

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS 1991-95 LOCAL GOVERNMENT EFFICIENCY PLANNING GRANT PROGRAM HISTORY

A local government efficiency planning grant program was established by 1991 Senate Bill No. 2346 to be administered by the Advisory Commission on Intergovernmental Relations (ACIR). The bill provided an appropriation from the state aid distribution fund of \$250,000 for these grants. The bill provided individual planning grants may not exceed \$25,000 per grant to county or city government upon approval of plans intended to increase the efficiency of local government through restructuring county or city government, changing county boundaries including consolidation of counties, or consolidating county and city services.

Early in the 1991-92 interim, the ACIR adopted guidelines to govern deliberations on grant applications and provide applicants notice of standards that would be applied in evaluating applications. The ACIR adopted a guideline that 50 percent matching funds would be required of a grant applicant; but if special need was demonstrated, the matching contribution of the applicant could be reduced to 25 percent of the project cost. The matching fund requirement was intended to ensure a strong level of local commitment to the project. The commission also adopted guidelines providing:

1. Grant funds could be used for planning projects for future changes in government structure or function intended to increase efficiency.
2. Grant funds could not be used to fund projects that would be considered normal functions of government.
3. Grant funds could not be used to encourage any particular vote on a ballot measure, such as a home rule proposal, but grant funds could be used for public education purposes in relation to elections so voters could be fully informed of the facts.
4. The proposed project had to have some potential future benefit to other political subdivisions.

The ACIR conducted two separate rounds of consideration of grant applications in the 1991-92 interim. The commission awarded grants to 15 grant applicants, as summarized in the following table:

Grant Recipient	Purpose	Amount
Bottineau, Renville, Burke, and Divide Counties	Multicounty election services study	\$16,066.00
Cass County	Home rule study	10,000.00
Richland County	County office consolidation study	17,500.00
Walsh County	County government structure study	7,500.00
McHenry County	National Association of Counties and IBM Corporation study	10,500.00
Sargent County	County technology coordination study	15,075.00
Oakes	City cooperative efforts study	12,000.00
Stark County	Home rule study	8,500.00
Grand Forks city and Grand Forks County	City-county government restructuring and consolidation study	18,000.00
Oakes	Communication among cities and state and local governments study	6,917.34
Bismarck	Eight political subdivisions cooperation and vision study	25,000.00
Ramsey County	Home rule study	7,500.00
Carrington	City services consolidation study	6,500.00
Mandan and Morton County	City-county services consolidation study	25,000.00
Williams County	County office collocation study	12,500.00
Total grant awards 1991-92		\$198,558.34

GRANT PROJECT REPORTS

Renville, Bottineau, Burke, and Divide Counties were jointly awarded a grant of \$16,066 in June 1992. The counties entered a joint agreement to reduce election expenses and increase efficiency in determining election results. The counties reported each county reduced election costs by at least \$3,580 by using new tabulating equipment and agreeing to provide election backup hardware for neighboring counties, reducing the number of hours worked by election boards, combining precincts to reduce the number of election boards, and reducing the amount of time for election recounts in Renville and Bottineau Counties. The new tabulating equipment also resulted in providing election results more quickly for the public and candidates. Representatives of the counties said the result was a savings to taxpayers in the four counties of more than \$14,000 in one election cycle and additional savings would be realized by the four counties in future elections.

The city of Oakes was awarded grants of \$12,000 in November 1991 and \$6,917.34 in June 1992 for two related grant projects conducted under the leadership of the North Dakota League of Cities. The goal of the earlier grant project was to promote cooperative efforts among cities to investigate financing, intercommunications, instructional needs, and implementation strategies to determine how cooperative efforts could benefit cities. The second grant project was intended to focus on communications needs because the first grant project concluded communication among cities is necessary for cooperative efforts. The League of Cities retained consultant services under both studies. The League of Cities report said the objectives of the first study were to determine how the League of Cities should collect and disseminate information for public officials, develop a communications system for public officials, meet the educational and technical needs of local government, and accomplish the legislative goals of cities. Under the communications study, a survey of cities showed a very high percentage of city officials believed there was a strong need for cities to be able to access a common database. Other survey results were city officials believed a communications network among cities was needed, communication among cities was rated as fair or poor, and no more than 25 percent of cities had access to communications equipment other than the telephone.

McHenry County was awarded a grant of \$10,500 and Sargent County was awarded a grant of \$15,075, and both grant projects were conducted under the supervision of the North Dakota Association of Counties. These grant projects assisted in the establishment of the North Dakota Cooperative for Automation and Technology. The cooperative was intended to assist in joint planning and coordination of resources among counties to improve the efficiency of future computerization for counties. The cooperative established user groups for fiscal administration, justice and public safety, register of deeds services, social services, and transportation.

The Association of Counties reported development, implementation, and coordination of standardized information management systems would have great potential to improve the delivery systems of government by reducing the costs and improving the services of government. The stated role of the cooperative was to facilitate and coordinate plans to allow counties, cities, and school districts to work more closely together and share computers, programs, services, and other operational overheads.

The city of Carrington was awarded a grant of \$6,500 to examine the potential for consolidation of city offices. Carrington's city offices were located in several buildings in the city. The project was intended to be the beginning of a planning process on the restructuring of city government in Carrington. A consultant was hired to recommend options regarding housing of city services. The study examined space needs and future structure of city government and was used by the city in its plans to renovate and combine city services and possibly county services. The grant project was completed, and \$594.34 in unspent grant funds was returned and deposited in the state aid distribution fund.

Williams County was awarded a grant of \$12,500 to retain the services of a consultant for a county office collocation study. The study was used by the board of county commissioners on a monthly basis, and the county gained more space for social services staff without additional spending. It was reported that the county was looking at consolidation of county offices in a new light and anticipated consolidation of county offices could be accomplished over an extended period of time to avoid disruption.

The city of Grand Forks and Grand Forks County were jointly awarded a grant of \$18,000 to study restructuring and consolidating county and city governments. A portion of the study was devoted to examination of city and county home rule needs. The city of Grand Forks had a home rule charter, but Grand Forks County did not. After the grant was awarded, a Grand Forks County home rule charter proposal was defeated in the June 1992 primary election. The defeat of the home rule charter altered the study plans. The city and county requested the commission approve a change in the study under which the total cost would be \$24,000 and the local matching contribution would be reduced to \$6,000, or 25 percent of the total cost of the project. The commission refused the request because no special financial need was demonstrated, but the commission authorized use of the grant to provide equal matching funds for the cost of the changed study, up to the original project cost of \$36,000.

The city of Grand Forks and Grand Forks County retained services of consultants to conduct grant project studies. The studies were conducted in two phases. The first study examined the possibility of increased cooperation between the city and county in the areas of purchasing, data processing, planning, personnel, and elections. The city and county received recommendations in each of these areas and made progress in implementing these recommendations after completion of the study project. The county contracted with the city planning department for an update of the county land use plan that was mandated by state law for solid waste planning. It was anticipated the county would request the city planning department to update county zoning and subdivision regulations. These cooperative efforts were viewed as initial steps in a long-term goal of

consolidation of services in the planning area. The city and county were working together on existing training programs and establishing joint programs for personnel. The county administrator and city personnel officer were to retire at the end of 1994, and city and county officials examined the possibility of consolidating the functions of these offices. Joint elections were held in June 1994 and were said to be of benefit to all participating political subdivisions. As a result of the study, the office of the sheriff and the city police department were being considered for collocation. This was viewed as an initial step toward sharing of justice and law enforcement services and emergency services which could improve services and reduce costs in the future. The city and county returned \$871.80 in unspent grant funds, which was deposited in the state aid distribution fund.

Richland County was awarded a grant of \$17,500 to analyze the organizational structure of the offices of several county elected officials to determine whether those offices could be combined. Richland County citizens studied home rule issues for several years before the grant application. The process of examining county government structure in Richland County involved residents from all areas of the county and led to adoption of a county home rule charter and this grant project. Some county officials of lengthy service were scheduled to retire at the end of 1994. Study of the structure of county government and detailed interviews with affected county officials and employees were conducted under this grant project. The study recommended restructuring county government and combining several elected offices. Under the restructuring, Richland County would have an appointed auditor/director of finance and administration who supervises four county government branches responsible for general administration, finance and accounting, data processing, and tax and property administration. This combined five elected county offices into one appointed office to oversee county government administrative processes. County commissioners, the sheriff, and the state's attorney remained elected officers.

Walsh County was awarded a grant of \$7,500 to fund a study commission to examine all aspects of county government. The Walsh County study commission made recommendations to the board of county commissioners of Walsh County, including a proposal that the county auditor, treasurer, and register of deeds should be appointed rather than elected. This proposal was presented to Walsh County voters and defeated in November 1992.

The city of Mandan and Morton County were awarded a grant of \$25,000 for a study of consolidation of city and county services. Before the grant project, the city of Mandan and Morton County had combined several services, and these combinations worked well in the opinion of city and county representatives. The stated purpose of this study project was to consider combining a broader range of services and to investigate the possibility of collocating county and city departments.

The project focused on nine areas of city and county government, identified existing cooperative agreements, and attempted to identify areas in which cooperation could be instituted.

The Mandan and Morton County project surveyed elected and appointed officials on attitudes regarding the status of offices. The survey was intended to determine whether it would be feasible to change some elected offices into appointed offices. One elected official expressed interest in changing the office to an appointed office. Morton County scheduled public hearings to gauge public opinion and found a significant amount of public opposition to making the elected office an appointed office. The idea was not pursued.

When the report of the Mandan and Morton County project was presented, it was emphasized county and city officials became very aware of the importance of early citizen involvement in the process of consideration of changes to local government offices and structure and the need for citizen involvement necessitates a slow evolution process in local government. The county and city identified areas in which improvements could be made which would ultimately benefit the taxpayers, although the benefits of the study project may not become apparent for several years.

The city of Bismarck was awarded a grant of \$25,000 for a joint study among the cities of Bismarck and Mandan, Burleigh and Morton Counties, Bismarck and Mandan School Districts, and Bismarck and Mandan Park Districts. The North Dakota Consensus Council, Inc., was the consultant and administrator of the grant project on behalf of the political subdivisions. The project was intended to develop an advocate for intergovernmental cooperation and strategies for local governments to meet future needs. The project established a joint service council consisting of representatives from each of the eight units of local government involved in the project.

Under this project, a conference was held in the fall of 1992 to bring together 70 elected and appointed officials, students, and interested citizens. The conference reviewed 149 joint governmental efforts in place within Burleigh and Morton Counties and identified barriers to cooperative efforts and subjects for future cooperative efforts.

The eight entities involved in the grant project signed a joint powers agreement establishing the Mandan-Bismarck-Burleigh-Morton Joint Service Network. The network established an investment pool among the eight political subdivisions in hopes the group could obtain better rates of interest than an individual entity. The network intended to develop an automated and integrated tax program for assessment of property, generating tax receipts, and keeping records of delinquencies and payments. The program was intended to be designed for, and made available to, all medium-sized counties in North Dakota in cooperation with the Association of Counties.

The political subdivisions involved in the grant project produced a videotape about collaboration efforts of North Dakota political subdivisions and a series of articles about local government structural changes possible under current state law. The project established joint purchasing and bidding among participating political subdivisions and found more bidders and better prices were available than previously experienced. The project also focused on joint personnel issues, workers' compensation premium reduction and risk management, joint election services, and a process to develop a common vision for the future of Morton and Burleigh Counties.

1993-94 GRANT AWARDS

The commission authorized a grant of \$24,999 to the Association of Counties for a grant project sponsored by the city of Dickinson and Cass, Barnes, Stutsman, Wells, and Williams Counties. The Association of Counties intended to establish a property tax task force. The task force was to examine automation of the process for reporting statements of full consideration and property transactions; electronic exchange of information between the state and counties to enhance the property tax database; and the feasibility of electronic mail and other file transfers among the state Tax Commissioner, counties, and cities.

The commission authorized a grant of \$24,999 to the League of Cities. The project was intended to establish a computer network among cities and the League of Cities. It was reported 102 cities of 364 cities had computers for some city functions and 21 cities had fax machines. Many of these cities had compatible equipment so an information network could be established among those cities and the League of Cities. The method proposed to evaluate the feasibility of such a network was to employ a professional on the staff of the League of Cities to help establish the network and evaluate it after one year.

During the 1995-96 interim, no funding was available for new local government efficiency planning grants, but the ACIR monitored reports from entities that had received grants. The ACIR requested the League of Cities and the Association of Counties file final reports by February 1, 1997. Those reports were received by the ACIR at its first meeting of the 1997-98 interim.