Reactions to Changes to State-Local Revenue Sharing Under the Economic Vitality Incentive Program: an Oakland County Perspective

Presentation by the Center for Local, State, and Urban Policy (CLOSUP)
for the
Oakland County City Managers' monthly meeting
April 10, 2012

Presentation Outline

- Overview of the Michigan Public Policy Survey (MPPS)
- Summary of findings on initial local government reactions to the EVIP across the state, including a specific look at Oakland County

Michigan Public Policy Survey: Overview

- **A Census Survey**
  - Targeted respondents are the chief elected and chief appointed official in every single Michigan county, city, township, and village
  - Conducted twice per year
  - Administered both online and via hardcopy questionnaire
  - 60-70% response rate by jurisdiction… 72% in Fall 2011!
  - Survey content developed in close partnership with MML, MTA, and MAC, and Advisory Committees of topic experts

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

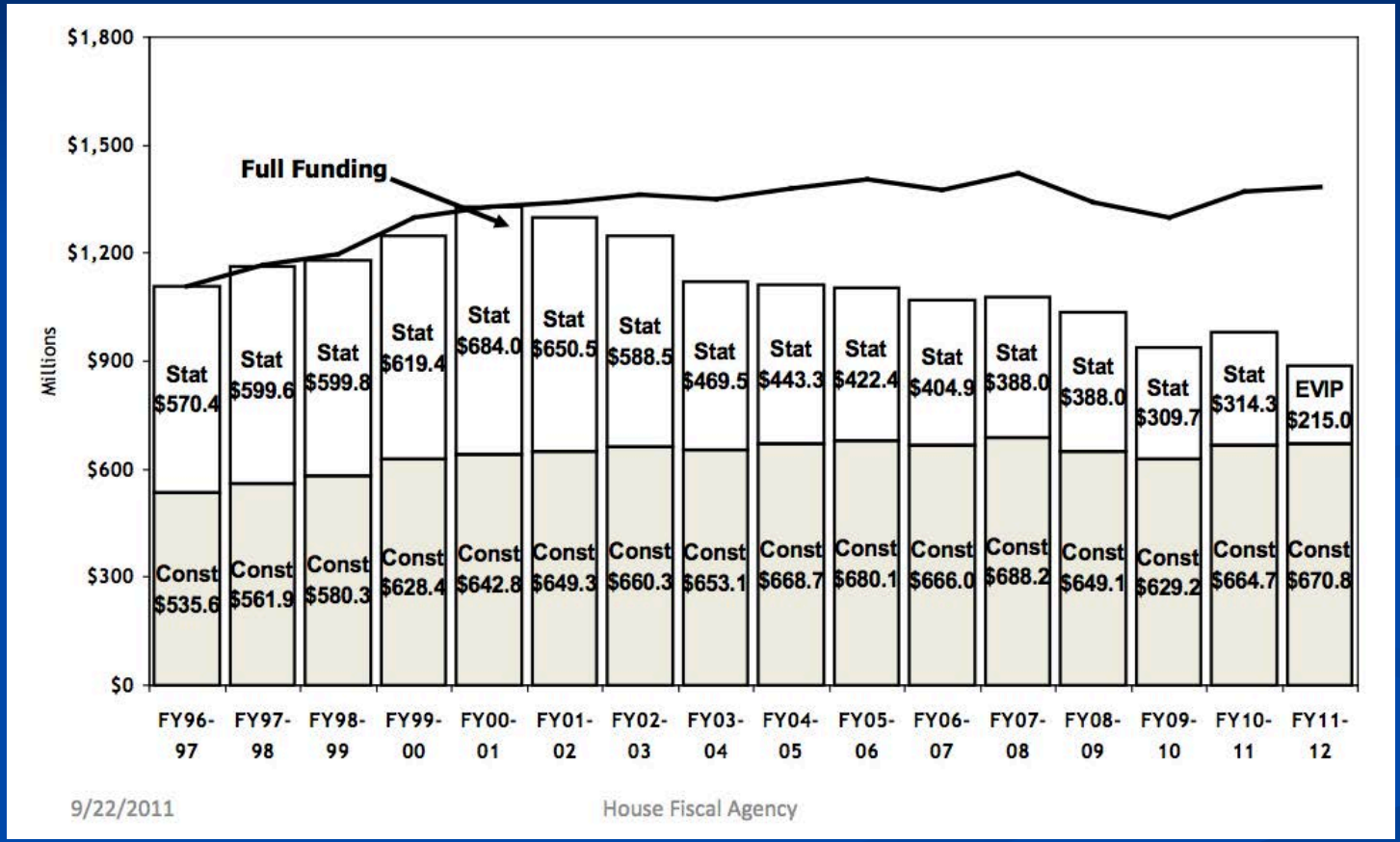
Michigan Public Policy Survey: Overview

- **Goals for the Survey Program**
  - Fill the critical information gap about challenges and opportunities at the local level.
  - Provide information to local leaders about peers across the state, spread best practices and grass-roots innovative solutions.
  - Provide a voice for local-level concerns to policymakers in Lansing, foundations, community organizations, etc.
  - Build a longitudinal data archive to allow tracking of fundamental changes.

Presentation Outline

- Overview of the Michigan Public Policy Survey (MPPS)
- Summary of findings on initial local government reactions to the EVIP across the state, including a specific look at Oakland County

Total Constitutional and Statutory/EVIP Revenue Sharing Payments to Local Jurisdictions Statewide



Overview of the EVIP

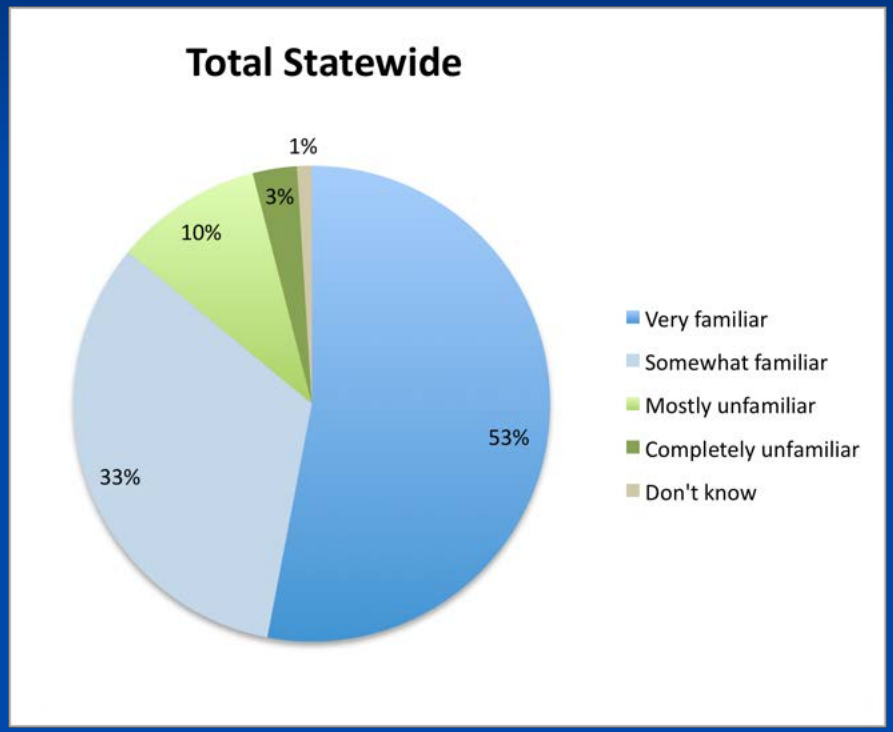
- **Program Goal: to incentivize local government policy change to "best practices" in three categories:**
  1. Accountability and Transparency
  2. Intergovernmental Cooperation
  3. Employee Compensation

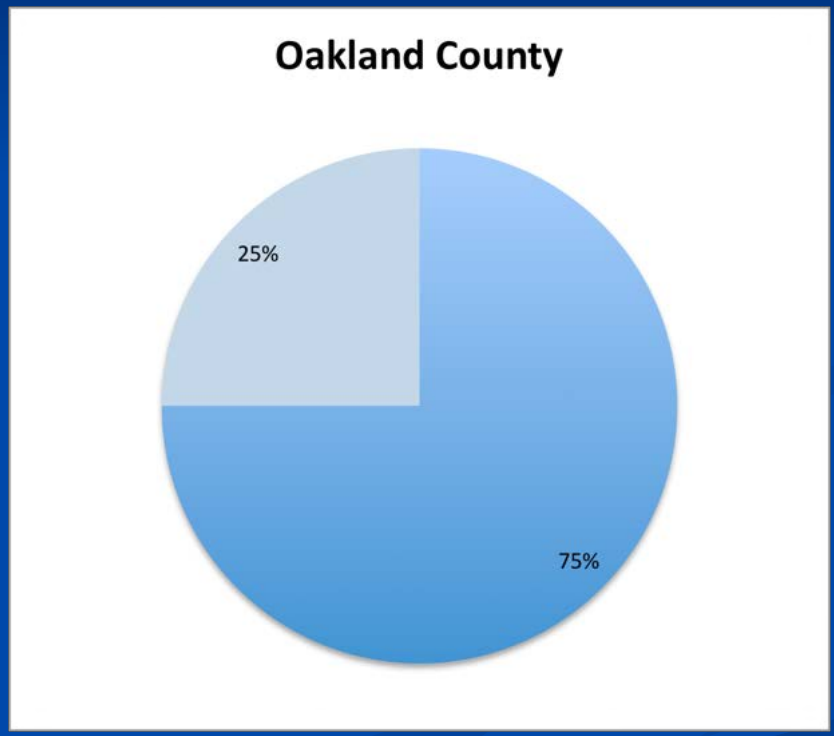
- **Who is eligible for the EVIP?**
  - 486 jurisdictions
  - Those that received greater than $4,500 in statutory revenue sharing in fiscal year 2009-10

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

MPPS Fall 2011 Wave findings:

Slim majority of local leaders are very familiar with EVIP, but many are not well informed





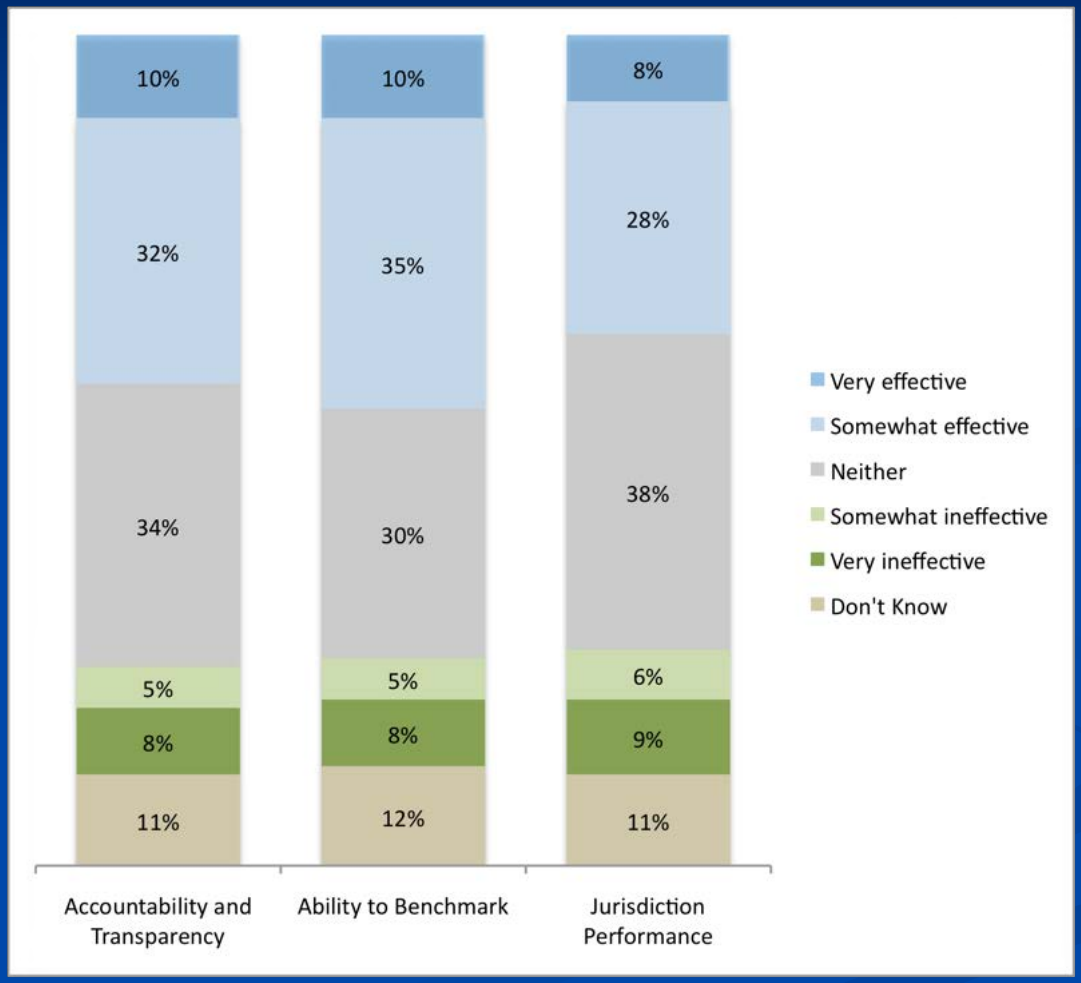
(among eligible jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

EVIP Category 1: Accountability and Transparency

MPPS Fall 2011 Wave findings:

A core of local officials believe strongly in dashboards, but most have doubts about efficacy

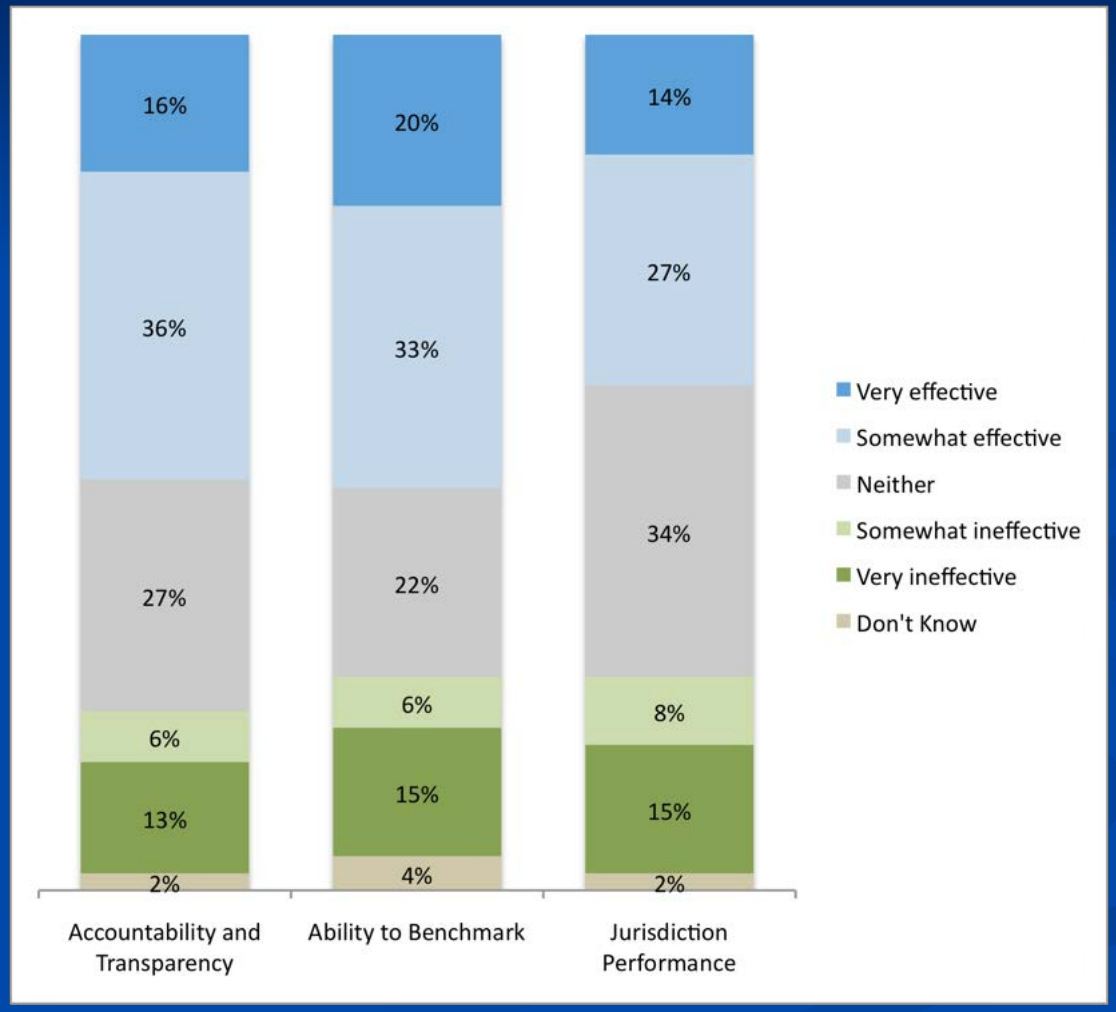


(among all jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

MPPS Fall 2011 Wave findings:

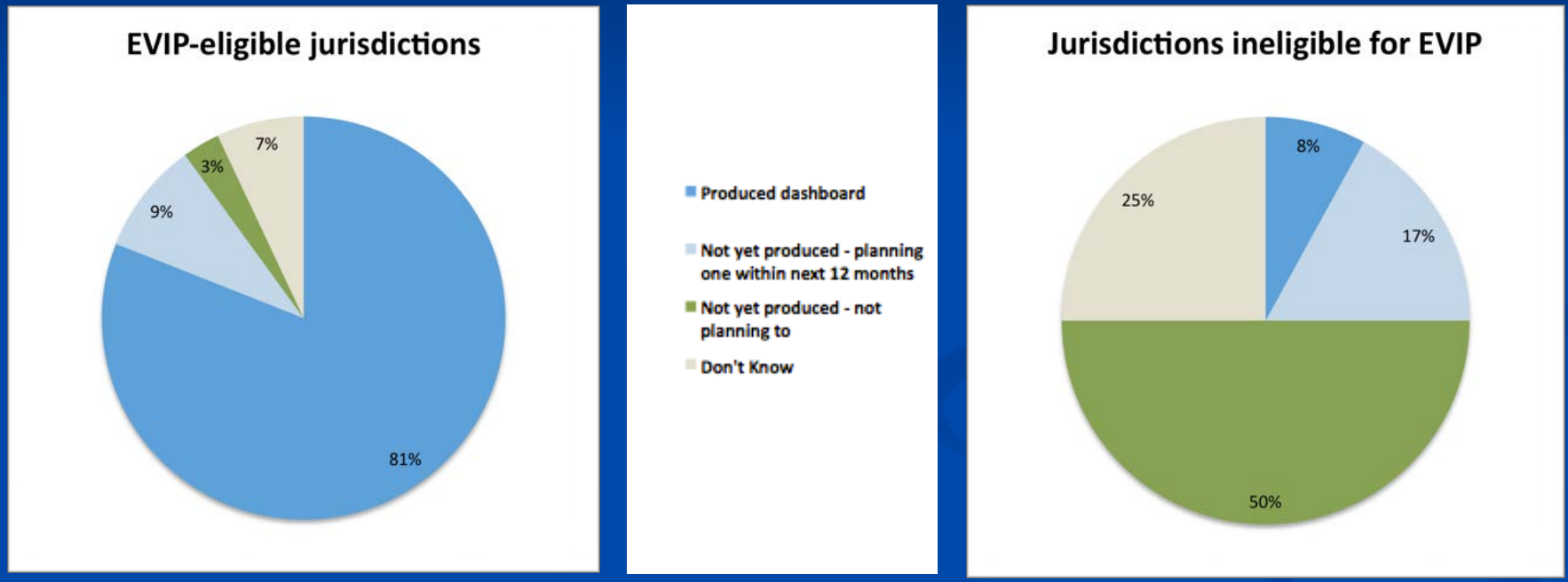
Oakland officials only slightly more enthusiastic about dashboards



(among Oakland jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

Most EVIP jurisdictions created dashboards, few ineligible jurisdictions have or plan to



(among all jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

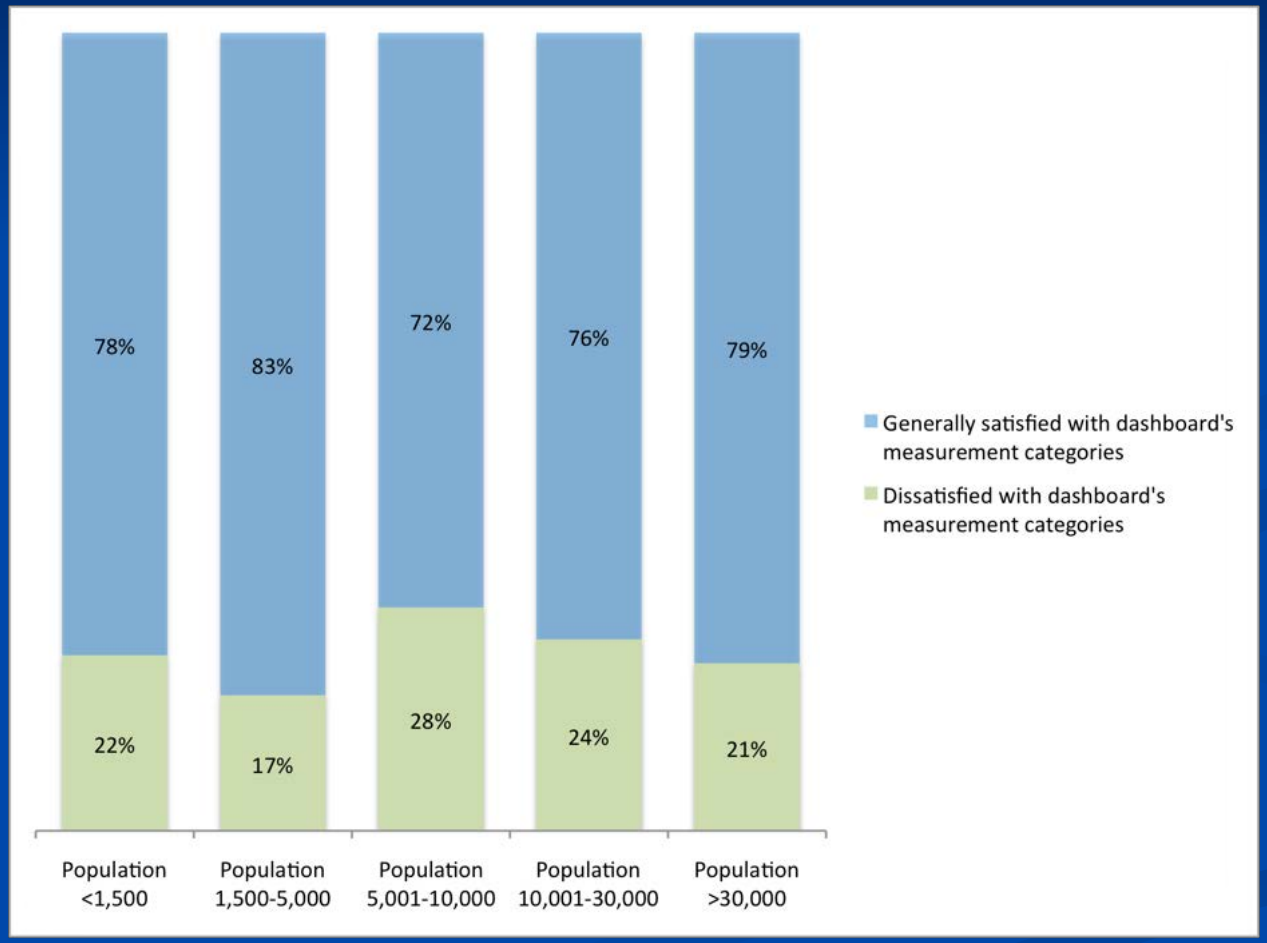
MPPS Fall 2011 Wave findings:

As an incentive program, the EVIP seems to be working

	Among EVIP-eligible jurisdictions	Among those not EVIP-eligible
Official says dashboard would be very ***effective***	**90%** produced a dashboard	**15%** produced a dashboard
Official says dashboard would be very ***ineffective***	**81%** produced a dashboard	**8%** produced a dashboard

MPPS Fall 2011 Wave findings:

Some jurisdictions concerned about the dashboard measures they're using



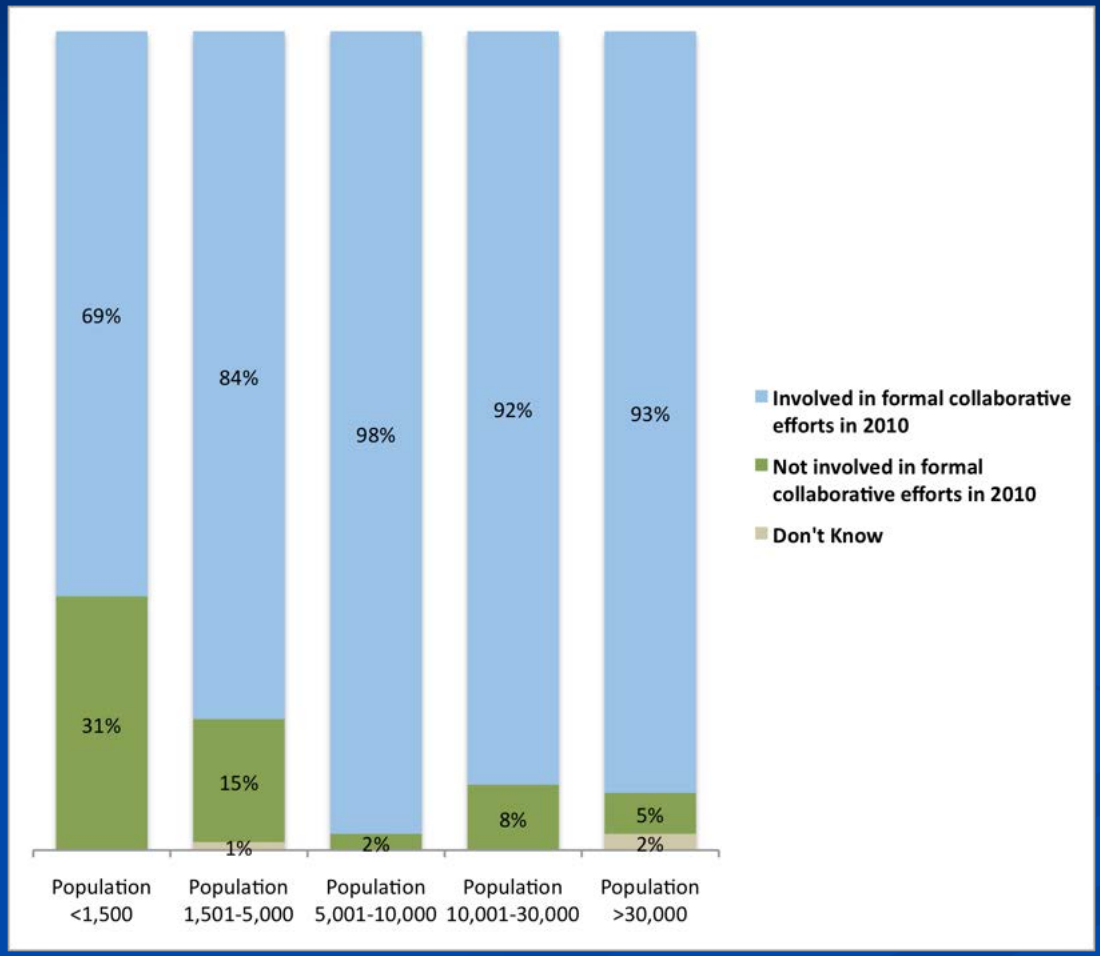
(among <u>all</u> jurisdictions with dashboards)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

EVIP Category 2: Consolidation of Services

MPPS Fall 2010 Wave findings:

81% of EVIP-eligible jurisdictions were already engaged in collaboration

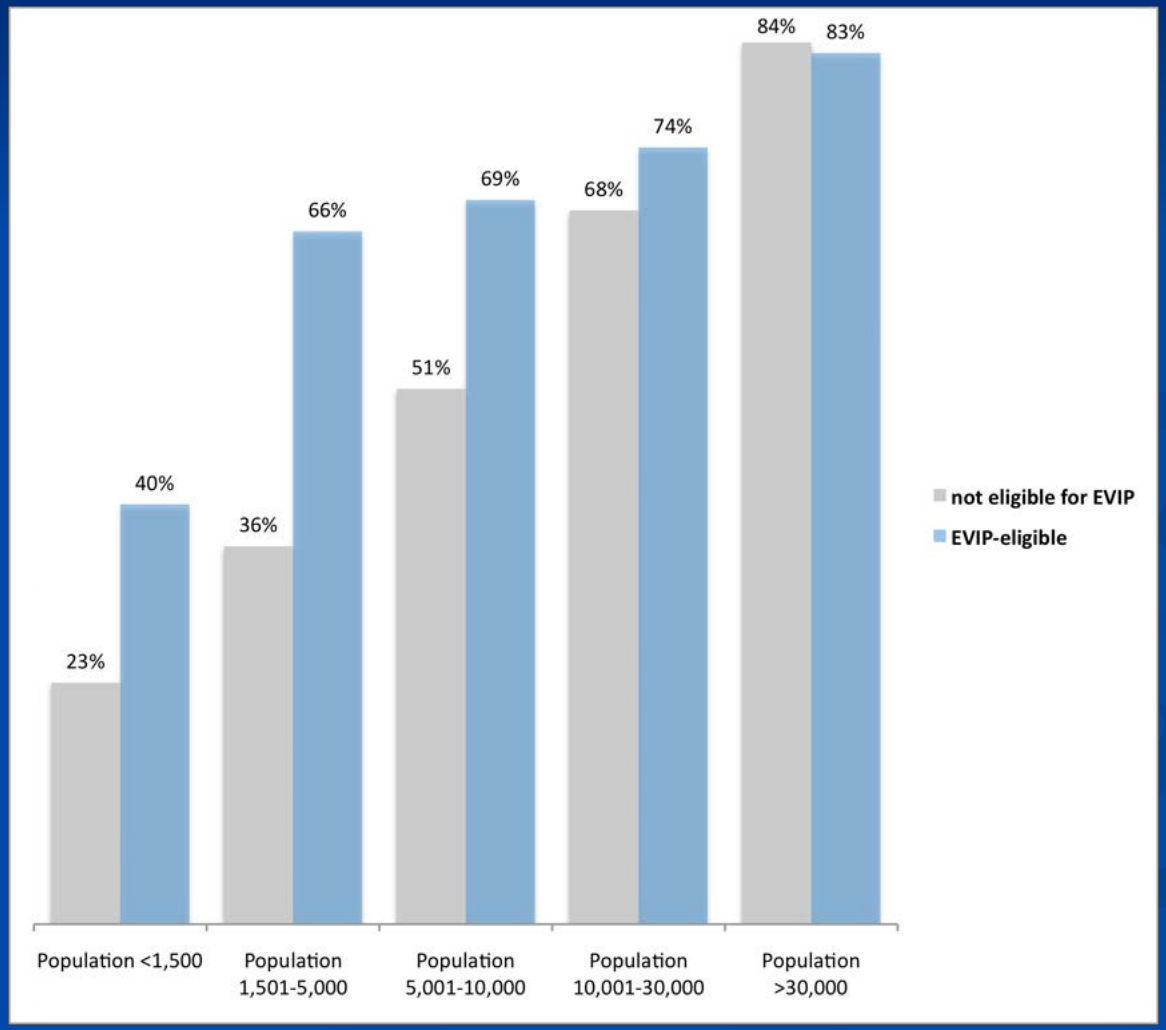


(among eligible jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

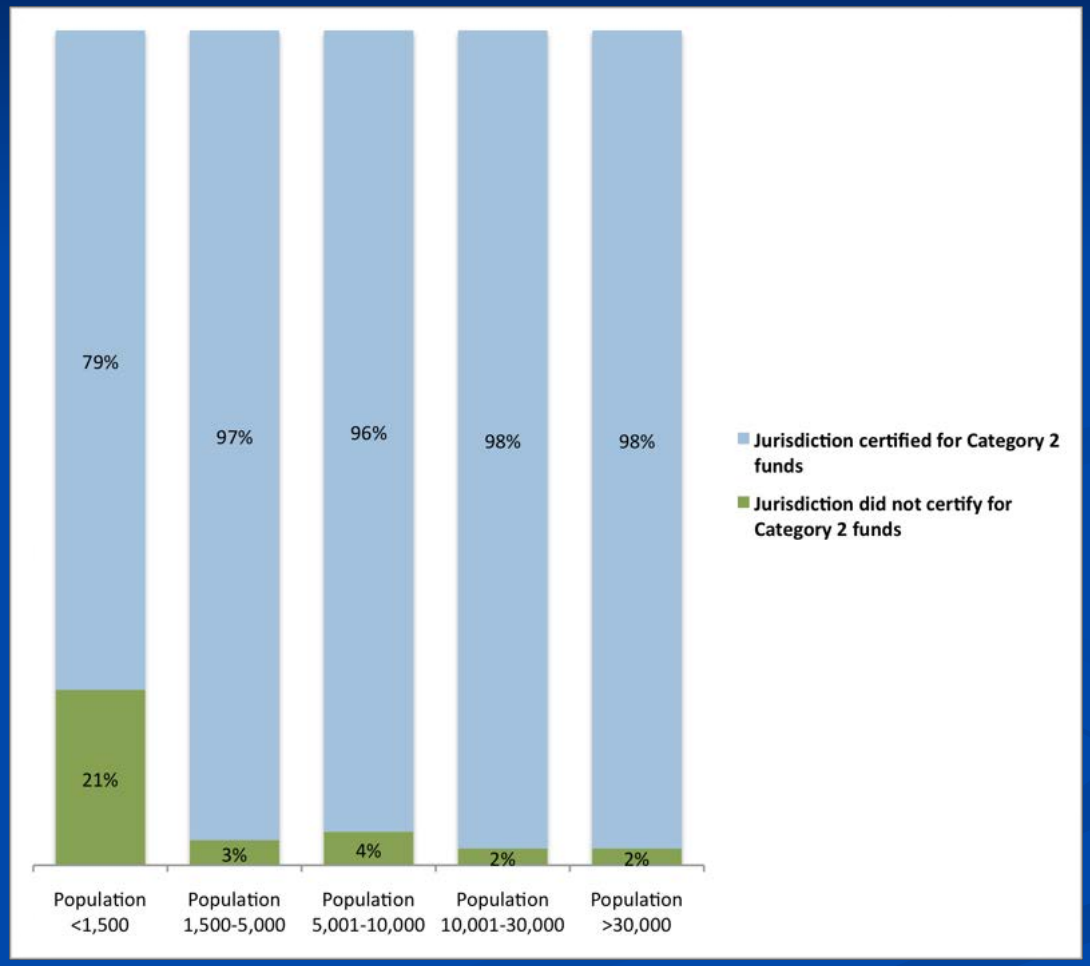
MPPS Fall 2010 Wave findings:

Most EVIP-eligible jurisdictions were also pursuing *new* collaboration in 2010



CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

91% of EVIP-eligible jurisdictions certified for Category 2 EVIP funds



(among eligible jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

Jurisdictions that "flipped" were eligible for more Category 2 EVIP funds

	Non-collaborating jurisdictions that "flipped" in 2012	Non-collaborating jurisdictions that did not "flip" to start collaborating in 2012
Average EVIP funds jurisdiction received/would have received	$4,995	$1,964

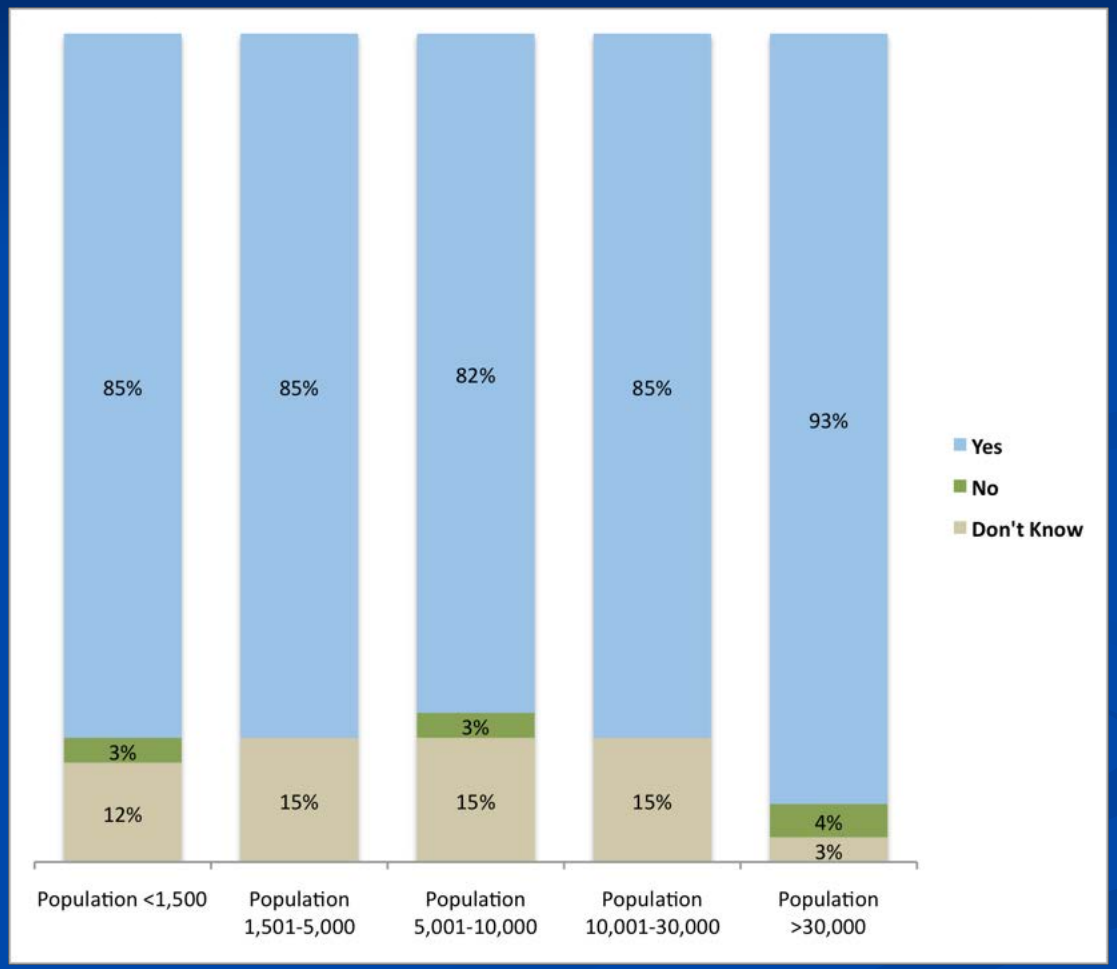
(among eligible jurisdictions that were not planning collaboration)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

EVIP Category 3: Employee Compensation

MPPS Fall 2011 Wave findings:

85% of EVIP-eligible jurisdictions plan to comply regarding changes to employee compensation

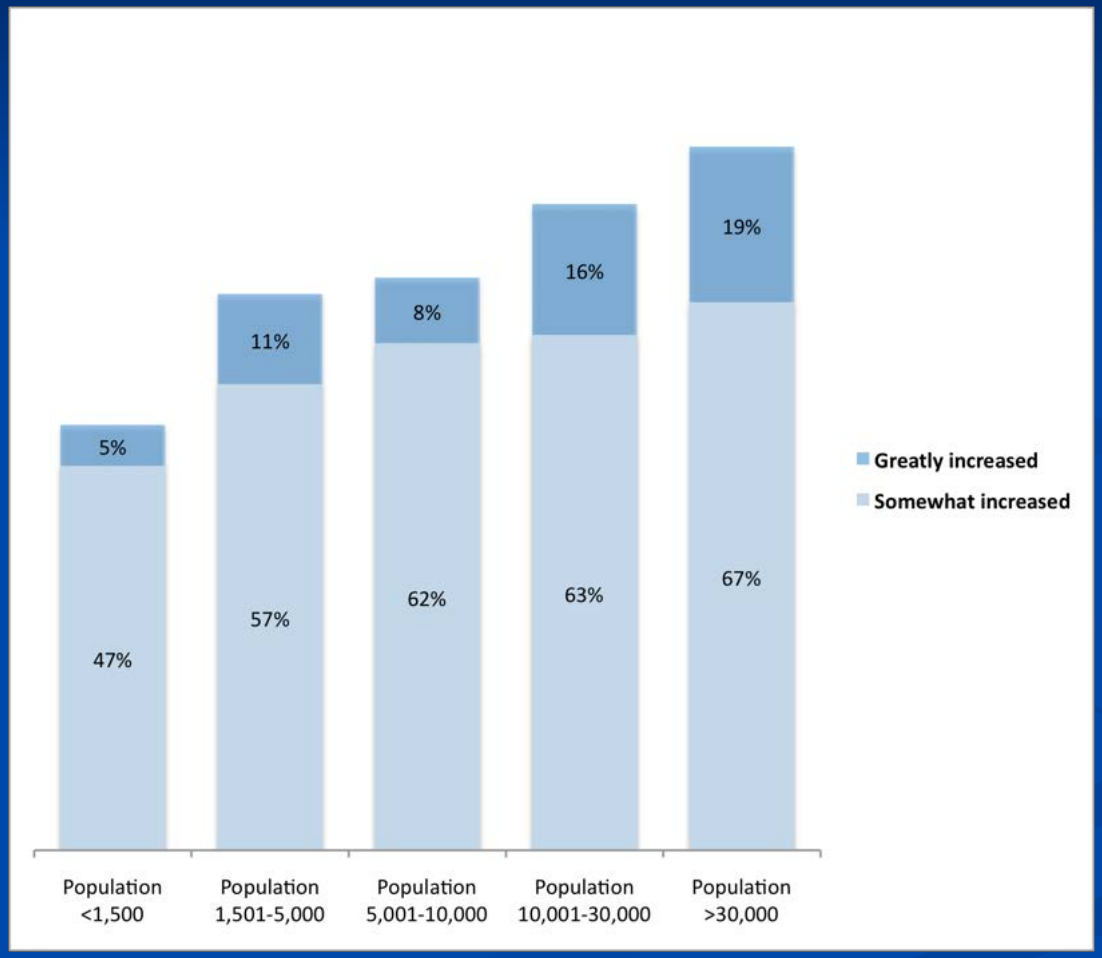


(among eligible jurisdictions)

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

MPPS Spring 2011 Wave findings:

66% of EVIP-eligible jurisdictions were already planning increases in employee health care contributions



(among EVIP eligible jurisdictions that offer pension benefits)

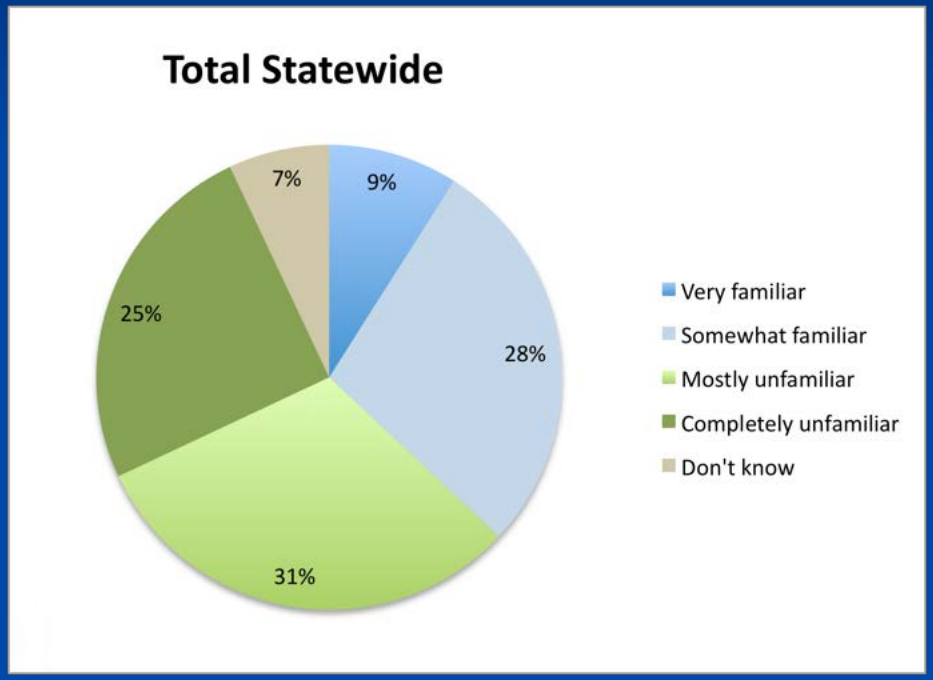
CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

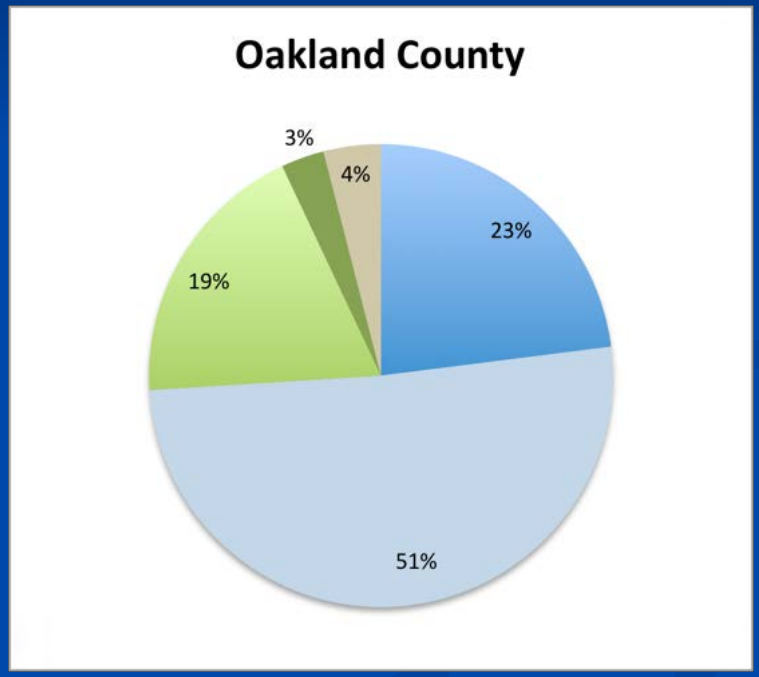
EVIP Grant Funding for Supporting Collaboration

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

MPPS Fall 2011 Wave findings:

Only small proportion of state's jurisdictions familiar with grant program for collaboration

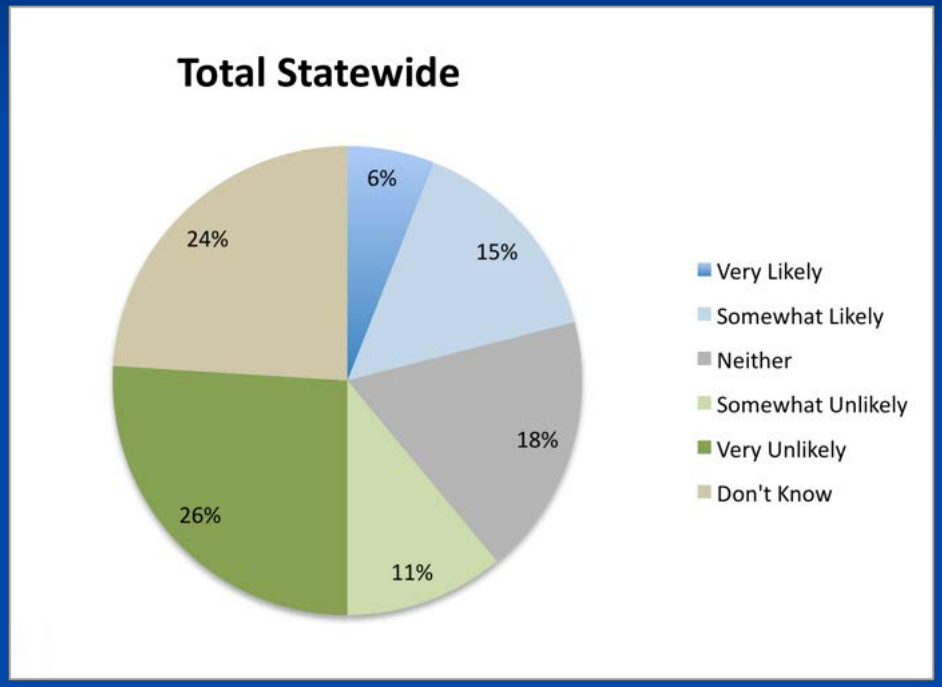


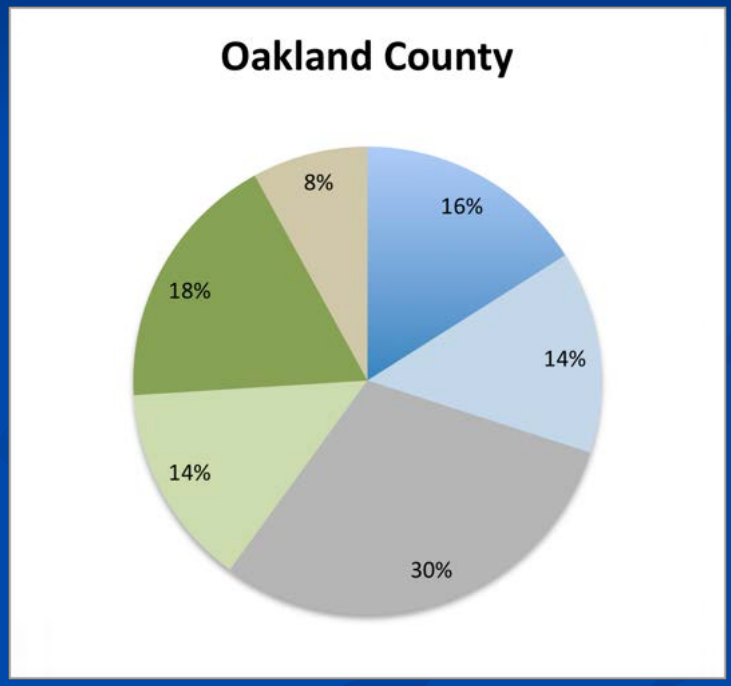


CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

MPPS Fall 2011 Wave findings:

Few officials say their jurisdictions are likely to apply for EVIP grants





CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

Key Findings from MPPS Fall 2011 EVIP data

- Understanding of Michigan's EVIP policy innovation is uneven among local leaders across the state.
- A core group of local officials believe strongly in efficacy of dashboards, but many are skeptical.
- Many jurisdictions were already pursuing collaboration and changes to employee compensation.
- Nevertheless, eligible local jurisdictions are complying with EVIP requirements in order to receive funding.

Current and future MPPS survey content

- Types of questionnaire items? Other survey topics?
- Targeted to specific jurisdiction types? (counties only? counties and cities?)
  - How should MPPS data and reports be analyzed and disseminated?

Contact us at: closup-mpps@umich.edu

CLOSUP
Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

Reactions to Changes to State-Local Revenue Sharing Under the Economic Vitality Incentive Program: an Oakland County Perspective

http://www.closup.umich.edu