

Economic Vitality Incentive Program/County Incentive Program Certification of Consolidation of Services

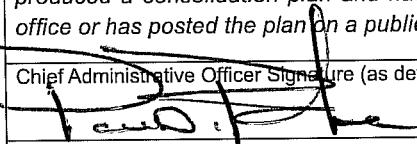
Issued under authority of 2012 Public Act 200. Filing is mandatory to qualify for payments.

Each city/village/township/county applying for Consolidation of Services payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a consolidation plan as required by 2012 Public Act 200. The plan shall be made available for public viewing in the clerk's office or posted on a publicly accessible Internet site.
2. Submit to Treasury a consolidation plan.

City/village/township: This certification, along with a consolidation plan, **must be received by February 1, 2013** to receive the February and April payments or on or before March 31, 2013 to receive the April payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

County: This certification, along with a consolidation plan, **must be received by February 1, 2013** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

PART 1: LOCAL UNIT INFORMATION		
Local Unit Name City of Swartz Creek		Local Unit County Name Genesee
Local Unit Code 25080		Contact E-Mail Address jaguilar@cityofswartzcreek.org
Contact Name Juanita Aguilar	Contact Title City Clerk	Contact Telephone Number (810) 635-4464
Website Address, if plan is available online www.cityofswartzcreek.org		
PART 2: CERTIFICATION		
<i>In accordance with 2012 Public Act 200, the undersigned hereby certifies to Treasury that the above mentioned local unit has produced a consolidation plan and has made the plan available for public viewing in the city, village, township, or county clerk's office or has posted the plan on a publicly accessible Internet site. The consolidation plan is attached to this signed certification.</i>		
Chief Administrative Officer Signature (as defined in MCL 141.422b) 		Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) Paul Bueche
Title City Manager		Date January 31, 2013

Completed and signed form (including required attachment) should be e-mailed to: TreasRevenueSharing@michigan.gov

If you are unable to submit via e-mail, mail the completed form and required attachment to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

TREASURY USE ONLY		
EVIP/CIP Y N	Certification Received	EVIP/CIP Notes
Final Certification	Plan Received	
	1st C/P Submission Y N	

**ECONOMIC VITALITY
INCENTIVE PROGRAM
CONSOLIDATION PLAN**
P.A. 63 of 2011 Section 951
2013-February-1 Filing



To: **Residents of the City of Swartz Creek**

State of Michigan
Department of Treasury

On behalf of the City Council, the Staff of the City of Swartz Creek has developed this report to document compliancy with P.A. 63 of 2011, better known as the "Economic Vitality Incentive Program", or "EVIP".

By way of background, the City of Swartz Creek has experienced many economic downturns since its inception in 1959. As a result of these roller-coaster declines, the City has remained diligent in assessing its operations regularly, beginning in the 1960's. Another compelling reason for the close scrutiny of expenses is the City's Charter limitation of 5 mills for general operating, redefined to the current value of 4.8289 by the Headlee Amendment (1978) and Proposal "A" (1994). The City's total levy, inclusive of trash collection and drain assessments, is 8.1 mills (*2011 data*). Of 277 cities, the City of Swartz Creek is the sixth lowest taxing city in the state, in the bottom 2%. The average levy of all 277 cities in the state is 17.32 mills. Necessity has always dictated a frugal approach to management of finances.

Municipal finances throughout the state, inclusive of the City of Swartz Creek, have rocketed downward for more than a decade. From 2002 through 2010, the state systematically reduced statutory revenue sharing received by the City by 34% percent with a five-year cumulative loss of \$1,238,000. To compound this, we continue to see a downward spiral of commercial values with appeal rulings following closely. The City has lost 27.4 percent of its highest ad-valorem levy year of 2007, which equates to \$284,048. Under existing tax law, it may be decades, if at all, that these funds will be recouped.

P.A. 63 of 2011 created the "Economic Vitality Incentive Program" (EVIP). The Act provides that *"...each city, village, or township that received a FY 2010 statutory payment greater than \$4,500 and fulfills the specific requirements for all of the three categories will be eligible to receive a maximum of 67.837363% of its FY 2010 total statutory payment (rounded to the nearest dollar). An eligible city, village, or township will receive 1/3 of the maximum amount for each of the three categories they fulfill the specific requirements for. The three categories are Accountability and Transparency, Consolidation of Services, and Employee Compensation. Each eligible city, village, or township must submit the certification form and required attachments for each category to qualify for payment..."* The City's compliancy by category outlined in the statute is as follows:

CATEGORY I: ACCOUNTABILITY & TRANSPARENCY

In October 2011, the City of Swartz Creek created an initial Citizens Guide and Performance Dash Board. The documents are updated annually with the City's Fiscal Cycle which runs from July 1st through June 30th. The Citizens Guide and Performance Dash Board can be viewed on the City's website located at www.cityofswartzcreek.org.

CATEGORY II: CONSOLIDATION OF SERVICES - CURRENT

Following is a table of *some* of the existing cooperatives and consolidations the City is a partner to, and/or, that serve to reduce the expense of providing public services:

CITY OF SWARTZ CREEK

Existing Cooperative & Consolidated Efforts

City Service #	Consolidation Efforts#	Agency#	Fiscal Impact#	Miscellaneous #
Water Utility	County Wide Public Water System	Genesee County WWS	Unknown	City Scrapped Water Supply System in Early 1970's
Sewer Utility	County Wide Public Sewer System	Genesee County WWS	Unknown	City Scrapped Sewage Treatment System in Early 1970's
Public Works	Signal Maintenance	Genesee County Road Commission	\$40,000 / Yr	Eliminates Need for Staff Employee
PE-CE Engineering Services	Design & Construction Engineering Services	Rowe Professional	\$50,000 / Yr	Eliminates Need for Staff Employee (Outsourced Since 1960)
Assessing	Mandated Compliance for Assessing Services	Land Mark Appraisals	\$25,000 / Yr	Eliminates Need for Staff Employee (Outsourced Since 2006)
Cooperative Purchasing	Various (Vehicles, etc)	Various County Extended Purchasing	Unknown	City Uses Extended Purchasing Contracts Wherever Possible
Fire Protection	Shared Cost Authority for Fire Services	Clayton Township	\$116,000	Authority Operating Since 1960's (circa)
Police Protection	Police Patrol / Liaison Services	Internal	\$200,000	Eliminate Two Officer Positions, One Secretary Positions
Public Safety Dispatch	County 911 PSAP Authority	Genesee County 911 Consortium	Unknown	Authority Operating PSAP Funds 1970's (circa)
Public Safety Mutual Aid	Agreements in Place	Various	Unknown	Mutual Aid Contracts Reduce Need for Additional Positions
Drug Enforcement	Multi-Jurisdictional Team	F.A.N.G.	\$25,000	Dues Supported MSP Cooperative Team Eliminates Need for Local Expenses
Auto Theft Enforcement	Multi-Jurisdictional Team	G.A.I.N.	\$10,000	Dues Supported County Sheriff Team Eliminates Need for Local Expenses
Regional MPO Major Street Improvements	Uniform County Wide Criteria for Major Street Repairs, Ratings, etc.	Genesee County MPO	Unknown	Additional FHWA Funds Leveraged by Cooperative Efforts
Senior Services	Senior Center Serving Surrounding Governments	Clayton, Gaines, Mundy, Flint Townships	\$40,000	Eliminate City Contribution & Levy for County-Wide Levy

Additional documents, filings and certification outlining cost savings and efficiency are as follows:

Michigan Department of Treasury
4807 (01-11)

**Economic Vitality Incentive Program
Certification of Consolidation of Services**
Issued under authority of Public Act 63 of 2011. Filing is necessary to qualify for payments.

Each City/Township/County applying for Consolidation of Services payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a plan to increase its existing level of cooperation, collaboration, and consolidation of services (either within the jurisdiction or with other jurisdictions). The plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of potential savings for any new service consolidations being planned.
2. Submit to Treasury a copy of the plan to increase cooperation, collaboration, and consolidation of services.

This certification, along with a cooperation, collaboration, and consolidation plan, must be received by January 1, 2012 (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

PART 1: LOCAL UNIT INFORMATION

Local Unit Name	
City of Swartz Creek	
Local Unit Code	Local Unit County
25080	Genesee
Contact Name	Contact Telephone Number
Juanita Aguilar	810-635-4464

PART 2: CERTIFICATION

In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by January 1, 2012, the above mentioned local unit has produced and made readily available to the public a plan to increase cooperation, collaboration, and consolidation of services. The plan for cooperation, collaboration, and consolidation of services is attached to this signed certification.

Digital Administrative Official Signature (as defined in MCL 141.4220)

Paul Bueche
Title: Paul Bueche, City Manager
Date: DECEMBER 22, 2011

Completed and signed forms (including required attachments) should be e-mailed to: TreasORTA@michigan.gov

If you are unable to submit via e-mail, mail the completed form and required attachments to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

Treasury Use Only			
EVIP Eligible	Y	N	EVIP Notes
Final Certification			Plan Received



Paul Bueche
City Manager
<http://www.cityofswartzcreek.org>

22-December-2011

Michigan Department of Treasury
Office of Revenue and Tax Analysis
P.O. Box 30722
Lansing, Michigan 48909

Re: EVIP Certification, PA 63 of 2011

Dear Treasury Department,

Please accept this correspondence as the City's compliance with Public Act 63 of 2011, more commonly referred to as the "Economic Vitality Incentive Program, Certification of Consolidation of Services".

As a historical effort to reduce and control costs, the City:

1. Continues to operate a joint Fire Department with neighboring Clayco Township. The agreement is in effect under the Urban Cooperation Act, the combined Fire Authority dating back to pre 1907's (UCA).
2. Continues to belong to a county-wide coalition for 911 dispatch services.
3. Continues participation in several law enforcement cooperatives for narcotics enforcement (F.A.N.G.) and law enforcement (F.A.L.N).

In the summer of 2011, the City of Swartz Creek and the Townships of Flint and Midway began exploring a combined services initiative for police, fire, building and assessing. To date, the following actions towards this goal have been taken:

1. Numerous meetings held between consulting firm Plante-Morin, the City and the two Townships. Development of a Plante-Morin consulting proposal for a feasibility study (copy attached).
2. A joint public meeting between all three elected boards (in letter attached) reviewing and editing the feasibility study.
3. Solicitation for M.M.L. - EVIP. 50% grant funding for the study (resolution attached, funding denied due to availability).
4. Various Fall 2011 meetings between the City and Townships. Plans going into 2012 are to seek a another R.F.P. Bid and proceed with one-bid cost saving to the feasibility study.

Should you need additional, please feel free to contact me. In advance, your time and attention is appreciated.

Sincerely,

Paul Bueche

PAUL BUECHE
City Manager
(517)-635-4464

0003 GMC/One
Swartz Creek Michigan 48475
Phone: (517)-635-4464 Fax: (517)-635-2207

www.cityofswartzcreek.org <http://cityofswartzcreek.org>



Paul Bueche
City Manager
<http://www.cityofswartzcreek.org>

15-August-2012

Michigan Department of Treasury, ORTA
C/O Mr. Denise Blowitz
P.O. Box 30722
Lansing, Michigan 48909

Re: City of Swartz Creek
Request Starting EVIP Supplement
Additional Documentation

Dear Denise,

You have requested additional data and calculations to our submission via two questions:

1. "What are the cost savings the City has realized by virtue of our current combined fire service agreement with the Township of Clayton?"
To answer this question, the City, using budget data from the Fire Department's 2012 calendar year budget, looked at what the costs might be if we decided to separate and provide these services ourselves. With no allowances made for any capital investments or replacements, and using several base assumptions, the City's finance department arrives the savings at \$775,731 (See attached Exhibit "A")

2. "What cost might be realized if the City combined services, such as Police, Building, Zoning, Assessment and Public Works, with a neighboring community?"
The City, along with Flint and Midway Townships, hired a consulting company (Mitigation Consulting Services of Ann Arbor) to evaluate resources and cost savings that might be associated with combining services. A draft was released on July 30, 2012 that addresses the following areas:

- A. Police Services: The City will realize no cost savings by consolidating services with a neighboring community. There are recommendations for a partial contracting of some police services, such as strip tickets, however, such recommendations are problematic and make no estimate for expenses to accomplish this. The savings only is calculated at \$217,000 (See attached Exhibit "B").
- B. Building & Zoning: The City will realize no cost savings from consolidation. The study recommends consolidation to improve efficiency and allow the department to operate at expenses equal to revenues.

0003 GMC/One
Swartz Creek Michigan 48475
Phone: (517)-635-4464 Fax: (517)-635-2207
www.cityofswartzcreek.org <http://cityofswartzcreek.org>

(Page #2 Michigan Treasury Department: Revenue Sharing EVIP Supplement Additional Documentation)

- C. Assessing: The City currently contracts for assessing services. The study suggests that all three communities seek a joint contract with an outside firm; however, the City would be benefit little as the current contract is at maximum efficiency (See Exhibit "C").
- D. Public Works: Flint and Midway Townships do not have Public Works Department. The question was not addressed in the study.

If additional explanations of the shared services analysis are needed, a copy of the entire findings of the study can be sent.

If you need further, please feel free to call. In advance, I apologize for the inconvenience and thank you for your time.

Sincerely,

Paul Bueche

PAUL BUECHE
City Manager
City of Swartz Creek

Attachments

0003 GMC/One
Swartz Creek Michigan 48475
Phone: (517)-635-4464 Fax: (517)-635-2207
www.cityofswartzcreek.org <http://cityofswartzcreek.org>

CATEGORY II: CONSOLIDATION OF SERVICES – NEW CONCEPTS

Following is a table of cooperative and consolidation projects the City is working on:

CITY OF SWARTZ CREEK

Cooperative & Consolidation Initiatives Currently Under Consideration

City Service #	Consolidation Efforts#	Agency#	Fiscal Impact#	Miscellaneous #
Police Protection	Three Municipalities Employed a Joint Study for Combining Police Services	Flint Township, Mundy Township, City of Swartz Creek	Minimal New Quantifiable Savings Estimated to be <\$50,000	The City Cut Funding for Police Protection Consume With Revenue Reductions. The Study Suggests Out-Sourcing Administrative Functions to Flint Township. Such Actions Would Save Little Money and Would Reduce the Level of Service Unacceptably
Building, Zoning Services	Three Municipalities Employed a Joint Study for Combining Building & Zoning Departments	Flint Township, Mundy Township, City of Swartz Creek	No New Quantifiable Savings	The City Cut Funding for Building & Zoning Services Consume With Revenue Reductions. The Study Suggests Combining Building & Zoning Departments of All Three Municipalities. Although No Savings Will Be Realized Due to 2009-2012 Cuts, Combination Will Improve Efficiency and Professionalism. The City Continues to Pursue This Option
Assessing Services	Three Municipalities Employed a Joint Study for Combining Assessing Services. The City Reduced Assessing Services to Part Time and Outsourced	Flint Township, Mundy Township, City of Swartz Creek	No New Additional Quantifiable Savings Can Be Realized	The City Reduced the Assessing Department in 2006 Through Attrition and Out-Sourcing. The Study Suggests Combining the Three Departments. The Savings to the City Though Would Be Minimal
Fire Protection Services	Three Municipalities Employed a Joint Study for Combining Fire Services	Flint Township, Mundy Township, City of Swartz Creek and/or Clayton Township	No New Quantifiable Savings for the City	The City Currently Operates a Joint Fire Department With Clayton Township. The Study Rated the City's Fire Protection as Very Efficient. The Study Recommends Against a Full Combination, However, the Three Municipalities Continue to Explore the Concept

CATEGORY III: EMPLOYEE COMPENSATION

EVIP Matters pertaining to Employee Compensation have a filing deadline of June 1, 2013. The City Staff will update this plan in accordance with provisions in the act.

SUMMARY

As indicated earlier, the City has never had excessive revenue that might tend to permit lucrative compensation packages or unwarranted spending. Quite to the contrary, the City has always had to budget very carefully and efficiently to maintain basic and/or minimal services. The City's pension legacies are funded in the 90 percentile with modest O.P.E.B. obligations. In short, necessity has always driven the City to follow the best practices that P.A. 63 of 2011 compels.



Paul Bueche
City Manager

Paul Bueche

From: TreasRevenueSharing [TreasRevenueSharing@michigan.gov]
Sent: Friday, February 01, 2013 10:46 AM
To: 'Paul Bueche'
Cc: Juanita Aguilar (City Clerk)
Subject: RE: Emailing: 2013-Feb-1 City of Swartz Creek EVIP Consolidation Plan.pdf

Your EVIP submission has been received. We will contact you if additional information is needed.

Thank you.
Office of Revenue and Tax Analysis
517 373-2697

-----Original Message-----

From: Paul Bueche [mailto:pbueche@cityofswartzcreek.org]
Sent: Friday, February 01, 2013 10:44 AM
To: TreasRevenueSharing
Cc: Juanita Aguilar (City Clerk)
Subject: Emailing: 2013-Feb-1 City of Swartz Creek EVIP Consolidation Plan.pdf
Importance: High

To: State of Michigan
Treasury Department

Date: 1-February-2013

Re: February 1, 2013 Certification of Consolidation of Services

Please find the attached Adobe (pdf) file as the City's submittal for compliancy with the February 1, 2013 Certification of Consolidation. Should you need additional, please feel free to contact me at (810)-635-4464

Thanx...

Paul Bueche
City Manager
City of Swartz