

# **Collaborative Governance Council**

## **Local Government Innovation & Redesign Guide**

**Jay Kiedrowski  
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St. Paul, MN**

# A Similar MN in the Future

Highly Educated

Healthy

Clean Environment

Productive Workers

Less Crime

Reduced Traffic Fatalities

High Voter Turnout

Rich Cultural Arts

Supportive Nonprofit Sector

# A Different MN in the Future

Older, More Diverse

Fewer Wage Earners Proportionately

Less Well Educated

More Relative Unemployment

Higher Tuition for College

Less Affordable Health Care

Greater Income Disparity

Less Affordable Housing

More Congestion

# Different MN Finances in the Future

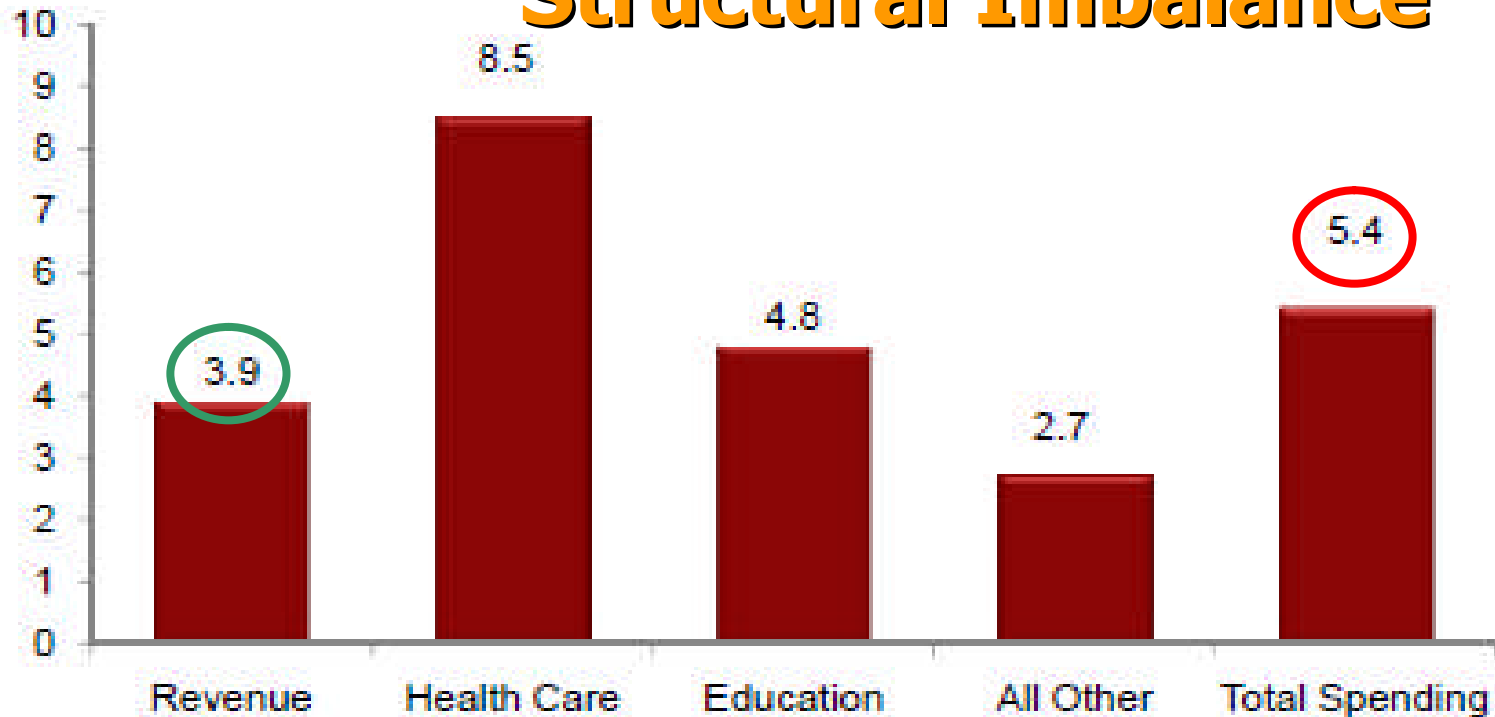
State Revenue-Expenditure Structural  
Deficit

# Economic

## Projected Average Compound Growth Rates of Minnesota State Finances between 2008 and 2033

% Growth rate  
(5 yr average compound)

### Structural Imbalance



Source: Analysis from Minnesota Management & Budget (MMB)

# Future Problem (12-10)

## Budget Forecast, FY 2010-13 (\$ in Millions)

	<u>FY 2010-11</u>	<u>FY 2012-13</u>
<b>Beginning Balance</b>	\$447	\$674
Revenues	30,493	32,004
Spending	30,266	38,591
Budget Reserve	9	9
Cash Flow Account	266	266
<b>Budget Balance</b>	<b>\$399</b>	<b>(\$6,188)</b>
<b>Structural Gap (excluding FY 2010-11 Balance)</b>	<b>---</b>	<b>(\$6,587)</b>

# Former Finance Commissioners Reaction to Deficit

Kiedrowski

Gunyou

Ingison

Wheelock



# Different MN Finances in the Future

State Revenue-Expenditure Structural  
Deficit

More Revenue Volatility

Local Government Aids in Trouble

Human Services Changes Coming

Need for Rethinking Local Government

# Innovation and Redesign Guide

Minnesota Local Government  
Innovation & Redesign Guide



## Navigating the New Normal

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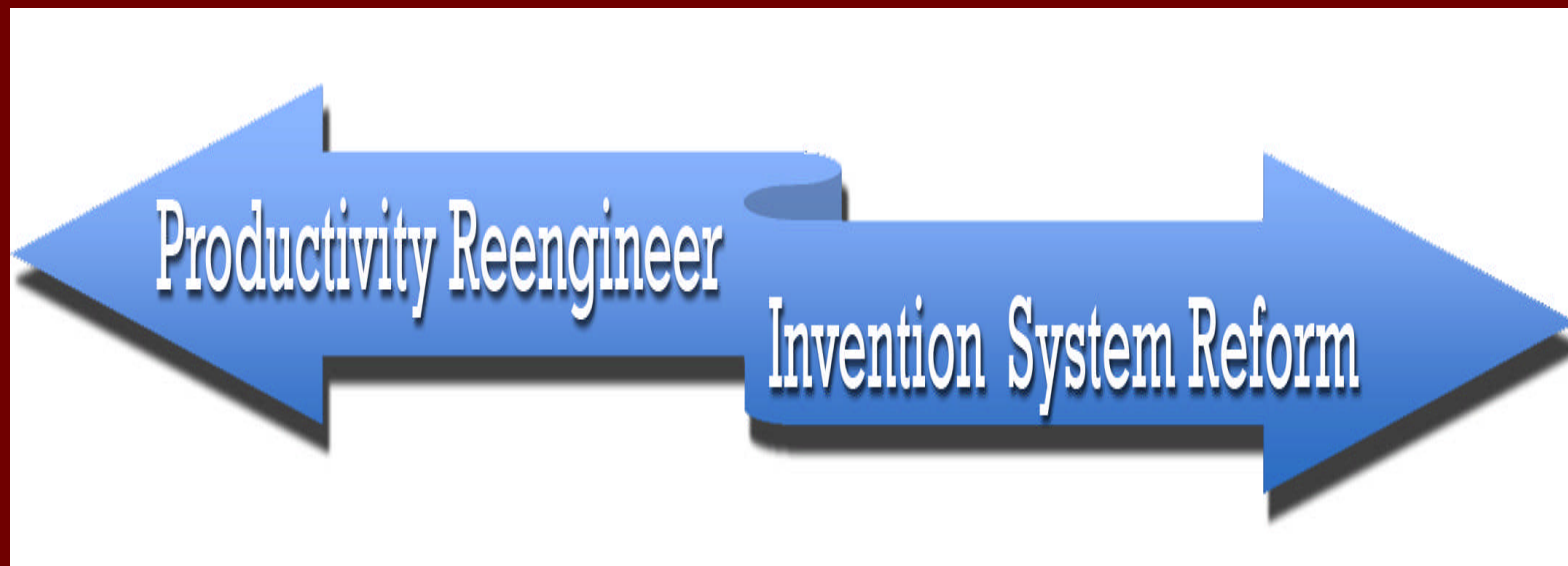
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# Innovation and Redesign Guide



# What is Innovation and Redesign?

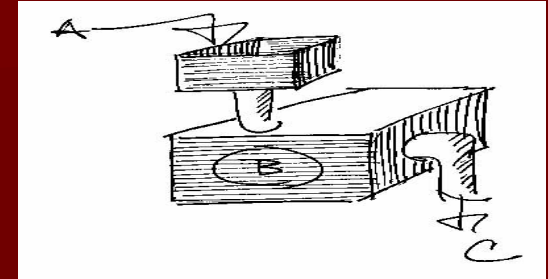


# How Do You Innovate?



# Innovation and Redesign Guide

1. Clearly define the problem
2. State the desired measurable outcome
3. Investigate why traditional approaches aren't working
4. Identify alternative theories or assumptions that address the problem
5. Innovate and redesign



# Innovation and Redesign Guide

## TOOLS:

- Charges, Incentives and Targeting
- Competitive Contracting
- Collaboration

# Collaboration

## Continuum of Relationships

Informal

Formal

Cooperation Coordination Collaboration Partnership Consolidation

# Collaboration



(Ernst & Chrobot-Mason, 2011)

# Collaboration

- Examples

# Collaboration

The *Minnesota Commission on Service Innovation* has recommended that the state establish a Shared Services/Consolidation program for state and local government entities.

# Innovation and Redesign Guide

## TOOLS:

- Charges, Incentives and Targeting
- Competitive Contracting
- Collaboration
- Prevention
- Community
- Funding Consumers
- Performance Accountability

# Possible Performance Management System



## Draft Performance Measures

- In 2010, the Minnesota Legislature created a **Council on Local Results and Innovation.**
- By February 2011, the Council will establish 10 performance outcome measures for Minnesota cities and counties.
- Upon the establishment of these strategically chosen performance outcome measures, the Council will create a model local government performance management system.
- If cities and counties create performance management systems and submit results on the 10 performance measures, they can receive up to \$25,000 from the state and be exempt from levy limits.

# Draft City Performance Measures

- General:** 1) Rating of the overall quality services provided  
2) Citizens' rating of the overall city appearance

**Police Services:** 3) Part I and II crime rates and/or Citizens' rating of safety in their community

**Fire Services:** 4) Insurance industry rating of Fire services and/or Citizens' rating of the quality of fire protection services

**Streets:** 5) Average city street pavement condition rating and/or Citizens' rating of the road condition in their city:

6) Citizens' rating the quality of snowplowing on city streets

**Water:** 7) Citizens' rating of the dependability and quality of city water supply

8) Operating cost per 1,000,000 gallons of water pumped

**Sanitary Sewer:** 9) Citizens' rating of the dependability and quality of city sanitary sewer service

**Parks and Recreation:** 10) Citizens' rating of the quality of city recreational programs and facilities

# Draft County Performance Measures

**Environment:** Recycling rate

**Library:** # of annual visits per 1,000 residents

**Taxation:** Level of assessment ratio (*between 90% and 105%*)

**Elections:** Accuracy of post-election audit

**Public Safety:** Part I and II crime rates or Citizen's rating of safety in their county.

**Public Works:** Average pavement rating or Citizen's rating of the road conditions  
Hours to plow complete system during average snowfall

**Parks:** Citizen's rating of the quality of parks, recreational programs, and/or facilities.

**Probation/Corrections:** Percent of offenders (adult and juvenile) with a new offense within 3 years of discharge or intervention

**Public Health:** General health indicator TBD

**Social Services:** Change in Self-support Index over three-year period (MFIP & DWP)  
Percentage of children where there is a recurrence of maltreatment within 12 months following an intervention



## 2010-2011 Local Government Innovation Awards

- Honoring the innovation of Minnesota cities, counties & schools.
- Up to 18 awards to be given out for innovative work in **SERVICE REDESIGN**
- Brief Application available online due **February 4, 2011**

[www.incommons.org/LocalGovernmentInnovation](http://www.incommons.org/LocalGovernmentInnovation)

# Questions and Comments?