

TUSCOLA COUNTY GOVERNMENT

Innovation in Government Reform Implemented by Tuscola County

- **Collaboration/Cooperation**
- **Service Sharing to Reduce Cost**
- **Best County Practices**



Tuscola County Board of Commissioners

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Michigan Association of Counties – Request for Information

The Michigan Association of Counties (MAC) has stressed that a new spirit exists in Lansing to fundamentally change how government works at all levels. It was pointed out by MAC that counties have an opportunity to be part of the discussion regarding this change. Recent correspondence forwarded by MAC notes that counties have a positive message and we should be able to prove our worth. This MAC correspondence explains that this message should be presented from the following perspective:

1. Counties have made a significant effort, and continue to do so, toward helping the state with its current financial problem by foregoing revenue sharing into the 2020's.
2. Counties provide the state a very efficient service delivery system due to the local centralization of services we offer, unfunded mandates and underfunded mandates.
3. Counties are leading the way in government reform, collaboration, and service sharing, and decreasing the size of government.
4. Counties can continue to lead the way in government reform with the correct tools in place from the legislature to help us contain costs, passage of the unfunded mandates package, elimination of mandates, and new ways to collaborate on service provision.
5. Counties stand ready to discuss positive ways to improve state and local government using the above points of reference.

Tuscola County Best Practices for Positive Government Change

The following information focuses on providing specific examples for the MAC request number three from above. It includes a summary of various changes that are reforming county government that have been implemented in Tuscola County. It provides examples from one county of how implemented changes are helping to lead the way in government reform, collaboration, service sharing, and decreasing the size of government. This information, in combination with information from other counties, will enable the development of a state-wide best practices data base. It will also assist in supplying proactive proven approaches as state-county-local discussion continues regarding government reform. Challenging financial times require innovation and creativity.

Example 1 – Joint Tuscola and Sanilac Animal Control Services

Problem – In order to assist in balancing the 2003 County Budget, the Tuscola County Board of Commissioners eliminated animal control services. Animal control was a financial strain on the general fund because annual expenses exceeded revenue by approximately \$100,000. Animal control services are not mandated by law, but are still important public services. After animal control was discontinued, police agencies were required to handle animal bite cases. Without an animal shelter in operation, there was no place to take stray

animals. The public and animal right groups, along with police agencies, publically expressed concern and demanded change.

Solution – Neighboring Sanilac County was also experiencing financial stress at this time. It was discovered that this county may also have to close their animal control operation. Administrators from the two counties discussed the feasibility of providing joint animal control services under an intergovernmental service agreement. Tuscola County now contracts with Sanilac County for animal control services. Sanilac County animal control officers have been effective at enforcing licensure of animals which increased revenue and changed animal control from a net drain on the Tuscola County general fund of \$100,000 to a breakeven operation. The Tuscola Animal Shelter was re-opened and a great burden was removed from police agencies allowing them to focus on higher priority public safety issues. Through these changes, the Sanilac animal control operation was also allowed to stay open. This eight year collaborative effort continues to be highly successful and financially advantageous for both counties (Intergovernmental Agreement is available).

Example 2 – State /County Cooperation to Reopen of Camp Tuscola as a Residential Re-Entry Center

Problem – In 2007, the State of Michigan closed Camp Tuscola which was a minimum security level prison in Tuscola County. This closure resulted in the immediate loss of approximately 50 correction officers' jobs.

Solution – County officials requested meetings with State Corrections officials to review alternatives concerning what could be done to prevent job losses to the community. The County took a positive understanding attitude into these discussions with appreciation that the state had to reduce costs, but at the same time seeking a compromise to reduce the negative impacts of job losses to the community. After several months of negotiations and though a spirit of intergovernmental collaboration and cooperation, the county was successful with the state reopening the facility as a Residential Re-Entry Center. Approximately 25 jobs were restored.

Example 3 – Contracting for Building Code Services

Problem – For years, Tuscola County had been experiencing major problems with labor and union issues involving the county building codes department. Also, with the downturn in the economy, building activity started to decline and costs to operate the department exceeded building permit revenues. Rather than continue operating a troubled county department, the decision was made to review alternative methods of providing building code services. One option considered was to allow the state to provide building code services. After discussion with other counties, it was determined that the state building code department was slow in responding to permit requests.

Solution – The County discovered a public sector entity made up of various units of government around the state called South Central Michigan Construction Code Commission (SCMCCI). Although Tuscola County chose not to become a member of the organization, it did contract for service from SCMCCI. This organization is very customer

friendly with great communication skills. In addition to improving public service the county eliminated the concern of having poor financial years that can occur with a county operated building code department. This risk was eliminated by structuring an arrangement whereby SCMCCI operates with revenues generated from building permits issued in Tuscola County (Intergovernmental Agreement is available).

Example 4 – Cost Reduction through Sharing of Equalization Director with Huron County

Problem – As previously noted, Tuscola County's financial situation over the last several years has been challenging. Tuscola County has always taken a proactive approach to service cost sharing and delivery as a potential method of cost reduction. Tuscola County officials maintain an awareness of changes occurring in surrounding units of government and always encourage review of joint service provision when the opportunity arises. Through the media and the Tuscola County Equalization Director, it was discovered that the Huron County Equalization Director was resigning.

Solution – Discussion with county officials from both counties was conducted to explore the feasibility of entering into an agreement to share Equalization Director services. Huron County needed a Level III Equalization Director. The Tuscola County Equalization Director has this level of certification. Officials from the two counties met and it was determined that sharing one director would be financially advantageous to both counties. Under the current intergovernmental agreement, Tuscola is now receiving approximately \$36,000 from Huron County as their share of costs for the Equalization Director (Intergovernmental Agreement is available).

Example 5 – Tuscola County Equalization Department Providing Assessing Services to the City of Caro

Problem – When the Village of Caro changed status from a Village to a City in 2009, they became responsible for conducting property assessing. The new City had to find a method of conducting property assessments.

Solution – The City officials began reviewing alternative methods of conducting property assessing. The County Equalization Department is certified and capable of performing assessing functions. After reviewing benefits and costs of various alternatives, the City officials decided to enter into an intergovernmental agreement for the County Equalization department to perform this assessing function. Although a staff person had to be added to the Equalization Department, the County still nets a profit from doing the assessing functions for the City with an estimated \$20,000 per year (Intergovernmental Agreement is available).

Example 6 – Recycling of Old Tires as a Joint Effort with Local Government

Problem – Tuscola County, like many other places throughout the country, have tires spread about the countryside which are not only unsightly but are also breeding grounds for mosquitoes. Many public complaints were heard regarding the problems with tires that needed to be recycled.

Solution – In order to solve this problem, county officials developed an innovative program in 2010 to recycle tires. This program is a shining example of governments working together in the interests of the public to solve a problem. The program increases tire collection by the county making recycling trailers available to local governments. The county finances the program using Mosquito Abatement funds available from the public approved Mosquito Abatement millage. This program was highly successful in 2010 with eight local units of government participating. It is estimated that over 6,400 tires were recycled. This is an estimated 192,000 pounds or 96 tons of rubber (Intergovernmental Agreement is available).

Example 7 – Contracting with the Private Sector to Provide “Turnkey” Computer-Technology System Support

Problem – In January of 2011, the County Information Technology (IT) Director resigned. The IT department provided computer and related technical support to almost all county departments. This work was being done by a department with only 2.5 staff members including the director. One of the difficulties of a small staff was the inability to keep-up with demands for computer/printer repair and replacement along with administrative functions such as budgeting and interacting with hardware/software vendors.

Solution – County officials decided that it would be advantages to contract with a private computer service company to provide “Turnkey” support. After review of several alternative approaches, it was decided that support from Zimco, which is a private computer company, would be more effective than rehiring a director. Many departments have expressed appreciation for this change because response time in providing support has improved. A summary of the reasons for this change is as follows (County-Zimco Agreement is Available):

- Logical expansion of the existing role of Zimco in the county
- No increase in IT budget
- Zimco has contract management agreements with other governmental entities
- Zimco knows county computer system architecture
- Zimco has multiple staff with areas of expertise and specialization
- Ability to interface with software companies
- Ability to interface with department heads
- Contracting Zimco avoids the delay of hiring a director and delay in project work including the relocation of many departments

Example 8 – Cost Reduction through Sharing Health Department Director and other Positions with Huron County

Problem – The Tuscola County Health Department has experienced state and county cuts over the last several years. Tuscola and Huron County officials were pro-active in finding methods of adapting to this financial situation. As previously noted, Tuscola County's financial situation over the last several years has been challenging.

Solution – Discussion with county officials from both counties was conducted to explore the feasibility of entering into an agreement to share Health Department Director services. Currently, the Tuscola County Health officer serves both counties. This intergovernmental service arrangement has been highly successful for many years. (Intergovernmental Agreement is available).

Example 9 – State/County Partnership - Lease Agreement with the Department of Human Services

Problem – The State of Michigan Department of Human Services had a 20 year lease for the use of a county building that expired in 2008. The county was considering the use of the leased building to solve their own office space issues. If the county had chosen to use this building, the state would have been without a facility to house the Human Services operation.

Solution – After extensive review of county space needs and alternative solutions, it was decided that the building housing the State of Michigan Department of Human Services should continue to be used by the State. County officials conducted in-depth discussions with the state to renegotiate the lease. The bond payments for building construction costs were paid off in 2003. The state wanted to remodel and upgrade the building. Costs for the remodeling were approximately \$300,000. The county agreed to pay for the remodeling from the county capital improvement fund. The state agreed to enter into a 20-year lease with annual lease payments of \$267,500 for the first five years of the lease. Inflationary increases are also built into the lease. The county remodeling costs for the building were recovered in just over one year. The county now receives an annual lease revenue payment from the state of \$267,500. This lease has been tremendously helpful in supporting general fund operations. Without this new vital source of revenue, county cost reductions over the past several years would have been greater. This is a good example of state and county government working together to create a winning combination.

Example 10 - Leveraging Federal Funding to Strengthen County Services

Problem – With limited county funding capabilities, it has been difficult to advance initiatives.

Solution – The County has taken an aggressive stance in pursuing federal grant sources of funding to be able to accomplish objectives. Examples of recent successful grants received include:

- **Energy Grant** - Tuscola County, in conjunction with Huron and Sanilac Counties, has received approximately \$490,000 in federal grant funds to make county and local governmental offices more energy efficient. Some of the projects to be implemented with the grant include: installation of solar energy panels at the Municipal Building in Cass City, installation of a wind energy generator at the Municipal Building in the Village of Mayville, street lighting upgrades in the City of Caro, non-motorized transportation planning in the Village of Harbor Beach, County

and Watertown Township lighting, and conducting energy audits throughout the region.

- **Brownfield Redevelopment Grant** - Tuscola County received a \$400,000 Brownfield Redevelopment Grant from the EPA for assessment and potential clean-up of 30 sites that are ready for the next stage of development. A second Brownfield grant was requested for 2010. The objective of the program is to eliminate environmental problems that have occurred at these sites so the land can be properly used.
- **Economic Gardening** - This program assists the growth of promising, emerging small businesses by providing access to a coordinated and comprehensive market information research “infrastructure.” This infrastructure integrates databases provided through local libraries and the State of Michigan’s Electronic Library (MeL). These integrated databases are complemented by value-adding technical assistance. This information provides businesses with market research and competitive intelligence, which in many cases enables them to substantially improve their growth prospects. The success of the 2008 program was influential in the awarding of a second United States Department of Agriculture grant of \$40,000 to continue the program in 2009.
- **Housing Rehabilitation** - Tuscola County has received Community Development Block Grants from the State of Michigan Housing Development Authority for housing rehabilitation for approximately 15 years.
- **Enterprise Facilitation** - Tuscola County has become an economic development leader in the state through implementation of the world renowned Sirolli Program of Enterprise Facilitation www.sirolli.com. The County took action several years ago to begin the process of reversing disconcerting economic trends by working diligently as a partnership of public/private entities and individuals to rebuild the economy through implementation of enterprise facilitation. Tuscola County recognizes that a significant portion of new jobs are created by new and existing local businesses, and that new jobs created by local entities are most likely to remain local in this global economy. Rural Business Enterprise Grant funds were received in the amount of \$75,000.
- **Revolving Loan Fund** - The Tuscola County Economic Development Corporation (EDC) has administered a Revolving Loan Fund designated for Tuscola County projects. This has been an excellent tool for local economic development. The fund serves the financing needs of small businesses and entrepreneurs, and has helped businesses and individuals in all economic segments of the economy and in all geographic areas of the County. The demand for financing of small businesses and local entrepreneurs far exceeds the present capital distribution capabilities of the Tuscola County EDC’s Revolving Loan Fund. The Tuscola County EDC has a need for capital for the Revolving Loan Fund. A grant was approved in 2009 by the Federal Government for \$20,000 to increase the capital available to the Revolving Loan Fund.

- **Domestic Violence Grant** - The Tuscola County Domestic Violence Unit (DVU) was formed in collaboration by the County of Tuscola and the Human Development Commission's Assault Crisis Center. The project was funded in the amount of \$400,000 for two years by an Office of Violence Against Women Community-Defined Solutions grant. A Prosecutor, Investigator and Advocate are co-located in one office to facilitate evidence-based prosecution of domestic violence cases and provide victim-centered advocacy. Project goals include a higher conviction rate, better case tracking, GPS tracking in pre-trial situations, the formation of a Coordinated Community Response Group and the ultimate goal of enhancing the safety of victims and the accountability of offenders.

Other Best Practices

- Sheriff department police service contracts with local units of government
- Fire, police, dispatch and emergency services mutual aid agreements
- County bond rating upgrades
- First Ethanol Plant in the State of Michigan
- Medical Care Facility expansion and renovation
- MSU - Agricultural Experiment Station
- Infrastructure improvements including: Industrial park upgrades, sewer and water systems, airport roads, bridges
- Technological advancement: video arraignment, optical imaging, data workflow imaging systems
- Balanced county budgets and excellence in county financial reporting awards
- Refinancing MCF Bonds
- Financing assistance on infrastructure projects with assistance from the County Board of Public Works
- Wind Energy potentials
- Industrial Park upgrades
- Prescription drug card

Other potential service base consolidations

- 911/Dispatch
- Joint economic development efforts
- Veterans services
- Emergency services
- Review the benefit/cost of combining county central service functions to avoid duplication such as payroll, insurance programs, fringe benefit administration, financial administration

