

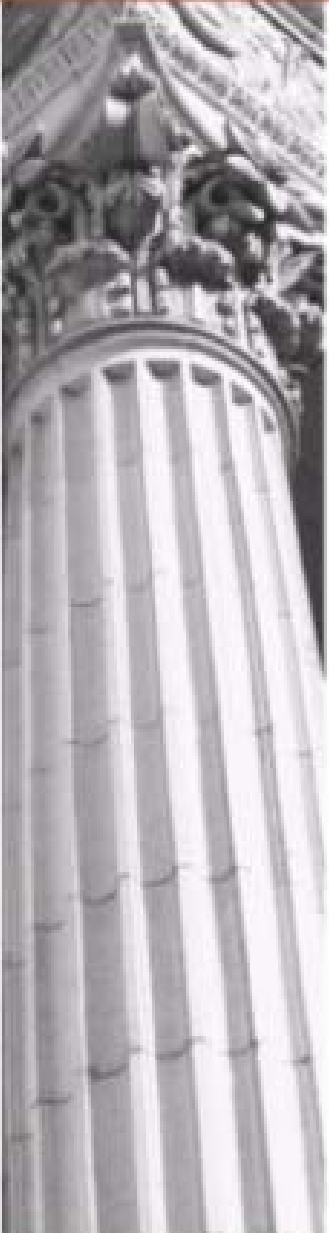


Governor Snyder's Dashboard

A review of Governor Snyder's Dashboard
and its impact on municipal government

MMTA in the UP
August 5, 2011

Eric Lupher
Director of Local Affairs
elupher@crcmich.org





Citizens Research Council of Michigan

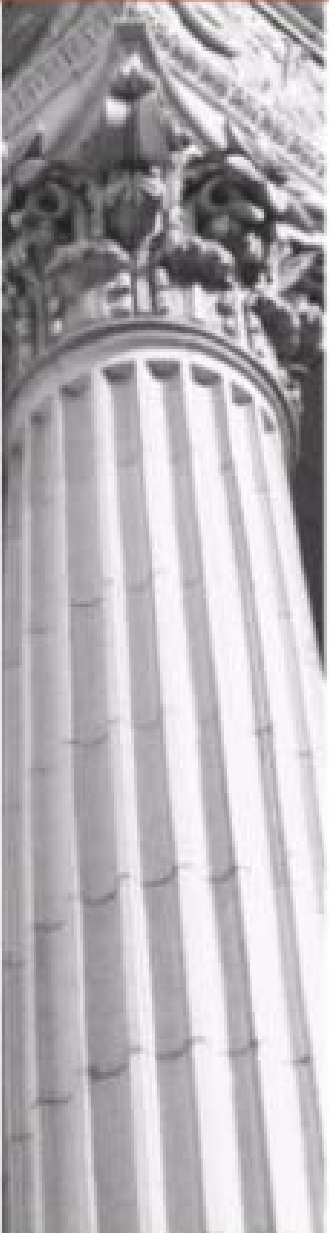
- Founded in 1916
- Statewide
- Nonpartisan
- Private not-for-profit
- Promotes sound policy for state and local governments through factual research
- Relies on charitable contributions from Michigan foundations, businesses, organizations, and individuals





Today's Agenda

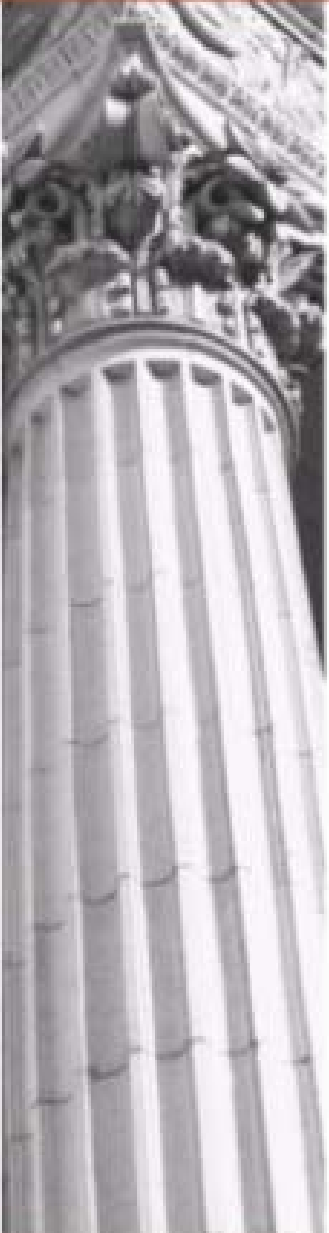
- **What is context in which dashboards were introduced?**
- **The state's dashboard guidelines**
- **A critique of the state's guidelines**
- **Recommendations to make dashboards meaningful for your governments and the citizens they serve**





Governor Snyder's Message to the Legislature

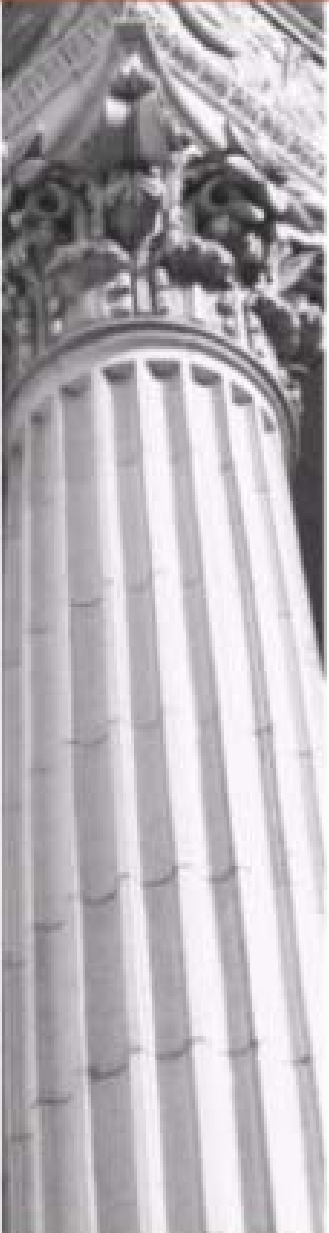
- Emphasis on quality of place in state-local interactions
 - Tie state departments/programs to services provided by local governments
- Reform of laws affecting local government
- New "hoops" for CVTs to jump through to get state revenue sharing
 - Statutory revenue sharing only
 - Only for cities and charter townships still qualifying
 - After adjusting for new census numbers





Governor Snyder's Message to the Legislature

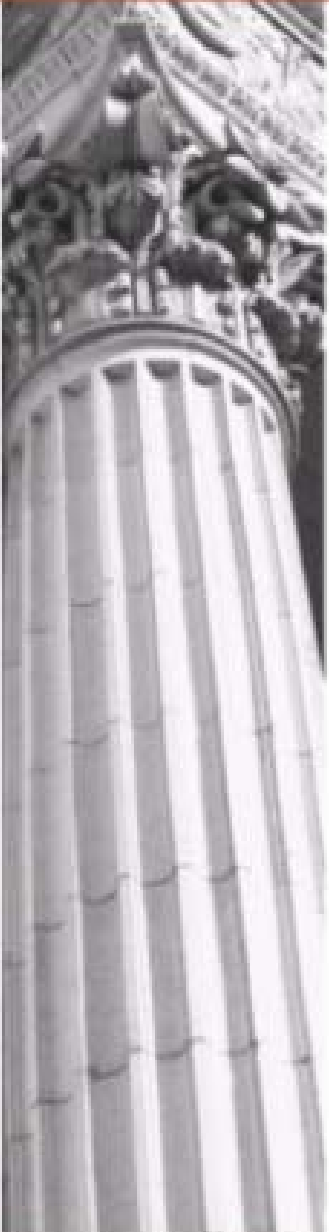
- Reform of laws affecting local government
 - Enable consolidation of jurisdictions
 - Ensure collective bargaining at right time
 - Amend PERA
 - Reform PA 312 Binding Arbitration
 - Prohibit minimum staffing requirements in city charters
 - Local pension best practices
 - Unfunded mandate reform





Create New “Hoops” to Qualify for State Revenue Sharing

- Applies to Statutory State Revenue Sharing
 - Only ~850 local governments expected to receive statutory payments
(as of May 31, 2011 Treasury document)
 - Statutory payments divided into thirds based on governments meeting following criteria:





Revenue Sharing Hoops

1. Address Employee Compensation

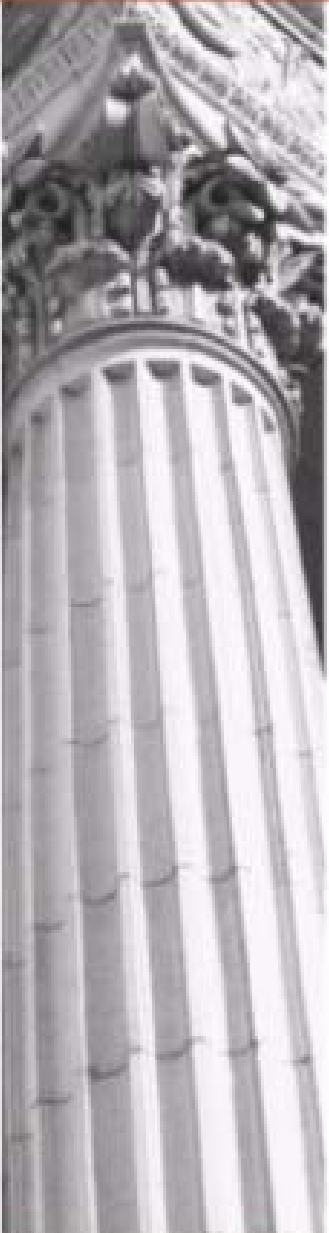
- **All new hires in defined contribution or hybrid retirement plan**
- **1.5% multiplier for defined benefit plans (2.25% w/o social security benefits)**
- **Controls to avoid pension spiking**
- **All new hires on an 80/20 employer/employee health care premium split**

SJR C and SB 7 would create the "Publicly Funded Health Insurance Contribution Act" to require public employees to contribute at least 20% of health care costs and/or set dollar limits on what governments can pay based on family status. The measures would impact cities, townships, counties, villages, school districts, intermediate school districts, charter schools, public universities, community colleges, the state and any other public employee.



Revenue Sharing Hoops

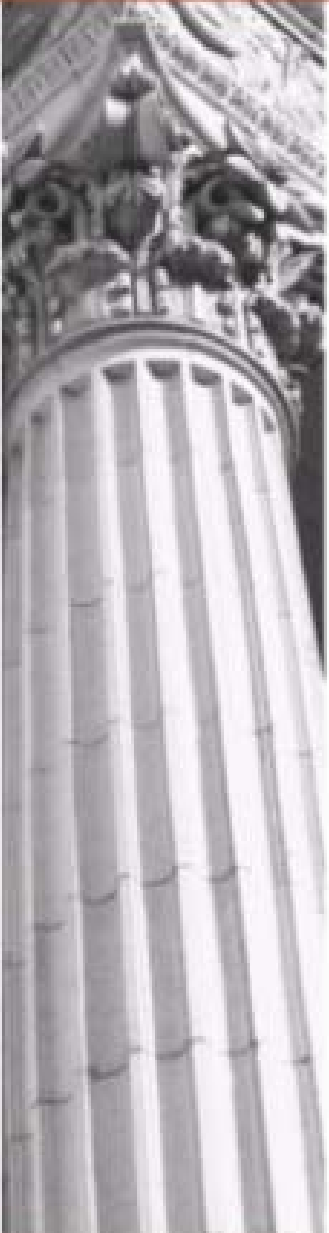
- 2. Plans to increase existing levels of cooperation, collaboration, and consolidation for provision of municipal services**
 - Itemize existing collaboration
 - Estimate cost savings from each collaboration
 - Estimate potential savings of new collaboration





Revenue Sharing Hoops

- 3. Create a Citizens Guide to financial information and a Dashboard of performance measures**
 - New level of accountability
 - Available in hard copy and online
 - Very flexible in what should be included





Treasury's Guidance

- **Economic Vitality Incentive Program**
www.michigan.gov/treasury/0,1607,7-121-1751_2197-259414--,00.html
- www.michigan.gov/treasury/0,1607,7-121-1751_2197_58826-259606--,00.html
- **Numbered Letter 2011-1**
www.michigan.gov/documents/treasury/NL2011-1_358387_7.pdf
- **State Templates**
 - **Citizens' Guide**
www.michigan.gov/documents/treasury/Citizens_Guide_1997_version_of_Excel_358386_7.xlt
 - **Performance Dashboard**
www.michigan.gov/documents/treasury/Performance_Dashboard-PDF_358385_7.pdf

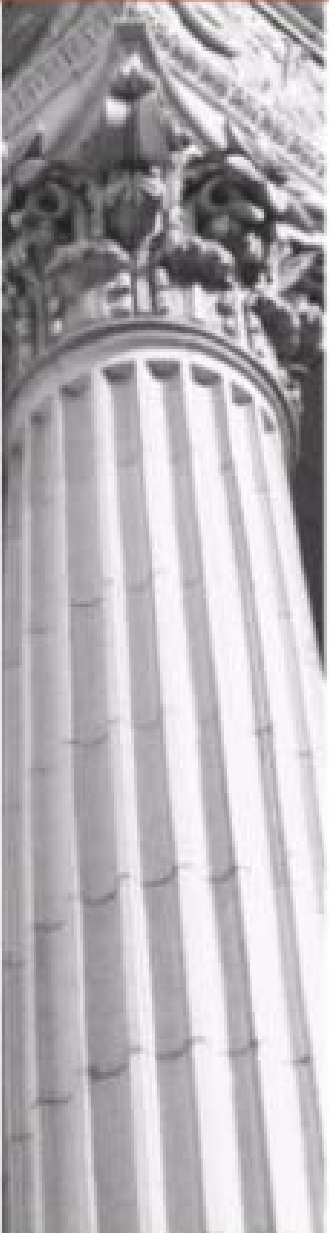
www.michigan.gov/documents/treasury/Performance_dashboard_358384_7.xls





Deadline

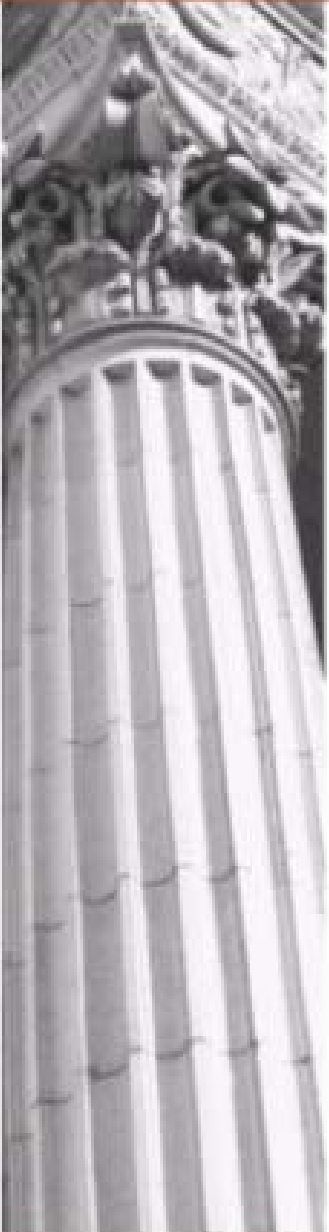
- Must be submitted to Michigan Department of Treasury by **October 1, 2011**





Citizens' Guide to Financial Information

- A short, quick way of conveying the financial plight of your government to your citizens
- Should include information about:
 - Revenue
 - Expenditures
 - Position
 - Obligations
 - Must* include recognition of unfunded liabilities





Citizens' Guide to Financial Information

- **Revenues**
 - By Source
 - Trends
- **Expenditures**
 - Major Functions
 - Trends
- **Position**
 - Fund balance as percent of expenditures
- **Obligations**
 - Legacy Obligations
 - Bonded Indebtedness
 - Unfunded Liabilities

OR

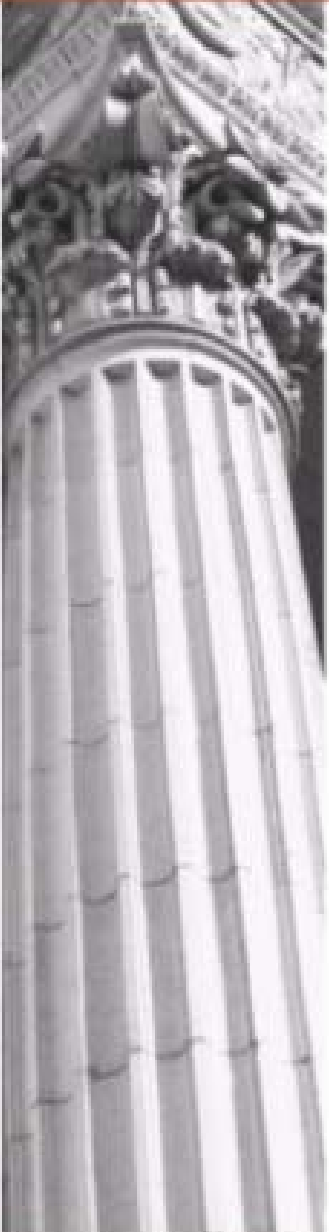
- USE [TREASURY TEMPLATE](#)





Format

- Munetrix
<http://munetrix.com/home.php>
- BS&A
- F65
- Spreadsheets
- Popular Annual Financial Reports





Publication

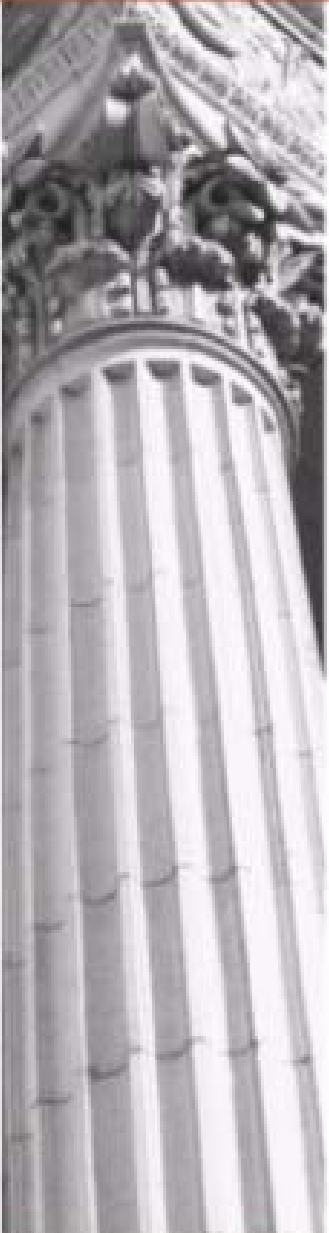
- **Your City, Village, Township Clerk's Office – at a minimum**
- **Your City, Village, Township Website**
 - **or linked from your site to provider such as Munetrix or BS&A**
- **Library**
- **Recreation Center**
- **Post office**
- **Town hall**





Dashboard of Performance Measures

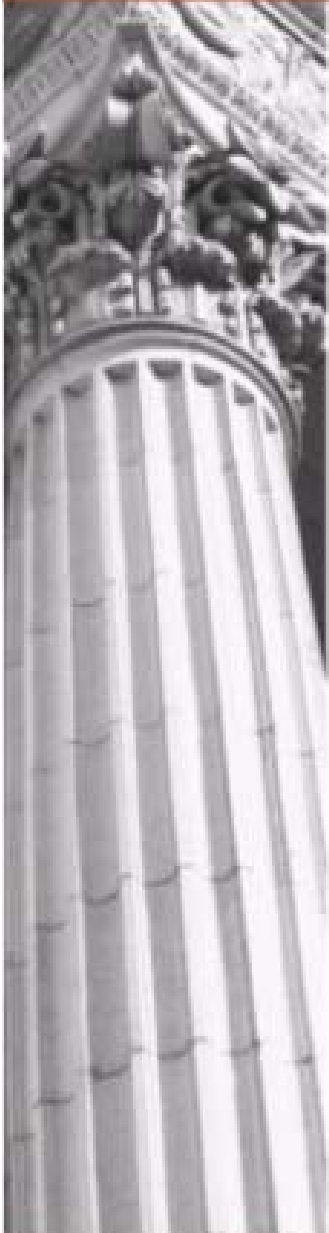
- **Governor's/Treasury Suggestions**
 - Fiscal stability
 - Economic Strength
 - Public Safety
 - Quality of Life
 - Other measures relevant to strategic goals and objectives





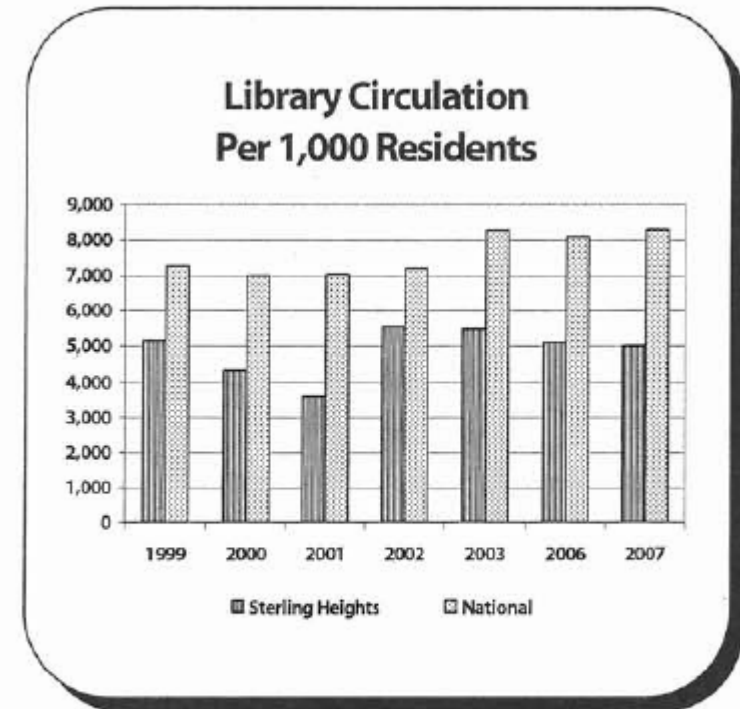
“Performance Dashboard” not “Economic Development Billboard”

- **Not looking for a “chamber of commerce” brochure for why residents/business should choose your community**
- **Intended to bring accountability of government service delivery**
- **Should reflect performance of government in fulfilling its role**
- **Not changes in measures outside of the governments control**





Which says more about the city's performance?



2007 National Rank: 21st out of 71 cities
Rank Percentage: 30%



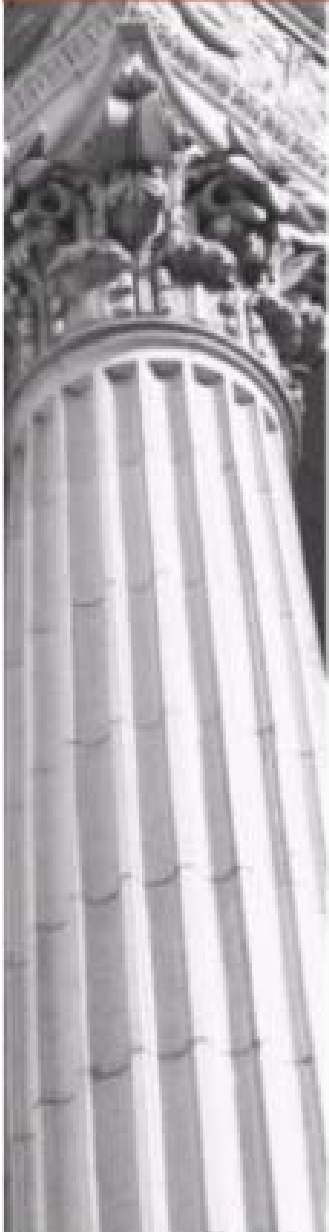
Corporate Dashboards and Government Performance Measures

- **What are the key performance metrics, indicators or dials that tell management about customer satisfaction, whether you're on sales plan, how current your inventory is, what your cash flow needs will be, etc.?**

www.fcbco.com/articles-whitepapers/developing-your-corporate-dashboard.asp

- **How can a government meet its responsibility to be publicly accountable by providing users with information to assist them in assessing the government's performance in providing services?**

http://gasb.org/cs/ContentServer?c=GASBContent_C&pagename=GASB%2FGASBContent_C%2FProjectPage&cid=1176156646053





Gateway. Dashboard

- **Origin of Sales**
 - Brick & Mortar store or Internet based
- **Sales by type**
 - PCs, laptops, tablets, peripherals, etc.
- **Sales by nation/region**
 - U.S. vs. Europe, East, midwest, South, etc.
- **Parts/inventory on hand**
- **Financial data**
 - Cash on hand, accounts payable, accounts receivable, etc.



CITIZENS RESEARCH COUNCIL OF MICHIGAN



Begin Here...

Local Unit:

County:

Fiscal Stability

	Prior	Current	Progress
? Annual general fund expenditures per capita	<input type="text"/>	<input type="text"/>	↔
? Fund balance as a percent of annual general fund expenditures	<input type="text"/>	<input type="text"/>	↔
? Unfunded other post employment benefits (OPEB) liability as a percent of annual general fund revenue	<input type="text"/>	<input type="text"/>	↔
? Debt burden per capita	<input type="text"/>	<input type="text"/>	↔
? Percentage of road funding provided by the general fund	<input type="text"/>	<input type="text"/>	↔
? Ratio of pensioners to employees	<input type="text"/>	<input type="text"/>	↔
? Number of services delivered via cooperative venture	<input type="text"/>	<input type="text"/>	↔
? Government unit specific:	<input type="text"/>		

KEY: Arrows represent the change from prior to current year; The color of the arrow represents if the change was positive (GREEN) or negative (RED). A double arrow represents no change (NEUTRAL)

[ONLINE FILE](#)

Economic Strength

	Prior	Current	Progress
? Percent of community with access to high speed broadband	<input type="text"/>	<input type="text"/>	↔
? Percent of community age 25+ with a Bachelor Degree or higher	<input type="text"/>	<input type="text"/>	↔
? Average age of critical infrastructure (years)	<input type="text"/>	<input type="text"/>	↔
? Government unit specific:	<input type="text"/>		

Public Safety

	Prior	Current	Progress
? Violent crimes per thousand	<input type="text"/>	<input type="text"/>	↔
? Property crimes per thousand	<input type="text"/>	<input type="text"/>	↔
? Traffic injuries and fatalities	<input type="text"/>	<input type="text"/>	↔
? Government unit specific:	<input type="text"/>		

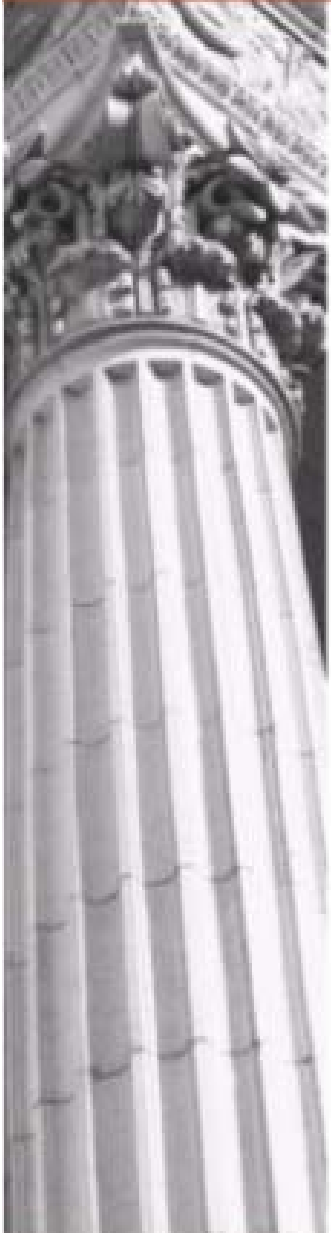
Quality of Life

	Prior	Current	Progress
? Miles of sidewalks and non motorized trails per mile of local roads	<input type="text"/>	<input type="text"/>	↔
? Percent of general fund budget committed to arts, culture and recreation	<input type="text"/>	<input type="text"/>	↔
? Acres of park per thousand residents	<input type="text"/>	<input type="text"/>	↔
? Percent of community with curbside recycling	<input type="text"/>	<input type="text"/>	↔
? Government unit specific:	<input type="text"/>		



Questions to ask about the Governor's Dashboard Template

- Should it be in the Dashboard or the Citizens Guide?
- Are measures relevant to your government?
- Is it a measure of government performance?
- Is it subject to change over time?
- Is it a government service or an asset of the government?





CITIZENS RESEARCH COUNCIL OF MICHIGAN



Fiscal Stability				
		Prior	Current	Progress
?	Annual general fund expenditures per capita	<input type="text"/>	<input type="text"/>	↔
?	Fund balance as a percent of annual general fund expenditures	<input type="text"/>	<input type="text"/>	↔
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CITIZENS RESEARCH COUNCIL OF MICHIGAN



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CITIZENS RESEARCH COUNCIL OF MICHIGAN



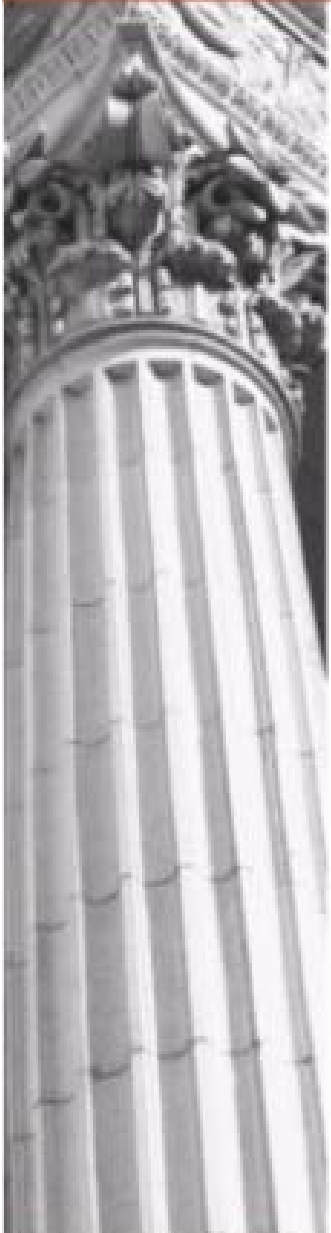
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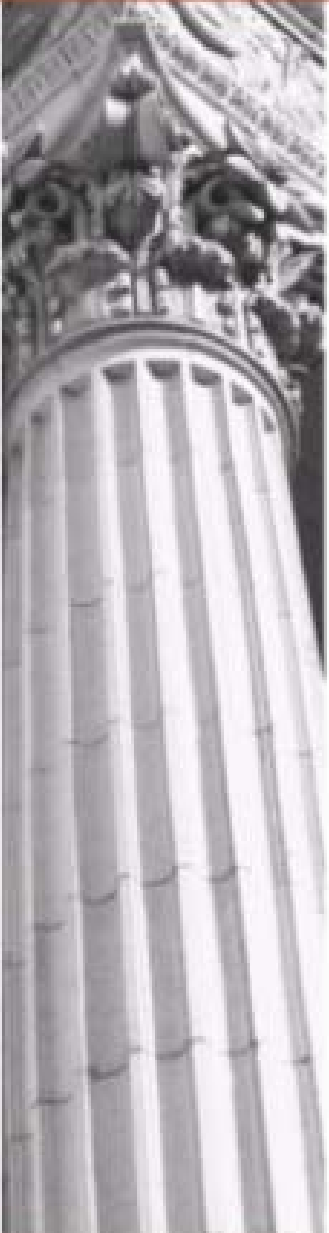


Impact of Dashboards on Municipal Governments

Depends on what you want out of it

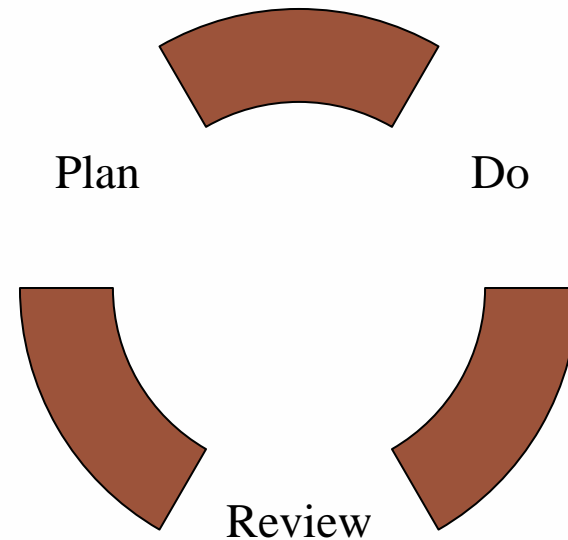
- Is it a necessary hoop to get the state revenue sharing funding?
 - How much funding?
 - Use the Governor's template and keep doing what you've been doing
- Is it an opportunity to adopt best practices and reform the operations of your local government?





At its Best – a Culture Change

- Movement toward performance management
- Focus on outcome not output
- Tacking performance measures on to line item budgets not a recipe for improvement
- Continuous cycle of Planning, Budgeting, Management, and Evaluation that relies on Measurement and Reporting to assess progress

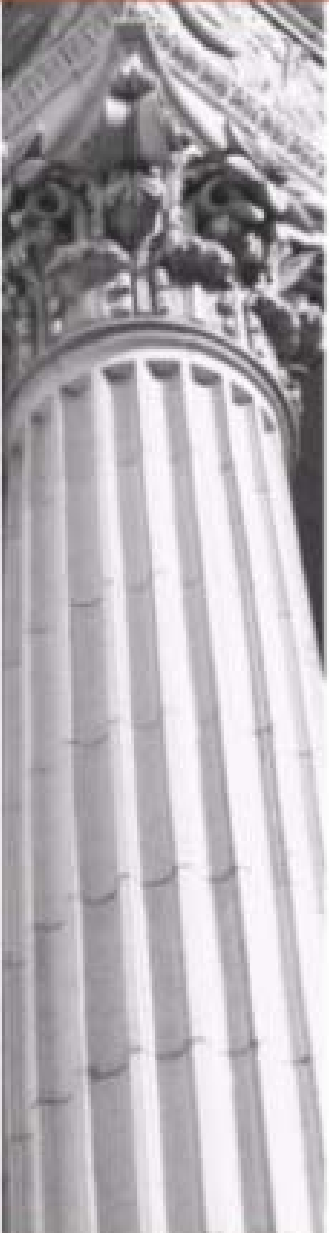


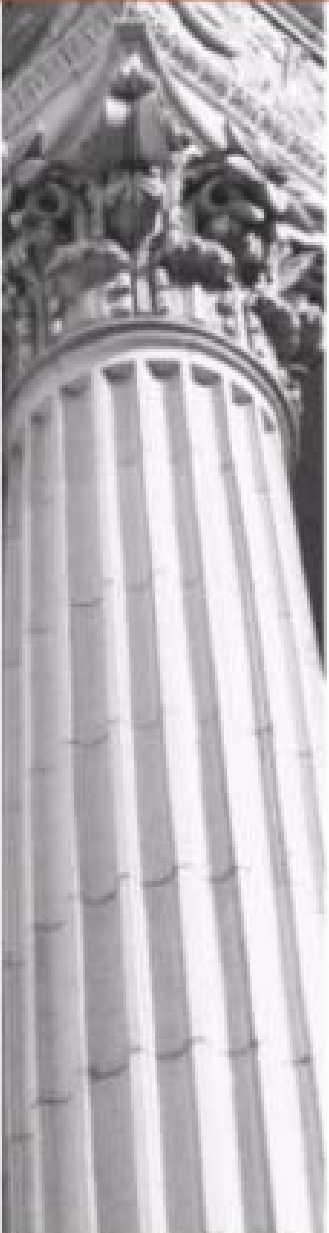


A Dashboard Should Include:

- Purpose and scope
- Major goals and objectives
- Key measures of performance
- Discussion and analysis of results and challenges

Source: *SEA Performance Information*, Governmental Accounting Standards Board, June 2010





Key Measures Should Include

- Measures that report on results for a major goal or objective?
- Measures that address an issue receiving considerable public attention?
- Measures that report the information considered important by elected officials, citizens or experts in the field?
- Measures that report information about a program or service that accounts for a large amount of the government's resources?
- Measures that report information about a program or service that affects a large proportion of the population or has potentially significant economic, social, or environmental effects?

Source: *SEA Performance Information*, Governmental Accounting Standards Board, June 2010



Identifying Measures for Dashboards

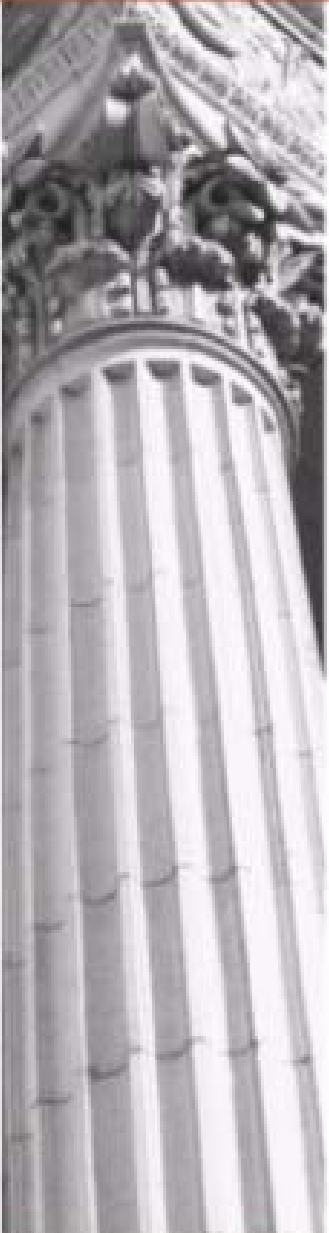
- Is it relevant to your government?
- Does it provide comparability to your government over time or to other governments?
- Is it timely?
- Is there consistency over time and with other governments?
- Is it reliable data?

Source: *SEA Performance Information*, Governmental Accounting Standards Board, June 2010



Timely

- **This dashboard is due October 1, 2011**
 - **Regardless of your government's fiscal year**
- **Henceforth, your dashboard should be updated as frequently as is possible**

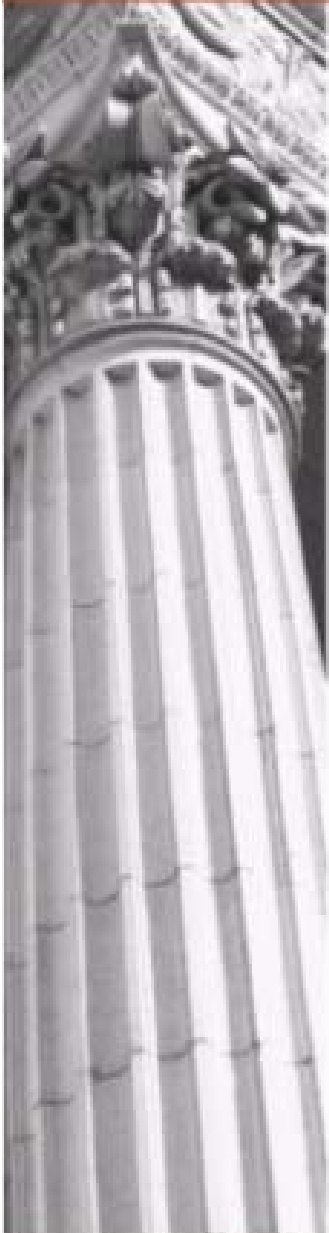




Comparability

- **Performance Measurement Requires Comparison**
- **Internal Comparisons**
 - Over time
 - Against established targets
- **External Comparisons**
 - Neighboring communities
 - Peer communities
 - Industry standards





Best Practices



ICMA Center for Performance Measurements

The City participated in the ICMA's Center for Performance Measurement from 1999 – 2003 and then rejoined from 2006 - 2007. The Center was created to help cities obtain fair, accurate and comparable data about the quality and efficiency of service delivery to their residents. Below is a listing of the 2007 fiscal year results showing how Sterling Heights compared to other cities and counties across the country in various performance measurement categories.

Category	Sterling Heights	National Average	National Rank	Rank Percent*
City Administration				
Human Resources FTE's Per 100,000 Residents	1.2	9.0	4/104	4%
Full-time Employee Turnover Rate	0.2%	7.6%	1/115	0%
Risk Management				
Worker's Compensation Expenditures Per FTE	\$480	\$1,354	3/28	11%
Worker's Compensation Claims Per 100 FTE's	13	15	57/91	63%
Work Days Lost Due to Injury Per 100 FTE's	22	65	23/55	42%
Purchasing				
Purchasing Office Expenditures Per Resident	\$2.68	\$3.75	30/77	39%
Purchasing Office FTE's Per 100,000 Residents	2.3	5.4	16/74	22%
Dollar Amount of Purchases Needing Approval by Elected Body	\$10,000	\$67,700	10/99	10%
Days from Requisition to Purchase Order - Formal Bid	30	45	12/40	30%
Parks & Recreation Department				
Parks & Recreation Costs Per Resident	\$29	\$32	44/76	58%
Parks & Recreation FTE's Per 100,000 Residents	44	67	20/61	33%
Total Park Acres Per 1,000 Residents	7.5	21.0	34/133	26%
Parks & Recreation Revenue Per Resident	\$3.6	\$20.1	15/105	14%
Developed Park Acres Per 1,000 Residents	6.4	10.0	61/130	47%
Percent of Park Acres Developed	85%	63%	99/131	76%
Police Department				
Police Operating Expenditures Per Resident	\$199	\$213	47/101	47%
Sworn Police FTE's Per 1,000 Residents	1.4	1.9	28/120	23%
Civilian Police FTE's Per 1,000 Residents	0.4	0.5	43/116	37%
Percent of Sworn Police FTE's to Total Police FTE's	79%	79%	57/117	49%
911 Police Calls Received Per 100 Residents	35	78	26/105	25%
Moving Violation Citations Issued Per 1,000 Residents	127	181	58/137	42%
Traffic Fatalities Per 100,000 Residents	6.3	7.0	83/155	54%



Comparisons to Other Governments

Michigan State University Extension

State and Local Government Program

home | team | reports & presentations | fiscal data | workshops & proceedings | benchmarking | links



Bench

Memt

Michigan Local Government Benchmarking Consortium

Benchmarking is a tool designed to help local governments improve services and potentially decrease costs. While benchmarking is an important and useful tool for most local governments, tough fiscal times in Michigan necessitate new and innovative ways to satisfy constituent needs under the strain of fewer resources.

The purpose of the Michigan Local Government Benchmarking Consortium (MLGBC) is to bring together cities, townships, villages and counties from all over the state and produce meaningful and relevant performance measures for the purpose of benchmarking. Performance measures will cover a variety of services provided by local governments. Initial areas of measurement may include law enforcement, fire protection and prevention, emergency dispatch, parks and recreation, information technology, fleet management and maintenance, and road repair and maintenance. As the project progresses the measured service areas will multiply and diversify to meet the needs of Consortium members.

More information about the consortium's purpose and strategies:

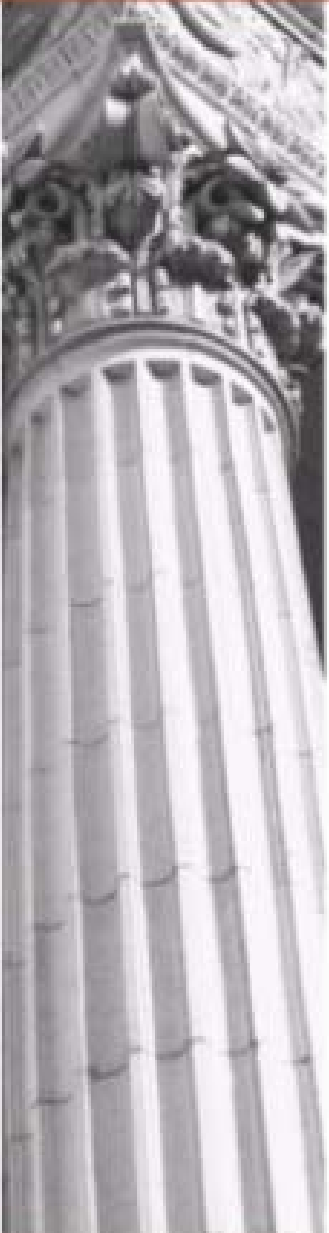
[Strategic Plan](#)
[MLGBC Charter](#)

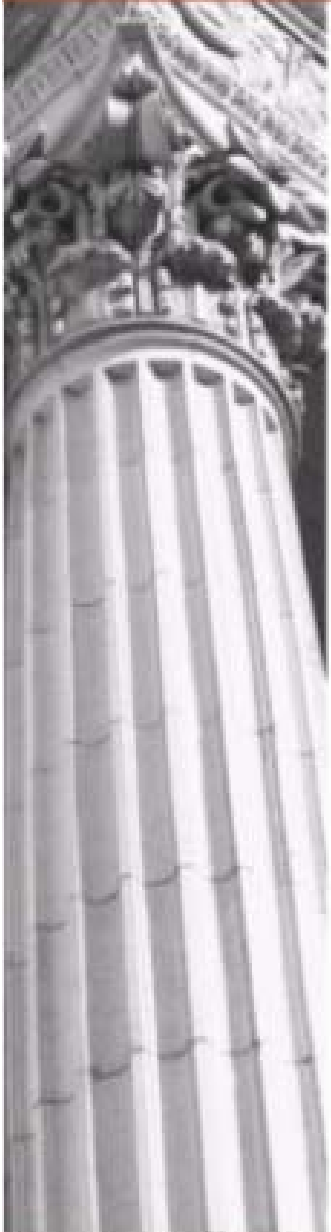
<http://slg.anr.msu.edu/benchmarking/BenchmarkingHome/tabid/221/Default.aspx>



CRC's Advise

- Meet the October 1, 2011 deadline
 - Use the Governor's template
 - Meet with department heads to identify meaningful, relevant performance measures you're already compiling
 - Copy from your neighbor
- Use the next year to create a relevant/meaningful performance measurement system





Resources

- **GASB – Service Effort and Accomplishment Reporting for Government**
www.seagov.org/index.shtml
- **National Performance Management Advisory Commission**
<http://pmcommission.org/>
- **ICMA**
http://icma.org/en/icma/knowledge_network/topics/kn/Topic/199/Performance_Measurement
- **American Community Survey**
<http://www.census.gov/acs/www/>



Thank You for your attention

Questions?

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734.542.8001

