SEMCOG is made up of 162 member local governments.

- SEMCOG assists local governments deal with issues, plan for common needs and recognize regional opportunities.

- SEMCOG facilitates cooperation among local governments, educational institutions, and state and federal agencies for mutual benefit.

- SEMCOG advocates for changes in public policy when state or federal legislative action is necessary.
Programs and Services

- Planning
- Transportation
- Regional Growth
- Air
- Land
- Water
- Effectiveness
- Education
- Legislative Issues
Local Government Effectiveness and Collaboration

Efficient and Collaborative Government

SEMCOG is committed to helping its member governments find ways to navigate through fiscal uncertainty by increasing efficiency, fostering collaboration, and providing information on right-sizing. This is accomplished through education, which takes the form of SEMCOG University workshops, the dissemination of useful information through this portion of the Web site, examples of efficiency and collaboration efforts archived within the AgileGov database, and through one-on-one consulting and training assistance.

Efficiency

Collaboration

Right-Sizing

AgileGov Database
SE Michigan Yearly Percent Change in Home Price, SEV, and Taxable Value

(Wyandotte ~ 1.5% better than the Region)

Source: SEMCOG
Contrasting Approaches

**Effective**
- Stakeholder input solicited
- Full disclosure/transparency
- Willingness to collaborate
- Performance measurement
- Benchmark gaps identified
- Cultural change
- Fiscal control
- Dynamic leadership

**Unproductive**
- Denial
- NIH - not invented here
- Razor approach/ across-the-board cuts
- Stops/starts
- Fragmented Board
- Poor fiscal skills
- Ineffective management
Restructuring Process
Envision your local government ~30% smaller

- Develop a multi-year financial forecast
- Engage stakeholders (staff, elected officials & citizens)
- Develop & implement aggressive cost savings ideas
- Assess services cuts in selective areas (vs. across the board)
- Close the benchmarking gaps
- Reduce expenses to match revenues
- Pursue a 2-3 year restructuring plan
- Provide steadfast leadership
Bottom Line – Major Deficits

Wyandotte Financial Forecast
Dec. 2009 Assumptions

- Green bars represent Revenues
- Red bars represent Expenditures
- Blue line represents Fund Balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Expenditures</th>
<th>Fund Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Yr</td>
<td>$20,000</td>
<td>$30,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Current</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Year 1</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$0</td>
</tr>
<tr>
<td>Year 2</td>
<td>$35,000</td>
<td>$35,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Year 3</td>
<td>$40,000</td>
<td>$40,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Year 4</td>
<td>$45,000</td>
<td>$45,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Year 5</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$20,000</td>
</tr>
</tbody>
</table>
After Cost Reductions

Wyandotte Financial Forecast
With Cost Reductions & Latest Assumptions

- Revenues
- Expenditures
- Fund Balance
### Benchmarking Assessment

**2009/10 Budget:** $19,146,646  
**Per Resident:** $741  
**Benchmark:** $671  
**Population:** 25832

<table>
<thead>
<tr>
<th>How Allocates its Funds:</th>
<th>Wyandotte</th>
<th>Benchmark:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2009/10</strong></td>
<td>$5,549,327</td>
<td>$965,727</td>
</tr>
<tr>
<td><strong>Budget:</strong></td>
<td><strong>$19,146,646</strong></td>
<td><strong>$1,094,016</strong></td>
</tr>
<tr>
<td><strong>Per Resident:</strong></td>
<td><strong>$741</strong></td>
<td><strong>$5.04%</strong></td>
</tr>
<tr>
<td><strong>Dollars:</strong></td>
<td><strong>$1,947,038</strong></td>
<td><strong>$1,083,498</strong></td>
</tr>
<tr>
<td><strong>17.88%</strong></td>
<td><strong>10.17%</strong></td>
<td><strong>5.71%</strong></td>
</tr>
<tr>
<td><strong>Dollars:</strong></td>
<td><strong>3,690,767</strong></td>
<td><strong>$1,170,300</strong></td>
</tr>
<tr>
<td><strong>19.28%</strong></td>
<td><strong>6.11%</strong></td>
<td><strong>5.66%</strong></td>
</tr>
<tr>
<td><strong>Dollars:</strong></td>
<td><strong>3,422,978</strong></td>
<td><strong>Dollars</strong></td>
</tr>
<tr>
<td><strong>10.17%</strong></td>
<td><strong>$210,264</strong></td>
<td><strong>1.10%</strong></td>
</tr>
</tbody>
</table>

*Excludes Retiree H/C $2.1m*

**Wyandotte**  
$215 Per Resident  
$133 Per Resident  
$143 Per Resident  
$75 Per Resident  
$37 Per Resident  
$42 Per Resident  
$42 Per Resident  
$45 Per Resident  
$8 Per Resident

**Benchmark City**  
$252 Per Resident  
$138 Per Resident  
$100 Per Resident  
$61 Per Resident  
$36 Per Resident  
$20 Per Resident  
$25 Per Resident  
$17 Per Resident  
$13 Per Resident

**Departments:**  
- Police & Dispatch Departments  
- Fire & EMS Departments  
- Public Works Department  
- Administrative Departments  
- General Expenditures & Transfers  
- Development Departments  
- Court  
- Parks & Recreation  
- Community Services
<table>
<thead>
<tr>
<th>Service</th>
<th>Wyandotte (FTE/1000 Residents)</th>
<th>SE Michigan (FTE/1000 Residents)</th>
<th>National Average</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>1.9</td>
<td>1.7</td>
<td>2.5</td>
<td>1.8</td>
</tr>
<tr>
<td>Fire/EMS</td>
<td>1.1</td>
<td>1.5</td>
<td>1.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Parks &amp; Rec.</td>
<td>0.3</td>
<td>0.7</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>City-wide</td>
<td>5.3</td>
<td>8.4</td>
<td>10.1</td>
<td>5.7</td>
</tr>
<tr>
<td>Avg. Salary/yr.</td>
<td>$54,524</td>
<td>$51,717</td>
<td>$58,688</td>
<td>$48,172</td>
</tr>
<tr>
<td>Benefit Cost/yr.</td>
<td>$44,465</td>
<td>$32,582</td>
<td>$18,379</td>
<td>$14,816</td>
</tr>
<tr>
<td>Total</td>
<td>$98,989</td>
<td>$84,299</td>
<td>$77,067</td>
<td>$62,988</td>
</tr>
<tr>
<td>Benefit Cost % of Salary</td>
<td>82% *</td>
<td>63%</td>
<td>31%</td>
<td>31%</td>
</tr>
</tbody>
</table>

* 10% for DC employees
Service Importance & Satisfaction

For Low Importance Services:
Privatize, consolidate, reduce or eliminate

For High Importance Services
Shorten service times, improve efficiencies & collaborate
(Bubble size -> Level of Satisfaction)
### Detailed Operational Benchmarks

#### Fire and EMS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire &amp; EMS cost per capita</td>
<td>$138</td>
</tr>
<tr>
<td>Personnel per 1,000 population (FTE)</td>
<td>1.2</td>
</tr>
<tr>
<td>Cost per $1000 of property protected</td>
<td>$1.72</td>
</tr>
<tr>
<td>Fires per 1000 population</td>
<td>5.4</td>
</tr>
<tr>
<td>EMS runs per 1000 population</td>
<td>29.3</td>
</tr>
<tr>
<td>Responses per 1000 population</td>
<td>107</td>
</tr>
<tr>
<td>Inspections per 1000 population</td>
<td>52</td>
</tr>
<tr>
<td>Cost per response</td>
<td>$1,498</td>
</tr>
<tr>
<td>Inspections per inspector FTE</td>
<td>1068</td>
</tr>
<tr>
<td>Response time for priority one calls (min.)</td>
<td>4.7</td>
</tr>
<tr>
<td>% of responses under 4 minutes</td>
<td>90%</td>
</tr>
<tr>
<td>% code violations cleared &lt; 90 days</td>
<td>86%</td>
</tr>
<tr>
<td>% of fires confined to room(s) involved at arrival</td>
<td>59%</td>
</tr>
<tr>
<td>% of fires of which cause was determined</td>
<td>89%</td>
</tr>
<tr>
<td>Fire &amp; EMS citizen satisfaction</td>
<td>96%</td>
</tr>
</tbody>
</table>
SEMCOG can also assist with internal rightsizing efforts

- Perform a fiscal & operational assessment to ID 20% savings
- Assist development of a citizen survey instrument
- Train staff on the rightsizing processes
- Share best practices and additional benchmarking data
- Help to establish a performance management process
- Facilitate departmental efficiency analyses
- Reference SEMCOG website resources:
  - AgileGov searchable database of >500 successful ideas
  - Efficiency, Collaboration and Restructuring Tools
- Coordinate more comprehensive assistance (Plante & Moran)
Rightsizing Opportunities

- Implement performance improvement process to gain 3-5%/yr
- Rebid all purchase services to save 10%
- Consolidate departments and organization structure to save 15%
- Reduce overhead and administrative costs 15%
- Address the high benefit cost by 30% (equiv. or better clause)
Rightsizing Opportunities (cont’d)

- Offer more on-line self-service capabilities to automate certain processes to save 50%
- Privatize services via “managed competition” to save 15%
- Reduce or eliminate the least important services to save 10%
- Restructure borrowing to reduce annual debt payments
- Sell revenue producing assets for one-time cash infusion
- Collaborate with neighboring communities to save 30%
SEMCOG Can Help with Collaboration Projects
Final Thoughts

*Wyandotte will survive the current fiscal crisis by:*

- Pursuing efficiency, productivity improvement, measurement processes
- Resizing, restructuring by collaborating, consolidating, privatizing, reducing services
- Regularly engaging all stakeholders in the process
- Leveraging external resources like SEMCOG and Plante & Moran
For additional help or more information contact:

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SEMCOG

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248-875-7120

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