Michigan Local Government Benchmarking Consortium
Monday, October 18, 2010
Is your community at risk?
Traditional responses no longer work!

1. Property taxes – 15-30% reduction over two years
2. Revenue sharing – 20% reduction between 2001-2009
3. Federal grants – Do you have the match?
4. Millage – Can you pass it?
5. Rainy Day Fund – What’s left?

*Is there another way...*
Imagine

- Saving $30,000/year in Animal Control/Animal Shelters
  - Garden City, Dearborn Heights & Allen Park
- Saving $35,000/year by sharing a school superintendent
  - Wyoming & Godwin Heights Public Schools
- Saving $100,000/year in Police Dispatch
  - Ypsilanti purchased dispatch services from Washtenaw County Sheriff
- Saving $100+ million in IT Consolidation
  - State of Michigan consolidated 19 departmental IT operations into one
- Applying for and getting $255 million in broadband funding
  - Regional and State effort secured Federal funds

How do we do more...
Shared Public Services: Dual Concept

1. Sharing services between and/or among local governments and school districts and the State
2. A regional approach that leverages local economic, social and environmental assets helping communities compete in the New Economy
Shared Public Services Initiative (SPSI)

What is it?

- Provides access to consulting services to build a business case, communication strategies and implementation plan
- Provides a dynamic web site of tools and a Statewide Shared Public Services Catalog
- A sustainable program: program administration and fiduciary oversight provided through the Michigan Municipal League Foundation (MMLF)
### Initiative Background

| Driven By: | • Revenue reductions in budgets  
• Continuation of current critical services  
• Leveraging current shared opportunities |
| --- | --- |
| Planning Process | • Began in fall, 2009  
• Sub Committee made up of representatives from local governments, schools, Governor’s office, State Departments, labor and community leaders  
• Feedback meetings with four Planning & Development Commissions/Council of Governments (Regions) and the Association of Intermediate School Administrators (ISDs)  
• Operations Model Live, July 1st. |
| Results: | • Shared Public Services Initiative  
• Strategies for the New Economy |
Driving Principles

- Planning & Development Regions, ISDs, and Local Governments/School Districts
  - own the effort
  - identify the service(s) to be shared
- Advisors/MMLF will assist, as requested by regional entities, in preparing the business case(s) and implementation plan(s) through use of consulting services
- Local Governments will make “go or no go” decision
- To provide 50% of the cost for consulting services
- Implementation is the responsibility of the local governments
Sharing is not new

- Libraries
- Purchasing
- Mutual Aid
- Senior Services

- Dispatch
- Sharing facilities
- Merge departments
- Building Maintenance
- Assessment Services
- Crime Labs

Scale of Difficulty

EASY

MEDIUM

HARD

- Fire/Police
- Consolidation
- IT Systems
- One-Stop government services
Sharing can be difficult

- Not the panacea for balancing budgets
- Challenges for cooperation
  - Giving up some control
  - Clashing of “Community Cultures”
  - Special Interest Groups
- Organizational issues
  - Employees
  - Equipment
  - Facilities

Are you ready?
SPSI Process

Local Governments
School Districts

Identify
Shared Services

MI Regional Councils
Intermediate School Districts

Submit
Pricing Request

Technical Services Proposal

Michigan Municipal League Foundation

Technical Services Proposal
Let’s Get Started!

- Step 1: Feasibility & Consulting Services Request
  - Locals Identify shared service opportunity
  - Contact local stakeholders
  - Fill out Collaboration Project Feasibility Checklist
  - Submit pricing request to planning & development regions
  - Regions send pricing request to MMLF

- MMLF seeks bids from consulting service providers & returns bid proposal to locals

- If proposal is agreed to
  - Local officials approve cost
  - Sign proposal and half of local payment send to MMLF
Collaboration Forms

- Feasibility Checklist – Form A
- Pricing Request – Form B
Step 2- Project begins

- MMLF signs & manages contract with provider
- Consultant works with locals and stakeholders to begin the business case
- Business Case Analysis is delivered to MMLF, region and locals for review
- Remaining balance is paid to MMLF from locals
- If project approved, provider develops detailed implementation plan

Step 3 - Begin implementation...
Current SPSI Projects

- **Recreation Authority**
  - Wexford County
  - City of Cadillac
  - Clam Lake Township
  - Haring Township
  - Cherry Grove Township
  - Cadillac Schools

- **Technology Consolidation:**
  - Ingham Intermediate School District

- **Fire Authority:**
  - Hazel Park & Ferndale

- **Consolidation:**
  - Onekama Village & Onekama Township
SPSI Demand
# Shared Public Services Web Site

**What it includes:**
- Operations Manual
- Online catalog with continual updates
- Current service offerings
- Forms
- Local examples of shared programs
- Success Stories

**Service offerings:**
- State of Michigan
- Local Governments/Schools/ISDs

**Access:**
- Hosted by State of Michigan
- [www.michigan.gov/sharedpublicservices](http://www.michigan.gov/shareddpublicservices)
- Locals can add to the catalog: “Submit Form”
www.Michigan.gov/sharedpublicservices

Welcome to the Michigan Shared Public Services Initiative! (SPSI)

Who can participate?
Any governmental entity in the State of Michigan: Counties, Cities, townships, Villages, School Districts and Intermediate School Districts, Community Colleges, and Universities - even the State of Michigan can share services!

What is SPSI?
It is a collaborative effort to provide funding and support to local communities and schools to share services.

What help can a community or school get?
Through your regional partner (Planning and Development Region/Council of Government or Intermediate School District), communities and schools can access funding resources to obtain technical services to build a business case and implementation plan for the collaborative effort.

How much funding is available?
A collaborative effort can access up to 50% of the cost for the technical services. The communities or schools can then split the cost of the remaining 50%.

Do you have services or capacity to sell?
MiDEAL – Nationally Recognized

- Allows purchasing from State contracts
  - Computer hardware/software
  - Business process re-engineering (pending)
  - Hybrid buses
  - Road salt
  - Phone systems
- Has 876 members
In summary: SPSI

- Is not a silver bullet for balancing budgets
- Is a tool for local government/school efficiency
- Can save dollars
- Can minimize future cost increases
- Can improve services
- Can help maintain services
- Can provide additional economic development strategies