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# Michigan Local Government Benchmarking Consortium

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**State and Local Government Program, MSU Extension**

# Purpose

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“...to bring together municipal service providers from all over the state and produce meaningful and relevant performance measures for the purpose of benchmarking.”

– MLGBC Charter

# Measurement Performance

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- If organizations want to improve program effectiveness and efficiency, they need to manage performance, and to do so, they have to measure it.
- Measures chosen need to be meaningful and linked to a desired goal, result or benchmark.
- The MLGBC assists Michigan's local governments in learning from their peers and implement best practices that enhance service delivery.

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***“It’s a real challenge addressing your local government’s fiscal issues without comparable operational data such as provided by MLGBC. Their performance metrics readily show the gaps and in turn the opportunities for efficiencies and improvements leading to balanced budgets.”***

Dave Boerger, Director of Fiscal Consulting Services,  
Southeast Michigan Council of Governments

# Manage Performance

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- The City of Warren used performance measurement techniques to dramatically improve the efficiency of their water department. Actions included better sludge grinder function via process control to eliminate storage tank de-ragging saving \$100,000 annually and more precise level sensing in blending tanks that eliminated overflow problems saving \$30,000 per year.

# Manage Performance

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- The City of Madison Heights uses the benchmarking data to support labor negotiations by learning from other MLGBC members about potential contractual enhancements and having access to information from comparable communities, which helped them make their case for changing contractual terms.

# Manage Performance

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- The City of Birmingham finds that the process of collecting and analyzing the performance indicator data is the most beneficial aspect of being a MLGBC member. This gets the department personnel engaged and energized to improve on the indicator to the benefit of the city and its citizens. The data also helps city officials ask the right questions to the right people.

# Manage Performance

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- Meridian Township's fire department has optimized its staffing levels by utilizing the comparable benchmark data and thus meeting peak time emergency service needs as well as reducing overtime expenses.



# Goals

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- **Information Strategy**
  - Ease in data collection
  - Accuracy and reliability
  - Annual report
  
- **Financial**
  - Minimize costs of membership
  - Capitalize on outside funding opportunities

# Goals

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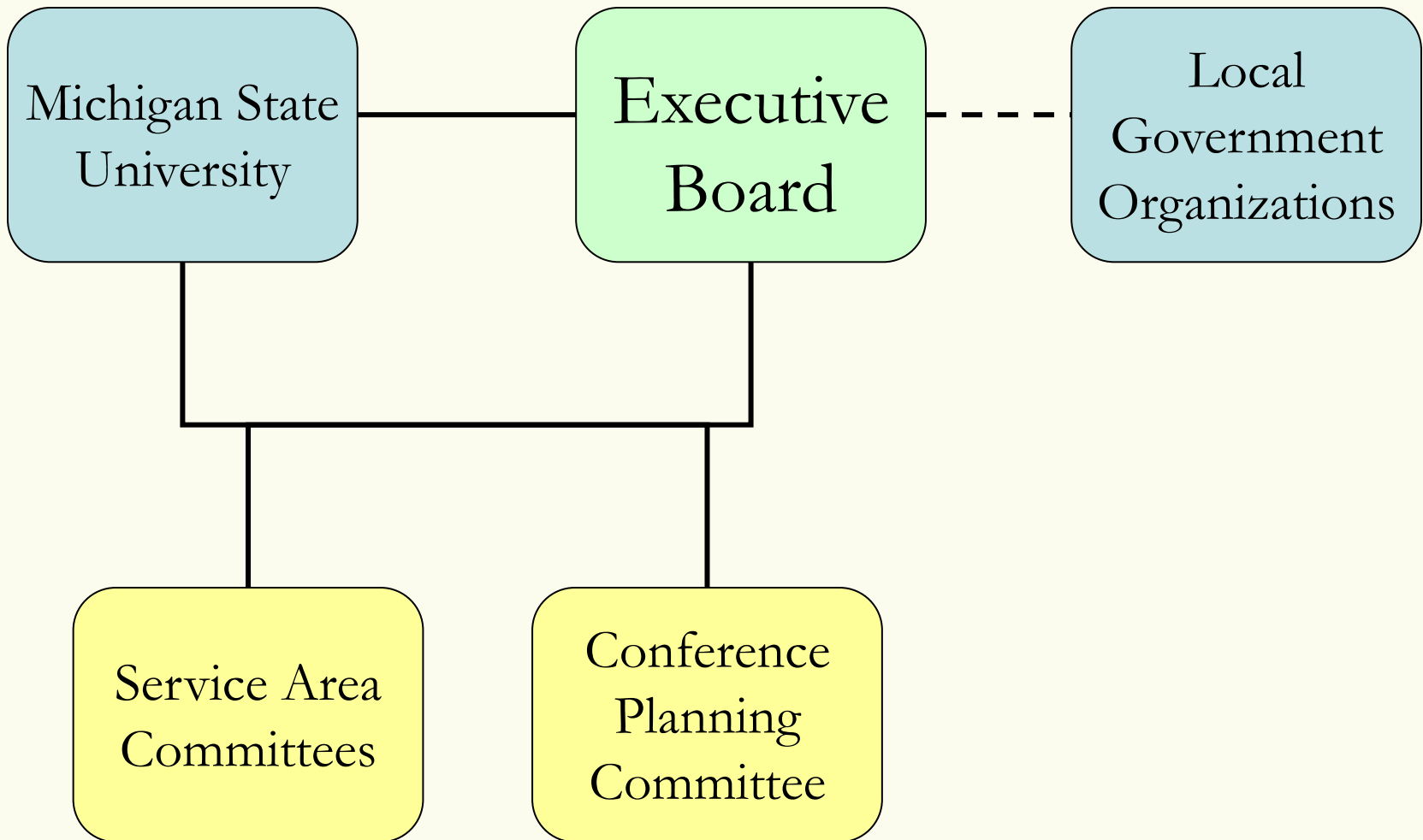
- **Marketing and Networking**
  - Host annual conference
  - Maintain strategic marketing plan
  - Promote benchmarking at citizen-friendly level
  - Diversify and increase membership
  - Facilitate learning process among members

# Participants

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- 34 members:
  - 21 cities
  - 4 townships
  - 6 counties
  - 3 road commissions
- Population of participants range from 1,700 to 120,000

# Organizational Plan



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# Executive Board Model

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- In charge of,
  - Decision making
  - Recruiting
  - Approving data and revising final report
  - Ensuring service area committees are meeting member needs
  - Assess member needs and demands and take action as necessary
- 11 local government members
- Ex-officio members on board as approved by voting members

# Service Areas

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- Assessing and Equalization
- Clerk, Register of Deeds, & Elections
- Code Enforcement & Building Inspections
- Emergency Dispatch
- Fire and EMS
- Fleet Maintenance
- Human Resources
- Info Technology
- Library Services
- Parks maintenance
- Police & Sheriff
- Refuse/Recycling/Yard Waste Collections
- Road Maintenance
- Water/Sewer Treatment & Distribution

# Service Area Committees

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## Members...

- Are experts or practitioners
- Meet to
  - review draft benchmark report
  - Network with peers about best practices
- Benchmarks are from ICMA and other resources provided by MSU

# Website

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Fiscal Year 2008 Benchmarking Survey: Data is due by Friday, January 30

Page: [Fleet Management](#) [Parks Maintenance](#) [Information Technology](#) [Emergency Dispatch](#) [Water/Sewer](#)  
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	Username:	Guest	
1	What is your process for creating lease rates?	<input type="text"/>	<i>Please describe</i>
2	Are you employees unionized?	<input type="radio"/> Yes <input type="radio"/> No	
3	Total in-house tech labor personnel (FTE)	<input type="text"/>	<i>An FTE is equal to the number of total annual employee hours divided by 2080 hours.</i>
4	Average employee cost per hour	<input type="text"/>	<i>Average hourly wage of all employees</i>

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# Benchmarks

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- Police
  - Police budget as a % total jurisdiction
  - Average caseload per officer
  - Cost per officer
  - Training per officer
  - Part 1 cases cleared as a percent of total part 1 cases
  
- Road Maintenance
  - Total cost per road mile for routine maintenance (in house versus contracted)
  - Ratio of budgeted project expenditures to actual project expenditures for reconstruction projects
  - Total man hours of snow removal per lane mile
  - % of ice/snow related accidents per year (or per VMT)

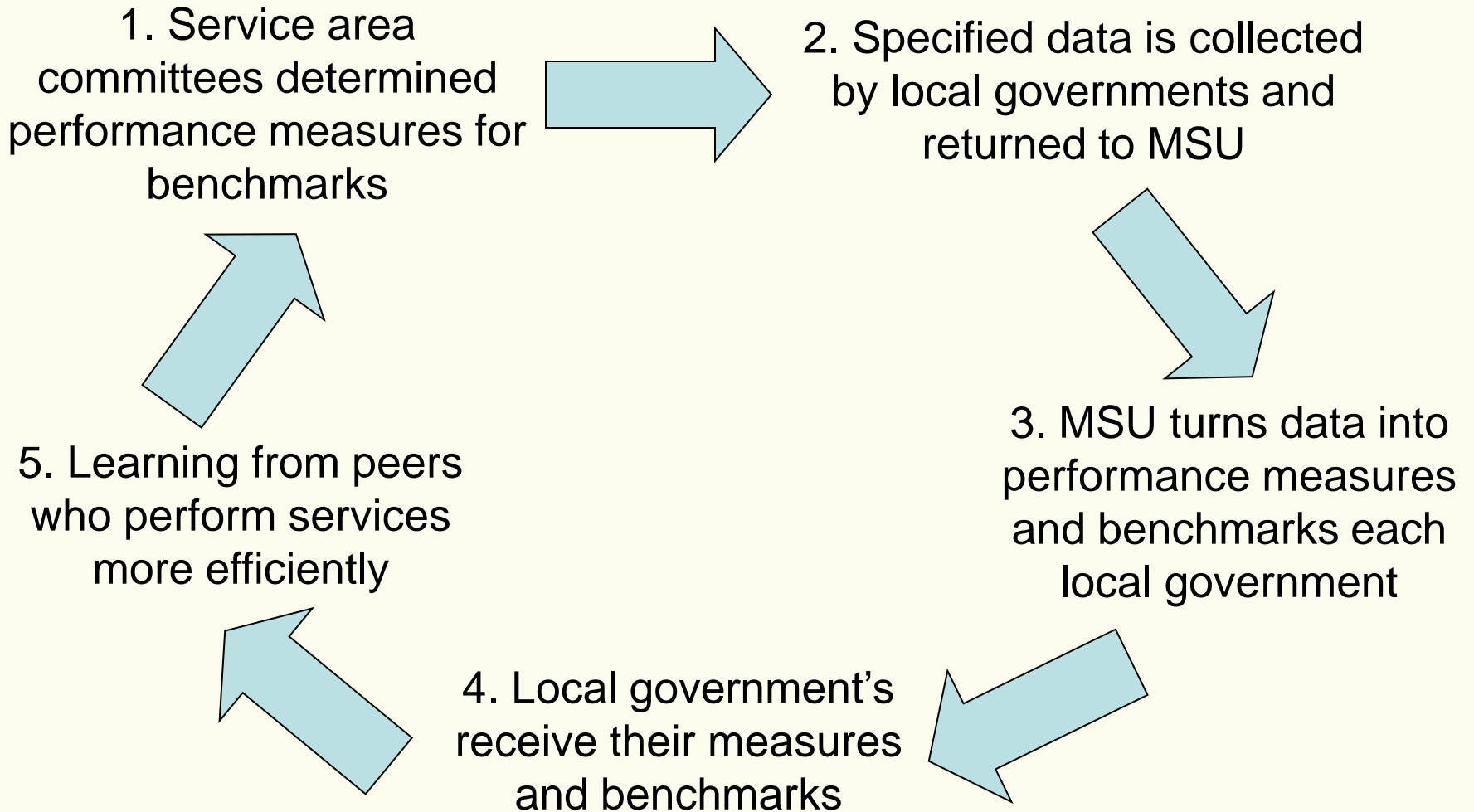
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# Benchmarks

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- Water and Sewer Treatment and Distribution
  - Cost per million gallons of treated water
  - Chemical costs per million gallons
  - Cost per dry tons of waste
  - Number of sewer backups per customer
  - Number of water main breaks per mile of water main by main type
- Fleet Maintenance
  - Total cost per gallon of fuel by fuel type
  - Fleet size per FTE
  - Average open work order time
  - Cost per job by vehicle/equipment type

# Data Flow Chart



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***“THE BENCHMARKING CONSORTIUM GIVES  
US THE FACTS WE NEED TO IMPLEMENT A  
TRANSFORMATION OF PROCESSES THAT IS  
NEEDED TO SERVE OUR CONSTITUENTS  
BETTER.”***

Michael “Bud” Norman,  
County Administrator/Controller, Branch County

# Obstacles

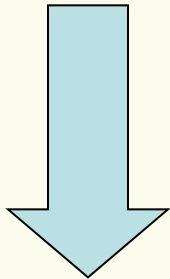
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- Time
  - Smaller governments with less staff
  - Delays caused data collection to coincide with some budget cycles
- Privacy of Data
  - MSU owns data
  - Current members have access to it
  - MSU staff verifies data prior to distribution

# Making the Most of Benchmarking

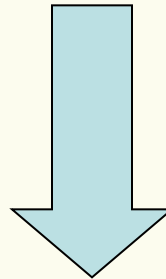
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We are benchmarking, now what?



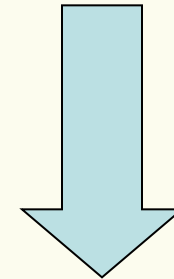
## Learn

- Formalize learning from better performing governments
- Assist with labor negotiations



## Grow

- Recognize need for and find opportunities to cooperate
- Track organizational objectives and budget priorities



## Share

- Offer feedback and encouragement for employees
- Share with public via media or annual report

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***“The Benchmarking Consortium has encouraged the City of Petoskey to start thinking about the delivery of services quantitatively, and has allowed us to easily compare our services with communities across Michigan. This has led us to ask critical questions about the efficiency of the services we deliver – questions that we would not have asked had we not participated in the Benchmarking Consortium.”***

**Dan Ralley, City Manager, City of Petoskey**

# Endorsements & Partnerships

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- Citizens Research Council
- County Road Association of Michigan
- Michigan Association of Counties
- Michigan Municipal League
- Michigan Township Association
- Michigan State University
- Southeast Michigan Council of Governments



# Contact

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MSU State and Local Government Program

<http://slg.anr.msu.edu/>

Mary Schulz, M.S.

Program Director

MLGBC

Michigan State University

517.355.2160

[schulzm2@msu.edu](mailto:schulzm2@msu.edu)

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