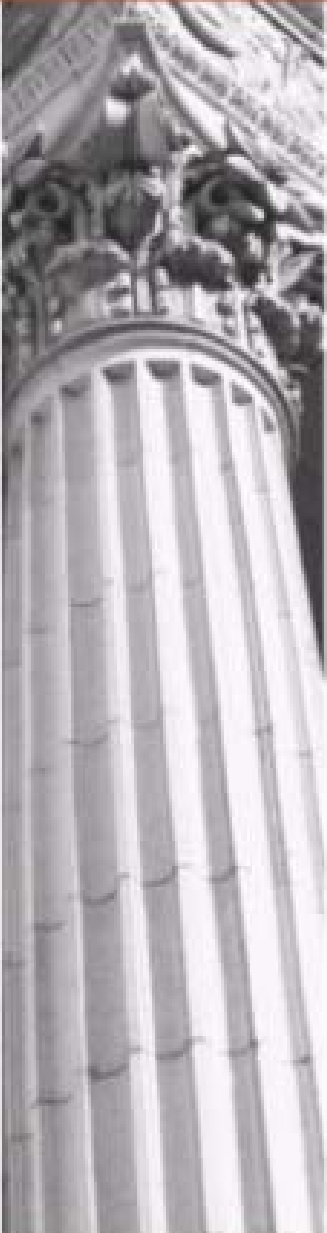




Recommendation: Control Sprawl

- **Empower the county to be more powerful in land use planning and economic development**
- **Funnel development to where governments have existing capacity to meet the needs**





Recommendations to Reshape Local Government Service Delivery

- **Potential to streamline/improve service provision**
- **Recommendations to enhance**
 - Vertical Collaboration
 - Horizontal Collaboration
 - Contracting



Vertical Collaboration

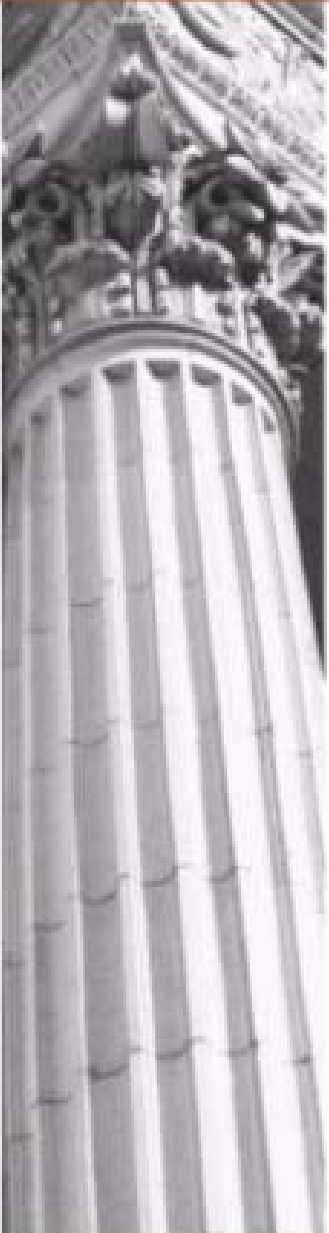
- **County performs functions on behalf of municipalities**
 - Costs may be shared between counties and CVTs
- **Municipalities contract with the county or the state to have functions performed**
- **The county and state governments simply assume responsibility for the performance of specific functions, thus relieving the municipalities of any performance duties**





Recommendation 1: Reform Structure of County Government

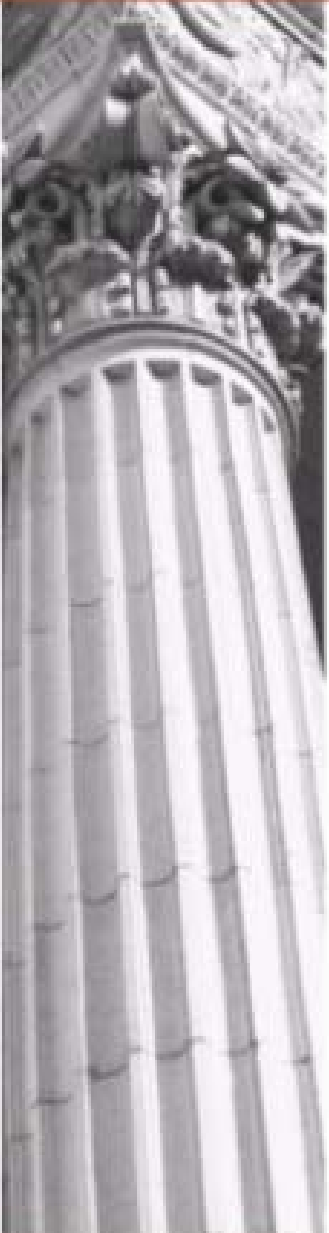
- **The following reforms call on the county to do more to help CVTs**
- **More effective if county is capable of taking leadership role**
- **Creation of County Executive**
 - Optional Unified model – Oakland, Bay
 - Charter model – Wayne, Macomb





Recommendation 2: Police Protection

- **Options range from full merger into county sheriff to collaboration in back office and auxiliary functions**
- **Position County Sheriff to provide support services countywide**
 - 911/Radio Communication
 - Officer Training
 - Detective/Crime Investigation
 - Emergency/Disaster Response Planning
 - Records/Archives
- **Frees CVTs to provide patrol/ emergency response services**





Recommendation 3: Fire Protection

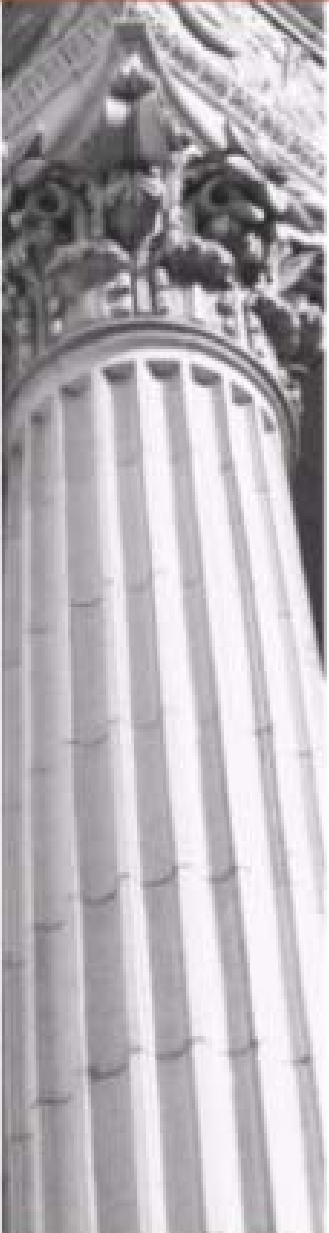
- **Options range from treatment similar to police to better horizontal collaboration**
 - County sheriff provide support services, freeing firefighters to fight fires
- **Half the respondents said they collaborate in fire fighter training and response**
 - Typical model would seek to build on this
 - But fire protection is provided at different intensities in cities and rural townships





Recommendation 4: Roads

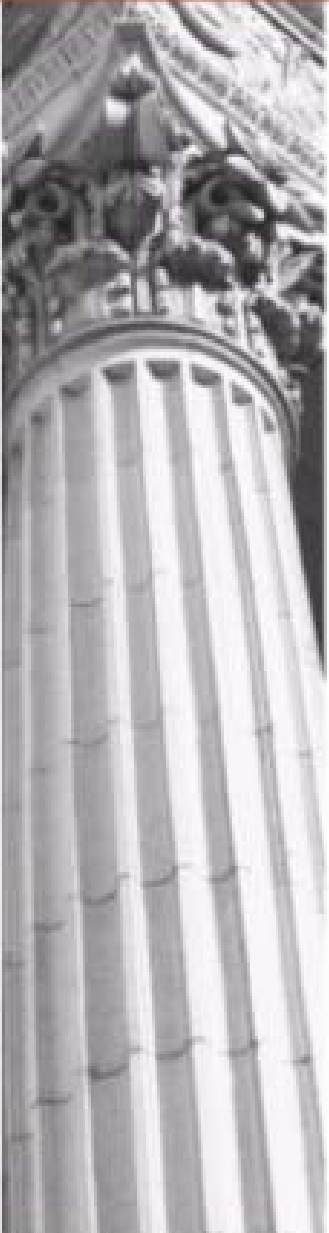
- **Governor Snyder recommendation to concentrate road functions in those agencies currently eligible for at least \$50,000/yr in Act 51 funding**
- **Use same logic to concentrate this capital intensive service with county**
 - Cities and village contract to have LCRC perform work on their behalf
 - Concentrate purchase of heavy equipment with LCRC





Recommendation 5: Create "Cloud Computing "

- **Integrate county and local government communication infrastructure**
 - Broadband system to connect governments to the county and to each other
 - County creates databases and computer capacity to house electronic records for local governments





Immediate Effect of the “Cloud Computing” Initiative

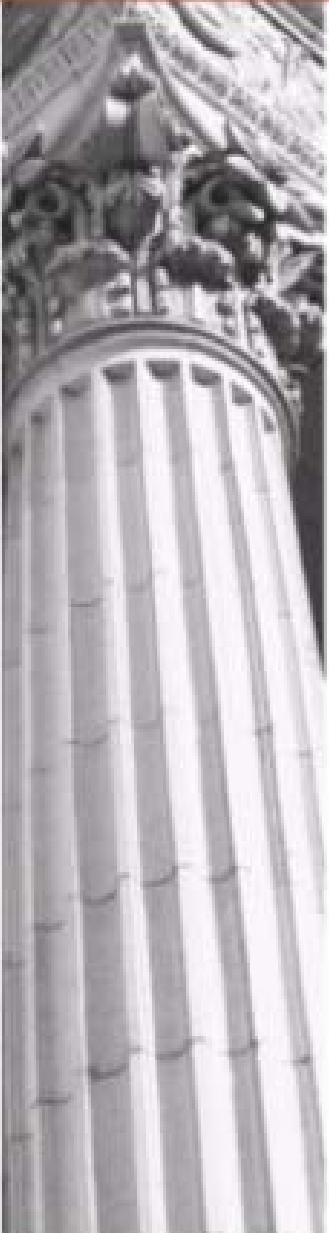
- **All records in a common format on a single platform**
- **County officials have immediate access to local government records**
- **County positioned to immediately provide support to any or all local governments**
- **Local governments have high speed Internet for more efficient business/communications**





Recommendation 6: Information Technology

- **Websites**
 - Increase from 21 to all 33 CVTs
 - Adopt UM students' recommendations
- **Geographic Information Systems (GIS)**
 - Already a practice
 - Expand to others
 - County assistance as needed





Recommendation 7: Document Services

- **Forms**

- Zoning, business licensing, animal licensing, property assessment appeals, parks facility reservation, etc.
- Standardized and available for download through web portal

- **Printing Municipal Documents**

- **Records/Archives**





Recommendation 8: Business Services

- **Fiscal Services**
 - Property Assessing
 - Tax Collection
 - Accounting
 - Purchasing
- **Human Resources**
 - Payroll and benefit management
 - Training





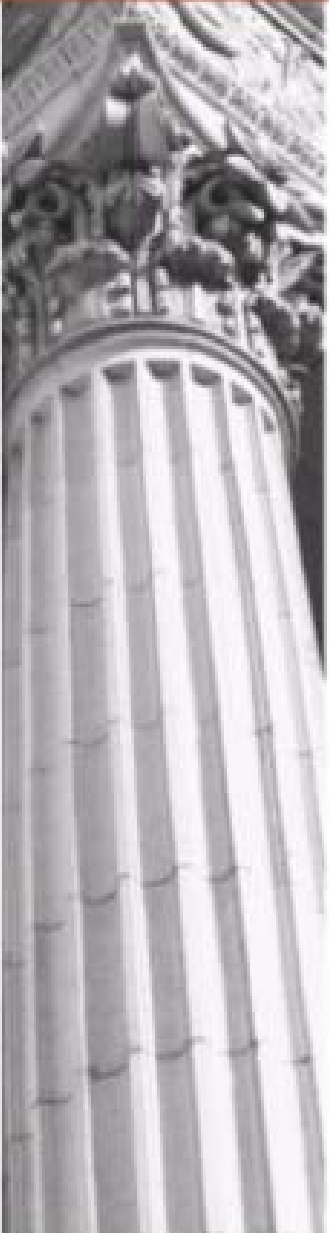
Recommendation 9: Others

- **Elections**

- Counties already play a role
- Law change necessary to move the function entirely to the county

- **Building Regulation**

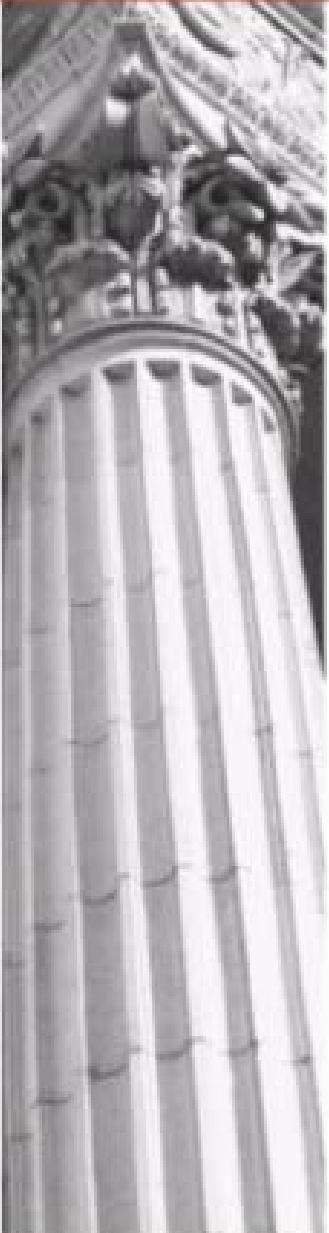
- Building Permits
- Building Inspections
- Code Enforcement
- Well and Septic Permits





Horizontal Collaboration

- Michigan's laws authorize allow two or more local governments – cities, villages, townships, counties, school districts, special authorities, and special districts – to collaborate with each other to jointly provide any service that each is authorized to provide individually
- May be harder to accomplish in Lenawee County because of differences between local governments

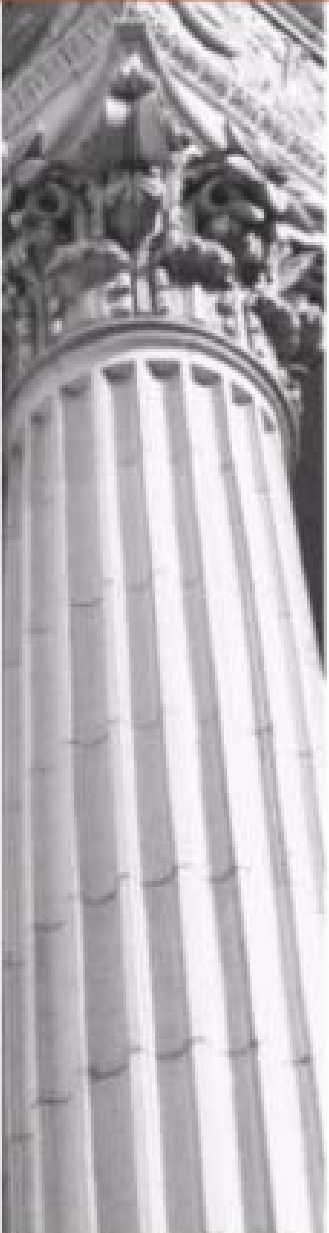




Recommendation 1: Grounds Maintenance

(with school districts)

- Cemetery maintenance
- Parks and Playgrounds
- External building maintenance
- Forestry services
- Opportunity for reverse vertical collaboration – have local governments perform building and grounds maintenance for the county

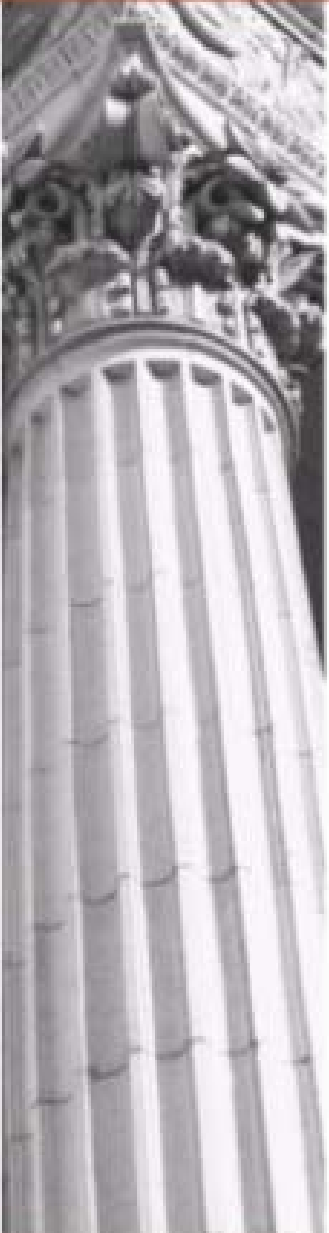




Recommendation 2: Fleet Management

(with school districts)

- **Vehicle storage**
- **Vehicle maintenance**





Recommendation 3: Position for New Services

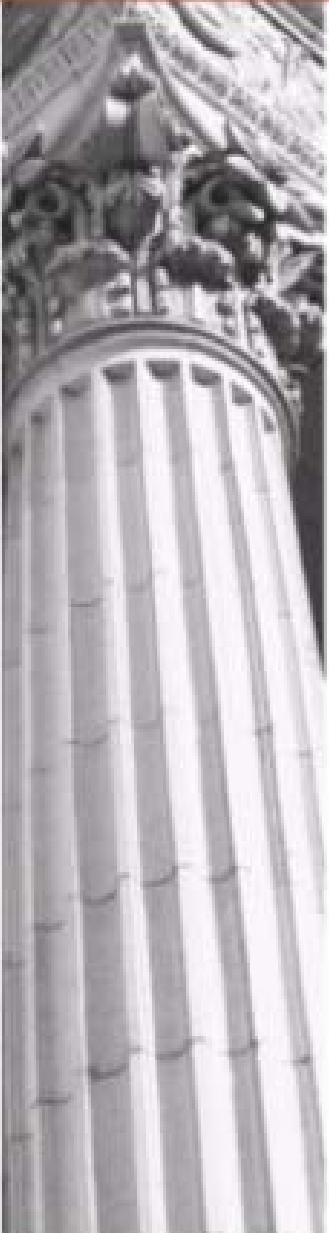
- **Expansion of water and sewer**
- **Open Space Planning**
- **Environmental/"Green" Planning**

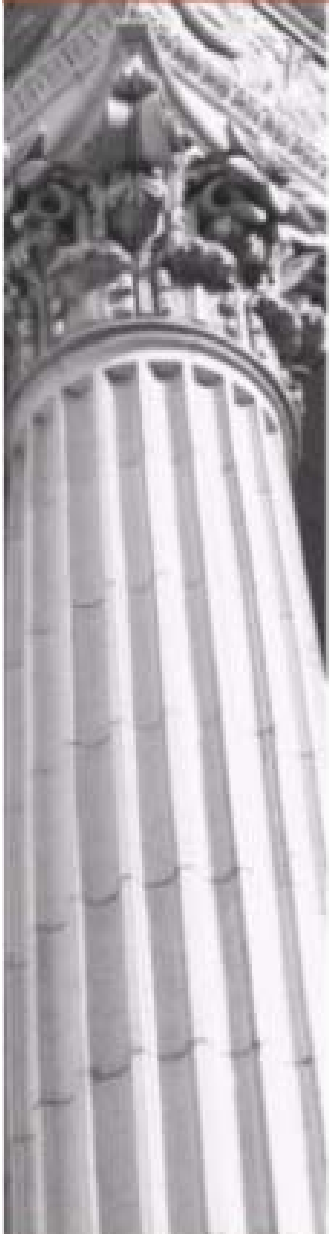




Recommendation 4: Look to Current Service Providers

- **Investigate whether current provider are in position to expand services to new areas**
 - Collaboratively
 - By contract





Private Provision

- Sometimes governments contract with a private contractor to provide governmental services
- Other private providers simply reflect the private sector filling a market niche that is filled by local governments elsewhere
- Depends on availability of private contractors and market competition



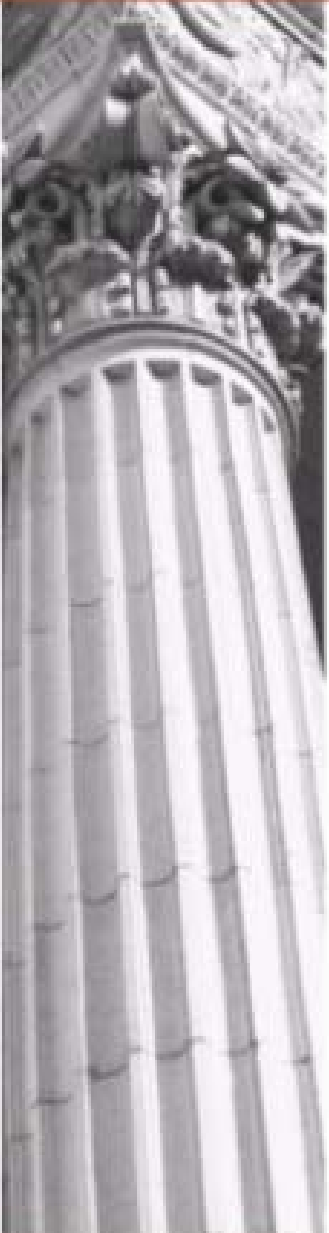
Recommendation 1: Government Offices

- **Building security**
- **Janitorial services**



Recommendation 2: Services to Properties

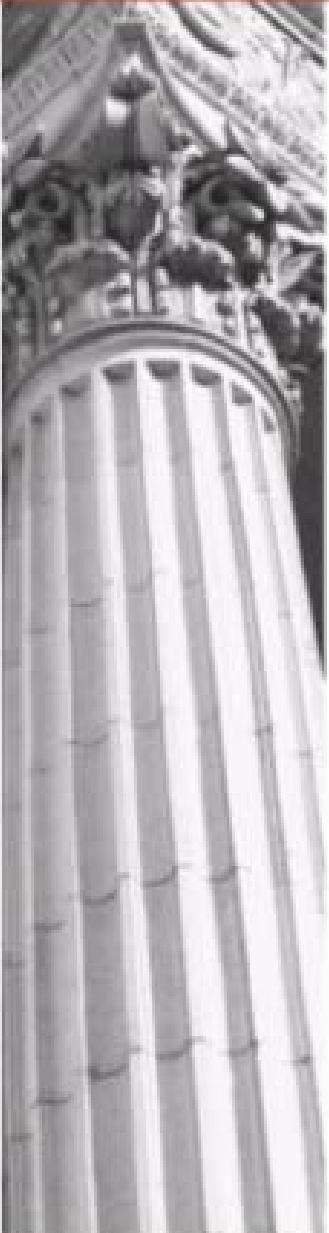
- **Refuse collection**
 - Residential
 - Non-Residential
- **Utilities**
- **Broadband and Wi-Fi Internet access**





Recommendation 3: Grounds Maintenance

- Cemetery maintenance
- Parks and playgrounds
- External building maintenance
- Forestry services





Recommendation 4: Fleet Management

- **Vehicle storage**
- **Vehicle maintenance**



Thank You

Eric Luper

734 542-8001

eluper@crcmich.org

Elisabeth Gerber

734 647-4004

ergerber@umich.edu