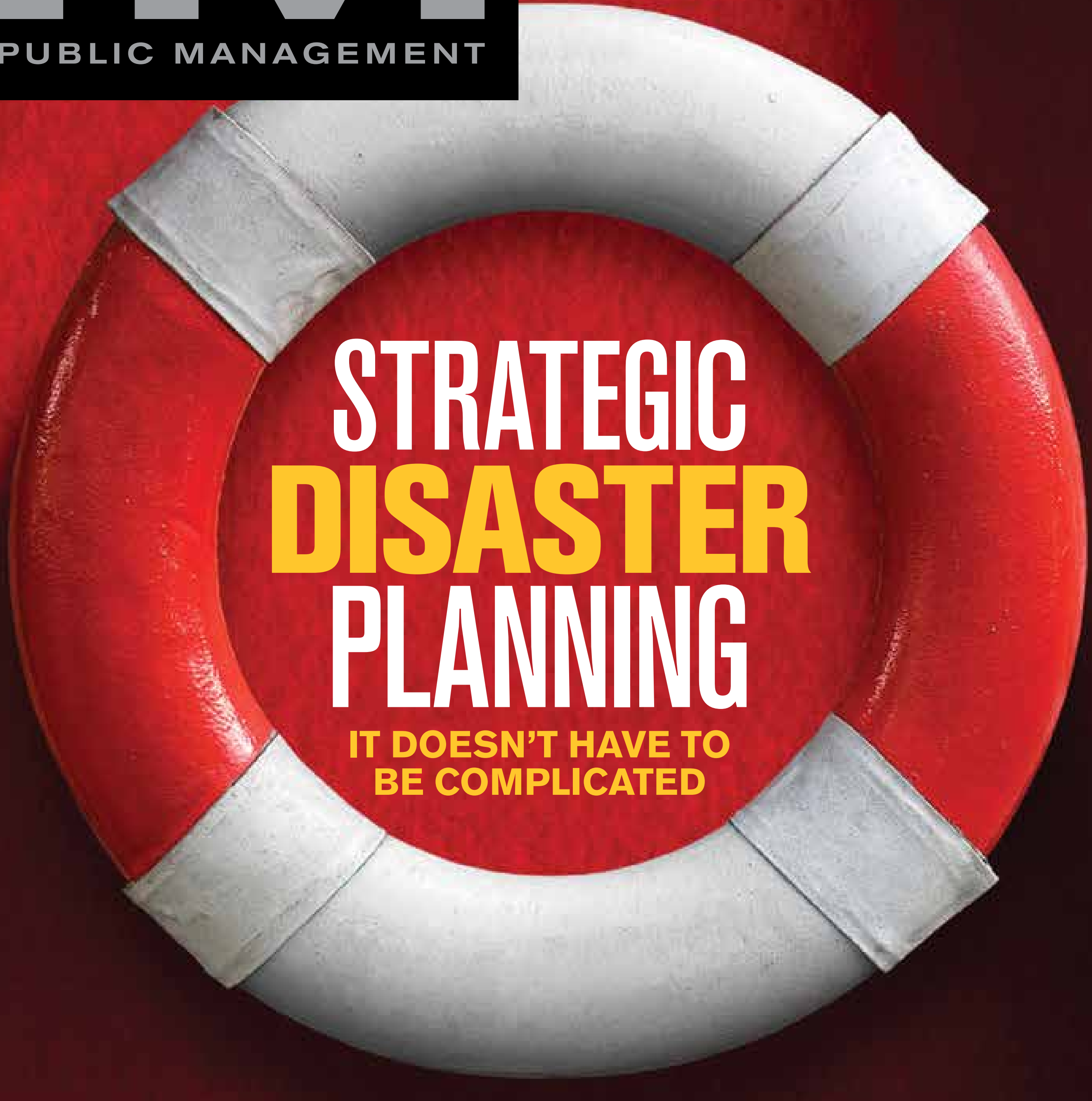
APRIL 2017 | icma.org/pm

PM
PUBLIC MANAGEMENT

INSIDE

2 GOALS AND ETHICS
16 GOING THE SELF-FUNDED ROUTE
24 DO'S AND DON'TS OF SUCCESSION PLANNING
27 GOOD ENOUGH IS NEVER GOOD ENOUGH



STRATEGIC DISASTER PLANNING

IT DOESN'T HAVE TO BE COMPLICATED

ADVANCING PROFESSIONAL LOCAL GOVERNMENT MANAGEMENT WORLDWIDE

ICMA

NEOGOV

Join over 1,500 public sector organizations that use NEOGOV to streamline HR processes, reduce time to hire, and decrease costs.

NEOGOV
Onboard
Sales Portal
NEOGOV
About Us
Checklist
Get key card from IT
Change email password
Set up desk
Fill out company profile
My Direct Reports
Active Evaluations & Overdue Tasks

Insight

Applicant tracking software that automates hiring

Onboard

Onboarding software that stimulates productivity

Perform

Full-featured employee evaluation software

neogov.com sales@neogov.com 1-888-NEOGOV1

PM
PUBLIC MANAGEMENT

contents

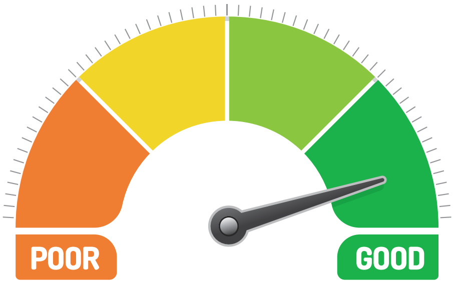
April 2017 | Vol. 99 No. 3

features

6 STRATEGIC DISASTER PLANNING
Tips on how to be ready for that "Do Something!" moment after a disaster happens.
Karen Johnson and Avery Share, Ashburn, Virginia

12 HIDDEN GOVERNMENT
The time has come for more accountability in special district governments.
Mary Eleanor Wickersham, St. Simons Island, Georgia, and R.P. "Sherman" Yehl, Valdosta, Georgia

icma.org/pm
This issue of PM is available online and mobile at icma.org/pm March 27, 2017.



5
Stick With Performance Management

departments

2 Ethics Matter!
Don't Let Your Goals Get in the Way of Your Ethics

4 On Point
Have You Had to Overcome Adversity/Hardship or Beat the Odds in Your Management Career?

5 @icma.org

16 Management Minute
– Going the Self-Funded Route
– Making a Difference
– Engaging Your Public

21 Your Replies
Silent on Incentive Performance

22 Public Safety Siren
Shaping the Next EMS Leaders

24 Top 5 or More
Top Do's and Don'ts of Succession Planning

26 Commentary
– Leadership Lessons from Jimmy Carter
– Good Enough Is Never Good Enough

28 Tech Touch
Forming a Technology Consortium

30 Professional Services Directory

32 Short Story
So You're the City Manager

BY KEVIN DUGGAN, ICMA-CM

DON'T LET YOUR GOALS GET IN THE WAY OF YOUR ETHICS

Successful leaders are achievement focused. They set goals and measure progress. While not the only characteristics of successful leadership, goal setting and performance measurement are among the most important.

What ethical price are managers willing to pay, however, in order to accomplish their own and their organization's goals? Are you being thoughtful in regard to knowing the limits you are willing to go for both personal and organizational "success?"

I think it is safe to say that management colleagues want to both be able to achieve goals and be ethical. In fact, being ethical should be an overriding goal. But there are numerous examples of an intense focus on performance and achievement getting in the way of ethical conduct.

One of the most notorious recent examples is the case of Wells Fargo Bank. Last year, more than 5,000 Wells Fargo employees were fired for setting up more than two million accounts in clients' names without their permission, often transferring their funds from other accounts.

Much of this was occurring while Wells Fargo was ramping up ethics training. While employees were instructed *not* to open up unauthorized accounts, the company's performance expectations

PM
PUBLIC MANAGEMENT

Public Management (PM) aims to inspire innovation, inform decision making, connect leading-edge thinking to everyday challenges, and serve ICMA members and local governments worldwide in the pursuit of excellence in local governance.

2016
ASSOCIATION TRENDS
ALL MEDIA
BRONZE AWARD
WINNER

ICMA EXECUTIVE DIRECTOR
Marc Ott

DIRECTOR OF PUBLISHING
Ann Mahoney

EDITOR
Beth Payne

DESIGN
Thor Design Studio
www.thor-studio.com

Public Management (PM) (USPS: 449-300) is published monthly except February by ICMA (the International City/County Management Association) at 777 North Capitol Street. N.E., Washington, D.C. 20002-4201. Periodicals postage paid at Washington, D.C., and at additional mailing offices. The opinions expressed in the magazine are those of the authors and do not necessarily reflect the views of ICMA.

COPYRIGHT 2017 by the International City/County Management Association. All rights reserved. Material may not be reproduced or translated without written permission.

REPRINTS: Apply to the editor for permission to reprint any part of the magazine.

SUBSCRIPTIONS: U.S. subscription rate, $46 per year; other countries subscription rate, $155 per year. Printed in the United States. Contact: 202/289-4262; subscriptions@icma.org.

POSTMASTER: Send address changes to *Public Management,* ICMA, 777 N. Capitol Street, N.E., Suite 500, Washington, D.C. 20002-4201.

ARTICLE PROPOSALS: Visit icma.org/pm to see "Editorial Guidelines" for contributors.

EDITORIAL INFORMATION
202/962-3619
bpayne@icma.org

ADVERTISING SALES
Ben Harmon
The Townsend Group, Inc.
Tel: 301/215-6710 x106
Fax: 301/215-7704
bharmon@townsend-group.com

PRINTING
Westland Printers
Laurel, Maryland

ICMA
icma.org | icma.org/pm

2016–2017
ICMA EXECUTIVE BOARD

PRESIDENT
Lee Feldman*
City Manager, Fort Lauderdale, Florida

PRESIDENT-ELECT
David Johnstone
City Manager, Candiac, Quebec, Canada

PAST PRESIDENT
Pat Martel
City Manager, Daly City, California

VICE PRESIDENTS

WEST COAST REGION

Jeffrey Towery*
Springfield, Oregon

Bruce Channing
City Manager, Laguna Hills, California

Martha Bennett*
Chief Operating Officer Metro Council,
Portland, Oregon

MOUNTAIN PLAINS REGION

Susan Sherman*
Assistant City Manager, Olathe, Kansas

Bert Lumbreras*
Assistant City Manager, Austin, Texas

James Jayne*
County Manager, Navajo County, Arizona

MIDWEST REGION

Daryl Delabbio*
County Administrator/Controller,
Kent County, Michigan

Lon Pluckhahn*
City Manager, Marion, Iowa

Patrick Klein
Assistant City Manager, Kansas City, Missouri

SOUTHEAST REGION

G. William Hammon
Assistant City Manager, Alcoa, Tennessee

Carl Harness*
Chief Human Services Administrator,
Hillsborough County, Florida

Charles Duggan Jr.
City Manager, Auburn, Alabama

NORTHEAST REGION

James Malloy*
Town Manager, Westborough, Massachusetts

Carlos Baia*
Deputy City Manager, Concord, New Hampshire

Stephanie Mason*
Township Manager, Doylestown, Pennsylvania

INTERNATIONAL REGION

Marc Landry*
Chief Administrative Officer, Beaumont, Alberta, Canada

Dennis Hovenden*
Chief Executive Officer
Frankston City Council, Victoria, Australia

Frans Mencke
City Manager, Hoorn, Netherlands

*ICMA Credentialed Manager (ICMA-CM)

drove thousands of their staff to do so for increased income and out of fear of losing their jobs.

Volkswagen has prided itself on quality manufactured, high-performing automobiles across several brands. As is well known, VW experienced a significant self-inflicted wound by installing software in some of their models to cheat emission control tests. The desire was to avoid a loss of driving performance in order to meet emission requirements.

And there is the far too often willingness for college coaches and athletic directors to bend the rules or violate reasonable standards in regard to player eligibility and welfare to achieve on the field or court success. As in the other cases, the eventual consequences are often just the opposite of what they had intended.

Pitfalls to Avoid

Are managers equally at risk of failing our ethical test as we strive to achieve? These are a few potential examples of being at risk of "trying too hard" to achieve otherwise admirable goals:

- Going too far in a quest to present a balanced budget to a governing board by being overly optimistic regarding revenues and expenditures.
- Demanding unrealistic statistical performance from departments resulting in unintended pressure to distort performance statistics to meet required goals.
- Adjusting how a police department categorizes criminal activity in order to give the impression that the crime rate is better than is actually the case. And when do reasonable expectations for self-initiated traffic enforcement spiral into a quota system?
- The strong belief that a major new facility (e.g., convention center, sports venue, theater) will be a major community asset allowing administrators to inflate the upside financial potential while understating or not fully disclosing all the potential downside risks.
- In striving for the goal of labor peace, understating the short- and long-term impact of a proposed salary increase or new benefit.
- Creating an environment where corners are cut on inspections (e.g., fire, building, or code enforcement) so that the numerical goals are achieved while the quality of the inspections deteriorates.

A Critical Balance

It is critical that leaders personally stay focused on the potential of going too far to achieve a desired outcome. We need to remember that while "achieving" is important, how we achieve our goals is no less important.

Do we take the time to reflect on how far is too far to accomplish a desired goal? Do we fully assess the potential impacts to our reputations and our organization's reputation of being overly aggressive to reach a desired outcome?

Are we willing to accept that it is simply part of our business that desired outcomes (goals achieved, levels of performance, and so on) will not always be ideal?

Even if you understand the critical balance between achieving goals and maintaining a high ethical standard, could you be inadvertently communicating the opposite to staff? Do you have performance measurement or incentive structures that can push employees to stretch ethical boundaries?

Could you be preaching ethical conduct while creating pressures for the members of the organization to do otherwise? The leaders of many private and public organizations, including the examples noted earlier, have unfortunately done so.

Finally, do you know how to keep goal achievement in alignment with good ethical values? Does your organization? PM

KEVIN DUGGAN, ICMA-CM, ICMA West Coast Regional Director, Mountain View, California, is the former city manager of Mountain View.

HAVE YOU EXPERIENCED A SITUATION WHEN YOU HAD TO OVERCOME ADVERSITY/HARDSHIP OR BEAT THE ODDS IN YOUR MANAGEMENT CAREER?

PATRICK KENNEDY, ICMA-CM
City Manager
Crescent City, Florida
citymanager
@crescentcity-fl.com

Prior to my arrival, Crescent City applied for a grant to construct a boat ramp. The original budget was $400,000. The application failed.

The city submitted a new application and reduced the budget to $200,000. The application was successful. I took over just as they received the news. I found out, however, that the city reduced the budget but not the scope. We obtained a $200,000 grant for a $450,000 project.

Coming from a development services background, I knew that contractors can be more creative than the engineers. After consulting some local dock and ramp builders, I still bid the project with the engineers' design, but included an option for an alternate bid designed by the contractor. We received several alternate designs and completed the project within the budget.

GAYLENE RHODEN, ICMA-CM
Town Administrator
Rib Mountain, Wisconsin
grhoden
@townofribmountain.org

My first response is no. However, you could have asked me the same question years back, and I might have had a different answer. At the time, the dilemma probably felt like a hardship.

I am fortunate that I have been able to work with a supportive elected board the past 14 years. Yes, there were times I struggled and wondered whether public management was the right career path. I stayed focused, however, and tried not to get too wrapped up in emotions.

Our state senior advisers, who are members of the Wisconsin City/County Management Association, have been a tremendous help to me. As trivial or minor as issues may seem, it does not hurt to reach out to others for advice. I remind myself frequently not to take the position for granted.

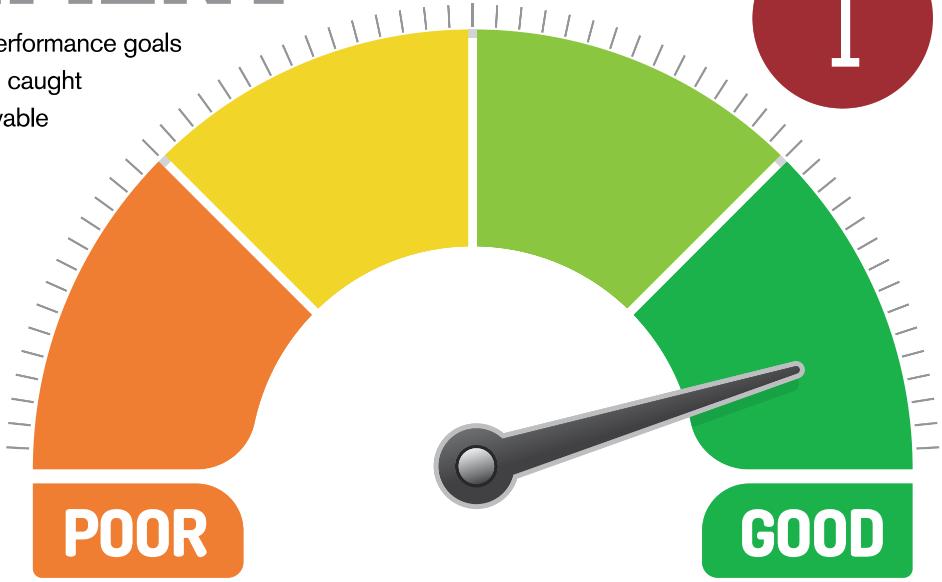
As one senior adviser said to me, "Plan to stay forever. Be ready to leave tomorrow." I commend managers who have been able to overcome adversity during their career. It is important to take from them lessons learned. PM

STICK WITH PERFORMANCE MANAGEMENT

1

Don't stop setting local government performance goals just because a few organizations were caught "gaming the system." By setting achievable goals, promoting transparency and collaboration, and avoiding the "blame game," you can maintain a sound performance management system that informs decision making.

▸ icma.org/no-games



HOW ASHLAND, OREGON, HELPS SURVIVORS OF ASSAULT

2

Ashland's police department program gives sexual assault survivors options on how to report facts and details on what happened to them.

▸ icma.org/you_have_options

HIGH COST OF OPIOID ABUSE

3

An ICMA webinar maintains its value by providing spot-on strategies communities are implementing to respond to the opioid crisis.

▸ icma.org/opioids_9_ideas

4

PUBLIC LIBRARIES ARE AWARD WINNERS

During 2016, the Urban Libraries Council recognized 20 public libraries as top innovators for programs, services, and operating practices that made a significant impact on their communities.

▸ icma.org/2016innovativelibraries

STRATEGIC DISASTER PLANNING

TIPS TO GIVE YOUR COMMUNITY A HEAD START

By Karen Johnson and Avery Share

Those who work with communities in the aftermath of natural disasters see the importance of advance planning firsthand. Disaster plans save time, money, headaches and, ultimately, they can save lives. In short, planning makes disasters less disastrous.

And yet, it can be difficult for communities to prioritize disaster planning, particularly for those with limited time, budget, or staff. These communities can also be hit the hardest when a disaster does strike.

"One of the biggest challenges we see during disaster response and recovery is that these communities all have people with a regular day job, and then they have disaster work piled on top of it," says Blake Ratcliff, director of economic development and disaster recovery, Institute for Building Technology and Safety (IBTS).

If it seems daunting to get your community's disaster plan up to speed, take heart. Natural disasters are always unpredictable, but the issues that communities face during a disaster are often surprisingly similar.

Build Relationships Now

For managers, how well do your state and local officials know you? You'll create a stronger, more authentic bond if you establish a relationship now, not when you're asking for assistance under duress. Put aside political differences. If someone is not familiar with your community, share some of what makes it special and extend an invitation to visit.

"You need to know your representatives in advance," says Amanda Moody, director of economic development for the city of Central, Louisiana, which is recovering from a devastating 2016 flood. "Don't wait for the disaster to happen. They need to know who you are and identify with your community."

In August 2016, Central was still recovering from damage caused by flash flooding earlier in the year, when more than 7 trillion gallons of rain fell in a 48-hour period, swallowing the city in more than four feet of water and in some places, up to six feet.

Initial forecasts underestimated the amount of rain the area would receive. Central, which has ample experience with

10
20
30
40
50
60
70
80

Don’t plan for a perfect plan. Instead, strive to make your plan better than the one you had last quarter, last month, or last year.

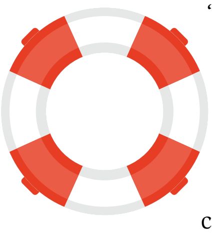
hurricanes and was well-prepared for typical disaster scenarios, had no way of anticipating the amount of damage the rains would cause. Of its 27,000 residents, 25,000 were impacted by the flood, which resulted in more than $10 billion in losses.

Relationships with government agencies in other localities are also critical. Talk with other cities and counties about disaster planning, and establish mutual aid agreements that specify how you will help each other in a disaster event.

"Have a memorandum of understanding in place for working with other local governments and agencies," suggests Charlie Cox, emergency management coordinator, Orange County, Texas. Sister city partnerships can also define how two cities will help each other during a natural disaster. "Our sister city can help take in our residents if they're displaced in a disaster," he explains.

In March 2016, excessive rain caused the Sabine River north of Orange County to reach record-high levels, compromising the integrity of the Toledo Bend Dam and forcing dam operators to release water and flood the county. At its peak, the amount of water flowing over the dam per minute was equivalent to the water flow of Niagara Falls.

The county had previous experience with flooding after Hurricanes Rita and Ike. Their existing disaster plans, however, only accounted for flooding from the Gulf. Although they had two weeks to prepare, county officials had to rapidly develop a plan for a disaster scenario with water coming from the opposite direction, with no historical data or existing flood models.



Looking for more relationship advice? Include your community's volunteer and faith-based organizations in disaster planning. A natural disaster will strain your community's resources, and volunteers will either help alleviate this strain or unintentionally make it worse.

Talking with these groups regularly beforehand will not only help you understand what they can offer during a disaster, it also can help them understand roles and boundaries intended to ensure safety and avoid duplicated or unnecessary efforts (see page 10, "Avoid Chaos with Effective Volunteer Management").

Likewise, establish relationships with enthusiasts or resident groups that may have special equipment or skills that can help in a disaster. Amateur HAM radio enthusiasts are invaluable assets when landlines and mobile phones are down.

UNDERSTANDING FEMA AND THE STAFFORD ACT

In disaster recovery, the relationship and interaction between FEMA and the 50 states is critically important and based on state sovereignty concepts defined when the U.S. Founding Fathers wrote the Constitution. Federal disaster assistance is intended to supplement--not replace--state, local, and private-sector resources. In almost all cases, states must formally request federal assistance after determining that the disaster response exceeds local capabilities.

Established in 1988, the Robert T. Stafford Disaster Relief and Emergency Assistance Act creates the formal system that allows FEMA to provide disaster assistance to states after presidential disaster declarations or emergency declarations.

Under the act, FEMA administers and coordinates funding and disaster response activities after a presidential disaster declaration. The act encourages states and localities to:

- Develop comprehensive disaster preparedness plans.
- Achieve better intergovernmental coordination in a disaster.
- Protect themselves by obtaining insurance coverage.
- Encourage hazard mitigation measures.
- Provide federal assistance programs for both public and private losses.

These requirements can be challenging for localities to understand and implement consistently. A range of tools to help localities conform with Stafford Act requirements before, during, and after a natural disaster will be provided at IBTSOnHAND.org, which will launch summer 2017 (see IBTS Online Resource information, page 10).

Ask Central's residents about the "Cajun Navy"—a group of resident boat owners who navigated flood waters to rescue those stranded in their homes—and you're likely to get tears of gratitude and one heroic story after another.

Communication Considerations

At no time in your community will communications be as critical—or as problematic—as during a disaster. Making improvements and plans now that address the communications challenges your community is likely to face in a natural disaster will save you time and headaches. It may also save lives.

Start by looking inward, at internal agencies and departments. Most localities struggle with staff communications during a disaster. In areas where disasters are rare, few or no staff members will have real-world natural disaster experience. Even localities that experience disasters every few years can quickly lose institutional knowledge due to staff turnover and administration changes.

In Orange County, officials were experienced with hurricanes coming from the south but had no idea how unprecedented flooding from the north would impact the county. Once flood waters hit, half of the county was flooded, while the other half was unaffected, causing confusion among agencies and staff.

“We lost time trying to train people and get them in the right place,” says Orange County Commissioner Barry Burton. “You have to bring in people from different departments to staff the emergency operations center, and you can have miscommunications,” he says. “Make sure everyone understands what their role is going to be.”

It’s a good idea to develop a laminated document that lists contact information for all external resources. Provide copies to critical internal personnel, like the mayor, police chief, and fire chief for their home, office, and vehicle.

Use social media like Facebook, Twitter, and other social tools to send out short, immediate messages. Consider such alternative forms of communication as amateur radios and community bulletin boards for communicating when traditional lines of communication are down. And have community leaders use multiple, different cellphone carriers to improve your chances of mobile communications during a disaster.

Communities may also do little planning for how to communicate and coordinate with volunteers. Without a plan for communicating with volunteers, you will lose a potentially valuable resource for your community—at best. At worst, untrained, spontaneous volunteers can hinder rescue efforts and put themselves or others in danger.

You can plan for the most important components of volunteer communications well before a disaster occurs; for example, identifying potential locations for a volunteer reception center (see page 10, “Avoid Chaos with Effective Volunteer Management”).

Following the disaster, you will need to communicate with the public about community recovery and disaster-funding opportunities. Be prepared for residents who are distraught; their homes may have been damaged or lost, some may have lost loved ones.

Organize town hall meetings with internal and external stakeholders once it is safe to do so. Communications should be empathetic but also clear and never misleading.

Make sure there is alignment between the Federal Emergency Management Agency (FEMA), Department of Housing and Urban Development (HUD), and your locality on program eligibility and requirements before communicating any disaster assistance funding information to the public.

Documentation, Documentation, Documentation

Providing proper documentation is crucial to ensuring that your community will receive and keep funding assistance following a disaster. Yet, it’s easy to be overwhelmed by the detailed documentation requirements for FEMA, HUD, and other funding programs.

It’s always a good idea to enroll in a FEMA or HUD Community Development Block Grant Disaster Recovery (CDBG-DR) training course prior to a disaster; both offer a wide range of in-person and Web-based training courses.

Localities that don’t meet documentation requirements may have their claims denied, funding halted, or even be required to return assistance funding they have already spent. “We learned that the hard way with Hurricanes Rita and Ike,” says Orange County’s Burton. “We were denied claims because we didn’t save receipts. If you don’t have the documentation, you won’t get the funding.”

During disaster planning, develop checklists of documentation requirements from funding sources. Make sure you and your staff know what documentation FEMA requires. Remember you won’t request funds until after the disaster, so keep documentation requirements in mind during the immediate aftermath of the disaster.

Also provide those in the field with documentation checklists that they can take with them. And make available checklists of documentation needed for CDBG-DR or other grants to homeowners.

WHAT ARE NFIP AND CRS?

The National Flood Insurance Program (NFIP) allows homeowners in participating communities to purchase flood insurance at affordable rates that are a fraction of the cost it takes to repair uninsured homes damaged by a flood.

Obtaining flood insurance can have enormous benefit for a community even if flood insurance is not required. In Central, more than 2,000 homes damaged by floods did not have—and were not required to have—flood insurance.

To participate in the NFIP, communities must develop and enforce building and zoning ordinances that mitigate future flood damage. Here are the three components of NFIP:

- Providing flood insurance.
- Improving floodplain management.
- Developing flood zone hazard maps.

Communities that exceed NFIP’s minimum requirements are eligible to enroll in the program’s community rating system (CRS), which offers insurance discounts that increase as communities improve their rating. CRS awards points for activities like having elevation certificates, preserving open space, and making flood protection information publicly available.

IBTS ONLINE RESOURCE

IBTS is in the process of developing the IBTS Online Help and Advice for Natural Disasters website (IBTSOnHAND.org), a free, online resource to help communities prepare for, respond to, and recover from natural disasters. This resource, which will be launched during summer 2017, will provide several tools, including a debris management wizard and a FEMA reimbursement wizard. It will leverage IBTS's experiences gained from helping communities manage the natural disaster process.

AVOID CHAOS WITH EFFECTIVE VOLUNTEER MANAGEMENT

During a disaster, volunteers will show up. Whether they are an asset or a burden to your community largely depends on whether you have a system in place for managing them.

At the heart of volunteer coordination is the volunteer reception center (VRC), a designated location for volunteer management where both credentialed and spontaneous or self-dispatching volunteers will report to for credentialing and to be given their assignments. The center's director and managers should be trained during disaster preparation.

It's important to establish a relationship with volunteer organizations throughout preparation and planning so that you have a pool of already credentialed, trained volunteers ready to deploy when safe to do so. Partner with your local community emergency response team to hold regular volunteer training sessions.

Even with advance credentialing, it's essential to establish a process for quickly credentialing untrained, spontaneous volunteers. All volunteer credentialing should take place at the VRC.

To ensure security, develop a simple volunteer application in advance that includes a job description and a disclaimer that applicants will be subject to a background check. Have local law enforcement on hand to perform background checks on volunteers.

Issue all volunteers a photo ID with their name, assignment, and dates they expect to volunteer, and also instruct them to keep their ID with them. Provide volunteers with orientation and basic safety training at the VRC by public safety personnel.

Assign a VRC staff member to a data-entry role to ensure volunteer efforts are accurately tracked. You will need to submit these to FEMA for reimbursement.

Prepare detailed messages that specify when it is safe for volunteers to help, what donations are needed, and when volunteers should *not* help. A message like this, for example, is useful: "Volunteers with chainsaws are needed for debris removal on Thursday."

"Learn how to document everything," says Central's Mayor Jr. Shelton. "It's the most important thing."

This can be extremely difficult in the confusion and disorganization that follows a natural disaster. "When disasters happen, it's controlled chaos and you have to document what is going on," says Burton. "For us, FEMA needed to see a picture of the water when it was at its highest level. We couldn't show a picture and say, 'Well, this is where the water was.'"

Take photographs and document damage as soon as it is safe to do so.

Keep specific, detailed records of hours worked and work performed. These demonstrate your community's investment in recovery, which can help determine recovery cost-sharing ratios required by FEMA.

Likewise, make and keep copies of all documentation. "Have redundant systems in place. Think of the old saying 'Two is one and one is none,'" says Central Councilman Shane Evans. "Have all information in hard copy and digital format."

Use cloud storage to ensure document safety. Instruct staff to scan and upload documents immediately. Organize documents by type of reimbursement and set up a file-naming protocol.

Once your community receives disaster assistance funding, you will need to keep and manage records on all projects and expenditures so that you can demonstrate proper use of funds. Be prepared for audits by ensuring that all documentation is well-organized and easily accessible. Retain files for at least five years after the grant closeout date.

"Don't underestimate the burden that documentation requirements can put on your staff, especially for smaller communities," says Steve Traina, deputy director of economic development and disaster recovery, IBTS, who has worked with communities recovering from disasters, including both Central and Orange County. "Be realistic about how you're going to handle the increased workload."

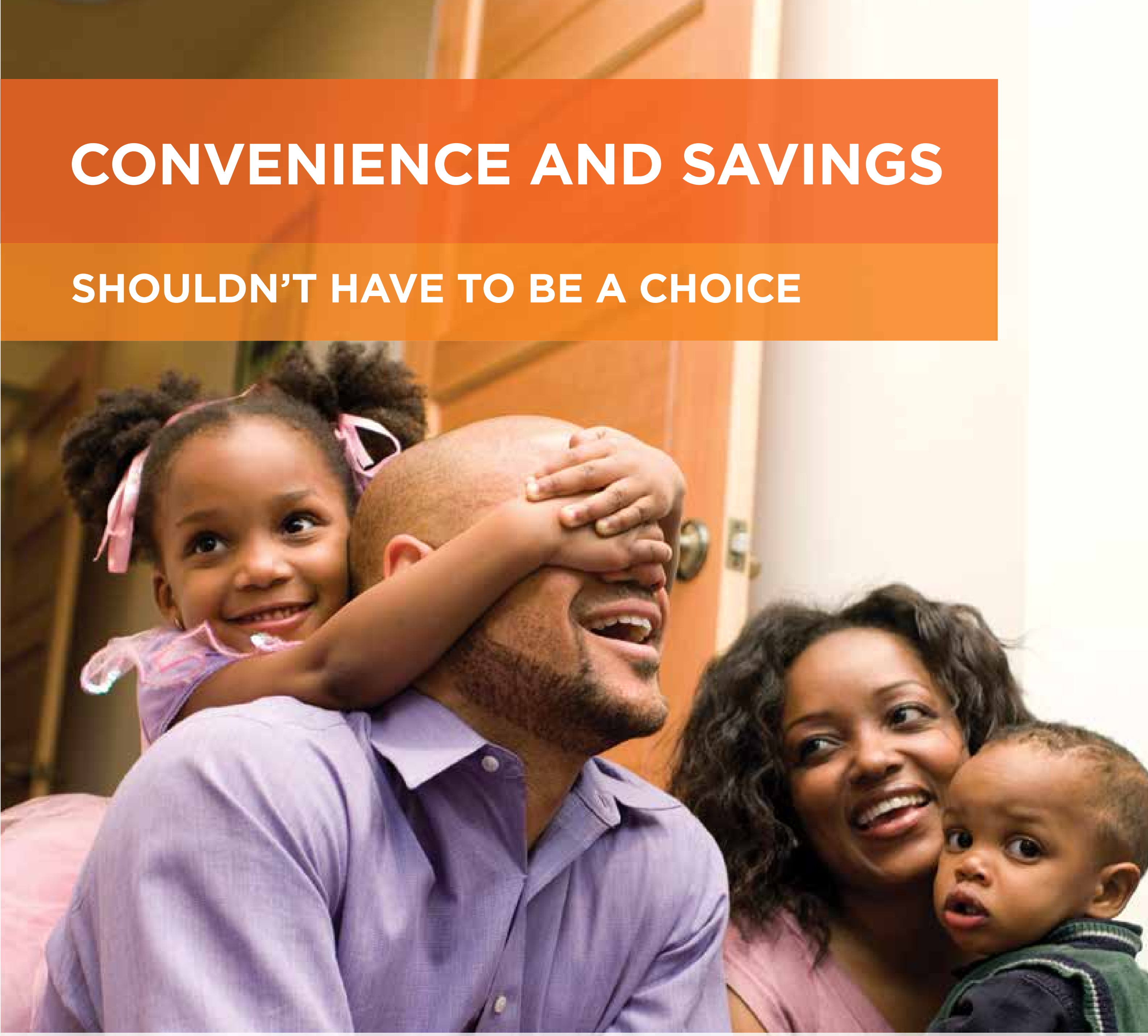
Consider if a third party can help you manage documentation and submittal requirements. The FEMA state applicant liaison (SAL) and public assistance coordinators can assist with documentation compliance.

Planning for a natural disaster should be an ongoing process for your community. Don't plan for a perfect plan. Instead, strive to make your plan better than the one you had last quarter, last month, or last year. Look for how you can incorporate other communities' experiences with response and recovery into your planning efforts.

KAREN JOHNSON is senior research associate (kjohnson2@ibts.org), and **AVERY SHARE** is research analyst (ashare@ibts.org), Institute for Building Technology and Safety, Ashburn, Virginia. IBTS is an ICMA Strategic Partner.

CONVENIENCE AND SAVINGS

SHOULD'T HAVE TO BE A CHOICE



Today's consumers are unique, but what they want is basically the same. Convenience, simplicity and no surprises, especially when it comes to their health and money.

At Cigna, our customer insights and extensive experience in health management enable us to create personalized benefit solutions that meet the needs of the local governments we serve and their employees, who help them succeed.

To learn more about partnering with Cigna, visit Cigna.com.

Cigna®

Together, all the way.®

All Cigna products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company. The Cigna name, logo, and other Cigna marks are owned by Cigna Intellectual Property, Inc.

895788 06/16 © Cigna 2016.

By Mary Eleanor Wickersham
and R.P. “Sherman” Yehl

HIDDEN GOVERNMENT

INTEREST GROWS IN GREATER ACCOUNTABILITY FOR SPECIAL DISTRICTS

Special districts (SDs), according to the 2012 U.S. Census of Governments, are the most common form of government in the United States. SDs total more than 38,000—nearly half of all city, town, and county forms of government and an increase of 461 percent since 1942.

Estimated to spend more than $100 billion annually, SDs are the fastest growing segment in U.S. government. This trend is likely to continue when the 2017 Census of Governments is released this year. (Since 1952, the U.S. Census Bureau has conducted a Census of Governments of all state and local government organization units every five years, for years ending in 2 and 7.)

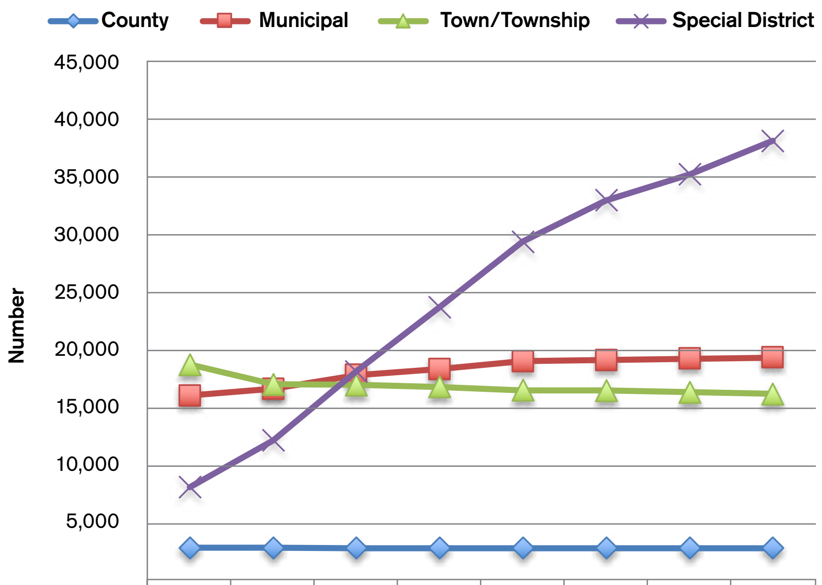
Local Governments by Type, 1942 to 2012

The U.S. census defines SDs as “independent, special purpose governmental units that exist as separate entities with substantial administrative and fiscal independence from general purpose local governments.” SDs may focus on one key area or a range of issues, including managing buildings, libraries, hospitals, transportation, health, welfare, education, natural resources, parks and recreation, sewerage systems, solid waste, housing and community development, water systems, and public utilities.

A Means to an End

Since the New Deal era, these SDs, often known as authorities, have grown in number as local governments confront

LOCAL GOVERNMENTS BY TYPE, 1942-2012



	1942	1952	1962	1972	1982	1992	2002	2012
County	3,050	3.052	3,043	3,044	3,041	3,043	3,034	3,031
Municipal	16,220	16,807	17,997	18,517	19,200	19,296	19,431	19,519
Town/Township	18,919	17,202	17,144	16,991	16,691	16,666	16,506	16,360
Special District	8,299	12,340	18,323	23,885	29,532	33,131	35,356	38,266

government limits on financial matters, including multiyear loans and contracts that are forbidden in some states, statutory limits on increases in ad valorem taxes, and locale-limited government investment in long-term improvements.

In some cases, the impetus for the creation of the SD was a perceived need for a specialized and expertise-heavy oversight organization that could borrow money, buy and sell property, and enter into contracts in a more efficient and businesslike manner than the local government itself.

SDs are perceived by many as "small government." When local officials are fearful of an encompassing, full-service government agency to handle regional matters, SDs spring up in response to this need for some government service but without the over-arching control that large, centralized governments typically provide. Whether you believe local government in the U.S. is fragmented or differentiated, SDs contribute to this large puzzle, especially in metropolitan areas.

SDs have multiplied because, in general, they have been considered a means of achieving public purposes and removing a burden from local elected officials and public managers. These districts can result in "out of sight, out of mind" and "one thing off our plate" attitudes from local government officials, as long as the work rocks along.

Troubling Issues

It is, however, often at times of crisis—especially economic crisis—that local governments become aware of just how over-leveraged or underfunded SDs can be, and, in some cases, how far they have drifted from their core missions.

In communities across the nation, local taxpayers have had to assume responsibility for SD bonds the county or city had backed as a routine matter. The 2012 report *Ghost Government*, issued by the Kentucky Auditor of Public Accounts, discovered that SDs spent almost as much per capita as the state's portion of local school district programs and in total expenditures, more than state funding for both roads and Medicaid costs.

When SDs raise rates for services to improve the bottom line, residents often have little or no recourse, as local governments frequently maintain a hands-off attitude where SD authorities are concerned. Neighbors in different districts may pay vastly different taxes or rates for services, depending on the SD that directs the services or sets the millage rate.

Corruption may go undetected if there are no formal or shared auditing processes in place. Conflicts of interest, especially those related to economic development, are also difficult to identify when projects are considered virtually secret until they are complete.

Elected officials who find their SDs in trouble may be asking themselves how things went downhill so quickly. Often, the disconnect between the democratically elected body and the special district is vast because of the intentional independent nature of these organizations. Recognizing SDs as vital sectors of government, a process that has begun in some states, is a first step in enhancing accountability.

Shadow Governments

The gulf between elected officials and SDs is reflected in the lack of public awareness about what the districts actually do and what services they provide. Indiana University-Perdue University Professor Larita Killian explains that "the proliferation of special districts obscures responsibility, making it difficult for citizens to link specific services to the entities that

TAKEAWAYS

› The time has come for more accountability in special district governments.

› Government 2.0 can help eliminate excuses for lack of transparency on the part of special districts.

provide them,” reducing opportunities for democracy and limiting the public’s ability to hold SDs accountable.

The late UCLA politicial scientist John Bollens in 1957 described SDs as “shadow governments.” And in 1992, Professor Donald Axelrod wrote, “The new mandarins that run public authorities are above the battle. Wrapped in their golden cocoons, they are insulated from voters, governors, and legislatures. Normal checks and balances, accountability, and control do not apply.”

ESTIMATED TO SPEND MORE THAN $100 BILLION ANNUALLY, SDs ARE THE FASTEST GROWING SEGMENT IN U.S. GOVERNMENT. THIS TREND IS LIKELY TO CONTINUE WHEN THE 2017 CENSUS OF GOVERNMENTS IS RELEASED THIS YEAR.

Although many SD governments have elected governing boards, the lack of participation by the electorate means that many of these agencies are effectively operating without “adult supervision.” While municipal election turnout is notoriously low in the United States—typically 25 percent of those eligible, according to an October 2014 *Governing* article by Mike Maciag—SD elections have much lower turnouts. In many elections reviewed by the authors, turnout was in single digits or elections were cancelled due to lack of opposition.

Texas, which ranks third behind Illinois and California in the number of SD governments, has a slew of municipal utility districts that were initially appointed by developers; subsequent elections for board members have drawn only two to three percent of eligible voters.

Other boards are semi-democratic, with appointments or nominations made by elected officers. In some communities, boards first appointed more than 50 years ago continue to be self-perpetuating with little local government oversight or direction.

Impact on Local Government

Should the way SDs operate really matter to the average resident or the local government itself? Some authorities say it does, in part because of the public-private nature of these organizations and the fact that SDs are in many cases one or more steps removed from the democratic process.

Author Christopher Goodman, writing on local government fragmentation in a 2013 article in *Public Finance Review*, suggests that the “[c]oncentration of spending in single purpose districts leads to higher levels of per capita expenditures.”

Professor Killian, in a 2011 edition of *Accounting and the Public Interest*, expresses concerns that “[t]he proliferation of special districts has the potential to increase government costs, redirect the allocation of scarce resources, remove debt and expenditure practices from the public eye, and reduce democratic controls over elected officials.”

In their 2015 study of municipal transparency in Portugal published in *Public Management Review*, Professors Nuno Da Cruz, Antonio Tavares, Luis de Sousa, and Rui Marques worry that a dearth of reporting from local governments deprives residents of the right to public information that provides “citizens with information so they can act as ‘armchair auditors’ that participate in the policy process, promote accountability, improve the quality of government decision making, and help prevent and mitigate corruption.” Without access to SD information, the resident role in public life is diminished.

Democracy in SDs may also be challenged by the competing goals of the SD, that is, the public nature of the organization versus the business-oriented mission, creating blurred lines between public and private responsibilities. For those SDs that have eminent domain authority, the U.S. Supreme Court’s 2004 *Kelo v. City of New London* decision opened-up broad authority for districts to condemn property for “economic development” purposes.

Decisions made by SD boards are not always public. The Tarrant Regional Water District in Fort Worth, for example, has purchased large tracts of private property in a potential one billion dollar project with little public input.

In some cases, lack of transparency has resulted in publicly owned operations being turned over to private business without approval of any democratically elected body. Accountability for funding when a project ends may not be clear, leaving millions of dollars in public investment to be managed by a group of residents with little or no responsibility for reporting.

Accountability Wish List

Local and state government officials may want to rethink their expectations of special district transparency and accountability in light of the continuing growth of SDs and their responsibilities to their residents.

Though many of these authorities operate almost completely independently, when public funds are used, American values dictate that there must be some public accounting for the processes and approval related to those expenditures. When these policies are not in place, they should be considered by the appropriate level of government.

Publicly available website. One reasonable demand that state and local governments can make of SDs is that reporting be equivalent to their own public expectations for reporting by the most cost-efficient, cost-effective, and accessible means: a public website.

If a district is small and has a singular purpose, its Web pages could be attached to the local government's Web presence. Websites do not reach everyone, of course, but they do create access to information that would otherwise be unreachable by the vast majority.

Pew Research reports that 65 percent of Americans use the Internet for accessing government information, justification enough for the website requirement. Larger SDs might be expected to have a stand-alone website. At minimum, these items should be part of the website:

- The mission of the SD.
- The scope of services of the organization.
- Authority member names, responsibilities, terms, and contact information.
- Location of offices or other administrative contact.
- Ethics and conflict-of-interest policies.
- How members voted on decisions, and if there were recusals due to conflicts of interest.
- Policies and procedures for operations.
- Authority openings and means of appointment.
- Meeting dates, times, and places.
- Budget meetings.
- Current and past budgets.
- Debt reporting.
- Audits.
- Strategic planning information.
- A link for open records requests.
- If funding other organizations, who received funding and a description of progress on projects, including any defaults on loan repayments.
- Meeting agendas and how a resident can get on the agenda.
- Current minutes and minutes archive of meetings.
- Performance measures as linked to the mission and strategic plan.

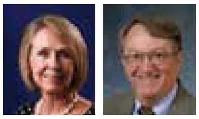
A focus on E-democracy and Government 2.0. Refers to the idea that governments promote democratic interactions with residents through the Internet. Contrast this to e-government, which some interpret as more one-way communications from government to the public.

Providing opportunities for resident engagement is increasingly an important public expectation. Democracy by its very nature is messy. With enhanced transparency efforts, SDs may find that their meetings are more contentious and that demands for information increase.

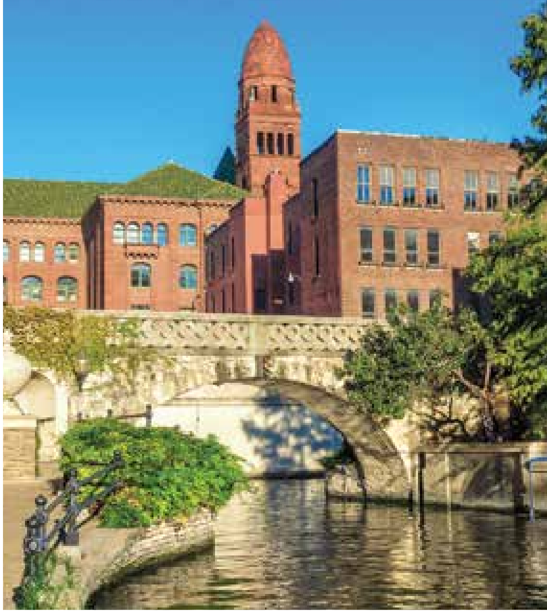
Public organizations have an obligation to provide the types of transparency that promote accountability in local governance. SDs should not be an exception to the rule.

Local government participation in special district planning. The private nature of many SDs has effectively limited public participation in decision making about issues that may range from purchase and sale of property, to tax rates for community development, to funding awards to private developers. Local governments can support SD efforts for public input and transparency by sharing SD information on their own Web pages and participating in planning events to help ensure that the democratic process is alive and well.

E-sunshine laws vary across the states, of course, but the principles of open government remain constant in the United States. Confirming that SDs are fulfilling their core missions and are held accountable—for finance, compliance, and performance in particular—can go a long way toward ensuring that our democratic values are practiced, not just espoused. PM



MARY ELEANOR WICKERSHAM, D.P.A., is a retired associate professor of public management, School of Business and Public Management, College of Coastal Georgia, St. Simons Island, Georgia (mwickersham@ccga.edu). **R.P. "SHERMAN" YEHL**, Ph.D., is associate professor of public administration, Valdosta State University, Valdosta, Georgia (rpyehl@valdosta.edu).



SAVE THE DATE

Plan to Join us in San Antonio/Bexar County for the 103rd ICMA Annual Conference

OCTOBER 22–25
ICMA 2017
SAN ANTONIO
103RD ANNUAL CONFERENCE • BEXAR COUNTY

For information about exhibiting, contact:

Lara Fitts Gamache
Exhibit Manager
Corcoran Expositions, Inc.
lara@corcexpo.com
312.265.9639 (t) | 312.541.0573 (f)

For information about conference sponsorships, contact:

Julie Butler
Director, Conference
Programs and Exhibits
jbutler@icma.org • 202.962.3573

ICMA.ORG/CONFERENCE
#ICMA2017

ICMA

BY DANNY TALLEY

GOING THE SELF-FUNDED ROUTE

How Brighton, Colorado, minimized coverage gaps

For the city of Brighton, Colorado, meeting the needs of a wide range of employees—manual and office workers, singles and families—and doing it on a city council-approved budget, takes a lot of forethought.

So, three years ago when Brighton (population 35,719) faced a medical spend increase of 18 percent, it moved to a self-funded benefits model. This not only helped the city stabilize medical costs, but it also meant it would own its own medical trend data, a benefit that could help support employee health risks down the road. By owning the data, it can explore the health issues that affect employees and better match benefits to support employees' needs.

Essential to the self-funded strategy is offering a range of voluntary benefits (VBs) to minimize any coverage gaps for employees. Sounds simple, but Brighton faced a number of challenges in doing so.

For one, it needed to enhance the existing VBs offering to improve staff health and productivity; and second, it needed to increase employee engagement around the VBs in order to compete with area employers to attract a multigenerational workforce in both field and desk jobs.

Working with a benefits adviser, Brighton was able to create a three-year strategic plan that would not only add more voluntary benefits but also institute an employee benefits education campaign focused on their adoption.

A New Take on Voluntary Benefits

During the first year of the new VBs campaign, Brighton rolled out three additional benefits—a telehealth program, a critical illness policy, and an accident plan. Strategically chosen to bridge gaps where city employees needed it most, the new VBs experienced high participation rates almost immediately.

Wellness benefits built into the critical illness and accident plans resulted in VB premiums at little or no cost for employees when covered individuals get an annual well visit, as well as group and one-on-one meetings with a benefits counselor who educated all employees on the benefits of VB participation.

Telehealth coverage. Brighton employees enjoy the convenience and alternative access to a physician after hours using mobile access, which minimizes emergency room visits and doctor's office copays. Avoidance of unnecessary doctor and ER visits led to a 210 percent return on investment for the city in the program's first year.

A win-win for employees and employers alike, telehealth coverage typically drives down use on core medical spending and helps maintain employee productivity by reducing sick days off work.

Critical illness policy. The critical illness policy helped employees, of which 45 percent participated in year one, bridge coverage gaps left by their high-deductible medical plan, including paying for a second opinion, specialist care, experimental treatment, or even natural and homeopathic treatments.

Accident plan. One of the most popular VBs with 65 percent participation the first year, the city's new accident plan helps cover medical costs related to emergency treatment and treatment-related transportation and lodging—expenses that aren't covered by many core medical plans.

Multiyear Plan Benefits

Essential to building lasting change for any group is creating a multiyear benefits plan that looks at a company's culture, employee mix, current benefits offerings, and goals.

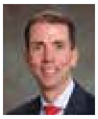
For Brighton's city council, the three-year strategic plan serves another critical purpose. It allows for council approval before any financial commitments and changes are made, a step that builds in time to vote on budget changes and solicit councilmember feedback ahead of implementation.

When creating the three-year strategic benefits plan, the city considered these five elements:

- Plan design: A map of VB options to roll out in subsequent years, including life insurance with long-term care.
- Funding: Maintaining affordable annual premiums for VBs.
- Employee premium contributions: What is reasonable for employees?
- Financial and lifestyle considerations: What VB options will help employees minimize coverage gaps? Which innovative solutions support employee financial and lifestyle needs?
- Communication and education: Are we leveraging the right resources to educate employees?

For Brighton, providing employees with the best benefits options and quality service, while maintaining the city's status as a competitive area employer, are all top priorities.

The city knew its benefits strategy was making a real impact on employee recruitment and retention when new employees were handed an explanation of the benefits and one person exclaimed: "Wow! This is your benefits package?!"



DANNY TALLEY, SR., is vice president and voluntary benefits specialist, Hub International, Denver, Colorado (danny.talley@hubinternational.com).

BY DAN SINGER

MAKING A DIFFERENCE

A formula for success

I used to be envious of long-tenured city and county managers, those who had spent 20 to 25 years in one local government. Given how slowly things seem to move in government, the chance to really effectuate change in a community seemed to require a long tenure.

So when I found myself "in transition" last year after only a few years on the job, I was disheartened because I didn't believe I had been given the chance to make a difference in my community. Yet, upon my departure and since that time, I've been overwhelmed with feedback from my previous employees about the positive impacts I made on the organization and its members.

What I've come to fully appreciate is that it isn't so much the amount of time managers spend in an organization, as it is the way we spend that time that matters most. In just two years, it turns out, I was quite successful in working with our management team at boosting morale and productivity, lowering absenteeism and workers' compensation claims, and creating an environment where employees were recognized and appreciated for their contributions.

Upon reflection, what I now know is that the formula for this success was really quite simple—applicable in any organization—and absolutely worth repeating.

In my opinion, here are the four steps that contributed to the organization's success:

Listen. Longtime and now former city manager Frank Benest once advised me that when you arrive in a new organization, your first order of business should be to seek the input of employees on what is going well, what needs attention, and what would make the organization better.

Gaining their insight and doing something with the feedback demonstrates you are here to truly listen. Plus, it allows the organization to have input and see that the manager is genuine about addressing their ideas and concerns.

After all, as the "newcomer" to an organization, you are the least knowledgeable person around; thus relying on your listening skills is key to establishing rapport and credibility with those around you.

Demonstrate. Listening is an important first step, but it is somewhat meaningless unless and until you demonstrate to the organization that you have heard the input from employees. Demonstrating that their comments, ideas, and concerns are important to you requires an action plan based on their input, lest you risk looking like you don't care about that input.

Find some low-hanging fruit you can tackle immediately and engage the organization in a meaningful discussion about the more significant suggestions and concerns that may need to be addressed over time.

Communicate. All too often, the manager's office is isolated from the organization or is primarily focused on addressing the elected officials' concerns, forgetting that most employees are left out of the information loop. As a manager, you simply cannot communicate enough.

Communicate to the elected officials and the employees, communicate with the public, communicate with volunteers and appointed members of the organization, and communicate with the media. You can't really over-communicate.

In my last position, it became clear that employees wanted to be informed, so we enhanced the content of all-hands meetings and management retreats. In addition to an internal employee newsletter, we established an electronic bulletin we called "Take 5."

It briefs employees on significant decisions the morning after a council meeting or a community workshop. This way, employees were given the greatest opportunity to stay informed from the perspective of the manager's office, leaving them feeling communicated with, informed, and most of all, valued.

Celebrate. Let's face it. Government is a bit stale and bureaucratic at times, and the public doesn't want to see tax dollars spent on employee perks and nonessential services. Yet, high morale equals high productivity, so the challenge is finding ways to celebrate, recognize achievement, and have fun while doing the important work of the community.

Call it "serious" fun. You don't have to spend a lot to achieve a lot, but I don't know of a single organization whose employees believe they spend too much time on rewards and recognition. Therefore, go to town, be innovative, be resourceful, and empower employees to identify the type of celebrating and recognizing that is meaningful to them.

This is best achieved organically. Each organization has its own culture and should look for opportunities for enrichment and celebration that are appropriate and consistent with the vision and values of the council—and, of course, the budget.

Leaving an imprint on an organization doesn't have to take years, but it takes a concerted effort to listen and engage. PM

DAN SINGER
Manager in Transition
Poway, California
dansinger101@gmail.com

BY ASHLEY TRIM AND ROD GOULD

ENGAGING YOUR PUBLIC

Davenport Institute champions San Rafael's efforts

As a local government practitioner, you've heard a lot about public engagement during the past few years. You probably have your own public engagement success stories and your own stories about failing to properly engage residents.

These lessons learned have no doubt given you a sense of what is appreciated and works with stakeholders and what simply wastes everyone's time. We live in an exciting era of innovation and experimentation, but there is no secret formula for public engagement.

Some new policies and approaches work in some situations (and some communities) but backfire in others. It is trial by error and by fire in some cases, but there are certain characteristics that engaged organizations share. As you take proactive steps to strengthen resident and business involvement, do you know how you measure up?

The Davenport Institute for Public Engagement and Civic Leadership has been focused for 10 years on finding and disseminating better ways to engage a wary public. Its staff and volunteers have been conducting research and training, offering grants, consulting, and championing those local governments that are leading the way in this growing field of study and practice.

Through these efforts, the Institute has identified 20 practices that are indicative of a public agency that takes public engagement seriously. It has made these available to local government managers through an evaluation platform and recognition program titled "How Are WE Doing?" (publicpolicy.pepperdine.edu/davenport-institute/evaluating-engagement).

If you have a few minutes to explore the evaluation platform, ask yourself if your agency is using the practices and techniques listed and if others might be worth incorporating into local operating policies and procedures.

If you feel that your organization is already undertaking many of the recommended actions, consider applying for recognition from the Davenport Institute. The application process is easy and the award could be a point of pride for your elected leaders, staff, and community. There are three levels of awards: silver, gold, and platinum. It's also free!

What Platinum Looks Like

On July 18, 2016, the Institute recognized the city of San Rafael, California, with its highest award (platinum) for public engagement. San Rafael, located in Marin County, north of San Francisco, has a long tradition of community involvement in city governance.

A fine cadre of resident volunteers are involved in city commissions, task forces, and community nonprofits. They work at civic events and volunteer for special projects. They are skilled, knowledgeable, willing, and can be counted upon to give their views of various policy decisions.

But San Rafael faces an all-to-common problem. These engaged residents comprise a fairly small cross section of the community. That means it is still fairly easy to rally several hundred people to derail a decision. Managers can probably think of examples of this playing out, swamping otherwise good policy making and leaving everyone raw from the experience.

So, how do you get more busy people involved in a time of increasing public distrust of government and other institutions? How do you get folks to work with and not against their local governments? Distrust paralyzes many communities, and good people don't want to work or volunteer for paralyzed communities.

As is often the case in civic reform, it takes a champion to get things rolling. In this case, that champion was councilmember Kate Colin, who now serves as vice mayor. In 2013, Colin convinced the mayor and city council to convene a two-year subcommittee that she dubbed "Growing Resident Engagement and Transparency" (GREAT).

GREAT spearheaded a variety of community surveys, working groups, and listening sessions, along with a thorough analysis of the results. It culminated in the unanimous approval by the council in 2015 of a community engagement action plan that hinges on these five key strategies:

Demystify local government. Clarify local government processes and how to encourage effective participation in civic affairs. Better communicate the type of engagement sought on a given topic and how representative government effectively functions.

Engage earlier. Get the word out early to the community on projects and programs, including items on board and commission agendas, to increase participation prior to council meetings and with decisions.

Habla espanol. Improve communication and solicitation of feedback from the Spanish-speaking community.

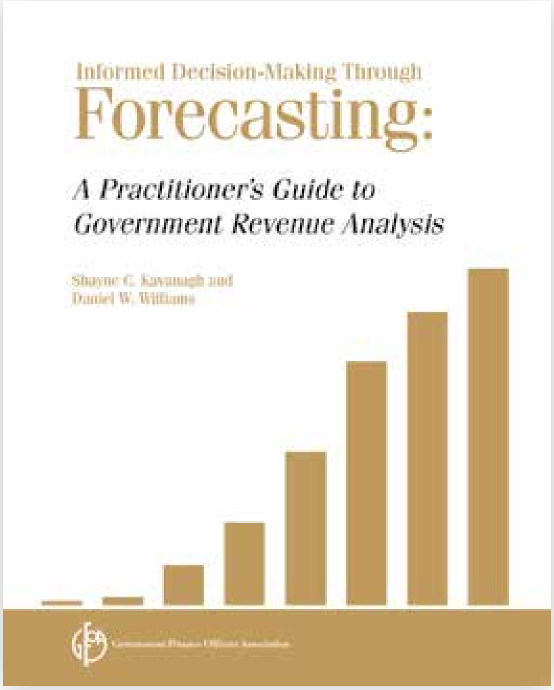
Enhance technological tools. Use technology for improved communication, tracking, and online resources and engagement.

Close the feedback loop. Communicate better about the engagement process and the feedback that was received. Let people know about decisions and any follow-up actions or next steps.

(continued on page 20)

Government Finance Officers Association

Learn How to Improve Financial Decision-Making through Better Forecasting


Informed Decision-Making Through
Forecasting:
A Practitioner's Guide to Government Revenue Analysis
Shayne C. Kavanagh and Daniel W. Williams
Government Finance Officers Association

NEW

Financial decision-making finance officers often find that decision-makers don't give forecasts the weight that they should. This book shows how public finance managers can **make a forecast that is both technically elegant and that resonates with its audience**.

Go to www.gfoa.org/forecastbook for technical resources.

> **"In this era of unpredictability, accuracy of revenue forecasting is an absolute must. This book carefully navigates the reader away from common traps of forecasting, meanwhile guiding the reader toward meaningful success by using statistical, economic, and psychological methods."**
>
> — **Cemal Umut Gungor,** Director of Finance/City Treasurer, City of Grandview, Missouri

> **"This book is a fantastic resource for forecasting for all experience levels; a must have for every budget office."**
>
> — **Dawn Marie Buckland,** Director of Administration and Government Affairs, Paradise Valley, Arizona

Order online at www.gfoa.org.

Interested in receiving quantity discounts? E-mail publications@gfoa.org.

continued from page 18

Now the city of San Rafael is actively implementing the plan's recommendations by:

- Assigning oversight of public engagement to a senior management analyst in the manager's office to coordinate citywide efforts. The analyst is supported by an employee committee of staff of the major operating departments.
- Exposing staff to ongoing training in effective public engagement strategies through attendance at various conferences, webinars, and podcasts.
- Using a variety of such communications strategies as newsletters, postings, e-notification, and other Web-based communication, social media, video updates, online surveys, video blogs, and mobile apps, plus always striving to use "plain language." San Rafael is currently developing a new website in an effort to be more user-friendly and to ease resident communication with the city.

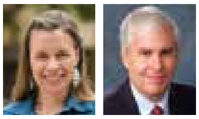
> **HOW DO YOU GET FOLKS TO WORK WITH AND NOT AGAINST THEIR LOCAL GOVERNMENTS? DISTRUST PARALYZES MANY COMMUNITIES, AND GOOD PEOPLE DON'T WANT TO WORK OR VOLUNTEER FOR PARALYZED COMMUNITIES.**

- Increasing transparency by offering both topic (e.g., pensions and labor negotiations) and project specific (e.g., development proposals and construction projects) Web pages. San Rafael also plans to soon display its financial data through OpenGov, to hold workshops and open houses on salient topics of the day, and to offer electronic updates to residents who register by topic of interest.
- Holding regular meetings with neighborhood associations, the business community, schools, and other community organizations.
- Working to actively solicit community members from groups not normally well-represented to serve on the community's myriad boards, commissions, task forces, ad hoc committees, working groups, and advisory bodies to increase diversity.
- Sharing power by sometimes convening meetings where the community is just one of several institutions and group partners at the table. Further, the local government allows the entire community to set the agendas for many standing monthly meetings (e.g., neighborhood association, business issues).
- Taking special efforts to reach out to such groups not usually in attendance as Spanish-speaking residents and youth, in order to achieve the widest possible representation of the community in public engagement efforts. Spanish language translation has been provided as well as snacks, free parking, and highly interactive and welcoming workshops. A high priority of the action plan is to further develop outreach tools for working better with members of the Spanish-speaking community.
- Partnering with schools, the local private college, and youth organizations to involve students and young adults in community building.
- Bringing in impartial facilitators when appropriate to build trust around public processes.
- Developing a *Guide to Public Meetings* and conducting a citizen police academy and a planning academy, as well as participating in the leadership institute of the chamber of commerce.
- Making it easy to meet face-to-face with city leaders at library open houses, meet the city manager (farmer's market), meet the mayor (various locations),"Coffee with the Chief," and pop-up workshops at existing community events.
- Following up with participants in public engagement processes using topic-based e-mail lists. The city also periodically evaluates its progress toward the goals set forth in the community engagement action plan.

San Rafael has used advanced techniques for involving its residents in a variety of thorny issues, including the development of a homeless action plan, quiet zones for a new commuter train, business issues, labor negotiations, climate-change activities, safety facilities, sidewalk maintenance, downtown parking, and wayfinding.

While it doesn't always get it right, San Rafael reflects on its successes and failures and learns from both, thus upping its batting average. This builds credibility in the community that is in short supply in many cities, counties, and special districts. San Rafael certainly understands that work in this area is never done and that the city can always strive for better engagement.

If you are interested in improved public engagement, visit the Davenport Institute website at https://publicpolicy.pepperdine.edu/davenport-institute and check out the "How Are WE Doing?" evaluation platform and awards program.



ASHLEY TRIM, is executive director, Davenport Institute for Public Engagement and Civic Leadership, Pepperdine University, School of Public Policy, Malibu, California (ashley.trim@pepperdine.edu). **ROD GOULD**, ICMA-CM, a retired city manager, is senior manager for training, Center for Public Safety Management, Greenbrae, California, and senior fellow, Davenport Institute (Rodgould.com and rodgould17@gmail.com).

BY JOHN DUFFY

SILENT ON INCENTIVE PERFORMANCE

Why it is important

The January/February 2017 *PM* article on “Why Small Businesses Matter” by author Douglas Martin addressed many significant issues related to the importance of a community’s small businesses. The article spoke briefly about incentives, which can be a major problem area for local governments.

The discussion about the new Government Finance Officers Association rules that require analysis of performance measures is useful, yet the article is silent on what happens if performance is found to be subpar or if the incentives are paid and performance is nonexistent.

A short paragraph discussing the use of clawback and renegotiation provisions in concert with incentives would have helped tremendously. Clawback and renegotiation provisions may help local governments obtain a full or partial return of the incentives for nonperformance or less-than-stated performance.

The section on intergovernmental collaboration might have discussed a common issue for many local governments: competing with other local government incentive packages. In such cases, intergovernmental and intragovernmental collaboration is critical to achieving a level playing field with prospective businesses.

I also want to note that the example provided about the Columbus, Ohio, initiative to reshape its transportation system is extremely good. In this case, incentives are employed to help everyone—businesses and the general public alike. **PM**

Come In
WE'RE
OPEN

Why **SMALL BUSINESS** *Matters*

What local government can do to support this vital economic engine

By Douglas Martin, ICMA-CM

One may ask: Why should local government managers be concerned about small business? In short: As the nation’s economic engine, small businesses matter.

According to the U.S. Small Business Administration (SBA), small businesses with less than 500 employees constitute 99.9 percent of all businesses in the United States and 97.7 percent of all U.S. exporting companies. They also account for 48 percent of all employees within the private sector.

Maintaining the health of small businesses, however, is a complicated issue, one that encompasses demographic shifts, youth entrepreneurial education, financing options, economic development incentives, philanthropy, and much

6 PUBLIC MANAGEMENT | JANUARY/FEBRUARY 2017 icma.org/pm

more. Perhaps it is a harbinger that Columbus, Ohio, has created a position just to focus on small business outreach.

A Status Report

The demographics. Millennials represent the largest demographic cohort of the current population in the United States according to the 2014 report “15 Economic Facts about Millennials” issued by the Council of Economic Advisers. Entrepreneurship, though, is not as high among millennials as Generation X and baby boomers. SBA notes that trends suggest entrepreneurship among millennials will remain relatively low for decades.

A critical element of the successful growth and retention of small business is ensuring that existing companies have succession plans deep in talent and resources, according to Anthony Chirchirillo, chief executive officer of Chirch Global Manufacturing, Cary, Illinois. A pipeline of talent is necessary to help sustain existing business due to retiring boomers and the larger millennial population.

Educational realities. In 2011, the organizations of Gallup and Operation HOPE created an annual index to measure student interest and aspirations in entrepreneurialism to meet future demands of competing in a global economic environment.

According to the 2015 Gallup-HOPE Index, approximately five in 1,000 people have “. . . exceptionally rare genius-level entrepreneurship talent.” This translates to more than 90,000 students who can be a future resource and catalyst for the American economy. The index concluded that students in grades 5 to 12 aspire to be future entrepreneurs, but that there was limited education to nurture and promote entrepreneurialism.

The annual index results are a call to action. Both the public and private sectors, including local government, share responsibility in accepting this challenge to sustain and grow the economy for generations to come.

Innovative models. Margarita Geleske is executive director of the nonprofit organization INCubatoredu, a community grassroots effort created specifically by entrepreneurs and small business people and is financially supported by entrepreneurs. She explained that Barrington’s community members collaborated with Barrington School District’s 220 Educational Foundation and its educators “…to create a transformative year-long course for sophomores and juniors that will immerse student teams in entrepreneurship through an authentic business incubator start-up experience.”

Michael Miles, cofounder of INCubatoredu and a Chicago-area entrepreneur, sought a way to integrate practical, hands-on entrepreneurship training with high school education. He collaborated with teachers and entrepreneurs, and they formulated the cutting-edge curriculum that focuses on startup practices and university examples and also uses local entrepreneurs to assist in mentoring.

The curriculum was launched in Barrington High School in 2013 and is a model that can be replicated and implemented anywhere, which is critical to its success.

Schools have adopted this incubator and accelerator model, which culminates in a real-world experience where teams pitch business plans and ideas to a diverse group of business experts. First STEP, a team from Dundee-Crown High School located in Carpentersville, Illinois, won the 2016 INCubatoredu National Pitch Competition. It was awarded seed money to pursue the team’s idea of using restaurant food waste and turning it into an organic fertilizer.

The nonprofit organization scaled significantly. Since launching out of Barrington three years ago, INCubatoredu’s curriculum was being taught to more than 2,000 students in 75 schools across eight states in fall 2016. It also has created entrepreneurial programs for elementary schools and is piloting an entrepreneurial program for middle schools.

Two locally based foundations financially contributed to make this program a reality in McHenry County, Illinois. The Foglia Family Foundation and the Domek Foundation, established by owners of successful local companies, exemplify the importance of philanthropy in local communities seeking to foster future economic growth by investing in younger generations.

Improving Suvival Rates

The difficult reality is that 50 percent of small businesses fail within five years according to SBA. One of the major factors in failure is financing and access to capital. Small businesses seek financing primarily to fund start-up costs, purchase inventory, and expand and increase their financial foundation.

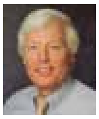
SBA also states that approximately 73 percent of small businesses used financing in the past year. Fifty-seven percent of business startups were financed using personal savings and 22 percent of small business owners used personal

TAKEAWAYS

› Communities across the nation continue to adapt, invent, and reinvent strategies to address economic development goals in a dynamic economy.

› Education, innovation/entrepreneurialism, governmental collaboration, business advocacy, and leveraging public and private investment are being used to retain and create new businesses.

icma.org/pm: online and mobile accessible JANUARY/FEBRUARY 2017 | PUBLIC MANAGEMENT 7



JOHN DUFFY, Ph.D., ICMA-CM
Academic and Former Manager
University of Alaska
Palmer, Alaska
jduffy@alaska.edu

AUTHOR’S RESPONSE

John Duffy is absolutely correct about clawback provisions. This was extremely instrumental in the agreement I referenced [in the PM article that can be found in the archives section of ICMA.org/pm] with Fabrik Industries. Incentives and competing across jurisdictional boundaries are great points and are major issues as well as a reality of economic development in today’s world.

The inclusion of clawback provisions in economic incentive agreements is imperative and often necessary in obtaining community support, and it also promotes accountability. Ongoing discussion and study are warranted regarding performance and criteria used to measure the effectiveness of economic inventive agreements. Doing so will help communities use these agreements strategically to achieve short- and long-term economic development goals.

The significance of intergovernmental cooperation in economic development cannot be overstated. Incentive agreements to lure and to retain businesses are becoming commonplace, as is the realization and the acceptance that benefits associated with attracting and retaining small businesses cross jurisdictional boundaries.

Additionally, intergovernmental collaboration is a critical component in obtaining grant or competitive funding, thus endorsing cooperation among multiple entities and supporting a “level playing field,” which ultimately produces a much greater benefit across a larger regional area. **PM**

DOUGLAS MARTIN, ICMA-CM
Economic Development Director
McHenry, Illinois
dmartin@ci.mchenry.il.us

BY JACK BROWN

SHAPING THE NEXT EMS LEADERS

Lead the way on emergency management

Prior to 9/11, the function of local emergency management services (EMS), particularly in small and midsize communities, rested with the police, fire department, or chief administrative officer. Typically, the emergency management coordinator was a title bestowed upon a mid- to senior-level staffer as a collateral duty.

After 9/11, however, emergency management organizations began to proliferate. Colleges and universities developed emergency management degree programs, and the new profession of emergency management took off.

In 2001 there weren't many experienced emergency managers, so as I stated before, the tendency was to assign the function to a police or fire agency. Sixteen years after 9/11, we are welcoming a highly educated, technologically savvy generation into the field of emergency management.

> **IT IS PERFECTLY ACCEPTABLE TO IDENTIFY FUTURE LEADERS IN THE EARLY OR MID-STAGE OF THEIR CAREERS TO MENTOR.**

A New Candidate Pool

Many individuals have experiences outside the realm of a traditional first responder. Public safety leaders and managers must help prepare this next generation who will not come to the table with 15 or 20 years of firefighting, EMS, or law enforcement experience.

Succession planning is a function that shouldn't be considered just before or worse yet, after, the incumbent leaves the position. Those of us who will be retiring in the next few years need to be recruiting and grooming successors years in advance.

It is perfectly acceptable to identify future leaders in the early or mid-stage of their careers to mentor. Keep in mind that our communities are diverse and that the future leaders should reflect the demographic makeup of the residents being served.

Preparing non-first responders to become emergency managers may seem odd to the traditional police or fire officer. The candidate pool, however, is ripe with young, energetic, analytical talent who understand the value of coordination and collaboration—the core tenants of emergency management.

As a former boss once told me, "If you compare the field of emergency management to a Broadway production, the emergency manager is more like the producer or director; the fire and police officers are the stars of the show."

Let's find these producers and directors and help them become the next generation of emergency management leadership. PM

JACK BROWN is senior associate, Center for Public Safety Management (CPSM), and director, Office of Emergency Management, Arlington County, Virginia. He is retired assistant chief, Fire and Rescue Department, Fairfax County, Virginia (jbrown@cpsm.us).

Take Your Workplace Culture
to New Heights

NOW is the perfect time to ensure that your staff understands your organization's values by providing the training and tools needed to address perplexing, on-the-job issues.

ICMA offers local government-specific training and technical assistance for staff, leaders, elected officials, board members, and commissioners.

ICMA *Leaders at the Core of Better Communities*

ICMA Ethics Center
202-962-3521 | icma.org/ethics

Public sector workers
make a career out
of serving others.

We've made a career out of serving them.

People who dedicate their lives to serving others deserve an organiztion that dedicates itself exclusively to them. For over forty years, we've met the challenge to help public sector workers realize their retirement dreams.

icmarc.org/info

AC: 32468-1115-7938

ICMARC
BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

BY MICHAEL TIMMS

TOP DO'S AND DON'TS OF SUCCESSION PLANNING

How to grow your bench strength from within

If you've been put in charge of succession planning, you may feel as though you're on your own without a lifeline. There seems to be a lot of information "out there," but little of it is actionable.

According to the Deloitte report *Global Human Capital Trends 2016* (http://goo.gl/4cZzqw), 90 percent of companies believe that succession is a top strategic priority. That's great, except that only 14 percent feel like they have a succession plan that works.

Last year, I decided to find out why most succession plans aren't working. I interviewed more than 50 people serving as chief executive officers and human resources leaders from various organizations to discover what has worked for them and what hasn't in their efforts to grow bench strength from within. Based on their responses, I created a step-by-step guide to succession planning.

Let's Cut to the Chase

If you've spent about five minutes Googling succession planning, you will know that here is what you need to do:

- Identify your organization's critical positions.
- Identify those in the organization with the most leadership potential (aka "high potentials").
- Come to a common consensus about both of those decisions in a "talent review" meeting.
- Come up with development plans for the high potentials.

No problem, right? Well, if everybody already knows this, why do 90 percent of organizations not have a succession plan that works?

Among all the things you should and should not be doing when crafting and executing your succession plan, applying these leading practices and avoiding the most common pitfalls that I discovered through my research will best help you achieve your goals.

Do:

1 **Create a culture of leadership development.** For succession planning to have a fighting chance, it must be led by the top executive, not simply delegated to human resources. Here's why: Succession planning is a culture change initiative. If it's not a top priority to the top executive, it won't be for anyone else either.

2 **Be clear about why you are doing succession planning.** Mitigating risk if key people "get hit by a bus" may be the first reason that comes to mind, but that's just scratching the surface. Take the time to explore better, more compelling reasons to develop leaders from within and articulate them in a compelling "why" statement.

3 **Start with simple competencies.** Before you can craft a plan to develop future leaders, everyone needs to be clear on the answer to this question: What does it take to be successful here? The answer lies not in a complex competency model but in a simple set of criteria that everyone regularly refers to and understands.

4 **Separate career-development discussions from the performance review.** In most cases, the personal development plan (PDP) is the last section of the performance review. In the mad scramble to complete performance reviews, PDPs usually receive scant attention.

Take the progressive move to separate performance reviews from career-development discussions and send an unmistakable signal that your organization takes career development seriously.

5 **Follow the critical path.** For the best chance at success, organizations must complete the right succession planning activities, at the right time, and in the right order (see Figure 1).

Don't:

1 **Overburden managers with paperwork.** Managers need to do the work related to succession planning. Don't make them dread it by forcing more forms on them.

2 **Try to do too much at once.** Once organizations get on board with succession planning, some get carried away thinking that they need to have a succession plan for *every* position.

3 **Confuse replacement planning with succession planning.** Replacement planning is concerned with finding temporary backups for key positions. Succession planning is concerned with developing permanent replacements. It's a subtle difference with massively different outcomes.

4 **Permit unilateral decisions.** Top officials who make unilateral decisions on who is to be designated as a high potential ignite a political firestorm that will inevitably result in the loss of highly talented individuals. All succession decisions should be made in a formal talent review meeting where candidates are evaluated against the same criteria.

5 **Get hung up on personality assessments.** Bad news folks: No one assessment exists that organizations

should rely on to determine an employee's aptitude for leadership. Instead, allow high potentials to test-drive different leadership opportunities and assess them on real performance, not speculation. **PM**

FIGURE 1.
Succession Planning Critical Path.

Fundamentals of Talent Management
- Define competencies.
- Assess individual performance.
- Provide technical skills training.
- Formalize career-development discussions.
- Implement internal job posting process.
- Establish a replacement plan.
- Build the case for succession planning.

Fundamentals of Succession Planning
- Make leadership development a strategic priority.
- Identify critical positions.
- Identify high potentials.
- Draft a preliminary development plan.
- Confirm the players and the game plan.
- Execute the development plan.
- Monitor progress against goals.

Scale It Up
- Expand the scope of succession planning.
- Focus recruiting on entry-level positions.
- Create a custom leadership development program.
- Use succession planning software.
- Create talent profiles.
- Establish a mentorship program.
- Create an assessment center.

Source: *Succession Planning That Works*
Michael Timms, author.

MICHAEL TIMMS is principal, Avail Leadership, Vancouver, British Columbia, Canada (mtimms@availleadership.com; https://www.availleadership.com) and author of *Succession Planning That Works.*

Life, Well Run

COMMUNITY HEROES

Call for Nominations!

If you look around you'll find local government workers improving community quality of life every day. Some are in very public roles — like police officers or teachers. Others maintain the roads, collect recycling, or beautify parks and public spaces.

Life, Well Run is once again capturing profiles of these Community Heroes who work with professional city, town, and county managers and have made an impact on the lives of your residents.

***Life, Well Run* is accepting nominations until January 31, 2017.**

Sargeant Saemi Kitchens

Recycling Operator Warren Gaskill

Do you know a local government Community Hero like Sargeant Saemi Kitchens or Warren Gaskill? Nominate your heroes today at **lifewellrun.org/community-heroes**.

Questions? Please contact lifewellrun@icma.org.

LifeWellRun.org

BY MICHAEL WILLIAMS

LEADERSHIP LESSONS FROM JIMMY CARTER

Strong personal foundation, plus vision and strategy

Jimmy Carter's leadership offers a unique opportunity for analysis because his post-presidency work is admired perhaps more than his work as president of the United States (1977 to 1981). In my opinion, this contrast illustrates a local government manager's need to apply different leadership skills to different situations, and to rely on a solid foundation of honesty and integrity.

Carter's appeal to the nation in the aftermath of the Watergate scandal was that he was an honest, common man of high integrity and personal principles. Despite these personal characteristics, Jimmy Carter's presidency is known as lacking specificity in vision and purpose.

On the other hand, in his post-presidency, Carter provided consistent vision, goals, and skills to succeed in another setting.

More Than Foundational Qualities

In his inaugural address, Carter spoke of the United States being the first country to openly "define itself in terms of both spirituality and human liberty" and its "obligation to take on those moral duties."

Later, as a peacemaker and humanitarian and in his books, he demonstrated consistent convictions based on honesty and spirituality.

Effective presidents, however, like other leaders, need to possess qualities beyond those I refer to as foundational. During his presidency, Carter expressed broad ideals in his speeches, although seemed to lack a specific vision, agenda, and strategy for accomplishments.

Leadership literature advises local government managers about the need for principles, honesty, and responsibility; however, we are also advised of the need for vision, goals, and strategy.

Listening and Communicating

Admirably, Carter pledged to communicate with the public through chats, town meetings, and press conferences to bring a sense of intimacy, interaction, and trust back to government. Interestingly, he even stated that he would continue to listen and then act with the people rather than provide leadership to the people.

Carter's skills in listening and communicating on a more personal level were more suited to the Carter Center's work for world peace, justice, and human rights than forming a national vision and direction for the country.

Carter describes his work late in life as "by far, my best years." He also describes his work as unlike that of his presidency because he worked with nations that are inconsequential to the world's major issues, and he was able to "work closely with local governments and many organizations" in an "intimate relationship," which is an "emotional and often spiritual relationship."

Listening is an important component of communication and leadership. As local government managers we need to listen, communicate in an interpersonal fashion, and facilitate a vision. Managers need to have the self-awareness that Carter demonstrated and expressed after the presidency while giving service to their communities. The work of a president involves myriad issues and the Carter Center is focused and strategic. Carter's penchant for detail made his political career difficult but was beneficial to his organization.

It has been reported that, early in his political career, Carter pledged to read every bill requiring his vote, which was difficult and time-consuming. Later, as president, Carter himself was deeply involved in many legislative issues at a time that diminished his ability to provide vision for broad issues.

Leaders, to have adequate influence, must prioritize their work and choose the most impactful projects and issues, leaving other issues to be delegated.

Need for Vision and Strategy

A president's work needs the support, guidance, and collaboration of many people and entities, including the people and Congress. In his article "Lessons in Leadership from Three American Presidents," Michael Siegel provides examples that portray Carter as lacking in both vision and strategy.

Siegel writes that early staff meetings lacked a person to lead the meetings. Carter also refused to meet with congressional leaders on critically important issues; filled White House aide positions with predominately Georgians with little Washington experience; and decided to have no chief of staff.

These "mistakes" created issues related to time management for the president himself, a lack of influence with Congress, and haphazard direction for key staff members.

In contrast, Carter himself had the vision and personally led the creation of mission, fundraising, construction, and startup of the organization that would become the Carter Center. As with any start-up organization, success relied on the strategy and management efforts of the person with the original vision and mission for success, Carter himself.

He managed the early years with his penchant for detail and guided by his personal foundation for peace, justice, fairness, and honesty.

Combination of Characteristics

Carter brought to the presidency the foundation for leadership that the American public, and cities and counties, desire today. The successes of Carter's presidency and post-presidency are largely due to his personal foundation combined with critical thinking, awareness of detail, and high proficiency in interpersonal relations.

The deficiencies in his presidency were due to his unwillingness to focus those broad ideals into a focused vision and prioritized strategy. As managers and facilitators for our elected bodies, we need to create the atmosphere for vision, goals, and strategy. Our elected bodies need us to assist them in providing vision and direction to the organization and community.

His work from the Carter Center has been highly successful; Jimmy Carter received the Nobel Peace Prize in 2002 more than 20 years after his presidency ended.

We should all have the foundational characteristics of Jimmy Carter. I think the world would be a better place. But, we must combine those characteristics with vision, goals, and strategy.

MICHAEL WILLIAMS, Ph.D.
County Administrator
Stearns County, Minnesota
michael.williams@co.stearns.mn.us

BY MARK CUNNINGHAM, ICMA-CM

GOOD ENOUGH IS NEVER GOOD ENOUGH

We must expect greatness

As local government leaders and practitioners, we are never short on the myriad challenges we constantly face and must effectively manage and resolve. Needless to say, as we continue through 2017 to formulate new budget cycles, our report cards of 2016 might be fresh on our minds.

Did we perform poorly, maintain mediocre status quo, do a good job? Or, did we deliver our programs and services to our respective constituencies at levels of service that are nothing short of great and with a spirit of excellence?

As leaders and practitioners who are committed to a life of public service, we can never prescribe to—or subscribe to—a culture of "good enough." Rather, we should expect and constantly aspire to greatness—first of ourselves, and then of the people we lead.

A Spirit of Excellence

To borrow words from Jim Collins' book *Good to Great*, to raise the stock of local governments across the nation, we must pursue a spirit and culture that is productively neurotic, self-motivated, and self-disciplined. We must wake up every day, compulsively driven to do the best we can and seek to infuse this culture within our DNAs.

Lack of resources is no excuse for lack of rigor or a culture of greatness. We must, therefore, hold ourselves accountable for the timely and effective manifestations of the greatness that dwells within us as individuals, organizations, and communities.

When we fully embark upon this benchmark, we will reject the notion that "good enough" is good enough. Rather, we will seek to become great by choice.

As Collins goes on to elaborate, greatness is not a function of circumstance; rather, it is largely a matter of conscious choice and discipline. As local government administrators, we can indeed choose to be disciplined enough and reject being just good enough. We can choose to plan, develop, and implement programs and services that make our organizations, and by extension the communities we serve, great places to work, live, and play.

We grade ourselves, however, as we reflect upon our past performances, and it is important to realize that the absence of failure does not constitute the presence of success. Departure from mediocrity does not mean arrival at greatness.

Last year's implementations are now behind us. How did we measure when compared to the previous year? Can we account for real growth and achievements, or, did we just hover?

Do our goals and aspirations for this year outpace our greatest prior achievements, or will we set the bar low in hopes of taking the path of ease and least resistance? While it is indeed wise to first consider the cost, let us not be deterred by it, as greatness never goes on sale.

A Willingness to Challenge Ourselves

As local government leaders and practitioners, let us not be afraid to challenge ourselves to attain and maintain levels of sustained greatness.

Let us remind each other along the way that we have to work hard and tirelessly to earn consistent levels of greatness as faith without work is fruitless. As public servants, let us also encourage each other and extend helping hands along the way. Keep in mind that a great measure of success is how we are able to propel others to greatness.

MARK CUNNINGHAM, ICMA-CM
Assistant County Administrator
Sarasota County, Florida
mcunning@scgov.net

BY JENNIFER MALTAS

FORMING A TECHNOLOGY CONSORTIUM

Five communities learn the ropes

In 2012, a group of 13 Chicago-area villages engaged a management adviser to evaluate their IT services and to determine how they might achieve better service efficiencies.

Five of those Illinois villages—Buffalo Grove, Glenview, Lincolnshire, Kenilworth, and Lake Bluff—eventually moved forward with a shared IT services model called the Government Information Technology Consortium (GovITC). Today, its formal, legally binding program gives the communities more robust, cost-effective IT service and lets them plan for and schedule future expenditures efficiently.

Although I was not a participant at the beginning of this journey, I was deeply involved in bringing GovITC to fruition, and I have since become its president. I hope that by sharing our story, we can help other local governments explore the value they might gain from such a model.

A Solution Emerges

With a mutual recognition of the importance of technology—and the logic of outsourcing it—the group undertook an analysis of each village's current environments and benchmarked costs and services against industry standards.

The management adviser recommended the group standardize and adopt the same solutions and systems and have them managed by a single IT services provider. With such an approach, the group could leverage economies of scale and collective bargaining power to achieve greater purchase efficiency and pricing for the IT services, hardware, software licenses, and other technology components they were currently purchasing individually. When possible, the group could also share systems—e-mail, network, and backup servers, for example—and potentially even personnel.

After the consultants made their recommendation, all members of the original group decided independently whether they wanted to move forward with a potential consortium. Five communities—the current members of the consortium—said yes. With no binding requirement for participation at this point, the five members formed a working group to gather information and evaluate if the idea would work for them.

In late 2013, after further working group consideration, the five villages moved forward to initiate the process of forming GovITC. The group engaged collectively in a formal request for quotation and then request for proposal process modeled after those that the individual communities had used in the past.

After receiving all bids, the group selected a managed services provider (MSP) based upon two core criteria—competitive pricing and experience working with other governments. The group had all agreed that it was vital to GovITC's success for MSP to understand the unique challenges and technology needs of non-stop public safety operations.

Fast-Tracking IT Savings

Although forming GovITC was important for long-term governance, the members understood that hammering out the details would be time-consuming, and they collectively agreed not to forego potential savings they could achieve in the interim. To foster this goal, each village terminated its existing IT contracts or staff and signed individual agreements with the chosen MSP, InterDev.

During the first six months of 2016, the group began meeting to work out the nuts and bolts of GovITC's legal and financial structure, including its governance and bylaws. Concurrently, MSP took over each locality's IT services and made individual recommendations for bringing current systems up to industry standards.

Until GovITC structure was completed and approved by all boards, MSP would maintain each village's systems individually, and no joint purchasing would occur.

Formalizing the Effort

With all villages enjoying the benefits of IT savings and expert technology assistance, our group focused on developing its formal structure. This was probably the biggest and most important component of our effort.

We weren't simply working collectively to replace individual silos of materials, systems, or even providers. Technology touches every aspect of our operations, so we had to ensure all bases were covered equitably and completely.

For 18 months, we worked through bylaws, membership agreements, and an intergovernmental agreement that would allow GovITC to function as its own entity under Illinois state law. Key activities included:

- Addressing how members exited the consortium or new members entered it.
- Setting minimum standards for existing members and consortium membership.
- Developing a framework on voting procedures for such items as

approving consortium purchases or changing MSPs.

Forming an IT Consortium: Key Takeaways

1. Joining an IT consortium, or any shared arrangement that has broad operational impact, requires a leap of faith. In exchange for more effective solutions at a better price, each member must be willing to give up some autonomy and control.

2. Differences in perspective can derail the project if not addressed. Our example was support ticket resolution and server downtime, where we worked to agree on a common set of metrics that ultimately became the consortium's service level agreements with a managed services provider.

3. When communities differ in size and IT sophistication, the plan must be both fair and all encompassing.

4. Trust is critical. Make sure that the participants in the room trust each other and are able to have open and honest dialogue. It's the only way to find the best solution.

5. Evaluate providers not only on their overall proficiency but also on their experience with communal IT models.

In late 2015, the formal membership agreement, the bylaws, and the intergovernmental agreement (IGA) were finalized. Village boards signed off on the IGA and membership agreement, and consortium members approved the bylaws.

A Long-Term View

Today, each member of the group is still operating under an individual contract, negotiated with collective savings, and we are working to complete our master agreement. We have put several systems in place and are working on more.

We meet monthly to discuss proposals and monitor progress towards our goals. Since inception, we have achieved or agreed to several near-term and long-term goals:

- Have an approved list of service agreements with our MSP that allows GovITC to track performance.
- Maintain an approved list of computer types and require all members to purchase from that list in order to standardize hardware.
- Implement a shared network monitoring program hosted on a consortium-owned server in 2017.
- Initiate a three-year strategic plan for future joint technology purchases and upgrades in 2017. Joint purchases and upgrades are prioritized in these three ways:

Easy Wins: Such projects as e-mail archiving that can save each village money and are easy to implement.

Security Enhancements: Such technology enhancements as intrusion testing that foster stronger security and are needed by all members of the group.

Common Goal Achievement: Technology replacements that are either needed by a majority of the members or tied to software contracts and license renewals due at similar times, which increases the efficiency of communal platform and system migration.

- Fully deploy a shared data center taking advantage of server virtualization within 10 years. Virtualization is the process of carving multiple, discrete servers out of a single physical server. It increases efficiency and reduces cost while maintaining privacy and security through access control and policy and permission setting.

The diversity in our village populations means we will never be able to share some systems, like our enterprise resource planning (ERP) software solutions. Our goal is to achieve as much unification as possible.

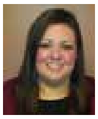
Benefits of Buying Power

Beyond the efficiencies we have garnered, our buying power also gives us access to specialists that none of us could have afforded individually. For the network-monitoring project, for example, our MSP brought in certified, on-staff security experts to evaluate our needs and help make more effective recommendations.

We are also saving hard dollars rather than simply leveling out expenditures. By eliminating its in-house IT staff, Buffalo Grove saved nearly $240,000 yearly on staffing.

As a group, we are saving too. Two small examples among many are intrusion testing (two times a year) and application monitoring, where we collectively are saving, on average, 47 percent by purchasing licensing as a consortium rather than as individual communities.

GovITC approved two additional members in February: the village of Oswego, Illinois, and the United City of Yorkville, Illinois. Plus other municipalities have expressed an interest in joining in the future. The new challenge for the consortium, therefore, is properly managing growth, which is a great challenge to have! PM



JENNIFER MALTAS
Deputy Village Manager
Buffalo Grove, Illinois
jmaltas@vbg.org

marketplace | professional services

TO ADVERTISE, CONTACT Ben Harmon, The Townsend Group, Inc., 301/215-6710, ext 106 or bharmon@townsend-group.com

BOB MURRAY & ASSOCIATES

EXPERTS IN EXECUTIVE SEARCH

1544 Eureka Road
Suite 280
Roseville, CA 95661

phone 916•784•9080

www.bobmurrayassoc.com

BYOB
Balance Your Own Budget

KEMP CONSULTING was formed to provide needed consulting services to municipal governments. These services include those that relate to state-of-the-art financial management practices, including:

- ✓ User Fees and Charges Review
- ✓ Financial Management Studies
- ✓ Budget Reduction Reviews
- ✓ Financial Policy Reviews
- ✓ Consolidation Studies
- ✓ Management Briefings
- ✓ Capital Projects Planning
- ✓ Presentations and Speeches
- ✓ Enterprise Fund Reviews
- ✓ Other Special Assignments
- ✓ Cutback Management Methods
- ✓ Special Retainer Services

Details of Roger Kemp's background and professional skills are highlighted on his website. Dr. Kemp has experience as a city manager in politically, economically, socially, and ethnically diverse communities. Call or e-mail Roger for a brochure.

Roger L. Kemp, PhD, ICMA-CM—President
Tel: 203-686-0281 • Email: rlkbsr@snet.net
www.RogerKemp.org

SOLUTIONS FOR PEOPLE WHO PAY PEOPLE.

By bringing our experience, knowledge and a deep understanding of your most pressing problems to the process, your organization will get a comprehensive solution that is transparent, sustainable and easy to maintain.

BENEFITS | COMPENSATION | RETIREMENT | RISK MANAGEMENT

Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS®

To learn more visit www.ajg.com/compensation or contact
Bruce Lawson 602.840.1070
Jim Fox 651.635.0976

© 2016 Gallagher Benefit Services, Inc. | AJG.COM 29453C

HELPING LOCAL GOVERNMENT LEADERS

Management Partners

www.managementpartners.com

Budget Strategies · Service Sharing
Organization Analysis · Performance Management
Process Improvement · Strategic Planning
Executive Recruitment · Facilitation & Team Building

EXPERIENCE, TALENT, COMMITMENT TO PUBLIC SERVICE

Cincinnati · San Jose · Orange County · 513-861-5400

GovHR USA
GovTempsUSA

Executive Recruiting
Interim Staffing
Human Resource Consulting
Management Consulting
Professional Development

GOVHRUSA.COM
855.68GOVHR

info@govhrusa.com
info@govtemps.com

matrix consulting group

201 San Antonio Circle, Suite 148
Mountain View, CA 94040
650.858.0507• *www.matrixcg.net*
With offices in California, Texas, Illinois & Massachusetts

- ► Management and operations studies
- ► Feasibility studies
- ► User fees and cost allocation

Police • Fire • Public Works • Utilities
Parks & Recreation • Administration
Planning & Building

916.630.4900

Ralph Andersen & Associates

There's an Entire Team Behind Every Assignment

- Executive Recruitment
- Management Consulting
- Public Safety

www.RalphAndersen.com

SB Friedman
Development Advisors

Our mission is to guide and enable our clients to create high-quality places through real estate economics, development finance and urban planning

- Public-Private Partnerships
- Public-Private Development Finance
- Real Estate Economics
- Impact Analysis
- Community & Economic Development
- Urban Economic & Policy Studies

221 North LaSalle Street | Suite 820 | Chicago IL 60601
312.424.4250 | www.sbfriedman.com

VISION | ECONOMICS | STRATEGY | FINANCE | IMPLEMENTATION

Maximize the value of every dollar.

PUBLIC SAFETY:
efficiency studies
consolidation studies
master planning
executive recruitment

HUMAN RESOURCES:
compensation analysis
performance assessments
policies & procedures
HR outsourcing services

McGrath
CONSULTING GROUP, INC.

(815) 728-9111
www.mcgrathconsulting.com

Get the most from your municipal services.

The Mercer Group, Inc.
Consultants To Management

- *Organization and Management Studies*
- *Executive Search*
- *Utility Studies*
- *Compensation and Classification Studies*
- *Privatization*
- *Strategic Planning*

5579B Chamblee Dunwoody Road #511
Atlanta, Georgia 30338
770.551.0403 • Fax 770.339.9749
E-mail: mercer@mindspring.com

1000 Cordova Place #726
Santa Fe, New Mexico 87505
505.466.9500 • Fax 505.466.1274
E-mail: jmercer@mercergroupinc.com

Pinpointing Workable Solutions from 18 Offices Nationwide

Strengthening
ORGANIZATIONS

Leadership Expertise. Exceptional Service.

- Facilitation & Strategic Planning
- Community Engagement
- Training
- Executive Coaching
- Executive Search
- Organizational Assessment and Optimization
- Financial Planning
- Organizational Development Performance Management

The Novak Consulting Group

info@thenovakconsultinggroup.com 513-221-0500

REACH YOUR MARKET

For advertising information, contact
The Townsend Group, Inc.,
301/215-6710, ext 106 or
bharmon@townsend-group.com

TO ADVERTISE, CONTACT Ben Harmon, The Townsend Group, Inc., 301/215-6710, ext 106 or bharmon@townsend-group.com

BY ALEXANDER BRISENO

SO YOU'RE THE CITY MANAGER

I wrote this poem on March 31, 2001, when I retired as city manager of San Antonio, Texas, and began teaching as part of the public administration program at St. Mary's University, San Antonio. I left a copy of it for my successor in San Antonio, and I continue to share the poem with my students as an indicator of life as a local government manager.

So you're the city manager –
That's what I've been told.
I was one when I was younger.
Now I've gotten old.

Let me shed some light
On what you have to do.
I'm scarred by a long fight,
You're really pretty new.

Remember that your staff
Will help you win or lose.
Separate wheat from chaff.
Don't forget the crews.

You'll train young men and women
As police and firefighters brave.
Protectors tried and proven –
You'll escort some to their grave.

Keep those numbers in your head.
They always want to know.
Are the actuals the way you said?
Will revenues really grow?

So you're the city manager
Slipping into that noble chair.
Educator, peacemaker, fighter –
Just remember to be fair.

The city council is a gift –
Yes, it's really true!
Don't let them split or grow adrift
Or the blame will shift to you!

The mayor and council
deserve respect.
They represent the people.
Perfection is what they expect.
Take the hits however lethal.

Don't just say what they want to hear
But tell them what they
need to know.
Though strongly challenged,
right the fear
And guide them on the way to go.

You'll have to study hard
The projects that you bring.
You'll need a winning Ace card
Against the lobby King.

Your ethics have to be the highest.
It's either right or wrong.
Influence peddling is big business
But in your office does not belong.

Remember to care for yourself –
You will frequently feel lonely.
With friends and
relationships on a shelf
Rely on your partner – your
one and only.

Be fit, get rest, pursue a diversion –
Easier said than done!
You can drown in total immersion –
So try to have some fun.

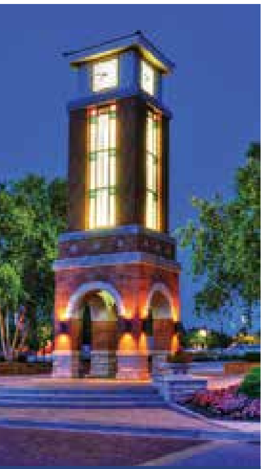
When in doubt, look out the window
You'll see "people" – the
ones that count.
Ultimately, you need to know
They're really what it's all about!

So you're the city manager –
The burden is yours to bear.
You'll succeed as city manager.
Then your advice you'll also share.

ALEXANDER BRISENO, ICMA Life Member and retired city manager, San Antonio, Texas, is a professor of public service in residence, St. Mary's University, San Antonio (alex@briseno.net).

2017 ICMA REGIONAL SUMMITS

and the Emerging Professionals Leadership Institute



MIDWEST

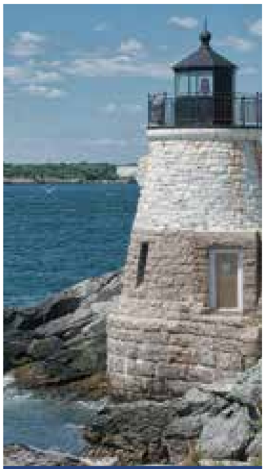
March 8–10

WEST COAST

March 22–24

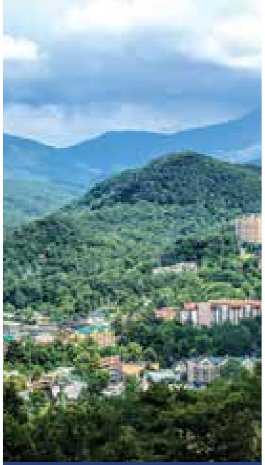
INTERNATIONAL

March 27–31



NORTHEAST

April 5–7



SOUTHEAST

April 26–28

MOUNTAIN PLAINS

May 3–5

Mark your calendars and plan to attend and send your staff to these unique offerings in your region. Each offers professional development opportunities in the form of networking with colleagues, attending an ICMA University workshop, discussing ICMA issues and programs, and providing feedback to the ICMA Executive Board and staff.

- **MIDWEST:** March 8-9 (EPLI); March 9-10 (Summit): Elk Grove, Illinois
- **WEST COAST:** March 22-23 (EPLI); March 23-24 (Summit): Burlingame, California
- **INTERNATIONAL:** March 27-31; Santo Domingo, Dominican Republic
- **NORTHEAST:** April 5-6 (EPLI); April 6-7 (Summit): Newport, Rhode Island
- **SOUTHEAST:** April 26-27 (EPLI); April 27-28 (Summit): Gatlinburg, Tennessee
- **MOUNTAIN PLAINS:** May 3-4 (EPLI); May 4-5 (Summit): Sandy City, Utah

Registration is now open! For more details and registration, visit **icma.org/summit**.

What Can You Do With BoardDocs?

BoardDocs' next-generation web applications streamline the processes used to manage board packets, access information and conduct meetings. You'll save money, time and improve your board's effectiveness - on a massive scale. If your decisions affect the lives of others, call us. We'll help you do what you do best, even better.

It'their future. It's your choice.

BoardDocs.com 800.407.0141

BoardDocs®

Your Paperless Governance Solution

© 2017 Emerald Data Solutions™, Inc. BoardDocs is a registered trademark of Emerald Data Solutions. All rights reserved.