

Performance Management among Michigan Local Governments:

Preliminary findings from the Fall 2017
Michigan Public Policy Survey (MPPS)

February 14, 2018

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Presentation for PubPol 587, Winter '18

Presentation Outline

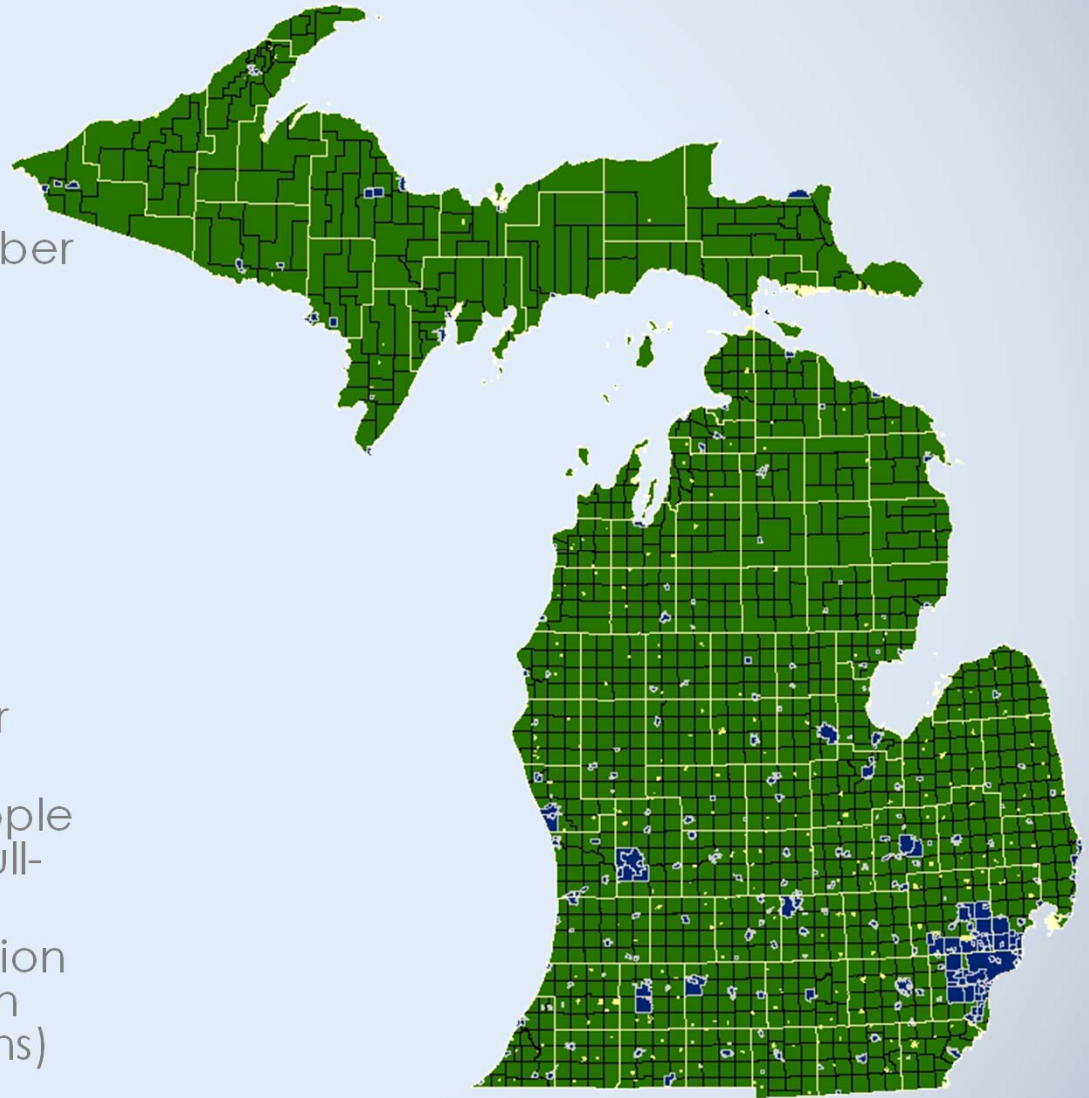
- Overview of the Michigan Public Policy Survey (MPPS)
- Brief review of recent state-level performance measurement push
- Findings on local government officials' views on their jurisdictions' current performance management efforts, including:
 - ✓ Who uses data and the scope of their efforts
 - ✓ Who is responsible for and who supports performance mgmt.
 - ✓ Views on effectiveness and problems
 - ✓ Overall assessments of whether performance mgmt. is worthwhile

Background: The MPPS

- **Overview** – funded internally; partner with local government associations; primary mission is service to the state and its communities
- **A census survey** – all 1,856 Michigan counties, cities, villages, and townships. Response rates 70%+
- **Respondents** – chief elected and appointed officials
- **Administered** – online and via hardcopy
- **Topics** – wide range, such as fiscal health, budget priorities, roads, public safety, economic development, intergovernmental cooperation, service privatization, employee policies, labor unions, environmental sustainability, Great Lakes, citizen engagement, much more.

Background: MI Local Governments

- **Michigan ranks 7th** in the number of general purpose local governments (1,856):
 - 83 counties
 - 280 cities
 - 253 villages
 - 1,240 townships
- **These governments:**
 - spend about \$26 billion per year
 - employ about 150,000 people (although only 50% have full-time employees)
 - hold approximately \$45 billion in debt (and billions more in unfunded retiree obligations)



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Background: MI Performance Mgmt.

Governor Rick Snyder and “EVIP”:



- FY 2011-12: statutory revenue sharing replaced with the **Economic Vitality Incentive Program** (EVIP)
- To get revenue sharing, must adopt EVIP approach
- Three “buckets” with one—the creation of **performance dashboards**— incentivizing performance measurement (and subsequently management)

Background: MI Performance Mgmt.

Example: Grand Rapids' 2017 Performance Dashboard

Fiscal Stability			
	2015	2016	Progress
Annual general fund expenditures per capita	\$553	\$573	↑
Fund balance as a percent of annual general fund expenditures	14.1%	20.0%	↑
Unfunded other post employment benefits (OPEB) liability as a percent of annual general fund revenue	116%	93%	↓
Debt burden per capita	\$695	\$1,437	↑
Percentage of road funding provided by the general fund	0.0%	0.0%	→
Ratio of pensioners to employees	0.68	63.52	↑
Number of services delivered via cooperative venture	96	96	→
General Fund Revenue Per Capita	576.88	617.83	↑
Total Governmental Revenue per Capita	\$1,054.00	\$1,105.52	↑
Public Safety Expenditures (% of General Fund Budget)	67%	58%	↓
Total Governmental Expenditures per Capita	\$1,112.07	\$1,148.12	↑
Pension & OPEB % Funded	78%	74%	↓
Bond rating (Standard & Poor's)	AA	AA	→

Economic Strength			
	2015	2016	Progress
Percent of community with access to high speed broadband	100%	100%	→
Percent of community age 25+ with a Bachelor Degree or higher	31%	32%	↑
Average age of critical infrastructure (years)	50.0	51.0	↑

Quality of Life			
	2015	2016	Progress
Miles of sidewalks and non-motorized trails per mile of local roads	3.0	2.0	↓
Percent of general fund budget committed to arts, culture and recreation <i>Notes: 2016: subsidies to parks MOE+special events/GOF budget 2015: Parks MOE + Special Events</i>	5%	4%	↓
Acres of park per thousand residents	8.1	8.1	→
Percent of community with curbside recycling	100%	100%	→

Public Safety			
	2015	2016	Progress
Violent crimes per thousand	8.3	7.6	↓
Property crimes per thousand	30	30	↓
Traffic injuries or fatalities	11	10	↓

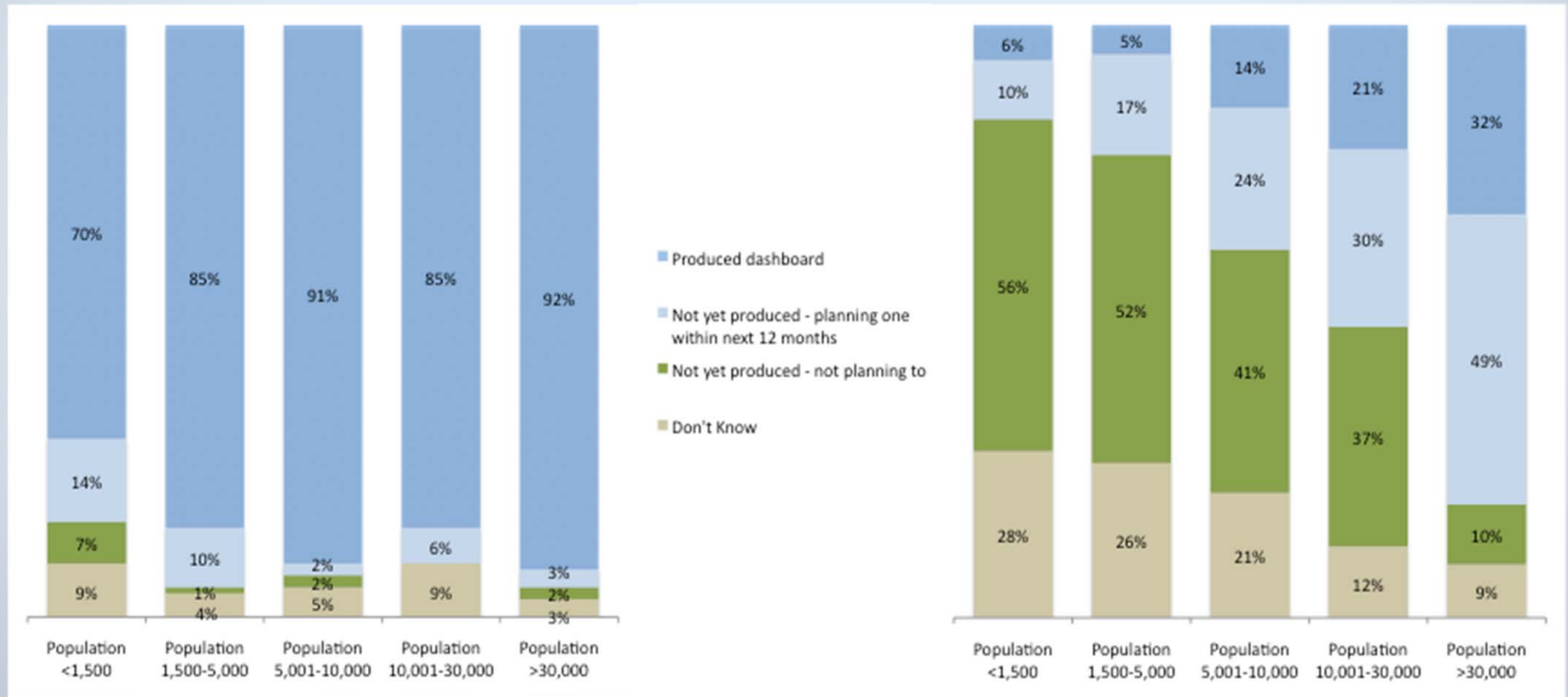
- ↓ Trend is down, performance improving ↑ Trend is up, performance improving
- ↓ Trend is down, performance declining ↑ Trend is up, performance declining
- Trend is down, performance neutral → Trend is up, performance neutral
- Trend is neutral, performance neutral * 1.0% threshold is allowed

Background: MI Performance Mgmt.

Local jurisdictions' creation of dashboards in 2011

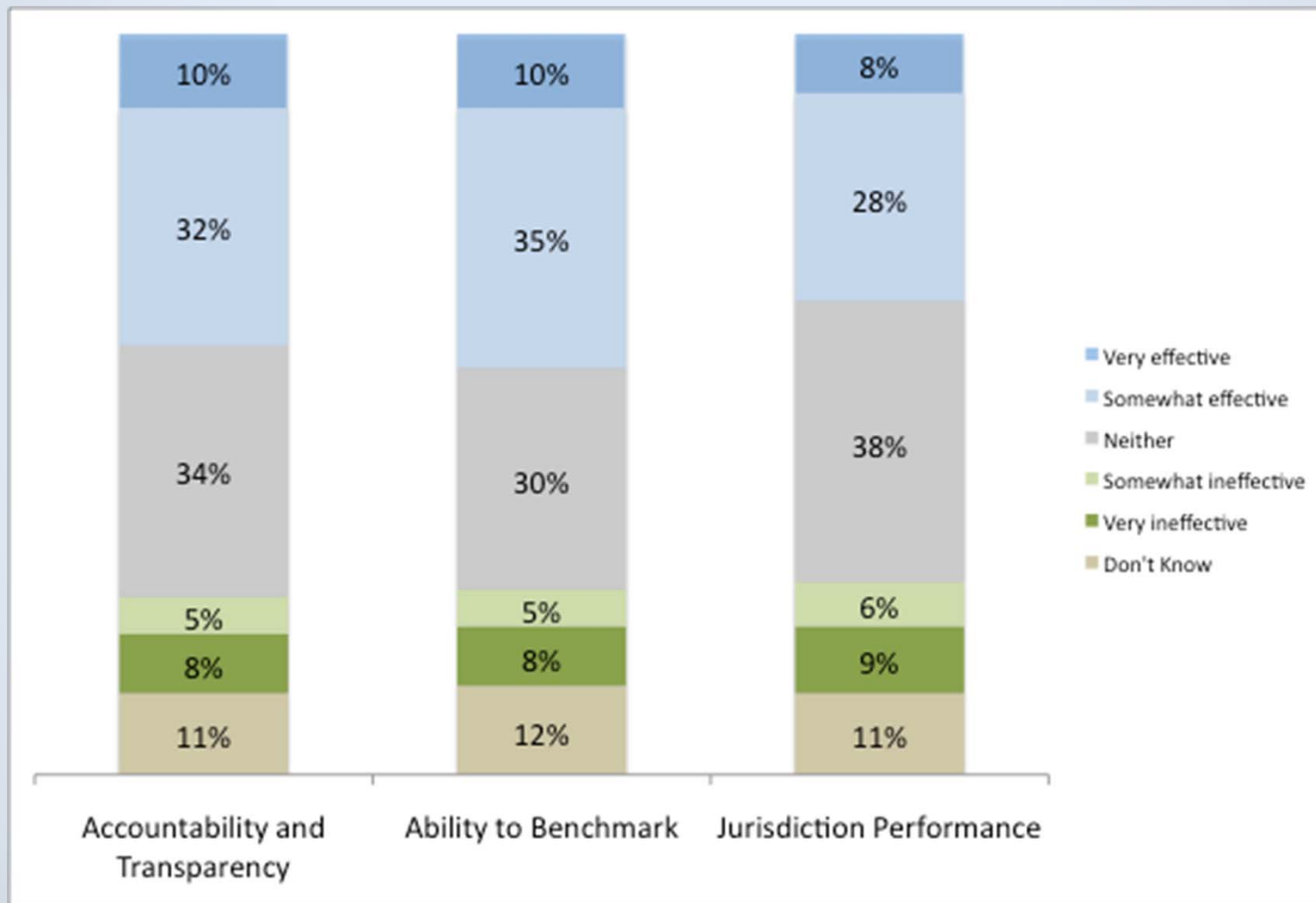
Among revenue eligible jurisdictions:

Among ineligible jurisdictions:



Background: MI Performance Mgmt.

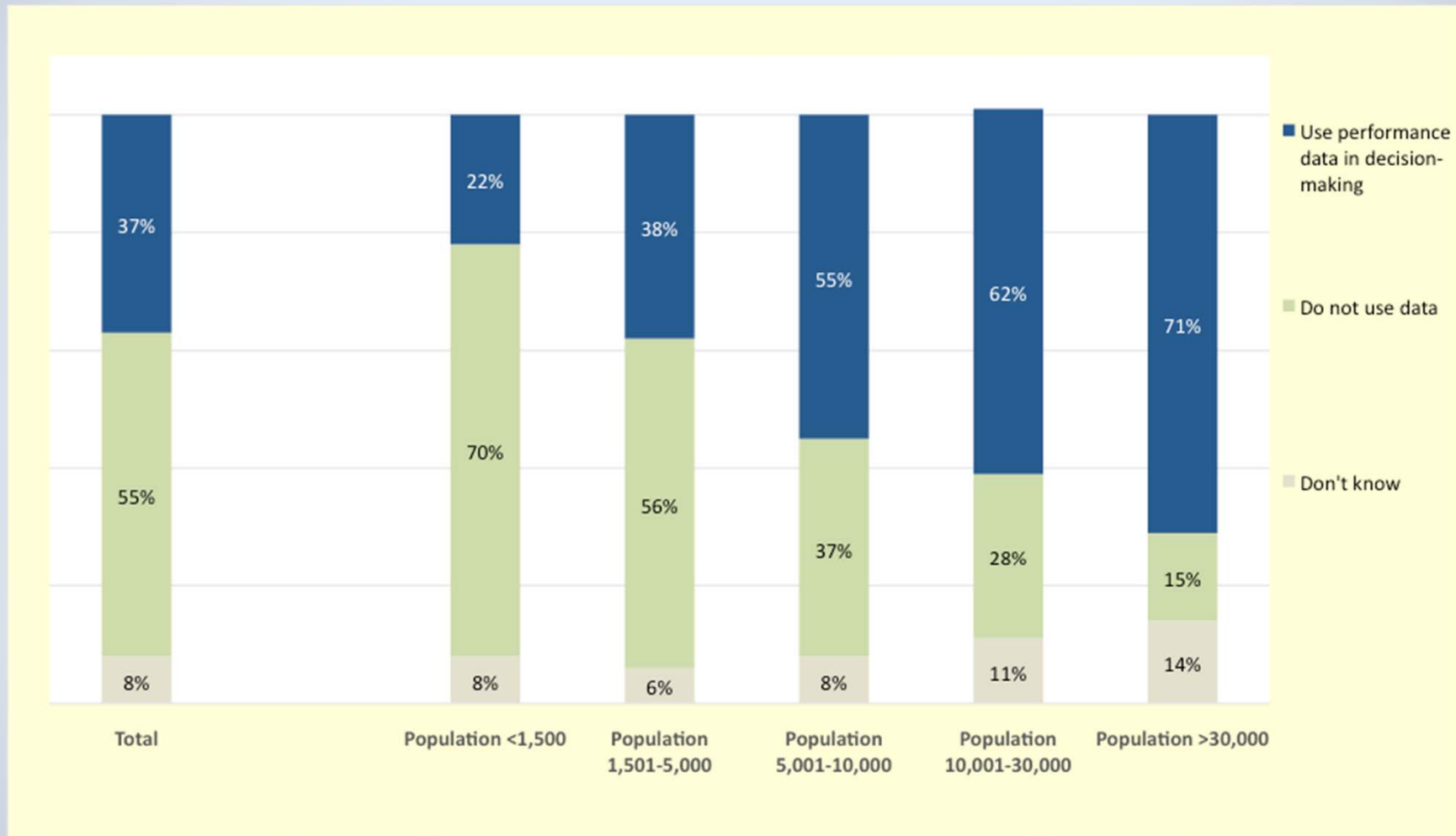
Local leaders' assessments of EVIP dashboards in 2011



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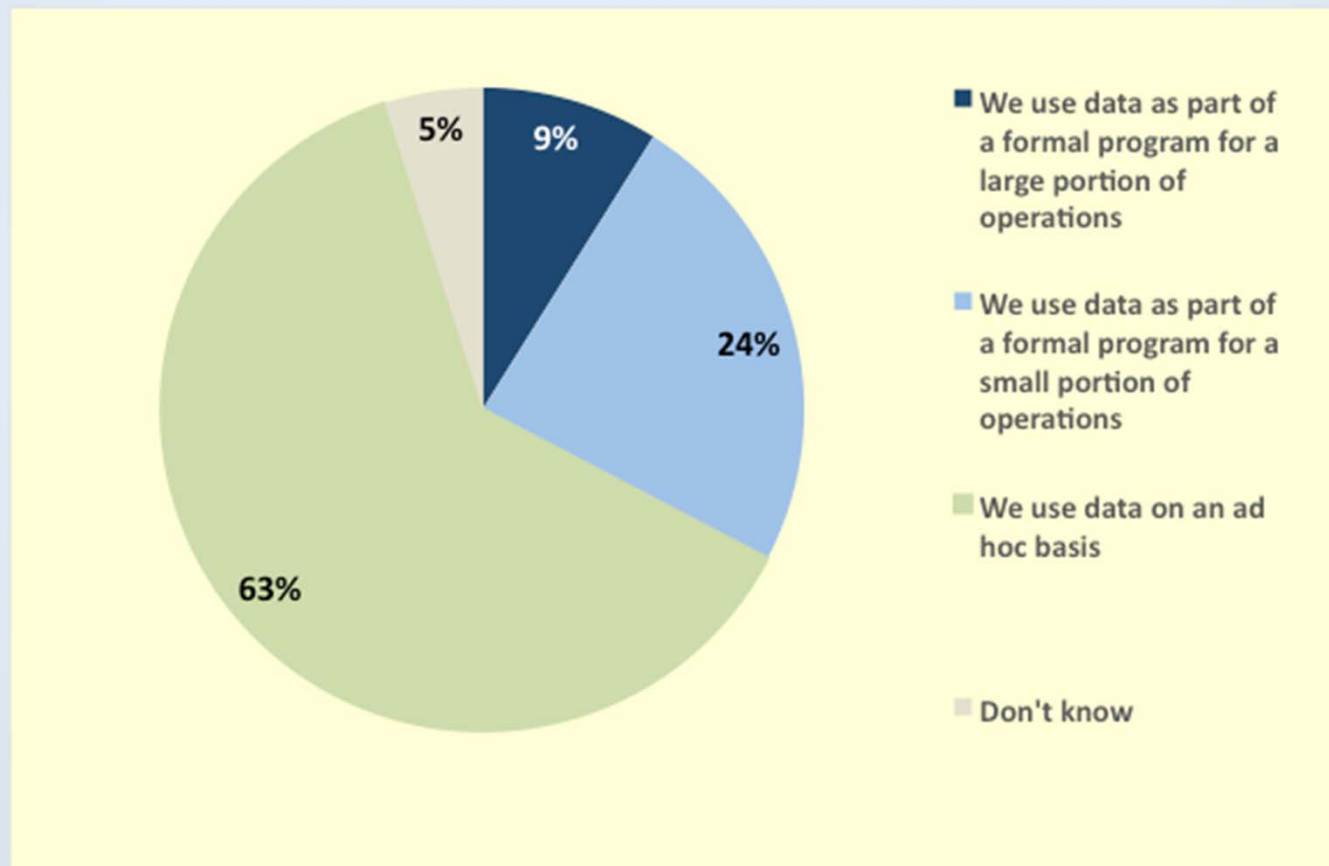
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Which Michigan local governments use data?



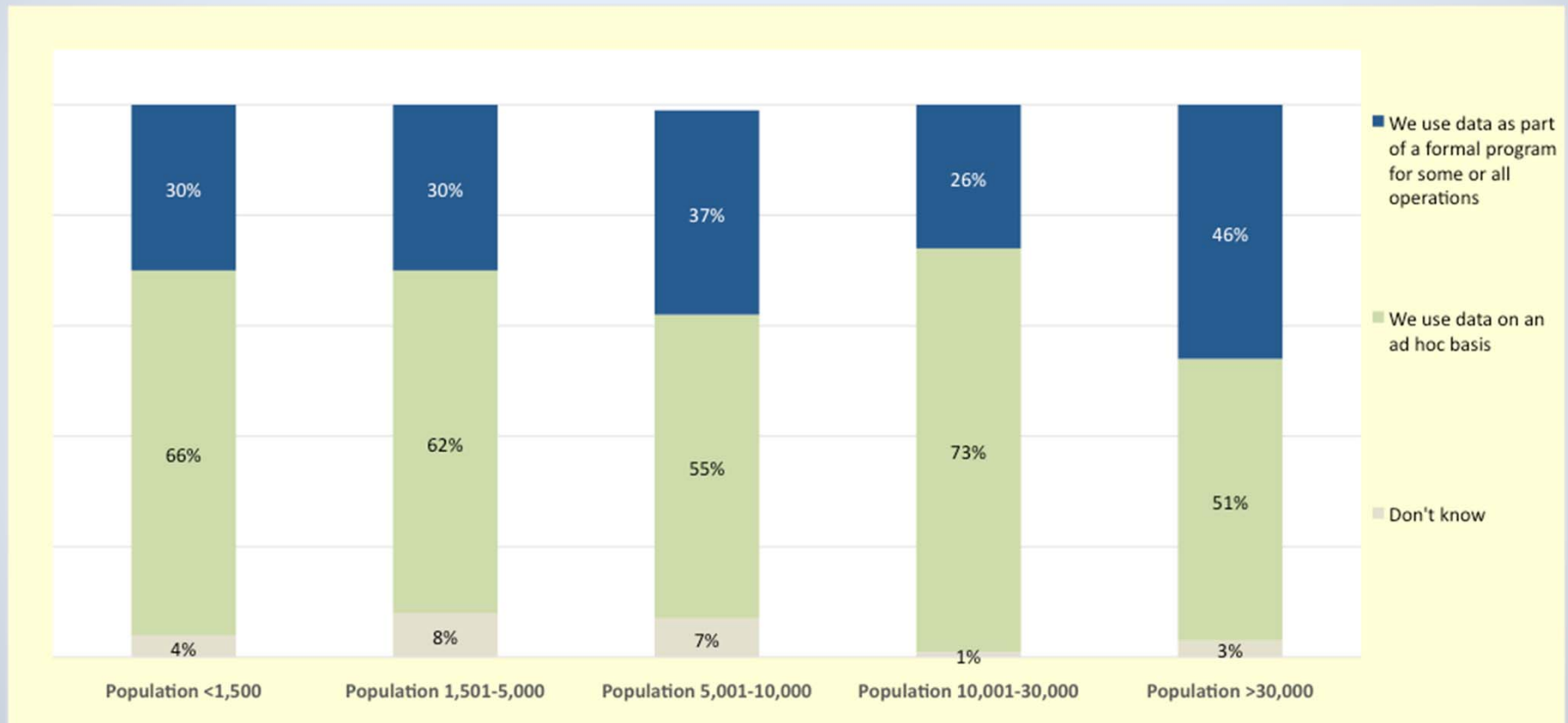
How do Michigan local governments use data?

Which of the following approaches best describes your jurisdiction's **use of the performance data it collects**?



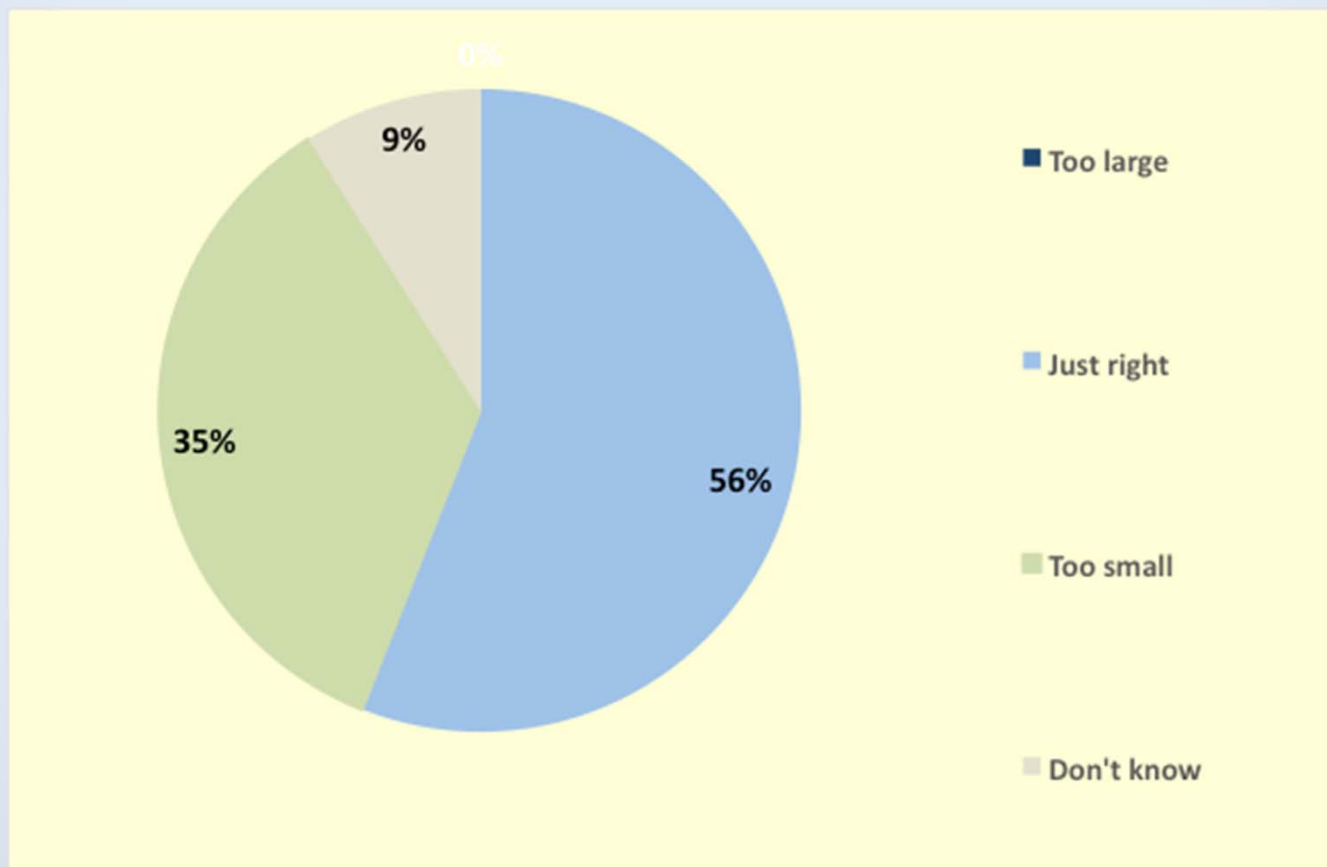
How do Michigan local governments use data?

Which of the following approaches best describes your jurisdiction's **use of the performance data it collects?**



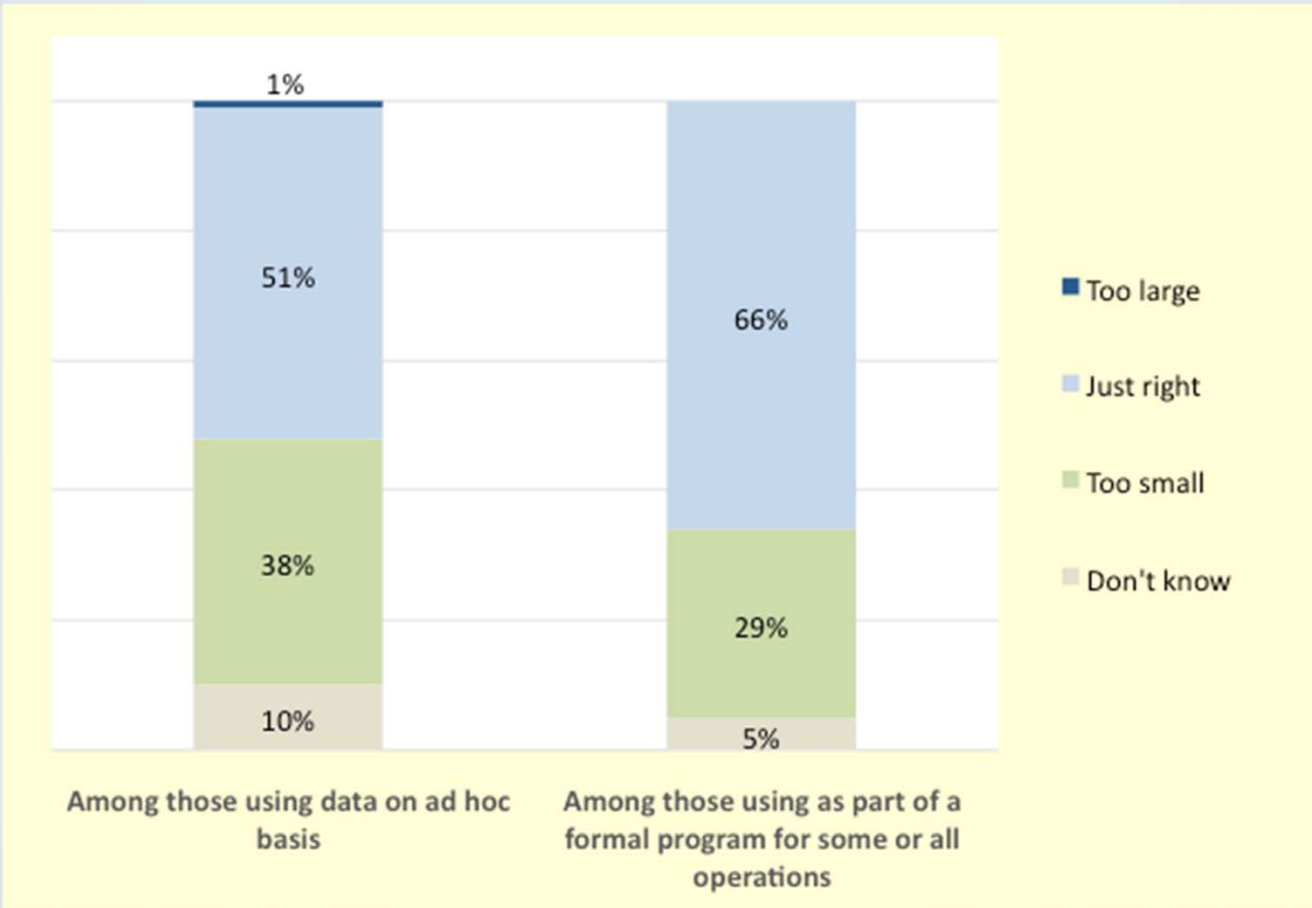
Do local officials think they're using the right amount?

...would you say **the current scope** of your jurisdiction's performance management efforts is too large, too small, or just right?



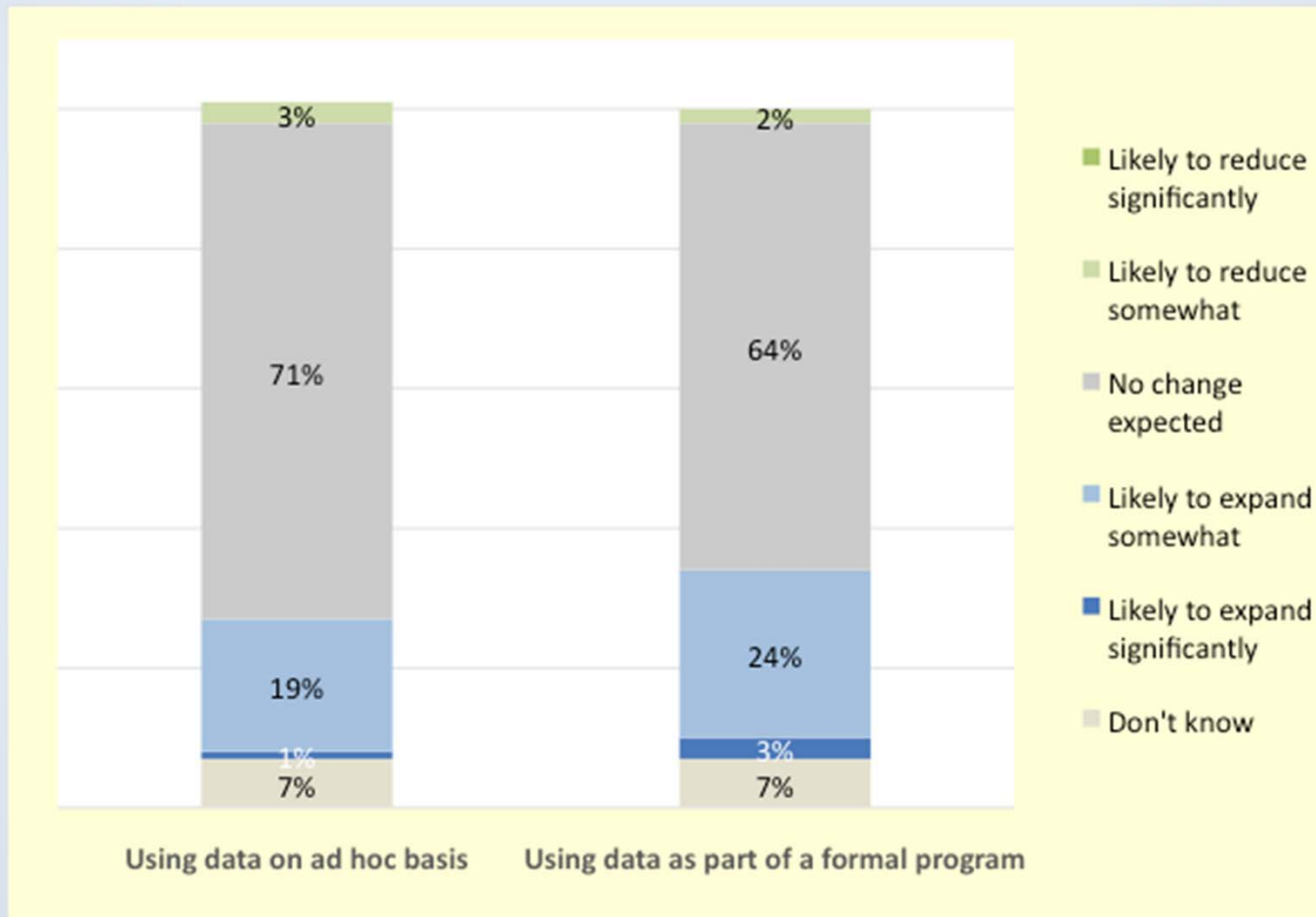
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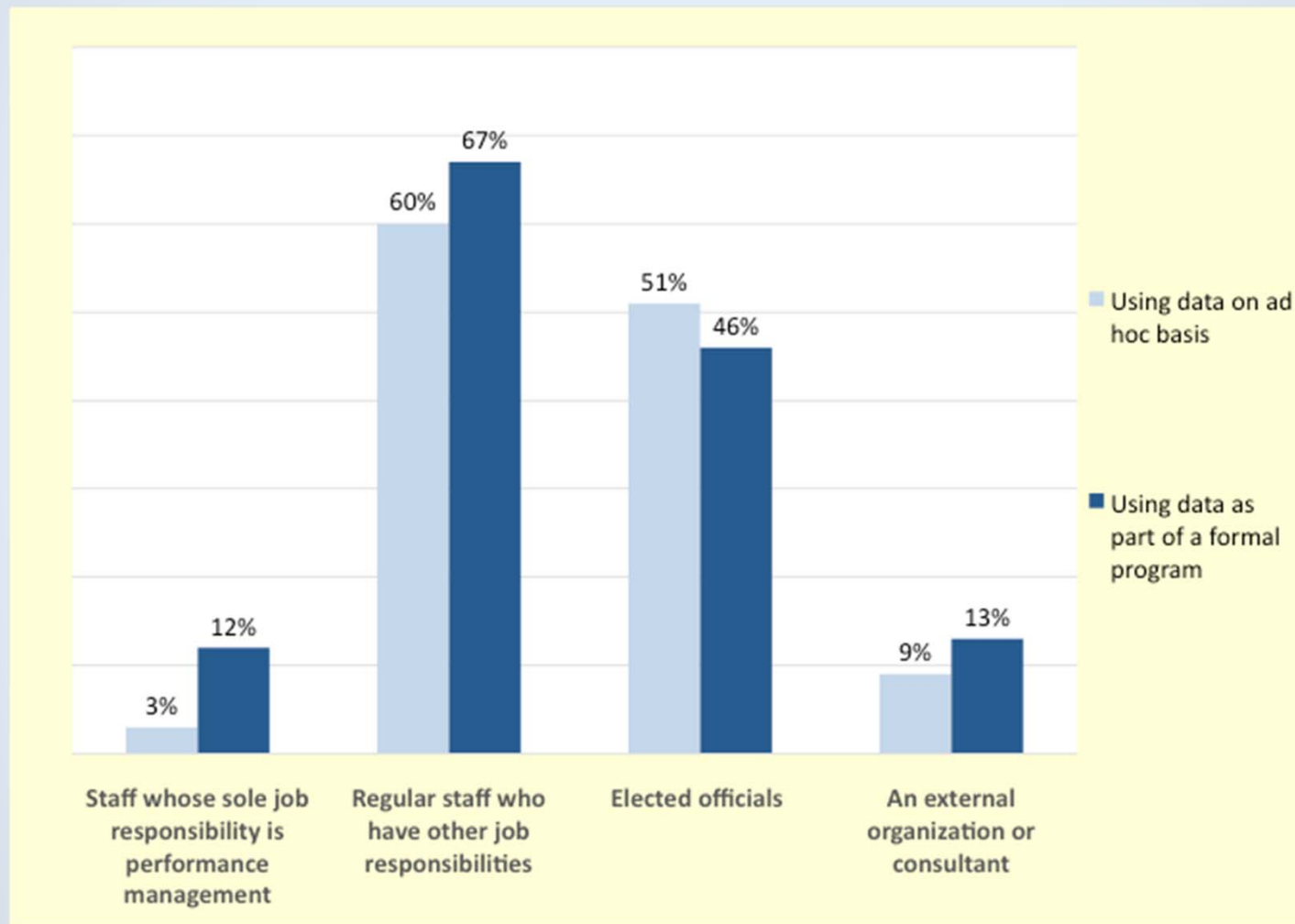
Do local officials think they're going to change?

How likely is it that your jurisdiction will either **cut back or expand** its performance management activities within the next 12 months?



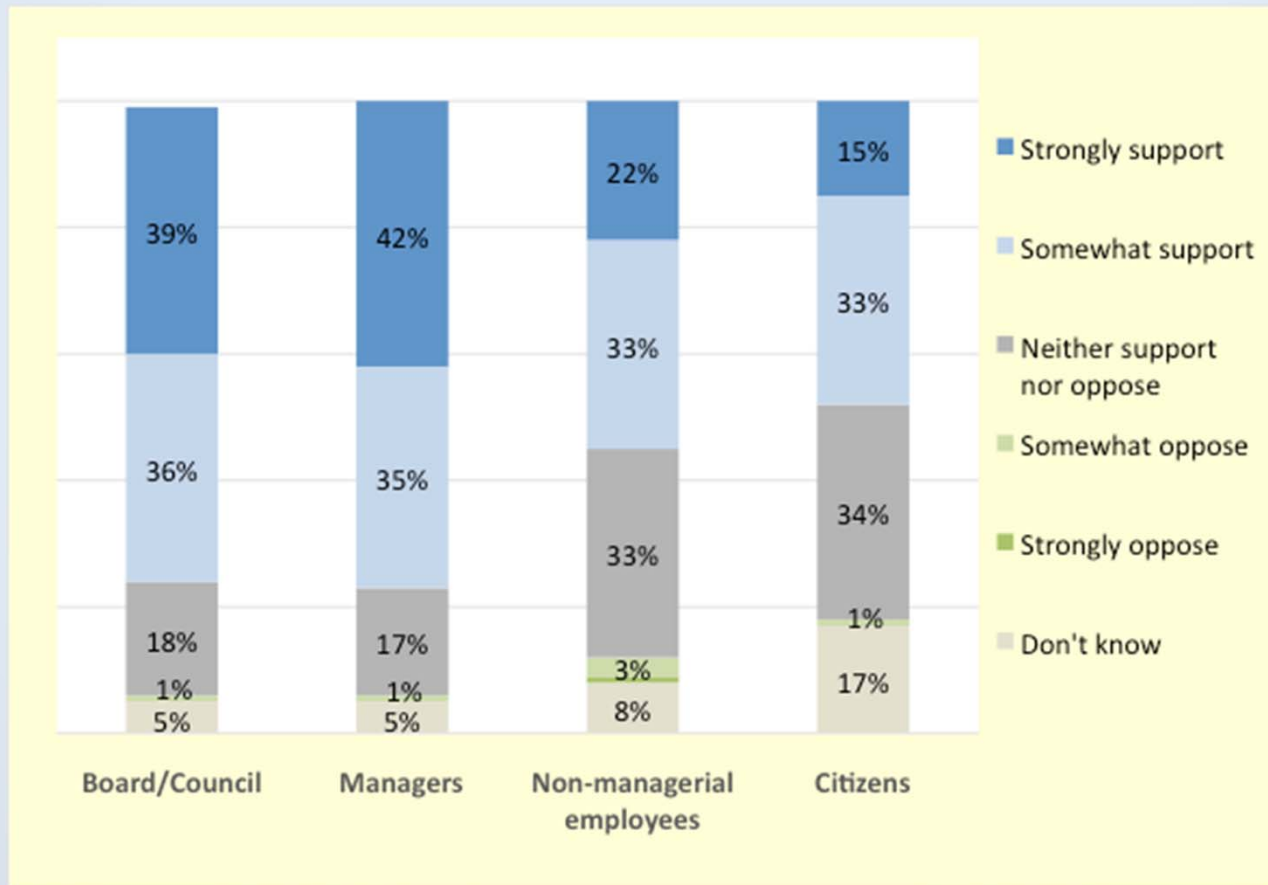
Who is responsible for performance management?

...Our performance management activities **primarily involve**...



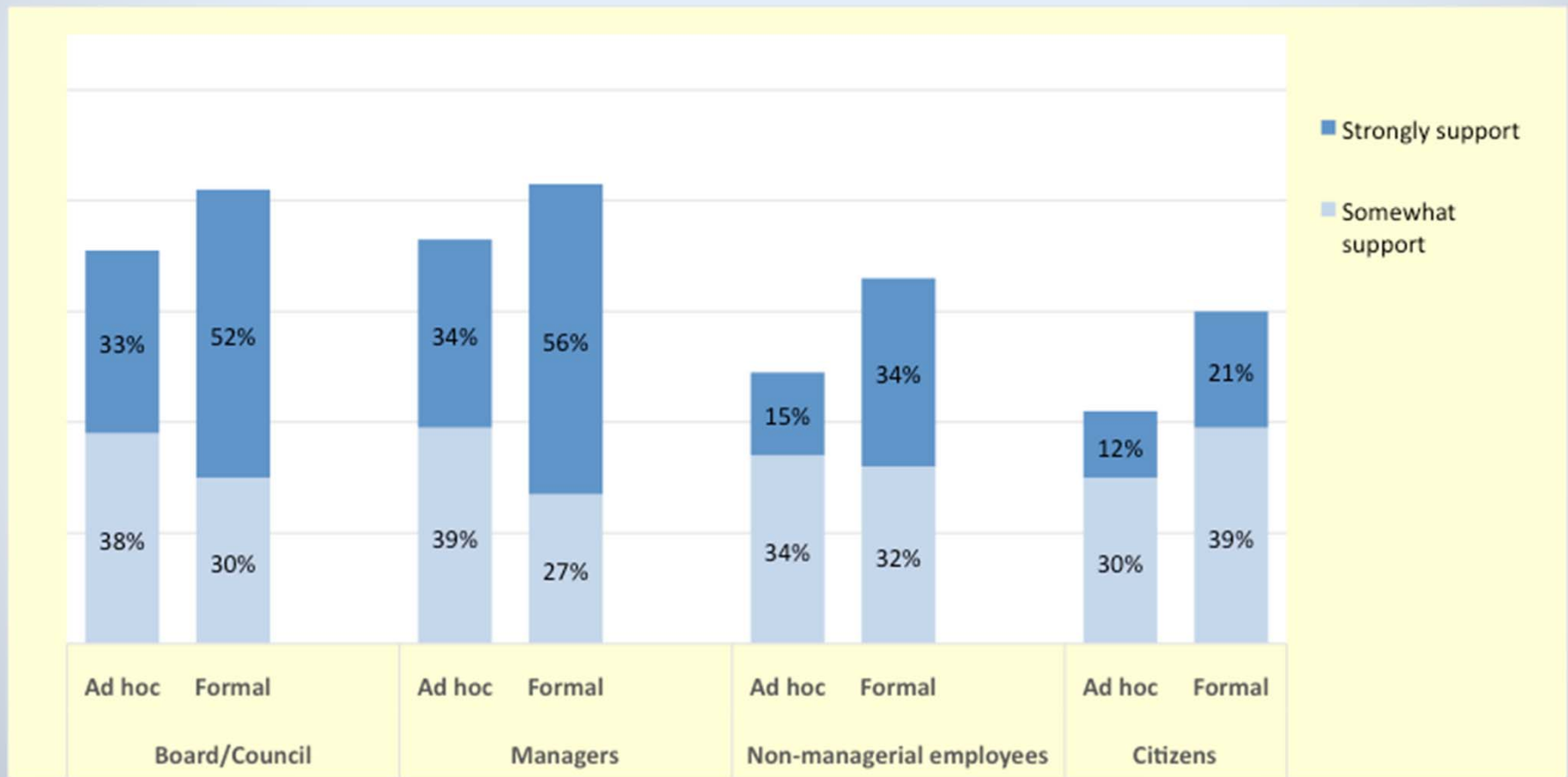
Who supports performance management?

To the best of your knowledge, **to what extent** do the following groups **support or oppose** your jurisdiction using performance data to guide decision-making?



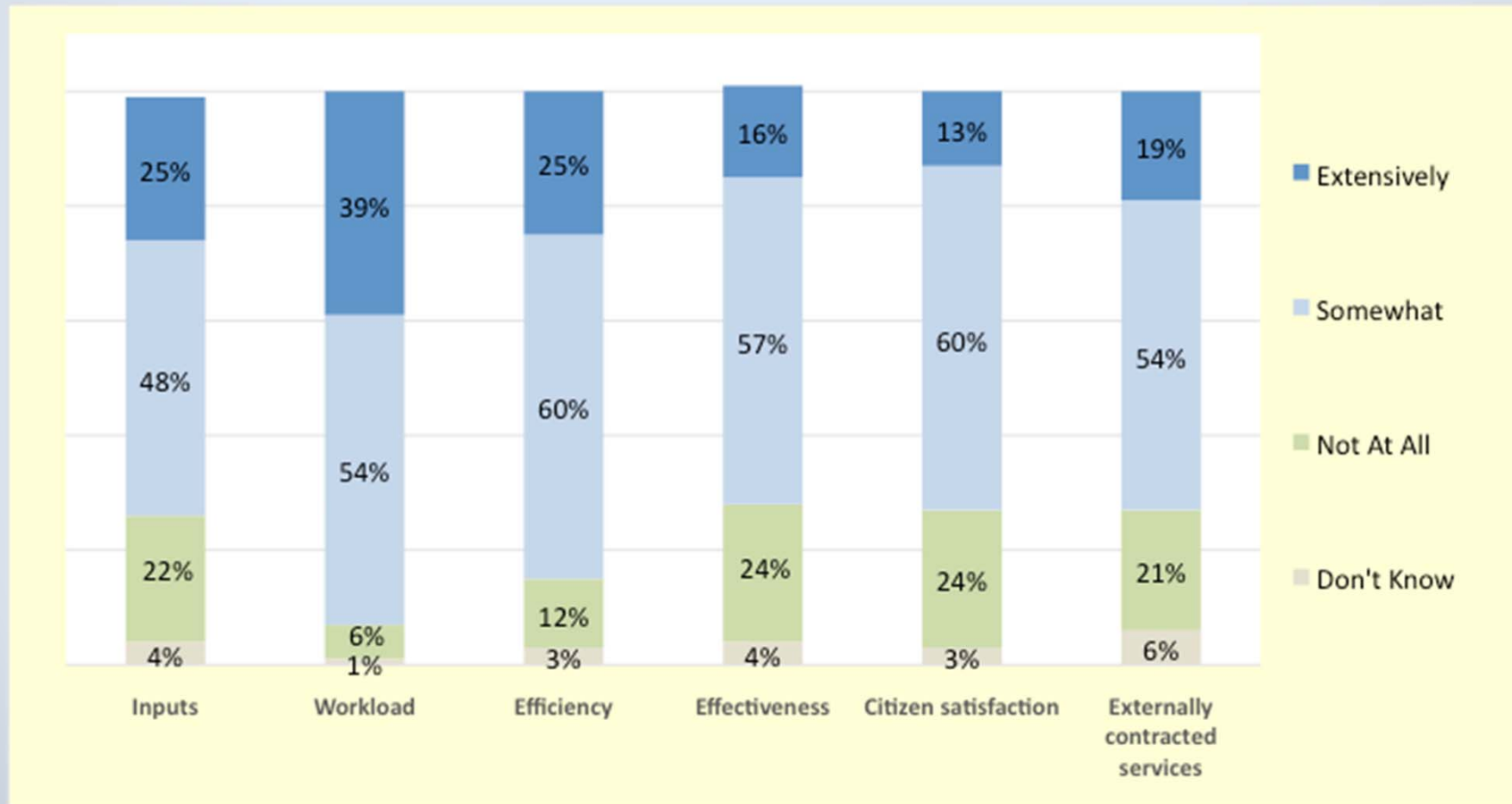
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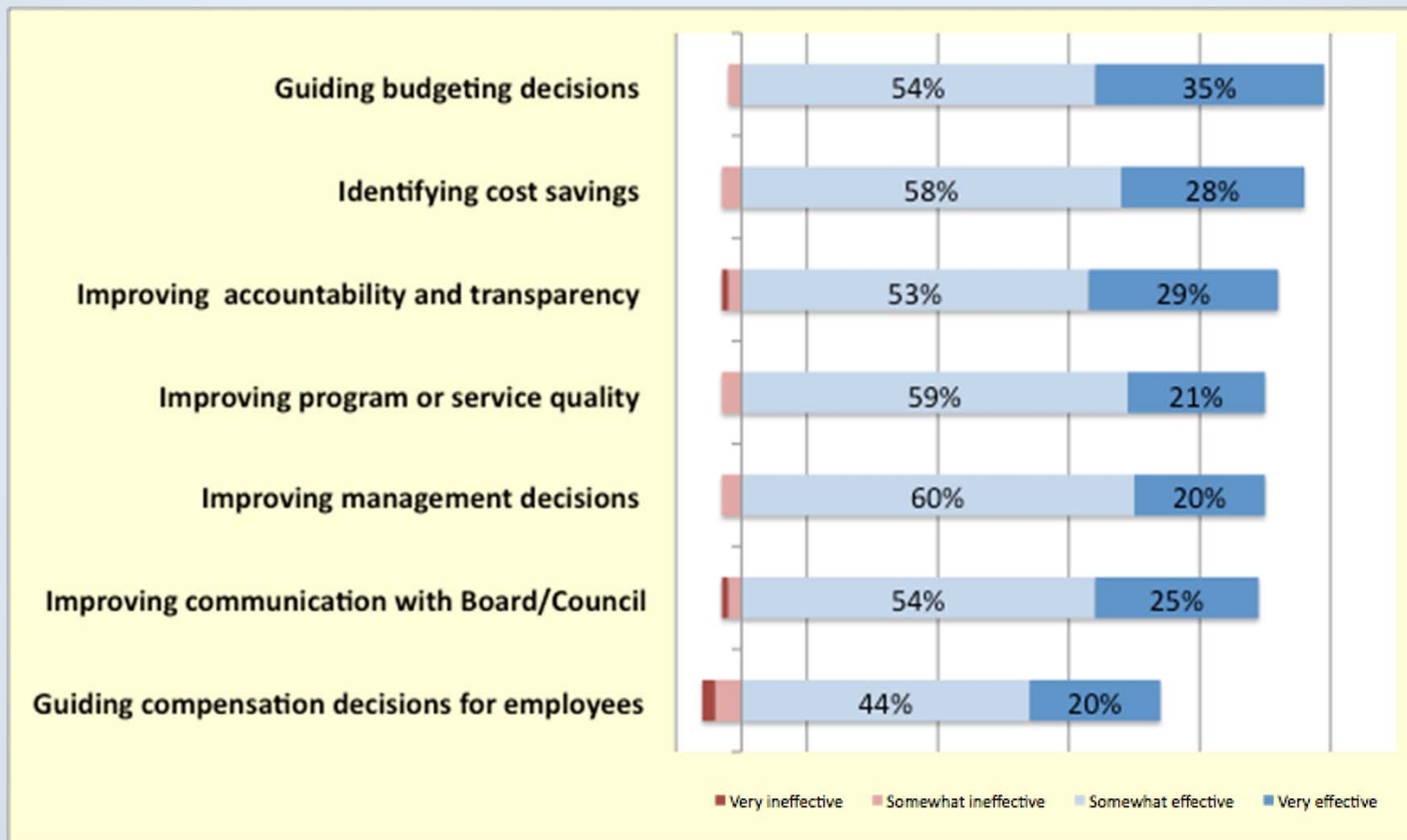
What types of data do local governments use?

Please identify **the extent** to which, overall, your jurisdiction uses the following types of data...



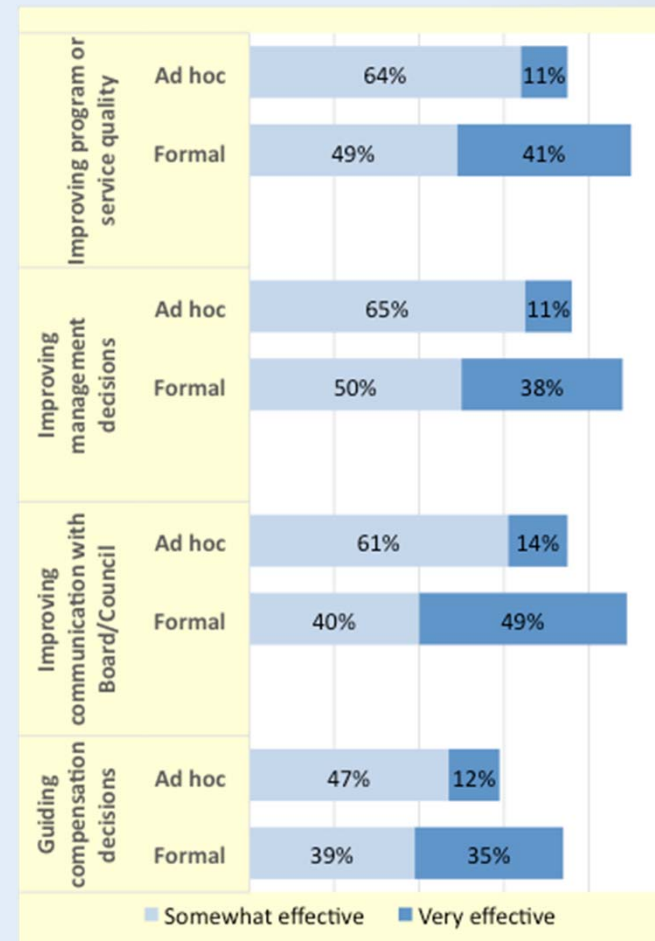
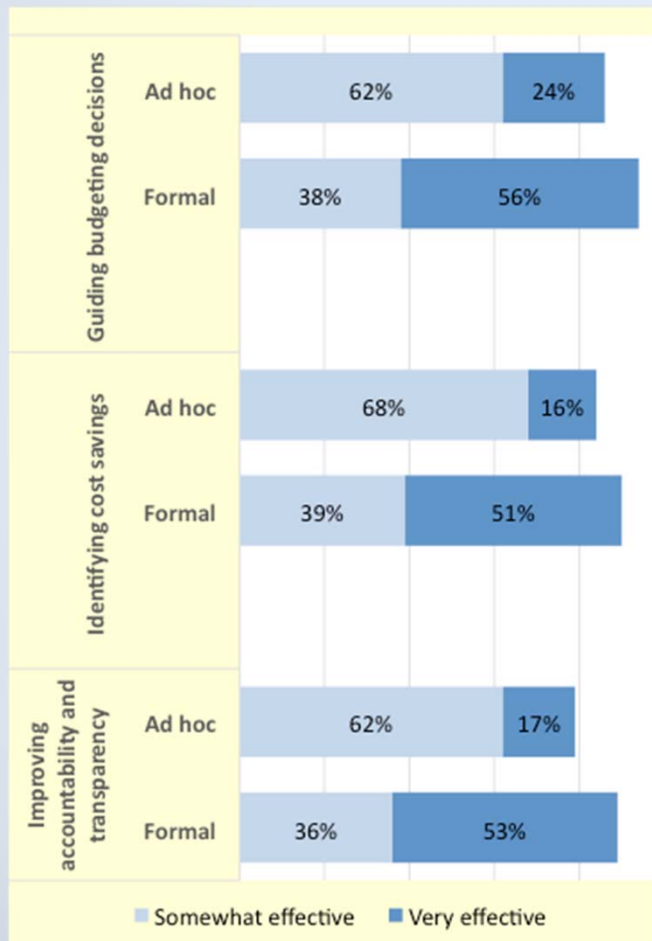
How effective is performance management?

How would you **rate the overall effectiveness** of your jurisdiction's use of performance data for the following purposes?



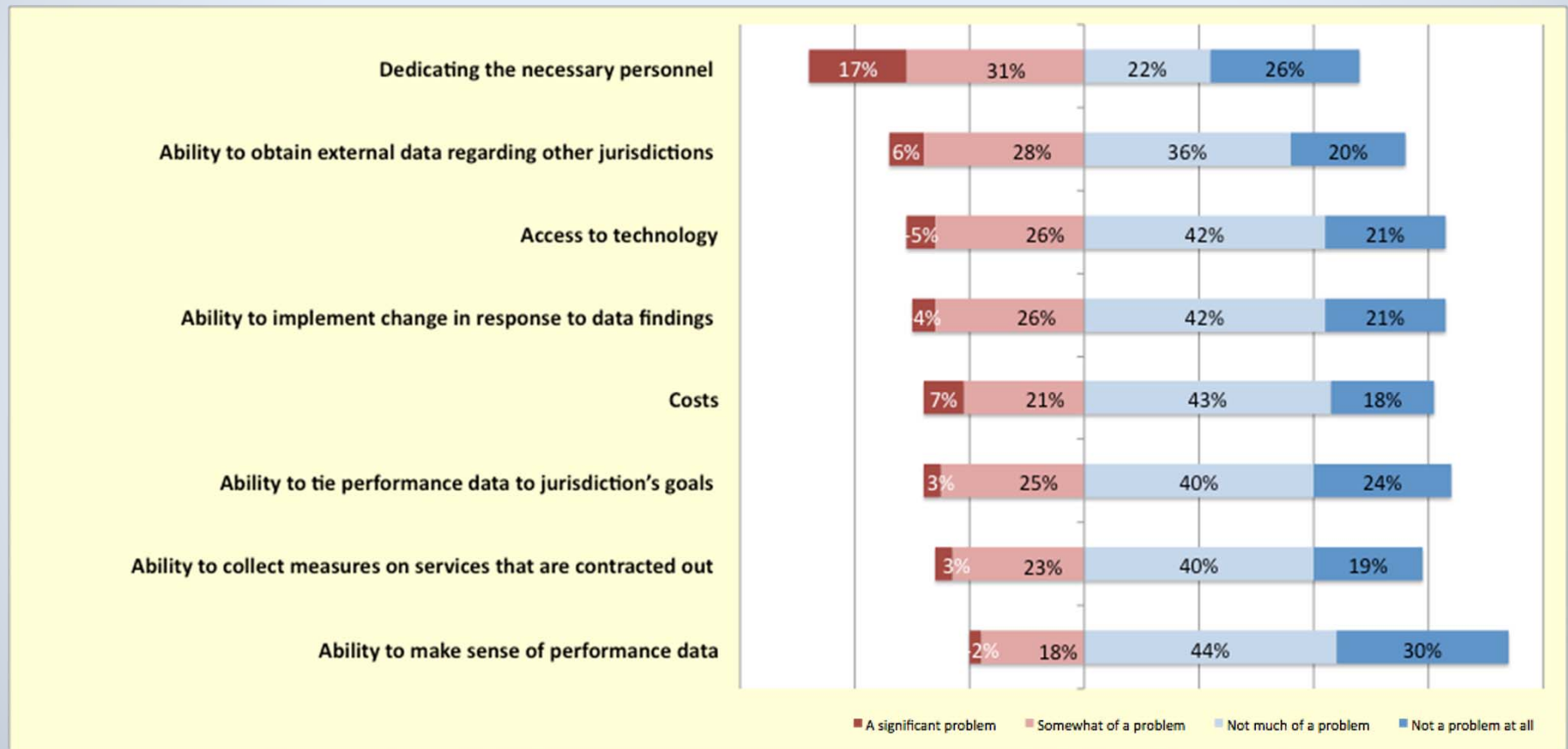
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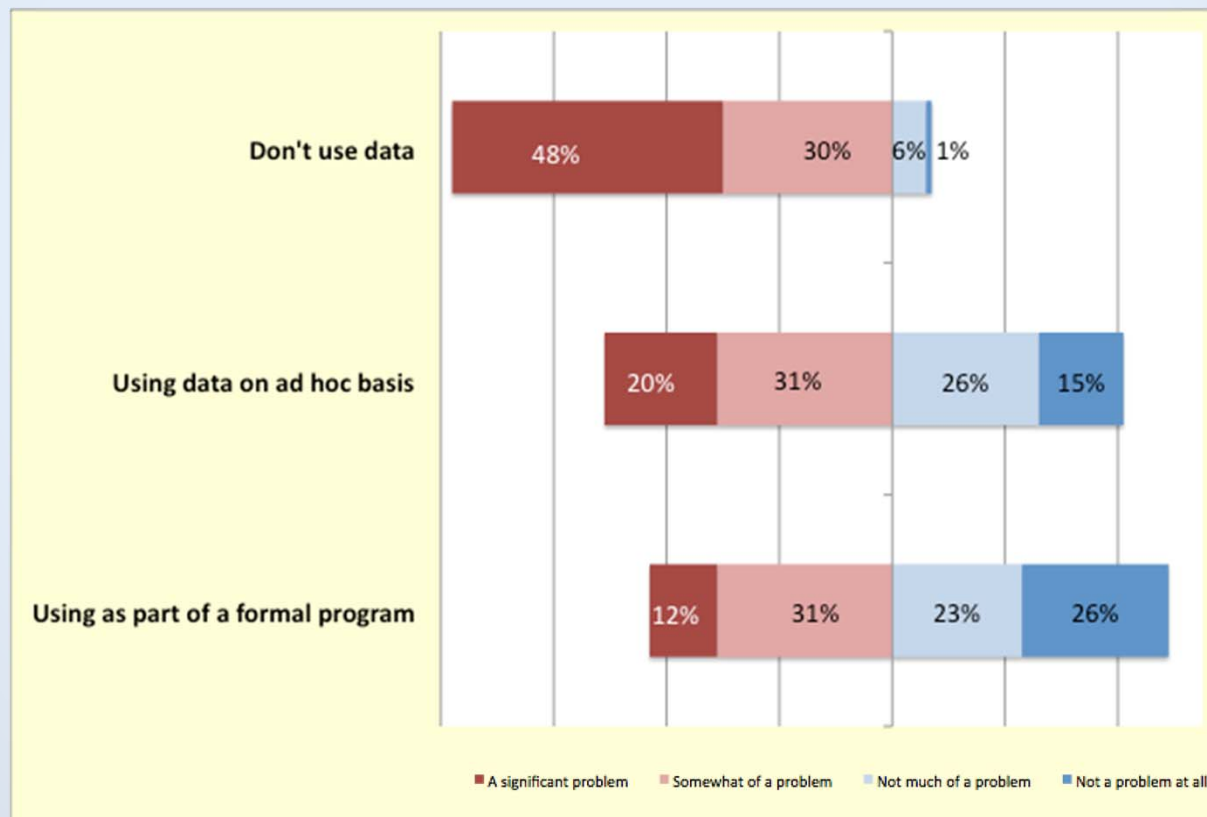
What problems do users encounter?

To what extent, if any, would you say that the following are **problems** that your jurisdiction has **faced within the last 12 months** in its use of performance data?



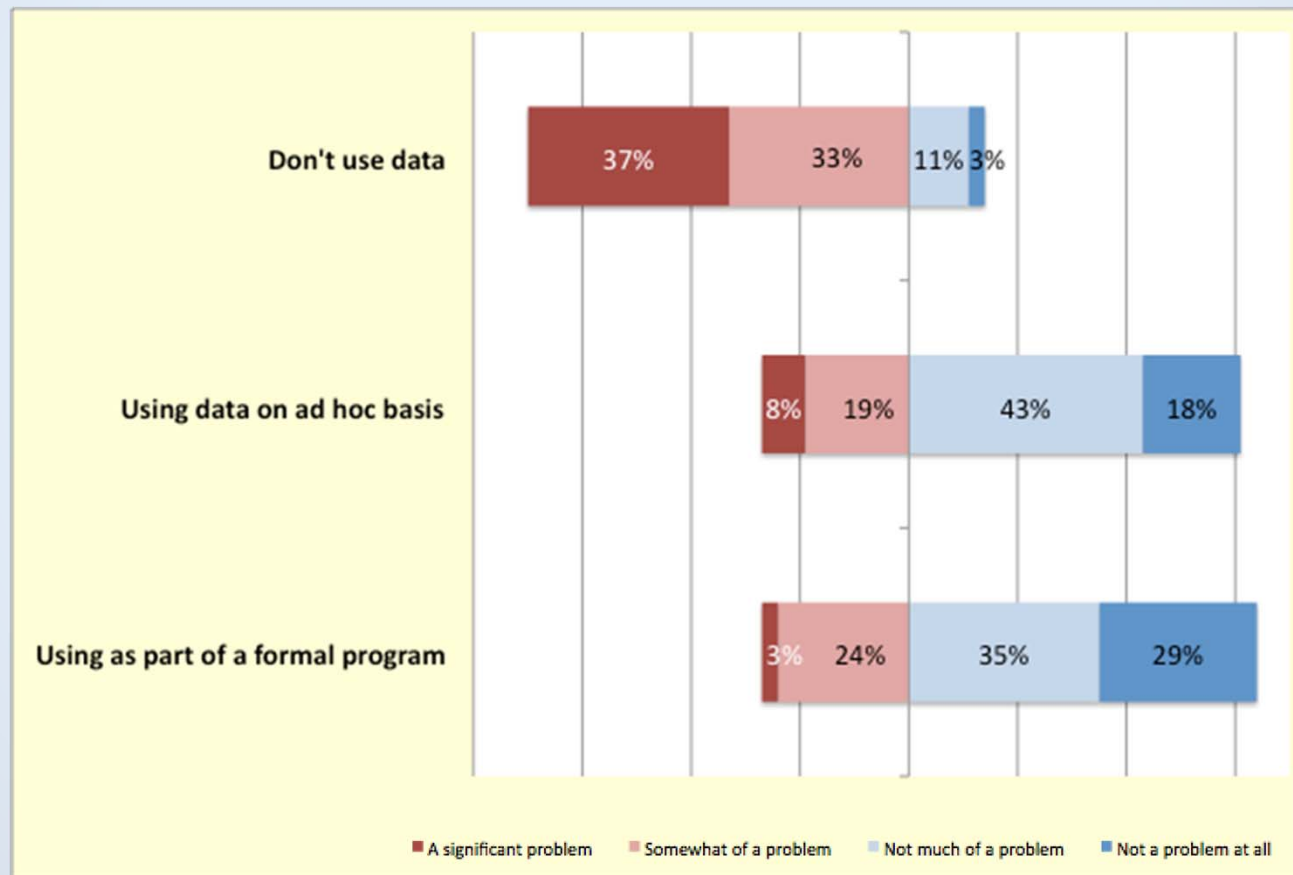
Human Capacity: Is dedicating personnel a problem?

To what extent, if any, would you say/expect that dedicating the **necessary personnel** is a **problem** that your jurisdiction has/would face in its use of performance data?



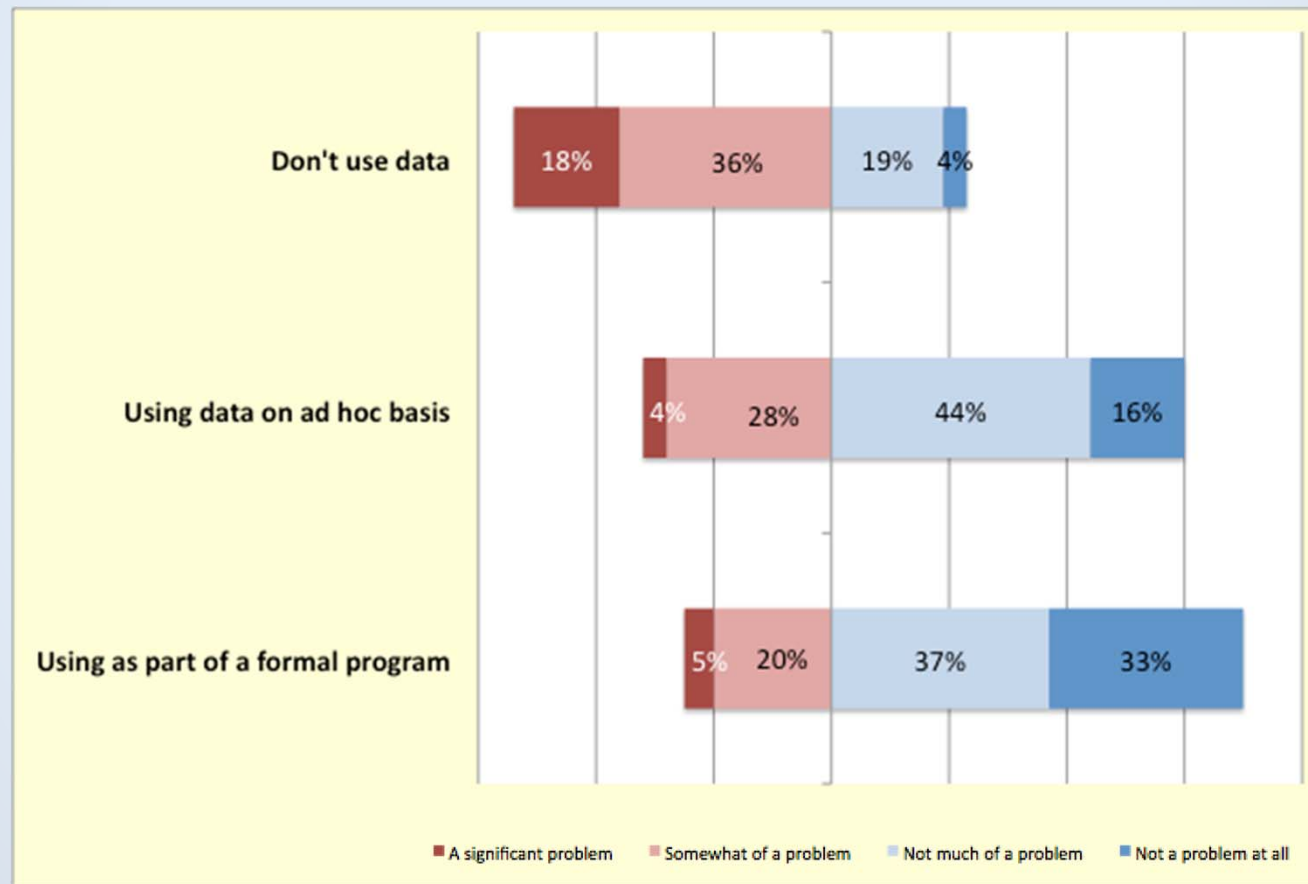
Financial Capacity: Are costs a problem?

To what extent, if any, would you say/expect that **costs** required to collect and use data are a **problem** that your jurisdiction has/would face in its use of performance data?



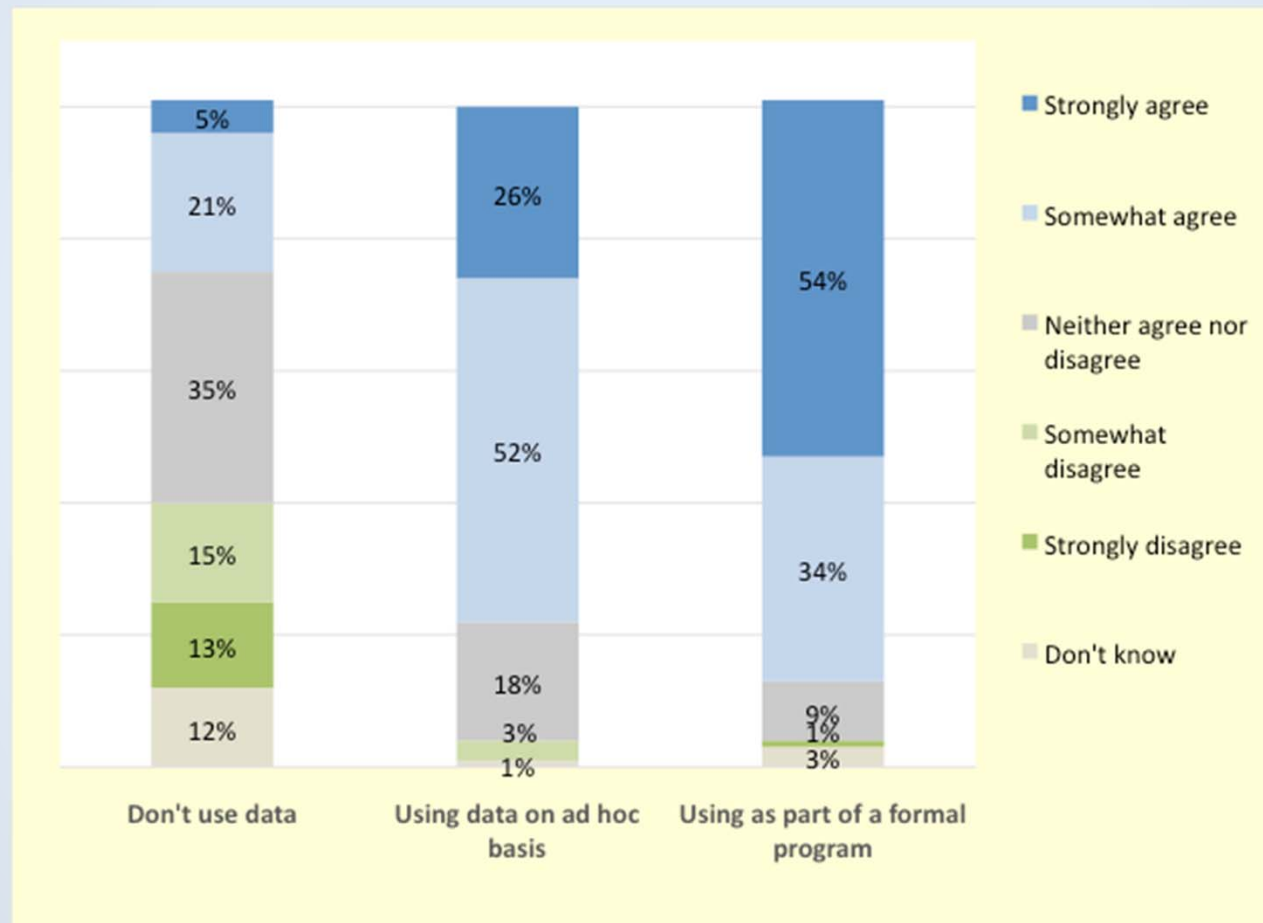
Change Capacity: Is implementation a problem?

To what extent, if any, would you say/expect that **ability to implement change** in response to data findings is a **problem** that your jurisdiction has/would face in its use of performance data?



Do officials find performance mgmt. worthwhile?

Overall, do you agree or disagree that performance management activities are **worthwhile for your jurisdiction?**



Michigan Local Officials' Views on Performance Mgmt.

Summary

- Over a third (37%) of Michigan local leaders report their governments engage in performance management, including 71% from the largest.
- Two-thirds of these are only using data on ad hoc basis, while 33% have formal programs.
- Officials from governments with formal programs more likely to say they are very effective, report fewer problems, and are more likely to believe it is worthwhile.

The Michigan Public Policy Survey (MPPS)

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