

**GOVERNMENT COOPERATION AND
EFFICIENCY PROJECT**

PHASE 1 PROJECT REPORT

December 2007



MANAGEMENT PARTNERS
INCORPORATED



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December 14, 2007

Hon. Richard H. Finan
Calfee, Halter & Griswold LLP
1100 Fifth Third Center
21 East State Street
Columbus, Ohio 43215-4243

Mr. George Schaefer
Chairman
Fifth Third Bancorp
38 Fountain Square Plaza
Cincinnati, Ohio 45202

Dear Senator Finan, Mr. Schaefer and GCEP Steering Committee members:

As Phase 1 of the Government Cooperation and Efficiency Project draws to a close, Management Partners is pleased to provide this final report. It documents the approach, methodology and results of the project to date.

Phase 1 of the project has been successful in accomplishing its twin goals of positively engaging local governments throughout Hamilton County around the idea that service sharing and cooperation is a good thing, and in actually generating savings to taxpayers. The preponderance of the local governments within the county are participating in this work, and savings of about \$500,000 have already been identified.

As requested, we have also given considerable thought to the next steps that can be taken, and these are included as well. Phase 2 offers an opportunity to continue the good work already begun and to develop even more economies in the delivery of local government services. We look forward to continuing to work with you to further this cause.

Sincerely,

Gerald E. Newfarmer
President and CEO

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BACKGROUND

The Government Cooperation and Efficiency Project (GCEP) was originally convened by County Commissioner Pat DeWine and Cincinnati City Councilmember Chris Bortz under the auspices of the Hamilton County Planning Partnership. A Steering Committee, currently chaired by Senator Richard Finan and George Schaefer, was established to guide the project. The Steering Committee includes legislators, elected and appointed officials from local governments, individuals from the Cincinnati business community, and civic groups. The City of Cincinnati, Hamilton County and the Cincinnati Business Committee provided funding for the project's first phase.

The Government Cooperation and Efficiency Project is a voluntary effort designed to help local communities improve service delivery and control costs through cross-jurisdictional cooperation, sharing of services, and possible service delivery consolidation. All 50 local governments in the county - cities, villages and townships, plus the County itself - were included in this effort.

The Regional Planning Commission (RPC) provided support to GCEP in its formative stages. The GCEP initiative has benefitted from previous efforts such as the RPC report, "Inventory of Shared Public Service Delivery," which identified local government service sharing agreements in Hamilton County and documented intergovernmental cooperation agreements between communities for planning, business development, professional training, and advocacy. In addition, the report identified other shared service opportunities in Hamilton County based on survey responses.

Management Partners was retained by the GCEP Steering Committee to execute a plan of work to engage local government leaders around the idea of service sharing and cooperation. The goal of this project is to identify additional service sharing opportunities that could potentially improve the efficiency and effectiveness with which local government services are provided, saving tax dollars whenever possible.

PROJECT APPROACH

Overview

Management Partners general approach to this project was to engage elected and appointed officials in a dialog about service sharing and collaboration opportunities to generate interest and enthusiasm. The GCEP Steering Committee and Management Partners' project team members were sensitive to the fact that many jurisdictions were already involved in shared service initiatives of their own volition. We began with a healthy respect for what existed and sought to build on those efforts. One of the primary tasks early in the project was to discover additional types of service sharing that would help local government leaders save money or solve problems they were experiencing.

As noted, the GCEP work plan was designed to build on the cooperative work already existing in the County as well as to build on prior efforts to document such work. The latter importantly included the work of the Regional Planning Commission as noted above. Management Partners developed a comprehensive listing of jurisdictions within Hamilton County and their current service collaborations. Each of the elements in the work plan that has been completed is described below.

Individual Interviews and Focus Groups

One of the first activities undertaken was to conduct interviews with appointed and elected officials from jurisdictions within Hamilton County to establish a basis of understanding about services that were currently being shared with other jurisdictions and areas for additional exploration. Interviews with officials in 21 local jurisdictions were conducted. A master list (see Attachment A) was compiled following the interviews detailing current service sharing effort as well as areas of interest for future opportunities.

In addition to conducting individual interviews, Management Partners also held focus groups to solicit ideas about services in the areas of Finance, Administrative and General Services and Public Works. We also made presentations to the Hamilton County Municipal League and the Local Government Managers Association to explain the project and generate interest.

Working Groups

Once the results were compiled from the individual interviews and focus groups it was clear that several distinct areas of service deserved attention. Three subject-specific working groups were created in the areas of Finance, Administrative and General Services; Public Works; and Economic Development, Community Development and Planning. All jurisdictions were invited to participate in any and all of the working groups. The self-selecting groups included elected and appointed officials and local government professionals in the county with expertise in each working group category.

A separate working group was formed with selected managers drawn from the administration of the City of Cincinnati and Hamilton County to explore cooperative efforts between the two largest governments. Although there were examples of cooperation in the past (e.g., information technology and dispatch services), current interest by elected leaders (with good support from administration management) as well as budget constraints faced by both organizations made exploration of service sharing opportunities timely.

Management Partners facilitated several sessions with each subject-specific working group. The first meeting sought to determine areas of interest and to allow participants to voice questions about the project and to discuss service sharing efforts already occurring throughout the region. The second round of meetings was designed to help participants narrow their interests to specific services with potential for sharing and/or collaboration. Participants were asked to identify barriers to implementation and ways to overcome these barriers.

The third round of working group meetings were held to introduce specific service sharing projects identified using information gathered during of the GCEP initiative. For each project, Management Partners developed action plans that contained implementation steps. (The “Action Plans” section below describes these in more detail.)

The Economic Development, Community Development and Planning working group followed this general path but rather than presenting multiple projects and implementation steps at the final meeting, Management Partners facilitated a discussion session that revolved around code enforcement and zoning issues. Code enforcement was an area that received a great deal of attention from working group participants. The discussion session was led by Hamilton County Building Commissioner Tonia Edwards and Building and Inspections Director William Langevin from the City of Cincinnati.

While this work was progressing, the collaborative effort between the City of Cincinnati and Hamilton County continued in a series of discussions to identify opportunities for collaboration between these two large governments, as well as the services that they could provide to other local governments within the county. Attachment B describes the areas of

service identified by this collaborative effort where opportunities of both types exist.

Survey

Following the second round of working group meetings Management Partners prepared an online survey that the Regional Planning Commission distributed to all jurisdictions in Hamilton County. Its purpose was to determine the level of interest from appointed and elected officials about service sharing and collaboration for specific services. A total of 19 jurisdictions responded (many of whom had not participated previously). The survey results were compiled and, together with the working group results, helped determine the most practical, beneficial and attainable service sharing projects.

Action Plans

Using the information from individual interviews, focus groups, working group meetings and the survey, Management Partners analyzed the levels of interest in services discussed throughout the GCEP initiative and identified service sharing projects that had the most immediate interest and possibilities for action. Some other areas with good potential for economy through cooperative effort were identified for analysis in research papers, where it was recognized that the barriers to implementation would be more substantial requiring a longer-term time frame for action.

For service sharing opportunities with immediate potential, implementation steps were developed and a responsible party was identified to take leadership in implementation. This information was described in individual project action plans for each of 12 service sharing opportunities.

Working group participants reviewed the action plans to make sure they were realistic and also to help them determine their interest in participating in the projects presented. After the completion of the working group meetings the implementation steps were updated and distributed to all GCEP participants, which are included as Attachment C.

Research Papers

As noted above, the analysis of the services provided by local governments within the County identified a number of areas where cooperation or consolidation of service delivery had historically taken place and/or where there is a likely payoff from future consolidation. The barriers to consolidation are significant in these areas and often reflect important values inherent in maintaining a large number of local governments within the County. The GCEP initiative has sought to develop useful information about each of these service sharing opportunities for further reference by local officials and others having an

interest in the potential for additional service sharing economies. The goal of the research papers was to describe how these services are provided, to whom, and at what cost. Each report details the current state of service delivery to serve as a basis for considering opportunities for further cooperation going forward. The research topics include:

- Tax administration services
- Fire service
- Public health services
- Solid waste and recycling services
- Water service

Each report is provided in Attachment D.

RESULTS

The Government Cooperation and Efficiency Project has two explicit goals: to positively engage local governments within Hamilton County about the idea of cooperation in the delivery of public services, and to actually save money. Because of the significant history of anxious relationships between the smaller units of government in the county and the two largest local governments, GCEP leaders wanted to make an extra effort to create a positive environment in which local government leaders from throughout the county would get to know one another in a constructive way. It was anticipated that this effort would establish an enduring foundation from which cooperation and service delivery sharing would develop on a continuing basis in the future.

The first goal has been solidly accomplished. We have experienced excellent participation and high levels of interest, which have increased as the project has progressed. During the course of the project over 75% (38 of 50 jurisdictions) have participated in some way. Many have chosen to take advantage of new opportunities and others are still considering the newfound options for collaboration. Yet others, by virtue of their membership in the Center for Local Government, will have easy access to ideas generated by GCEP that will be implemented by the Center.

As noted above, 12 specific projects were identified for detailed implementation planning. Some of those projects will result in useful collaboration and improved quality of government operations, but will not of themselves generate cash savings, such as employee training and professional development. Others are likely to generate opportunities for service sharing, along with attendant savings, but require further development (such as collaboration about human resources and/or information technology services and the potential for sharing heavy equipment used by public works field personnel).

Several projects have already resulted in cooperation *and* in economies, including the purchase of salt for the winter season, the purchase of fuel for vehicles, and the sharing of line stripe painting, fire hydrant maintenance and architectural services. Using cost estimates for savings in these services we have already documented between \$430,000 and \$530,000 in savings on an annualized basis. As more jurisdictions see the benefits their neighbors are receiving from this initiative, and as the other identified projects are implemented, savings will increase.

NEXT STEPS

Besides tangible dollar savings, the GCEP project has generated some intangible results that are important to note. One of the most important elements is a newfound trust among jurisdictions. For some jurisdictions, interest in collaboration with the City and County has been kindled for the first time. Trust is an important first step. The next steps will be for these jurisdictions to deliver quality services. The combination is likely to cement service sharing well into the future.

As evidenced by discussions between the City and the County, there are many areas where collaboration could benefit both entities (and ultimately the taxpayers). Continuing the dialog that has begun will be important, as will keeping the momentum going.

To keep the momentum, Management Partners recommends that GCEP adopt a plan of action to consolidate the initiatives developed in Phase 1 during 2008 in the following ways:

- The Steering Committee should continue to serve as a central forum to promote local government cooperation and service delivery sharing.
- GCEP should continue to support the work of the Effective Governance Task Force of the Agenda 360 Project, a community-wide initiative designed to improve the competitiveness and quality of life of southwest Ohio.
- The GCEP scope of local government cooperation and service sharing should be enlarged to include the four southwest Ohio counties: Hamilton, Butler, Warren and Clermont.

Management Partners is prepared to support this work, and serve as the driver for GCEP, supporting the work of the Steering Committee, including implementation by the Center for Local Government and the County-City Working Group.

Center for Local Government

The Center for Local Government is committed to following through on many of the shared services identified to be pursued. However, to do so the Center needs additional resources to develop additional communication capability using information technology and the internet.

A contract between GCEP and the Center would provide a vehicle for defining expectations, the development of a specific plan of work to be executed, and serve as the basis for tracking performance over the next year.

In addition, the Center should reconsider its governance structure to enable larger jurisdictions to provide active support and leadership for desired initiatives. For example, the Center might informally create a Resource Council composed of larger jurisdictions willing to commit resources in support of cooperative initiatives, and create two new seats on the Governing Board of the Center for representatives of the Resource Council. It is important to note that neither Hamilton County nor the City of Cincinnati are members. They should affiliate (the annual membership fee for those larger jurisdictions is \$15,000).

Hamilton County and the City of Cincinnati

As previously discussed, significant opportunities for cooperation and service delivery sharing between the County and City have been identified. Leadership is required to adopt a plan of action that can be executed during the next year to implement savings. A working group consisting of the County and the City should be institutionalized and tasked with responsibility to report to the GCEP Steering Committee regarding the work plan elements being pursued during the next year.

Additional Phase 2 Actions

The primary focus of the next phase of GCEP work should be implementation of the 12 specific projects identified in Phase 1, as well as the other projects involving Hamilton County and the City of Cincinnati. It takes time to build the engagement and the infrastructure required to make service cooperation and sharing a regular and easy part of doing business (this is one of the major learnings from our Phase 1 work).

Nonetheless, there are three specific additional actions that should be included in a second project phase. As described in the research paper prepared during the first phase, tax administration is an area of large potential savings. Twenty-nine jurisdictions administer their own tax collection; as noted, four have already consolidated using RITA. Were the remainder to similarly consolidate, it is likely that savings to taxpayers would exceed \$1.5 million in Hamilton County. Advocating for and

providing support to those jurisdictions willing to consider consolidation of this function should be a priority emphasis going forward.

Second, if the State of Ohio can provide incentive funding to promote additional voluntary consolidation at the local level, we believe that substantial additional economies can be realized. A program that would fund individual studies to determine savings that could be realized from specific consolidations, and perhaps go further to provide an incentive to the taxpayers over the first few years of consolidated operations, would go a long way to ease difficult transitions. Once the transition is made, the taxpayers become the beneficiaries for years to come. Developing legislation to implement such a program and supporting its adoption would be an important 2008 activity for GCEP.

Third, it has been noted that the first phase of GCEP was focused exclusively on Hamilton County jurisdictions. That was ambitious as a starting point, since there are 50 units of local government in Hamilton County alone. Nonetheless, Hamilton County is part of a broader southwest Ohio region. Agenda 360, the major regional effort to improve competitiveness and quality of life, has taken as its scope the four adjacent counties that together comprise the southwest Ohio region. Moreover, the Center for Local Government, GCEP's partner in implementing intergovernmental cooperation, has local government members from throughout the broader southwest Ohio region.

Accordingly, broadening the scope of GCEP is a reasonable step. The specific plan for doing so should be developed carefully by the Steering Committee so that the same level of engagement sensitivity will be employed in approaching local governments in the other three counties (Warren, Butler and Clermont) to make it comfortable and natural for them to begin cooperating voluntarily with the work of GCEP. In short, such a plan must reflect a strategy tailored to successful engagement, building on the positive accomplishments within Hamilton County without detracting from them.

CONCLUSION

Phase 1 of the Government Cooperation and Efficiency Project has been successful in accomplishing its twin goals of positively engaging local governments throughout Hamilton County around the idea that service sharing and cooperation is a good thing, and in actually generating savings to taxpayers. The preponderance of the local governments within the county are participating in this work, and savings of about \$500,000 have already been identified. Phase 2 offers a good opportunity for continuing this work and for developing even more economies in the delivery of local government services.

ATTACHMENT A – JURISDICTIONS PARTICIPATING IN THE GCEP PROJECT

City of Blue Ash	Village of Elmwood Place
City of Cheviot	Village of Evendale
City of Cincinnati	Village of Fairfax
City of Deer Park	Village of Greenhills
City of Forest Park	Village of Lockland
City of Harrison	Village of Newtown
City of Indian Hill	Village of North Bend
City of Loveland	Village of Woodlawn
City of Milford	Anderson Township
City of Montgomery	Colerain Township
City of Mount Healthy	Columbia Township
City of North College Hill	Crosby Township
City of Reading	Green Township
City of Sharonville	Harrison Township
City of Silverton	Miami Township
City of Springdale	Springfield Township
City of St. Bernard	Sycamore Township
City of Wyoming	Symmes Township
Amberley Village	Hamilton County

ATTACHMENT B – CITY/COUNTY COLLABORATIVE PROJECTS

Representatives from the City and County have met several times to explore ideas for sharing or merging services. During the course of these meetings, several opportunities for service sharing were identified. Although the following list is not in priority order, it is arranged according to the level of difficulty in implementation (from easiest to most difficult).

- Joint Fueling - Explore feasibility of the City using County fueling sites and vice versa (Note: could also be used by other jurisdictions in Hamilton County)
 - Outcome: Increased efficiency and potential cost savings
- Training and Development - City and other jurisdictions can share/piggyback with County professional development and training opportunities
 - Outcome: More opportunities and easier access for training (Note: Coordination with Center for Local Government)
- Commodity Purchasing - Identify implementation steps for County and City to jointly bid commodities as well as allow other jurisdictions to do so
 - Outcome: Increased cost savings due to larger economies of scale
- Green Space/Landscape Maintenance - Determine areas where Cincinnati Park Board employees can provide landscape maintenance services to the City and/or County and/or other jurisdictions. (Note: Parks is finalizing an agreement with UC to start providing some services and is already doing so for 3CDC.)
 - Outcome: Cost savings for landscape maintenance services
- Architectural Services - Explore feasibility of the City providing architectural services to the County for small projects on a contract basis or by sharing the cost of a City architect
 - Outcome: Cost savings to the County (at same level of quality)
- Joint Call Center Operations - Explore the feasibility of expanding the City call center to create a merged City/County call center (or some service sharing arrangement)
 - Outcome: Customer service benefits and a potential increase in service without corresponding costs to the County
- Environmental Services - Explore whether combining Environmental Services would be beneficial to the City and the County
 - Outcome: The coordination of separate services to meet regional needs
- ERP Implementation (PeopleSoft) - County needs a new ERP system and wants to explore piggybacking on the City's ERP infrastructure (or actually becoming a user of the City's PeopleSoft system)
 - Outcome: Greater efficiency for County operations and potential cost savings in implementation
- Joint Bidding and Administration of Health Benefits - Explore the potential cost savings of joining together to bid and administer health benefits to City and County employees and retirees
 - Outcome: Potential for great cost savings by both jurisdictions (currently health care costs command about 15% of the budgets).

ATTACHMENT C – PROJECT IMPLEMENTATION STEPS

Service Category: Finance, Administrative and General Services
Project: Bulk Road Salt Purchasing
Responsibility: Hamilton County or City of Cincinnati
Interested Jurisdictions: Colerain Township, Indian Hill, Montgomery, Springdale, Fairfax, Blue Ash, Green Hills and St. Bernard

Implementation Steps

- 1) Determine the services and extent of service that Hamilton County and the City of Cincinnati will provide to local jurisdictions.

Hamilton County's salt contract ends in January of 2008 and they are currently looking to bid for a new salt contract within the next 2 to 3 weeks. Once this is done a price will be available.

The City of Cincinnati has a contract with Morton Salt to provide road salt. Local jurisdictions can be a partner on their annual contract.

- 2) Develop procedures for local jurisdictions to enter into a contract to purchase bulk road salt.

- a. What is the deadline by which a jurisdiction must contract with Hamilton County or the City of Cincinnati to be included in the current contract? *All interested jurisdictions are encouraged to contact Amy Hoh immediately (by Thanksgiving) to include their required road salt quantities in the upcoming bid.*

The City of Cincinnati would like local jurisdictions to provide input into bid specifications in time to be included in the bid request. The bid document is set to go out in May or June of 2008. Contact Cincinnati Purchasing Agent, Bernie Franklin for details.

- b. How long will each contract last? *Hamilton County's salt contracts typically last for three years. The City of Cincinnati's contract with Morton Salt will last one year from July 1, 2007 through June 30, 2008.*
- c. Will there be an opportunity to purchase additional salt if necessary? *Both the County and the City will allow jurisdictions to purchase additional salt if necessary.*
- d. Is salt delivery included in the contract? *Hamilton County and the City of Cincinnati include delivery services in their salt prices.*
- e. Determine the cost for the commodity provided.

f.

- 3) Distribute information concerning procedures and cost to all local jurisdictions.

Contact information:

Hamilton County: Ms. Amy Hoh 513 946-4314 or amy.hoh@hamilton-co.org

City of Cincinnati: Ms. Bernie Franklin 513 352-3231 or bernie.franklin@cincinnati-oh.gov

Service Category: Finance, Administrative and General Services
Project: Bulk Fuel and Daily Fuel Purchasing
Responsibility: Hamilton County or City of Cincinnati
Interested Jurisdictions: Indian Hill, Amberley Village, Montgomery, Forest Park, Springdale and St. Bernard

Implementation Steps

- 1) Determine the services and extent of service that Hamilton County or the City of Cincinnati will provide to local jurisdictions.

Hamilton County offers fuel purchasing to local jurisdictions in two options. The first option is to have fuel delivered to the jurisdiction by Hamilton County. The second option is for the jurisdiction to obtain a fuel credit card (Fleet Card) from Hamilton County to use at any Mobile pump station at the County rate with rebates available.

The City of Cincinnati Fleet Services Division manages six automated fueling stations throughout the City that provide gasoline, diesel and E-85 Ethanol fuel. Each user is given a fuel system key that allows the fuel system to track fuel usage by each vehicle and compares the data with vehicle specifications to track fuel economy, which is a useful statistic in the capital planning process. Interested jurisdictions may also choose to contact the City of Cincinnati's Fleet Services to enter relevant vehicle specifications into the fuel management system.

- 2) Develop procedures for local jurisdictions to enter into a contract with Hamilton County for bulk fuel purchasing.

Is there a contract deadline that interested jurisdictions must meet in order to be included? Interested jurisdictions must contact Hamilton County's purchasing agent, Amy Hoh, for details. There is no deadline to purchase fuel from the City of Cincinnati.

- 3) Determine the cost for the service provided.

Hamilton County offers two different options and prices for fuel purchasing. For option one, delivery of fuel to the jurisdiction, Hamilton County's price is \$.06 above the Oil Price Information Service (OPIS) price. For the second option, Fleet Card, Hamilton County's price is \$.11 over the OPIS price. All jurisdictions are billed monthly for fuel purchased.

The City of Cincinnati purchases fuel for \$.20 per gallon less than the average retail prices. Any jurisdictions using Cincinnati fuel stations will be charged \$.10 per gallon of fuel to cover administrative fees and fuel system costs. On average, jurisdictions purchasing fuel from Cincinnati fueling stations will realize a \$.10 savings from market rates. Fleet Services will bill jurisdictions monthly and will provide periodic fuel usage reports.

- 4) Distribute information concerning procedures and cost to all local jurisdictions in Hamilton County.

Contact information:

Hamilton County: Ms. Amy Hoh 513 946-4314 or amy.hoh@hamilton-co.org

City of Cincinnati: Ms. Bernie Franklin 513 352-3231 or bernie.franklin@cincinnati-oh.gov

Service Category: Finance, Administrative and General Services
Project: Bulk Office Supply Purchasing
Responsibility: Hamilton County or City of Cincinnati
Interested Jurisdictions: Montgomery, Springdale, Forest Park, Amberley Village, Blue Ash, Indian Hill, Fairfax, Green Hills, Colerain Township and Lockland

Implementation Steps

- 1) Determine the services and extent of service that Hamilton County or the City of Cincinnati will provide to local jurisdictions.

Hamilton County acquired three bids that apply from August 1, 2007 through July 31, 2012. The three bids selected are from Office Depot, OfficeMax and MRO Express. Jurisdictions can then choose the items they need from the cost sheets provided.

The City of Cincinnati and all participating jurisdictions and political subdivisions are eligible to purchase items based on the current contract's pricing. Each jurisdiction issues its own purchasing document. Currently the City holds contracts with Staples and Office Depot. The City does not stockpile supplies so the contract allows for same day and/or next day delivery of most items.

- 2) Develop procedures for local jurisdictions to enter into a contract with Hamilton County for bulk office supply purchasing.
 - a. Is there a contract deadline that interested jurisdictions must meet in order to be included? *There is no contract deadline for Hamilton County. The City of Cincinnati's contracts end on December 31, 2007.*
 - b. How long will each contract last? *Each purchase from Hamilton County is a one time purchase, there is no continuing contract.*

The City of Cincinnati does operate from a contract but jurisdictions can opt not to purchase from this contract at any time.

- 3) Determine the cost of service provided. *To utilize the e-procurement system through Hamilton County there is an annual fee of \$500. The City of Cincinnati does not charge a fee to access their purchasing system.*
- 4) Distribute information concerning procedures and cost to all local jurisdictions in Hamilton County.

Contact information:

Hamilton County: Ms. Amy Hoh 513 946-4314 or amy.hoh@hamilton-co.org

City of Cincinnati: Ms. Bernie Franklin 513 352-3231 or bernie.franklin@cincinnati-oh.gov

Service Category: Finance, Administrative and General Services
Project: Training and Professional Development
Responsibility: Center for Local Government (CLG)
Interested Jurisdictions: Forest Park, Montgomery, Springdale, Indian Hill, and Colerain Township

Implementation Steps

- 1) Determine the areas of interest for Training and Professional Development with GCEP working group.
The working group participants identified the need for Spanish Language Training in both the Tax services and Police/Fire services.
- 2) Develop survey to identify training providers currently utilized by CLG members.
 - a. Gather specific information (i.e., provider name, contacts information, location, price, number of participants per session, quality, etc.) *One provider that was identified during the working group meeting is the Cincinnati Spanish Academy. They have worked with the City of Forest Park and have received good reviews.*

Hamilton County and the City of Cincinnati have discussed the idea of sharing training opportunities for their regular offerings and have indicated that they would be willing to include any other interested jurisdictions.
 - b. Identify area of expertise for each provider.
- 3) CLG researches potential providers.
- 4) Determine the potential number of participants for each type of training and/or professional development.
- 5) Negotiate a group rate with providers.
 - a. Are multiple sessions necessary?
 - b. Where will trainings be held?
 - c. What is the optimum duration of each session?
- 6) Determine how training provider will be paid (i.e., through the CLG, by individual jurisdictions, per participant, etc.)
- 7) Organize, advertise and hold training and professional development sessions.

Service Category: Finance, Administrative and General Services
Project: Human Resources
Responsibility: Center for Local Government (CLG)
Interested Jurisdictions: Forest Park, Montgomery, Springdale, Indian Hill, Colerain Township, St. Bernard, Blue Ash, Fairfax, Green Hills, Lockland and Amberley Village

Implementation Steps

- 1) Determine the areas of interest for Human Resources services with GCEP working group.
This is currently being done through the CLG HR Task Force.
- 2) Gather input from the CLG HR Task Force.
The Task Force has met together twice and will continue to meet to determine the most immediate HR needs as well as how to meet them.
- 3) Hold meeting for HR professionals in January to discuss relevant issues.
- 4) Develop a survey to inventory the CLG member jurisdictions' capacity for providing HR services.
 - a. Is there excess staff or service capacity for HR services?
 - b. Are there critical services not being provided?
 - c. What areas of specific issues/areas of expertise are likely to be desired?
- 5) Combine information from HR Task Force and survey to develop a comprehensive assessment of HR service provision and need by CLG member jurisdictions in Hamilton County.
- 6) Use the HR Task Force and CLG member input to determine next steps.

Service Category: Finance, Administrative and General Services
Project: Information Technology Services
Responsibility: Center for Local Government (CLG)
Interested Jurisdictions: St. Bernard, Lockland, Amberley Village, Indian Hill, Fairfax, Springdale, Montgomery, Forest Park, Blue Ash and Cincinnati

Implementation Steps

- 1) Verify the areas of interest for Information Technology services with GCEP working group (sharing/contracting staff, combined contract for a private vendor, shared help desk and off-site data storage/back-up capabilities).
- 2) Develop a survey to inventory the CLG member jurisdictions' capacity for providing IT services.
 - a. Is there excess staff or service capacity for IT services? *The City of Cincinnati indicated that they may have excess capacity and would be willing to provide IT services. The City also has a purchasing and maintenance contract with Dell for computers which they are willing to extend to other jurisdictions.*
- 3) Organize a meeting with IT professionals from the interested jurisdictions to discuss the various IT issues.
- 4) Use survey to inventory the capacity for IT services and needs of CLG member jurisdictions.
- 5) Research private IT vendor services and costs.
 - a. What services are provided?
 - b. What would program cost if shared by interested CLG members? Are there different levels of cost/usage?
- 6) Research jurisdictions reporting that they have excess capacity (if any)
 - a. Are these jurisdictions willing to contract with other local jurisdictions?
 - b. What would the cost be for these services?
- 7) Research off-site storage/back-up equipment.
 - a. What types of equipment are available and at what cost?
 - b. Could multiple jurisdictions share one unit?
- 8) Determine next steps based on the results of research.

Service Category: **Finance, Administrative and General Services**
Project: Grant Coordination and Acquisition
Responsibility: Center for Local Government (CLG)
Interested Jurisdictions: Montgomery, Springdale, Forest Park, Amberley Village, Blue Ash, Indian Hill, Fairfax, Green Hills, Colerain Township and Lockland

Implementation Steps

- 1) Verify the areas of interest for Grant Coordination and Acquisition services with GCEP working group (eCivis software program - www.ecivis.com).
- 2) Develop a survey to inventory the CLG member jurisdictions' interest in grant coordination and acquisition software.
 - a. Is there interest in sharing the cost of the eCivis software program? *This is currently being done by the CLG.*
- 3) Research eCivis program.
 - a. What is the total cost? *The cost per seat license will be between \$700 and \$800. Each seat user will be able to save up to 10 grant opportunities. The final details have not yet been determined.*
 - b. What would program cost if shared by interested CLG members? Are there different levels of cost/usage? *This is still being negotiated.*
- 4) Research jurisdictions reporting that they have excess capacity (if any)
 - a. Are these jurisdictions willing to contract with other local jurisdictions?
 - b. What would the cost be for these services?
- 5) Determine the next steps based on results of research.

Service Category:	Public Works
Project:	Equipment Sharing/Contracting
Responsibility:	Center for Local Government (CLG)
Interested Jurisdictions:	Wyoming, Montgomery, Sharonville, Indian Hill, Lockland, Colerain Township, Green Township, Blue Ash, Green Hills, Amberley Village, Hamilton County and Cincinnati
Sub-Committee:	Montgomery, Sharonville and Indian Hill

Implementation Steps

- 1) Determine equipment categories of interest with GCEP working group.
Working Group participants decided to form a small sub-committee that will work with the Center for Local Government to further develop the project. The implementation steps below are recommendations and are subject to change.
- 2) Develop survey to identify equipment jurisdictions are willing to share or contract.
 - a. Identify any conditions that would apply to the sharing/contracting of available equipment (i.e., equipment may only be contracted if operator accompanies it and performs all necessary work)
 - b. Identify hourly/daily cost of contracting
 - c. Specify contact person by equipment type
 - d. Specify availability (if known)
- 3) Use survey to develop an inventory of available equipment.
- 4) Perform research to determine the average rental price per type of equipment to ensure that CLG members are being presented with the most cost effective and high quality service available.
 - a. Report results of research to participating jurisdictions and request feedback
 - b. Develop a recommended fee schedule for equipment inventory
- 5) Update the current CLG manual of equipment for mutual aid to include equipment that can be shared or contracted.
- 6) Determine when updates of the information and the manual should be performed.

Service Category:	Public Works
Project:	Specialized Training
Responsibility:	Center for Local Government (CLG)
Interested Jurisdictions:	Wyoming, Montgomery, Sharonville, Indian Hill, Lockland, Colerain Township, Green Township, Blue Ash, Green Hills, Amberley Village, Hamilton County and Cincinnati
Sub-Committee:	Montgomery, Sharonville and Indian Hill

Implementation Steps

- 1) Determine the areas of interest for specialized training with GCEP working group.
Some of the areas of interest in specialized training include: equipment training, safety training and tree trimming/cutting safety. The participants decided to form a small sub-committee that will work with the Center for Local Government to further develop the project. The implementation steps below are recommendations and are subject to change.
- 2) Develop survey to identify training providers currently utilized by CLG members.
 - a. Gather specific information (i.e., provider name, contacts information, location, price, number of participants per session, quality, etc.)
 - b. Identify specialty training area of expertise for each provider.
- 3) Use survey to develop an inventory of potential specialized training providers.
Hamilton County hosts a snow plow rodeo every year that is well attended by local jurisdictions. This training is paid for by a grant from the Street Maintenance and Sanitation and Officials of Ohio (SMSO - <http://smso-oh.org>).

The Local Technical Assistance Program (LTAP - www.ltapt2.org) is utilized by many local jurisdictions and has received praise for their ability to do on-site training sessions.
- 4) Determine the potential number of participants for each type of specialized training.
- 5) Negotiate a group rate with training providers.
 - a. Are multiple sessions necessary?
 - b. Where will trainings be held and for how long?
- 6) Determine how training provider will be paid (i.e., through the CLG, by individual jurisdictions, per participant, etc.)
- 7) Organize, advertise and hold training sessions.

Service Category: **Public Works**
Project: Fleet Maintenance
Responsibility: The City of Cincinnati Fleet Services
Interested Jurisdictions: Blue Ash, Colerain Township, Sharonville, Lockland,
 Amberley Village, Montgomery and Green Hills

Implementation Steps

- 1) Determine the services that the City of Cincinnati will provide to local jurisdictions.
The City of Cincinnati Fleet Services is transitioning from the Cincinnati Water Works to the Department of Public Service. They expect to be able to serve other local jurisdictions by January of 2008.

Fleet Services provides preventative and emergency vehicle maintenance for light vehicles, light trucks and heavy equipment. Customers can choose between two models of service. The first offers to charge customers a monthly rental fee for the use of vehicles. Fleet Services pays for preventative maintenance and customers pay for emergency repairs. The second option is that Fleet Services bills customers for parts and labor on a case by case basis. Mechanics for Fleet Services are certified.
- 2) Develop procedures for local jurisdictions to enter into a contract with the City of Cincinnati for fleet maintenance services.
Interested jurisdictions will need to contact Andrew Glenn, Director of the City of Cincinnati Public Services Department for contract information.
- 3) Determine cost of service.
The cost of service is dependant upon the service model chosen an the fee break downs therein
- 4) Distribute information concerning procedures and cost to all local jurisdictions in Hamilton County.

Contact Information: Andrew Glenn, Director of Public Services Department, City of Cincinnati, (513) 352-5485 or andrew.glenn@cincinnati-oh.gov

Service Category: **Public Works**
Project: Fire Hydrant Maintenance
Responsibility: Hamilton County Department of Public Works
Interested Jurisdictions: Sharonville, Blue Ash, Wyoming, and Cincinnati

Implementation Steps

- 1) Determine the extent of service that Hamilton County will provide to local jurisdictions.
Hamilton County Public Works Department will provide fire hydrant maintenance and replacement services to any interested jurisdiction in Hamilton County. Currently they provide services to Lockland and Forest Park and they have the capacity to take on some small jurisdictions without adding an additional crew but if enough need/interest is present they will be able to add capacity and serve more jurisdictions.

- 2) Develop procedures for local jurisdictions to enter into a contract with Hamilton County for fire hydrant maintenance services.
Each contract will last for 1 year and must be approved by the County Commissioners.

- 3) Determine cost of service
Cost of service for fire hydrant repair is a flat rate that includes the use of the service truck, the crew and any necessary materials. The cost of service for replacement is a flat rate that includes all material, crew and necessary equipment.

- 4) Distribute information concerning procedures and cost to all local jurisdictions in Hamilton County.

Contact Information: Gary Van Hart, Director of Public Works Department,
(513) 946-8950 or gary.vanhart@hamilton-co.org

or

Robert Sturgill, Maintenance Superintendent of Hamilton County Public Works Department,
(513) 946-8955 or bob.sturgill@hamilton-co.org

Service Category: **Public Works**
Project: Street Signs and Markings
Responsibility: Hamilton County Engineer's Office – Traffic Department
Interested Jurisdictions: Sharonville, Montgomery, Lockland and Green Hills

Implementation Steps

- 1) Determine the services and extent of service that Hamilton County will provide to local jurisdictions.
Hamilton County will provide line striping services to interested jurisdictions on non-working days (Saturday). Work will be done by four man crews with equipment and materials provided by Hamilton County. These services are already provided to 14 local jurisdictions within Hamilton County.
- 2) Develop procedures for local jurisdictions to enter into a contract with Hamilton County for street signs and markings services.
Interested jurisdictions must contact Hamilton County Engineer's Office Traffic Department in writing to request services. They must provide a list of roads to be striped along with the specifications for each road.
- 3) Determine the cost for each type of service provided.
The cost of service will be determined on a case by case basis.
- 4) Distribute information concerning procedures and cost to all local jurisdictions in Hamilton County.

Contact Information:
Steve Mary, County Engineer, Hamilton County Engineer's Office - Traffic Department, (513) 946-8418 or steve.mary@hamilton-co.org

ATTACHMENT D: RESEARCH PAPERS

Management Partners prepared five research papers documenting the current status for the following areas:

- Tax Administration Services
- Fire service
- Public health services
- Solid waste and recycling services
- Water service

Tax Administration Services

Within Hamilton County there are 35 jurisdictions that have the ability to levy and collect income taxes, not including the City of Cincinnati. There are 12 townships within Hamilton County but according to the Ohio Revised Code (ORC) they are not permitted to administer any form of income tax. Management Partners contacted each jurisdiction as well as the Regional Income Tax Agency (RITA) to obtain information about tax administration services and related budget information.

There are 28 jurisdictions that administer and collect their own income taxes in Hamilton County. There are four villages that utilize RITA for tax administration services and three villages that do not collect any form of income tax. Although not all jurisdictions responded to our request for specific budget information we did receive information from 28 of the 35 applicable jurisdictions.

The amounts budgeted for personnel and non-personnel spending among the responding jurisdictions vary greatly. These differences are often based on the amount of revenue collected by the individual jurisdiction as well as the number of staff employed to perform these duties. Ten jurisdictions were able to supply revenue information. Those jurisdictions employed an average of two full-time employees to perform tax administration duties. Those employees are compensated at an average of \$62,700 per year; however, this amount varies as shown in Table 1.

The cost of personnel spending to administer tax collection is best analyzed as a percentage of the total collected revenues. For the nine jurisdictions reporting data, the range is from 1% to 6%. The Village of Fairfax has one full time staff member who performs tax administration services and the budgeted annual personnel spending for the village is \$30,000. Fairfax spends only 1% of their total collected revenues on personnel costs. The City of Madeira spends 6% of their total collected revenues on personnel costs. Madeira employs two full time staff members and budgets \$125,100 for annual personnel spending.

The cost per collected tax dollar also covers a wide range – from \$11.80 to \$78.90. These amounts were determined by dividing the collected revenues by the total tax administration budget. The City of Harrison's cost per collected tax dollar is the lowest at \$11.80. The City employs two full time tax administration staff, has an annual budget of \$211,842 and collects \$2,500,000 in tax revenues. The amount of tax revenue collected per full-time equivalent (FTE) employee for the City of Harrison is \$1,250,000. The Village of Indian Hill's cost per collected

tax dollar is the highest at \$78.90. The Village employs one full-time tax administration employee, has an annual budget of \$68,332 and collects \$5,391,603 in tax revenues. The amount of tax revenue collected per FTE for the Village of Indian Hill is \$5,391,603 as there is only one staff member performing tax administration services.

The data from Table 1 shows the difference between jurisdictions, some of which are located next to one another. These differences not only exist in the amount of tax revenues collected but also in the total amount budgeted for tax administration services, the cost per tax dollar collected and the personnel spending as a percent of the total revenues collected. If there were a way for multiple jurisdictions in Hamilton County to collaborate on tax administration services, it would be beneficial to examine those possibilities further, provided that shared administration can be accomplished without sacrificing the quality of the service – which, in the case of tax administration, means the thoroughness of collecting the amounts due to the jurisdiction. One such option is the use of services provided by RITA which is explained in further detail later in this research paper.

GOVERNMENT COOPERATION AND EFFICIENCY PROJECT
 PHASE 1 PROJECT REPORT

TABLE 1: ANNUAL BUDGET AND REVENUE DATA

Jurisdictions	F/T Staff	P/T Staff	Revenues	Total Budget	Personnel Spending	Non-Personnel Spending (Including Refunds)	Capital Spending	Personnel Spending as % of Total Budget	Personnel Spending as % of Total Revenues	Cost per Collected Tax Dollar	Tax Dollars Collected per FTE
Deer Park	2	0	\$1,689,571	\$99,900	\$76,100	\$23,800	N/A	76%	5%	\$16.91	\$844,785
Harrison	2	0	\$2,500,000	\$211,842	\$82,626	\$124,216	\$5,000	39%	3%	\$11.80	\$1,250,000
Madeira	2	0	\$2,247,219	\$139,550	\$125,100	\$10,450	\$4,000	90%	6%	\$16.10	\$1,123,609
Montgomery	2	0	\$6,400,000	\$178,528	\$160,978	\$17,550	\$2,000	90%	3%	\$35.85	\$3,200,000
Silverton	2	0	\$1,600,000	\$95,810	\$87,660	\$8,150	N/A	91%	5%	\$16.70	\$800,000
Springdale	5	2	\$16,000,000	\$718,861	\$371,461	\$343,400	\$4,000	52%	2%	\$22.26	\$2,666,667
Evendale	1	0	\$11,405,618	\$305,019	\$83,238	\$221,782	\$2,000	27%	1%	\$37.39	\$11,405,618
Fairfax	1	0	\$2,400,000	\$94,000	\$30,000	\$64,000	N/A	32%	1%	\$25.53	\$2,400,000
Indian Hill	1	0	\$5,391,603	\$68,332	\$51,332	\$17,000	N/A	75%	1%	\$78.90	\$5,391,603

GOVERNMENT COOPERATION AND EFFICIENCY PROJECT
 PHASE 1 PROJECT REPORT

TABLE 2: ANNUAL STAFFING COSTS

Jurisdictions	Population (2005 Census estimate)	Personnel Spending	Revenues	F/T Staff	P/T Staff	Potential Number of Income Tax Forms Processes per FTE	Staff Cost per Potential Income Tax Form Processed	Total Cost per Potential Income Tax Forms Processed per FTE
Deer Park	5615	\$76,100	\$1,689,571	2	0	2807	\$13.55	\$38,034
Harrison	7821	\$82,626	\$2,500,000	2	0	3910	\$10.56	\$41,289
Madeira	8330	\$125,100	\$2,247,219	2	0	4165	\$15.02	\$62,558
Montgomery	10015	\$160,978	\$6,400,000	2	0	5007	\$16.07	\$80,462
Silverton	4734	\$87,660	\$1,600,000	2	0	2367	\$18.52	\$43,836
Springdale	9809	\$371,461	\$16,000,000	5	2	1634	\$37.87	\$61,879
Evendale	2880	\$83,238	\$11,405,618	1	0	2880	\$28.90	\$83,238
Fairfax	1783	\$30,000	\$2,400,000	1	0	1783	\$16.83	\$30,000
Indian Hill	5661	\$51,332	\$5,391,603	1	0	5661	\$9.07	\$51,332

Table 2 examines staffing costs within the responding jurisdictions. It also highlights differences between jurisdictions and their individual tax administration programs. If, given the assumption that every income earning member of the population (based on 2005 US Census estimates) filed an income tax form, the average tax administration staff member may have to process anywhere from 1,634 to 5,661 forms in a tax season. This may not be the case because of taxes that may be filed jointly or individuals who may not file their taxes, but for our purposes it will serve as an example of the total possible individual income tax forms that may be processed annually.

If this assumption were to be true then the City of Springdale's tax administration staff would have the smallest number of forms to process per FTE (1,634) while staff from the Village of Indian Hill would have the largest number of forms (5,661) to process annually. It has already been mentioned that the City of Springdale employs six FTEs and the Village of Indian Hill only employs one FTE. However, the staff cost to process each individual tax form is significantly less for Indian Hill than for Springdale (\$9.07 and \$37.87 respectively). This is partially due to the fact that the City of Springdale collects nearly three times the amount of annual revenue than the Village of Indian Hill. The logical question to examine next is when does the cost of internally collecting income taxes become too great for any benefit that may be derived by the jurisdiction? This is a question for individual jurisdictions to examine.

However, not all jurisdictions in Hamilton County perform tax administration and collection services. The villages of Cleves, Glendale and North Bend do not administer any form of municipal income tax. The villages of Addyston, Arlington Heights, Lockland and Newtown contract with the Regional Income Tax Agency (RITA) for tax administration and collection services. As mentioned above, RITA's services are explained in detail later in this report.

The Village of Lockland currently contracts with RITA for tax administration services. They pay roughly \$35,340 for services or 1.86% of all income taxes collected which for FY 2006 was \$1,900,000. The City of Silverton is examining the possibility of contracting with RITA in 2008 for tax administration services. They have received a quote for a service fee of 2.9% to 3.4% of all income taxes collected. The City is still weighing its options and has not entered into any formal agreements.

Currently the City of Silverton is spending \$87,660 for two staff members to administer tax services, which equates to 91% of the annual tax administration budget of \$95,810. The amount of annual tax revenues collected by the city is approximately \$1,600,000. The data found in Tables 1 and 2 above show that the total cost per tax dollar collected in the City of Silverton is \$16.70 and the staff cost per potential income tax form processed per FTE is \$18.52. If the City were to contract with RITA and they were paying a contract fee of 3.4% of the total tax revenues collected, or \$54,400, they would potentially save \$33,260 annually on staffing costs alone. In relation to the entire tax administration services annual budget, the City would save approximately \$41,410 which could be put to use in another service area.

However, as mentioned before, each individual jurisdiction must decide whether the cost of providing tax administration services to their residents internally is worth the benefit they receive in annual revenues and customer satisfaction or if it would make more sense to contract with a tax administration agency, such as RITA. The next steps for this area of research would be to identify those jurisdictions that are interested in contracting with RITA and provide them with any necessary information to make an informed decision as to the costs and benefits of this venture.

Regional Council of Government and the Regional Income Tax Agency (RITA)

According to the Regional Income Tax Agency website, 38 municipalities created a Regional Council of Governments (RCOG) in 1971 to administer tax collection and enforcement matters facing Ohio's cities and villages. The RCOG's first official act was to form the Regional Income Tax Agency. Today RITA serves as the income tax collection agency for more than 130 municipalities throughout the State of Ohio.

Each member municipality appoints its own delegate to the RCOG. Each delegate has one vote on every item that comes before the RCOG, including electing members of the RITA Board of Trustees. Each member of the RCOG has an equal say in RITA operations, regardless of the population or tax collections.

RITA is governed by a board of nine trustees, elected by and responsible to the Regional Council of Governments. Trustees are elected to staggered three-year terms. Currently, the RITA Board of Trustees consists of elected officials and appointed administrators from RITA client municipalities. All Board members serve on a voluntary basis and meet at least once a month to establish, review and maintain general operational policies. Board members appoint the executive director, who is responsible for the staffing and operations.

The authority to create RITA is provided in Chapter 167 of the Ohio Revised Code. Special legislation adopted over time has allowed the agency to keep its capabilities current with new technologies and practices. Through its relationships with its member clients, as well as the Ohio Department of Revenue and the Internal Revenue Service, the agency has been able to utilize these new technologies and practices in its tax administration and collection services. As an example, HB 6111 extended its ability to obtain income data available through the State of Ohio, using social security numbers, ZIP codes and IRS 1099 information.

RITA administrators also work directly with member clients, using information gained through their systems/processes to issue various permits, occupational licenses and other documents which an individual might need to legally do business within the community.

Fees charged to member clients are based on two factors: the number of transactions the agency must handle and the total dollar value of those collections. Some jurisdictions collect a high dollar value, but do it through a relative low number of transactions. For example, a jurisdiction may receive a large dollar amount through a single transaction from one employer, with a large number of employees, and receive small dollar amounts through a series of small transactions from a number of businesses with only one or two employees.

The collective population of the clients the agency serves is more than 1.2 million. Of the 134 current members, approximately 11% are located in southwest Ohio, with the balance (approximately 89%) spread across the state, with concentrations in Cuyahoga, Franklin and Summit Counties.

Fire Service

Fire service is one of the most important services provided to residents and businesses in the county. There have been a number of situations in which local fire service providers have taken advantage of opportunities to cooperate in the delivery of service.

In Hamilton County, specialized emergency response teams will come together from numerous jurisdictions to provide special services. There are two HAZMAT units made up of firefighters from different departments throughout the region, for instance, that will respond to any and all hazardous material incidents within the County (and even in some neighboring counties). The Hamilton County Urban Search and Rescue Team (USAR) will also respond to incidents anywhere within the County when needed. The individuals serving in the special units train together periodically.

The Hamilton County Communications Center provides fire dispatch services for 36 of the 41 fire service providers in Hamilton County. The City of Cincinnati provides its own fire dispatch services for the 26 fire stations located in the City, while Loveland-Symmes, Norwood, St. Bernard, and Amberley Village also provide their own fire dispatch. The City and County communications centers are set up to provide backup for each other should one experience an outage or service disruption. Table 1 below shows fire dispatch services in Hamilton County, as well as how many fire stations are involved with each center.

TABLE 1: COMMUNICATION DISPATCH PROVIDERS

Fire Dispatch Providers	Number of Fire Stations
Hamilton County Communication Center	67
City of Cincinnati	26
Loveland-Symmes	4
Norwood	1
St. Bernard	1
Amberley Village	1

There is a potential for cost savings for each jurisdiction currently utilizing its own dispatch center by instead utilizing the Hamilton County Communication Center, however further analysis is needed to identify the exact amount of the savings. And, of course, there are potential savings in consolidating police and fire emergency communications, for the emergency communications function is one that almost always yields economies of scale.

Another area of regional cooperation in Hamilton County is the mutual aid policy observed by all fire departments. Current mutual aid contracts are set up so that fire departments will respond to neighboring requests at no charge. This approach has created a quasi-regional approach to responding to major fires, allowing neighboring jurisdictions to assist each other, yet a call for assistance is still required before the neighboring department will assist. Taking this approach one step further would be for departments to automatically respond to fires that are close, no matter which jurisdiction it is in. Since neighboring departments usually respond anyway, this “instant aid” approach would improve service by not requiring the responding department to request mutual aid.

Beyond Hamilton County, the Urban Area Security Initiative (UASI) is a 12-county region responsible for emergency management and planning. UASI receives federal money for homeland security, which the 35 member steering committee can spend as they see fit. The money brought in through UASI allows Hamilton County and the surrounding counties the ability to provide equipment and facilities to better serve the entire 12 county region.

Opportunities for Improved Efficiency

There is a tremendous amount of overlap and redundancy in the fire service delivery system in Hamilton County if one can consider it in its entirety. While catastrophic and specialized emergency operations are well planned at the County and regional level, day-to-day operations of each fire department have evolved independently of each other over that past decades as our cities, villages and townships have grown, without any overall consideration.

Hamilton County has 41 fire departments operating 100 separate fire stations that serve an overall population of 822,596. By way of comparison, Fairfax County, Virginia, operates an integrated fire department serving 1,077,000 residents with 37 fire stations and proportionately less equipment. Table 2 shows the details of the comparison with Fairfax County.

TABLE 2: COMPARISON OF FIRE SERVICE IN HAMILTON COUNTY AND FAIRFAX COUNTY, VIRGINIA

	Population Served	Service Area (sq. mi)	Service Providers	Number of Stations	Number of Engines	Number of Ladder Trucks	Number of Ambulances
Hamilton County, Ohio	822,596	407	41	100	123	19	54
Fairfax County, Virginia	1,077,000	395	1	37	52	15	49

Figure 1 and Figure 2 help further illustrate these differences are attached to this report. The first, provided by the Hamilton County Regional Planning Commission, shows the fire stations in Hamilton County. Figure 2, obtained from the Fairfax County Fire and Rescue Department's website, shows those in Fairfax County. The maps illustrate the fact that operating at a county level can result in a more efficient placement of stations. If this approach were taken in our area, Hamilton County would be able to protect the public with fewer fire stations and equipment.

Existing combined fire departments in the county eliminate some of this redundancy in stations and equipment. There are currently four combined fire departments in the County: Loveland-Symmes, Madeira-Indian Hill, Deer Park-Silverton, and the Little Miami Joint Fire District.

Table 3 compares the budgets and per capita budgets of fire departments within Hamilton County that provided us with their budget data. The larger townships and combined fire departments have smaller per capita spending than those smaller departments, reflecting the economy of scale achieved by these fire departments. Another factor to consider when looking at the budget and overall efficiency of fire protection is the value of property being protected. Cincinnati, for instance, is the largest fire department in Hamilton County, protecting the largest number of people, yet still has a higher per capita operating budget than some smaller departments. This fact can best be explained by the higher property values within the city that are being protected.

TABLE 3: COMPARISON OF FIRE DEPARTMENT BUDGETS IN HAMILTON COUNTY

Fire Department	Population	Annual Operating Budget	Per Capita Budget
Sharonville	10,871	\$ 6,621,050	\$ 609.06
St. Bernard	4,528	\$ 2,400,000	\$ 530.04
Little Miami	5,475	\$ 2,100,000	\$ 383.56
Blue Ash	11,747	\$ 4,400,000	\$ 374.56
Springdale	9,809	\$ 3,069,188	\$ 312.90
Cincinnati	308,728	\$ 91,780,740	\$ 297.29
Sycamore Township	19,042	\$ 4,936,466	\$ 259.24
Montgomery	10,015	\$ 2,057,117	\$ 205.40
Forest Park	18,069	\$ 3,633,225	\$ 201.08
Colerain Township	57,354	\$ 11,227,500	\$ 195.76
Madeira/Indian Hill	13,991	\$ 2,500,983	\$ 178.76
Deer Park/Silverton	10,349	\$ 1,766,712	\$ 170.71
Anderson Township	41,586	\$ 6,207,059	\$ 149.26
Green Township	57,596	\$ 5,207,388	\$ 90.41

Table 4 shows the number and type of equipment owned and operated by each fire department in Hamilton County. There is clearly a redundancy between neighboring departments that can be avoided with more integration of the fire service system. For instance, neighboring departments which respond to the same fires all the time due to mutual aid do not both need to have a ladder truck. Further analysis is needed to identify redundancies of equipment. Once identified, eliminating redundant equipment and stations will greatly reduce the overall cost of fire service in Hamilton County.

The number of engines in operation in Hamilton County, for instance, is 2.37 times greater than in Fairfax County, Virginia. If we could compare using Fairfax County as a model for efficiency and high quality fire protection, and assume a direct transposition to Hamilton County, we would find that we could reduce the required number of engines in Hamilton County by about 70. Of course, such a direct transposition would be totally inappropriate and detailed analysis would have to be completed to take into account the unique service delivery requirements of Hamilton County.

But looking to an order-of-magnitude comparison, at about \$300,000 per engine, reducing the apparent redundancy in our aggregate service deliver system would yield a potential cost saving of around \$21-million, not to mention the cost savings associated with reduced operating annual cost to the taxpayers, as well as reduced maintenance and facilities costs. It should be noted that the potential for savings on ladder trucks and ambulances is much lower than for engines, as Hamilton County only has 1.23 times more ladder trucks and 1.1 times more ambulances than Fairfax County, our baseline point of comparison. Still, in terms of absolute numbers, the number of ladder trucks and ambulances could conceivably be decreased by about 5, and Hamilton County would still have the same amount of fire protection resources as Fairfax County.

We stress again that the point of the comparison with Fairfax County is to understand the potential pay-off for taxpayers by analyzing the fire service delivery system for Hamilton County as a whole.

TABLE 4: FIRE APPARATUS IN HAMILTON COUNTY BY DEPARTMENT

Fire Department	# of Stations	# of Engines	# of Squads	# of Medic Units	# of Ladder Trucks	# of Quints
Amberley Village	1	2	0	0	0	1
Anderson Township	4	4	3	6	0	2
Arlington Heights	1	1	1	0	0	0
Blue Ash	2	2	0	3	0	0
Cheviot	1	1	0	2	0	1
Cincinnati	26	26	11	4	11	0
Cleves	1	2	2	0	0	0
Colerain Township	5	7	4	0	1	0
Crosby Township	2	2	2	0	0	0
Deer Park/Silverton	1	2	3	0	1	0
Delhi Township	3	4	3	0	0	0
Elmwood Place	1	2	1	0	0	1
Evendale	1	2	0	2	0	0
Forest Park	3	4	0	3	1	0
Glendale	1	2	0	0	0	0
Golf Manor	1	1	1	0	0	1
Green Township	4	4	0	5	0	1
Greenhills	1	1	2	0	0	1
Harrison	2	3	4	0	0	0
Lincoln Heights	1	2	1	0	0	0
Little Miami	2	2	0	3	0	1
Lockland	1	2	2	0	0	1
Loveland/Symmes Twp	4	5	0	4	2	0
Madeira/Indian Hill	2	3	0	2	0	1
Mariemont	1	1	0	1	0	1
Miami Township	4	4	3	0	0	1
Montgomery	1	1	0	2	0	1
Mount Healthy	1	2	2	0	0	0
North College Hill	1	0	2	0	0	0
Norwood	1	3	2	1	1	0
Reading	2	3	2	0	0	0
Sharonville	3	3	0	3	0	0
Springdale	1	3	0	3	0	0
Springfield Township	4	5	0	4	0	1
St. Bernard	1	2	0	2	0	0

Fire Department	# of Stations	# of Engines	# of Squads	# of Medic Units	# of Ladder Trucks	# of Quints
Sycamore Township	2	2	0	3	1	0
Terrace Park	1	2	1	0	0	0
Whitewater Township	4	3	3	0	0	0
Woodlawn	1	1	1	1	0	1
Wyoming	1	2	1	0	1	0
Total Amount for All	100	123	57	54	19	16

Training Programs and Facilities

There are other opportunities for cooperation and fire service support within Hamilton County. For example, there is currently no regional training facility available to fire departments in Hamilton County. Cincinnati has a training facility, and Colerain Township and Springdale both have a burn tower training facilities, yet other departments are not utilizing these resources on a regular basis. If a regional training facility, or other shared services approach, was available to all fire departments overall training quality could be enhanced while reducing costs. Cincinnati, for instance makes a television station available at all fire stations that shows only training materials for firefighters. A similar model might also be applied for surrounding jurisdictions. A regional approach to these training techniques will be accomplished much easier and much more cost effective on a regional scale, especially with the amount of UASI funding available.

FIGURE 1: LOCATION OF FIRE STATIONS IN HAMILTON COUNTY

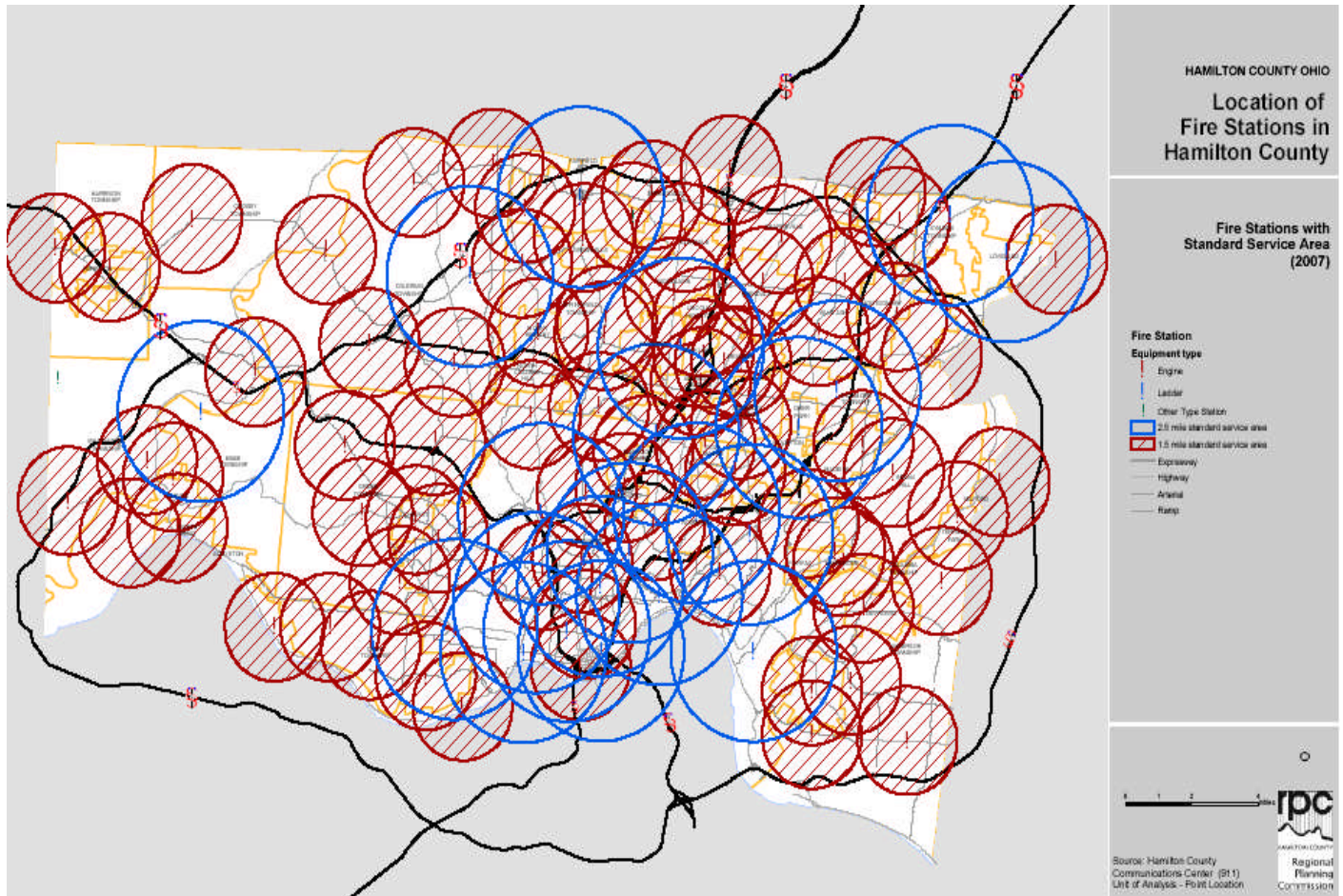
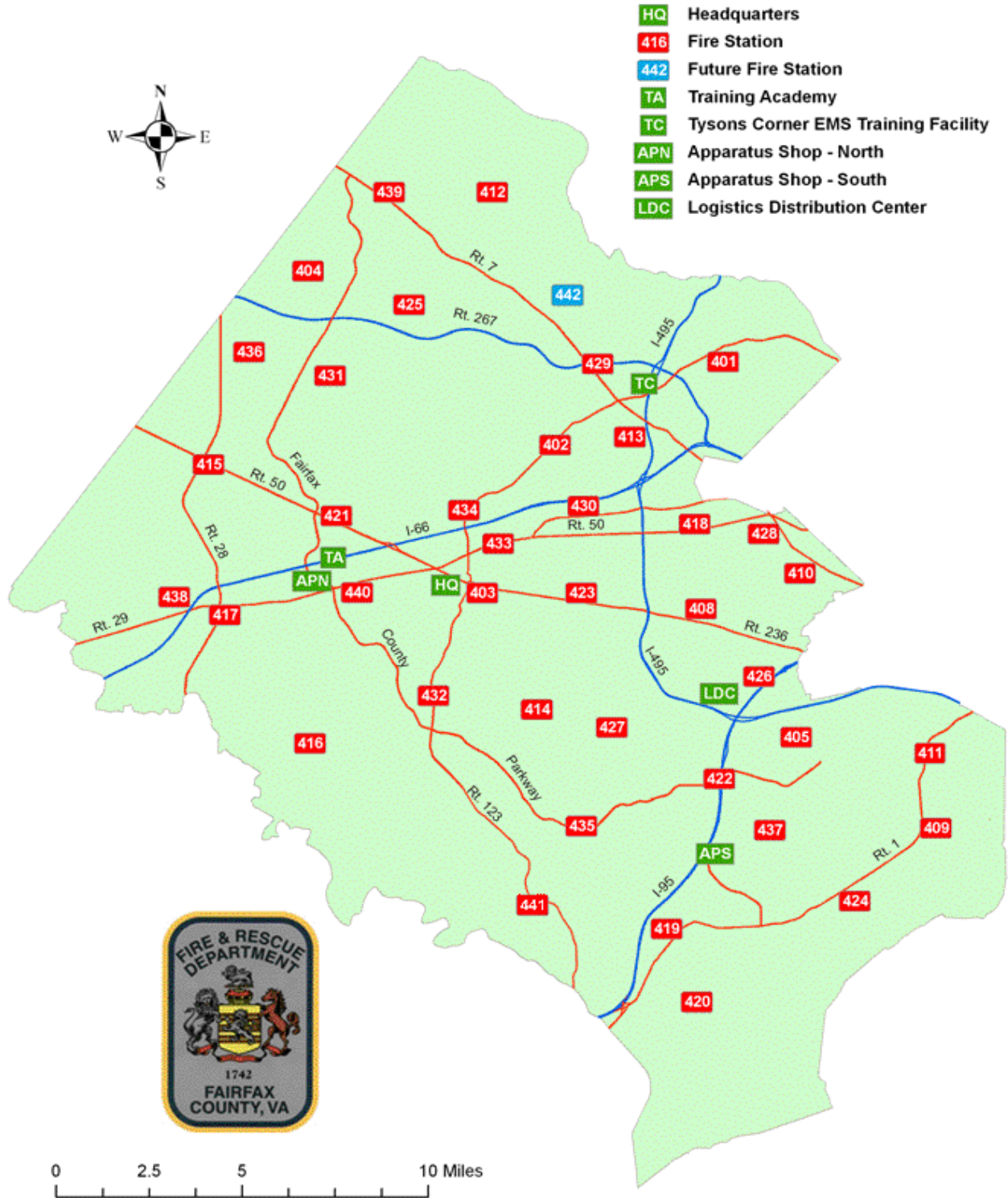


FIGURE 2: LOCATION OF FIRE STATIONS IN FAIRFAX COUNTY, VA



Public Health Services

Public health services are provided to the majority of Hamilton County residents and businesses by Hamilton County Public Health, formerly known as the Hamilton County General Health District. Municipalities that provide their own public health services include: Cincinnati, Norwood, Sharonville, Springdale, and St. Bernard. Indian Hill has recently turned to Hamilton County for public health services, except for septic system inspections. Figure 1 shows the location of the jurisdictions within Hamilton County that have health departments. The jurisdictions in dark gray utilize Hamilton County Public Health.

FIGURE 1: HEALTH DEPARTMENTS IN HAMILTON COUNTY

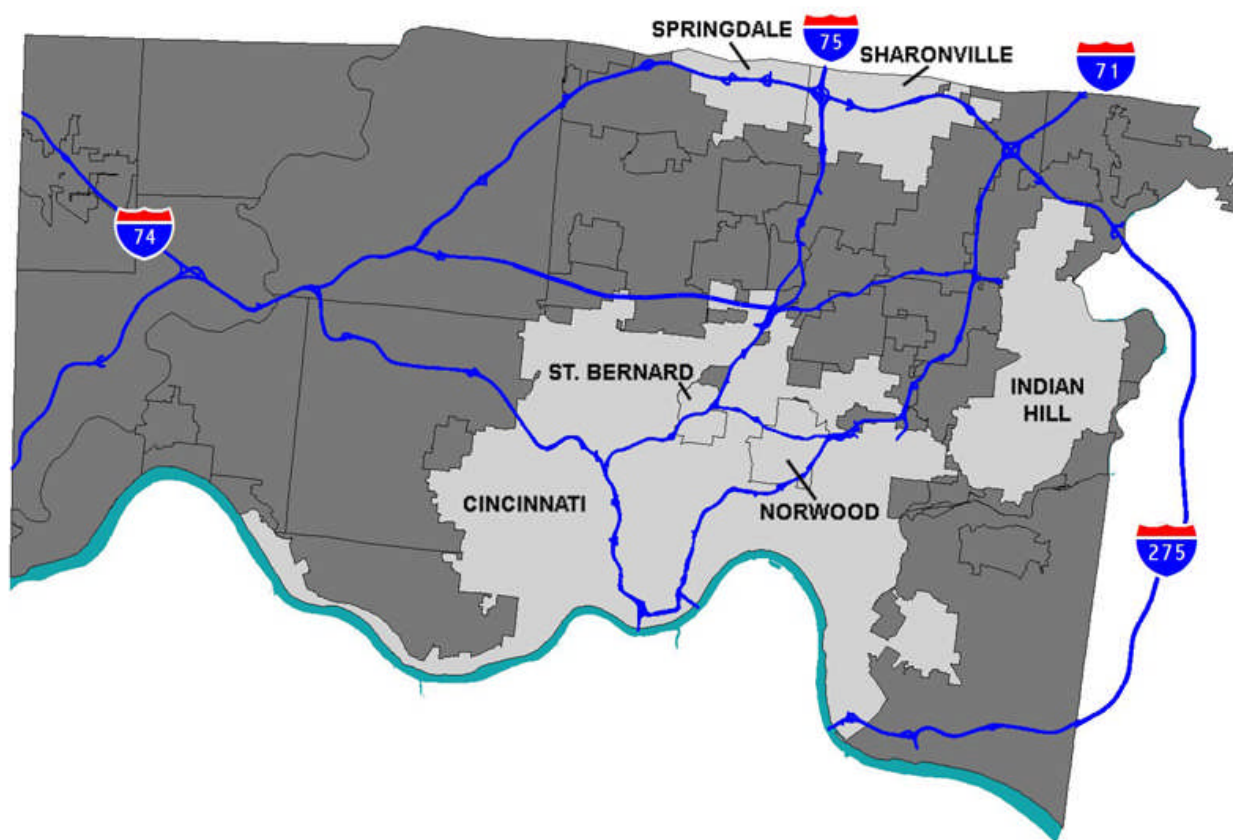


Table 1 shows the total budgets for each municipal health department within Hamilton County, as well as population estimates and per capita calculations for each budget. (Notes: Norwood did not provide financial data; and, the total budget for Indian Hill includes the contract payment to Hamilton County Public Health.) Costs of health services apparently increase considerably as the population of a jurisdiction grows larger, however it is important to first look at the number and types of services being provided by each health department before any definitive conclusions can be made.

TABLE 1: COMPARISON OF HEALTH DEPARTMENT BUDGETS IN HAMILTON COUNTY

Jurisdiction	Total Budget	Population	Per Capita Budget
City of Cincinnati	\$43,570,620	308,728	\$141.13
City of Sharonville	\$404,805	10,871	\$37.23
City of Springdale	\$300,000	9,809	\$30.58
City of Indian Hill	\$169,250	5,661	\$29.90
City of St. Bernard	\$64,000	4,528	\$14.13

The Ohio Revised Code requires local health departments to provide the following:

- Analysis and prevention of communicable disease
- Analysis of the causes of, and appropriate treatment for, the leading causes of morbidity and mortality
- The administration and management of the local health department
- Access to primary health care by medically underserved individuals
- Environmental health management programs
- Health promotion services designed to encourage individual and community wellness

The ability of local health departments to meet a set of minimum standards for each of these responsibilities determines the distribution of state funding. The varying demographic, economic, and historical characteristics of each jurisdiction's health department have shaped the programs and services each one provides. It is the responsibility of the state's public health council to determine the success of each local health department. This preliminary research instead aims to identify potential cost savings for each jurisdiction that is providing services in order to satisfy the aforementioned state legal requirements. The economies of scale achieved by Hamilton County Public Health allow for a more efficient distribution of personnel and resources. Since the majority of money needed for public health services is due to personnel costs, this efficiency creates a potential for smaller health departments to save money by contracting services out to Hamilton County Public Health.

Other factors, such as level of service, must also be considered. Cincinnati, for instance, goes beyond minimum health department requirements by providing free medical, dental, pharmaceutical, and behavioral clinics for over 35,000 people each year. Cincinnati also has the only public health laboratory in southwest Ohio. Clearly, the level of service provided by Cincinnati is more than would otherwise be achieved contracting with Hamilton County Public Health.

Similarly, the Springdale Health Department provides a variety of additional services not required by law, such as food safety training classes, nuisance animal control, and annual hotel/motel inspections and permitting. Public health nurses in Cincinnati, Sharonville, Norwood, and Springdale even provide home health care to some residents. The effectiveness of these programs is difficult to measure without feedback from residents who receive the services. Even with feedback, it is difficult to calculate the benefits achieved by some of these programs to determine if the costs are appropriate. Without workload data and a careful examination of the demographic and economic characteristics of each jurisdiction, it is also impossible to gauge the efficiency of these programs. While cost savings are probably present in the smaller health departments, it is important to fully understand the mission of the health

department and how this mission reflects the desires of the constituents who provide the funding.

Solid Waste and Recycling Services

There are currently 22 jurisdictions in Hamilton County that contract for solid waste services. The Hamilton County Solid Waste Management District recently distributed a survey asking jurisdictions for information concerning their contracts for solid waste services with Rumpke. Eleven of the twenty-two responded. Of those, eight jurisdictions pay the contractor for services provided (See Table 1). The remaining three jurisdictions bill their residents for services.

TABLE 1: COMPARISON OF SOLID WASTE SERVICE CONTRACT RATES

Community	Contractor	Household Curbside Costs per Month	Household SW Costs per Month	Total Cost per Household per Month	Who pays Contractor	Expiration
Blue Ash	Rumpke	\$2.85	\$7.85	\$10.70	City	3/1/2011
Deer Park	Rumpke	\$2.35	\$8.50	\$10.85	Residents - w/ quarterly water bill & \$20/year for brush and fall leaf collection	11/30/2009
Fairfax	Rumpke	\$2.30	\$8.70	\$11.00	Village	11/23/2008
Harrison	Rumpke		\$11.40 sw & curbside (\$10.40 seniors)	\$11.40	City	7/31/2010
Loveland	Rumpke		\$14 for sw & curbside	\$14.00	City	10/31/2009
Miami Township	Rumpke	\$2.98	\$8.44	\$11.42	Township through tax levy	2008
Montgomery	Rumpke	\$2.95	\$7.60	\$10.55	City	12/31/2010
Wyoming	Rumpke	\$2.90	\$9.60	\$12.50	City	2010

Table 2 compares the total contract amounts for residential solid waste collection per jurisdiction.

TABLE 2: COMPARISON OF SOLID WASTE SERVICE CONTRACT TOTALS

Community	Number of Housing Units	Cost per Month	Cost per Year	Annual Cost per Household Served	Pickup Style Used
Blue Ash	5,251	\$56,185	\$674,228	\$128.40	Curbside
Deer Park	2,628	\$28,513	\$342,165	\$130.20	Curbside
Fairfax	771	\$8,481	\$101,772	\$132.00	Curbside
Harrison	2,687	\$30,631	\$367,581	\$136.80	Curbside
Loveland	4,583	\$64,162	\$769,944	\$168.00	Curbside
Miami Township	13,333	\$152,262	\$1,827,144	\$137.04	Curbside
Montgomery	3,620	\$38,191	\$458,292	\$126.60	Curbside
Wyoming	3,065	\$38,312	\$459,750	\$150.00	Curbside

The amount being paid to Rumpke by local jurisdictions for residential solid waste services ranges from \$101,772.00 per year to \$1,827,144.00 per year. This variation may be attributed to the number of households being serviced by the contractor. The Village of Fairfax has the fewest occupied households, 771, and the amount paid for services per household per month is \$11.00 and per year is \$132.20. However, Miami Township has the most occupied households, 13,333, and pays \$11.42 per household per month and \$137.04 per year.

There are also widespread disparities in contract amounts per month/year per household throughout Hamilton County. The City of Montgomery pays the least per household per month at \$10.55 and per year at \$126.60 while the City of Loveland pays the most at \$14.00 per household per month and \$168.00 per year. One reason that may explain this variation in contract price is that the City of Montgomery's waste collection is automated, meaning there is no staff labor involved, while the other jurisdictions represented are still utilizing traditional collection services that involve Rumpke staff handling waste receptacles.

Recycling Services in Hamilton County

Recycling services are provided in a variety of ways throughout Hamilton County. Some jurisdictions provide in-house recycling services including curbside pick-up at no direct charge to residents; others have no involvement in recycling services and leave residents to decide upon a service provider and pay for those services individually. Currently in Hamilton County there are two contracted recycling service providers, Rumpke and CSI. A vast majority of the local jurisdictions in the county contract in some form with Rumpke for recycling services.

As shown in Table 3, of the 18 cities in Hamilton County, half contract with Rumpke or CSI for recycling services. Four cities require residents to contact Rumpke directly to set up an individual recycling service account. Three other cities provide in-house municipal recycling services and two contracts with Rumpke but bill residents directly for services.

TABLE 3: COMPARISON OF CITY RECYCLING SERVICES IN HAMILTON COUNTY

Jurisdiction	Collects In-House	Budget Allocation, Contractor Total Cost	Contractor	Who Pays?	Recycling Cost per month
City of Blue Ash	Yes	N/A	N/A	City	Included in taxes
City of Cheviot	Yes	N/A	N/A	City	Included in taxes
City of Cincinnati	No	N/A	Rumpke	City	Included in taxes
City of Deer Park	No	\$28.20 per year per household	Rumpke	City	\$2.35
City of Forest Park	No	N/A	Rumpke	Residents	N/A
City of Harrison	No	N/A	Rumpke	City	Included in taxes
City of Loveland	No	N/A	Rumpke	City	Included in taxes
City of Madeira	No	N/A	CSI	City	Included in taxes
City of Montgomery	No	N/A	Rumpke	City	Included in taxes
City of Mt. Healthy	No	N/A	Rumpke	City (residents pay City)	N/A
City of North College Hill	No	N/A	Rumpke	City	Included in taxes
City of Norwood	No	N/A	Rumpke	City (residents pay City)	N/A
City of Reading	No	\$37.20 per year per household	Rumpke	Residents	\$3.10
City of Sharonville	No	\$37.20 Per year per household	Rumpke	Residents	\$3.10
City of Silverton	No	\$37.20 per year per household	Rumpke	Residents	\$3.10
City of Springdale	No	N/A	Rumpke	City	Included in taxes
City of St. Bernard	Yes	N/A	N/A	City	Included in taxes
City of Wyoming	No	N/A	Rumpke	City	Included in taxes

Recycling services among villages in Hamilton County vary widely. Five villages contract with Rumpke to provide recycling services to residents while five other villages require that residents contact Rumpke directly to set up individual service accounts. There are currently three villages that require residents interested in recycling to drop-off their recyclables at designated sites within the village. Rumpke provides services to one village that directly bills residents for

services and two villages have no contracted service provider and provide no in-house recycling services to residents.

TABLE 4: COMPARISON OF VILLAGE RECYCLING SERVICES IN HAMILTON COUNTY

Jurisdiction	Collects In-House	Budget Allocation or Contract Cost	Contractor	Who Pays?	Recycling Cost per Month to Resident
Village of Addyston	No	\$33 per year per household	Rumpke	Residents	\$2.75
Amberley Village	No	\$33 per year per household	Rumpke	Residents	\$2.75
Village of Cleves	No	\$43.20 per year per household	Rumpke	Residents	\$3.60
Village of Elmwood Place	No	\$37.20 per year per household	Rumpke	Residents	\$3.10
Village of Evendale	No	N/A	Rumpke	Village	Included in taxes
Village of Fairfax	No	N/A	Rumpke	Village	Included in taxes
Village of Glendale	Yes	N/A	N/A	Village	Included in taxes
Village of Greenhills	No	\$24 per year per household	Rumpke	Village	\$2.00
Village of Indian Hill	Yes	N/A	N/A	Village	Included in taxes
Village of Lincoln Heights	Yes	N/A	N/A	Village	Included in taxes
Village of Lockland	Yes	N/A	N/A	Village	Included in taxes
Village of Mariemont	No	N/A	Rumpke	Village	Included in taxes
Village of Newtown	No	N/A	Rumpke	Village	Included in taxes
Village of North Bend	No	N/A	Rumpke	Village	Included in taxes
Village of Terrace Park	No	\$37.20 per year per household	Rumpke	Residents	\$3.10
Village of Woodlawn	No	N/A	Rumpke	Village	Included in taxes

There are twelve townships within Hamilton County. Ten of those twelve require that residents directly contact Rumpke or CSI to set up individual accounts for recycling services. The remaining two contract with Rumpke to provide recycling services to residents. Table 5 below provides a summary.

TABLE 5: COMPARISON OF TOWNSHIP RECYCLING SERVICES IN HAMILTON COUNTY

Jurisdiction	Collects In-House	Budget Allocation or Contract Cost	Contractor	Who Pays?	Recycling Cost per Month to Resident
Anderson Township	No	\$31.20 per year per household	Rumpke or CSI	Resident	\$2.60
Colerain Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Columbia Township	No	N/A	Rumpke	Township	Included in taxes
Crosby Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Delhi Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Green Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Harrison Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Miami Township	No	N/A	Rumpke	Township	Included in taxes
Springfield Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Sycamore Township	No	\$31.20 per year per household	Rumpke or CSI	Residents	\$2.60
Symmestown Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60
Whitewater Township	No	\$31.20 per year per household	Rumpke	Residents	\$2.60

Tables 3, 4, and 5 illustrate, there are clear differences in how jurisdictions in Hamilton County provide collection of recyclable materials.

Due to the many variations in level of service, contract specifications, cost and responsibility for cost, comparisons are neither simple nor easy. It is noted that cooperative bidding of solid waste and/or recycling services may offer an opportunity to achieve economies and obtain a lower cost per household served. The Center for Local Government or another group of local government leaders can take the lead to organize the collective opportunity to realize economies of scale.

Water Service

Water is provided to the majority of Hamilton County residents and businesses by Greater Cincinnati Water Works (GCWW). Municipalities that provide their own water include Addyston, Cleves, Glendale, Indian Hill, Lockland, Loveland, Wyoming, and Harrison. Table 1 shows the total budgets for the jurisdictions that provided data, as well as a breakdown of by operating (personnel and non-personnel) and capital costs.

TABLE 1: COMPARISON OF WATER SERVICE BUDGETS IN HAMILTON COUNTY

Jurisdictions	Total Budget	Annual Spending for Personnel Services	Annual Spending for Non-Personnel Services	Annual Spending for Capital
City of Indian Hill	\$4,291,253	\$896,710	\$2,630,543	\$764,000
City of Loveland	\$2,094,953	\$373,445	\$488,842	\$1,232,666
City of Wyoming	\$1,927,711	Not available	Not available	\$858,932
City of Harrison	\$1,510,817	\$305,467	\$714,150	\$491,200
Village of Lockland	\$474,362	\$205,159	\$152,003	\$113,200
Village of Glendale	\$374,671	Not available	Not available	\$50,000

Table 2 compares per capita spending for water service operations by the six jurisdictions.

TABLE 2: COMPARISON OF PER CAPITA WATER SERVICE OPERATING BUDGETS IN HAMILTON COUNTY

Jurisdictions	Population	Operating Budget	Per Capita Operating Budget
City of Loveland	12,000	\$862,287	\$71.86
Village of Lockland	3,393	\$361,162	\$106.44
City of Harrison	7,821	\$1,019,617	\$130.37
City of Wyoming	7,719	\$1,068,779	\$138.46
Village of Glendale	2,139	\$324,671	\$151.79
City of Indian Hill	5,661	\$3,527,253	\$623.08

Clearly, Indian Hill is spending far greater for water services per resident than the other jurisdictions. To put these numbers in perspective, GCWW has an operating budget of \$87,169,000 for over 235,000 residential and commercial accounts. Per account, GCWW is spending around \$370 on operating costs. The per account spending for GCWW is much less than the per capita spending by Indian Hill, showing the tremendous economies of scale associated with a far greater clientele. Indian Hill should consider purchasing water from GCWW to save money. Without knowing the exact number of people served by GCWW, it is inconclusive whether or not the other jurisdictions are operating at a lower cost per capita than GCWW, however it can be assumed that the size of GCWW allows it to operate at a much lower cost per customer served.

ATTACHMENT D: STATE INCENTIVES TO LOCAL GOVERNMENT

State Incentives to Local Government

The following sections outline state-initiated incentives for local government consolidation and cooperation. Some states have offered or are debating the usefulness of offering incentives, such as grants, for local governments to consolidate in whole or in part, or for service collaboration efforts. The following state initiatives are discussed below: Ohio, Michigan, Pennsylvania, New Jersey, New York, Indiana, and Kentucky. These initiatives are useful to consider as GCEP anticipates working to create an effective Ohio program that is relevant to the local governments we serve.

The State of Ohio

Local Government Fund Service Collaboration Program Grant

There are three local government funds within the State of Ohio that are administered to local governments. These include the Local Government Fund (LGF) and the Local Government Revenue Assistance Fund (LGRAF) and the Library and Local Government Support Fund (LLGSF).

The main purpose of the three local government funds is to reduce local government reliance on property tax, assist with unfunded mandates and to provide essential funding for critical local services such as police, fire, sheriff, EMS and other vital services. A recent bill, HB 119 Budget Bill (HB119) that was enacted on September 28, 2007 creates a \$1 million Local Government Collaboration Program grant to encourage local governments to consider collaborating to provide services to residents.

This particular provision of HB119 is intended to be used to offset the consulting costs for three to six political subdivisions that are interested in collaborative services to perform feasibility studies. The grant funds will be administered through the Ohio Department of Development and will be taken directly from the Local Government Fund (LGF). According to the Mid-Ohio Regional Planning Commission, the rules for grant administration are currently being drafted but the process to receive grants has not yet been determined.

According to the Ohio Library Council, the State of Ohio established the Library and Local Government Support Fund (LLGSF) in 1985 to assist with the funding of libraries after the intangible property tax was repealed. The Local Government Fund (LGF) was created in 1934 to help support local government activities after the state enacted its first sales tax. The Local Government Revenue Assistance Fund (LGRAF) was established in 1989 to provide additional support to local governments.

The State of Michigan

The Center for Regional Excellence

The Center for Regional Excellence (CRE) program that is administered in the State Department of Labor and Economic Growth completed a call for grant proposals in March of 2006 from communities interested in service collaboration efforts. The grant program was initially intending to award up to \$25,000 over two years to five pilot communities that displayed

a willingness and plan to improve their communities through service collaboration. The grant is being funded through community development funds at the Michigan State Housing Development Authority.

In March 2006, Governor Jennifer M. Granholm announced that there were seven community partnerships chosen to receive grant funds. These seven communities were given access to information from communities that have already implemented service collaboration programs as well as from university facilitators and researchers. This information will help the community partnerships to develop and implement their service-sharing programs.

The Citizen Research Council of Michigan

The Citizen Research Council of Michigan created a catalog of local government services in 2005 to show what services were being provided throughout the state, who was providing those services and if service consolidation or collaboration was occurring between local governments. The vast majority of local jurisdictions that responded indicated that they did in fact cooperate with other jurisdictions but that they had a significant reliance on county government to assist with service delivery of all types. They also indicated that they utilized private contractors to carry out services that often required high levels of training or those services that are labor intensive.

The Michigan State University Extension

As reported in the Michigan State University Extension (MSUE) 2007 newsletter, in 2005, the Michigan State University Extension's State and Local Government team began working with the MSU Land Policy Institute. The team received a \$200,000 grant from the Kellogg Foundation to investigate combining local government services in Michigan and to educate policymakers about what government services provide the greatest cost savings and community benefits.

This applied research initiative supports an intensive field-based program of educational and technical assistance to local government officials interested in increased intergovernmental cooperation. MSUE provides assistance in the areas of legal barriers and structure, financing options and operational development. Preliminary findings estimate that \$50 to \$70 million dollars could be saved over a five to seven year period through cooperative arrangements for fire, emergency medical services (EMS) and dispatch services.

MSUE is preparing to assist communities in responding to the Governor's proposed \$27 million Local Government Collaborative Effort Fund or similar proposals from the Legislature. In the last 18 months, the MSUE State and Local Government Program has worked with more than a dozen local projects involving more than 45 local government units. These include efforts relate to fire and EMS cooperation in Wayne, Macomb and Oakland counties and water and sewer cooperation in West Branch.

The MSUE State and Local Government program recently began a project to help 12 communities in the greater Lansing region investigate fire/EMS cooperation and potential cost savings.

The Commonwealth of Pennsylvania

According to the Pennsylvania Department of General Services (DGS) website, the passage of the Commonwealth Procurement Code, Act 57 of 1998 ("Code"), permitted local public procurement units (LPPUs) and state-affiliated entities to engage in cooperative purchasing with the Commonwealth. Originally, DGS limited the LPPUs' cooperative purchasing options to certain statewide contracts.

In early 2004, DGS developed the COSTARS Program to increase the cooperative purchasing options available to its members. Later in 2004, the General Assembly passed an amendment to the Code that expanded DGS' authority, allowing DGS to enter into contracts exclusively for the benefit of the LPPUs and state-affiliated entities. DGS estimates that more than 10,000 entities within Pennsylvania are eligible to become COSTARS members.

Currently, there are more than 4,500 COSTARS members, including all 56 Commonwealth cities, all 67 counties, more than 625 boroughs, about 1,200 townships, 750 fire and rescue squads and over 90 police departments. Of the eligible state-affiliated entities there are 95 health and/or educational institutions involved in the COSTARS Program. Members can utilize more than 200 state agency contracts, as well as the 20 exclusively written COSTARS contracts. These contracts can be used to purchase many commodities, including vehicles, furniture, office supplies, computers, road salt, copiers, voting machines, recreational equipment, light bulbs, tires, janitorial supplies, L.E.D. lighting, fuel, and much more (COSTARS Spring '07 Newsletter).

The State of New Jersey

The Sharing Available Resources Efficiently (SHARE) Program is administered through the New Jersey Department of Community Affairs Division of Local Government Services with the purpose of providing financial assistance to municipalities and counties to study and implement a wide variety of shared services. This assistance is provided under the Interlocal Services Act, the Municipal Consolidation Act and the Consolidated Municipal Services Act.

The SHARE Program offers three types of assistance which include implementation assistance, feasibility studies and County Coordination (COUNT) grants. The implementation assistance grants provide funding to local governments for the start-up, transition and implementation costs that are associated with a new or expanded shared service or with the consolidation of local service units. Feasibility study grants are intended to assist local governments with the planning and development of shared services with an emphasis on public safety projects. COUNT grants provide financial assistance to county governments and non-profit regional organizations to study, develop and implement new shared or regional services or to help facilitate new shared programs within the county's towns and/or school districts.

The State of New York

Property tax assessment in the State of New York is performed in more than 1,100 assessing units and currently requires the services of more than 1,600 assessor positions. New York's property tax assessment system is one of the most fragmented systems in the nation. All but two of New York's assessing units exist at the municipal level; 920 towns, 151 villages and 61 cities each assess property individually.

The State of New York's Office of Real Property Services (ORPS) has established the Centralized County Assessing and Property Tax Information Program. The desired outcome of this program will be an increased number of integrated cooperative efforts among municipal governments that will reduce the redundancy and cost of essential real property assessment activity within counties. The program will also support the establishment of county databases to provide officials of towns, cities, school districts, and county governments access to the tax payment status of all real property parcels within the county (NYS ORPS website).

This grant program is a direct result of the New York State Commission on Local Government Efficiency and Competitiveness. In the State of the State address in January 2007, Governor Spitzer announced the formation of the commission to deal with the large number of taxing jurisdictions in the state. He said, "We must consolidate New York's multiple layers of local government – those 4,200 taxing jurisdictions that cost taxpayers millions each year in duplicative services and stand as yet another impediment to change. I will appoint a Commission on Local Government Efficiency to report back with a specific plan of action. Together, we must summon the political will to face the reality that 4,200 taxing jurisdictions are simply too many, too expensive and too burdensome." (NYS CLGEC website.)

The State of Indiana

Coalition on Monitoring Public Efficiency and Tax Expenditures

According to the Indiana Chamber of Commerce, in 1997 a coalition of business partners from across the state initiated a project to study Indiana's local government structure and to identify duplicate or overlapping government functions among townships, cities, towns and counties. The group is known as COMPETE (the Coalition on Monitoring Public Efficiency and Tax Expenditures).

In 1997 the advisory board for COMPETE was comprised of local elected officials, business representatives, agricultural representatives and the leadership of various industry and trade associations throughout Indiana. Through interviews with local government officials and analysis of quantitative information, the advisory board developed a set of recommendations that it felt could improve the effectiveness of Indiana local government. When released, however, the sound fiscal status of Indiana state and local government did not foster an environment for the advancement of such ideas, and much of the report was set aside.

Indiana Project for Efficient Local Government

In 2003, some coalition members revisited the COMPETE issue to update their work and take the recommendations one step further. The effort was renamed the Indiana Project for Efficient Local Government to better describe its purpose. The group then identified ways that local governments can become more efficient, eliminate duplication of efforts and deliver the best services for the money to their constituents. The original recommendations of the 1999 report were reviewed to determine fiscal impact that could be realized through their implementation.

The study focused on issues such as relief for the poor, joint purchasing, multi-county jails, property assessment, incorporated areas within townships, county government structure, city/town government operations, and fire protection districts. Some of the ideas identified for moving forward were to centralize property assessment, establish multi-county correctional facilities and reorganize county offices and duties to improve efficiency and promote cost savings. It was also suggested that the current poor relief services (welfare administration and

assistance) be administered by counties, not townships. (The study can be accessed at <http://www.indianachamber.com/localgov/>)

The Commonwealth of Kentucky

The Kentucky Revised Statutes (KRS) 67.825 state that *“In order to facilitate the operation of local government, to prevent duplication of services, and to promote efficient and economical management of the affairs of local government, the citizens of any county, except in a county containing a consolidated local government, a city of the first class, or an urban-county government, may vote to merge all units of city and county government into a charter county form of government or to consolidate any agency, subdivision, department, or subdistrict providing any services or performing any functions for a city or county.”* For this to be accomplished the standards outlined in KRS 67.830 must be met.

Kentucky House Bill 437, proposed in 2006, made amendments to KRS section 67 that outlines the process that must be followed for a local government consolidation to take place. Basically, HB437 added additional detail to KRS 67. This bill passed in April 2006. Kentucky has made an obvious attempt to encourage local governments to examine the possibilities of consolidation or service collaboration. No funding opportunities for local government consolidation or collaboration efforts have been identified through the research that has been done thus far.