Streamlining Local Government Service Delivery in Lenawee County

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MGFOA Fall Training Institute

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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

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?**

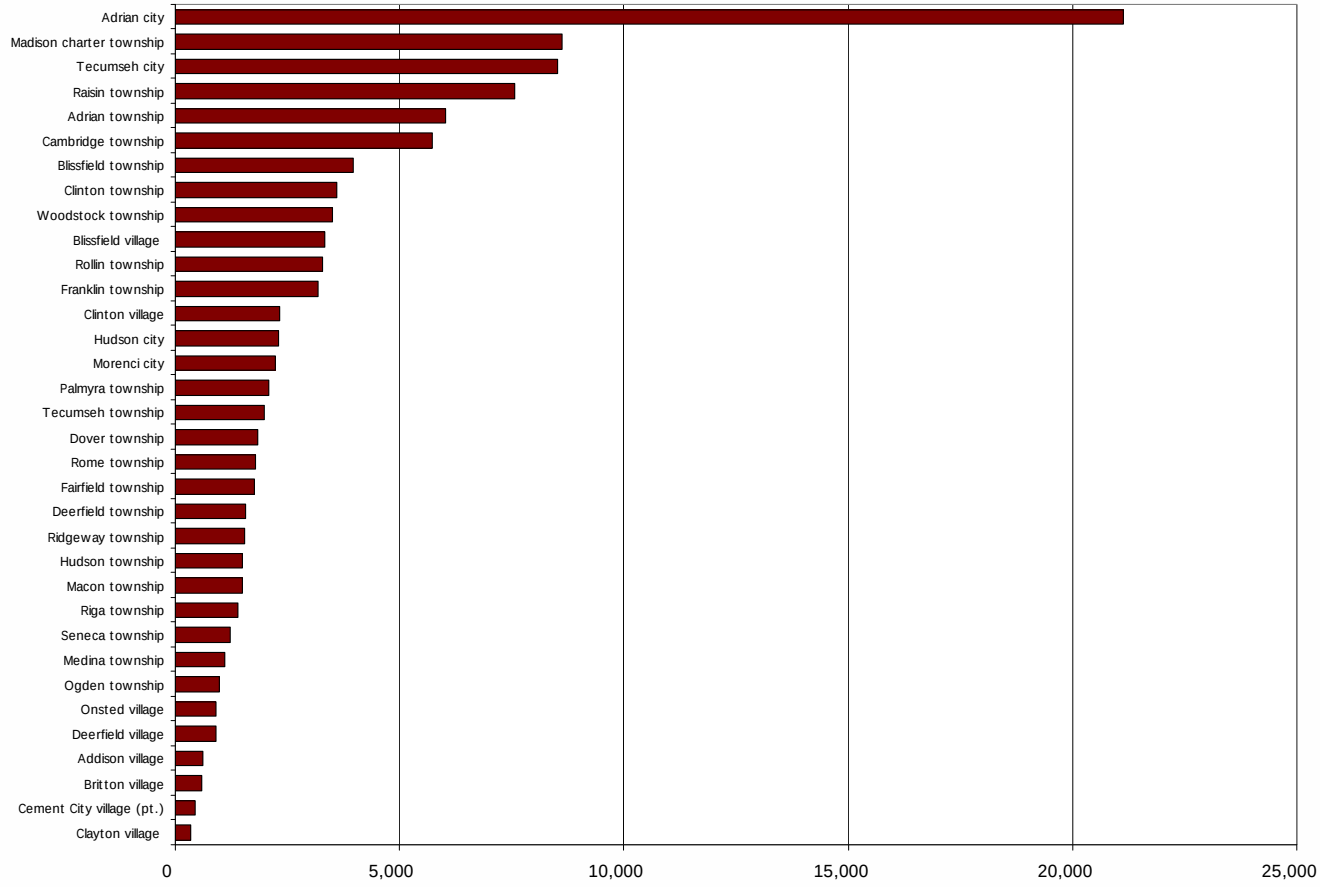
How Homogonous are the Lenawee County communities?

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

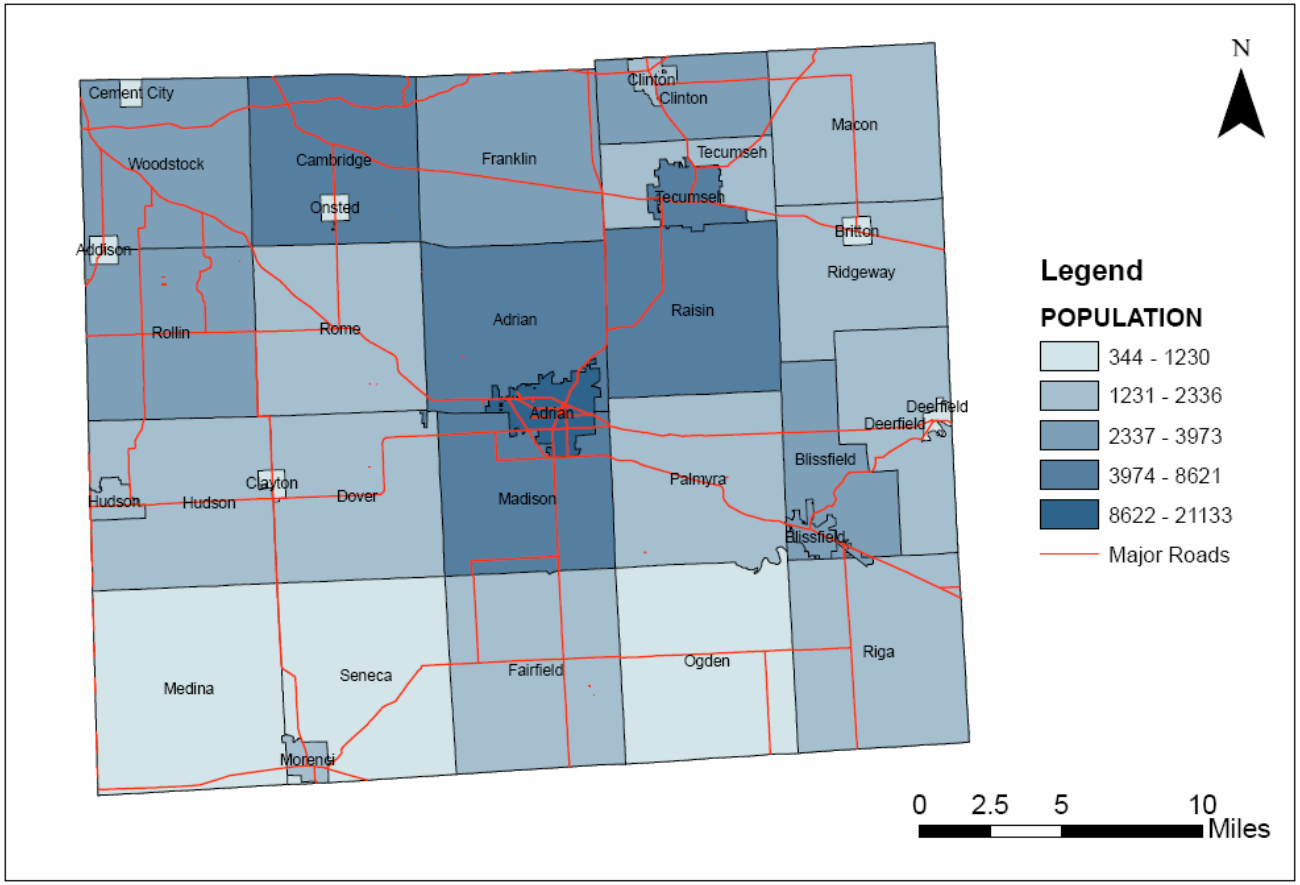
People in Lenawee County and Michigan, 2010

	Lenawee County	Michigan
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%

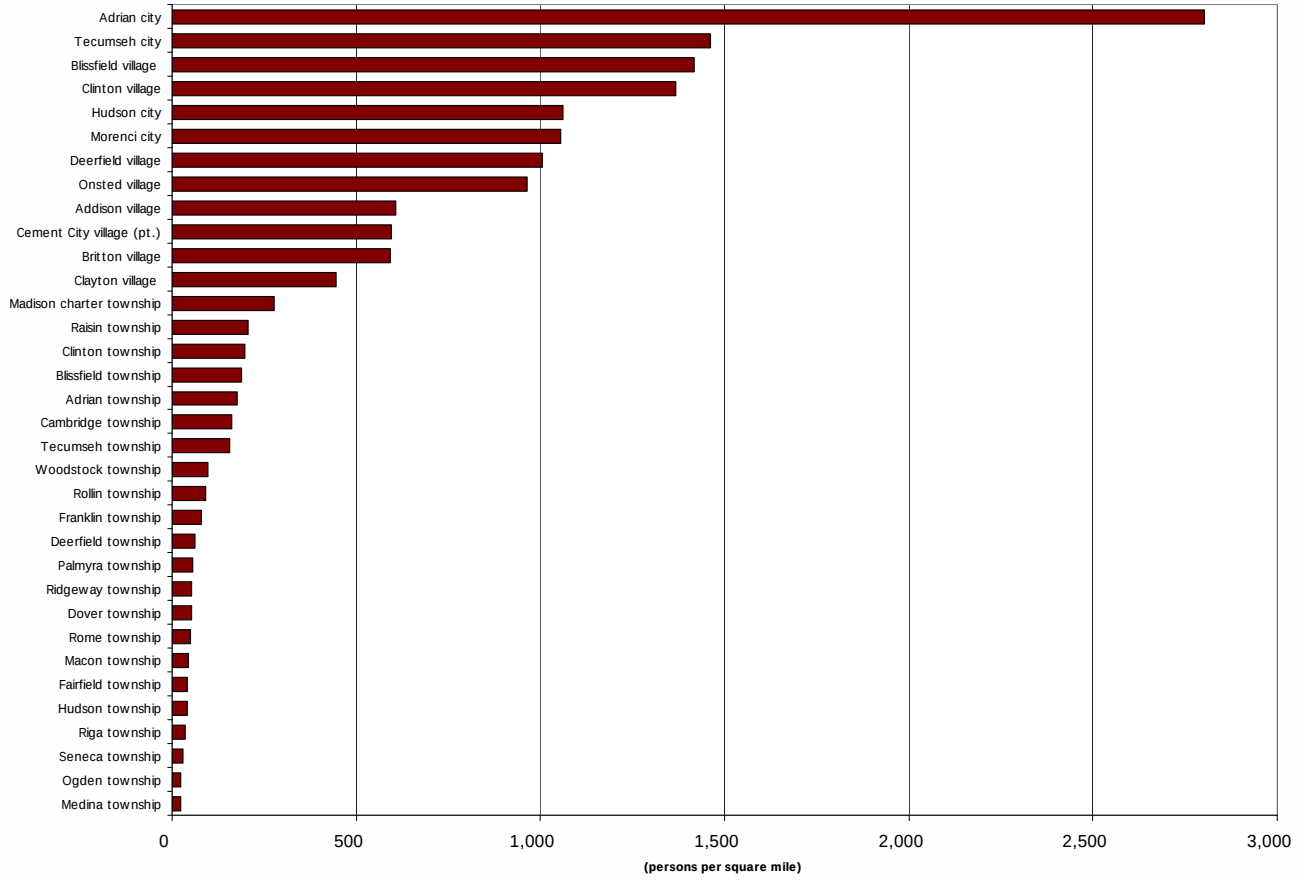
Population of Lenawee County Municipalities, 2010



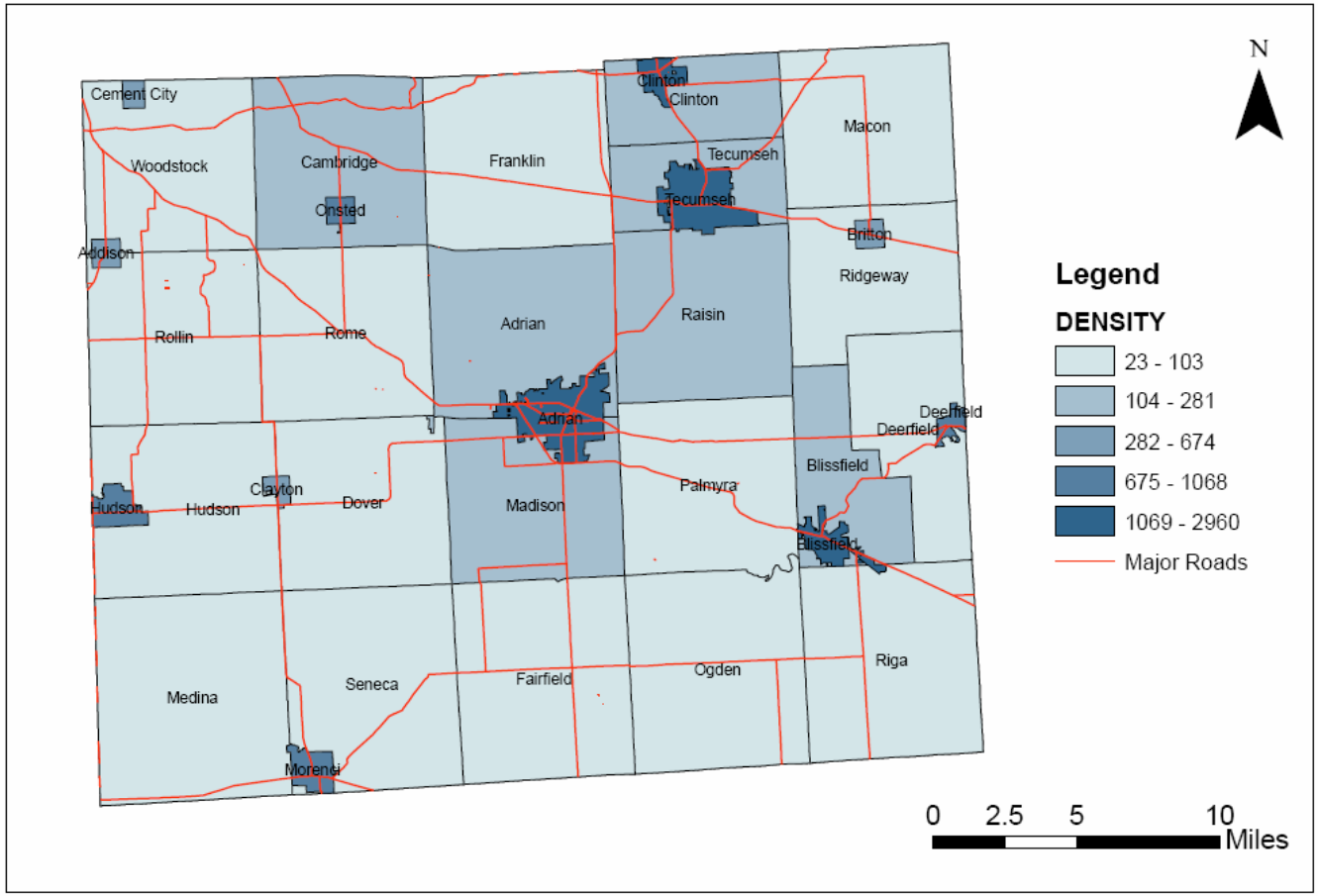
Total Population, 2010
Lenawee County, MI



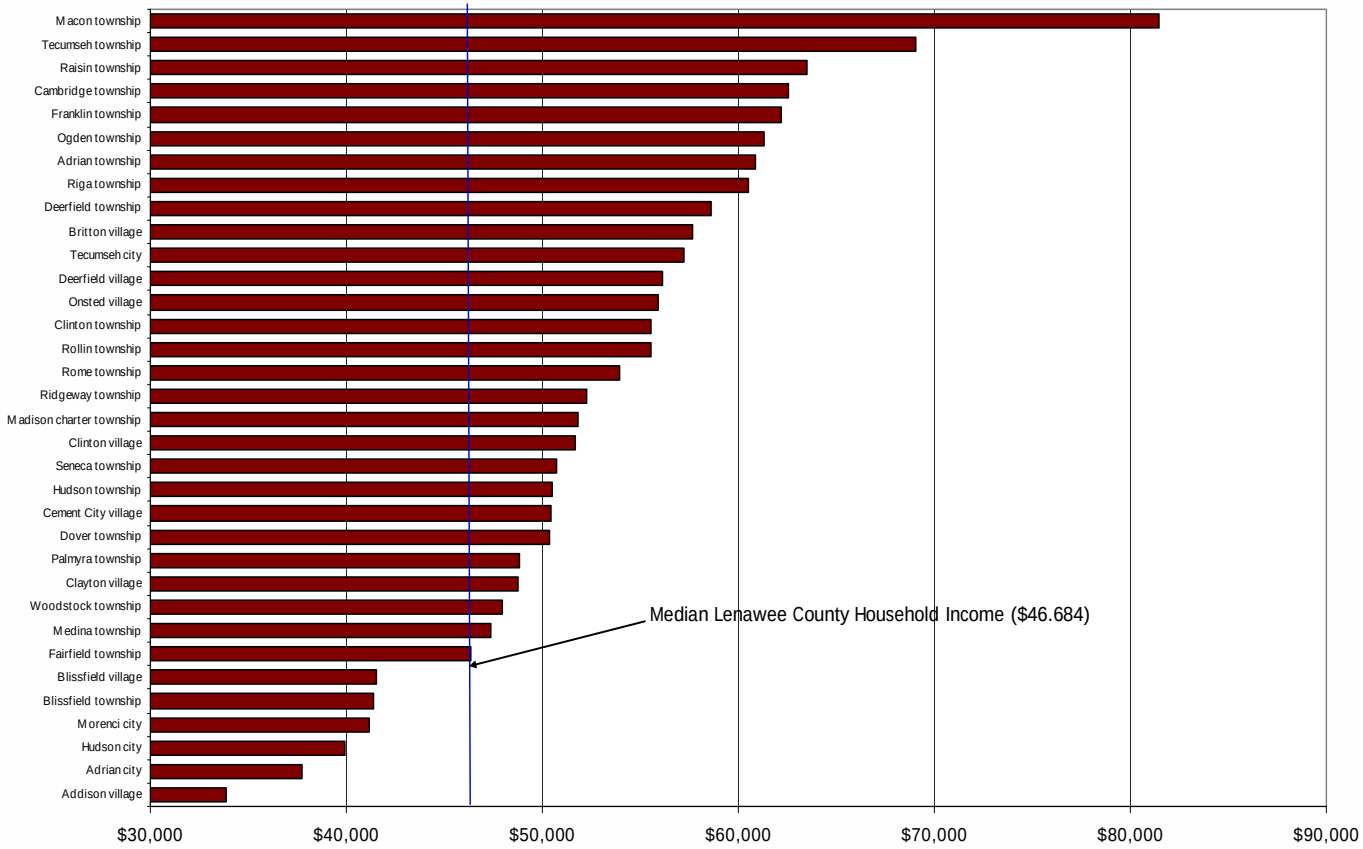
Population Density in Lenawee County Municipalities, 2010



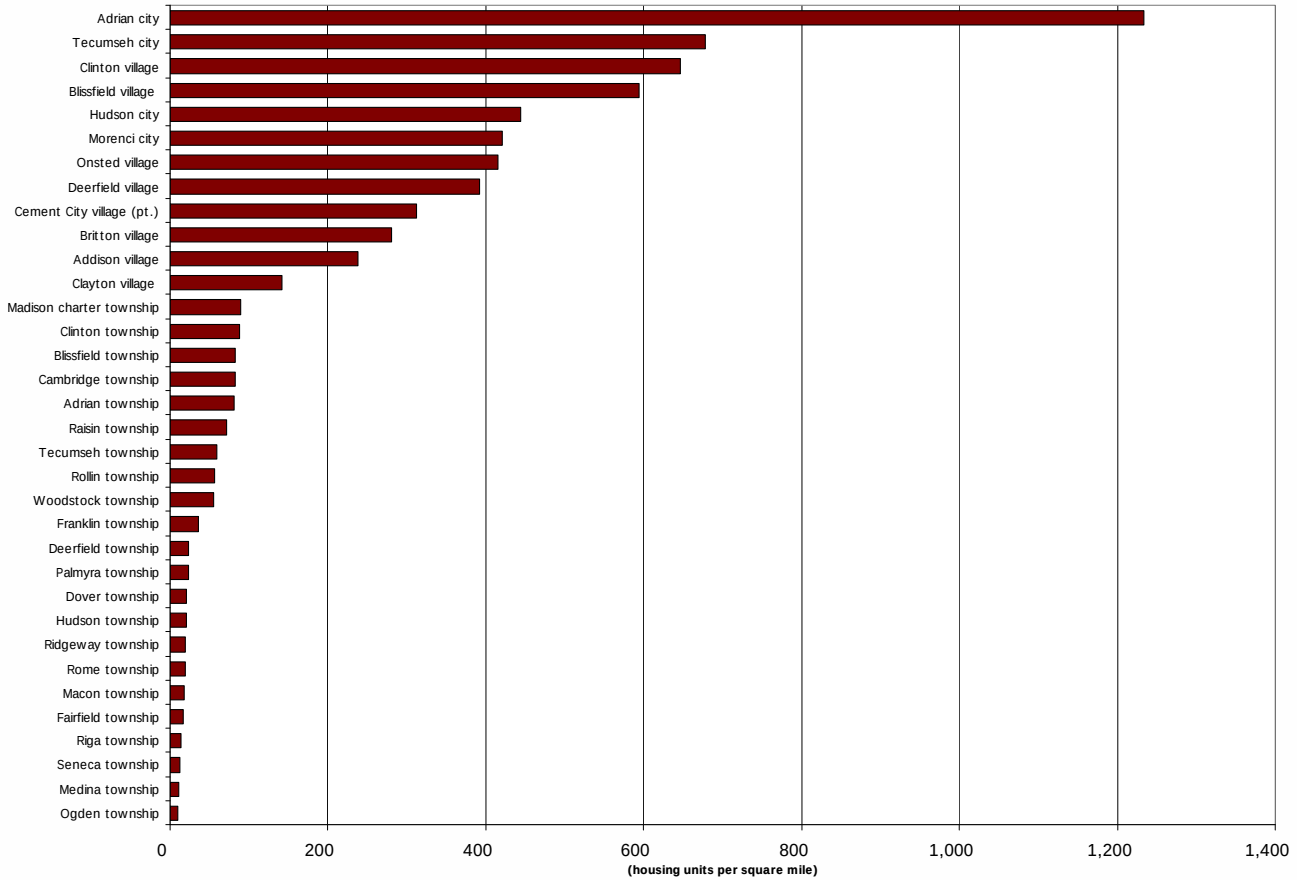
Persons per Square Mile, 2010
Lenawee County, MI



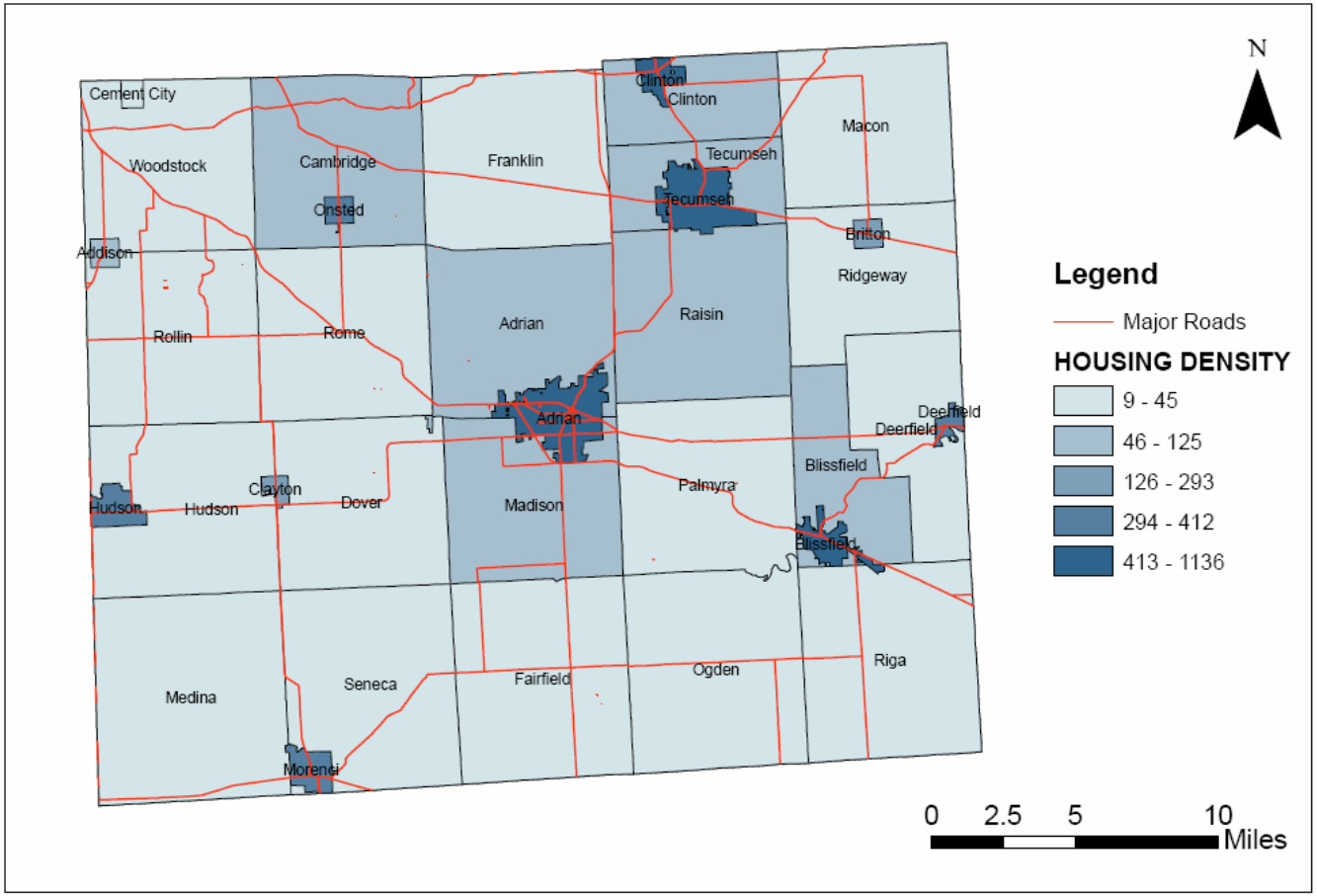
Household Income in Lenawee County by Municipality, 2009



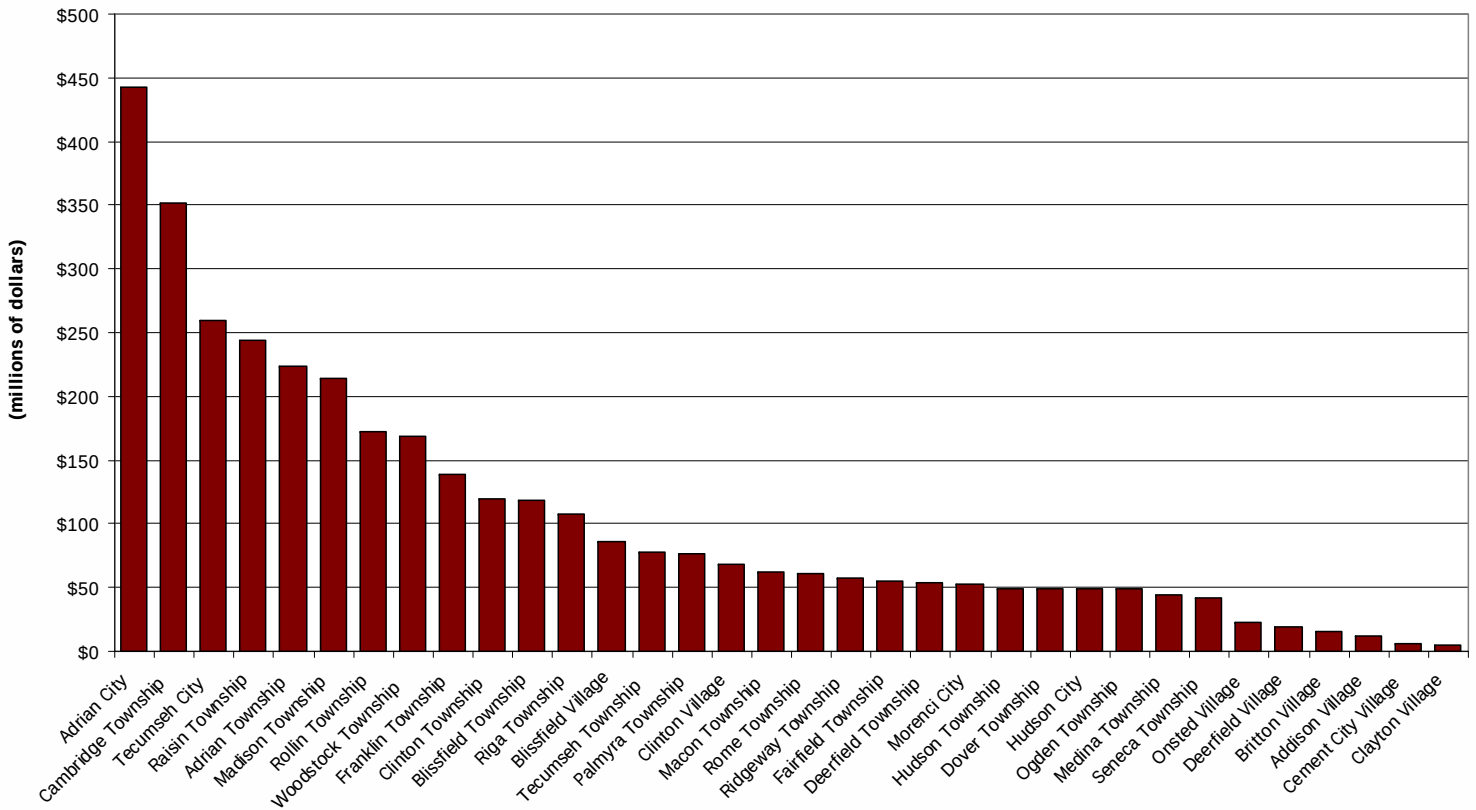
Housing Unit Density in Lenawee County Municipalities, 2010



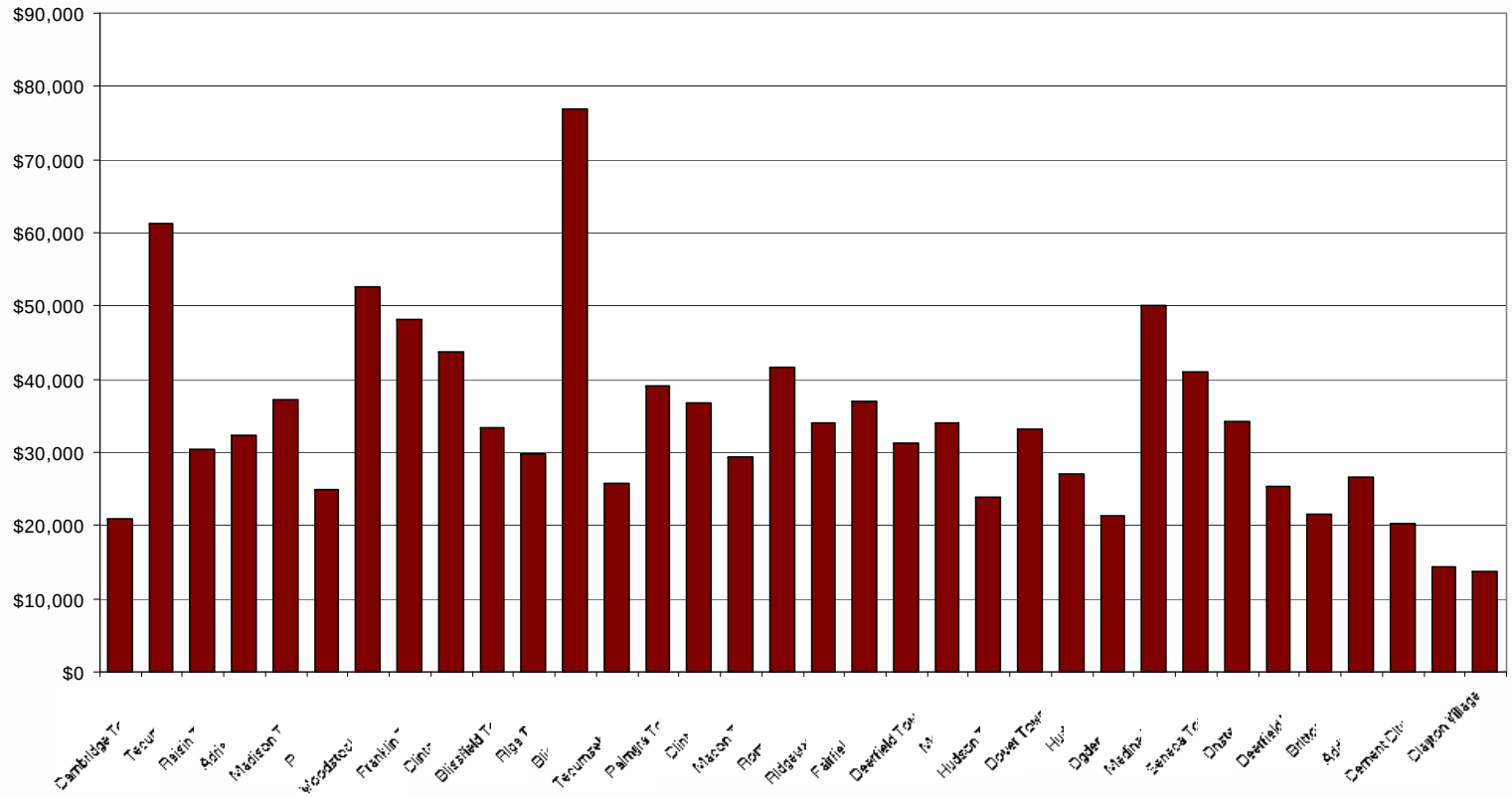
Houses per Square Mile, 2010
Lenawee County, MI



Taxable Value, 2010
Lenawee County Governments



Taxable Value per Capita, 2010
Lenawee County Governments



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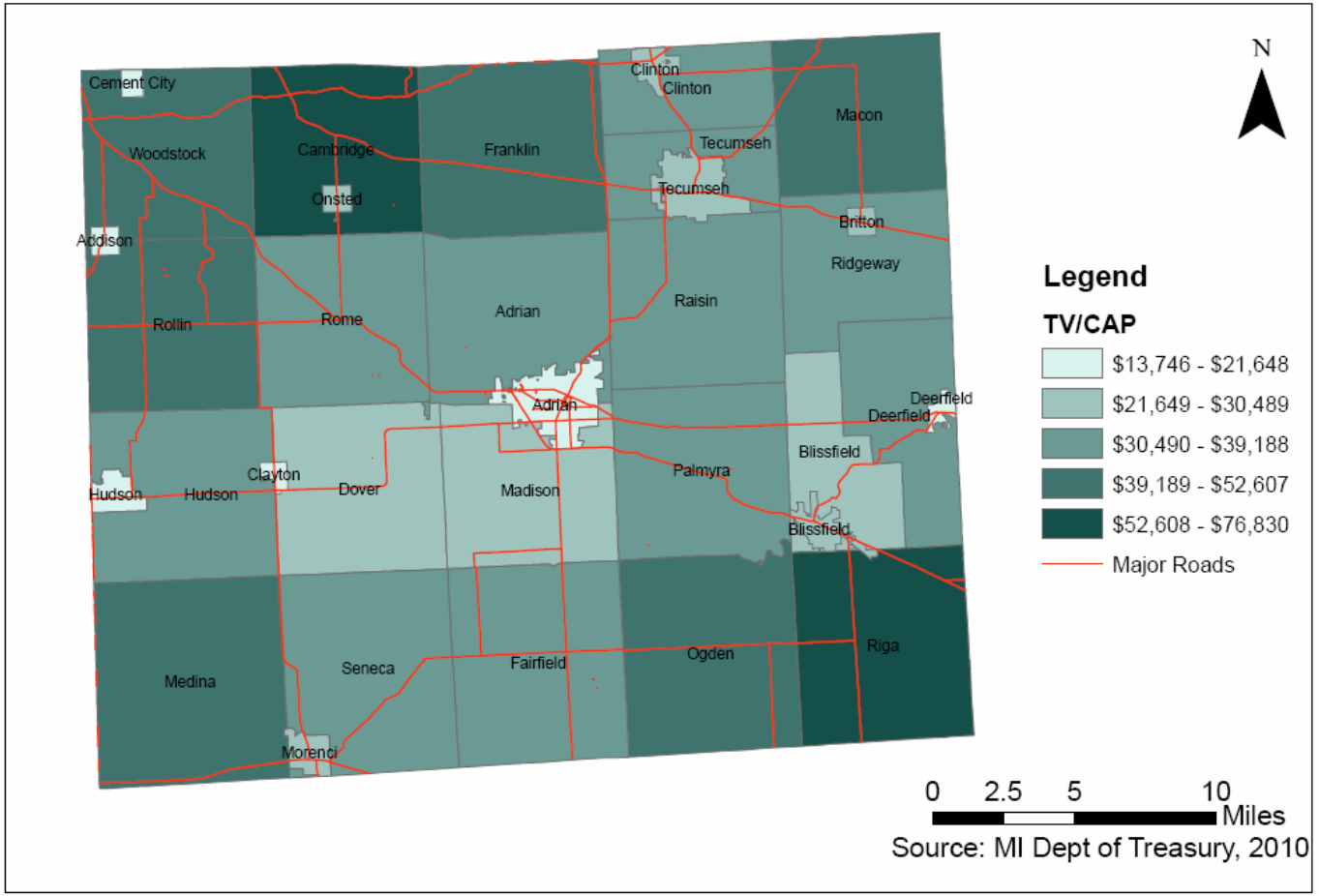
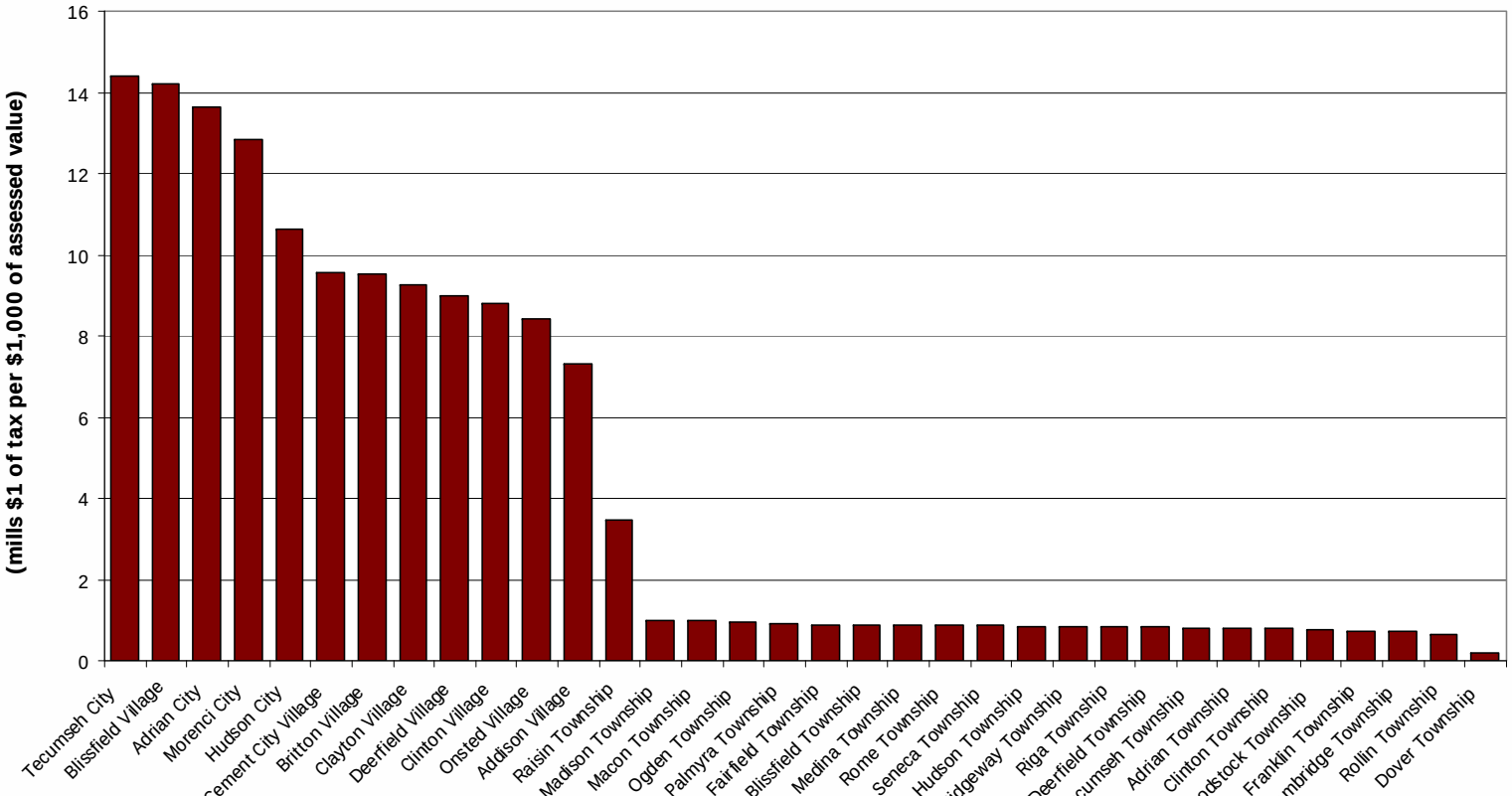
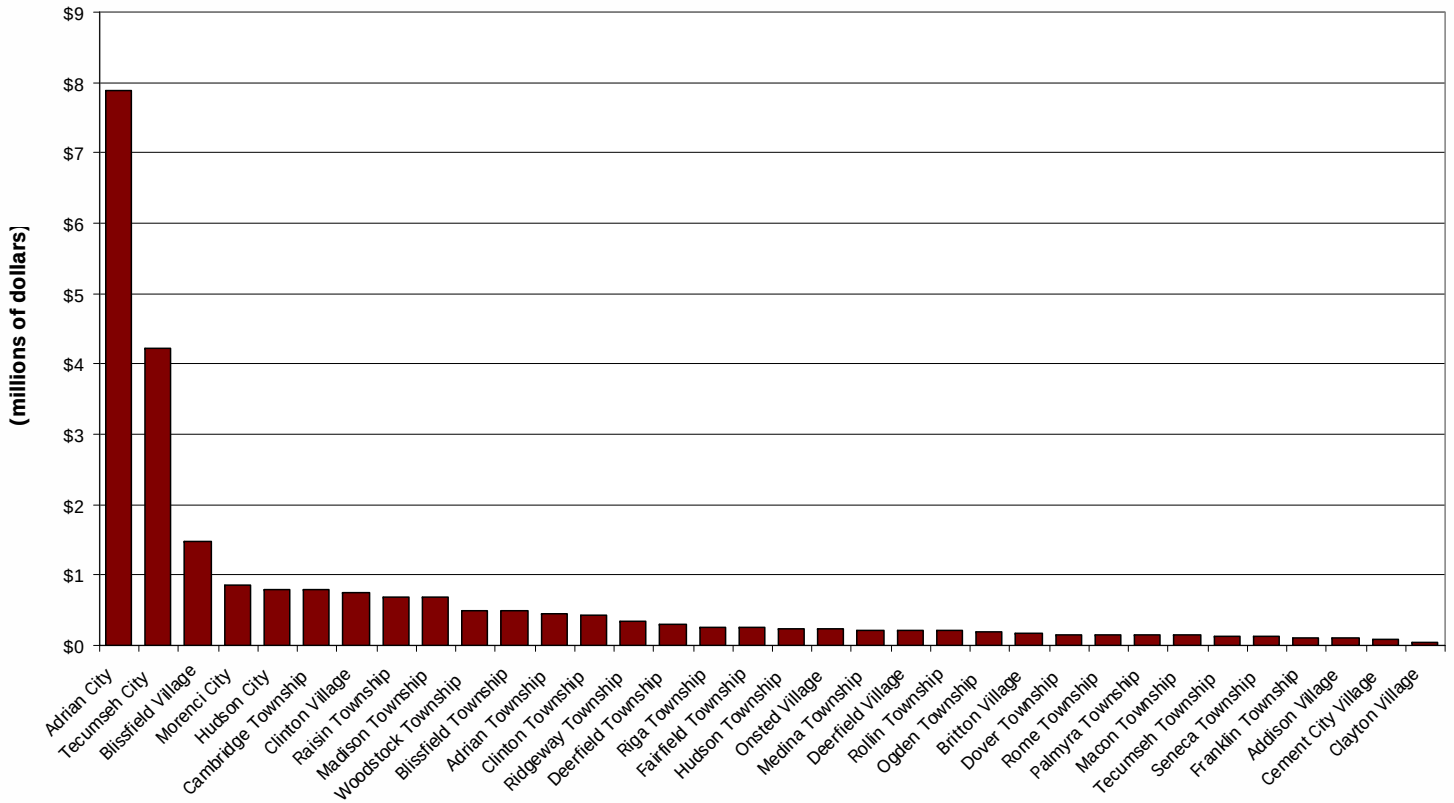


Property Tax Rate, 2010
Lenawee County Governments



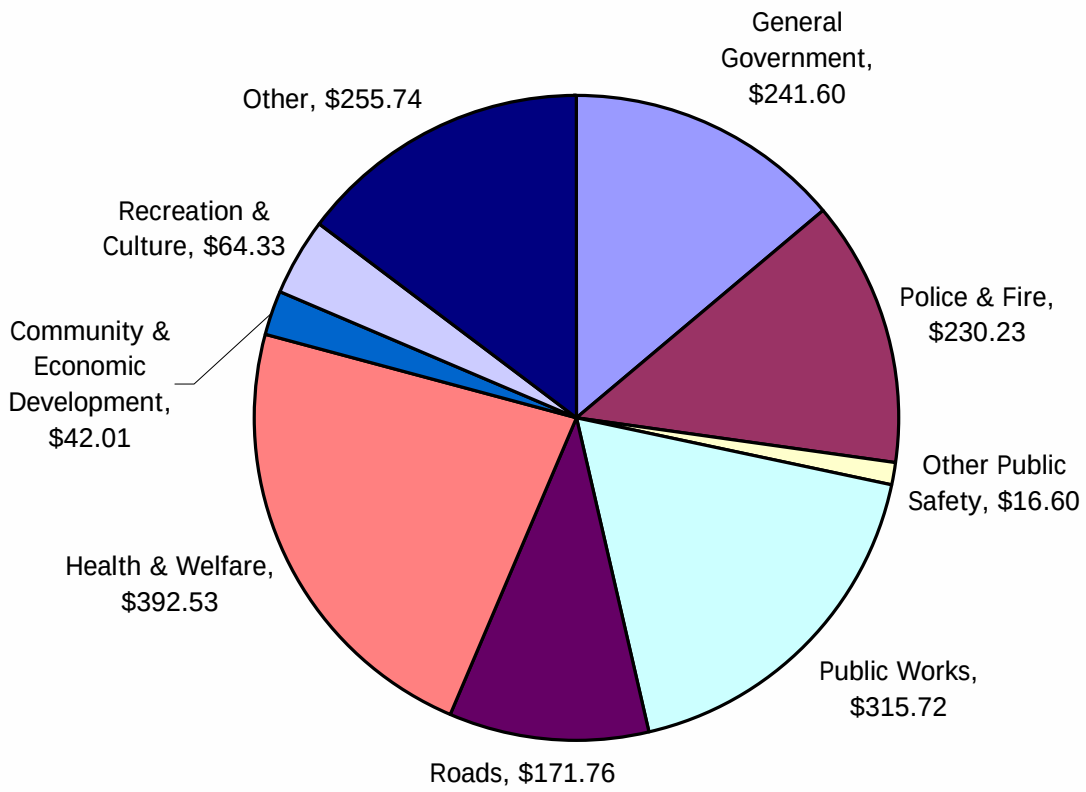
Property Tax Revenue, 2010
Lenawee County Governments



Recap

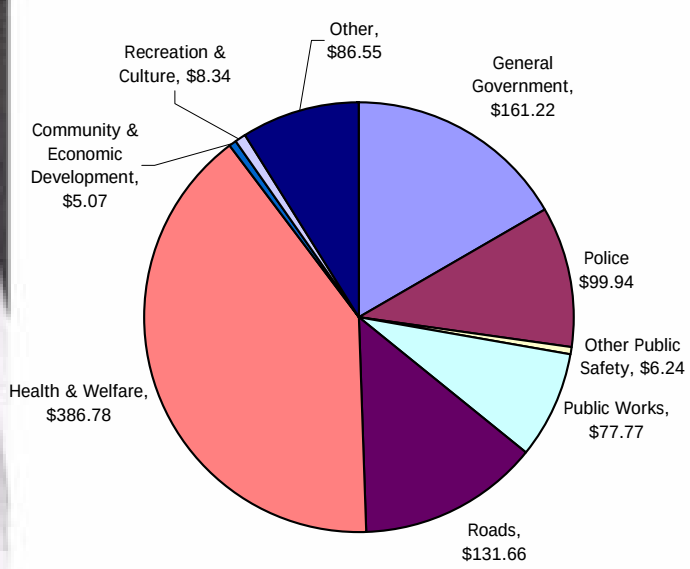
- **Vast differences in**
  - Where people live
  - How closely together people live
  - Household income
  - Taxable Value of Property
  - Tax Rates levied on property
  - Self-generated property tax revenue

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

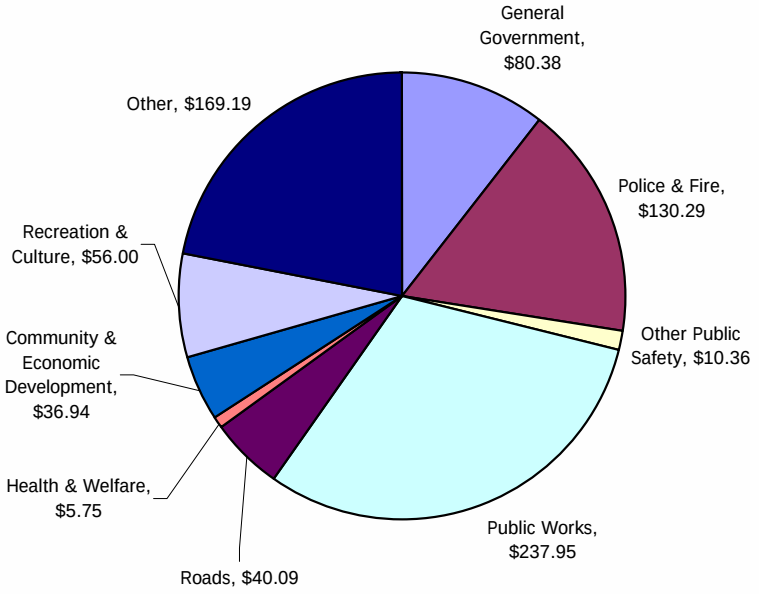


2010 Expenditures for:

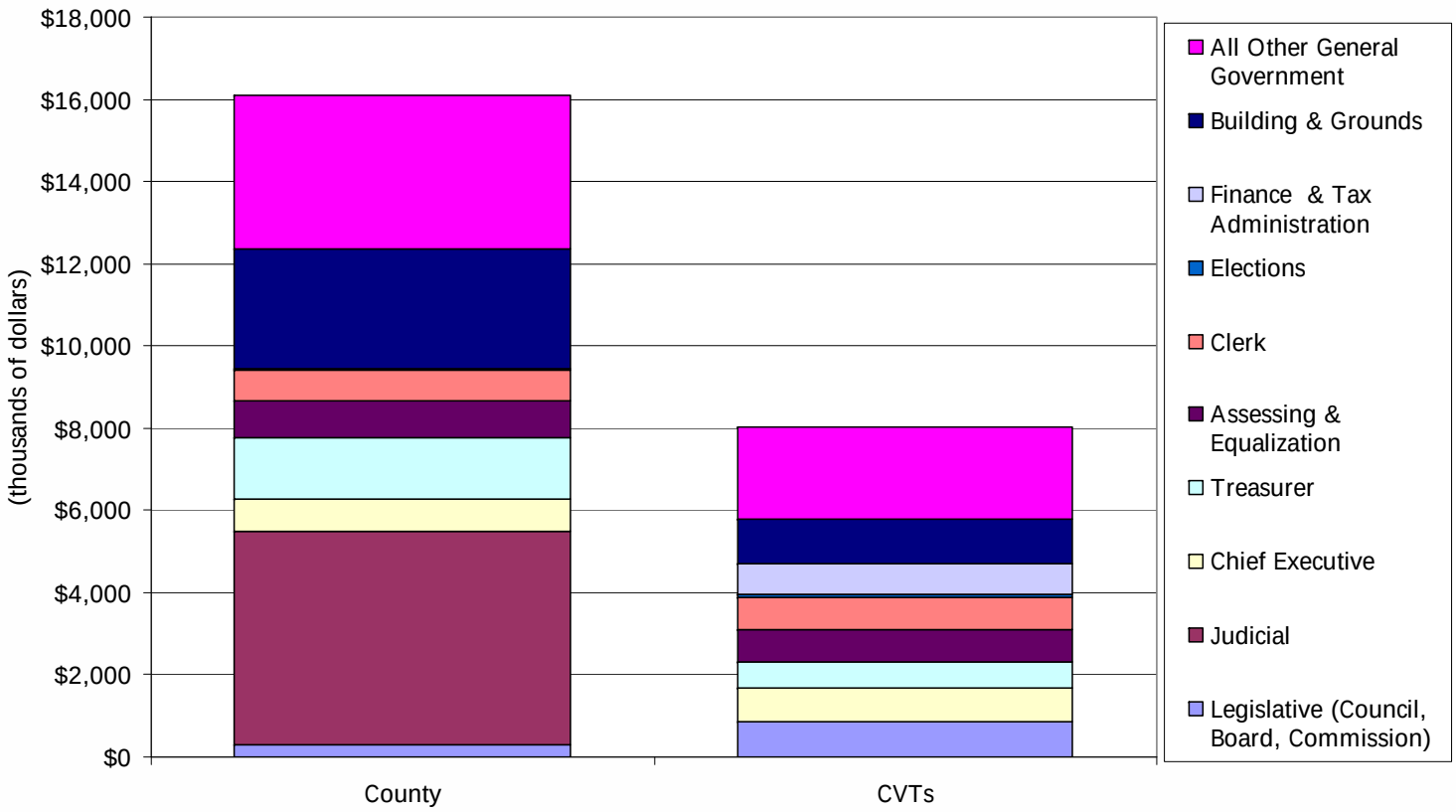
County



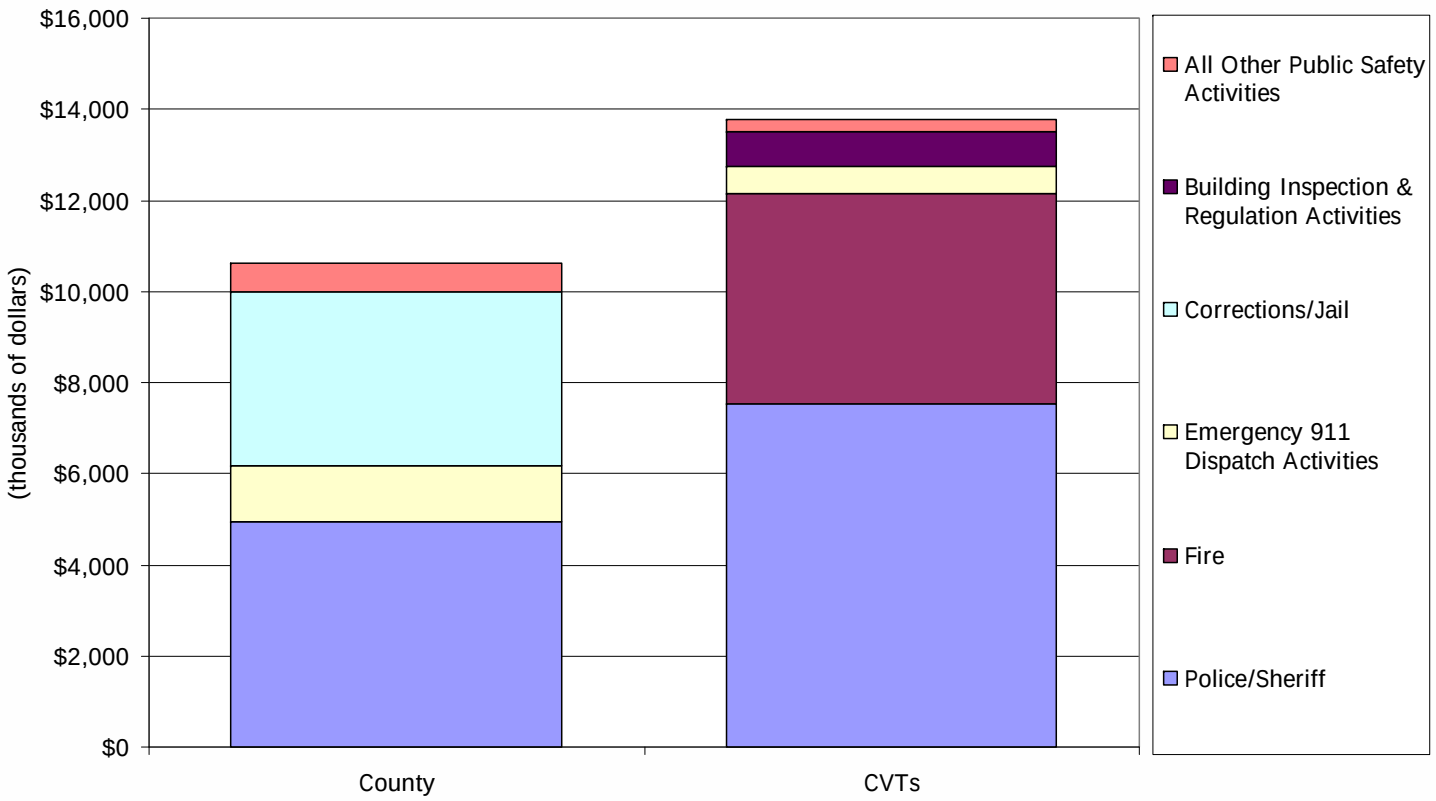
CVTs



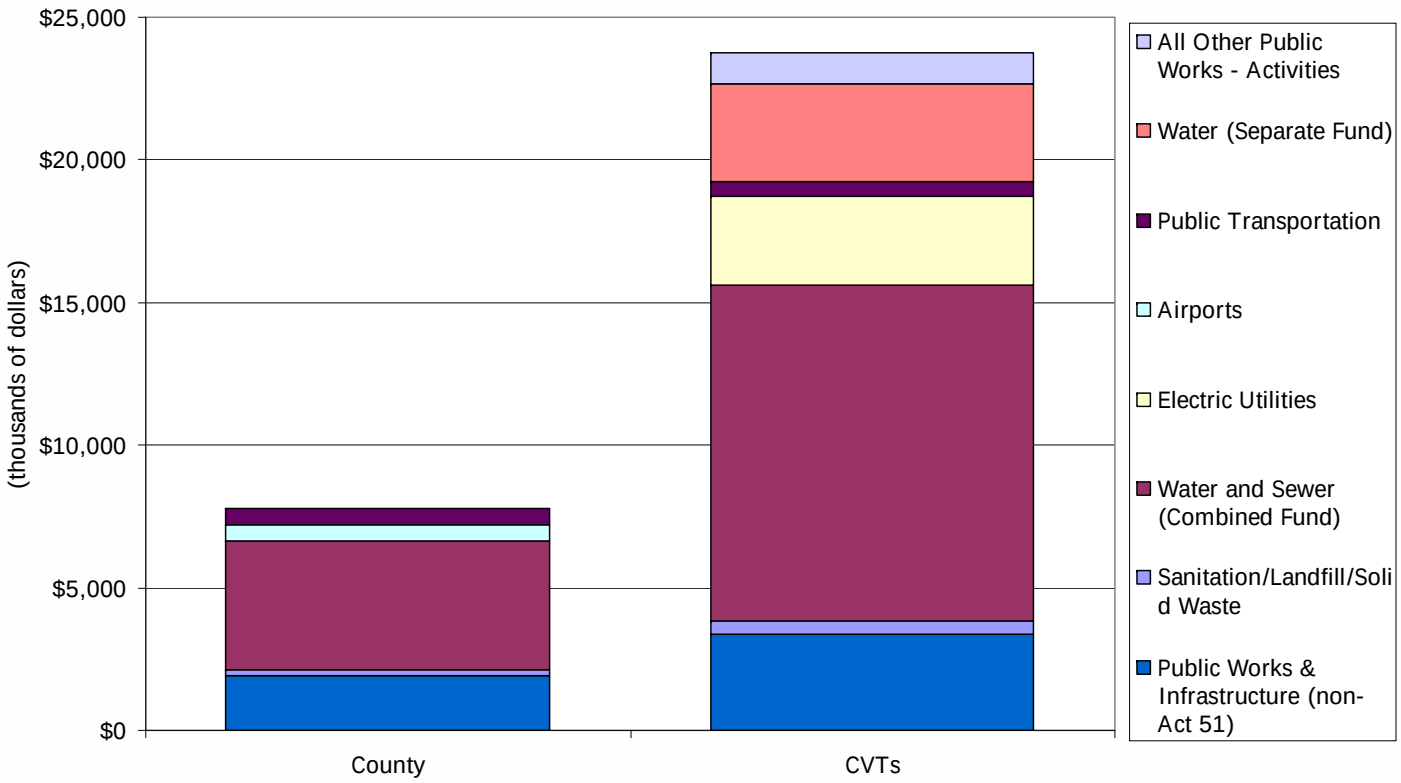
General Government



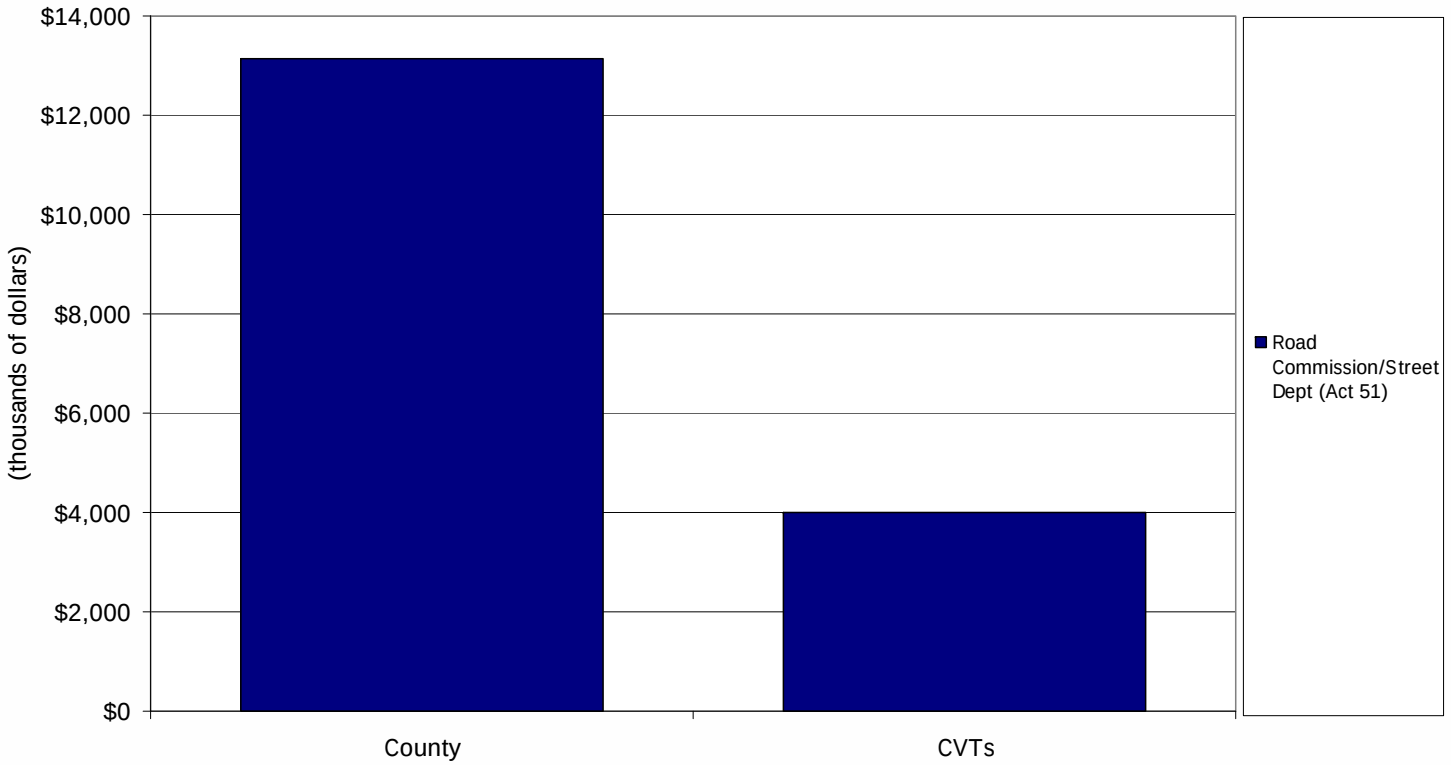
Public Safety



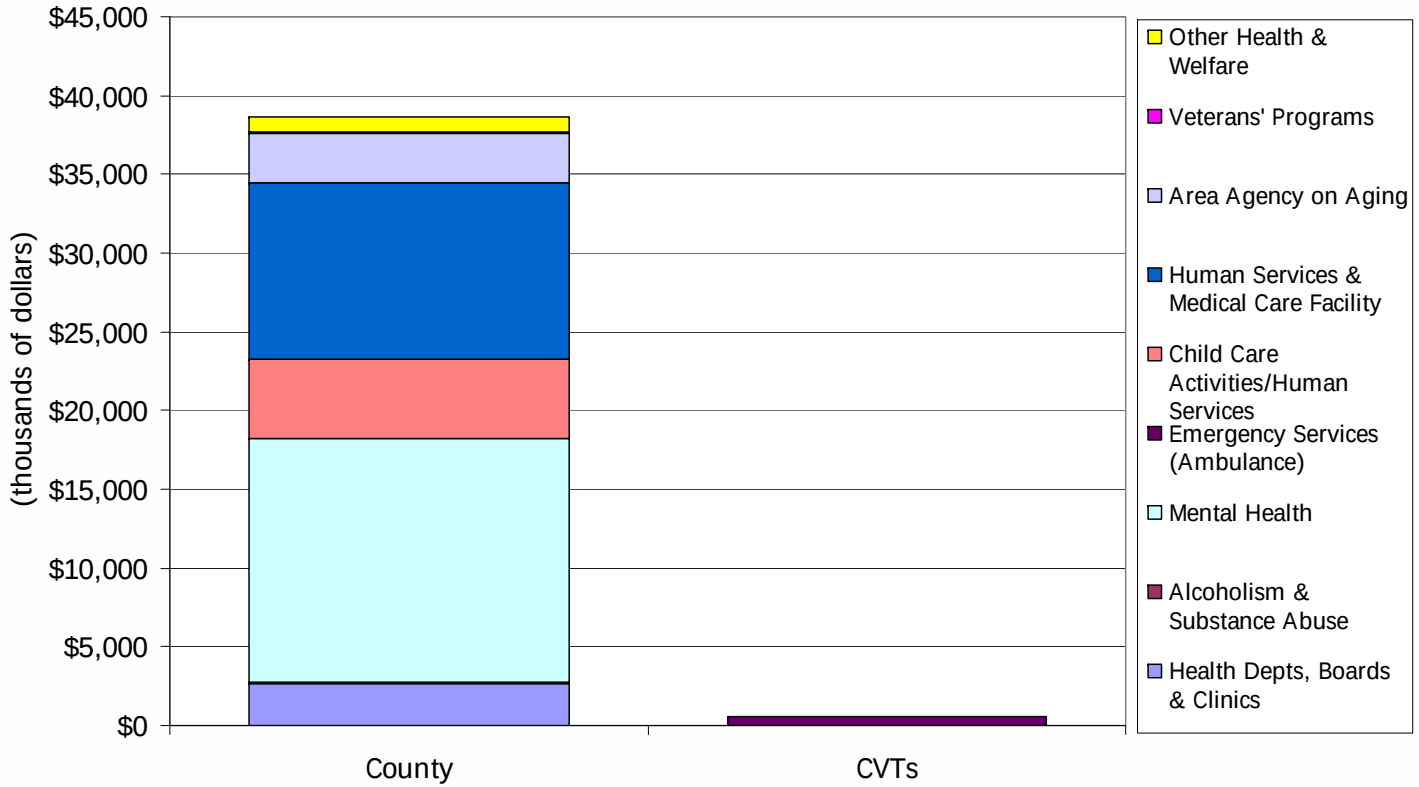
Public Works



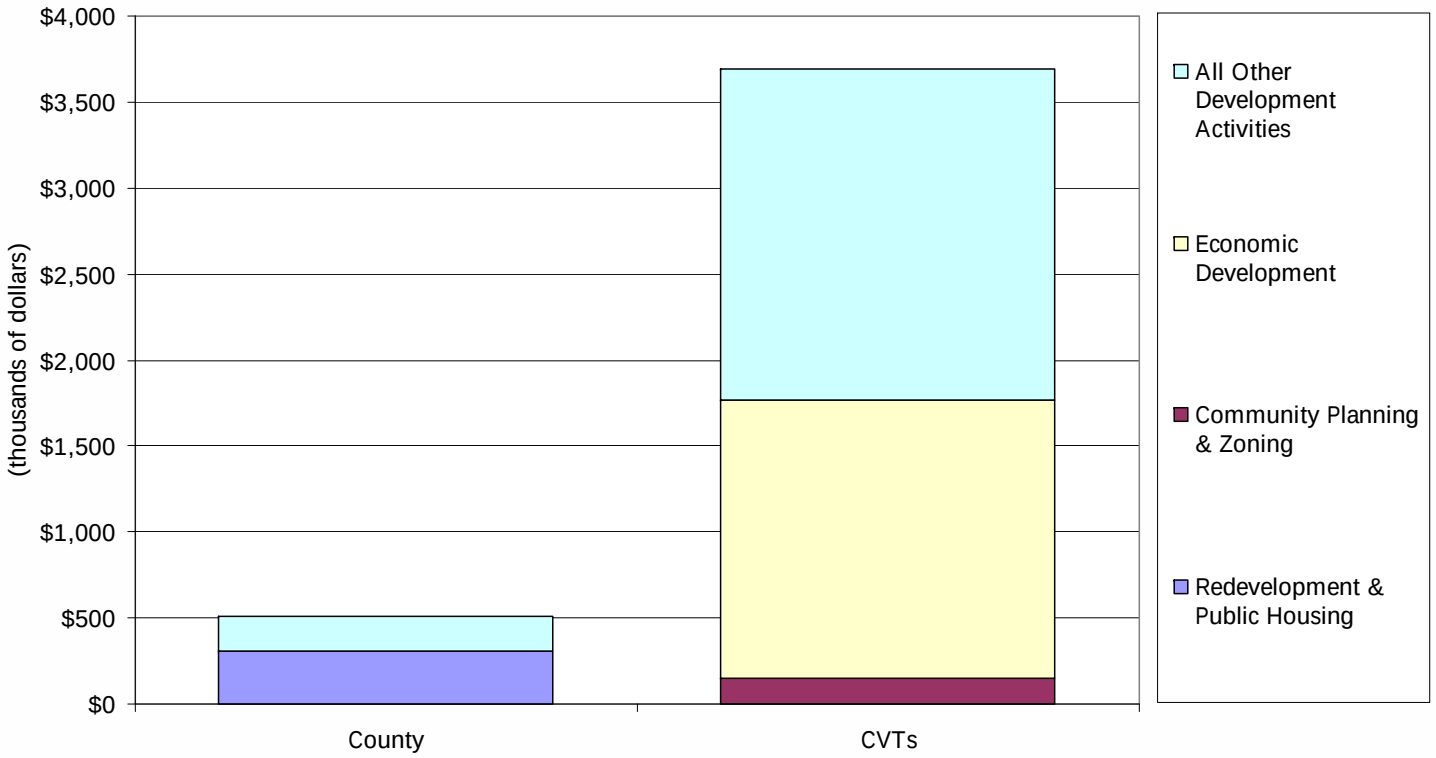
Roads


$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
(thousands of dollars)
County
CVTs
Road Commission/Street Dept (Act 51)

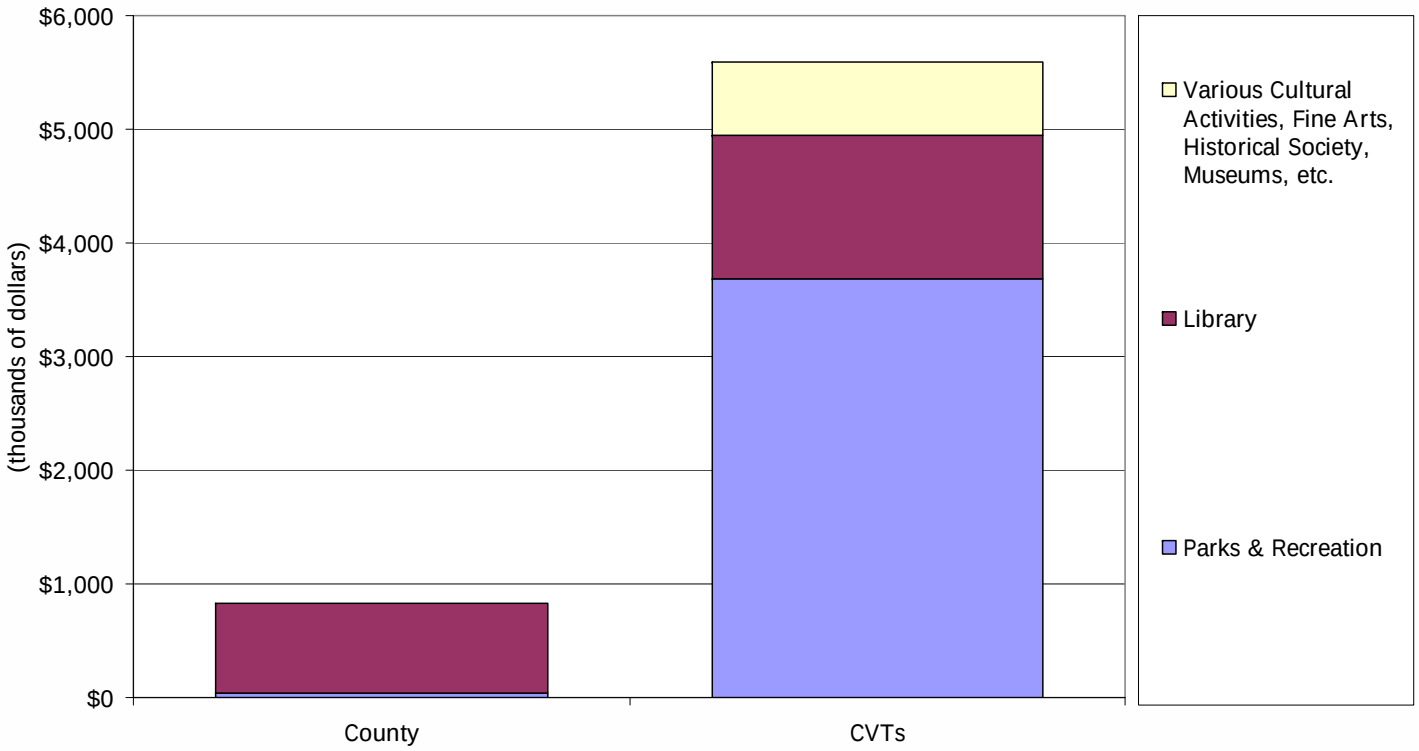
Health and Welfare



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

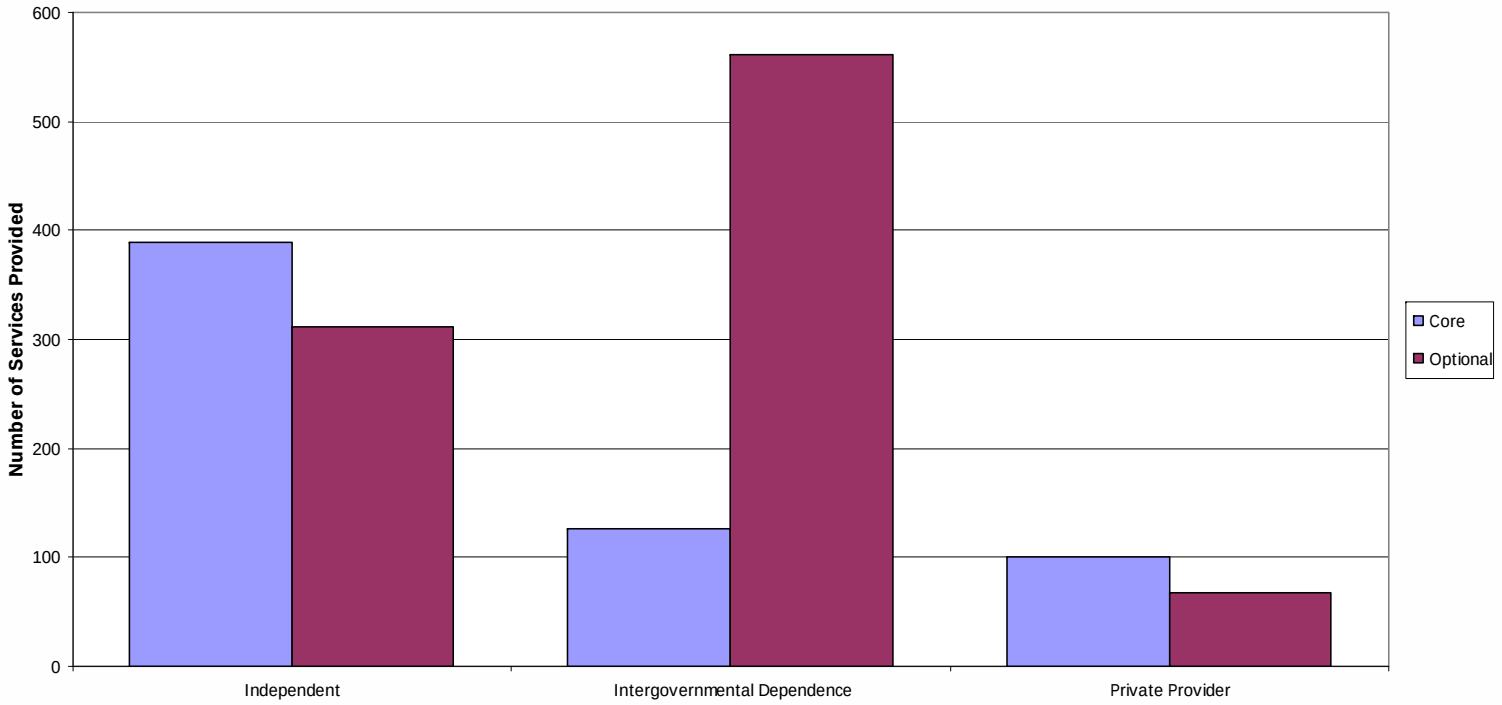
More Evaluation

- **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

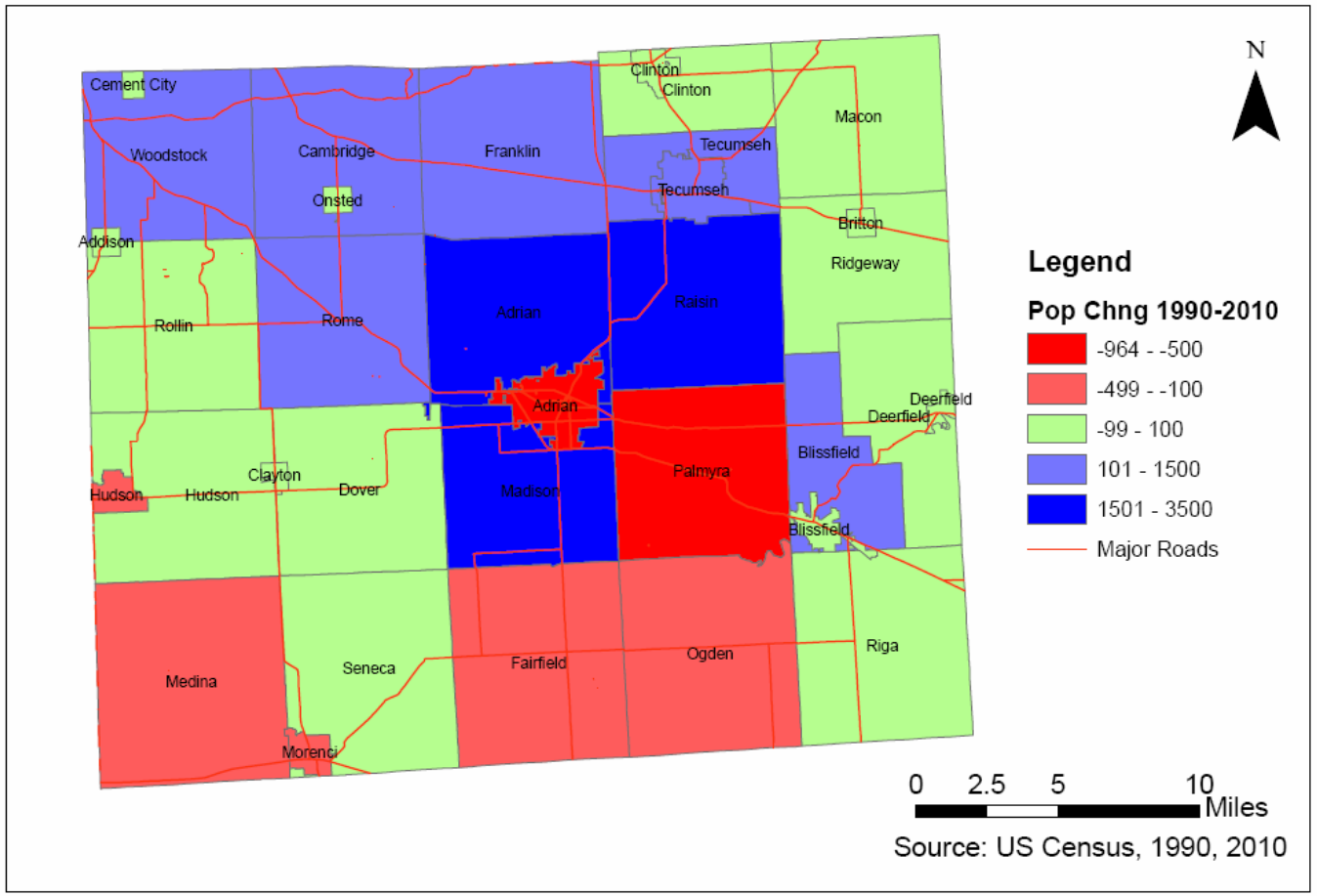
Service Delivery Method



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 provider 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

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