

Erie County

Blue Ribbon Commission Final Report

Analysis of Erie County Taxing Authorities' Spending Efficiencies

Blue Ribbon Commission
June 2025

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ACKNOWLEDGEMENTS

The Commission members would like to acknowledge and thank the following:

- The staff members who prepared this report.
- The Erie County Commissioners Matt Old, Pat Shenigo, and Steve Shoffner, and the Erie County Treasurer Caleb Stidham who listened to taxpayer concerns presented at the 2024 Serving Our Seniors roundtable on taxes and determined the need for the formation of the Blue Ribbon Commission. Their leadership and support throughout this 6-month endeavor that resulted in this report was invaluable.
- All the public officials who participated, listened, and/or contributed during the process. The list is extensive and includes every service area reviewed by the Commission.
- All those residents who came to meetings and listened or provided input.

The quality of this report was greatly enhanced and could not have been achieved without the support of all above.

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EXECUTIVE SUMMARY

Following the 2020 COVID-19 Pandemic, property valuations and their subsequent property taxes have seen a sharp increase for Erie County residents and businesses. Growing property taxes and their impact on locals have triggered this review with a goal to examine all government-funded services across Erie County and help determine greater efficiencies and cost savings in order to lower the required millage for funding local government and reduce property taxes. The committee spoke with elected officials, local governments and industry experts to review the services and elicit recommendations on possible opportunities to work together and reduce the overall tax impacts across the county. The burden of costs are not intended to be handed from one entity to another in this report. Instead, the Commission was tasked with lowering the overall tax burden on local entities through cooperation and improvement of existing services.

Through the development of the study, the Commission solicited current practices for cost saving concepts. Numerous organizations highlighted work they are already completing to help reduce cost burdens and ensure public funds are being used effectively. Notable savings included organizations utilizing purchasing policies through State sources and local vendors for competitive pricing, and joint purchasing and mutual aid for first responders. The local school districts utilize the Huron-Erie School Employee Insurance Association (HESE) and the Northern Ohio Education Computer Association (NOECA) to help reduce insurance and technology costs, respectively. While these examples are just a few that local staff are undertaking to lower cost burdens, the Commission worked to address operational silos and pursue collaborations to find opportunities for additional savings.

The cost saving strategies that are recommended by this committee range from short term implementations to large scale considerations of services. Significant recommendations developed for government services include health insurance, local courts, water and sewer, education, and economic development, while minor recommendations were made for topics including information technology, purchasing, fire and police services, and roadway infrastructure. The Commission also reviewed current practices with public transit, local libraries and the Erie MetroParks, and had no recommendations for additional cost-savings based on current practices. In addition, the study advocates policies and practices that may not directly reduce property taxes, but encourage services continue to perform at high levels of efficiency. Overall, the purpose of this analysis is meant to serve as a guiding document on local actions for clearer government spending.

COMMITTEE MEMBERS

The Blue Ribbon Commission was established by the Erie County Commissioners, and members were chosen for their diverse backgrounds. The seven member Commission was tasked with identifying redundancies, inefficiencies, and areas where local governments could collaborate. Committee members are as follows:

Jeff Krabill (Co-Chair) - Mr. Krabill serves as a current Sandusky City Commissioner and has a background in marketing and advertising where he worked for 35 years. He previously served on the Sandusky City Board of Education for 18 years.

Mike Parker (Co-Chair) – Mr. Parker is a current Oxford Township Trustee with 17 years of experience. Mr. Parker is retired and brings a 36 year background in nuclear power engineering, maintenance, operations and security from Davis-Besse Nuclear Power Plant. Before working in nuclear power, he worked for more than 8 years for the Erie County Engineer in the highway department and engineer’s office. Mr. Parker currently serves as President of the Erie County Township Association.

Karen Balconi Ghezzi - Ms. Balconi Ghezzi previously worked as the Executive Director of Jobs and Family Services for Erie County for 13 years, with 31 years total in the department. Ms. Balconi Ghezzi has been a member of the Erie County Metropolitan Housing Authority since 2012, and initiated the creation of the Erie County Fraud Task Force that she headed until her retirement. Ms. Balconi Ghezzi is also a licensed attorney and still works as a consultant at a northern Ohio law firm.

Tom Forster - Mr. Forster is a lifelong resident of Erie County. He previously owned an insurance business for numerous years, and is currently working as a consultant for healthcare insurance. Mr. Forster has served on numerous boards in the area, including Erie County Chamber, Huron Chamber, Firelands Hospital, Bellevue Hospital, and Third National Bank Board.

Kelly Moon - Mr. Moon served as the Mayor of Berlin Heights for 24 years. He previously worked as the Plant Manager for ICI Paints for 31 years and is currently in his 16th year as a Commissioner on the Veterans Service Commission.

Lisa Crescimano - Ms. Crescimano began in the public sector serving numerous public service jobs, including Perkins Township Fiscal Officer, CFO at the Lorain Public Library System, Treasurer of Perkins School District, Interim Treasurer of Perrysburg and Ravenna Schools, CFO of the Alcohol, Drug Addiction, Mental Health Services Board. She currently serves on various local boards.

Tom Tucker - Mr. Tucker was a teacher for 25 years and also served in leadership roles for the teacher’s union. Mr. Tucker moved into the role of Principal, Assistant Superintendent and then Sandusky City

Schools Superintendent before moving back to Lorain to serve as Superintendent where he retired. Currently, Mr. Tucker is an Instructor with Cleveland State University and serves on various local boards.

PROPERTY TAXES IN ERIE COUNTY

The Blue Ribbon Commission's first public session featured a presentation from Treasurer Caleb Stidham on property taxation. Treasurer Stidham explained the state law that governs the property tax system in Ohio. He provided the Commission with a detailed explanation of how taxes are calculated and why they are going up for many residents.

As a brief overview of that presentation, there are two inputs into one's property tax bill: value of the property and the taxation rate. Property owners are taxed at their assessed value, which is 35% of their appraised value. The appraised value is determined by the county auditor in accordance with state law. The taxation rate comes in the form of millage, or a mill, which represents one dollar per \$1,000 of assessed value. The Ohio Constitution allows for an unvoted rate of 10 mills, or \$10 owed per \$1,000 of assessed value. Any further increase in one's tax rate comes from taxing entities seeking a levy at the ballot box, and citizens in that entity's jurisdiction voting for the levy.

To prevent residents from paying more as the value of their property goes up, Ohio lawmakers sought to make voted-on millage anti-inflationary. That means when a levy is placed on the ballot and passes, the sum generated from that levy never increases after the first year it's placed on the tax bills. In other words, taxing entities must go to the ballot to increase their revenue from voted-upon property taxes.

However, school districts are guaranteed a certain level of operating funds although their funds are outside millage and considered anti-inflationary. The original intent was to assist districts which historically had difficulty in passing new operating levies, but districts have now begun negating the protections against inflationary property tax increases through strategies to reduce their effective operating millage to the guaranteed floor. Approximately 75% of districts in the state take advantage of legislative options to bypass inflationary protections. That includes all districts in Erie County, except for Sandusky City Schools and Perkins Local School District.

In 2024, the county auditor's office completed the state-mandated revaluation process. On average, residential property values increased just over 25%. Because of the withering away of Ohio's inflationary protections, as well as the inflationary growth on the original unvoted tax rate of 10 mills, Erie County property owners saw a collective tax increase of over \$10 million per year.

Treasurer Stidham explained that while the system that state lawmakers designed allows for unvoted increases, there are steps local communities can take to prevent tax increases and even create tax reduction.

PUBLIC INVOLVEMENT PLAN

In order to determine best courses of actions for examination of tax reducing strategies for local property values, the Committee began by developing a public involvement strategy to solicit feedback on current practices and understandings of operations of local government entities. The Commission began in January by inviting elected officials from the municipalities and school districts to participate in open houses around the county, soliciting feedback on tax savings strategies. Meetings were held at the Ritter Public Library, Groton Township Hall, Huron Public Library and downtown Erie County office building. The meetings and their content are detailed below:

Ritter Public Library, Vermilion (January 21st)

The first meeting was held in a conference room at the Ritter Public Library. Attendees and commission members opened the floor to early suggestions and discussion on current government practices. Numerous topics were discussed, including reviewing costs associated with school transportation, county-wide fire and EMS, collective purchasing of equipment, IT coordination, and the Inmate Work Program.

Groton Township Hall, Groton Township (January 28th)

The second meeting reviewed current efforts townships were undertaking to consolidate services and regionalization. Additional consolidations mentioned were permitting and zoning, road patrol services, healthcare consortium, shared fleet maintenance, and regional public transportation.

Huron Public Library, Huron (February 4th)

Public input at the third meeting largely centered on insurance, including health plans and equipment coverage. Additional topics discussed included trash hauling, overall township taxes and efficiency, highway department collaborations and equipment sharing, law enforcement consolidation, and legislative actions regarding existing real estate tax credits programs.

Erie County Offices, Sandusky (February 11th)

The final meeting for the public input tour was held in the Erie County Chambers in downtown Sandusky. Discussion for projects largely centered on public transportation, education, housing, the school districts, public infrastructure and insurance. Attendees were invited to future meetings to explore specific topics further, and shared contact information and the website for the commission.

Date	Meeting Topic	Presenters
February 25th	Insurance	Tris Felix, Cornertone
March 4th	Fire/EMS	Erie County Fire Chiefs
March 11th	Police	Erie County Sheriff and Police Chiefs
March 18th	Purchasing	-
March 25th	Information Technology	Trudy Riddle, JFS; Neil Yuengling, OhioMeansJobs
April 1st	Water and Sewer	Aaron Klein, City of Sandusky; John Rufo, Erie County Department of Environmental Services
April 8th	Public Transportation	James Stacey, STS
April 15th	Education	Dr. James Tatman, Huron City Schools; Dennis Honkala, Ohio Schools Council
April 22nd	Local Courts	-
April 29th	Roads	Eric Dodrill, Erie County Engineer
May 6th	Economic Development	Colleen Gilson, City of Sandusky; Eric Wobser, Greater Sandusky Partnership
May 20th	Public Health, Libraries & Parks	Pete Schade, Erie County Health Department; Diane Taylor, ADAMHS; Rachel Malone, Board of DD; Erie County Library Directors

Following the public meetings, the Committee solicited expert opinion on the following topics: **Insurance, Fire, Police, Purchasing, Information Technology, Roadway Infrastructure, Water & Sewer, Education, Public Transportation, Local Courts, Economic Development, Public Health Resources, Libraries, and Parks.** Recommendations and comments from the hearing sessions were all reviewed, and a list of stakeholders contacted can be found in Appendix B. The Commission conducted follow-up meetings with local leadership and completed data collection to help inform their recommendations below. A working document was maintained through the development of the white paper of the various hearings, recommendations, and data solicited from the public. This document can be found in Appendix D. Through the course of the Blue Ribbon Commission's research and public outreach, additional county challenges were discovered and presented that do not directly impact property tax revenue. While addressing these challenges may not reduce overall property tax burdens, the Blue Ribbon Commission advocates the following as opportunities to improve regional efficiency and collaborations between local entities. The Recommendations for property tax savings and advocacy for efficiency improvements are detailed in the following section.

RECOMMENDATIONS & ADVOCACY

1. Health Insurance

Current System

There is a wide variety of existing health insurance plans based on organizational structure with frequent marketing to different insurance carriers for the best available options. Local school districts are a part of the Huron-Erie School Employee Insurance Association (HESE) group plan, while municipalities are either self-insured or fully-insured. Smaller entities have been burdened by high insurance rates due to low personnel counts and larger claims. In 2023, smaller employers nationally saw an increase in their average health benefit cost per employee of 7.8% compared to 4.2% for larger employers. In 2025, medical plan cost trends are projected to increase by 8% to 11.4% for prescription drugs.

Recommendation 1.1: Captive Insurance Model

Narrative

A challenge for smaller entities, including our local villages and townships is for affordable health insurance plans due to low census counts and large claims. Health insurance rates operate at economies of scale, and cost savings can be secured by increasing the pool of covered lives and spreading the impact of large claims. Success in savings have been found in various health plan strategies, including Captive Insurance, Associated Health Plans, Consortiums and Self-Insurance Plans. A medical stop-loss captive is an alternative-risk financing structure that allows individual participating taxing authorities the ability to share in the funding of high- cost medical claims.

Advantages:

- Economies of scale ensures competitive rates
- Stabilize and manage large claims across entities
- Members participate in profits
- Tailored solution to meet variety of needs
- Ability to negotiate local contracts and rates

Challenges:

- Requires 3+ years to obtain stability in managing costs and claims
- Requires consistent buy-in from senior leadership
- Needs consistent community support or mutual aid from members

There is a variety of insurance structures that could be tailored based on the needs of local entities, with the Captive Insurance model being recognized as providing cost control and risk stability. Studies have shown companies with captive insurance models saved \$310 in per employee per month health plan costs compared to fully insured projections. Overall, total savings by the various local governments of a group insurance plan are hard to quantify without further data. A Feasibility Study reviewing census data, participating jurisdictions, and enrollment numbers would detail what programs and cost savings are available. An organized group plan provides the opportunity to stabilize and manage large claims throughout the system. In addition, this creates greater predictability of losses and creates opportunities for members to directly negotiate local healthcare rates. The Commission has begun research on a larger Health Insurance Plan and requested information from various taxing authorities to complete the preliminary study to determine any possible cost savings. The requested information and captive model information can be found in Appendix G.

2. Local Courts

Current System

Erie County currently operates with four Common Pleas judges. The fourth judge was established through state legislative action in 2004, with the first term commencing on January 1, 2005. This addition was implemented to address the increasing caseloads and demands at that time. Currently, each judge maintains an independently managed courtroom with their own schedule of cases, dedicated staff and administrative support personnel.

There is no set administrative structure overseeing the court as a whole; instead, each judge is responsible for the internal operations of their courtroom, including scheduling, case management, and workflow procedures. This operational model allows for flexibility but can result in variation across courtrooms and potential duplication of administrative functions.

The Juvenile Court operates as a separate entity within the county's judicial system and functions independently as the clerk of its own court. It employs approximately 80 staff members who support both the Juvenile Detention Center and the Community Corrections Facility (CCF). The CCF, which provides rehabilitative services for youth, is primarily funded through a grant from the Ohio Department of Youth Services and operates on an annual budget of approximately \$3 million.

Recommendation 2.1: Petition General Assembly to reduce number of Erie County Commons Pleas Judges from 4 to 3

Narrative

Erie County Common Pleas judges and courts were reviewed for savings and efficiencies. Costs for the fourth judge and court system were reviewed based on 2005 Ohio State Legislature adding a fourth Judge for Erie County Commons Pleas Court. The Blue Ribbon Commission reviewed the court system budget in comparison to yearly court cases since 2000, noting a steady increase in court costs annually (see Appendix E). Estimates for the fourth judge costs were \$700,000. However, recent trends show a consistent reduction in docket size, raising the question of whether current demand supports maintaining all four positions.

Advantages:	Cost saving through caseload trends Administrative efficiency Better use of public resources
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Challenges:	None noted
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Cost Saving Opportunities

Approximately \$700,000

Reducing the number of Common Pleas judges from four to three could represent a significant cost-saving measure for Erie County, particularly in light of decreasing caseloads and sustained staffing levels. The fourth judgeship, established through Ohio State Legislature in 2005, was justified by increasing case volume at the time. However, recent trends show a consistent reduction in docket size, raising the question of whether current demand supports maintaining all four positions.

Recommendation 2.2: Coordinate Shared Services, Staff and Practices in Erie County Common Pleas Courts

Narrative

The local court system's administrative processes lack centralized organization, creating redundancies for staff across the departments (e.g., mailers for jury notices). Court representatives noted savings through attrition, where job openings are reviewed for whether the role can be absorbed internally or if it would be best to fill the position.

Advantages: Cost saving through attrition
 Eliminating redundancies
 Service continuity despite downsizing

Challenges: Need for cross-training

Cost Saving Opportunities

\$ TBD

Erie County's Common Pleas Court currently operates with four judges, each supported by independently managed staff and administrative procedures. A strategic reduction of one judicial position, combined with the consolidation of administrative staff across the remaining judges, could result in meaningful cost savings without significantly impacting court performance. Savings would be achieved by eliminating redundant administrative roles, such as multiple bailiffs, administrative staff, and clerks.

2.3 Support State Legislation and Enforcement for Fraud Reduction

Benefits fraud is a state and federal issue with significant local impacts. In Erie County alone there is over \$1 million dollars in identified benefits fraud occurring annually as a result of people taking advantage of critical resources like SNAP and Medicaid. The abuse of SSI status, which has always been deemed a short term aid for individuals to rely upon as they recover from illness or injuries and while they are seeking employment has become an escape from personal responsibility for many citizens. Erie County has worked to address fraud, establishing a Fraud Task Force and encouraging citizen reporting to help lower the impact it has on these programs. However, state and federal legislation has failed to respond to systemic abuses statewide, thus placing heavy costs on taxpayers. The Blue Ribbon Commission encourages additional legislation and enforcement of fraud reduction on the state and federal level.

3. Water and Sewer Infrastructure

Current System

Erie County currently has six separate water departments, including the County, Sandusky, Huron, Vermilion, the Village of Kelleys Island and Milan. Erie County contracts water and sewer services through Sandusky and Huron. The systems cover the entirety of the county.

Recommendation 3.1: Feasibility Study for Water and Sewer Regionalization

Narrative

Erie County sewer and water departments are satisfied with their system capacities currently. However, long-term planning remains a priority in Erie County, as future development could be impacted by capacity in certain areas. Erie County and the City of Sandusky primarily utilize in-house personnel for system maintenance, ensuring efficiency and responsiveness. The Village of Milan uses a combination of in-house staff and outsourced services for both maintenance and infrastructure improvements, allowing flexibility in addressing system needs. Intradepartmental cross-training efforts are ongoing, creating workforce flexibility and operational efficiency. The Blue Ribbon Commission believes that due to high costs of water and sewer infrastructure and staffing, a further study is warranted to review the feasibility of regionalization. Regionalization will also eliminate a piecemeal approach to development that is dependent on various water and sewer departments with its inherent higher costs.

Advantages	Reduced costs for treatment, infrastructure, maintenance, purchases and labor
	Improved long term infrastructure planning
	Improved reliability of services
	Rate equalization, savings, and stabilization
	More control and consistency over rates, priority of projects, and operational decisions
Challenges	Costs in integration, infrastructure upgrades Staff training

A regionalized sewer and water district presents significant opportunities for cost savings through shared resources, operations, and coordinated infrastructure investment. By consolidating services across multiple jurisdictions, communities can avoid duplicating capital projects, such as multiple treatment plants or pumping stations. Operational costs can be reduced through labor sharing, bulk purchasing, and centralized administration. In addition, regional entities often have improved access to state and federal funding, allowing for lower financing costs and greater grant opportunities. These efficiencies can lead to long term savings while improving service and regulatory compliance. Regionalization projects tend to be lower overall rate costs in future years by growing the customer base and creating rate parity in a single geographic region. Users may expect varying rates of savings based on current water provider. Finally, by simplifying and/or reducing administrative staffs and pricing policies, the public might realize savings on their water/sewer bills. The details on economic impacts of water regionalization can be found in Appendix I.

4. Economic Development

Current System

Economic development is a major priority for public sector entities in Erie County. There are many publicly funded programs and entities devoted to improving the county's economic vibrancy. Erie County has various tools and funding streams to promote economic development. They include: the Erie County Community Improvement Corporation, the Land Reutilization Corporation (Land Bank), and the Erie County Port Authority (which is managed by the Greater Sandusky Partnership). The county also levies a lodging tax at 4%. Half of the collected money supports a bond on the construction of Cedar Point Sports Center & Sports Force. The other half is designated to the Erie County Visitors Bureau, which expends more than \$500,000 on a grant program for tourism-related businesses (See Appendix H). The Visitors Bureau contributes the remaining millions to Shores & Islands Ohio, which promotes tourism in Erie and Ottawa County. Finally, the county also has a planning commission and metropolitan planning organization (MPO) that supports community development, housing programs, and transportation planning. The City of Sandusky also has a planning department, land bank and various grant programs to support economic development in the city. Perkins Township maintains a planning department as well. Various entities in the county have tools such as tax increment financing (TIF) and abatements to incentivize development on a particular parcel.

The business community in Erie County underwent a process of consolidating business advocacy into the Greater Sandusky Partnership (GSP). GSP is made up of the Erie County Chamber of Commerce, the Erie County Economic Development Corporation (ECEDC), Destination Sandusky, the Erie County Port Authority, and other tools. The \$3 million annual budget is approximately one third privately funded, one third publicly funded, and one third funded based on fees generated by entities like the Port Authority. A growing economy is a critical way to support the existing tax base of the county and ease the tax burden on residents. As businesses open and grow and as residential population increases, the tax burden spreads among more taxpayers and lessens the burden on all.

Recommendation 4.1: Realignment of County Economic Development Tools

Narrative

There is currently no long-range countywide economic development plan controlled by elected officials. To fill the gap, the privately controlled GSP is making development plans that are not as transparent as politically controlled organizations. Given the extensive authority and resources available to support economic development in the county government, consideration should be extended to create one unified vision. Just as the business community did with the creation of GSP, county leaders should look to align the various economic organizations of the county into one. Key pillars of economic development

include predictability, transparency, and maximum leverage to entice development. Having one entity with one vision will give potential businesses a one-stop-shop rather than working through various county entities. Currently, businesses may need to meet with county commissioners, county regional planning, the county land bank, the county visitor's bureau, Shores & Islands Ohio, GSP, and any municipal or township leaders to locate or expand in Erie County. There should be a simpler way for the business community to interface with county governments.

Advantages:	Greater efficiency in running one department rather than several
	More opportunities for economic development
	A competitive advantage compared to competing communities
	Likely ability to reduce personnel costs

Challenges:	Buy in from various boards in charge of the current entities
	Competing visions for economic development in the county

Cost Saving Opportunities

\$ TBD

Currently, entities in the county spend roughly \$10 million per year on economic development, with more than 60 employees devoted to it across the county. Aligning the visitor's bureau, land bank, regional planning, MPO, and others into one entity, will incur savings through administration, personnel and operations costs reductions.

4.2 Review state funding formulas for lodging tax collected by Ohio counties

The commission sees a need for state legislative action to allow for greater flexibility in the investment of public dollars. For example, the county lodging tax is extraordinarily limited in its application. Currently, there is little room in state law for the county lodging tax to pay for some of the costs of having a tourism-based economy, such as safety services, infrastructure, and economic development. This commission sees value in investing in those areas, which will attract and maintain visitors as well as improve the quality of life for residents. Most importantly, reform could allow local governments to provide sustainable tax relief on residents.

4.3 Regionalization of Planning

This commission notes the extensive costs of planning in public and private entities throughout the county. The cities of Sandusky, Huron and Vermilion, as well as Perkins Township and the Greater Sandusky Partnership, all pay for what can be considered planning services. The Erie Regional Planning Commission is the exact kind of entity that could be a vehicle for regionalization of planning. The planning commission is made up of county officials, as well as representatives from all political subdivisions in the county. Local entities should seek to save costs by utilizing the services of the ERPC whenever possible.

5. Education

Current System

The Blue Ribbon Commission underwent extensive analysis of the public education system in Erie County, with a focus on the local property tax system. In Erie County, public schools (including joint vocational schools (JVS) make up more than 73% of property tax collection. Given the primary charge of the Blue Ribbon Commission, identifying cost saving opportunities is key to reducing the property tax burdens on residents.

At the same time, the public education system is among the most complex in Ohio. School funding is reliant on a blend of federal grants, the state school funding formula, and the property tax system. Each of these funding streams are extraordinarily complex and reliant on policy decisions from state and federal leaders. However, the Commission believes a path forward exists for local reform.

Attached to this report in Appendix F is various information on school district finances and other relevant data from the last decade. Since 2016, public schools in Erie County have lost more than 1,300 students due to a declining children demographic and transfers into charter schools. At the same time, the cost per pupil in public schools in the county and statewide has gone up more than 50%. Also, at the same time, many districts have sought additional funding for school facility renovation/construction. Except for Sandusky City Schools, each of these efforts has failed overwhelmingly.

The path public education in Erie County is headed down is currently unsustainable. Operating costs are increasing as enrollment is declining. Districts are indicating a need for new facilities, which will cost hundreds of millions of new dollars for property taxpayers.

Recommendation 5.1: Feasibility Study on School Consolidation

Narrative

Substantial reform is undoubtedly necessary in public education. Even as the state has invested billions of new dollars in public education, and as property tax law has allowed millions in local unvoted tax increases, public education leaders are still indicating a need for more dollars. This Commission believes that an impartial study from a qualified entity is necessary to provide local leaders with various options. These options could include: consolidation of one or more districts across the county, shared administrative and other services among districts, and/or a path to new facilities for the county's school districts.

The criticisms of this recommendation are likely twofold. First, some will argue that school/local pride is of transcendent importance, and that consolidating school districts will decrease community pride. That criticism may very well be true in some respects. However, residents deserve to know the cost of the current system as opposed to something more efficient. Secondly, some will be hesitant to surrender local control of a district in favor of having a larger district.

The advantages of fewer districts is eliminating duplication, appropriately prioritizing capital needs across the county, and having a more unified vision for public education across the county. The Edison School District was created out of this same discussion. While there was enormous pushback at the time, the merger of Berlin and Milan Schools serves as a shining example of the benefits of consolidations. It should be noted that a feasibility study should flush out various logistical hurdles and potential drawbacks to reform. It may suggest more modest reforms, such as shared administration or other cooperative agreements among districts.

Advantages:	Expert consultants can identify various cost-saving options
	Consolidation could lead to greater efficiency and shared vision
	Modest reforms can provide quicker relief to taxpayers
Challenges:	School districts will likely resist substantive reform
	Students and alumni may resent impact on school pride
	There is an initial cost to pay for the feasibility study

Cost Saving Opportunities

Feasibility Study to Determine Cost

Immediately, a feasibility study will project costs, but the goal would be for many cost-saving options to be considered by the study and provide meaningful options to school board members.

ADVOCACY

5.2 Develop a public survey to solicit feedback on public education countywide

There are widespread opinions on how schools are funded, the evaluation of their performance, the need for capital upgrades, and the means for paying for such upgrades. A statistically significant survey would provide crucial information for decision makers, namely board of education members throughout the county.

6. Information Technologies

Current System

Local government continues to increase its digital footprint, improving access to information, forms, data and operations of local government. Specific programs can incur large contractual costs due to highly specialized software, including ESRI GIS and CourtView. Other programs and applications can range from online applications to digital file shares, all of which the various departments and organizations around the county utilize at various rates to meet their departments' needs.

Organizations from local municipalities to school districts are typically using either Microsoft 365 vs. Google Workspace for their office applications. Additionally, there are numerous programs used as needed by the various organizations to aid in specific day-to-day operations, including GIS, IWorq permitting, and Adobe creative suites, to name a few.

Recommendation 6.1: Identify Opportunities for In-House Application Development

Narrative

There are a wide range of applications that are licensed by local entities. A comprehensive inventory of applications should be developed, and identify which programs may be able to be reproduced or created in house. Larger software has off-site help desks that have long turnaround times on software fixes, and high costs for specialized programs. Identifying programs that can be tailored to meet the needs of local departments can offset costs and improve efficiency for departments as applications aid in day-to-day operations.

Advantages:

- Reduced licensing costs for replaced applications
- Reduced downtime for in-house resolutions
- Ability to develop applications tailored to specific needs

Challenges:

- High wage and specialized hiring
- Security and software requirements for development
- Cross platform compatibility
- Ongoing maintenance and upkeep of developed programs

Wages and required software may be an upfront cost. However, in-house application development could be used to lower overall licensing and contractual costs. Fixes for software would occur faster due to staffing being in house and tailored to better meet the needs of each department.

Recommendation 6.2: Pursue Shared Software and Licensing

Narrative

There are a wide-range of applications that are licensed by local entities. Agreements for the programs can range from contracts on a per user basis, annual subscriptions, or one-time purchases. For those programs that can be licensed as a subscription, local organizations should look to partner together and secure better pricing on shared software. An example of this exists with the GIS Advisory Board and group contracting for ESRI Mapping Products. Using consistent software and licensing across multiple entities helps with sharing data on similar platforms and ultimately improve data sharing between local organizations, all while decreasing costs by growing the purchasing power of each entity.

Advantages:	Reduced licensing costs
	Increased ability to readily share data across like platforms
Challenges:	Changing fee structures towards per user basis
	Transition to new programs increases the need for education

Cost Saving Opportunities

Estimated 5% to 15%

A list of programs would be required to identify what software is eligible to be shared across entities. This may require user groups or development of authorities to enter into these cooperative contracts. The identified programs may be able to be contracted at a reduced cost and provide a large and ready market for vendors to meet competitive pricing. Estimates from various Group Purchasing Organizations can range from 5% to 15% by negotiating contracts and creating increased buying power.

6.3 Review record retention and encourage conversion to digital storage strategies for local organizations.

One theme identified across the Blue Ribbon Commission public interviews was the challenge of for digital storage. Police departments highlighted large data storage needs based on terabytes of digital evidence collected per investigation (e.g., body camera footage). Other departments noted record retention and indexing as a challenge as they look to move from paper copies to digital file storage. This transition can be a financial burden on local departments. The Blue Ribbon Commission recommends the ongoing conversion to digital strategies, including through third party software or scanning companies. In addition, as the digital footprint of each organization grows, the Commission recommends soliciting for storage solutions that would cover the current and future needs of data storage. One example would be to encourage a local contract with the new Aligned Data Center as it approaches completion in Perkins Township. Alternatively, other state data centers may be considered or increased server software in house to meet the demand for digital storage for all local departments.

6.4 Encourage support for Erie County Cares.

Erie County Cares is a local program serving as a directory for agencies providing essential public health resources in Erie County. The goal of the website is to serve as a first point of contact for existing resources and services, and was highlighted by the Blue Ribbon Commission as an example of a strategy to reduce duplication of efforts for services in Erie County. The Blue Ribbon Commission supports the Erie County Cares program pursuing private funding for the continuation of the website as a positive resource in the community.

7. Purchasing

Current System

Local organizations currently use purchasing policies and coordinators to help guide their purchasing practices. The majority of entities reported utilizing existing state cooperatives and contracts. Purchasing Coordinators noted that local vendors often offer competitive pricing, resulting in better rates than the state, and have maintained positive working relationships. Collaboration among purchasing coordinators has occurred across multiple entities, especially for essential items such as salt and energy. However, most other procurement activities are managed with varying levels of independence.

One future purchase was identified as a possible cost saving in discussion with area representatives. Local organizations will contract out or use in-house staff to provide underbody wash treatments to their vehicle fleets during the winter months to prevent rust and corrosion from roadway salt and other abrasive materials. There is a need for all fleets across Erie County to maintain the chassis of existing equipment based on our winter conditions, and has been an important practice for preventative maintenance for all departments.

Recommendation 7.1: Master Centralized Purchasing List

Narrative

The Erie County Engineer's Office (ECEO) has found success in reaching out to local entities to join their salt purchasing agreement each year, effectively increasing the economies of scale and reducing prices for local entities. This model could be replicated elsewhere for essential annual purchases. Other potential cost-saving categories could include agricultural chemicals, law enforcement supplies, computer hardware and software, copiers, fuels, furniture, energy, and vehicles. Local entities primarily aim to secure the lowest available prices and join purchasing consortiums when feasible to maximize cost savings.

Advantages: Coordinate procurement activities across entities, reduce duplicate purchases, leverage bulk purchasing, and allows for better negotiations, inventory control, easier to budget for planned purchases.

Challenges: Ensuring accurate up-to-date information
Coordination between different entities for urgent purchasing

The purchasing model would be coordinated annually by existing staff to ensure coordination of purchasing across various entities. Developing a master purchase list can result in substantial cost savings by centralizing and organizing procurement efforts. This approach supports bulk purchasing, eliminates duplicate orders, enables stronger negotiations, improves inventory management, strengthens procurement practices, and promotes better budget management.

By utilizing resources such as the Ohio Purchasing Co-op, or developing a listserv to improve communications on purchasing, organizations can access competitive pricing and cooperative contracts that further increase savings. Historical data shows that participation in the Ohio Purchasing Co-op can reduce costs by 10–20% on commonly procured items. Participating entities would be asked to submit an annual listing of purchases made, which will be reviewed to identify common needs and consolidate future purchases.

Implementing this model allows organizations to reduce expenses, improve efficiency throughout the procurement process, and realize both immediate financial benefits and long-term operational improvements.

Recommendation 7.2: Evaluate potential locations for centralized underbody wash system for Equipment

Narrative

A common challenge presented to the Blue Ribbon Commission was fleet maintenance, especially in dealing with roadway salt during the winter months that contribute to corrosion and reduce vehicle lifespans. Third parties are available for washing equipment, but it can be expensive and time consuming for larger fleets. A centralized underbody wash system would provide a service crucial to fleet preventative maintenance. The system would reduce maintenance costs and extend the lifespan of existing equipment, for increased operating hours, reduced capital replacement costs and/or re-sale value.

Advantages:

- Increase lifespan of existing equipment
- Eligibility for wide range of equipment
- Increased resale value for equipment

Challenges:

- Upfront construction cost
- Ongoing Maintenance

Estimated savings would be expected to occur slowly over the lifetime of the underbody wash. Studies suggest that equipment treated with undercarriage washes can increase their lifetime to double their serviceable life. The system would be available to local organizations including highway departments, first responders, public transportation and school districts as an effort to keep their vehicle fleets in good working condition and increase the overall lifespan of equipment. The increased lifespan and subsequent reduced turnover of vehicles would help offset the upfront construction cost, improve preventative maintenance, and eventually reduce overall fleet costs.

ADVOCACY

7.3 Publish an annual listing of purchases made by local entities.

A suggestion by the Blue Ribbon Commission included the annual publishing of local purchases by each entity to help identify shared purchasing opportunities across organizations and increase transparency on spending practices. The annual listing can be done through an annual survey to each local entity, or in-house publishing of purchases to government websites. The Commission encourages the transparent use of local property tax revenue.

8. Fire Services

Current System

Fire departments are highly localized to their specific municipality's needs, ranging from full-time fire departments in Sandusky and Perkins Township to volunteer departments in the rural areas of the county. Currently, all of the departments operate under consistent national standards and medical procedures. In addition, departments have mutual aid in place to respond across the county to ensure national standards to responses are being met. Fire districts have been discussed in the past due to staffing levels at the time, but were not pursued due to increased costs for the district.

A variety of approaches are taken for fleet maintenance of the fire apparatus. Typically, smaller tasks are done in-house by staff, including some preventative maintenance. Large scale issues are taken to local mechanics within the county or to a manufacturer specific vendor. Most large apparatus are tied to a specific vendor who is qualified to maintain the equipment. Sandusky has a fleet maintenance program with mechanics who have the certifications required for specific maintenance tasks and noted positive results in vehicle maintenance. Vermilion Township utilizes a yearly contract, noting savings on the contract versus full time maintenance wages. A shared challenge can be the mileage for larger maintenance issues between the vendors and local departments.

Departments work off national standards for the timeline of replacements, with no consistent timeline across departments. Apparatus can be tied to specific vendors, and certain equipment items like PPE are regularly replaced or moved to the backline as new equipment comes in. Group purchasing occurs as available based on the needs of local departments but can occur intermittently.

Recommendation 8.1: Fleet Maintenance Coordination

Narrative

Maintaining a fleet in good working order is a critical objective for all local fire departments. A variety of strategies have been developed for regular maintenance based on each department's needs and available vendors. Fleet maintenance is crucial to minimizing downtime, preventing future repairs, and optimizing the lifespan of equipment. The Commission recommends coordination which might occur through local mechanics with required certifications to respond to needs in various local departments, or development of a centralized mechanics system with required certifications to respond to fleet needs.

Advantages:	Minimize downtime
	Lower cost on future repairs
	Optimize lifespan of equipment
	Cost sharing opportunity

Challenges: Required maintenance certifications for specialized equipment
Reduced rate contracting for vehicle maintenance versus full time wages
Apparatus tied to specific vendors and warranties

Cost Saving Opportunities

1%-5% Long Term

Staffing and training for an organized fleet maintenance may incur costs up front for additional training, certification, and consolidation for the various vehicle types. However, savings are expected in the long term for local entities on current maintenance budgets, and by organizing a fleet maintenance program that eliminates duplicated services at various county entities for vehicle maintenance.

Recommendation 8.2: Develop Fire Department Replacement Schedule across Departments

Narrative

Alignment of vendors and turnover schedules would aid in aligning purchasing strategies for fire apparatus and equipment. Four steps were identified as benefits to developing a Fire Department Replacement Schedule across all departments in Erie County.

1. Evaluate and update the replacement schedule, reviewing the current equipment lifecycles to ensure timely upgrades, minimize downtime, and maintain operational standards.
2. Complete a Comprehensive Inventory Assessment, auditing existing equipment for aging assets, surplus, and immediate replacement needs.
3. Identify group purchasing opportunities by partnering with other fire departments for better pricing on large-scale high-cost equipment.
4. Implement Equipment Redistribution Practices, extending the useful life of older equipment by reallocating it to lower-volume or support units, maximizing asset utilization while controlling costs.

Advantages: Coordinated strategic planning for future equipment purchases
Access to inventory of nearby departments during equipment downtime
Right-sized equipment purchases based on countywide needs
Maximized asset utilization for smaller fire districts

Challenges: Apparatus tied to vendors and national standards for replacements
Administration time for maintaining replacement schedule

Fire departments already willingly share apparatus during periods of downtime to meet needs, most commonly their ambulances as short-term solutions. Formalizing the process through development of a replacement schedule formalizes the process and provides asset inventory and outlook for strategic budgetary planning. As coordinated replacement schedules align vehicle turnover, purchasing can be aligned to help ensure the best possible sourcing and help align vendors for reduced costs on equipment.

ADVOCACY

8.3 Feasibility of Fire Districts

Staffing and budgets continue to be a challenge in Erie County as demographics continues to age. Smaller townships and village fire departments largely consist of volunteer departments that face challenges with increased call volumes that are primarily emergency medical responses and have seen volunteer numbers declining over the past decade. Mutual/automatic aid fills the gap locally for NFPA standards and standards protocols, but long-term considerations may be worth studying for consolidated fire districts that pool resources and staffing in rural districts.

Previous consolidation studies for fire and EMS services suggest no significant cost savings for fire budgets. Capital costs increase and staffing may offset any potential savings, though some studies suggest savings on operations over the long term. Rather, consolidation has been shown in some studies to improve overall system efficiency and services at a similar existing cost structure. Consolidations have been previously discussed in Erie County, and is worthy of consideration as local departments continue to be challenged with staffing concerns in the southern townships.

8.4 Coordinate with first responders on grant application pooling schedule

Both Fire Services and Police Services have found stronger grant reception when signing on to multiple departments to an application. Grant applications can be a challenge based on funding windows, applications documentation, and administration of grant funding. The Blue Ribbon Commission encourages the development of a grant application pooling schedule, identifying funding opportunities, application windows, and local department contacts to help facilitate timely response to grant applications. Coordination for specific grants can occur through Erie County EMA and/or Erie County Regional Planning as applies to assist in the grant application and administration, based on needs of local first responders.

8.5 Develop comprehensive plan for continued services with North Central EMS

The non-profit North Central EMS is the primary ambulatory services provider for numerous townships in the southern portion of the county. Local fire districts find full staffing for an ambulance at their department to be cost prohibitive versus contracts with North Central EMS. A goal of the Commission is to establish a long-range strategic plan with North Central EMS for continued service as contract negotiations return every three years. The existing service is recognized as a cost savings for residents and critical service in medical emergencies.

9. Police Services

Current System

Numerous law enforcement agencies exist across the county, supporting each other and additional first responders through mutual aid. The Erie County Sheriff's office maintains 98 full-time staff, while Sandusky currently has 48 officers, Perkins Township has 24, Kelleys Island has 2, and Milan 4. Additional departments exist in Bay View, Huron, Vermilion, and Berlin Heights. Castalia previously disbanded its police department and is serviced by the Sheriff's Office. Local law enforcement agencies are willingly work with other departments in response to reducing criminal activity in Erie County, with mutual aid in place to ensure the communities' needs are being met. In the last few years, deployment of Flock Cameras at key intersections in the county have aided these agencies in cooperative policing across jurisdictions.

Recommendation 9.1: Consideration for Continued Consolidation

Narrative

Police departments have been impacted by staffing challenges similar to those faced by Fire Departments, including an aging population and declining local workforce, along with less interest nationwide in police and fire careers. As departments are challenged by reduced staff and local budgets, ballot initiatives for police departments have failed recently, as evidenced by Bay View Village failure to pass an increased police operation levy. An alternative would be to disband smaller departments in favor of hiring deputies from the Erie County Sheriff's Office to offset local departments. Operations and administrative budgets would not be expected to increase while offsetting local village and township wages. Mutual aid between departments still exists in order to ensure events and festivals remain effectively policed.

Advantages: Reduce local municipal budgets for duplicate services

Challenges: Policing challenges are largely localized based on municipality

Cost Saving Opportunities

\$ TBD

Reducing small police departments would lower municipal budgets and levies, with the Erie County Sheriff's Department able to provide replacement services as requested by the villages. Administration and operations budgets would be expected to remain consistent in the Sheriff's Office budget, and on-site substations have worked well as contact points for law enforcement officials and locals, including in Castalia and the townships.

Recommendation 9.2: Investment in Automated License Plate Reader/Cameras (ALPR)

Narrative

Coordination between police departments has resulted in faster response times for arresting criminals. One technology that has aided in this has been the installation of Flock cameras, an Automated License Plate Reader (ALPR) camera that flags license numbers to local police departments for improved response in apprehending suspects. The cameras have been shown to increase crime clearing rates and help local departments resolve conflicts efficiently, reducing officer hours on investigation and outreach and getting them back on the road to address the next set of calls. Erie County sees significant vehicular traffic originating from outside of the county as tourists enter the region, and coordinated responses by local police can offset future crime risks. Continued investment and deployment of the ALPR cameras at key intersections would continue to aid local departments in reducing criminal activity locally.

Advantages:

- Rapid apprehension for police departments
- Increased crime clearing rate of 9.1%
- Less officer hours required for investigations
- Regional access to intelligence

Challenges:

- Up front capital cost
- Annual fee

Cost Saving Opportunities

\$ TBD

Flock Cameras have been shown to improve crime-clearing rates for not only the community they are in but also surrounding communities in the region. The cameras improve regional coordination between departments while lowering overall officer hours that would be required for an investigation. The cameras have an upfront capital cost and annual fees but are largely a technology to help save officer hours towards addressing other core service elements to which police departments respond. The details on impacts of Flock Cameras can be found in Appendix I.

ADVOCACY

9.3 Partner Alcohol, Drug Addiction, and Mental Health Services Board (ADAMHS) with local law enforcement agencies for continued CIT (Crisis Intervention Team) training.

Numerous police chiefs highlighted the challenge of responding to individuals experiencing mental health crises. Through support from the ADAMHS board, the Blue Ribbon Commission encourages continued Crisis Intervention Team training for law enforcement officials to help improve response to individuals experiencing mental health crises.

9.4 Support City of Sandusky law enforcement in revising city charter.

The current city charter hinders the Sandusky Police Department in hiring a fully staffed police department as budgeted based on challenges with their eligibility list. While other departments keep lists open, Sandusky's charter prevents this and it becomes a time intensive hiring process that can take up to 6 months. The Blue Ribbon Committee supports revising the City of Sandusky's Charter to aid the Sandusky Police Department's hiring process.

10. Roadway Infrastructure

Current System

Roadway maintenance and repaving is the responsibility of the ODOT, county, city, village, or township, based on road ownership. Local entities maintain various levels of roadway improvement plans to create a pipeline of projects to complete with available funding. The plans can range from 5-year capital improvement plans to in-house annual project schedules. There is currently limited coordination of these plans between departments.

Equipment is used by all entities at various rates based on the scope and requirements of their projects. Common equipment includes dump trucks and mowers that are frequently used. Other construction equipment used less frequently include graders, mini excavators, and vacuum trucks. Equipment has been shared previously between entities, and contracting occurs for specialty equipment depending on the project.

Recommendation 10.1: Development of 3-5 year Local Plans to Help Coordinate Large Scale Contracts

Narrative

Local entities should be encouraged to develop and submit 3-5 year Capital Improvement Plans to the Erie County Engineer to help coordinate projects and contracting for similar services. The increased cooperation and structure will help align similar projects and determine what funding strategies and resources are available to local entities to help lower overall costs. The plans would be submitted annually to the Engineer's Office for review and coordination, avoiding staff turnover problems in smaller departments to negatively affect a consistent schedule of projects in their pipeline.

Advantages:

- In House operation and development
- Increased cooperation
- Bulk contracting and mobilization for reduced costs

Challenges: Annual Administration Time

Cost Saving Opportunities

\$ TBD

Short-term savings are not expected from the local plans. However, the ability to coordinate projects across townships and develop funding strategies will offer opportunities for future savings through various routes for infrastructure maintenance and improvement. The Erie County Engineer's

Office can aggregate larger programs of projects with local entities still paying a vendor directly, helping create reduced-costs contracts by growing the economies of scale.

Recommendation 10.2: Joint Purchasing for Equipment

Narrative

Ongoing maintenance of roadway conditions requires capital equipment purchases used at varying rates. The Oxford-Margaretta-Groton (OMG) had found success in reducing costs by jointly purchasing paving equipment and partnering on road projects. Estimates show smaller paving jobs can be completed at 60% of contractor costs that are able to be completed by in-house staff. The joint purchasing reduces individual department's costs and increases access to paving equipment to improve overall roadway reliability.

Advantages: Shared purchasing cost
 Access to specialized equipment for wide variety of tasks

Challenges: Increased hours/runtime on equipment
 Coordination of equipment use
 Administration time

Cost Saving Opportunities

\$5,000 to \$100,000

Equipment purchasing prices can vary based on size and quantity, among other factors. Costs can range from as low as \$3,200 for specific equipment attachments, to over \$500,000 for bulldozers. Joint purchasing would split the costs across multiple entities, reduce the number of duplicated capital items maintained by each department, and help improve in-house resurfacing projects for reduced projects costs.

Recommendation 10.3: Develop Equipment Sharing Program

Narrative

Large capital purchases are common for all various departments as a part of their maintenance and repair operations. Locals frequently loan equipment to others based on the needs of their projects. The development of an equipment rental program that makes available a wide range of equipment to local departments helps to offset the need to purchase additional equipment. Since 2021, Erie County alone has averaged 4.4 shareable equipment purchases at a median cost of \$43,000. While these purchases aid site-specific tasks, development of the equipment rental program may reduce the rate at which new equipment is purchased or might encourage entities to invest in equipment that can be widely used across the county.

Advantages:	Reduced purchasing rates
	Access to specialized equipment for wide variety of tasks
Challenges:	Increased hours/runtime on equipment
	Coordination of equipment use
	Administration time

Cost Saving Opportunities

\$5,000 to \$100,000

As noted in Recommendation 7.2, equipment costs can range from \$3,200 to over \$500,000 based on the item. An equipment share program would help reduce the overall pieces of equipment maintained by the various entities, reducing total purchasing costs as equipment overturn occurs. This would include developing an inventory listing of available equipment pieces, and coordinating scheduling to ensure equipment is available on a per project basis.

ADVOCACY

10.4 Establish quarterly meetings of local road departments to help coordinate projects.

A strategy for improved coordination across entities was to establish quarterly meetings for local highway departments, led by the Erie County Engineer. The forum will help ensure project plans and schedules are aligning and encourage the coordination of projects for improved competitive contracts and reduced overall costs. These meetings would be established along with the 3-5 year plans of projects to check projects for overlap, share best practices, and grow the access to equipment to help ensure roadway projects are being programmed efficiently.

11. Other Services Reviewed

Narrative

The Blue Ribbon Commission sought a comprehensive review of any entity utilizing local tax dollars. While each topic had varying degrees of recommendations, a few additional topics had no specific guidance from the commission following the topic discussions. An overview of the four topics and details discussed is as follows:

Public Health Resources

In Erie County, there are two Federally Qualified Health Centers (FQHC), Family Health Services (FHS) and Erie County Health Department. FHS was the first FQHC in Erie County until the health department received the designation in 2015. FHS serves as a safety net for Erie County residents providing a wide range of medical services. Their payor mix is 60% Medicaid, 20% commercial insurance, 15% Medicare, and 5% uninsured. Across FHS' 4 full time locations, they provide approximately \$16,000,000 of care to 18,000 patients annually. The Erie County Health Department has an annual budget of \$24,000,000, with roughly 10% of the total budget coming from levy dollars, and 90% from grant funds, fees, licensing, and permits. The Health Department has seven satellite centers at various community centers, serving approximately 5,000 patients annually. Both of these organizations are critical health resources in Erie County, and should look to reduce the cost burden of operations to the local property tax base when possible. Additional resources were reviewed, including ADAMHS Board, Board of Developmental Disabilities, and Family and Children First Council. These organizations were commended by the Commission for effectively right-sizing their budgets to meet local demand.

Public Transportation

Sandusky Transit Systems (STS) is the primary transit provider in Erie County, offering curbside-to-curb services, paratransit, and fixed-routes. The services operate 6 to 7 days a week depending on season, and services the entire county. Since 2020, the transit system has seen a steady increase in ridership while internally reviewing operations to lower overall operations costs. Current funding sources include FTA, city funds, contract revenue, state assistance and farebox funds. In 2023, STS with HDR Engineering completed a SWOT analysis to identify comparable transit systems and strategize continued operations savings. The Blue Ribbon Commission commends STS for their continued efforts in reducing overall tax impacts.

Libraries

Four library systems exist in Erie County, including Berlin-Milan Library, Ritter Public Library in Vermilion, Sandusky Public Library, and Huron Public Library. All four departments receive funding through property tax collections, the Ohio Public Library Fund, and various endowment funds and fees. The Public Library Fund is unique to Ohio provides significant state funding to aid the local systems. These departments

provide a number of community events, and have effectively reduced costs through partnerships with larger library systems. All of the libraries in the county work with Clevnet for physical and digital resources, along with IT support. They also aid local school libraries when feasible. The libraries highlighted a positive ROI on their services and an effective ability to leverage tax dollars.

Erie MetroParks

The Board received responses to the information request from the Erie County MetroParks Board. The MetroParks noted two alternating 5-year levies, for an annual budget of approximately \$2,500,000. The Board also passed a renewal levy in 2024 for continued support of the MetroParks. In addition, Blue Ribbon Commission highlighted partnerships the Board has entered into for numerous community events, outreach, and programming, along with parks infrastructure investments across the county.

THE ROLE OF THE BUDGET COMMISSION

The Erie County Budget Commission performs an annual review of the tax budgets of all taxing entities in the county. Made up of the county auditor, treasurer, and prosecutor, the commission is responsible for authorizing millage to appear on the tax bills for the appropriate jurisdiction. The budget commission serves as a check on local governments that levy property taxes. For entities who do not demonstrate a need for the levies they are seeking to collect, the budget commission has suspended part or all the millage collection for that entity in one calendar year. The budget commission is responsible for preventing excessive carryover balances, annual budget surpluses, and the over-taxation of property taxpayers.

Prominent examples of the Erie County Budget Commission acting include reductions of over \$6 million to the Erie County Board of Developmental Disabilities for the past five years, the \$7.5 million reduction to the Erie County General Fund in calendar year 2025, and the suspension of the expected increase to the Perkins Township Trustees in calendar year 2025. The Erie County Budget Commission is crucial in the context of this entity's mission. As entities save money through the recommendations provided in this document, the budget commission will be the vehicle to deliver tax relief based on the greater efficiencies. This commission's charge is not just to identify ways to save money; the primary objective is seeing those savings returned to taxpayers. Through the leadership of its members, the budget commission is a critical tool for many of the recommendations provided in this report.

SUMMARY

The Blue Ribbon Commission was formed in direct response to the rising property taxes directly impacting Erie County residents and businesses. The Commission set out to review services provided by local entities in an effort to identify areas of cost savings and efficiencies to help ease the tax burden. While the recommendations above are starting points to lower tax bills, they may not be all encompassing of the efforts and opportunities to ensure local tax dollars are being utilized in meaningful ways for county residents. A number of areas will require further study so that more informed decisions making can be made with regards to cost savings. The Commission was insistent in its approach to not simply transfer the burden of costs from one entity to another but worked to form a cooperative conversation with local leaders to identify meaningful opportunities to work together. The recommendations and advocacy detailed above range from easier implementation strategies with lower overall expected savings, to large-scale studies reviewing overall operations and systems for various entities. These same recommendations will be starting points to pursue property tax savings for Erie County residents, requiring stakeholders to effectively communicate, consider organizational reviews, and future leadership to implement these strategies. On the following page, Table 1 breaks down the recommendations by local entity to create a starting point to begin to review internally opportunities for lowering the local property tax burden.

TABLE 1: RECOMMENDATIONS

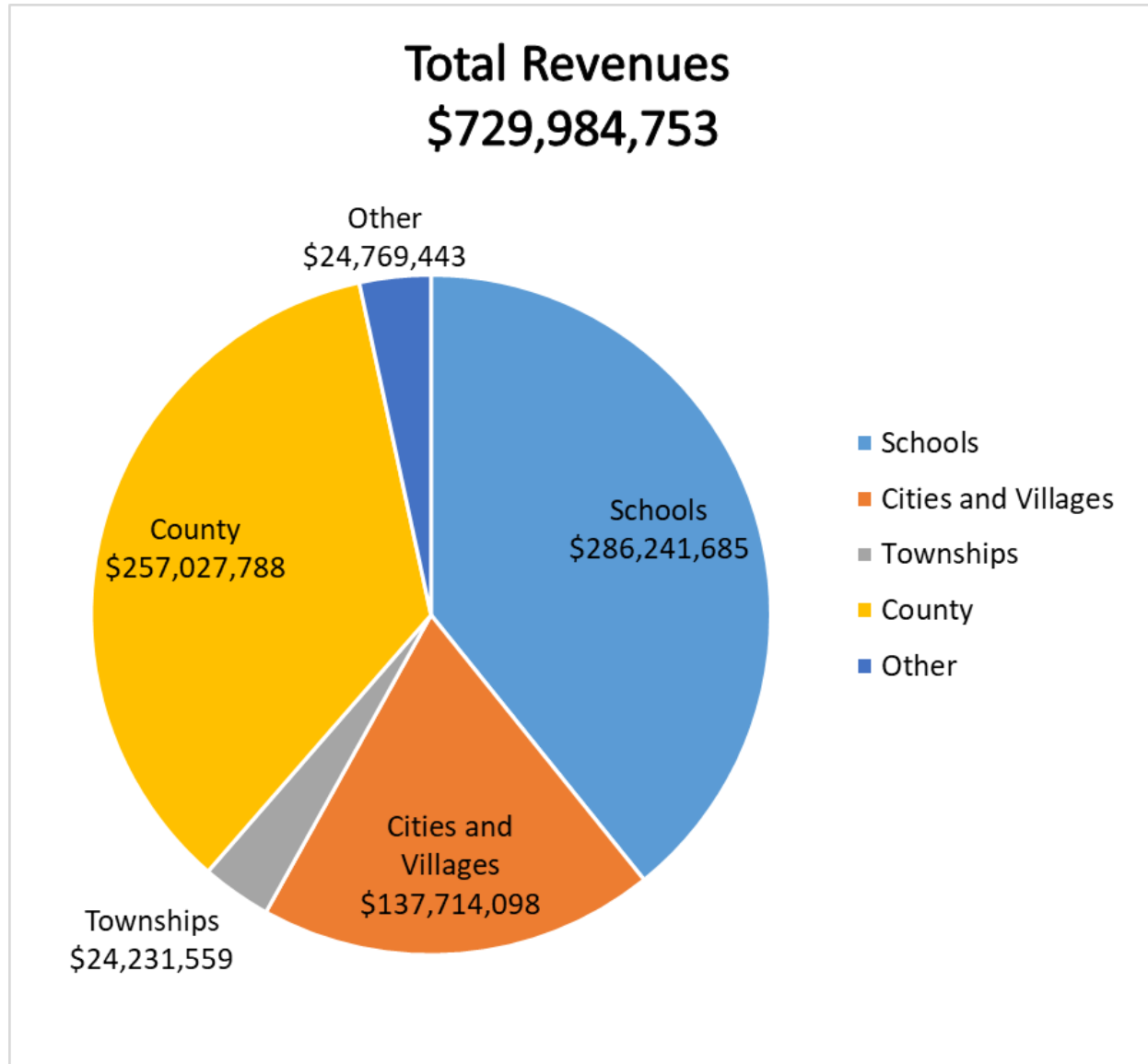
Recommendation	Savings	Effort Level	Timeframe	Impacted Entity						
				County	City	Villages	Townships	Emergency Services	School Districts	Other(s)
1.1 Captive Insurance Model	\$\$\$	Hard	5+ Years	X	X	X	X	X	X	X
2.1: Reduce number of Commons Pleas Judges from 4 to 3	\$\$	Hard	1-5 Years	X						
2.3 Shared Services, Staff, and Practices among Common Please Courts	\$	Medium	< 1 Years	X						
3.1 Examine Water and Sewer Regionalization	\$\$	Medium	1-5 Years	X	X	X	X			
4.1 Realignment of County Economic Development Tools	-	Hard	5+ Years	X	X					X
5.1 Feasibility Study on School Consolidation	\$	Medium	1-5 Years	X	X	X	X		X	
6.1 In-house Application Development	\$	Hard	1-5 Years	X						
6.2 Pursue Shared Software and Licensing	\$	Easy	1-5 Years	X	X	X	X		X	
7.1 Master Centralized Purchasing List	\$	Medium	< 1 Year	X	X	X	X	X	X	X
7.2 Evaluate potential locations for centralized underbody wash system for Equipment	\$	Medium	1-5 Years	X	X	X	X	X	X	X
8.1 Fleet Maintenance Coordination	\$	Medium	1-5 Years					X		
8.2 Develop Equipment Replacement Schedule	\$	Medium	< 1 Year					X		
9.1 Police Regionalization	\$	Hard	1-5 Years	X	X	X	X	X		
9.2 Investment in ALPR Cameras	\$	Easy	< 1 Year	X	X	X	X	X		
10.1 Development of 3-5 Year Local Plans for project alignment	\$	Medium	1-5 Years	X	X	X	X			
10.2 Joint Purchasing for Capital Equipment	\$	Easy	< 1 Year	X	X	X	X			X
10.3 Develop Equipment Rentals Sharing Program	\$	Easy	< 1 Year	X	X	X	X			X

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APPENDIX A – LOCAL BUDGETS AND CARRYOVER BALANCE

Spreadsheet of local budgets and carryover balances in 2024 for various taxing authorities in Erie County.

Estimated Revenues by Municipality - 2024



Total Revenue	
\$257,027,788.00	Erie County
\$81,531,245.25	City of Sandusky
\$58,298,796.70	Perkins Local Schools
\$55,240,179.00	Sandusky City Schools
\$42,984,470.00	EHOVE
\$48,397,244.00	Vermilion School
\$25,279,087.00	Margaretta School
\$32,341,126.56	Huron City School
\$31,965,031.00	City of Huron
\$19,808,649.00	Edison Schools
\$19,010,804.00	Erie County Health Dept
\$16,952,250.00	City of Vermilion
\$11,428,169.00	Perkins Township
\$5,758,638.57	Erie Metro
\$4,203,480.00	Huron Township
\$3,892,133.04	KI School
\$2,620,947.00	Margaretta Township
\$2,296,962.50	KI Village
\$3,822,211.00	Village of Milan
\$1,453,038.00	Milan Township
\$1,297,888.00	Vermilion Township
\$959,882.00	Berlin Township
\$846,471.00	Groton Township
\$758,291.56	Florence Township
\$663,392.60	Oxford Township
\$453,297.00	Berlin Heights Village
\$366,685.00	Bayview Village
\$326,416.57	Village of Castalia
Grand Total:	\$729,984,573.35

Total Resources
\$50,497,334.00
\$20,137,659.00
\$19,509,050.00
\$17,133,958.00
\$14,359,668.00
\$12,995,774.00
\$12,668,889.00
\$10,521,672.00
\$9,439,813.00
\$9,263,671.00
\$8,295,500.00
\$6,877,195.00
\$6,832,791.00
\$3,824,321.00
\$3,530,640.00
\$3,166,526.00
\$3,078,165.00
\$2,930,398.00
\$2,514,450.00
\$2,764,036.00
\$2,084,845.00
\$2,018,519.00
\$1,932,000.00
\$1,932,000.00
\$1,775,731.00
\$1,210,511.00
\$1,194,450.00
\$1,063,777.00
\$1,000,000.00
\$995,449.00
\$969,087.00
\$932,820.00
\$868,599.00
\$827,385.00
\$796,808.00
\$771,083.00
\$768,537.00
\$726,609.00
\$698,556.00
\$669,750.00
\$564,946.00
\$552,506.00
\$519,178.00
\$503,251.00
\$467,986.00
\$466,840.00
\$437,821.00
\$435,035.00
\$411,295.00
\$392,902.00
\$378,473.00
\$377,792.00

Fund	EXPENSE
10100 General Operating	\$ (39,753,364.00)
53001 Landfill Operating	\$ (6,737,625.00)
50101 EC Sewer Operating	\$ (9,681,646.00)
60501 Employees Health Trust Fund	\$ (10,772,387.00)
55511 Meadows	\$ (9,906,768.00)
20110 Dev Disab Operating	\$ (8,859,212.00)
52001 EC Water 'A' Operating	\$ (10,060,173.00)
21510 Motor Vehicle & Gas Tax	\$ (8,101,142.00)
20510 Children Services	\$ (3,325,698.00)
41021 Building/Capital Improvements	\$ (2,600,000.00)
20410 Public Assistance	\$ (6,598,140.00)
20201 ADAMS Erie- General Fund	\$ (2,834,306.00)
53301 Landfill C/PC Trust	\$ -
21310 Real Estate Assessment	\$ (1,562,199.00)
20710 Child Support Enforcement	\$ (1,907,740.00)
25641 Tourism Promotion Fund #4	\$ (1,389,307.00)
25631 Tourism Promotion Fund #3	\$ (1,303,515.00)
23110 NO JJC Operations Fund	\$ (2,452,317.00)
60401 Workers Comp. Retro Rating Reserve	\$ (352,000.00)
27000 EC Solid Waste Mgmt Dist	\$ (748,039.00)
20140 Residential/Waiver Services	\$ (1,573,425.00)
26610 Compensated Absences Reserve	\$ (23,412.00)
25611 Hotel Lodging Tax	\$ (1,932,000.00)
25621 Tourism Promotion Fund #2	\$ (1,932,000.00)
26010 Senior Citizens Levy	\$ (1,775,731.00)
10413 Sheriff's Dispatching Rotary	\$ (1,201,772.00)
22531 Chip Grant 2021 Fund	\$ (889,750.00)
10410 Sheriff's Policing Revolving	\$ (974,621.00)
20160 DD Reserve Fund	\$ -
20121 DD Federal Grants	\$ (542,159.00)
20211 ADAMHS State Fund	\$ (928,534.00)
20411 WorkForce In Action	\$ (748,250.00)
23530 County Court Capital Improv.	\$ (277,619.00)
22010 D.R.E.T.A.C. Fund Treasurer	\$ (471,263.00)
20208 SOR Fund	\$ (677,633.00)
21010 Certificate Of Title Administration	\$ (398,587.00)
10310 Ditch Maintenance	\$ (351,879.00)
20310 ONE OH Opiod Fund	\$ -
24865 E911 Wireless Fund	\$ (181,400.00)
53401 Landfill- Postclosure (OLD)	\$ (35,000.00)
23710 Law Library Resources Board Fund	\$ (299,903.00)
24861 E911 R & R Fund	\$ (28,059.00)
73951 FCFC- General Operations	\$ (331,289.00)
10200 Unclaimed Monies Trust	\$ (270,000.00)
20131 DD Capital Contingency Reserve	\$ (260,395.00)
23010 Felony Delinq Care/Custody	\$ (325,669.00)
21210 Dog & Kennel	\$ (305,787.00)
20204 SAPT Fund	\$ (299,704.00)
20212 ADAMHS State AOD Fund	\$ (268,873.00)
25513 OH Violent Crime Reduct	\$ (392,902.00)
24810 Emergency Mgmt. Agency	\$ (278,471.00)
30518 NOMS Tax Equivalent	\$ (111,936.00)

\$354,683.00
\$295,964.00
\$278,982.00
\$268,580.00
\$367,568.00
\$263,076.00
\$236,420.00
\$231,631.00
\$231,302.00
\$199,474.00
\$193,852.00
\$192,739.00
\$157,172.00
\$150,000.00
\$149,511.00
\$148,669.00
\$147,962.00
\$140,927.00
\$138,179.00
\$138,179.00
\$138,000.00
\$136,200.00
\$135,621.00
\$130,000.00
\$129,369.00
\$123,643.00
\$114,582.00
\$109,603.00
\$106,307.00
\$105,159.00
\$103,326.00
\$101,614.00
\$85,825.00
\$84,360.00
\$79,365.00
\$78,876.00
\$77,519.00
\$76,663.00
\$75,527.00
\$75,234.00
\$71,706.00
\$71,006.00
\$68,127.00
\$60,748.00
\$54,361.00
\$57,898.00
\$58,991.00
\$65,503.00
\$55,492.00
\$52,286.00
\$50,441.00
\$50,363.00
\$50,208.00

23540 Co. Court Indig. DUI Treatment Fund	\$	(5,000.00)
10510 Recorder's Equipment	\$	(63,503.00)
22540 Development Rotary Fund	\$	(4,193.00)
73950 Help Me Grow Fund	\$	(214,662.00)
24535 CCA 2.0 2024-2025 Grant	\$	(367,568.00)
23520 Computerization CLK/CTY CT	\$	(28,000.00)
21220 Dog & Kennel Donations Fund	\$	(21,000.00)
30517 Lakecrest Tax Equivalent	\$	(116,525.00)
73954 Medicaid MSY Funding	\$	(200,000.00)
30515 Quarry Lakes Tax Equivalent	\$	(184,250.00)
23076 Title IV Family Court	\$	(41,000.00)
24820 FY2020 OP Stonegarden	\$	(191,798.00)
24510 Adult Probation Fund	\$	(24,400.00)
22516 Formula Grant BF 16-1AU-1 Fund	\$	(150,000.00)
23063 Supreme Ct Spec Docket JUV CT Fund	\$	(149,511.00)
24819 FY2019 OP Stonegarden NBI	\$	(148,669.00)
50102 Bayview Bond Payment	\$	(136,027.00)
24000 Sheriff's Concealed Handgun	\$	(106,295.00)
24056 TCAP Sheriff 2023-2025	\$	(138,179.00)
24536 TCAP Adult Probation 2023-2025	\$	(138,179.00)
30520 Kroger TIF	\$	(137,809.00)
50103 Bayview Debt Service Reserve	\$	-
24851 Hazmat Team Fund	\$	(61,200.00)
22518 Hazard Mitigation	\$	(110,000.00)
22011 D.R.E.T.A.C. Fund Prosecutor	\$	(129,000.00)
23811 Legal Rep Pilot Project Grant Fund	\$	(123,643.00)
22851 Common Pleas Spec Proj	\$	-
23075 Youth Services (CHILD SUPPORT)	\$	(37,000.00)
22730 Housing Revolving Fund	\$	(90,927.00)
22850 Common Pleas Spec Proj	\$	(5,000.00)
26510 Prepaid RE Interest Fund	\$	(24,000.00)
20150 Donations- DD	\$	(25,000.00)
20206 NW Regional District Fund	\$	(65,000.00)
22855 Foreclosure Action- Binette	\$	(30,000.00)
10419 Security Details	\$	(78,278.00)
24841 L.E.P.C. Fund	\$	(24,000.00)
22810 Computers	\$	(31,800.00)
23555 Indigent Ignition Interlock CC	\$	(1,000.00)
24315 Local Drug Task Force Fund	\$	(62,343.00)
24522 Specialized Docket Subsidy Grant	\$	(74,534.00)
20205 OOD Fund	\$	(71,706.00)
25514 Rape Crisis (SANE) 2022	\$	(70,747.00)
22852 Domestic Relations Spec Proj	\$	-
73955 Keeping Families Together Grant	\$	(60,447.00)
20203 MH BG Fund	\$	(51,855.00)
73952 FCFC- Pooled Funds	\$	(44,000.00)
70211 Bluecoat Expendable Trust	\$	-
23510 Comp Legal Research/Cty CT	\$	(17,500.00)
22853 Domestic Relations Spec Proj	\$	-
22820 Probate Computerization	\$	(28,000.00)
31011 Special Assessment Bond Ret.	\$	(15,612.00)
23022 Strong Families Grant	\$	(46,645.00)
22720 Tax Abatement Monitoring Fund	\$	(10,000.00)

	\$49,654.00
	\$48,338.00
	\$44,834.00
	\$44,098.00
	\$44,043.00
	\$39,716.00
	\$37,971.00
	\$33,180.00
	\$32,362.00
	\$31,669.00
	\$31,463.00
	\$29,637.00
	\$22,596.00
	\$21,013.00
	\$20,344.00
	\$20,591.00
	\$20,189.00
	\$19,179.00
	\$18,138.00
	\$17,315.00
	\$17,086.00
	\$16,499.00
	\$15,891.00
	\$15,619.00
	\$14,000.00
	\$11,294.00
	\$11,222.00
	\$10,405.00
	\$10,042.00
	\$9,375.00
	\$8,000.00
	\$7,945.00
	\$7,899.00
	\$6,280.00
	\$5,859.00
	\$4,979.00
	\$4,936.00
	\$4,800.00
	\$4,650.00
	\$4,600.00
	\$1,800.00
	\$1,658.00
	\$606.00
	\$416.00
	\$369.00
	\$291.00
	\$50.00
	\$41.00
	\$2.00
Revenue	\$257,027,788.00

20202 ADAMS Title XX Fund	\$	(49,654.00)
23020 Juvenile Indigent Drivers Trmt	\$	(10,000.00)
22854 Foreclosure Action- Tone	\$	(20,000.00)
25541 Sane Continuous	\$	(44,000.00)
25561 V.O.C.A 2021 Grant	\$	(42,042.00)
52031 Water Connectors Fund	\$	(39,715.00)
25582 2019 VAWA Grant	\$	(37,376.00)
20209 Alcohol Use Disorder Grant Fund	\$	(33,180.00)
50111 Sewer Connectors	\$	(32,362.00)
25551 Victims Assistance Donations	\$	(14,000.00)
24090 DUI Enforcement & Educ Fund	\$	(5,978.00)
24065 Sheriff's Donation Fund	\$	(20,596.00)
24060 K-9 Donation Fund	\$	(15,000.00)
73956 NAMI Grant Fund	\$	(19,118.00)
24011 Step Grant Sheriff	\$	(16,809.00)
30511 GO Bond Retirement Fund	\$	-
22800 Computers	\$	(3,000.00)
41055 Meadows Capital Improvement	\$	-
27060 Solid Waste Tire Recycling	\$	(14,700.00)
20210 SABG Covid Mitigation Grant Fund	\$	(17,315.00)
23210 P.C. Indig. Guardianship	\$	(15,000.00)
22856 Sepcial Projects McGookey	\$	(10,000.00)
24012 IDEP Grant- Sheriff	\$	(14,803.00)
24521 Drug Court SOR Grant	\$	(10,801.00)
23230 Domestic Shelters Fund	\$	(14,000.00)
23070 Family Court Donations	\$	(6,034.00)
73953 FCFC Engage Family Court	\$	(11,000.00)
22825 Probate Legal Research	\$	(2,100.00)
27512 2022 HAVA Grant	\$	(10,042.00)
23220 P.C. Conduct of Business	\$	(400.00)
24070 Drug Enforcement- Fines	\$	(8,000.00)
25581 2022 VAWA Grant	\$	(6,927.00)
23062 Juv Ct OCJS CV Grant (DET HOME)	\$	(7,899.00)
25572 SVAA 2019 Grant	\$	(6,240.00)
23031 Family Drug Court OSC Grant	\$	(5,859.00)
55611 Donations- Meadows	\$	(1,500.00)
22830 Juvenile Computerization	\$	(1,300.00)
25573 2022 SVAA Grant	\$	(4,800.00)
22710 Community Rotary Fund	\$	(4,650.00)
25563 V.O.C.A 2022 Grant	\$	-
24811 Hazmaterials HMEP Grant	\$	(1,800.00)
10311 Brenner JT CT Ditch	\$	(1,600.00)
23025 Juvenile Ignition Interlock Monitor	\$	-
10312 Karbler JT CT Ditch	\$	(400.00)
22532 Chip Grant 2019	\$	(369.00)
24827 Homeland SEC/NBI	\$	-
22857 Domestic Projects McGookey	\$	-
10313 Wahl JT CT Ditch	\$	(41.00)
22515 Formula Grant	\$	(2.00)
Expense	\$	(151,569,818.00)

City of Sandusky			Sandusky City School	
\$	29,535,995.25	general	\$	44,917,451.00
\$	2,000,000.00	street	\$	4,729,952.00
\$	105,000.00	state highway fund	\$	2,689,464.00
\$	3,420,000.00	public transit	\$	2,903,312.00
\$	600,000.00	parks and recreation	\$	55,240,179.00
\$	825,000.00	fire pension		
\$	645,000.00	police pension		
\$	90,000.00	state grants		
\$	825,000.00	federal grants		
\$	20,910.00	indigent driver alcohol		
\$	34,000.00	enforcement and education		
\$	32,000.00	court computer fund		
\$	10,000.00	indigent telephone		
\$	55,000.00	probation service		
\$	175,000.00	payroll stabilization		
\$	25,000.00	real estate development		
\$	10,000.00	One OH Opiod		
\$	765,000.00	Capital Improv		
\$	11,000,000.00	capital projects		
\$	325,000.00	special assessments		
\$	975,000.00	bond retirment		
\$	568,140.00	urban renewal debt serv		
\$	122,400.00	central public utility		
\$	675,000.00	cleveland rd improv		
\$	175,000.00	cooke building improv TIF		
\$	193,800.00	special assessment bond retirement		
\$	8,825,000.00	water revenue		
\$	12,750,000.00	sewer revenue		
\$	4,692,000.00	internal service		
\$	105,000.00	trust expendable		
\$	1,900.00	trust nonexpendable		
\$	30,500.00	cemetery endowment		
\$	28,600.00	agency-treasury		
\$	55,000.00	special assessment non city		
\$	1,836,000.00	agency non treasury		
\$	81,531,245.25			

Perkins Township

\$ 1,978,623.00	General
\$ 18,000.00	motor vehicle license tax
\$ 150,000.00	Gasoline Tax
\$ 437,980.00	road and bridge
\$ 3,462,094.00	police fund
\$ 3,967,693.00	fire & rescue, ambulance EMS
\$ 1,199,904.00	roads reconditioning
\$ 300.00	drug law enforcement
\$ 110,000.00	permissive motor vehicle
\$ 300.00	enforcement and education
\$ 3,775.00	police drug use
\$ 55,000.00	lighting fund
\$ 44,500.00	youth recreational
\$ 11,428,169.00	

Perkins Local Schools

\$ 54,528,206.77
\$ 2,939,943.28
\$ 830,646.65
\$ 58,298,796.70

EHOVE

\$	16,590,427.00
\$	16,731,077.00
\$	4,793,983.00
\$	4,868,983.00
\$	42,984,470.00

Vermilion City	
\$	5,029,875.00
\$	3,748,525.00
\$	7,948,350.00
\$	225,500.00
\$	16,952,250.00

Vermilion School	
\$	41,354,765.00
\$	1,641,600.00
\$	684,302.00
\$	1,225,000.00
\$	39,500.00
\$	2,154,189.00
	\$48,397,244.00

Vermilion Township	
\$	274,229.00
\$	10,300.00 motor vehicle license tax
\$	136,000.00 Gasoline Tax
\$	453,888.00 road and bridge
\$	398,271.00 Fire District
\$	24,200.00 permissive motor vehicle
\$	1,000.00
	\$ 1,297,888.00

Village of Milan

\$	1,063,653.00
\$	2,242,500.00
\$	305,898.00
\$	45,160.00
\$	160,000.00
\$	5,000.00
\$	3,822,211.00

Edison School

\$	19,017,917.00
\$	790,732.00
\$	19,808,649.00

Milan Township

\$	552,555.00	
\$	9,500.00	motor vehicle license tax
\$	140,000.00	Gasoline Tax
\$	133,000.00	road and bridge
\$	114,500.00	fire & ambulance
\$	151,204.00	fire only
\$	132,704.00	fire continuing
\$	178,025.00	fire equipment
\$	33,000.00	permissive motor vehicle
\$	8,550.00	street lighting
\$	1,453,038.00	

City of Huron		Huron Township	Huron City School
\$ 5,623,053.00		\$ 2,836,340.00	\$ 29,254,917.28
\$ 3,000.00	special warrants	\$ 13,300.00	\$ 2,239,960.13
\$ 924,420.00	garbage, recycling	\$ 155,000.00	\$ 801,695.35
\$ 3,661.00	property maint	\$ 500,000.00	\$ 44,553.80
\$ 621,950.00	parks and recreation	\$ 85,000.00	\$ 32,341,126.56
\$ 186,239.00	boat basin fund	\$ 550,000.00	
\$ 8,500.00	huron park foundation	\$ 25,000.00	
\$ 822,202.00	street maint	\$ 840.00	
\$ 38,000.00	state highway fund	\$ 38,000.00	
\$ 2,592,269.00	fire levy	\$ 4,203,480.00	
\$ 190,712.00	street lighting		
\$ 15,000.00	court computer fund		
\$ 15,000.00	court capital projects		
\$ 6,500.00	indigent alcohol		
\$ 2,700.00	enforcement and education		
\$ 82,668.00	police resource officer fund		
\$ 4,500.00	indigent drivers interlocking		
\$ 40,544.00	marine patrol grant		
\$ 5,854.00	opiod settlement		
\$ 5,000.00	contraband forfeiture trust		
\$ 50,000.00	probation fund		
\$ 303,906.00	fire pension		
\$ 193,341.00	police pension		
\$ 105,500.00	employee benefit reserve		
\$ 5,000.00	employee benefit reserve water		
\$ 741,526.00	G.O. bond retirement		
\$ 2,000,000.00	Capital Improv		
\$ 270,000.00	Capital Equip reserve		
\$ 29,089.00	Rye beach TIF		
\$ 125,742.00	Sawmill creek TIF		
\$ 324,258.00	Sawmill creek TIF		
\$ 178,950.00	water debt retirement		
\$ 6,901,000.00	water capital improv		
\$ 3,129,698.00	water fund		
\$ 88,000.00	storm water fund		
\$ 4,493,000.00	electric fund		
\$ 53,000.00	computer repair		
\$ 1,301,716.00	healthcare		
\$ 445,000.00	huron area join rec distric		
\$ 18,000.00	state patrol fund		
\$ 11,650.00	huron rescue squad		
\$ 4,883.00	unclaimed funds		
\$ 31,965,031.00			

Margaretta Township

\$	386,807.00	General
\$	16,240.00	motor vehicle license tax
\$	140,720.00	Gasoline Tax
\$	407,749.00	road and bridge
\$	148,393.00	cemetery
\$	1,041,316.00	Fire District
\$	51,921.00	Recreation Board
\$	53,500.00	motor vehicle license tax
\$	142,101.00	Coronavirus
\$	210,000.00	Ambulance and Emergency Medical
\$	22,000.00	Lighting Assessment Fund
\$	100.00	Mausoluem
\$	100.00	FEMA
\$	2,620,947.00	

Margaretta School

\$	18,916,360.00
\$	368,922.00
\$	5,993,805.00
\$	25,279,087.00

Village of Castalia

\$	200,588.00	
\$	46,500.00	street construction maint
\$	21,000.00	state highway
\$	28,000.00	permissive motor vehicle
\$	14,000.00	street lighting
\$	569.57	other special revenue
\$	15,759.00	road and bridge
\$	326,416.57	

Erie county Health Dept

\$ 19,010,804.00

\$ 19,010,804.00

Erie Metro

\$ 5,754,976.11

\$ 3,662.46

\$ 5,758,638.57

KI Village

\$	860,062.50	
\$	60,000.00	street construction maint
\$	10,000.00	state highway
\$	17,000.00	cemetery
\$	50,000.00	parks and recreation
\$	6,500.00	Permissive Motor
\$	300.00	Mayors Court Computer
\$	300.00	Mayors Court Computer
\$	100.00	Mayors Court Library Research
\$	115,000.00	Road Construction Levy
\$	6,000.00	Airport
\$	68,500.00	fire levy
\$	150,100.00	EMS levy
\$	35,000.00	water intake debt service
\$	200,000.00	airport improvement
\$	15,000.00	MFM Assessment
\$	599,000.00	water operating
\$	15,000.00	Agency- Mayors Court
\$	89,100.00	transfer station
\$	2,296,962.50	

KI School

\$	3,635,478.79
\$	174,321.96
\$	82,332.29
\$	3,892,133.04

Groton Township

\$	284,193.00	
\$	9,300.00	motor vehicle license tax
\$	140,000.00	gasoline tax
\$	96,700.00	road and bridge
\$	2,650.00	cemetery
\$	124,589.00	fire levy
\$	23,683.00	permissive motor vehicle
\$	31,906.00	Contracts & Fee Fire Dept
\$	65,450.00	cingular tower rental
\$	68,000.00	Impact Fee
\$	846,471.00	

Florence Township

\$	281,764.40	
\$	26,097.00	motor vehicle license tax
\$	139,013.00	gasoline tax
\$	137,217.85	road and bridge
\$	3,000.00	cemetery
\$	82,396.40	fire levy
\$	88,802.91	captial projects
\$	758,291.56	

Oxford Township

\$	265,960.60	
\$	12,132.00	motor vehicle license tax
\$	137,311.41	Gasoline Tax
\$	101,338.62	road and bridge
\$	19,141.97	motor vehicle license tax
\$	127,508.00	fire & rescue, ambulance EMS
\$	663,392.60	

Berlin Heights Township

\$	358,202.00	
\$	14,100.00	motor vehicle license tax
\$	125,407.00	gasoline tax
\$	198,786.00	road and bridge
\$	6,000.00	cemetery
\$	246,832.00	fire levy
\$	10,555.00	permissive motor vehicle
\$	959,882.00	

Berlin Heights Village

\$	287,867.00	
\$	47,243.00	street construction maint
\$	4,017.00	state highway
\$	6,170.00	permissive MVL tax
\$	108,000.00	police
\$	453,297.00	

Bayview Village

\$	176,794.00	
\$	35,654.00	street construction maint
\$	2,707.00	state highway
\$	9,482.00	parks and recreation
\$	10,995.00	permissive motor vehicle
\$	7,287.00	street lighting
\$	68,738.00	fire levy
\$	55,028.00	other special revenue
\$	366,685.00	

Erie County Unvoted Millage Increases

Entity	City/Village	Increase	% of total Real	
			Estate Rev	% of Total Budget
Bay View		\$ 12,650.00	5%	4%
Bellevue		\$ 235.00		
Berlin Heights		\$ 2,684.00	1%	1%
Castalia		\$ 5,497.00	3%	2%
Huron		\$ 139,349.00	13%	0%
Kelleys Island		\$ 88,921.00	13%	4%
Milan		\$ 7,806.00	4%	0%
Sandusky		\$ 661,091.00	29%	1%
Vermilion		\$ 410,260.00	10%	2%
	Township			
Berlin		\$ 56,828.00	8%	6%
Florence		\$ 69,925.00	15%	9%
Groton		\$ 789.00	0%	0%
Huron		\$ 154,337.00	13%	4%
Margaretta		\$ 74,838.00	5%	3%
Milan		\$ 42,589.00	5%	3%
Oxford		\$ 5,805.00	1%	1%
Vermilion		\$ 146,979.00	19%	11%
	School District			
Bellevue CSD		\$ 124,358.00	1%	1%
Edison LSD		\$ 1,202,656.00	18%	6%
Firelands LSD		\$ 519,818.00	5%	2%
Huron CSD		\$ 2,274,207.00	21%	12%
Kelleys Island LSD		\$ 434,569.00	47%	28%
Margaretta LSD		\$ 561,392.00	11%	3%
Monroeville LSD		\$ 59,394.00	2%	1%
Perkins LSD		\$ 599,503.00	4%	2%
Sandusky CSD		\$ 536,650.00	3%	1%
Vermilion LSD		\$ 1,630,505.00	2%	6%
Western Reserve LSD		\$ 1,494.00	0%	0%
	Joint Vocational School District			
EHOVE Career Center		\$ 389,600.00	4%	2%
Lorain County JVS		\$ 42,560.00	0%	0%
	Library			
Huron Public Library		\$ 21,946.00	4%	18%
Ritter Public Library		\$ 8,708.00	1%	1%
	TOTAL	\$ 10,287,943.00		

*Values are for Erie County only

*Unvoted millage includes inside millage, charter millage, and the 20 mill and 2 mill floor adjustments

	PREVIOUS YEAR CARRY OVER (2023)	ESTIMATED TAX REVENUE GENERATED 2024	Carryover as a percentage of annual property tax revenue
Berlin Township	\$ 998,950.00	\$ 985,913.00	101.32%
Florence Township	\$ 508,081.00	\$ 747,160.00	68.00%
Groton Township	\$ 1,296,675.00	\$ 951,775.00	136.24%
Huron Township	\$ 6,217,179.00	\$ 4,039,282.00	153.92%
Margaretta Township	\$ 307,999.60	\$ 2,611,859.00	11.79%
Milan Township	\$ 2,014,594.00	\$ 1,512,498.00	133.20%
Oxford Township	\$ 252,419.00	\$ 642,715.00	39.27%
Perkins Township	\$ 4,980,721.00	\$ 11,725,003.00	42.48%
Vermilion Township	\$ 2,055,998.00	\$ 1,303,968.00	157.67%
Health Department	\$ 7,242,811.00	\$ 18,962,629.00	38.20%
Metro Parks	\$ 3,098,922.00	\$ 2,776,862.00	111.60%
Huron Public Library	\$ 1,783,969.00	\$ 1,119,099.00	159.41%
Milan-Berlin Library	\$ 2,728,076.00	\$ 1,111,067.00	245.54%
Ritter Public Library	\$ 2,081,054.00	\$ 1,624,739.00	128.09%
Sandusky Public Library	\$ 6,483,160.00	\$ 3,843,976.00	168.66%
Edison LSD	\$ 14,576,556.00	\$ 26,322,117.00	55.38%
EHOVE Career Center	\$ 12,855,818.00	\$ 30,721,078.00	41.85%
Huron CSD	\$ 7,750,240.00	\$ 20,149,885.00	38.46%
Kelleys Island LSD	\$ 1,322,500.00	\$ 1,485,349.00	89.04%
Margaretta LSD	\$ 3,390,421.00	\$ 26,444,732.00	12.82%
Perkins LSD	\$ 17,645,069.00	\$ 37,113,959.00	47.54%
Sandusky CSD	\$ 35,065,143.00	\$ 87,475,400.00	40.09%
Vermilion LSD	\$ 18,755,421.00	\$ 27,992,974.00	67.00%
Huron City	\$ 8,031,902.00	\$ 31,939,453.00	25.15%
Sandusky City	\$ 24,309,929.00	\$ 84,433,620.00	28.79%
Vermilion City	\$ 10,909,784.00	\$ 20,904,328.00	52.19%
Bay View Village	\$ 70,728.00	\$ 360,555.00	19.62%
Berlin Hts Village	\$ 420,569.00	\$ 493,197.00	85.27%
Castalia Village	\$ 26,282.00	\$ 352,898.00	7.45%
Kelleys Island	\$ 1,591,801.00	\$ 2,315,904.00	68.73%
Milan Village	\$ 3,954,794.00	\$ 3,761,745.00	105.13%
Erie County	\$ 103,758,034.00	\$153,393,086.00	68%

FUND	TOTAL RESOURCES	PREVIOUS YEAR CARRY OVER (2023)	ESTIMATED REVENUE GENERATED 2024	EXPENSES
10100 General Operating	\$50,497,334.00	\$ 10,603,230.00	\$ 53,590,656.00	(\$39,753,364.00)
53001 Landfill Operating	\$20,137,659.00	\$ 6,522,791.00	\$ 6,175,600.00	(\$6,737,625.00)
50101 EC Sewer Operating	\$19,509,050.00	\$ 587,266.00	\$ 24,753,500.00	(\$9,681,646.00)
60501 Employees Health Trust Fund	\$17,133,958.00	\$ 7,260,958.00	\$ 10,900,000.00	(\$10,772,387.00)
55511 Meadows	\$14,359,668.00	\$ 4,447,668.00	\$ 10,742,000.00	(\$9,906,768.00)
20110 Dev Disab Operating	\$12,995,774.00	\$ 4,737,333.00	\$ 8,726,141.00	(\$8,859,212.00)
52001 EC Water 'A' Operating	\$12,668,889.00	\$ 2,885,959.00	\$ 10,176,800.00	(\$10,060,173.00)
21510 Motor Vehicle & Gas Tax	\$10,521,672.00	\$ 2,444,680.00	\$ 7,544,750.00	(\$8,101,142.00)
20510 Children Services	\$9,439,813.00	\$ 5,207,437.00	\$ 4,657,000.00	(\$3,325,698.00)
41021 Building/Capital Improvements	\$9,263,671.00	\$ 9,243,671.00	-	(\$2,600,000.00)
20410 Public Assistance	\$8,295,500.00	\$ 1,230,120.00	\$ 7,704,681.00	(\$6,598,140.00)
20201 ADAMS Erie- General Fund	\$6,877,195.00	\$ 3,865,233.00	\$ 3,255,892.00	(\$2,834,306.00)
53301 Landfill C/PC Trust	\$6,832,791.00	\$ 6,522,791.00	\$ 310,000.00	\$ -
21310 Real Estate Assessment	\$3,824,321.00	\$ 2,257,721.00	\$ 1,566,600.00	(\$1,562,199.00)
20710 Child Support Enforcement	\$3,530,640.00	\$ 1,490,640.00	\$ 2,380,000.00	(\$1,907,740.00)
25641 Tourism Promotion Fund #4	\$3,166,526.00	\$ 1,234,526.00	\$ 2,200,000.00	(\$1,389,307.00)
25631 Tourism Promotion Fund #3	\$3,078,165.00	\$ 1,146,165.00	\$ 2,200,000.00	(\$1,303,515.00)
23110 NO JJC Operations Fund	\$2,930,398.00	\$ 777,898.00	\$ 2,324,463.44	(\$2,452,317.00)
60401 Workers Comp. Retro Rating Reserve	\$2,514,450.00	\$ 2,509,450.00	\$ 5,000.00	(\$352,000.00)
27000 EC Solid Waste Mgmt Dist	\$2,764,036.00	\$ 2,290,336.00	\$ 480,100.00	(\$748,039.00)
20140 Residential/Waiver Services	\$2,084,845.00	\$ 309,845.00	\$ 1,775,000.00	(\$1,573,425.00)
26610 Compensated Absences Reserve	\$2,018,519.00	\$ 1,818,519.00	\$ 200,000.00	(\$23,412.00)
25611 Hotel Lodging Tax	\$1,932,000.00	\$ -	\$ 2,200,000.00	(\$1,932,000.00)
25621 Tourism Promotion Fund #2	\$1,932,000.00	\$ -	\$ 2,200,000.00	(\$1,932,000.00)
26010 Senior Citizens Levy	\$1,775,731.00	\$ -	\$ 1,796,371.00	(\$1,775,731.00)
10413 Sheriff's Dispatching Rotary	\$1,210,511.00	\$ 6,985.00	\$ 1,140,303.00	(\$1,201,772.00)
22531 Chip Grant 2021 Fund	\$1,194,450.00	\$ -	\$ 333,275.00	(\$889,750.00)
10410 Sheriff's Policing Revolving	\$1,063,777.00	\$ 90,036.00	\$ 1,009,935.00	(\$974,621.00)
20160 DD Reserve Fund	\$1,000,000.00	\$ 1,000,000.00	\$ -	\$ -
20121 DD Federal Grants	\$995,449.00	\$ 613,587.00	\$ 392,053.00	(\$542,159.00)
20211 ADAMHS State Fund	\$969,087.00	\$ 15,368.00	\$ 1,075,040.00	(\$928,534.00)
20411 WorkForce In Action	\$932,820.00	\$ 167,820.00	\$ 1,050,000.00	(\$748,250.00)
23530 County Court Capital Improv.	\$868,599.00	\$ 684,599.00	\$ 184,000.00	(\$277,619.00)
22010 D.R.E.T.A.C. Fund Treasurer	\$827,385.00	\$ 427,385.00	\$ 325,000.00	(\$471,263.00)
20208 SOR Fund	\$796,808.00	\$ 79,175.00	\$ 677,633.00	(\$677,633.00)
21010 Certificate Of Title Administration	\$771,083.00	\$ 346,083.00	\$ 425,000.00	(\$398,587.00)
10310 Ditch Maintenance	\$768,537.00	\$ 414,837.00	\$ 353,700.00	(\$351,879.00)
20310 ONE OH Opioid Fund	\$726,609.00	\$ 726,609.00	\$ -	\$ -
24865 E911 Wireless Fund	\$698,556.00	\$ 530,556.00	\$ 160,000.00	(\$181,400.00)
53401 Landfill- Postclosure (OLD)	\$669,750.00	\$ 669,750.00	\$ -	(\$35,000.00)
23710 Law Library Resources Board Fund	\$564,946.00	\$ 264,946.00	\$ 300,000.00	(\$299,903.00)
24861 E911 R & R Fund	\$552,506.00	\$ 500,506.00	\$ 52,000.00	(\$28,059.00)
73951 FCFC- General Operations	\$519,178.00	\$ 181,903.00	\$ 331,006.00	(\$331,289.00)
10200 Unclaimed Monies Trust	\$503,251.00	\$ 323,251.00	\$ 180,000.00	(\$270,000.00)
20131 DD Capital Contingency Reserve	\$467,986.00	\$ 217,986.00	\$ -	(\$260,395.00)
23010 Felony Delinq Care/Custody	\$466,840.00	\$ 141,840.00	\$ 370,000.00	(\$325,669.00)
21210 Dog & Kennel	\$437,821.00	\$ 133,321.00	\$ 304,500.00	(\$305,787.00)
20204 SAPT Fund	\$435,035.00	\$ 135,331.00	\$ 249,704.00	(\$299,704.00)
20212 ADAMHS State AOD Fund	\$411,295.00	\$ 142,422.00	\$ 178,647.00	(\$268,873.00)
25513 OH Violent Crime Reduct	\$392,902.00	\$ 392,902.00	\$ 537.05	(\$392,902.00)
24810 Emergency Mgmt. Agency	\$378,473.00	\$ 182,650.00	\$ 184,949.00	(\$278,471.00)
30518 NOMS Tax Equivalent	\$377,792.00	\$ 163,669.00	\$ 215,000.00	(\$111,936.00)
23540 Co. Court Indig. DUI Treatment Fund	\$354,683.00	\$ 332,683.00	\$ 184,000.00	(\$5,000.00)
10510 Recorder's Equipment	\$295,964.00	\$ 210,964.00	\$ 75,000.00	(\$63,503.00)
22540 Development Rotary Fund	\$278,982.00	\$ 255,282.00	\$ 28,150.00	(\$4,193.00)
73950 Help Me Grow Fund	\$268,580.00	\$ 25,591.00	\$ 202,353.00	(\$214,662.00)
24535 CCA 2.0 2024-2025 Grant	\$367,568.00	\$ -	\$ 371,533.00	(\$367,568.00)
23520 Computerization CLK/CTY CT	\$263,076.00	\$ 215,076.00	\$ 48,000.00	(\$28,000.00)
21220 Dog & Kennel Donations Fund	\$236,420.00	\$ 221,420.00	\$ 15,000.00	(\$21,000.00)
30517 Lakecrest Tax Equivalent	\$231,631.00	\$ 92,753.00	\$ 140,000.00	(\$116,525.00)
73954 Medicaid MSY Funding	\$231,302.00	\$ 81,302.00	\$ 150,000.00	(\$200,000.00)
30515 Quarry Lakes Tax Equivalent	\$199,474.00	\$ 3,619.00	\$ 186,000.00	(\$184,250.00)
23076 Title IV Family Court	\$193,852.00	\$ 193,852.00	\$ -	(\$41,000.00)
24820 FY2020 OP Stonegarden	\$192,739.00	\$ (69,536.00)	\$ 90,941.59	(\$191,798.00)
24510 Adult Probation Fund	\$157,172.00	\$ 127,172.00	\$ 30,000.00	(\$24,400.00)
22516 Formula Grant BF 16-1AU-1 Fund	\$150,000.00	\$ -	\$ 150,000.00	(\$150,000.00)
23063 Supreme Ct Spec Docket JUV CT Fund	\$149,511.00	\$ 149,511.00	\$ 75,000.00	(\$149,511.00)
24819 FY2019 OP Stonegarden NBI	\$148,669.00	\$ (5,192.00)	\$ 26,873.02	(\$148,669.00)
50102 Bayview Bond Payment	\$147,962.00	\$ 12,057.00	\$ 136,215.00	(\$136,027.00)
24000 Sheriff's Concealed Handgun	\$140,927.00	\$ (9,073.00)	\$ 40,000.00	(\$106,295.00)
24056 TCAP Sheriff 2023-2025	\$138,179.00	\$ -	\$ 139,383.40	(\$138,179.00)
24536 TCAP Adult Probation 2023-2025	\$138,179.00	\$ -	\$ 138,176.00	(\$138,179.00)
30520 Kroger TIF	\$138,000.00	\$ -	\$ 138,000.00	(\$137,809.00)
50103 Bayview Debt Service Reserve	\$136,200.00	\$ 130,087.00	\$ -	\$ -
24851 Hazmat Team Fund	\$135,621.00	\$ 99,427.00	\$ 36,194.00	(\$61,200.00)
22518 Hazard Mitigation	\$130,000.00	\$ 10,000.00	\$ 114,660.00	(\$110,000.00)
22011 D.R.E.T.A.C. Fund Prosecutor	\$129,369.00	\$ 369.00	\$ 129,000.00	(\$129,000.00)
23811 Legal Rep Pilot Project Grant Fund	\$123,643.00	\$ (15,828.00)	\$ 75,170.50	(\$123,643.00)
22851 Common Pleas Spec Proj	\$114,582.00	\$ 91,582.00	\$ 23,000.00	\$ -
23075 Youth Services (CHILD SUPPORT)	\$109,603.00	\$ 108,803.00	\$ 600.00	(\$37,000.00)
22730 Housing Revolving Fund	\$106,307.00	\$ 98,307.00	\$ 4,500.00	(\$90,927.00)
22850 Common Pleas Spec Proj	\$105,159.00	\$ 80,159.00	\$ 25,000.00	(\$5,000.00)
26510 Prepaid RE Interest Fund	\$103,326.00	\$ 83,326.00	\$ 10,000.00	(\$24,000.00)
20150 Donations- DD	\$101,614.00	\$ 101,114.00	\$ 500.00	(\$25,000.00)
20206 NW Regional District Fund	\$85,825.00	\$ 20,825.00	\$ 43,604.00	(\$65,000.00)
22855 Foreclosure Action- Binette	\$84,360.00	\$ 64,360.00	\$ 20,000.00	(\$30,000.00)
10419 Security Details	\$79,365.00	\$ 1,087.00	\$ 84,764.48	(\$78,278.00)

24841 L.E.P.C. Fund	\$78,876.00	\$	55,566.00	\$	23,000.00	(\$24,000.00)
22810 Computers	\$77,519.00	\$	37,519.00	\$	40,000.00	(\$31,800.00)
23555 Indigent Ignition Interlock CC	\$76,663.00	\$	74,363.00	\$	2,000.00	(\$1,000.00)
24315 Local Drug Task Force Fund	\$75,527.00	\$	12,527.00	\$	55,000.00	(\$62,343.00)
24522 Specialized Docket Subsidy Grant	\$75,234.00	\$	75,234.00	\$	3,450.16	(\$74,534.00)
20205 OOD Fund	\$71,706.00	\$	71,706.00	\$	-	(\$71,706.00)
25514 Rape Crisis (SANE) 2022	\$71,006.00	\$	8,506.00	\$	-	(\$70,747.00)
22852 Domestic Relations Spec Proj	\$68,127.00	\$	54,627.00	\$	13,500.00	\$ -
73955 Keeping Families Together Grant	\$60,748.00	\$	60,748.00	\$	26,100.00	(\$60,447.00)
20203 MH BG Fund	\$54,361.00	\$	2,506.00	\$	51,855.00	(\$51,855.00)
73952 FCFC- Pooled Funds	\$57,898.00	\$	44,898.00	\$	29,000.00	(\$44,000.00)
70211 Bluecoat Expendable Trust	\$58,991.00	\$	58,991.00	\$	-	\$ -
23510 Comp Legal Research/Cty CT	\$65,503.00	\$	57,503.00	\$	8,000.00	(\$17,500.00)
22853 Domestic Relations Spec Proj	\$55,492.00	\$	45,492.00	\$	10,000.00	\$ -
22820 Probate Computerization	\$52,286.00	\$	35,286.00	\$	7,000.00	(\$28,000.00)
31011 Special Assessment Bond Ret.	\$50,441.00	\$	38,441.00	\$	11,000.00	(\$15,612.00)
23022 Strong Families Grant	\$50,363.00	\$	(9,637.00)	\$	50,000.00	(\$46,645.00)
22720 Tax Abatement Monitoring Fund	\$50,208.00	\$	40,208.00	\$	10,000.00	(\$10,000.00)
20202 ADAMS Title XX Fund	\$49,654.00	\$	10,046.00	\$	39,244.00	(\$49,654.00)
23020 Juvenile Indigent Drivers Trmt	\$48,338.00	\$	48,138.00	\$	150.00	(\$10,000.00)
22854 Foreclosure Action- Tone	\$44,834.00	\$	24,834.00	\$	20,000.00	(\$20,000.00)
25541 Sane Continuous	\$44,098.00	\$	23,098.00	\$	-	(\$44,000.00)
25561 V.O.C.A 2021 Grant	\$44,043.00	\$	(8,002.00)	\$	-	(\$42,042.00)
52031 Water Connectors Fund	\$39,716.00	\$	39,716.00	\$	-	(\$39,715.00)
25582 2019 VAWA Grant	\$37,971.00	\$	-	\$	4,840.12	(\$37,376.00)
20209 Alcohol Use Disorder Grant Fund	\$33,180.00	\$	33,180.00	\$	-	(\$33,180.00)
50111 Sewer Connectors	\$32,362.00	\$	32,362.00	\$	-	(\$32,362.00)
25551 Victims Assistance Donations	\$31,669.00	\$	26,669.00	\$	-	(\$14,000.00)
24090 DUI Enforcement & Educ Fund	\$31,463.00	\$	31,463.00	\$	-	(\$5,978.00)
24065 Sheriff's Donation Fund	\$29,637.00	\$	28,637.00	\$	1,000.00	(\$20,596.00)
24060 K-9 Donation Fund	\$22,596.00	\$	-	\$	5,000.00	(\$15,000.00)
73956 NAMI Grant Fund	\$21,013.00	\$	(13,987.00)	\$	-	(\$19,118.00)
24011 Step Grant Sheriff	\$20,344.00	\$	(1,267.00)	\$	4,924.50	(\$16,809.00)
30511 GO Bond Retirement Fund	\$20,591.00	\$	3,619.00	\$	-	\$ -
22800 Computers	\$20,189.00	\$	12,189.00	\$	3,000.00	(\$3,000.00)
41055 Meadows Capital Improvement	\$19,179.00	\$	18,979.00	\$	-	\$ -
27060 Solid Waste Tire Recycling	\$18,138.00	\$	9,138.00	\$	7,502.51	(\$14,700.00)
20210 SABG Covid Mitigation Grant Fund	\$17,315.00	\$	17,315.00	\$	16,480.82	(\$17,315.00)
23210 P.C. Indig. Guardianship	\$17,086.00	\$	2,086.00	\$	15,000.00	(\$15,000.00)
22856 Sepcial Projects McGookey	\$16,499.00	\$	13,999.00	\$	2,500.00	(\$10,000.00)
24012 IDEP Grant- Sheriff	\$15,891.00	\$	(750.00)	\$	1,047.06	(\$14,803.00)
24521 Drug Court SOR Grant	\$15,619.00	\$	15,619.00	\$	-	(\$10,801.00)
23230 Domestic Shelters Fund	\$14,000.00	\$	-	\$	14,000.00	(\$14,000.00)
23070 Family Court Donations	\$11,294.00	\$	7,814.00	\$	1,591.42	(\$6,034.00)
73953 FCFC Engage Family Court	\$11,222.00	\$	11,222.00	\$	-	(\$11,000.00)
22825 Probate Legal Research	\$10,405.00	\$	8,305.00	\$	2,100.00	(\$2,100.00)
27512 2022 HAVA Grant	\$10,042.00	\$	10,042.00	\$	-	(\$10,042.00)
23220 P.C. Conduct of Business	\$9,375.00	\$	8,975.00	\$	200.00	(\$400.00)
24070 Drug Enforcement- Fines	\$8,000.00	\$	-	\$	-	(\$8,000.00)
25581 2022 VAWA Grant	\$7,945.00	\$	(15,906.00)	\$	4,888.23	(\$6,927.00)
23062 Juv Ct OCJS CV Grant (DET HOME)	\$7,899.00	\$	7,899.00	\$	0.40	(\$7,899.00)
25572 SVAA 2019 Grant	\$6,280.00	\$	40.00	\$	-	(\$6,240.00)
23031 Family Drug Court OSC Grant	\$5,859.00	\$	5,859.00	\$	-	(\$5,859.00)
55611 Donations- Meadows	\$4,979.00	\$	3,979.00	\$	1,000.00	(\$1,500.00)
22830 Juvenile Computerization	\$4,936.00	\$	1,336.00	\$	3,000.00	(\$1,300.00)
25573 2022 SVAA Grant	\$4,800.00	\$	529.00	\$	2,204.95	(\$4,800.00)
22710 Community Rotary Fund	\$4,650.00	\$	4,650.00	\$	-	(\$4,650.00)
25563 V.O.C.A 2022 Grant	\$4,600.00	\$	4,600.00	\$	-	\$ -
24811 Hazmaterials HMEP Grant	\$1,800.00	\$	-	\$	19,980.00	(\$1,800.00)
10311 Brenner JT CT Ditch	\$1,658.00	\$	58.00	\$	1,600.00	(\$1,600.00)
23025 Juvenile Ignition Interlock Monitor	\$606.00	\$	606.00	\$	-	\$ -
10312 Karbler JT CT Ditch	\$416.00	\$	16.00	\$	400.00	(\$400.00)
22532 Chip Grant 2019	\$369.00	\$	369.00	\$	-	(\$369.00)
24827 Homeland SEC/NBI	\$291.00	\$	291.00	\$	-	\$ -
22857 Domestic Projects McGookey	\$50.00	\$	50.00	\$	-	\$ -
10313 Wahl JT CT Ditch	\$41.00	\$	-	\$	41.00	(\$41.00)
22515 Formula Grant	\$2.00	\$	2.00	\$	-	(\$2.00)

APPENDIX B – LIST OF STAKEHOLDERS

Overview of local taxing authorities contacted for data requests and responses.

STAKEHOLDERS REQUEST FOR INSURANCE AND BUDGETS

	Stakeholder	Insurance	Budget
	Local Governments		
1	Bayview Village		
2	Berlin Township		
3	Berlin Hts Village		
4	Castalia Village		
5	Florence Township	X	X
6	Groton Township	X	
7	Huron City		
8	Huron Township		
9	Kelleys Island		
10	Margaretta Township		
11	Milan Township	X	X
12	Milan Village		
13	Oxford Township	X	
14	Perkins Township	X	X
15	Sandusky City	X	X
16	Vermilion City	X	
17	Vermilion Township		
18	Erie County	X	X
	Fire Departments		
19	Village of Bay View Fire Dept		
20	Groton Township Fire Dept		
21	Margaretta Fire Dept		
22	City of Sandusky Fire Dept	X	X
23	Perkins Fire Dept	X	X
24	Huron Fire Dept		
25	Milan Township Fire Dept		
26	Berlin Township Fire Dept		
27	Vermilion Township Fire Dept		
28	Florence Township Fire Dept		
	Police Department		
29	Erie County Sheriffs Office	X	X
30	Village of Bay view Police Dept		
31	City of Sandusky Police Dept	X	X
32	City of Huron Police Dept	X	X
33	Milan Police Dept		
34	Village of Berlin Heights Police Dept		
35	City of Vermilion Police dept		
	Libraries		
36	Huron Public Library	X	
37	Milan Berlin Library	X	X

38	Ritter Public Library	X	X
39	Sandusky Public Library	X	X
	Schools		
40	Edison		
41	EHOVE	X	X
42	Huron	X	
43	Kelleys Island		
44	Margaretta	X	X
45	Perkins	X	
46	Sandusky		
47	Vermilion	X	X
	Public Health		
48	Erie County Health Department	X	
49	Erie County Family and Children First Council	X	X
50	ADAMHS	X	X
51	Erie County Board of DD		
52	Family Services		
53	Job and Family Services	X	X
	Economic Development		
54	Greater Sandusky Partnership	X	X
55	Shores and Islands	X	X
56	Erie Metroparks	X	X
56		30	21

APPENDIX C – MATERIALS REVIEWED

Citation of reading material reviewed and referenced by the Blue Ribbon Commission.

#	Reference Materials	Author	Date
1	Beyond Boundaries: Shared Services Action Plan for Ohio Schools and Governments	Governor's Office of 21st Century Education/Office of Budget and Management	June, 2012
2	Consolidation of the Lake County Fire & EMS Departments Feasibility Study	Bernard Becker III, CSU Maxine Goodman Levin School of Urban Affairs	April, 2015
3	Cornerstone Overview and Group Buying Opportunities Presentation	Felix, Trish. Cornerstone	February.,2025
4	County Manager's Guide to Shared Services in Local Government	IMB Center for the Business of Government	January, 2013
5	Downsizing apparatuses and other fire department fleet trends	Barb Sieminski, The Municipal	March, 2018
6	Financial Feasibility of Consolidation Between The City Fire Departments of Mt. Healthy and North College Hill	Chief Stephen Lawson, Chief Mount Healthy Fire Department	October, 2009
7	Fire Department Run Types	National Fire Data Center	June, 2022
8	Fire Risk in 2022	National Fire Data Center	December, 2024
9	Flock Safety Technologies in Law Enforcement: An Initial Evaluation of Effectiveness in Aiding Police in Real-World Crime Clearance	Snow, Adam & Chapentier, Cory & Helfers, Richard & Nhan, Johnny; Flock Safety, Texas Christian University	January, 2024
10	FY 2024 District Profile Report	Ohio Department of Education & Workforce, Office of Budget and School Funding	December, 2024
11	FY 2025 Summary School Finance Payment Report (SFPR)	Ohio Department of Education & Workforce, Office of Budget and School Funding	December, 2024
12	Key Factors and Strategies for Urban and Rural Communities	Rural Community Assistance Partnership/National League of Cities	June, 2021
13	Longitudinal School Finance Study Special Report	Office of Auditor of State Keith Faber	November, 2024
14	Making Policing More Affordable: Managing Costs and Measuring Value in Policing	National Institute of Justice/Harvard Kennedy School Program in Criminal Justice Policy and Management	December, 2010
15	Power In Partnerships: How City-County Collaborations Advance Economic Mobility	Results for America	March, 2022
16	Public Safety Consolidation: Multiple Case Study Assessment of Implementation and Outcome	Jeremy Wilson, Alexander Weiss, Clifford Grammich. Office of Community Oriented Policing Services	January, 2016

#	Reference Materials	Author	Date
17	Resiliency through Water and Wastewater System Partnerships: 10 Lessons From Community Leaders	Rural Community Assistance Partnership	March, 2020
18	School District Enrollment Review, 2016-2025	Ohio Department of Education & Workforce, Office of Budget and School Funding	March, 2025
19	Shared Services Feasibility Study - Brookfield, Liberty, & Mathews Local School Districts	Office of Auditor of State Keith Faber	November, 2019
20	Strategies for Reducing Police Agency Service Delivery Costs	Office of Community Oriented Policing Services/Police Foundation	January, 2017
21	Strengthening Utilities through Consolidation: The Financial Impact	Hughes, Jeff, & Radkida Fox; US Water Alliance	September, 2023
22	STS Evaluation of Transit Services Final Report	HDR	January, 2024
23	Zonar Customer Case Study	Ohio Shared Services Collaborative	January, 2014

APPENDIX D – TOPICS DISCUSSION

Documentation of requested information and note taking solicited through public comment.

SUGGESTED ITEMS TO STIMULATE DISCUSSION IN VARIOUS SERVICE AREAS OR MEETING TOPICS

The following outline is to serve as a template for the Blue Ribbon Commission to review topics and guide future cost saving recommendations for Erie County. The outline is a “living document” and will be regularly updated as new information, questions and topics are brought forward.

Insurance – Hospitalization (Mr. Forster) (February 25th)

Virtual Call with Mr. Trish Felix, CEP of Cornerstone Risk Management

Review

- What entities are self-insured?
 - Municipalities, Energy, Hospitality, Schools, Construction
- % increase in cost of hospitalization last year, last 5 years per entity
 - 2022 – 6.8%
 - 2023 – 11.5%
 - 2024 – NA
- What demographic considerations must be considered to prevent unintended consequences of a county-wide consortium of insureds, such as an increase in rates for an individual entity?
 - To be determined with feasibility study
- What is the potential size of the “pool” of personnel and entities that could be included in consortium?
 - Erie County has approx. 750 employees, 1500 lives on plan
 - City of Sandusky has approx. 250 employees and 640 lives
 - Townships at an estimate of 150
 - Perkins Township has 60 enrolled, with 120 lives
 - Village employment rates unsure.
 - School districts are in ‘HESE’
 - Huron-Erie School Employee Insurance Association
- Levels of Coverage needed and available
 - Based on number of employees:
 - 500 for Association Health Plan (AHP)
 - 1500 to use medical stop loss

- How will costs be shared by entity
 - Refer to feasibility study
- What it takes to form our own insurance company (removing the consortium element and purchasing directly)
 - Approximately 1500 employee base

Recommendations

Pooling somewhere or somehow needs to be reviewed as a benefit of the county and positive for smaller villages who are adversely impacted by insurance coverage.

1. Proof of concept
 - a. Health/ Property/Causality
2. Feasibility study and Business Plan for various insurance plan strategies to help determine what cost savings may look like
 - a. Leverage direct contract negotiations with area health providers as part of a larger delegation from the a captive plan
3. Formation and Implementation
4. Captive Insurance and Self Insurance plans are preferred over a consortium due to not paying profit to another org.,

Legislative Actions

Fire/EMS – (Mr. Moon and Mr. Parker) (March 4th)

Speakers: Chief Mario D’Amico, Sandusky Fire Department; Fire Chief David Murphy, Perkins Township Fire Department; Chief Brian Rospert, Milan Fire, Chief Kerry Jett, Groton Township Fire; Chief Frank Triana, Vermilion Fire

Review

- **Types and numbers of equipment individually and collectively?**
 - Have in the past added a countywide inventory of equipment (led by ret. Chief Johnson)
 - IT has a list in their CAD program to assist in mutual aid coordination of equipment
 - Subcommittee to work in coordinating equipment listing
- **Depreciation schedule for equipment replacements?**
 - The departments work off of national standards for timeline of replacements and each department is on a different timeline. Would be easier to coordinate through same vendor, but that does not always line up. Multitude of different reasons why it may not occur based on culture, timing, and department needs.
 - Ambulances get replaced more often and would be best opportunity for coordinated equipment replacement
 - Sandusky had limited financial impact based on ordering more than 1 ambulance at a time because of national delays/backups on fire apparatus
 - (700 engines in front of 1 new equipment piece for Sandusky)
 - Larger Cities (NYC) may be ordering 30 apparatus at once vs. locals needing 1 or 2, so no expected cost savings as demand is greater than supply
 - Used equipment – esp. fire trucks from cities could be transferred to outlying villages & townships
 - List from EMA should have trucks, back hoes, loaders, pickups, bulldozers, & police/EMS.
 - **WORK ON UPDATED LIST FROM TJ**
- **What large capital trucks would be able to be shared between entities?**
 - Perkins has previously borrowed ambulances from Sandusky and Margaretta
 - Works in emergency situations for short term solution while a separate vehicle is down
 - SFD and PTFD share their fire safety education trailers county wide to any department, as well as Norwalk’s Fire Department
 - Joint small purchasing is being shared across fire departments
 - SFD and PTFD also share their respective fire extinguisher trailers and training equipment, and are made available to other Erie County Fire Departments.

- State Bid pricing and Sourcewell are used for purchasing, and Sourcewell will match state bid pricing
- Milan has refurbished ladder truck last year as cost saving effort for 10-15 years
- Milan knows they can call in larger ladders (Perkins) versus purchasing a larger ladder truck
- Mutual Aid: biggest way fire departments share equipment and people, current staffing is below recommended standards but mutual aid fills the gap locally
- **Eminent replacements and estimated costs, per department**
 -
- **Any standardized equipment purchases or contracts**
 - Multiple departments made a group purchase of new cardiac monitors, saving several thousand dollars per monitor. Spearheaded by Perkins Township Fire Department (PTFD) Captain Pearson.
 - The group purchase of a new SCBA mask fit-testing kit. Led by Chief Jett, area departments will share the use and cost of the equipment.
- **Maintenance of vehicles, how much and by who per dep't**
 - Perkins – One maintenance person that handles the entire Township but focuses on smaller items. Major issues are taken to Sandusky local mechanic. Each apparatus is tied to own vendor and may go to them for large issues
 - Sandusky has fleet maintenance and has certifications required for fire departments that has worked well
 - Pay can be more competitive in private sector vs public sector
 - Would have to hire somebody who then needs specialized training for the apparatus
 - Maintenance wages may be more than current expenditures for maintenance with 3rd party
 - Vermilion TWP: yearly contract for maintenance (\$35k) with emergency availability within 24 hours to address maintenance issues
 - Mileage an issue with larger maintenance issues between the vendor and Vermilion TWP.
 - Local Firefighters will do light maintenance on vehicles within their scope of work
 - \$1200 per fire truck service call - Milan
- **Maintenance schedule for vehicles**
 -
- **Any interest in fleet maintenance concept**
 - Fleet Maintenance has worked well for Sandusky and have seen good turnaround times on equipment
 - Opportunity for sharing various mechanics around County based on availability

- **TO DO: find list of all entity mechanics (who is trainable)**
- **Maintenance/replacement schedule for response equipment (turnout gear, hoses)**
 - Very similar to fire trucks – 10 year life driven by vendors
 - Perkins & Sandusky - 5 year frontline, 5 year backline, then removed
 - Opportunity to go to single vendor? Possibility for pursuing but has some of the same issues as trucks currently
- **Standard uniform contracts**
 - Sandusky tries to shop local as possible, presumed a lot of the departments are using similar vendors at similar prices
 - Lucky Stone in Huron
 - Uniform allowance is a contractual amount that they have to replace a certain amount a year
- **Any standard contracts for response equipment.**
- **Number of full-time personnel vs part time/volunteers**
 - Huron: 15 full time 26 part time combined with Township
 - Sandusky: 51 Full time including admin
 - Perkins: 30 Full time
 - Vermilion TWP: 29, half are part time, half volunteers
 - Milan: 34 volunteers
 - Florence: 25 volunteers
 - Bay View: 16 volunteers
 - Margaretta: 9 full time, 13 part time
 - Groton/Oxford: 17 volunteers
 - Kelley's Island Fire: 4 (estimate)
 - Berlin Township Fire: 25 volunteers
- **Recruitment:**
 - Primarily advertising through Facebook/social media
 - Newspaper no longer used with generational shift
 - Some job fairs and advertisements to local fire training programs as testing comes around
- **Opportunities to share personnel and/or equipment costs, in progress or additional**
 - Doing that well through Mutual Aid
 - Previously mentioned was SFD and PTFD sharing their fire safety education trailers, fire extinguisher trailers and training equipment, Bay View sharing CPR equipment and mannequins for training, and PTFD sharing their technical resource trailer.
- **Facility maintenance schedule – roofs, windows, doors, furniture, lockers etc.**

- Sandusky – combination of city staff handling maintenance and contracting for larger projects
 - Anything over \$1k solicit 3 bids and primarily hire locals
 - Large maintenance contract may miss out on local contractors
- Perkins fire department staff will handle smaller items, and contract out larger projects
- Generators contractor might be an opportunity for county wide maintenance
- **Staff person for contracts/purchasing?**
 - Sandusky – Shift commanders in charge of handle soliciting/contracts, or public works department will help with larger bids over \$10k
- **Major facility improvements?**
 - Perkins – New fire station replacing two 80 year old stations
- **EMS planning for southern service area**
 - Florence uses Vermilion River Ambulance District (Citizens) and with Wakeman Fire Department ambulance or additional local mutual aid opportunities
 - Margaretta has their own Ambulance
 - Oxford, Groton, Milan have North Central EMS
 - North Central has been discussed long term about services, but Fisher Titus continues to support them
 - Southern local entities had ambulatory calls to cover North Central EMS
 - Squads as far as Bellevue (20 minutes)
- **Ideal Model for township ambulatory services?**
 - North Central has First Responder vehicle – but can be based on staffing/and calls for when its utilized
 - Milan has EMT on staff and adopted medical procedures
 - Run risk of doubling number of calls based on medical runs if no North Central and is cost prohibitive for the township
 - Vermilion TWP had issue with ambulatory service and volunteers becoming inundated with constant emergency calls
 - Do smaller departments need to consider moving towards full time status to support increased runs?
 - EMS involvement steadily increases call volume
 - Volunteers can be challenged based on increase calls and work/life balance
 - Milan - a full time staffed ambulance would take 6 full time people vs contract with North Central costing approx. \$75k
- **Training opportunities and levels of training for various depts.**
 - Constantly do joint training along with EMA, with ECEMA obtaining multiple grants to provide interagency technical rescue training

- Departments participate in interagency training when possible, including structure fires, joint training at EHOVE, rope rescue, confined space rescue, and many others.
- Bay View Volunteer Fire Department makes their CPR equipment and mannequins available to other Erie County Departments.
- Department specialties
 - Each works together to align specialties
- **Review any budget performance indicators – general trends**
- **Discuss budget**
 - Revenue and carry overs per spreadsheet provided by Zach
- **Activities planned or in progress to improve efficiency**
- **Fire District Considerations?**
 - Discussed 15 years ago locally – focused on staffing issues at Sandusky and Perkins
 - Smaller volunteer communities trying to go full staffing
 - No countywide departments in state of Ohio–
 - West Licking is similar size as Perkins and Sandusky and runs 9000 calls a years (Website: <https://www.westlickingfire.org/>)
 - High levy (11 mills) to run the larger West Licking district
 - 110 staffing on West Licking – (Sandusky and Perkins are 80) has grown since originally 80
 - District may cost more money rather than save funds
 - Typically consolidations are a cost increase than a cost saving
 - Milan – Would not consider fire district
 - Capital costs increases on the front end of a district expansion would cost more than any savings
 - Expectation would not be for new personnel or stations, but using existing facilities in rural areas
 - Mutual aid replaces the district concept with existing facilities
 - 15 on site within 8 minutes is the national standard (NFPA 1710)
 - Mutual aid across the county means underserved fire departments are meeting the standard by running together
 - All departments with emergency medical transport operate under the same medical protocols, overseen by University Hospitals and Firelands Regional Medical Center, and makes for consistent medical treatment.
 - From ECTA – townships generally believe that some townships may need to consolidate into districts, including areas outside of county
 - Next 5-10 years

- Perkins, Huron, are financially ok and don't see a need in the future.
- **Current practices the fire chiefs do to promote cost savings?**
 - All operate on same protocol for medical protocol
 - County Standard Operating Guidelines
 - Erie County fire departments have multiple county standard operating guidelines covering incidents where multiple agencies may respond together. These include areas such as: incident command, hazardous materials response, active shooter incidents, and technical rescue emergencies.
 - Fire chiefs meet together every other month to have this conversation
 - Fire Chiefs identified future opportunities for cost sharing
 - Group purchase of firefighting foam.
 - Group purchase of ladder and pump testing services.
 - Group purchase of “fire blankets” for assisting with containment of electrical vehicle fires.
 - Potential expansion of automatic aid.
 - Various equipment may be group purchased if department replacement schedules align.
- **Billing for Kalahari**
 - Huron sees significant number of runs out there
 - Would bill for EMS – but is on the person who is using the services and not the park itself
 - Oxford, Margaretta, Groton bill runs for folks from outside these townships to not put bill on locals
 - Sandusky and Perkins bill everybody,
 - Perkins is a soft bill covered by insurance for residents

Recommendations

1. Ensure a comprehensive plan is in place with North Central (EMS) prior to the expiration of current contract
 - a. Response times are a concern for both Fire and EMS
2. Equipment
 - a. **Evaluate and Update the Replacement Schedule:** Review the current equipment lifecycle plan to ensure timely upgrades, minimize downtime, and maintain high operational standards
 - b. **Complete a Comprehensive Inventory Assessment:** Conduct a thorough audit of existing equipment to identify aging assets, surplus items, and immediate replacement needs.

- c. **Group Purchasing Opportunities:** Partner with other fire departments to secure better pricing on large – scale of high cost equipment, reducing overall expenditure
 - d. **Implement Equipment Redistribution Practices:** Extend the useful life of functional, older equipment by reallocating it to lower-volume or support units, maximizing asset utilization while controlling costs.
- 3. **Grant Application Pooling Schedule:** Create a strategy to streamline the grant application process by combining efforts across departments, creating a unified proposal that maximizes impact, efficiency, and competitiveness for a single funding opportunity
- 4. Evaluate potential locations within Erie County for the installation of a centralized underbody wash system to support fleet maintenance, prevent corrosion, and extend vehicle lifespan
- 5. Create a Service Schedule across departments. Routine Inspections, Maintenance Frequency, Preventative Maintenance, and Emergency Maintenance Protocol.
- 6. Evaluate the feasibility of a shared mechanic system among fire departments for the efficient and cost-effective maintenance and repair of equipment. This program aims to pool resources, reduce maintenance costs, and ensure consistent, high-quality service

Police – (Mr. Forster and Mr. Parker) (March 11th)

(Chief Jared Oliver, City of Sandusky; Sheriff Paul Sigsworth, Erie County; Chief Jeffrey Musser, Perkins Township; Chief James Bartus II, Village of Kelleys Island; Chief Bob Meister Village of Milan)

Review

- **Number of officers per department, full and part-time.**
 - Full staff largely means available budgeted, all could use additional officers
 - Especially during peak seasonal events where officers are already largely shared
 - Sandusky – 53 budgeted but 48 actual with 5 full time with CP
 - Perkins – 24 FT, 2 PT
 - Sheriff – 98 FT including Admin, Dispatch and Staff, 21 PT
 - Kelley’s Island – 2 FT, 8 PT
 - Milan – 4 Budgeted with 3 full time and 10 total on staff
 -
- **Opportunities to share personnel and responsibilities**
 - Mutual Aid exists with ability to back each other up
 - Including assisting with FD too
 - Readily share department resources and knowledge based on departmental skills
 - Perkins/ECSO share some personnel
 - Officers work readily across jurisdictional borders on transfers and medical runs so not to trouble local office with increased responsibility/hindrance
 - “Keep police on the road”
 - **FLOCK** – Stationary camera system that coordinates regional responses between police departments and significantly cuts down on police man hours for investigative
 - Signals officers of license plates with active warrants, and departments can coordinate with local police to apprehend suspects
 - Sandusky previously applied for grant through OCJS – Violent Crime Reduction Grant, but system benefits multiple agencies
 - <https://www.flocksafety.com/>
 - <https://www.police1.com/tech-pulse/study-validates-impact-of-flock-safetys-lpr-technology-on-crime-clearance-rates>
 - All are on same **Records Management System** that allows departments to better coordinate together
 - Officers have increased first aid measures carried on person for incidents to better react to calls in fields

- Northern Border Initiative – Marine Patrol Boat at Sheriff Office and can be assisted with other agencies in conjunction with Border Patrol
 - Received Grant due to regionalized grant process through collaborative process of area departments
- Local departments interested in vehicle barricades for all jurisdictions for various festivals and activities
 - Working to get countywide grant from all first responders to have access these grants as coordination and partnership improves grant chances
- SRO's (School Resource Officers) invaluable to local police/school
 - Ability to coordinate Juvenile reports with schools
 - Develop relationships with students as a positive resource
- **Maintenance of equipment, how much and by who per department**
 - ECSO vehicles Maintained by County Garage
- **Maintenance schedule**
- **Eminent replacements, estimated costs, per department.**
 - Challenge in coordination of Grants for equipment beneficial to be shared with all in region.
 - Part time staff writer, but individual departments benefit from economy of scale by signing onto grants with additional departments
- **Facility maintenance schedule – roofs, windows, doors, furniture, lockers etc**
- **Facility/Technology improvements?**
 - Would be useful to have Staff Lead on grants for the group of first responders
 - Storage of digital evidence and access to it by legal teams has to be preserved
 - Terabyte's of information from digital footprints
 - Can future expenses of large data storage be able to coordinate costs with local data center? Perkins in early conversation on this
 - Police have some storage locally but Axon owns the market nationwide and future costs are expected
- **Jail services satisfactory? Budget manageable? Who contributes to the budget, and how much?**
 - All arrests tend to come to ECSO, and budget is supported by County Commissioners per ORC
- **Centralized dispatch is the model for cost savings via centralization of processes and personnel, are there other opportunities like this?**
 - Centralized Dispatch also a centralized intelligence model for quick communication between department
 - Police know their strengths as a department and aim to keep guys out on the road to serve the local community
 - One challenge has been mental health calls where departments may not be the best respondents to the situation

- Considerations for a **24/7** mental health response team who could best respond to mental health needs in real time and allow police to stay on road where their professional strengths are
 - Ottawa, Sandusky, Seneca, Wyandot, Huron, have five county response team
 - <https://connectionsrecovery.org/services/mcrt/>
 - Est. 80% of individuals in jail have underlying mental/substance abuse issue that drives crime issues
- **Can smaller villages sustain their own department? Review costs, hiring ability, turnover of personnel, retirements.**
 - Policing challenges are largely localized and individual based on municipality, but senior officers may move laterally to township and villages for change of pace
 - Sandusky currently handcuffed by rules/regulations of charter in their eligibility list that makes for slow hiring and processing times that townships and villages are not hindered by.
 - Nationally, less interest in Police and Fire services, and seen by Chiefs locally
- **Mutual Training opportunities such as EHOVE and Sandusky Police Academy**
 - Advanced in local training based on group effort and community focus to share training as a resource
 - Tailored to needs of local community
 - Departments will coordinate with Federal, State and local agencies, including fire departments, for training opportunities as they become available
 - Also coordinate with local schools on walkthroughs
- **Activities planned or in progress to improve efficiency**
 - Four Suggestions by Police Chiefs in improving local department efficiencies:
 - Support Sandusky Charter to keep eligibility list open consistent with other departments
 - Establishment of a 24/7 Mental Health Response Team of trained professionals
 - Pursue a full time grant writer for emergency medical services to better coordinate grants based on economy of scale of departments and equipment coordination
 - Invest in growing number of FLOCK cameras to free up policing man hours for increased regional collaboration
 - Departments were also interested in concept of larger insurance groups where fiscally responsible

Recommendations

- Provide CIT Training

- **Grant Application Pooling Schedule:** Create a strategy to streamline the grant application process by combining efforts across departments, creating a unified proposal that maximizes impact, efficiency, and competitiveness for a single funding opportunity
 - **Flock Cameras**
- **Insurance** – of interest to local departments

Legislative Actions

Purchasing – (Ms. Crescimano and Mr. Forster) (March 18)

Denise Bellamy, ECEO; Emily Galloway, Erie County Finance; Keith Sexton, Vermilion Township; Yvonne Anderson, Sandusky Schools; Zachary Rospert, Milan Township;

Review

- **The County's political subdivisions existing procurement, purchasing and contracting policies.**
 - How do they make current purchasing decisions?
 - Can we streamline and improve the County's political subdivisions procurement, purchasing, and contracting functions and outcomes
 - Do the current practices result in increased costs and delays?
 - Largely utilizing Co-Ops and State bid resources for purchasing
 - Locals vendors willing to beat state pricing and has worked well
 - Some existing coordination in salt purchasing, energy, but others handled at different levels
- **Review of contracts with the State of Ohio Co-Op, for example, who utilizes the State of Ohio Co-Op? State contracts available are:**
 - Agricultural Chemicals, Seeds and Equipment
 - ECEO – Sourcewell, but locally will go lower than the co-op
 - Good relationship vendors will go to beat the state purchasing price
 - Ammunition, Firearms, Less-Lethal Munitions, Related Law Enforcement Supplies and Vehicles
 - Vehicles covered through co-op
 - Perkins – Shops around for best pricing, not typically bid out
 - Bulk purchasing for munitions could be an option
 - Computer Hardware, Software and IT Services
 - Perkins – Ordered through Dell with Co-Op pricing (\$400 cheaper than competitor for better comp.)
 - Copiers: Lease, Own, Pay per Copy
 - ECEO and Regional Planning – Owns copiers
 - Primarily leases for other offices
 - Department prerogative for what leases and who to go with
 - Can be super competitive
 - City schools lease through Xerox – competitive bidding
 - Fuels: Gasoline/Ethanol Blend, Unleaded Regular and Fuel Oils, Heating and Diesel
 - Perkins – Speedway with fleet pricing

- ECEO - Ordering large quantities on contract \$.01 cheaper than state contract
 - County handles sheriff and departments, vehicle maintenance handles contract same as ECEO
 - Only charge backs on departments outside of General Fund
 - Sandusky Schools recently got on-site gas tanks (BP)
 - Perkins Schools – Would fill up at BP with Fuel Man card
 - STS – Have a fuel tank at their garage and also used Fuel Man card
 - Considerations for under body wash and impact on fleet vehicles
- Office Furniture, Flooring
 - None
- Propane Gas: Bulk, Cylinder
 - None
- Salt: Table, Water, Softening, Ice Removal and Calcium Chloride
 - ECEO solicits 20 entities for 1 bid
 - Usually beats ODOT's contract
 - Growing list of entities
 - TBD on brine impact of salt usage
 - Expected salt savings over time
 - Perkins gets brine from Margaretta TWP from H2Ohio grant
- Vehicles: SUVs, Sedans, Specialty, Trucks
 - Typically locals are more competitive than state pricing
 - 3 county pool cars, JFS has their own,
 - Most departments have a vehicle replacement plan
- **Any reasons not to be using Co-Ops?**
 - Planning ahead for future large purchases
- **Does any political subdivision use a Co-Op other than the State of Ohio?**
 - None
 - EHOVE:
 - Ohio Schools Council
 - HPS
 - Northern Ohio Educational Computer Association
 - Huron-Erie School Employees Insurance Association
 - Bay Area Gas Consortium
 - Sourcewell
 - State of Ohio Cooperative Purchasing
 - Ms. Fiddler – Also uses HPS (Detention Center)
 - Ms. Anderson noted Furniture for Rotary Center Through Ohio Co-Op

- No bid process and limited savings but adds up over time
 - Milan TWP – Sourcewell for a back hoe (\$15K saved)
 - Ohio Township Association (OTA) – Partnered with Amazon for discounts
- **How do we increase communication about procurements and the procurement process?**
 - Is there a software solution to help enable bulk purchasing
 - Salt bidding as a model that ECEO does
 - County aggregation plan for gas and electric?
 - Schools are in energy consortium, including Huron and Ottawa County but larger schools are excluded due to building sq. ft. (Sandusky)
 - Creation of a listserv for purchasing
- **Are we ready to go the distance with procurement?**
 -
- **Does centralized county purchasing agent/strategy make sense?**
 - Milan TWP – probably does not buy enough with limited office supplies
 - School districts – printers are huge and would be one of the larger expected savings (done every 3 years)

Recommendations

- *Master Purchase List-Centralized*
 - *Notification of large purchases*
- *Ohio Purchase Co-op/List Serv*
- *Procurement Services (State and Local Agencies)*
- *Annually a list of purchases made*
 - *Google Form/County Website*

Legislative Actions

- None

IT– (Ms. Balconi Ghezzi and Mr. Tucker) (March 25, 11AM)

Trudy Riddle, Jobs and Family Services; Mark Wroblewski, Erie County Auditor.

Review

- What all software platforms and services are being used right now by the separate entities and how are they charged? (per unit)
 - GIS Advisory Board (AB) established in 2006, includes municipalities and other entities with cost share agreement. Sharing info/data in real time, ~209 named users currently on cloud based program, public and businesses utilize it too. Good Example of existing cost share services.
 - Not everyone on Microsoft 365 platform,
 - Google an alternative at lower cost others have utilized
 - Village expenses have been challenges for IT
- Provide an electronic data forum for entities to share good practices, related to service, efficiency, safety etc.?
 - Ex. Perkins determines cost saving measure that is quickly published and are able to share info on operating experience
 - Mutual interest for database/forum to readily share best practices?
 - School districts have ITC sites (NOECA) and is resource for schools to share resources
 - Is this available to be utilized by local entities?
 - If not, would Council of Government (COG) be able to be formed and become purchasing agent for this?
 - Townships use same financial program (UAN)
- Data Management for evidence has been a challenge for police. Any actions here for improved data management?
 - Perkins – Revamping retention schedule currently, but majority of data is currently records retention
 - Trend to move away from paper towards cloud sources
 - Vermilion TWP – Challenge to move towards digital records of paper files is a challenge
 - Determine county wide scanning policy/procedure and shared cloud service to make data management and records retention easier to access
- Countywide directory for field experts/specialists
 - UAN is sending out new computers to each entity, and may have to hire out to set up these computers for each new village/twp.
 - Cities, county, schools have own IT, but smaller entities do not.
 - Room for shared service?
 - Castalia utilizes IT services through Margaretta Township

- Establishment of Listserv/Directory to help fill gaps for questions/needs for local entities
- Erie County Cares (Trudy Riddle)
 - 2021 Committee formed to create website of county services
 - Currently, health department receives e-mails and directs them towards services
 - Hoping to staff with health department to respond to phone calls and follow up person
 - Looking to cut back on duplication of services, to help establish self-sufficiency
 - People go agency to agency looking for housing help, but looking for resolution to issue rather than short term solutions of challenges
 - No cost resource for locals
 - Intent to eventually encourage employers to advertise with website to help financially sustain resource as a benefit to community
- Perform evaluation of IT compatibility and efficiency
- HIPAA and Security planning
 - Desire for professionals to manage data for security purposes
 - Perkins – Contract with DMC for security
 - Includes notices on latest phishing scams and education
- Cloud based computing vs. ongoing server maintenance by locals
 - How does new data center impact servers/cloud?
 - County - Cloud computing solutions with everything integrated
 - Milan Library – ClevNet system tied in for benefit to locals
 - BoE – contracts for security that also includes ongoing education
- IT Training
 - School districts will share resources/individuals for training
 - Could develop list of trainers to be shared resource for programs
 - Firelands BGSU could be available for local training
 - JFS: Incumbent worker training – will reimburse up to 50% for training
 - NorthPoint offers technology related training
 - All relates back to countywide directory for sharing these resources
- Software licensing (requirements vs options) and how to ensure we share these
 -
- Software Alignment
 - IWorq: Managed by Auditor office but shared software with townships covering annual fee
 - GIS AB is governmental entity, with everything covered at a rate based on population (under 100,000)
- Software Engineer

- GIS – Application development
- Local government can have a challenge affording the skillsets to develop these sort of resources
 - Better to find vendor
- **SC Strategic Solutions** – have good luck with them as local vendor, also help with record retention
- Any other areas/comments?
 - Digital traffic control to monitor countywide hacking/ransomware challenges
- Seems like review countywide existing practices and software, and review a user group for buying power
 - Previous board could be reestablished from what has existing in the past, previously ran by Erie County IT
 - Data Processing Board – County Treasurer, Recorder, Clerk of Courts, Commissioner Rep, Auditor, 2 BOE members: (1 Republican, 1 Democrat)
- Database of experts to share services and training

Recommendations

- *Create a list of programs used across Erie County*
- *Software/Licensing*
 - *Look at Group purchase of **Microsoft 365***
 - *Cloud Services*
 - *Security*
- *Record Retention and converting to digital storage*
- *Align Data Center*
- *(Erie County Cares) Increase access to services*

Legislative Actions

- *None*

Infrastructure - Water, Sewer & Water & Sewer Plant Operations (Mr. Moon and Mr. Krabill) (April 1st)

John Rufo, Erie County Department of Environmental Services; Aaron Klein and John Orzech, City of Sandusky; Eric Wobser, GSP

Review

- Vermilion, Sandusky, Huron operate water and sewer plants. Are the cities satisfied that they are maximizing production capacity? Like baseload electric power plants, operation at near or full capacity can reduce costs per units measured of production.
 - Seems that entities were overall okay with current capacity, although that doesn't mean future planning for those isn't being thought of.
- Metrics tracked for current production costs at each plant.
- Condition of water plants acceptable?
- Major maintenance, Capital improvements or extra capacity needed in the near future (less than 5 years)? Long term - > 5 years?
 - The planning of future improvements and capacity are always being considered 5, 10, and 20 years out.
 - Future development (State Route 4) delayed due to lack of capacity.
- Would centralized dispatching of water from the plants conceivably reduce costs? Leads into next question;
- What about centralized maintenance planning and capital improvement coordination like a rural water district, but just for plants?
 - Current mutual agreement between water and sewer departments.
- Is routine maintenance primarily in-house or contract?
 - City of Sandusky currently uses in house staff for maintenance
 - 20-30 in house staff between sewer, water and utility personnel
 - Erie County currently uses in house staff for maintenance
 - Village of Milan will use in house and outsource work.
 - Could Erie County be used to assist smaller township and villages
- Are plant operators & maintenance personnel effectively utilized or used in other capacities during “down” time? Or could there be a “traveling” maintenance crew within the county?
 - Erie County and the City of Sandusky both indicated that they cross train, work during down time not discussed.
- Costs per units measured /customer for Erie County, Sandusky, Huron, Vermilion
- All other performance indicators tracked by water departments' management
- Activities planned or in progress to improve efficiency
 - Maintenance of current pipes is ongoing.
 - Target repeat pipes for future projects.

- GIS is being utilized by entities for breaks and where to replace.
- Financial incentives for regionalization at state level
 - Potential saving on grants for coordination on projects.
 - TIF's
- Impact of water and sewer on development
 - Could capacity or lack of hinder future development
- What have other governments done to remove themselves from the public utility (e.x. regional districts)
- How do EPA mandates change or delay actions as regional entities work to collaborate locally
 - Erie County is currently on a mandate, no indication that it is delaying entities to work together.
 - Entities seemed open to the idea on collaboration of sewer and water projects if align.

Recommendations

- Develop a feasibility study examining water and sewer regionalization

Legislative Actions

- *None*

Public Transportation – (Ms. Balconi Ghezzi and Mr. Krabill) (April 8th)

Colleen Gilson and James Stacey, City of Sandusky

Review

- Possible centralized hub in Sandusky to service more expansive area outside of city limit
 - Existing
- What is the appetite for expanded services county wide from other municipalities
 - STS could do additional reach out to inform smaller township and villages or Dial-a-Ride
- Current customer base
 - Diverse customer base ranging from locals traveling to work and leisure, out of towns for work and leisure, seniors, and veterans.
- Current scheduling and operations
 - Dial-a-Ride – Monday thru Saturday, 6am-10pm, anywhere in Erie County - \$5.00
 - Fixed Route – 6-7 days a week, 6am-10:30pm, 5 Routes/Sandusky and Perkins, 1 Bus per hr. \$2.00
- Current funding sources
 - FTA Federal Loans, City Funds, Contract Revenue, State Assistance, and Farebox
- How to better site bus stops/facilities
 - Problems with getting in contact with right people (mall)
- Activities planned or in progress to improve efficiency
 - 2023 HDR Study provided SWOT analysis and review of STS transit vs. comparable transit systems in the state.
 - Advertising
 - Transit App

Recommendations

The Commission has chosen not to make any recommendations at this point.

Legislative Actions

- *None*

Education – (Mr. Tucker and Ms. Crescimano at McCormick Middle School) (April 15th)

(Insert Speaker Here)

Review

- Hospitalization/Healthcare costs acceptable? Interest in pooling?
 - HESE -13 School Districts
 - NOECA – 49 Schools 7 that are Erie County
 - Bay Area Gas – 25 School Districts
- Transportation costs? What governs the amount and size of buses? Is there a rule of thumb or a state requirement? Does every bus still need to be standard size or can some be downsized to 37 passenger airport bus size? Smaller can be safer, less initial cost, and less expensive for maintenance and fuel. Observations noted are that some bus routes are running at low capacity.
 - Some pooling and vehicle size has been done in special cases, but may be worth future discussion
 - Busses run \$150k now, and ordering delays cause issues
 - Bus drivers
 - Strict testing and licensing requirements
 - including raised wages to attract drivers
- Fleet maintenance, who performs it, where
 - Possible mechanic for school buses
 - Under wash facility – idea expressed in previous public meeting. This is another cross-cutting issue that has merit, but where, and how much, how to fund are issues.
 - Enzo – Local business for under wash has been used
- Are alternatives to costly capital improvements being actively pursued?
 - Ohio Schools Council offers financial saving to schools
- What administrative functions are feasible to share?
 - Previous efforts by Perkins to share school treasurer
 - School social workers at each school (Goes through ESC)
 - Specialty Teachers (Foreign Language, Honors Classes)
- Snow & ice removal, contract or in-house? In-house cost?
 - Perkins assists in some snow/ice removal/SD handles remainder
 - Sandusky City School performs its own snow removal.
- Review budget performance indicators
 - FY24 Cupp Report saved, to be shared with Commission in advance of meeting with Board Packets
- Expenditures per student per district?

- Detailed School Finance Payment Report (SFPR) found and saved, will be shared with Commission in advance of meeting with Board Packets (in lieu of SF-3 Data)
- Activities planned or in progress to improve efficiency
 - Healthcare (Sandusky City School on own plan)
 - Bay Area Gas
 - NOECA

Recommendations

1. *List the analysis of enrollment numbers with reserve numbers to show inefficiency and effectiveness*
2. *Combining Administration (Treasurer and Superintendent)*
 - *Support staff – curriculum directors(district wide), social workers (building)*
 - *Facilities long-term planning*
 - *Cost sharing of services*
3. *Bus Driver Testing and Licensing Requirements*

Legislative Actions

Entity Administrative Staffing -Human Resources & Employee Benefits (Ms. Crescimano, Ms. Balconi Ghezzi, and Mr. Tucker) (April 22nd)

Combination of HR & Erie County Facilities Topics, Pivoted to Local Courts in Document

(Potential invitees: Matt Wilson, Josh Mesenburg (UIS))

Review

- Determine administrative costs of court system
 - Determine what can be shared
 - Judge staffing all have individual staff, and is there a possibility for any overlap
 - 4 Common Pleas court in EC, with 4 judges and 4 staff each
 - Also includes Sheriff's Office staffing
 - Juvenile Court is clerk of their own court, with approx. 40 staffing on both sides (CCF and Detention) for approx. 80 employees
 - CCF is grant funded through Ohio Dept of Youth Services, \$3M budget
 - Approx. 30 beds on CCF, 36 bed on detention, with bed rentals to surrounding counties
 - Mostly from surrounding counties including Lorain and Cuyahoga
 - 2024 Average daily population was 15
 - Has 4D contract but receives no direct funding from JFS
 - Has a bailiff and does not share staffing with other courts
 - Bailiff stays busy across 3 court rooms
 - Staffing levels has remained consistent in previous years
 - Staffing turnover and applications have been slow to come in
 - Applications are through EC HR
 - Interpreters on contract and can be expensive
 - **Option for full time employment vs. contracting?**
 - County had state legislative action for 4th judge election in 2005
 - Budgets have increased since with shortening dockets
 - Judges have redundancies in certain processes (eg, Mailers for Jury Duty) that could benefit from being centralized
 - Shared personnel can be a challenge with specialized knowledge bases
- JobsOhio
 - Preventing fraud is a savings to tax payers
 - State and federal changes and challenges could be instituted to help reduce fraud through card stealing/skimming and impact tax savings statewide
 - Conversation with local lawmakers could help emphasize fraud strategies that impact statewide taxes

- What entities have:
 - Planning departments, how many planners, and budget?
 - Project Managers, how many, budget?
 - HR managers, how many, budget
 - PR personnel, how many, budget?
- Any opportunities to share the above or any other administrative resources?
- ECEDC, Shores and Islands, GSP should be included as entities provide the funding.
 - Receive local entity funding, so what resources do they use that can be best shared amongst everyone
 - Erie County Chamber previously offered Health Plans, but unknown if GSP offers it still similar to how GCP offers the “COSE” program
- Buildings & grounds, in-house or contracted or a combination?
- Possible addition to county website for links to various entity building zoning, sewer, water driveway permitting process – one stop shop. May not save costs but would reduce burden of finding the who, what, where for residents.
- Is there a way to better cooperate from an HR standpoint?
 - Small business challenge is for HR support and is a need in area identified by Firelands Forward -
- Activities planned or in progress to improve efficiency

Recommendations

“Look at historic budgets and case load for court systems; fraud impacts statewide tax costs and needs to be pushed for legislative awareness.”

1. Lobby General Assembly to remove 1 of the 3 commons pleas judges
 - a. (Highlight reduced case load, costs)
 - b. \$500,000 estimated savings
2. Goal in next 5-10 years to share services
 - a. Juvenile operates separately so call out separate
 - b. Determine language on future possible coordinated efforts
3. Encourage public to report fraud (Citizens as actors to help reduce fraud)
4. Legislation and enforcement at state level for fraud reduction
 - a. More of a statement – (Over \$1M in EC alone)
 - b. Broaden language on citizens as actors to help reduce fraud
 - c. *KBG incorporating fraud SSI numbers*

Legislative Actions

Infrastructure - Roads/Street Maintenance (Mr. Moon and Mr. Parker) (April 29th)

(Eric Dodrill, Erie County Engineer)

Review

- Major maintenance, Capital improvements or extra capacity needed in the near future (less than 5 years)? Long term - > 5 years?
 - It was proposed by Erie County Engineer and a memo was sent out from the Erie County Township Association president and the County Engineer last week requesting a plan from each township
 - Received Oxford, Margaretta, Perkins, Florence
 - Overall planning benefits were discussed such as cooperative contracts for any preventive maintenance (PM) such as thin overlay, micros-seal, crack seal, 2-inch overlay, chip seal, etc. Including cities in contracts in some cases could raise costs for rural areas due to costs in the cities are driven higher due to increased traffic control costs and mobilization costs and the piecework involved in working around manholes and other utility obstructions. Sandusky sets mobilization cost limits in the bids; however contractors are likely to make up for any possible underestimates by adding the cost to another area of a bid.
 - County, and townships concluded that by sharing 3–5-year road and street maintenance plan, the townships and county could benefit from cooperative contracting for work and purchases, the cities may wish to participate in some cases to reduce costs.
 - The County Engineer proposed informal quarterly meetings with townships to discuss work and issues that participants favor.
- Is routine maintenance primarily in-house or contract?
 - Primarily vehicle maintenance
 - Perkins Township has a staff mechanic that handles much of their maintenance
 - Sandusky has a facility and staff for maintenance.
 - Berlin Township they use American Diesel for out of warranty work.
 - Under wash facility – idea expressed in previous public meeting. This is another cross-cutting issue that has merit, but where, and how much, how to fund are issues.
- Snow Removal and Service
 - Use of brine to pre-wet salt and reduce bulk salt costs – Margaretta purchased brine mixing machine via grant and is letting Perkins purchase brine. Groton and Oxford will work with Margaretta on a similar deal. The Erie County Highway department may also want to share.
 - Township Trustee Coleman noted that when the salt is treated as it comes out of the truck it reduces splattering, which is up to 30-40%. The salt

sticks better and helps prevent hard pack ice formation which takes 10 time more salt to remove than just snow.

- Townships and county drivers work together to work out efficient snow removal routes to reduce time and costs
- Equipment Sharing
 - Oxford-Margaretta-Groton (OMG) have jointly purchased used a road roller, new asphalt crack sealing machine, new mini-track hoe, and used paving machine. Erie County and OMG share equipment and personnel to do smaller paving jobs at about 60% of a contractor cost to mobilize and lay asphalt for small jobs.
 - Combined work for 3 townships last year resulted in approx. 6000 tons of asphalt being laid.
 - OMG team assists the county with some small jobs (Columbus Ave, Hull Rd bridge deck).
 - The County Highway Dept. frequently assists with trucks and last year Margaretta paid for a local contractor to assist with semi-trucks with Flow Boy systems to speed up the work.
 - Crack Sealing – Purchasing in large quantities may be done by contractor, this could be a cooperative contract.
 - Perkins – State Dept of Administrative Services, 101L (and a 101G), competitive state bid price for crack sealing contractors
 - *FYI: Trustees need to pass Resolution to enter into contract*
 - Graders – Erie County has 3 graders that could possibly be shared.
 - Brine – Refer to snow removal.
 - Mini Excavators – Most townships have their own, OMG did a shared purchase in 2024.
 - Backhoes – Was agreed this piece of equipment that is not used much anymore.
 - Vacuum trucks – County Highway department assists townships quite frequently. (Formerly Perkins)
 - Sandusky has their own
 - Hydro-jet Sewer Cleaning – same as above
 - County purchased Perkins truck
 - Local contracts with Franklin or Fox for villages and townships
 - Tree trimming – Generally this is contracted and for rural areas non-routine, thus contracted as needed
 - Sandusky has a forestry dept.
 - Coordinate road bidding projects together among cities, townships, villages
 - By sharing road plans with the County Engineer, townships and the county could benefit from cooperative contracting for work and purchases. This would expand on the current program that was instituted decades ago. Cities may also benefit.

- Fleet maintenance, fleet garage, and fleet mechanic concept might benefit townships, cities, villages and school districts. Even within the Erie County Departments, this could be beneficial.
- Activities planned or in progress to improve efficiency
- Future meeting with ECEO and key townships officials to add items to this topic
- Level 3 events – how to best share resources
 - Note: ODOT has joint agreements/mutual aid and contracts with local contractors on assistance
- In regards to paying for shared services contracts (Crack Sealing)
 - Cost aggregation strategy has worked for ECSWD
 - ECEO can aggregate a bigger program with each entity able to enter into own contracts but one aggregated program for a service provider
- State has Best Management Practices (BMP) for cost savings strategies
 - See if ODOT makes info readily available
- Centralized fleet maintenance concept feasible?
 - Broad skillset to maintain all equipment can be a challenge
 - Perkins – Staff mechanic currently has no time outside of current workload
 - Larger items they may not have qualifications or large scale equipment for specialized lifts will be contracted out to maintain national standards
 - Margaretta – Limited work they have to tear apart, most work is preventative maintenance
 - Had used Oxford facilities to tear apart Grader as OMG
 - Can do in house and save for the three townships versus contracting out
 - Townships have limited staff filling numerous roles and readily work together with surrounding townships to respond to immediate issues
- Knowledge, ability and dedication of various departments across all entities work well together with broad skillset and respond to a variety of challenges daily

Recommendations

- Call out that the following are already being implemented:
 - Development of 3-5 year local plans to help collaborate larger scale contracts
 - Equipment rentals and sharing
 - Establish quarterly meetings with local entities to help coordinate projects
 - As began in subcommittee discussion
 - *See MP Notes*

Legislative Actions

- *None*

Economic Development – (Mr. Krabill and Mr. Parker) (May 6th)

Eric Wobser, GSP; Gary Boyle, Perkins Township; Colleen Gilson, City of Sandusky; Huron Representative; Zach Rospert, Erie County Regional Planning

Review

- What entities are currently expending public dollars to pursue economic and community development? Cities, villages, townships, county, regional planning, Shores & Islands, GSP, etc.?
 - Cities, villages, townships contribute through ECEDC
 - GSP – Total budget
 - Approx. 1/3 private investment/memberships,
 - 1/3 revenue through programs/fees,
 - 1/3 through public sources
 - City of Sandusky - \$500K Annually
 - Land Bank – DTAC at \$250K
 - Port Authority \$300K
 - S&IO for Erie/Ottawa - \$3-3.5M through marketing, grants, events
 - Various local incentives through abatement
 - Economic Development Administration (EDA)
- What income streams are solely devoted to pursuing development? Lodging tax for cities, township, and Shores & Islands, Community Improvement Corporation, Port Authority, Land Bank, etc.?
 - See responses above
- What tools are being used by public entities to pursue development (i.e. tax incentives, grants, etc.)? Do communities calculate ROI on these investments and can they be used to lessen the tax burden on residents? Also, how can they be used to invest in public infrastructure that offers benefits to the community as a whole?
 - Tools: TIFs, Grants, Loans
 - ROI tracked on lodging tax sales through GSP studies and calculated payback period to ensure strong ROI
 - Review future direct and indirect spending through market studies
 - Critical tool for local governments to determine ripple effect of investment based on studies
- What coordination is occurring among entities pursuing economic and community development? Are there opportunities for more partnership and cooperation?
 - Infrastructure – Sewer, water, an impact on housing
 - Great deal of coordination going on with all entities

- How are demographic and population changes going to affect the tax base moving forward? Does population stagnation and a declining school-age population lead to a greater cost burden on current residents?
 - Mr. Wobser shared demographics of Erie County population by decade by age group. Demographics show a decrease in working age adults and an increase in retirees living in Erie County.
 - Need to work on the housing stock to attract working age adults to this area
 - Find ways to accommodate older adults
 - Dive deeper on future impacts to tax base based on population changes
 - Coordination with water and sewer projects to fill the gaps in infrastructure
- Activities planned or in progress to improve efficiency
 - Lowering the overall tax burden on residents impacts housing locally, and goal of Blue Ribbon Commission is to address government spending

Recommendations

- Pursue more private, non-public funds as needed
- Encourage use and expansion on ROI on public projects through market studies

Legislative Actions

- None

Public Health Resources – (Ms. Karen Balconi Ghezzi)

(May 20th at 10AM)

Erie County Job and Family Services, Erie County Health Department, Erie County Alcohol, Drug Addiction, and Board of DD

What is the total annual budget for your organization?

- JFS - \$200M budget but \$2M from General Fund goes into child placement
- Health Department - \$24 million
- FQHC - \$2 million
- Alcohol, Drug Addiction, Mental Health & Services - \$6 million
- Board of DD - \$9.9 million

- What local funding do your organizations rely on versus how much do you receive in state/federal grants?
 - JFS - receives 1% of its budget from the County General Fund, the rest is State/Federal Grants

 - Health Department - \$2.4 million levy funds (10% of budget)
Balance comes from collection of various fees, licenses and permits.

 - ADAMHS- 52% levy funds
Federal Grants - \$1.2 million
Ohio Dept. of Health – 20%

 - Board of DD – Federal grants – 15-17%
Local grants – 8%
State grants – 1%
Levy funds (3.0 mill) – 75%
Partial rollbacks, per the Budget Commission from 2021-2025, have saved taxpayers \$5.8 million

- What partnerships currently exist with other public health agencies? Are there other partnership opportunities that would create efficiencies?
 - Health Dept. - 100's of agencies i.e., Ohio Department of Public Health, Department of Agriculture, USDA, Firelands Regional Medical Center, Erie County EMA, Ohio EMA.
 - ADAMHS - ADAMHS contracts with 14 agencies including Health Department, Community Foundation, Board of DD and United Way, JFS, Health Dept., Jail and providing services to the Local School Districts.
 - Board of DD - ADAMHS, Family & Children First Council and JFS

- What duplications exist in the public health arena in Erie County? Are there opportunities to save costs?
 - Health Dept. - Mr. Schade stated Health Departments work closely with Infectious Disease Control and he believes that there is more than enough need for other health centers to exist.
 - ADAMHS - The mental health system has a myriad of providers that ADAMHS works with in conjunction. The Board determined not to partner with for-profit entities to ensure the highest of standards are met with their dollars.
 - Board of DD - No other agency in Erie County provides the services that Board of DD provides, so there are no duplication of services.

11:00 AM – Libraries (Berlin-Milan, Ritter Public, Sandusky Public) and MetroParks

1. What is the total annual budget for your organization?
 - a. Berlin-Milan - \$1.16 million or \$135.50 per person per year
 - b. Ritter Public- \$1.6 million
 - c. Sandusky Public - \$4.8 million + \$600,00- special restriction funds = \$5.4 million
2. What local funding do your organizations rely on versus how much do you receive in state/federal grants?
 - a. Berlin-Milan - Property tax collections – 44.78%
 Public Library Fund (PLF) – 47.3% (state funding)
 Donations, fines and fees – 0.59%
 Endowment fund – 7.25%
 - b. Ritter Public- Local Levies – 55%
 Public Library Fund (PLF) – 45% (state funding)
 Receive several small local grants
 - c. Sandusky Public - Local Levies – 45% (\$1.6 million)
 Public Library Fund (PLF) – 55% (state funding)
 Received a city grant, using ARPA funds to building renovations
3. Percentage of budget for personnel and benefits?
 - a. Berlin-Milan - 57 ¼% of total budget
 - b. Ritter Public- n/a
 - c. Sandusky Public – 50% of total budget
4. What is your total carryover, and for what are you encumbering your carryover?
 - a. Berlin-Milan - \$1.6 million
 - b. Ritter Public- \$900,000
 - c. Sandusky Public – \$9 million

5. How are funds distributed for MetroParks?
 - Currently, MetroParks brings in \$2.5 million between two alternating five-year levies. MetroParks partners with many agencies to leverage and expand the outreach to provide additional programming.
6. What duplications exist in the library systems in Erie County? Are there opportunities to save costs?
 - Libraries partner with Clevnet
 - Libraries could share personnel duties such as HR and security (personnel has not been replaced to pre-covid levels)

Recommendations

- Libraries:
- Continue to maintain fiscal restraint with two-year budget outlook
- Continue working with less
- Possible consolidation of supply purchases
- Existing insurance practices with Stark County Council of Governments (COG) is a positive example of saving on Health Insurance

MetroParks:

- No recommendations

Legislative Actions

- None

Family Health Services

Mr. David Tatro, Sr., MPA, FABC, CEO/CFO of Family Health Services was not able to attend this Blue Ribbon Commission Meeting. He scheduled a separate meeting at a later date with Jeff Krabill. Tom Forster joined Jeff at this meeting, and the following is some information that was learned at this meeting.

Family Health Services is one of two Federally Qualified Health Centers in Erie County. It was the first FQHC until the Erie County Health Department decided to create its own in roughly 2015. Originally opened as a “look alike” FQHC, FHS received a 330 Grant in 2015 and now is the “safety net for Erie County” residents. Family Health Services provides the following services:

- Primary Care
- Women's Health
- Behavioral Health
- Dental
- Pharmacy
- Senior-Focused Care
- Nutrition Services
- Telehealth medicine
- Free Transportation

Their payor mix is...

- 60% Medicaid
- 20% Commercial Insurance
- 15% Medicare
- 5% Uninsured

Family Health Services provides about \$16,000,000 of care annually and sees 18,000 patients at its four area locations. By comparison, the Erie County Health Department's FQHC sees about 5,000 patients. Of note is that FHC serves their 18,000 patients at about half the cost of the Erie County Health Department's FQHC. FHC has about 140 employees.

Recommendations

- No recommendations

NOTE: Two family health services organizations (Health Department and Family Health Services) funded by the Federal Government is highly unusual. A suggestion would be to avoid increasing county costs on public health resources.

Legislative Actions

- None

APPENDIX E – ERIE COUNTY COMMON PLEAS COURT FINANCIAL REVIEW

Review of year-by-year funding for Erie County Commons Pleas Court.

2002	
Common Pleas Court (Maschari)	
Salary & Benefits	\$ 296,649
Supplies & Services	\$ 366,045
Total	\$ 662,694
Adult Probation	
Salary & Benefits	\$ 373,540
Supplies & Services	\$ 70,000
Total	\$ 443,540
Family Court (Delamatre)	
Salary & Benefits	\$ 1,896,618
Supplies & Services	\$ 432,000
Total	\$ 2,328,618
Probate Court (McGookey)	
Salary & Benefits	\$ 274,581
Supplies & Services	\$ 35,200
Total	\$ 309,781
Grand Total	\$ 3,744,633
CPI (2025 \$)	\$ 6,716,891

2003	
Common Pleas Court (Maschari)	
Salary & Benefits	\$ 262,270
Supplies & Services	\$ 399,400
Total	\$ 661,670
Adult Probation	
Salary & Benefits	\$ 332,564
Supplies & Services	\$ 50,500
Total	\$ 383,064
Family Court (Delamatre)	
Salary & Benefits	\$ 1,874,032
Supplies & Services	\$ 355,515
Total	\$ 2,229,547
Probate Court (McGookey)	
Salary & Benefits	\$ 277,592
Supplies & Services	\$ 31,700
Total	\$ 309,292
Grand Total	\$ 3,583,573
CPI (2025 \$)	\$ 6,265,257

2004	
Common Pleas Court (Maschari)	
Salary & Benefits	\$ 306,114
Supplies & Services	\$ 382,600
Total	\$ 688,714
Adult Probation	
Salary & Benefits	\$ 284,956
Supplies & Services	\$ 43,100
Total	\$ 328,056
Family Court (Delamatre)	
Salary & Benefits	\$ 1,948,185
Supplies & Services	\$ 342,005
Total	\$ 2,290,190
Probate Court (McGookey)	
Salary & Benefits	\$ 260,743
Supplies & Services	\$ 33,400
Total	\$ 294,143
Grand Total	\$ 3,601,103
CPI (2025 \$)	\$ 6,176,922

2005*	
Common Pleas Court (Tone & Binette)	
Salary & Benefits	\$ 675,109
Supplies & Services	\$ 257,900
Total	\$ 933,009
Adult Probation	
Salary & Benefits	\$ 361,139
Supplies & Services	\$ 34,600
Total	\$ 395,739
Family Court (Delamatre)	
Salary & Benefits	\$ 1,905,822
Supplies & Services	\$ 348,075
Total	\$ 2,253,897
Probate Court (McGookey)	
Salary & Benefits	\$ 263,774
Supplies & Services	\$ 47,600
Total	\$ 311,374
Grand Total	\$ 3,894,019
CPI (2025 \$)	\$ 6,486,717

*NOTE: 4th Judge's term began in 2005

2006	
Common Pleas Court (Tone)	
Salary & Benefits	\$ 326,229
Supplies & Services	\$ 111,650
Total	\$ 437,879
Common Pleas Court (Binette)	
Salary & Benefits	\$ 354,492
Supplies & Services	\$ 111,650
Total	\$ 466,142
Adult Probation	
Salary & Benefits	\$ 374,896
Supplies & Services	\$ 26,000
Total	\$ 400,896
Family Court (Delamatre)	
Salary & Benefits	\$ 1,865,440
Supplies & Services	\$ 367,300
Total	\$ 2,232,740
Probate Court (McGookey)	
Salary & Benefits	\$ 271,571
Supplies & Services	\$ 60,900
Total	\$ 332,471
Grand Total	\$ 3,870,128
CPI (2025 \$)	\$ 6,199,836

2007	
Common Pleas Court (Tone)	
Salary & Benefits	\$ 386,122
Supplies & Services	\$ 129,500
Total	\$ 515,622
Common Pleas Court (Binette)	
Salary & Benefits	\$ 376,740
Supplies & Services	\$ 120,050
Total	\$ 496,790
Adult Probation	
Salary & Benefits	\$ 390,303
Supplies & Services	\$ 32,200
Total	\$ 422,503
Family Court (Delamatre)	
Salary & Benefits	\$ 1,992,611
Supplies & Services	\$ 375,652
Total	\$ 2,368,263
Probate Court (McGookey)	
Salary & Benefits	\$ 284,716
Supplies & Services	\$ 61,500
Total	\$ 346,216
Grand Total	\$ 4,149,394
CPI (2025 \$)	\$ 6,512,045

2008	
Common Pleas Court (Tone)	
Salary & Benefits	\$ 428,221
Supplies & Services	\$ 120,580
Total	\$ 548,801
Common Pleas Court (Binette)	
Salary & Benefits	\$ 453,579
Supplies & Services	\$ 130,075
Total	\$ 583,654
Adult Probation	
Salary & Benefits	\$ 408,441
Supplies & Services	\$ 37,800
Total	\$ 446,241
Family Court (Delamatre)	
Salary & Benefits	\$ 2,006,637
Supplies & Services	\$ 314,563
Total	\$ 2,321,200
Probate Court (McGookey)	
Salary & Benefits	\$ 296,239
Supplies & Services	\$ 61,500
Total	\$ 357,739
Grand Total	\$ 4,257,635
CPI (2025 \$)	\$ 6,407,652

2009	
Common Pleas Court (Tone)	
Salary & Benefits	\$ 409,299
Supplies & Services	\$ 87,557
Total	\$ 496,856
Common Pleas Court (Binette)	
Salary & Benefits	\$ 464,318
Supplies & Services	\$ 79,490
Total	\$ 543,808
Adult Probation	
Salary & Benefits	\$ 400,011
Supplies & Services	\$ 18,200
Total	\$ 418,211
Family Court (Delamatre)	
Salary & Benefits	\$ 1,904,820
Supplies & Services	\$ 187,211
Total	\$ 2,092,031
Probate Court (McGookey)	
Salary & Benefits	\$ 271,450
Supplies & Services	\$ 53,450
Total	\$ 324,900
Grand Total	\$ 3,875,806
CPI (2025 \$)	\$ 5,831,267

2010		
Common Pleas Court (Tone)		
Salary & Benefits	\$	352,890
Supplies & Services	\$	97,041
Total	\$	449,931
Common Pleas Court (Binette)		
Salary & Benefits	\$	446,050
Supplies & Services	\$	46,138
Total	\$	492,188
Adult Probation		
Salary & Benefits	\$	339,714
Supplies & Services	\$	21,741
Total	\$	361,455
Family Court (Delamatre)		
Salary & Benefits	\$	1,732,402
Supplies & Services	\$	178,201
Total	\$	1,910,603
Probate Court (McGookey)		
Salary & Benefits	\$	264,035
Supplies & Services	\$	34,580
Total	\$	298,615
Grand Total	\$	3,512,792
CPI (2025 \$)	\$	5,149,880

2011		
Common Pleas Court (Tone)		
Salary & Benefits	\$	348,643
Supplies & Services	\$	101,288
Total	\$	449,931
Common Pleas Court (Binette)		
Salary & Benefits	\$	445,032
Supplies & Services	\$	57,604
Total	\$	502,636
Adult Probation		
Salary & Benefits	\$	337,944
Supplies & Services	\$	23,511
Total	\$	361,455
Family Court (Delamatre)		
Salary & Benefits	\$	1,699,972
Supplies & Services	\$	183,401
Total	\$	1,883,373
Probate Court (McGookey)		
Salary & Benefits	\$	263,432
Supplies & Services	\$	46,799
Total	\$	310,231
Grand Total	\$	3,507,626
CPI (2025 \$)	\$	5,059,740

2012		
Common Pleas Court (Tone)		
Salary & Benefits	\$	374,269
Supplies & Services	\$	98,530
Total	\$	472,799
Common Pleas Court (Binette)		
Salary & Benefits	\$	461,066
Supplies & Services	\$	63,399
Total	\$	524,465
Adult Probation		
Salary & Benefits	\$	346,308
Supplies & Services	\$	11,711
Total	\$	358,019
Family Court (Delamatre)		
Salary & Benefits	\$	1,810,138
Supplies & Services	\$	177,980
Total	\$	1,988,118
Probate Court (McGookey)		
Salary & Benefits	\$	264,015
Supplies & Services	\$	47,500
Total	\$	311,515
Grand Total	\$	3,654,916
CPI (2025 \$)	\$	5,122,365

2013		
Common Pleas Court (Tone)		
Salary & Benefits	\$	362,840
Supplies & Services	\$	351,304
Total	\$	714,144
Common Pleas Court (Binette)		
Salary & Benefits	\$	467,815
Supplies & Services	\$	108,318
Total	\$	576,133
Adult Probation		
Salary & Benefits	\$	351,782
Supplies & Services	\$	18,432
Total	\$	370,214
Family Court (Delamatre)		
Salary & Benefits	\$	1,872,195
Supplies & Services	\$	177,980
Total	\$	2,050,175
Probate Court (McGookey)		
Salary & Benefits	\$	267,691
Supplies & Services	\$	51,799
Total	\$	319,490
Grand Total	\$	4,030,156
CPI (2025 \$)	\$	5,559,596

2014		
Common Pleas Court (Tone)		
Salary & Benefits	\$	368,900
Supplies & Services	\$	358,180
Total	\$	727,080
Common Pleas Court (Binette)		
Salary & Benefits	\$	475,917
Supplies & Services	\$	160,980
Total	\$	636,897
Adult Probation		
Salary & Benefits	\$	359,431
Supplies & Services	\$	23,000
Total	\$	382,431
Family Court (Delamatre)		
Salary & Benefits	\$	1,848,439
Supplies & Services	\$	193,340
Total	\$	2,041,779
Probate Court (McGookey)		
Salary & Benefits	\$	263,976
Supplies & Services	\$	55,300
Total	\$	319,276
Grand Total	\$	4,107,463
CPI (2025 \$)	\$	5,578,164

2015		
Common Pleas Court (Tone)		
Salary & Benefits	\$	428,354
Supplies & Services	\$	107,700
Total	\$	536,054
Common Pleas Court (Binette)		
Salary & Benefits	\$	466,285
Supplies & Services	\$	118,900
Total	\$	585,185
Adult Probation		
Salary & Benefits	\$	364,616
Supplies & Services	\$	38,438
Total	\$	403,054
Family Court (Delamatre)		
Salary & Benefits	\$	2,021,985
Supplies & Services	\$	198,548
Total	\$	2,220,533
Probate Court (McGookey)		
Salary & Benefits	\$	299,532
Supplies & Services	\$	75,300
Total	\$	374,832
Grand Total	\$	4,119,658
CPI (2025 \$)	\$	5,599,729

2016		
Common Pleas Court (Tone)		
Salary & Benefits	\$	439,544
Supplies & Services	\$	99,105
Total	\$	538,649
Common Pleas Court (Binette)		
Salary & Benefits	\$	513,061
Supplies & Services	\$	109,005
Total	\$	622,066
Adult Probation		
Salary & Benefits	\$	333,830
Supplies & Services	\$	23,500
Total	\$	357,330
Family Court (Delamatre)		
Salary & Benefits	\$	1,982,656
Supplies & Services	\$	205,900
Total	\$	2,188,556
Probate Court (McGookey)		
Salary & Benefits	\$	353,463
Supplies & Services	\$	57,300
Total	\$	410,763
Grand Total	\$	4,117,364
CPI (2025 \$)	\$	5,520,805

2017		
Common Pleas Court (Tone)		
Salary & Benefits	\$	434,699
Supplies & Services	\$	94,450
Total	\$	529,149
Common Pleas Court (Binette)		
Salary & Benefits	\$	641,896
Supplies & Services	\$	88,335
Total	\$	730,231
Adult Probation		
Salary & Benefits	\$	343,107
Supplies & Services	\$	6,141
Total	\$	349,248
Family Court (Delamatre)		
Salary & Benefits	\$	2,149,609
Supplies & Services	\$	192,592
Total	\$	2,342,201
Probate Court (McGookey)		
Salary & Benefits	\$	344,159
Supplies & Services	\$	62,764
Total	\$	406,923
Grand Total	\$	4,357,752
CPI (2025 \$)	\$	5,700,614

2018		
Common Pleas Court (Tone)		
Salary & Benefits	\$	542,800
Supplies & Services	\$	96,349
Total	\$	639,149
Common Pleas Court (Binette)		
Salary & Benefits	\$	638,755
Supplies & Services	\$	88,335
Total	\$	727,090
Adult Probation		
Salary & Benefits	\$	341,108
Supplies & Services	\$	8,141
Total	\$	349,249
Family Court (Delamatre)		
Salary & Benefits	\$	2,204,568
Supplies & Services	\$	216,352
Total	\$	2,420,920
Probate Court (McGookey)		
Salary & Benefits	\$	366,667
Supplies & Services	\$	62,764
Total	\$	429,431
Grand Total	\$	4,565,839
CPI (2025 \$)	\$	5,851,665

2019		
Common Pleas Court (Tone)		
Salary & Benefits	\$	541,946
Supplies & Services	\$	87,100
Total	\$	629,046
Common Pleas Court (Binette)		
Salary & Benefits	\$	614,553
Supplies & Services	\$	83,335
Total	\$	697,888
Adult Probation		
Salary & Benefits	\$	320,539
Supplies & Services	\$	4,500
Total	\$	325,039
Family Court (Delamatre)		
Salary & Benefits	\$	2,250,305
Supplies & Services	\$	181,500
Total	\$	2,431,805
Probate Court (McGookey)		
Salary & Benefits	\$	420,532
Supplies & Services	\$	68,782
Total	\$	489,314
Grand Total	\$	4,573,092
CPI (2025 \$)	\$	5,771,432

2020		
Common Pleas Court (Tone)		
Salary & Benefits	\$	578,265
Supplies & Services	\$	87,100
Total	\$	665,365
Common Pleas Court (Binette)		
Salary & Benefits	\$	625,828
Supplies & Services	\$	93,633
Total	\$	719,461
Adult Probation		
Salary & Benefits	\$	383,870
Supplies & Services	\$	4,500
Total	\$	388,370
Family Court (Delamatre)		
Salary & Benefits	\$	2,350,859
Supplies & Services	\$	204,275
Total	\$	2,555,134
Probate Court (McGookey)		
Salary & Benefits	\$	454,651
Supplies & Services	\$	68,782
Total	\$	523,433
Grand Total	\$	4,851,763
CPI (2025 \$)	\$	5,974,565

2021		
Common Pleas Court (Tone)		
Salary & Benefits	\$	622,589
Supplies & Services	\$	105,389
Total	\$	727,978
Common Pleas Court (Binette)		
Salary & Benefits	\$	634,344
Supplies & Services	\$	93,633
Total	\$	727,977
Adult Probation		
Salary & Benefits	\$	383,870
Supplies & Services	\$	4,500
Total	\$	388,370
Family Court (Delamatre)		
Salary & Benefits	\$	2,276,484
Supplies & Services	\$	208,752
Total	\$	2,485,236
Probate Court (McGookey)		
Salary & Benefits	\$	431,320
Supplies & Services	\$	70,091
Total	\$	501,411
Grand Total	\$	4,830,972
CPI (2025 \$)	\$	5,866,840

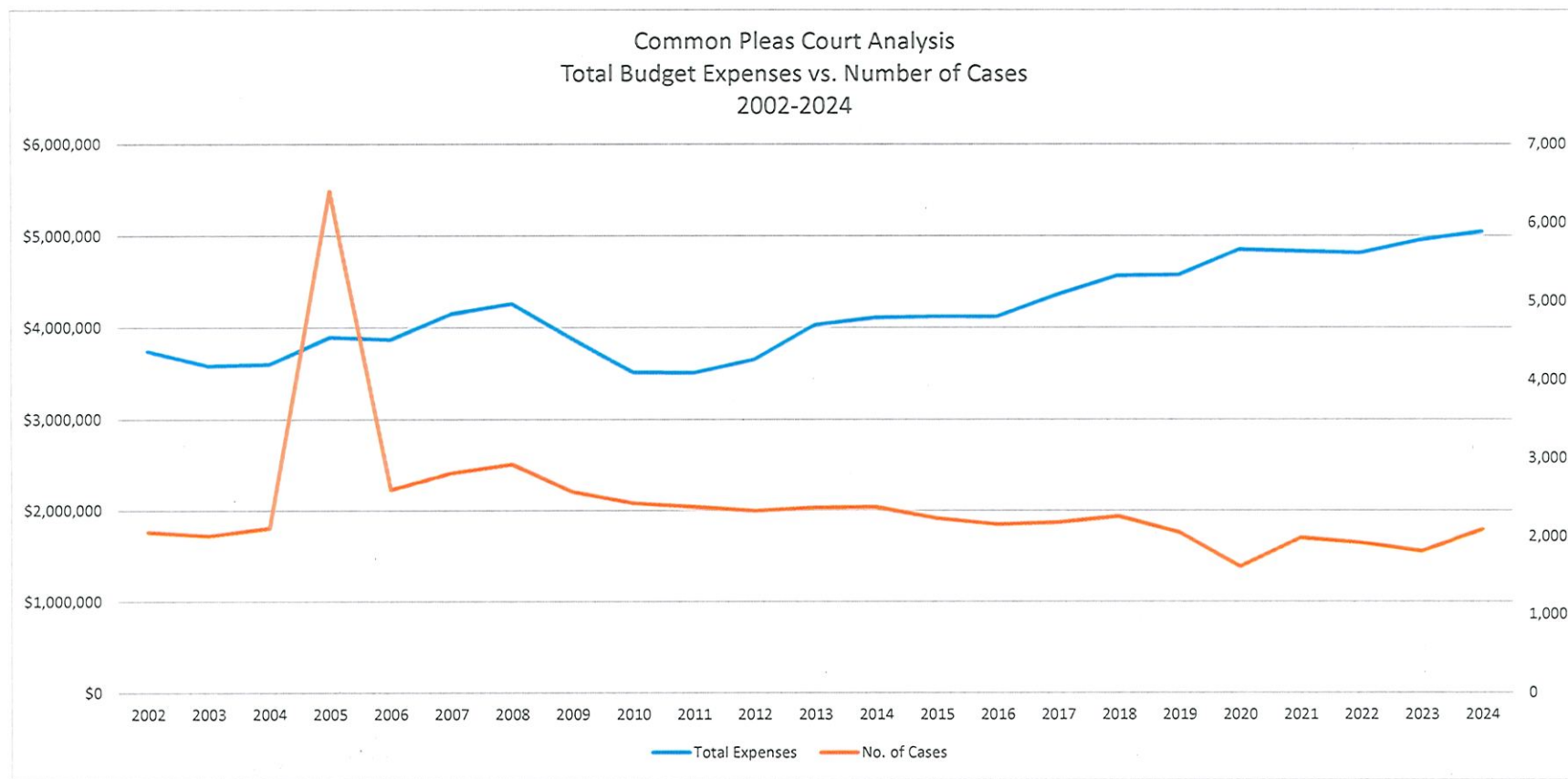
2022		
Common Pleas Court (Tone)		
Salary & Benefits	\$	640,601
Supplies & Services	\$	102,100
Total	\$	742,701
Common Pleas Court (Binette)		
Salary & Benefits	\$	649,701
Supplies & Services	\$	93,000
Total	\$	742,701
Adult Probation		
Salary & Benefits	\$	435,000
Supplies & Services	\$	4,500
Total	\$	439,500
Family Court (Delamatre)		
Salary & Benefits	\$	2,160,230
Supplies & Services	\$	224,785
Total	\$	2,385,015
Probate Court (McGookey)		
Salary & Benefits	\$	439,728
Supplies & Services	\$	63,900
Total	\$	503,628
Grand Total	\$	4,813,545
CPI (2025 \$)	\$	5,438,857

2023		
Common Pleas Court (Tone)		
Salary & Benefits	\$	653,889
Supplies & Services	\$	106,700
Total	\$	760,589
Common Pleas Court (Binette)		
Salary & Benefits	\$	697,680
Supplies & Services	\$	95,300
Total	\$	792,980
Adult Probation		
Salary & Benefits	\$	452,845
Supplies & Services	\$	5,525
Total	\$	458,370
Family Court (Delamatre)		
Salary & Benefits	\$	2,190,108
Supplies & Services	\$	232,333
Total	\$	2,422,441
Probate Court (McGookey)		
Salary & Benefits	\$	459,026
Supplies & Services	\$	63,600
Total	\$	522,626
Grand Total	\$	4,957,006
CPI (2025 \$)	\$	5,263,553

2024		
Common Pleas Court (Tone)		
Salary & Benefits	\$	669,370
Supplies & Services	\$	119,500
Total	\$	788,870
Common Pleas Court (Binette)		
Salary & Benefits	\$	704,077
Supplies & Services	\$	100,800
Total	\$	804,877
Adult Probation		
Salary & Benefits	\$	459,002
Supplies & Services	\$	5,525
Total	\$	464,527
Family Court (Delamatre)		
Salary & Benefits	\$	2,174,723
Supplies & Services	\$	249,333
Total	\$	2,424,056
Probate Court (McGookey)		
Salary & Benefits	\$	483,902
Supplies & Services	\$	78,500
Total	\$	562,402
Grand Total	\$	5,044,732
CPI (2025 \$)	\$	5,196,098

2025		
Common Pleas Court (Tone)		
Salary & Benefits	\$	726,712
Supplies & Services	\$	122,500
Total	\$	849,212
Common Pleas Court (Binette)		
Salary & Benefits	\$	726,781
Supplies & Services	\$	123,800
Total	\$	850,581
Adult Probation		
Salary & Benefits	\$	468,200
Supplies & Services	\$	10,525
Total	\$	478,725
Family Court (Delamatre)		
Salary & Benefits	\$	2,303,553
Supplies & Services	\$	277,333
Total	\$	2,580,886
Probate Court (McGookey)		
Salary & Benefits	\$	568,291
Supplies & Services	\$	97,415
Total	\$	665,706
Grand Total	\$	5,425,110

Common Pleas Court Analysis		
2002-2024		
Year	Total Expenses	No. of Cases
2002	3,744,633.00	2,058
2003	3,583,573.00	2,010
2004	3,601,103.00	2,109
2005	3,894,019.00	6,402
2006	3,870,128.00	2,599
2007	4,149,394.00	2,816
2008	4,257,635.00	2,927
2009	3,875,806.00	2,572
2010	3,512,792.00	2,426
2011	3,507,626.00	2,382
2012	3,654,916.00	2,332
2013	4,030,156.00	2,371
2014	4,107,463.00	2,379
2015	4,119,658.00	2,235
2016	4,117,364.00	2,157
2017	4,357,752.00	2,181
2018	4,565,839.00	2,257
2019	4,573,092.00	2,052
2020	4,851,763.00	1,612
2021	4,830,972.00	1,982
2022	4,813,545.00	1,916
2023	4,957,006.00	1,810
2024	5,044,732.00	2,090



Data Source: Supreme Court of Ohio Case Management Section statistical reporting, collected under Sup.R.37.

	General Division, All Civil		
	Total Incoming Cases	Erie County Average Incoming Per Judge	Statewide Metrics Average Incoming Per Judge
2015	948	316.0	490
2016	912	304.0	486
2017	829	276.3	473
2018	848	282.7	464
2019	826	275.3	456
2020	556	185.3	357
2021	656	218.7	359
2022	656	218.7	392
2023	599	199.7	444
2024	806	268.7	481

	Domestic Relations Division, All Case Types		
	Total Incoming Cases	Erie County Average Incoming Per Judge	Statewide Metrics Average Incoming Per Judge
2015	679	339.5	853
2016	614	307.0	830
2017	566	283.0	822
2018	514	257.0	828
2019	597	298.5	817
2020	572	286.0	706
2021	545	272.5	738
2022	563	281.5	723
2023	457	228.5	702
2024	475	237.5	696

	Probate Division, All Case Types		
	Total Incoming Cases	Erie County Average Incoming Per Judge	Statewide Metrics Average Incoming Per Judge
2015	665	665.0	918
2016	705	705.0	890
2017	693	693.0	898
2018	679	679.0	903
2019	672	672.0	911
2020	615	615.0	863
2021	755	755.0	1062
2022	695	695.0	1056
2023	673	673.0	977
2024	685	685.0	959

	Aggregate, All Cases		
	Total Incoming Cases	Erie County Average Incoming Per Judge	Statewide Metrics Average Incoming Per Judge
2015	2292	764.0	2,261
2016	2231	743.7	2,206
2017	2088	696.0	2,193
2018	2041	680.3	2,195
2019	2095	698.3	2,184
2020	1743	581.0	1,926
2021	1956	652.0	2,159
2022	1914	638.0	2,171
2023	1729	576.3	2,123
2024	1966	655.3	2,136

Data Source: Supreme Court of Ohio Case Management Section statistical reporting,collected under Sup.R. 37

The Supreme Court of Ohio

OFFICE OF THE ADMINISTRATIVE DIRECTOR

65 SOUTH FRONT STREET, COLUMBUS, OH 43215-3431

CHIEF JUSTICE
SHARON L. KENNEDY

ADMINISTRATIVE DIRECTOR
ROBERT W. HORNER, III

JUSTICES
PATRICK F. FISCHER
R. PATRICK DEWINE
JENNIFER BRUNNER
JOSEPH T. DETERS
DANIEL R. HAWKINS
MEGAN E. SHANAHAN

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May 22, 2025

Hon. Theresa Gavarone
Ohio Senate
1 Capitol Square
Columbus, OH 43215

Re: Erie County Court of Common Pleas

Dear Senator Gavarone:

Your office recently requested an analysis of a proposal to seek the elimination of a judgeship in the Erie County Court of Common Pleas. I am writing to provide you with the enclosed report.

As detailed in our report, it is difficult to determine the potential impact on the Erie County Court of Common Pleas if the General Assembly were to eliminate the judgeship currently held by Judge Beverly McGookey upon her retirement. This difficulty is due to the division's unique subject matter jurisdiction. Our customary approach when analyzing proposals of this nature is to compare the resulting caseloads against the caseloads in peer courts having the same subject matter jurisdiction. Unfortunately, the Erie County Court of Common Pleas, General, Domestic Relations, and Probate Division is the only division with that particular mixture of subject matter jurisdiction. We have, however, provided information on the current and historical organization of this court as well as data on the current caseload across all divisions.

We encourage you to continue to work with the affected judges and local partners to understand their needs and perspective on this proposal.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Robert W. Horner, III
Administrative Director

cc: Hon. Roger E. Binette
Hon. Beverly M. McGookey
Hon. Tygh M. Tone



THE SUPREME COURT *of* OHIO COURT SERVICES

Erie County Court of Common Pleas Analysis of a Proposed Judgeship Elimination May 19, 2025

At the request of Senator Theresa Gavarone, this report provides an analysis of the potential impact on caseloads in the Erie County Court of Common Pleas, General, Domestic Relations, and Probate Division in the event the General Assembly enacts legislation that would eliminate the judgeship in that division that commenced on February 9, 2009.

Current and Historical Organization

Article IV, Section 4(A) of the Ohio Constitution states: “There shall be a court of common pleas and such divisions thereof as may be established by law serving each county of the state.” Under R.C. 2301.02(B), the General Assembly has established four judgeships in the Erie County Court of Common Pleas. In addition, R.C. 2301.03(N) provides that the judgeship that commenced on January 2, 1971, shall be designated as judge of the court of common pleas, juvenile division and have jurisdiction over juvenile matters. The three remaining judgeships shall each have jurisdiction over all remaining subject matter heard in the courts of common pleas (i.e., civil, criminal, domestic relations, and probate matters). See Table 1.

Table 1. Current Divisions, Judgeships, and Officeholders

Division	Commencement	Current Officeholder	Current	Age at Next
	Date		Term End Date	Term Start
General, Domestic Relations, and Probate	01/01/57	Tone, Tygh M.	12/31/28	67
General, Domestic Relations, and Probate	01/02/05	Binette, Roger E.	01/01/29	68
General, Domestic Relations, and Probate	02/09/09	McGookey, Beverly K.	02/08/27	73*
Juvenile	01/02/71	DeLamatre, Robert C.	01/01/31	68

* Judge is age-barred from seeking a new term of office (Ohio Const., art. IV, § 6(C).)

Prior to 1968, there was one judgeship on the Erie County Court of Common Pleas. In 1968, Ohio voters approved the Modern Courts Amendment, which made significant reforms to Ohio’s system. This amendment, officially adopted into the Ohio Constitution, was designed to modernize and streamline the structure, authority, and procedures of Ohio’s courts. With that amendment, a second judgeship was added to the Erie County Court of Common Pleas, increasing the number of judgeships to two, with one general division judge and one probate judge.

In 1969, the General Assembly added an additional judge to the Erie County Court of Common Pleas, bringing the total to three judges. That additional judgeship was designated as the judge of the domestic relations division, with all the powers and duties relating to juvenile courts. This resulted in there being three divisions in the court of common pleas: a general division hearing civil and criminal cases, a domestic relations and juvenile division, and a probate division.

In 2003, the General Assembly enacted H.B. 86 (125th G.A.), which provided for the following changes in the organization of the Erie County Court of Common Pleas, all of which remain in effect today:

- A separately-administered juvenile division was created, effective January 2, 2007. The judgeship with a commencement date of January 2, 1971, was designated as the judge of that division. (This seat is currently held by Judge DeLamatre.) Domestic relations jurisdiction shifted over to the general division.
- A new judgeship in the general and division was created, effective January 2, 2005, with jurisdiction over civil, criminal, domestic relations, and probate matters. (This seat is currently held by Judge Binette).
- The separately-administered probate division was eliminated and its judgeship was designated as a judgeship in the general, domestic relations, and probate division, with a term to begin February 9, 2008, with jurisdiction over civil, criminal, domestic relations, and probate matters. (This seat is currently held by Judge McGookey.)

Notwithstanding the current subject matter jurisdiction allocation provisions in R.C. 2301.03(N), in practice, the three judges of the general, domestic relations, and probate division have opted to modify their individual subject matter jurisdiction. Based on the caseload statistical reports filed with the Supreme Court of Ohio by each judge in accordance with Sup.R. 37.02, the judges are being assigned cases in the following manner:

- **Domestic relations** and **civil** cases are assigned only to Judge Binette and Judge Tone.
- **Probate** cases are assigned only to Judge McGookey.
- **Criminal** cases are assigned to all three judges. However, the number of new criminal cases assigned to Judge McGookey are, on average over the last five years, 20% fewer than the number of new criminal cases assigned to Judge Binette and Judge Tone. We are unaware of the details concerning the apparent arrangement those three judges have made to allocate the criminal caseload in this manner.

If the General Assembly were simply to eliminate the judgeship that commenced on February 9, 2009, the two remaining judges—absent some special local arrangement to the contrary—would equally share in the court’s entire civil, criminal, domestic relations, and probate caseload.

Caseload Analysis

Ordinarily, our approach when assessing a proposal to change the number of judgeships or divisional configuration in a court of common pleas, we compare the resulting caseload changes with the caseloads in peer courts. To accomplish this, we typically compare the number of incoming cases per judge between the subject court and courts with similar configurations. For example, the caseloads in a common pleas court with a combined general and domestic relations

division would be compared to other court divisions sharing that same subject matter jurisdiction. This method allows us to measure the extent to which the change would place the court outside of the average number of incoming cases per judge across the set of peer courts.







Table 2 shows the annual average number of incoming cases in the Erie County Court of Common Pleas, General, Domestic Relations, and Probate Division between 2020 and 2024. Also included are incoming cases per judge, assuming the division was comprised of two judgeships and the assignment of cases was equitably distributed between both judges. Unfortunately, Erie County is the only county in Ohio that has a combined general, domestic relations, and probate division. Because of that, there are no peer courts against which we can compare the court's caseload.

Table 2. Average Annual Incoming Cases, 2020 through 2024

Subject Matter	Incoming Cases	Incoming Cases Per Judge
Domestic Relations	522	261
Civil	655	327
Criminal	543	271
Probate	685	342
Total	2,404	1,202

An additional important consideration is the long term trend in incoming cases in the Erie County Court of Common Pleas, General, Domestic Relations, and Probate Division. Shown in Table 3 is the number of incoming cases per year in the court between 2015 and 2024, along with 10-year averages. The division's incoming domestic relations caseloads have generally been declining. Its civil and criminal caseloads have fluctuated somewhat but remain near the 10-year average of 764 and 582 incoming cases per year, respectively. Notwithstanding a sharp increase in 2021, the division's incoming probate caseloads have remained stable.

Table 3. Incoming Cases, 2015 to 2024

Case Type	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		AVG
Domestic Relations	679	614	566	514	597	572	545	563	457	475		558
Civil	948	912	829	848	826	556	656	656	599	806		764
Criminal	622	540	659	730	554	441	571	565	538	599		582
Probate	665	705	693	679	672	615	755	695	673	685		684
All Case Types	2,914	2,771	2,747	2,771	2,649	2,184	2,527	2,479	2,267	2,565		2,587

APPENDIX F – ERIE COUNTY SCHOOL DISTRICT REVIEW

Review of school district funding and enrollment.

Blue Ribbon Commission - Topic: Education

Enrollment figures taken from October Headcount Reports

[Enrollment Data | Ohio Department of Education and Workforce](#)

Year	Edison	Huron	Margaretta Perkins	Sandusky	Vermilion	EHOVE	
2025	1370	1147	1060	1836	3105	1600	947
2024	1441	1164	1083	1870	3115	1658	913
2023	1397	1161	1064	1863	3186	172	879
2022	1388	1207	1048	1864	3086	1725	815
2021	1424	1253	1109	1804	2994	1669	832
2020	1466	1340	1144	1850	3225	1771	747 *
2019	1481	1325	1146	1902	3193	1826	732 *
2018	1546	1352	1159	1944	3232	1836	747 *
2017	1522	1377	1149	2099	3329	1815	701 *
2016	1484	1379	1147	2178	3320	1847	677 *

EHOVE enrollment figures from 2016-2020 were taken from Payment Reports

FTE of Administrators taken from District Profile Reports (CUPP Report) (EHOVE data unavailable)

[District Profile Reports \(Cupp Report\) | Ohio Department of Education and Workforce](#)

Year	Edison	Huron	Margaretta Perkins	Sandusky	Vermilion	
2024	21	7	12	19	35	17
2023	16	9	12	17	38	16
2022	23	7	14	15	31	15
2021	16	8	13	11	31	17
2020	16	9	12	14	31	17
2019	14	10	12	14	32	14
2018	13	11	12	17	32	14
2017	12	11	13	16	34	11
2016	13	9	10	15	27	12

APPENDIX G – INSURANCE DATA REVIEW

Overview of preliminary study of review of insurance models and possible costs savings.

Information we have received from Tris Felix, Cornerstone.

PLAN

The Commission has received feedback from the county and township representatives and would like to move forward to explore group buy opportunities in both Health and Liability coverage lines. Of the two, there is a greater need and interest for a health insurance solution.

Cornerstone's process for feasibility and formation is a three-phased approach. Our approach is designed to allow clients to be able to gain confidence in viability of the project during Phase 1, at relatively low cost, before committing to a more expensive and elongated Feasibility Study.

1. Proof of Concept:

- Data gather, e.g., census data and summary plan descriptions including in-force rates
- Financial modeling of a multi-year pro forma for an AHP or group captive structure
- Executive Summary of contractual, regulatory, underwriting, and governance structures, etc.
- Estimated budget and timeframe for Phase 2 and a formal feasibility study
- "GO – "NO GO" decision: The Commission or its constituents.

Information that we need to request to complete the Proof of Concept:

- **Name of Employer**
- **City/town and zip code of employer**
- **Current broker/consultant**
- **Number of medical eligible employees**
- **Medical insurance information**
 - **Indicate if plan(s) are fully insured, level-funded or self-funded**
 - **Insurance carrier (or TPA if self-funded)**
 - **If self-funded, also list stop-loss insurance carrier and pharmacy benefit manager**
 - **List each plan offered and included the following**
 - **Indicate PPO/POS, HAS/QHDHP, or HMO**
 - **Network**
 - **Enrollment county by election tier (EE only EE + spouse, EE + child(ren), Family or other if not listed here)**
 - **Fully insured premium or premium equivalent (COBRA rates) by each election tier**
 - **SBC or summary of plan benefits**
- **Provide copy of benefit guide if available**

2. Feasibility Study and Business Plan:

- Contract with service providers, e.g., Cornerstone, actuary, legal counsel etc.
- Data gathering
- Actuarial analysis and financial modeling (pro forma financial statements)
- Draft legal agreements, participation agreements (may include intergovernmental agreements or articles of association)
- Draft Business Plan
- “GO – “NO GO” decision: The Commission or its constituents

3. Formation and Implementation:

- Finalize legal structure (state filings, banking agreements, stop-loss or reinsurance, captive certificate of authority, etc.)
- Capitalization (TBD)
- Launch

As the next step:

- Tris will consult with Cornerstone’s benefit staff to determine capacity and timeframe to work on Phase 1. I will get back to you with more information by 3/19/25.
- Please give thought to data gathering and/or a survey on your side of things. At a bare minimum, we will want to gather census and SPDs from each entity wishing to participate. We would probably recommend a few other survey questions to include with the request for documents. An online survey can be set up for us through Cornerstone or in-take the requested information directly from the groups **(See information noted in red above)**
- Please give thought on the optics of how this will look to your constituents. We would encourage you to set appropriate expectations with your constituents. We do not want to appear to over-promise and then under-deliver. Once you have momentum in an initiative like this, a perceived failure could make it impossible to generate this kind of momentum again in the near future. Something to think about.

Less Risk, More Reward

Captive Strategies for People-Driven Companies

Introduction

In the ever-evolving landscape of healthcare, businesses are continuously seeking effective ways to manage and mitigate the risks associated with providing health benefits to their employees. One powerful tool that has gained significant traction with smaller to medium size employers in recent years is the medical stop loss captive. This white paper explores how this approach can contribute to a more sustainable and controlled healthcare cost management strategy.

Captive insurance has long been recognized as a powerful tool for employers seeking cost control and risk stability. However, traditional large captives often fail to meet the needs of smaller, tightly aligned employer groups with shared business goals. Cornerstone specializes in designing and managing **smaller, highly cohesive captives**, offering employers a strategic path to enhanced cost predictability, governance flexibility, and long-term financial gains. This white paper explores how Cornerstone's customized approach to smaller captives is reshaping the industry by prioritizing employer alignment, operational transparency, and proactive risk management.

In 2025, medical plan cost trends are projected to increase by 8% and 11.4% for prescription drugs.





The Current Landscape

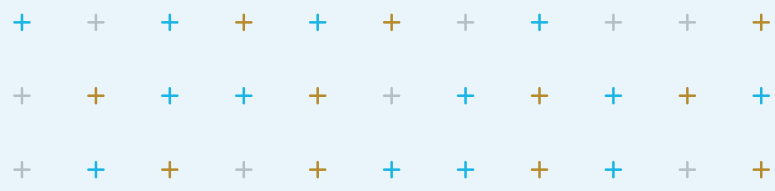
In 2025, medical plan cost trends are projected to increase by 8% and 11.4% for prescription drugs, both are an increase from 2024. There are a number of factors driving these increases—medical price inflation, consolidation and private equity ownership in healthcare, rising rates of chronic conditions, high-cost treatments due to advances in new treatments, and more effective and expensive new drug therapies replacing less costly alternatives for individuals with chronic conditions like diabetes and GLP-1s that treat it¹.

Employers looking to address these issues are generally divided by size. In 2023, larger employers saw an increase in their average health benefit cost per employee that was almost half the increase as smaller employers—7.8% vs 4.2%. In addition, historically stable plans like HMOs saw an average increase of nearly 20% for smaller employers². A typical response to address this rising cost by small to medium size employers has been to dilute coverage for members or market to different insurance carriers with a greater frequency. Those approaches are not strategic and wind up causing disruption to employees and disincentivizing engagement in high value care to manage or prevent chronic and costly conditions.

Larger employers on the other hand have more significantly embraced the strategy of unbundled self-funding for their employee healthcare coverage and untethering themselves from the traditional carrier based, fully insured product offerings. In doing so, they create customized employee health benefits by utilizing specialized vendors to manage individual components of their health plan administration while purchasing stop-loss insurance coverage for protection against larger claims.

Smaller to medium size employers often avoid this approach for several reasons—a lack of understanding or exposure (or collaborating with a consultant who is not well versed in the strategy), perceived administrative complexity, and the cost uncertainty associated with providing protection from catastrophic level claims and the impact on insurance premiums. Employers are not wrong in worrying about large, catastrophic claims. From 2020 to 2023 the frequency of million-dollar claims per million covered employees increased by 50%³. The severity of claims has primarily been driven by advances in medical treatments and medications.

Individuals facing life altering or threatening conditions now have more options for treatment than ever before but the cost to deliver this care is growing exponentially. Employers are wise to consider the cost impact of these treatments on their plans.



Unlike broad-based captives, which often pool employers with differing financial objectives and risk tolerances, Cornerstone's employer-aligned captives bring together organizations with a **shared philosophy, similar risk profiles, and aligned benefit goals.**

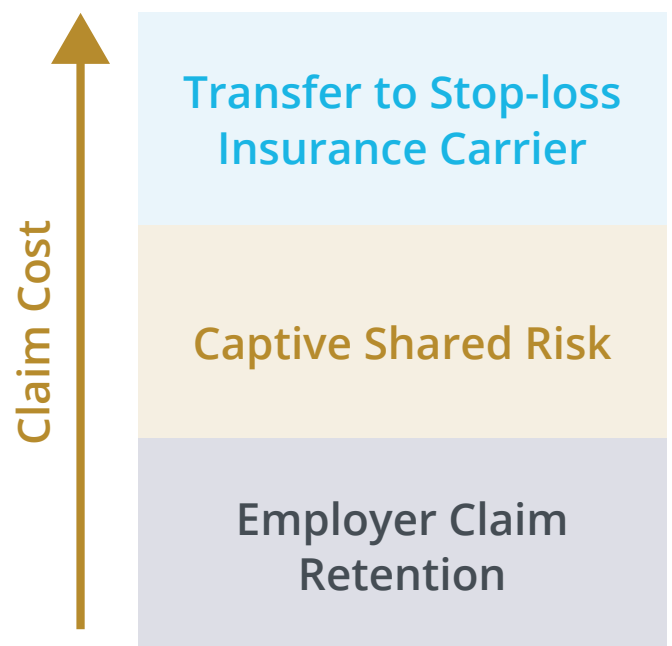
This structure results in:

- + **More predictable financial outcomes** through aligned underwriting and risk-sharing agreements.
- + **Stronger engagement and long-term retention** due to strategic group participation.
- + **Customized cost control measures** that reflect the unique needs of the employer group.
- + **Enhanced governance and decision-making transparency** with Cornerstone's captive management expertise.

Using a Captive to Optimize Risk Financing

A medical stop-loss captive is an alternative-risk financing structure that allows individual participating companies the ability to share in the funding of high-cost medical claims. The goal of any alternative-risk financing arrangement is to find the appropriate level of balance between risk retention and risk transfer. Smaller and medium size employers within a captive seek to distance themselves from the reliance on the more cyclical and volatile standard insurance market. By spreading large claim risk financing over multiple employers, any single employer does not bear the full weight of an adverse loss year. In addition, in positive loss years, any surplus funds in the captive are retained and distributed to participating member companies—eliminating profit retention usually held by insurance carriers.

Transferring Risk in a Captive



Developing a Comprehensive Strategy

While joining a captive can optimize insurance financing for a company’s health plan, the development of an effective risk mitigation strategy is paramount for the employer. Employers within a captive control their health plan operations – including the selection of third-party administrators, pharmacy benefit manager, medical network, and cost share provisions with employees (copays, deductibles, and out of pocket maximums). This precision alignment of specific vendors allows employers to build a health plan that is unique to their organizational objectives and population needs.

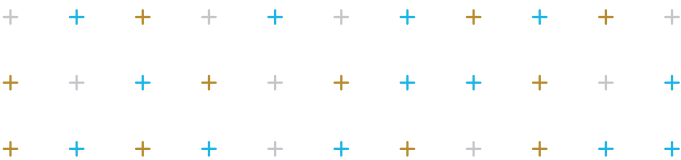
The most successful of health plan programs contain key elements:

- + Medical network management and direct contracting where feasible.
- + Cost transparency tools and education to steer members toward high quality and cost-efficient medical services and engagement with primary care.
- + Value based plan structure designed to incentivize utilization of screenings and early intervention services.
- + Support for members with chronic conditions to ensure care compliance.
- + Increase access to mental health providers and resources.
- + Pharmacy cost management strategies.
- + Robust data analytics to identify trends in a specific population and measure the effectiveness of implemented solutions and strategies.

Cornerstone’s program management expertise provides a seamless experience for employers seeking to establish and manage captives. From **pre-feasibility assessments** and **actuarial-driven loss projections** to **ongoing governance and risk management**, Cornerstone offers **end-to-end captive consulting and administration** to ensure each captive is structured for **long-term financial success and stability**.

Cornerstone’s Captive Practice

Our team is comprised of experienced individuals with deep knowledge of self-funding within captives. We specialize in the placement of individual employers within existing captives and the creation and management of homogenous, member owned captives. Whether partnering with a prospective client or developing strategy for an existing client, our collaborative approach allows us to work closely with employers to understand their unique needs to ensure captive placement and developed solutions are tailored and effective.



Cornerstone's Integrated Expertise in Captive Insurance Management

A successful captive insurance strategy requires more than just financial structuring—it demands **expert oversight in medical plan administration, pharmacy management, and health risk management** to ensure cost containment and long-term sustainability.

At Cornerstone, our Captive Practice collaborates with **internal subject matter experts** across multiple disciplines to provide a comprehensive, end-to-end approach to captive management:

- + **Medical Plan Administration** – Ensuring plan design efficiency, claims oversight, and seamless member experience.
- + **Pharmacy Management** – Optimizing prescription drug costs, evaluating formulary effectiveness, and mitigating price volatility.
- + **Health Risk Management** – Implementing proactive strategies that improve employee health outcomes while reducing long-term financial risks.

The Results

We have helped hundreds of employers develop a comprehensive, self-funded strategy aligning with a medical stop-loss captive. These programs have the potential for significant level of savings and the establishment of improved and sustainable health plans.

The following results reflect real-world impact from employer groups that have implemented Cornerstone's captive insurance strategies. While every organization's financial and risk profile is unique, these data points highlight the **consistent trends and measurable improvements** seen by businesses across industries. These results are not isolated but instead represent what organizations can achieve when leveraging a well-structured, employer-aligned captive with Cornerstone's expertise.



Captive Success

- + Saved \$310 in per employee per month health plan costs compared to fully insured projections.
- + Stop-loss insurance premium stability. Over thirteen renewal cycles, captive averaged 3.2% increases in premium vs market trend of 12%.
- + Through the development of value-based plan designs and removal of financial barriers to care employers saw:
 - Routine/preventive PCP visits increased by 8.3%
 - Mammogram utilization increased by 32.7%
 - Colonoscopies increased by 25.4%
 - Inpatient days decreased by 36%
 - ER visits decreased by 6.6%
 - Rx cost per script 42.5% below benchmark
 - Year over year medical cost trend increase of 0.7% vs. the 5.5% national average
 - Risk score of member population (predictive indicator of future population claim cost) improved by 24%

If your organization is ready to take control of healthcare costs with a **strategically designed captive insurance program**, Cornerstone's Captive Practice is here to help. Contact our team today for a **customized feasibility assessment** and discover how a Cornerstone-led captive can transform your benefits strategy.

SOURCES:

- 1) 2025 Segal Health Plan Cost Trend Survey
- 2) 2023 Mercer National Survey of Employer Sponsored Health Plans
- 3) SunLife 2024 High-cost claims and injectable drug trends analysis



SAM BURNS | NPN: 17331041
Vice President, Cornerstone Captive Practice Leader, Employee Benefits
Phone: 303.615.7669

This material is for general information only and should not be considered as a substitute for legal, medical, tax and/or actuarial advice. Contact the appropriate professional counsel for such matters. These materials are not exhaustive and are subject to possible changes in applicable laws, rules, and regulations and their interpretations.



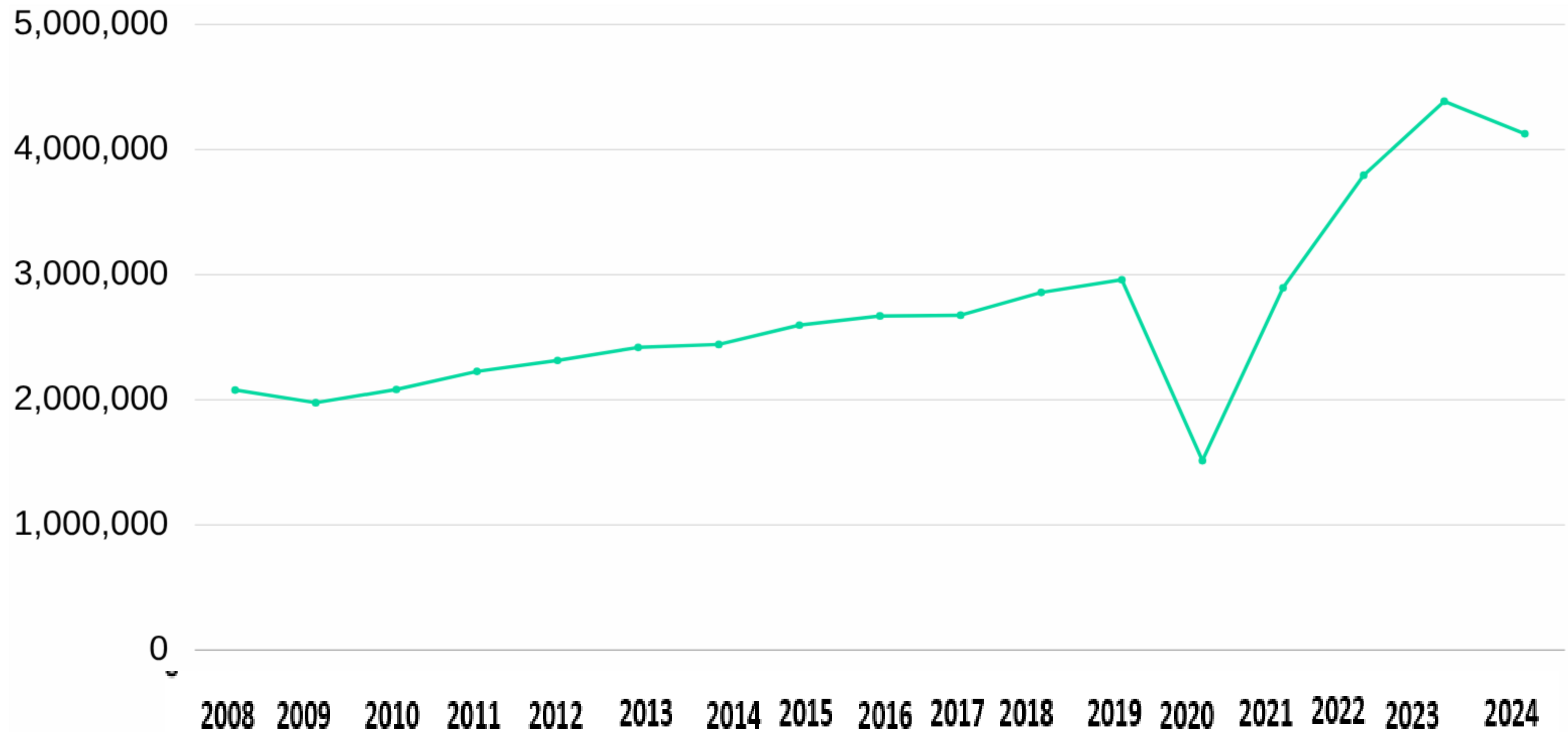
APPENDIX H – SHORES AND ISLANDS DESTINATION DEVELOPMENT GRANT

Overview of grant recipients in the Shores and Islands Destination Development Grant.

Erie Co. 2025 Destination Development Grant Funding

2025 Erie Co. Matching		
Alanas LLC - Sandusky	New Business	\$ 10,860.00
Bowl Thyme - Vermilion	Project Addition/Renovation	\$ 36,700.00
Burnham Orchards Inc. - Berlin Hts.	Expansion/Beautification	\$ 44,700.00
The Chart Room - Vermilion	New Business	\$ 43,550.00
Driftwood Farms - Vickery (Western Erie Co.)	Expansion/Beautification	\$ 39,229.00
The Emporium - Sandusky	New Business	\$ 41,450.00
Groove KI - Kelleys Island	Renovations/New Business	\$ 36,950.00
Korobkin Hospitality Group - Sandusky	New Business	\$ 39,850.00
MHD Corp - Sandusky	Project Addition/Renovation	\$ 13,450.00
Paddle Bar - Sandusky	Project Addition/Renovation	\$ 5,753.00
Paper Moon Vineyards - Vermilion	Expansion/Beautification	\$ 37,091.00
Sandusky Area Maritime Association - Sandusky	Expansion/Beautification	\$ 39,300.00
Sandusky Scoops LLC - Sandusky	New Business	\$ 18,250.00
Sur Sundries - Vermilion	New Business	\$ 8,310.00
Talltown Investments LLC - Sandusky	Expansion/Beautification	\$ 36,900.00
Matching total		\$ 452,343.00
2025 Erie Co. Non-Matching		
Edison Birthplace Association - Milan	Project Addition/Renovation	\$ 5,275.00
Harbourtown Fine Arts - Vermilion	Enhancement/Beautification	\$ 7,534.00
Merry-Go-Round Museum - Sandusky	Enhancement/Beautification	\$ 7,908.00
Monarch Winery - Kelleys Island	Property Enhancement	\$ 7,535.00
Sandusky CP Museum - Sandusky	Signage/Building Enhancement	\$ 7,370.00
Sweet Cheekz Cafe n Bistro - Sandusky	Enhancement/Beautification	\$ 7,750.00
Vermilion Port Authority - Vermilion	Enhancements	\$ 4,285.00
Non-Matching total		\$ 47,657.00
Total		\$ 500,000.00

ERIE COUNTY LODGING TAX 2008-2024



SHORES & ISLANDS BUDGET PERCENTAGES

STAFFING

2019 | 28.2%
2020 | 32.2%
2021 | 28.4%
2022 | 30.2%
2023 | 29.7%
2024 | 27.1%
2025 | 30.1%

MARKETING

2019 | 62%
2020 | 48%
2021 | 51%
2022 | 58%
2023 | 64%
2024 | 65%
2025 | 64%

APPENDIX I – RELATED STUDIES

Two cited studies detailing estimated EPA economic impacts of water regionalization and local impact of Flock Cameras and their impacts on cost savings.

Strengthening Utilities Through Consolidation: The Financial Impact



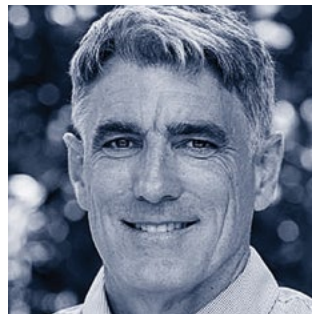
Preface

The US Water Alliance and the UNC Environmental Finance Center are committed to advancing fact-based, common-ground solutions to our nation's most pressing water challenges. Currently, the water sector is extremely diffuse. There are tens of thousands of water utilities and authorities in America. This is also a time of growing complexity and unprecedented change in the water sector. Collaboration and cooperation will be essential to securing our nation's water future. As the adage goes—there is strength in numbers.

Consolidating water services is one of many potential approaches that enables utilities to meet today's needs and tomorrow's demands. Pooling resources and streamlining operations and decision-making can enhance efficiency, but to get there, leaders need a clear picture of the payoff to justify the journey. Information about consolidation options and financial impacts is essential to understand what this approach can do to increase financial stability in the water sector.

To address this need, the US Water Alliance and the Environmental Finance Center teamed up to synthesize the body of evidence about the financial outcomes possible with water utility consolidation. This report examines the experiences of eight communities who consolidated utility service in different ways and for different reasons.

Breaking down silos in water will require skilled leadership and deep understanding of the tools and methods at our disposal. To that end, we hope to grow understanding by providing insight about what financial impacts communities might expect through consolidation.



Jeff Hughes
*Director, UNC Environmental
Finance Center*



Radhika Fox
*Chief Executive Officer,
US Water Alliance*

Acknowledgements

The US Water Alliance and UNC Environmental Finance Center would like to thank Erin Riggs, Project Director at the Environmental Finance Center, and Emily Simonson, Program Manager at the US Water Alliance, for their substantial research and writing contributions. We also want to thank Katy Lackey, Program Manager at the US Water Alliance, and graduate student researchers, Katy Hansen and Laura Landes from Duke University and Krysten French from the University of North Carolina, who contributed to this project.

This report was informed by an experienced set of water sector leaders. Thank you to all those who took the time to be interviewed and provide feedback on this report, including:

- **C. Tad Bohannon**, Chief Executive Officer, Central Arkansas Water
- **Jesse Cain**, City Manager, City of Colusa
- **Maureen Duffy**, Vice President, Communications and Federal Affairs, American Water
- **Jim LaPlant**, Chief Executive Office, Iowa Regional Utilities Association
- **Shelli Lovell**, General Manager, Marshalltown Water Works
- **Kenny Waldroup**, Assistant Public Utilities Director, City of Raleigh
- **John Walton**, Director of Marketing, Logan Todd Regional Water Commission

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Introduction

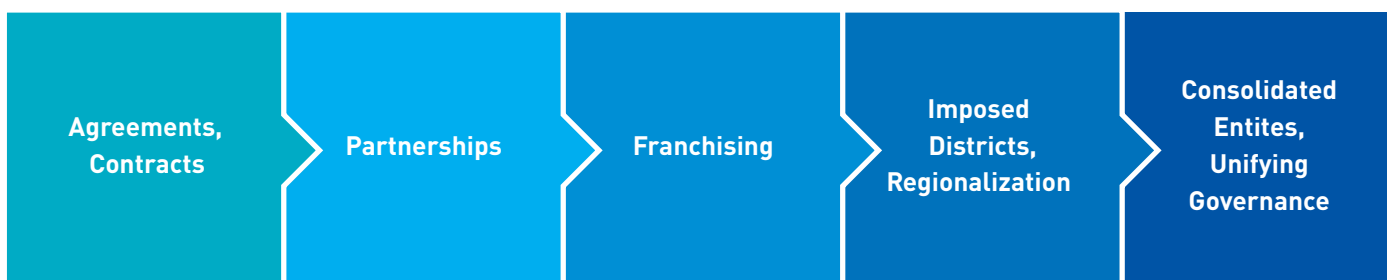
The water sector is at a crossroads. Most water systems in use today were built for communities that look different than the ones they now support. Population and demographic shifts, modern water quality threats, aging infrastructure, and related challenges are bearing down on water systems. Providing affordable, reliable, and high-quality water service is a difficult business. Consider a few salient facts:

- **Water infrastructure is aging and failing.** In 2017, the American Society of Civil Engineers gave the nation's water infrastructure a "D" grade and the nation's wastewater infrastructure a "D+."
- **Significant funding is needed.** The American Water Works Association estimates drinking water systems need to invest \$1.7 trillion in infrastructure over the next 40 years.¹ The Environmental Protection Agency's needs survey estimates the United States requires \$271 billion for wastewater and stormwater needs over the next 20 years.²
- **Affordability is a growing concern.** Water rates and fees are already rising and outpacing the Consumer Price Index.³ New investments contribute to growing concerns about water service affordability.

The water sector faces many barriers to addressing these challenges. One challenge is fragmentation. There are currently over 51,000 regulated community water systems owned and managed by thousands of entities ranging from large metropolitan cities to mobile home park owners.⁴ Furthermore, there are nearly 15,000 wastewater treatment plants, and over 1,000 stormwater utilities in America.^{5,6} By comparison, the United Kingdom only has 32 regulated water utilities and Australia only has 82 water suppliers.⁷ On average, each utility in Australia and the UK serves a much greater percent of the population than do systems in the United States.

In this landscape, water utilities may struggle to maximize benefits from their investments, save costs by operating at scale, and tackle challenges efficiently. Luckily, there are many ways utilities can collaborate with one another to streamline and improve water service. Utility partnerships can take many forms—from informal collaboration agreements to merging the financial and governance functions of separate entities. For example, some utilities undertake joint contracting for services which can lower prices; others partner on projects like emergency planning; some may have franchise agreements in place to share water supply.

Figure 1
Approaches to Collaboration Between Utilities



Consolidation is just one approach on this spectrum of options for how utilities can work together to provide high quality water service. Water utility consolidation occurs when two or more distinct legal entities become a single legal entity operating under the same governance, management, and financial functions. It may or may not include physically interconnecting assets. Consolidation also occurs at the regional level even when assets are spread out by merging the governance, management, and finance supporting geographically spread assets.

Current research and information on consolidation is less robust relative to other ways in which utilities engage in regional collaboration. Communities need access to facts, data, and information to support informed decision making. Towards that end, the US Water Alliance and the Environmental Finance Center at the University of North Carolina developed this report focused on the financial outcomes utilities have realized through consolidation. This report focuses on the impacts of different consolidation arrangements on customer rates, utility budgets, and debt. In some of the case studies, we also touch on economic implications, such as the broader costs and benefits to society beyond the utilities and customers involved.

Researchers at the UNC Environmental Finance Center identified and profiled a range of different consolidation models from across the country and studied the financial impacts resulting in each case. A team of graduate students from Duke University provided additional research including preparing a literature review that inventoried past research on consolidation.

With this report, the US Water Alliance and the Environmental Finance Center aspire to fill the gap in current research about the economic attributes associated with different consolidation models. We hope this research helps communities understand the opportunities, trade-offs, and financial impacts of consolidation.

Defining Key Terms

Types of Consolidation

Consolidation occurs when two or more legal entities become one operating under the same governance, management, and financial functions. Consolidation can include:

- **Direct Acquisition**, where a higher-capacity utility acquires the assets, operations, and customers of another system and absorbs them into its existing governance, operational, and financial frameworks.
- **Joint Merger**, where two or more relatively equal partners both adjust governance, operations, and financial frameworks to create a new entity that is owned and controlled by the previously separate parties.
- **Balanced Merger**, where two or more entities consolidate with the goal of establishing a governance structure that provides a basis for at least some direct participation by the pre-existing utility in future decision-making.

Regionalization and Regional Agreements

Regional approaches can also generate financial efficiency. These approaches do not combine legal entities but do pool utility resources, buying power, and technical expertise to do more across a wider area than a single utility could do alone. In some cases, utilities may develop regional partnerships to collaborate on issues of joint interest, like workforce development. In other cases, regionalizing could put one organization in charge of a particular project or function that takes place across many utilities' service areas.

Part One:

A Synthesis of Financial Impacts

Consolidation can be a tool to create fewer, more independent, high-capacity utilities—potentially benefiting ratepayers, local communities, and the broader water sector. However, communities need to weigh the benefits with the challenges of consolidating utilities. For example, consolidation can trigger a cascade of avoided future costs to a local utility, which can then be passed on to customers in the form of savings. But, in the near-term, some communities will face increased costs to address regulatory requirements and infrastructure investment backlogs. Communities need to look at financial factors over time and in local context. In some cases, utility consolidation may have more to do with improving service than reducing costs.

Financial Benefits

Communities contemplating whether to consolidate utilities need to consider a multitude of information. The most critical pieces are knowing what the value to the community would be and how long it could take to realize. Assessing, estimating, and quantifying benefits may be daunting, but doing so is essential to know whether benefits outweigh the costs and challenges. Benefits can be spread among customers, systems involved, and the broader economy. Potential financial benefits from water utility consolidation include:

- Economies of scale and operating efficiencies;
- Increased access to capital at a lower cost;
- Lower or equal customer rates for a specified level of service;
- Revenue stability;
- Reduced exposure to regulatory penalties;
- Improved planning and risk management; and
- Increased opportunities for economic development.

Economies of Scale and Operating Efficiencies

In rural and urban settings, consolidation often results in greater economies of scale. In other words, water, wastewater, and stormwater services involve dozens of separate business functions that can benefit from being spread over larger groups of customers.

Consider operating expenses. Reading 50 meters per month usually costs significantly more per meter than reading 50,000 meters. Maintaining a large network of assets rather than a smaller network of isolated assets can also be cost-effective. Similarly, the prices smaller systems pay for chemicals and services are often much higher than the price paid by their larger counterparts. Essential chemicals, such as chorine, are available in much lower unit costs when bought in bulk.

Staffing costs also benefit from economies of scale. Salaries for highly-trained managers have increased in tandem with the regulations and environmental challenges those managers are entrusted to handle. A skilled utility professional serving 500 customers may be equally able to serve a community with 5,000 customers. In this case, spreading the cost of a professional manager over more customers can reduce costs.

Increased Access to Capital at a Lower Cost

Water is a capital-intensive enterprise. There are high costs associated with investing in and maintaining the vast infrastructure that water utilities operate. Costs are climbing with the need to upgrade, retrofit, and make systems more resilient. Several case studies in this report show that consolidated utilities can access capital from investors at a lower cost. When utilities consolidate, they pool resources to serve larger customer bases. As a result, consolidated systems may receive better terms and interest rates on bonds and commercial loans from private capital markets to fund capital improvements.⁸

Regional consolidation may also qualify systems for subsidized public funding options not available for non-regional efforts. These sources of funding vary by state but may include subsidized State Revolving Fund loans or state planning grants that can save communities money on principal costs and interest payments.

Lower or Equal Customer Rates for a Specified Level of Service

Once a water utility reduces or minimizes capital and operating costs, the level of funds needed from customers may change. In many situations, financial benefits from consolidating are tempered by rates needing to rise to address overdue issues and pay the near-term costs of consolidating. However, in less common situations, customers may see immediate or short-term rate reductions.

Rate parity across customer bases is typically a more common goal than rate reductions. Customers within a single geographic region served by multiple water service providers might pay different prices for the services they receive. Carefully structured consolidation can equalize rates among customers within a service area and slow future rate increases for all involved.

Revenue Stability

The water sector is experiencing major changes in its revenue business model.⁹ Utility consolidation can make systems less vulnerable to revenue shortfalls. Consolidated systems that tie together more diverse water users may be able to mitigate revenue fluctuations and spread the cost of filling shortfalls over a larger customer base when they do occur. Several case studies in this report demonstrate how systems can maintain revenue and fully optimize capacity through consolidation. This model works particularly well if systems consolidate when considering new investments. While consolidation may alleviate some revenue challenges, utilities should not view consolidation as a fail-safe way to protect communities from inherent risks like overoptimistic projections, large customer losses, or the cost of retrofitting and building systems resilient enough for future circumstances.

Reduced Exposure to Regulatory Penalties

Communities often consider consolidation because of regulatory pressure, placing more weight on avoiding unwanted penalties than on saving revenue. From treatment facilities to ailing collection systems, consolidation is increasingly becoming one of the main solutions for achieving cost effective regulatory compliance. Consolidating utilities can shift regulatory responsibility, streamline and reduce the cost of regulatory approvals, and, in some cases, provide immediate regulatory financial relief.

Improved Planning and Risk Management

Water service keeps local economies running, communities healthy, and the environment safe; that means the risks utilities plan for and manage carry significant costs. Consolidation has allowed many utilities to mitigate risk and benefit from integrated planning. A particular risk, like diminishing water supply, may even be the driver for why communities consider consolidation. The organizational and water resources planning processes under a consolidated utility can also lead to a more comprehensive, less piecemeal strategy than when spread across multiple systems or localities.

Increased Opportunities for Economic Development

Some financial savings are apparent on water utility budgets, rate sheets, and other financial documents. Other benefits may occur off the books in the broader community, despite being direct and visible outcomes from consolidating water utilities. For example, communities facing water shortages or lacking wastewater services can struggle to grow or develop their local economies. Businesses hesitate to locate in places where access to water supply or quality of water services are in question. Consolidation may give these communities the opportunity to address water supply or water infrastructure challenges that deter growth or lead to decline.

Table 1
Observed Financial Benefits and Related Case Studies

Financial Benefit	Related Cases
Economies of scale and efficiencies	Iowa Regional Utilities Association, page 30 City of Raleigh, page 21 Hampton Roads Sanitation District, page 25
Increased access to lower cost capital	City of Raleigh, page 21 Logan Todd Commission, page 33 Town of Colusa, page 18
Lower or equal customer rates	Central Arkansas Water, page 11 City of Raleigh, page 21
Revenue stability	City of Raleigh, page 21 New Jersey American Water, page 46
Reduced exposure to regulatory penalties	Citizens Energy, page 14 City of Raleigh, page 21 Hampton Roads Sanitation District, page 25
Improved planning and risk management	City of Raleigh, page 21 Central Arkansas Water, page 11 Hampton Roads Sanitation District, page 25
Increased opportunities for economic development	Logan Todd Commission, page 33

Key Considerations

Decision-makers weighing water utility consolidation can improve financial outcomes by anticipating roadblocks along the way. Some of the key financial considerations to consider include:

- Up-front costs;
- Real and perceived unequal distribution of benefits;
- Savings timeline;
- Different starting points; and
- Unequal or conflicting incentives.

Up-Front Costs

The initial financial consideration in utility consolidation is the high up-front investment needed to move through the consolidation process and establish the consolidated system. Planning, studies, and the staffing capacity to undertake this process can be expensive. In many cases, infrastructure improvements, new projects, or physical interconnections between infrastructure assets will also be needed.

Real and Perceived Unequal Distribution of Benefits

One challenge related to consolidating utilities is that the financial benefits cannot always be distributed equally. A region may experience aggregate benefits from a less fragmented approach to water management while individual communities or utilities may not experience any benefit. Some may even experience financial loss, and consolidation is especially difficult in these cases. Even though financial savings for the larger region can look promising, utility leaders typically make decisions with their individual utility or community in mind. Addressing inconsistencies among customers and systems can be challenging and may require compromise and commitment to solutions that ensure water services are affordable for all customers.

Savings Timeline

Communities and their utilities can find ways to smooth out or accelerate anticipated net savings or cost avoidance. Smoothing costs means reducing the burden of individual payments by spreading them out over a longer timeframe. Smoothing net savings means realizing savings in smaller increments over a longer timeframe, often with the goal of realizing some savings sooner. These can

be important considerations when utility decisions are made by elected leaders whose term limits are shorter than the time it would take to realize savings. Often these officials hope to show ratepayers real savings or cost avoidance during their term in office. Models and financial instruments that can make savings accrue evenly over time or accelerate savings can encourage these leaders to support consolidation. Models with high up-front costs may be politically difficult for elected leaders to support, despite long-term savings. Restructuring existing debt to reduce costs can help in these cases.

Different Starting Points

Long-term thinking and analysis are also critical to improving the chances of consolidation taking place and realizing financial benefits for the community. Water utility and government leaders who come together to partner, regionalize, or consolidate often start the process from very different financial points. Partners that begin the process with very different rate schedules, asset values, savings, and liabilities need to put in effort, accounting prowess, and negotiating finesse to harmonize agreements.

Unequal or Conflicting Incentives

Communities are more likely to see a solution through if the incentives that need to be in place for consolidation to occur are present and clear. In some instances, a higher-capacity and financially-healthier utility may see few incentives to fully consolidate with a lower-capacity system and choose a less robust option as a result. When this happens, it can reduce incentives to consolidate in the future, leaving the additional benefits that opportunity could have provided unrealized. Identifying regional benefits from the outset can help communities with less incentive better understand why consolidation may be important for long-term sustainability.

Summary

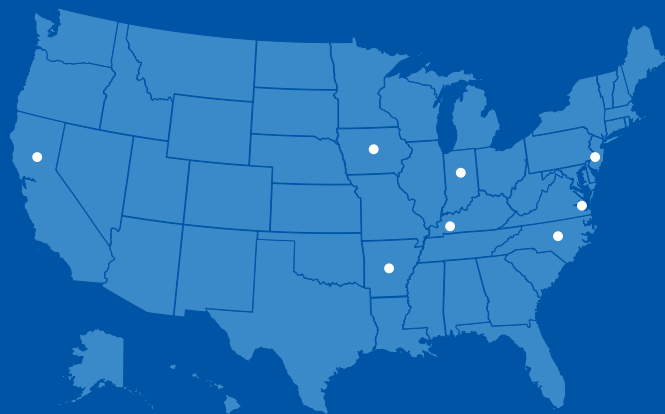
Consolidation is an important tool for communities to consider but is not the right option in all cases. Water utilities and key stakeholders must assess their options carefully. Many positive financial and economic outcomes can accrue from utility consolidation, but communities must also consider and prepare for all the related challenges. Communities that have successfully consolidated utilities have several common characteristics: understanding the financial impacts; patience; long range planning; external incentives; and leadership.

Part Two:

Financial Case Studies

Communities considering utility consolidation can learn from those who have already gone through the process. This section of the report provides eight case studies of communities that have consolidated or regionalized water service. Taken together, the case studies illustrate the diverse drivers, agreements, institutional arrangements, and outcomes associated with water utility consolidation.

These case studies are not comprehensive analyses of utility consolidation. Rather, they focus on the financial dynamics. There are many important and complex social, environmental, and political aspects involved in each case not addressed in this report. For example, while long-term rate savings for customers are discussed in the following case studies, the community response and experiences during the consolidation process are not covered. Though each case includes some information as background, the politics, governance decisions, and legal processes and agreements deserve further research and assessment. Nevertheless, these cases provide important information on key considerations and financial impacts. This is a necessary first step to build understanding about consolidation options and benefits.



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Central Arkansas Water

Two municipal water departments consolidate to provide an affordable and reliable water source for the future

Date of established agreement	2001: Signed Consolidation Agreement merging Little Rock and North Little Rock water departments to establish Central Arkansas Water (CAW)
Services involved	Ownership, management, and provision of drinking water assets, services, and supply in 2011 and wastewater services authorization granted in 2017
Governance model	Two municipal utilities merging to form a single larger publicly owned utility governed by a seven-member board of commissioners
Communities involved	<p>2001:</p> <ul style="list-style-type: none"> • City of Little Rock • City of North Little Rock <p>Additionally:</p> <ul style="list-style-type: none"> • Brushy Island Public Water Authority • 145th Street Water and Sewer Improvement District • Wye Mountain Public Water Authority • Maumelle Water Management <p>CAW also provides retail water to City of Sherwood and wholesale water to more communities.</p>
Population served	450,000 people over a 360-square mile service area
System capacity/demands	3,000 metered service connections with the capacity to provide approximately 157 million gallons of potable water per day and an average daily demand of 62 million gallons
External policy drivers and incentives	A study by University of Arkansas at Little Rock (2000) commissioned by both cities recommended consolidation
Financial and economic impacts	<ul style="list-style-type: none"> • Rate equalization and stabilization • Increased efficiency and reduction in duplication related to water supply investment needs • The ability to borrow greater amounts of money due to the larger customer base and higher credit ratings
Revenue flows	Customers from multiple communities pay uniform fees directly to the consolidated utility

Summary

For systems facing regional water supply challenges, the creation of Central Arkansas Water (CAW) exemplifies the potential for consolidation to result in positive financial impacts for the utility and community. It helped stabilize rates and eliminated rate differences between residents of a large region of central Arkansas. Moving from a water supplier and purchaser wholesale relationship, two municipal water systems in North Little Rock and Little Rock fully merged to create a single consolidated water utility. The consolidated CAW shares water supply costs across the two jurisdictions, generates efficiency by combining distribution system maintenance and customer service functions, equally distributes rates, and borrows capital at a lower cost to invest in infrastructure or supply needs. Since it was created, other smaller utilities have joined CAW.

Context

In 1936, the Arkansas Water Works Company, a private utility, provided drinking water to both Little Rock and North Little Rock. At the time, the region needed a reliable, cleaner water source than the Arkansas River, and the City of Little Rock sought a Public Works Administration grant to build a reservoir. To be eligible to receive the public grant funds to improve their citizen's water

service, Little Rock had to purchase the Arkansas Water Works Company's facilities south of the Arkansas River and create a public utility. As part of the agreement to purchase those assets, Little Rock agreed to continue to provide water to Arkansas Water Works Company for several customers north of the river. One of those customers was North Little Rock, which subsequently purchased the Arkansas Water Works Company's facilities north of the Arkansas River creating their own public water utility in 1959, though they still purchased water from Little Rock.

The arrangement provided some benefits but also led to continuous conflicts that lasted until their comprehensive consolidation. The two entities' unique historic relationship, having been joint customers of Arkansas Water Works Company and then having become two separate systems, created multiple challenges in maintaining a stable relationship. The regional arrangement prior to consolidation was mandatory but also rife with conflict. Conflicts primarily emerged over rates and the need for a long-term contract. North Little Rock wanted to be charged the same rates Little Rock was charging Arkansas Water Works Company, which the Arkansas Supreme Court decided were no longer adequate. However, in the same opinion, the Court established that Little Rock could not cede its obligation to provide water to North Little Rock because of the process it agreed to when it created its municipal system. There were further disputes over capacity and North Little Rock's inability to expand its service area because of the demands it would place on Little Rock as the provider.

Tensions over rate increases, rate differentials, difficulties in agreeing to a formal long-term contract arrangement, and concerns about future regional water supply increased, and the two municipal entities reached a standstill in 1999. That year, the City of Little Rock hired Black & Veatch to do a rate and revenue study to assess the city's utility needs and rate structure. The findings showed inequity in the current rates and that master-metered wholesale customers, such as North Little Rock, were paying less than the true cost of their water. Black & Veatch recommended Little Rock establish a cost of service rate structure, requiring significant rate adjustments for each customer class. The Little Rock Water Commission adopted the recommendations despite the objections of water purchasers, including North Little Rock.

North Little Rock was given the choice to pay the increased rates or seek out a different water supply. According to a 1999 report by Marlar Engineers and Garver Engineers, the costs of an independent water supply for North Little Rock were estimated at \$189 million.¹⁰ North Little Rock's resistance put Little Rock in a difficult place as well. The city had invested \$31 millions' worth of capital improvements to be able to accommodate a greater treatment capacity that would largely go unused if North Little Rock pursued an independent supply.

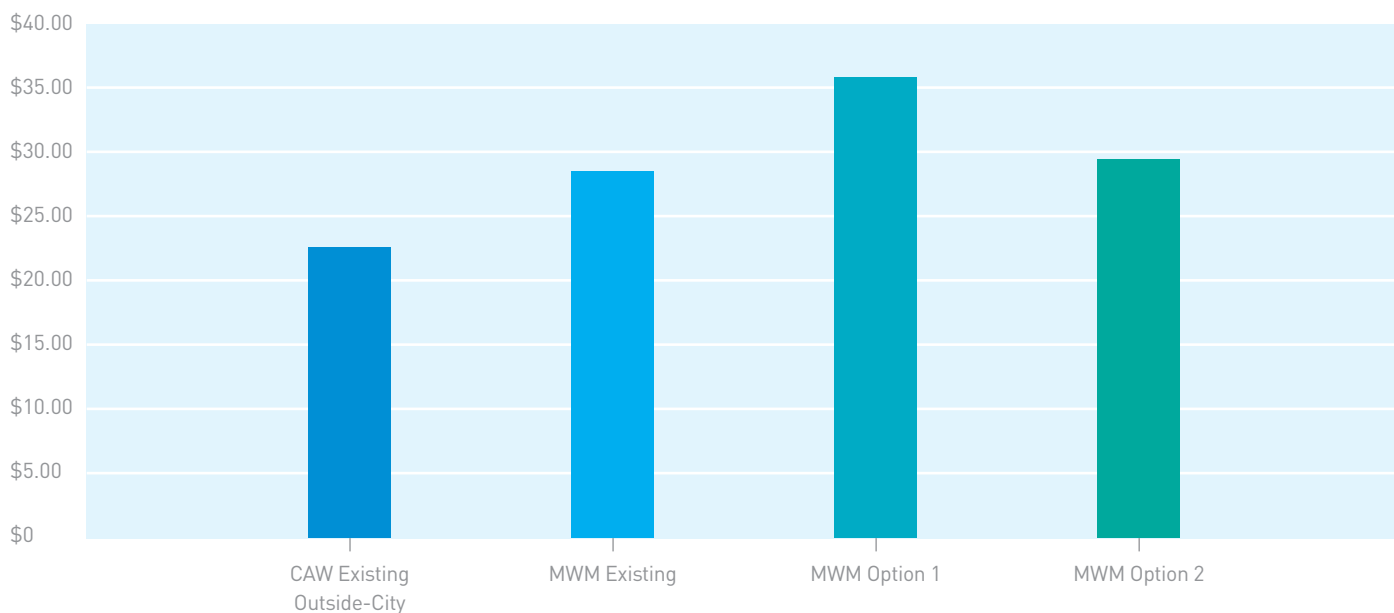
The two cities sought help from the University of Arkansas at Little Rock to find a solution. They commissioned the university to do a study to evaluate rates, regional supply needs, and the relationship between the two entities.¹¹ The study, *Water for Our Future: Overcoming Regional Paralysis*, identified three main stumbling blocks to cooperation, all of which involved financial details and concerns: water rates, establishment of a long-term contract, and fair cost burdens in light of past investments in the system. The study eventually determined consolidation was the best solution both to promote equitable water rates and to assure access to a reliable regional water supply.

Case Overview and Financial Outcomes

The cities decided to consolidate in 2001 based on the recommendations in the University of Arkansas at Little Rock report; the goal was to find regional solutions to water supply issues. The study helped convince the cities to move past geographical differences and corporate interests and toward the good of the entire customer base. Both cities' governing bodies and water commissions came to a unanimous decision to merge Little Rock Municipal Water Works and the North Little Rock Water Department into Central Arkansas Water. Ultimately, the consolidation equalized rate structure for both cities, created additional revenue bonds, and brought in new customers. These financial outcomes benefited customers, as well as the water utility.

Under the agreement, a new Consolidated Commission would propose a schedule to incrementally equalize rates, which would go into effect in 2002 and charge similarly situated classes of customers in Little Rock and North Little Rock equal rates within 10 years. This change was important, as customer rates for both Little Rock and North Little Rock were substantially below the state average in 2000. Residents in Little Rock paid \$7.27 per month and North Little Rock paid \$12.17 per month per 5,000 gallons of water. Households in North Little Rock paid 67 percent more for comparable service than in Little Rock, which contributed to some of the tension. The rate equalizing schedule eliminated concerns about the proposed rate increases for North Little Rock, and the commission achieved its goal and restructured rates two years ahead of schedule. By 2018, with the equalization period already

Figure 2
Consolidation Benefits to Maumelle Water Management¹⁵
 Example Water Bill Using 2015 Rates (5/8" Meter with 4,400 Gallons)



Note: Does not include tax and fees; MWM bills include the water portion of the Debt Surcharge fee based on water's proportionate share of proposed debt.

over, rates for families within the municipal boundaries of the two communities became equal at \$21 per month for 5,000 gallons, a higher rate for customers but significantly lower than other rates across Arkansas and the country.¹²

Additionally, the agreement granted authority to Central Arkansas Water to issue revenue bonds and sell water to new customers outside of Little Rock and North Little Rock. As of 2018, CAW maintains an AA2 credit rating, a higher rating than any previously held before the consolidation.¹³ The merger also gave Little Rock the financial security it had been lacking without a contractual obligation from North Little Rock. Meanwhile, North Little Rock avoided the need for almost \$200 million dollars of investment for additional water supplies.

CAW has continued to grow with the addition of several small communities including Maumelle Water Management (MWM) in October 2015. Even for communities outside municipal boundaries, CAW rates remain significantly lower than what MWM customers paid at the start of negotiations (see Figure 2). According to financial projections made prior to the merger of CAW and MWM, a typical MWM customer using 4,400 gallons per month was slated to pay at least \$44.00 and possibly much more by 2020 if the cities' water services remained independent.¹⁴ The same study estimated that MWM customers joining CAW would pay \$32.69 for the same service in 2020.

Conclusion

The Central Arkansas Water's consolidation provided financial benefits to Little Rock, North Little Rock, and small systems who would subsequently merge. It also ended a decades-long dispute over water capacity, control, and cost issues, while improving water security for the region. This case highlights challenges that may occur when communities partially regionalize under a less than ideal framework. The wholesale-purchaser relationship existed for years prior to the consolidation, avoided duplication of some services, and led to some financial benefits. Yet, the lack of long-term agreement, the basic structure of the arrangement, and tension over control and rate fairness led to an unsustainable situation. Full consolidation brought together two relatively financially healthy systems to create a larger entity where costs for acquiring a long-term regional water supply could be distributed more equally across a larger customer base. This solution reduced less duplication and avoided costly unused capacity. By forming a larger more stable entity, the region can access capital at a lower cost because the combined entity improved credit worthiness. The further consolidation of other smaller systems enables CAW to acquire more assets to support its system while providing rate stability, sustainable infrastructure, and long-term supply for the customers of the smaller systems.

Citizens Energy Group

Energy, water, and wastewater systems consolidate to streamline service and reduce rates

Date of established agreement	2011: Citizens Energy Group (Citizens Energy) purchased the water and wastewater systems serving Indianapolis
Services involved	Ownership, management, and provision of gas, centralized steam production, water, and wastewater services
Governance model	Large, not-for-profit energy service provider acquires a separately governed public water and wastewater system
Communities involved	<ul style="list-style-type: none"> • Marion County • Portions of Boone County • Portions of Brown County • Portions of Hamilton County • Portions of Hancock County • Portions of Hendricks County • Portions of Johnson County • Portions of Morgan County • Portions of Shelby County
Population served	800,000 people over more than 200 square miles of service area
System capacity/demands	<ul style="list-style-type: none"> • 4,000 miles of pipeline and 10 water treatment plants fed from several reservoirs • 3,000 miles of sewer lines and two treatment plants with combined average flow capacity of 125 million gallons per day
External policy drivers and incentives	2006 Consent Decree between US EPA and Indianapolis that would require an estimated \$1.4 to \$1.7 billion dollars in improvements to the city's water and wastewater systems
Financial and economic impacts	<ul style="list-style-type: none"> • Estimated combined \$40 million in annual savings for customers • Monetization of the water and wastewater system assets resulting in over \$400 million available to Indianapolis for essential community investments
Revenue flows	<ul style="list-style-type: none"> • Water and wastewater customers of acquired systems become customers of merged system • Merged system responsible for covering required purchase price as well as recurring payment in lieu of taxes

Summary

Citizens Energy Group's (Citizens Energy) acquisition of Indianapolis's water and wastewater system is an example of how consolidation can be used to reduce utility costs by integrating the provision of different utility services. Prior to the acquisition, the city was under pressure to cut costs resulting from the need to comply with an expensive 2006 Consent Decree. This became the primary driver to consolidate water and energy service. The city anticipated saving roughly 40 million dollars per year in capital and operating expenses from combining gas, steam, chilled water, water, and wastewater services with Citizens Energy. Those savings helped ensure rate increases would be less than if the city retained ownership of its water and wastewater utilities. The city also monetized its past investments through the purchase price Citizens Energy paid and a stream of payments in lieu of taxes (PILOT). The city and Citizens Energy decided to pursue consolidation by calculating and later presenting the business case supporting their decision. The Indiana Utility Regulatory Commission reviewed and approved the plan through a highly structured utility regulatory process. Resulting positive financial impacts were carefully tracked and documented.

Context

Water and wastewater provision in the Indianapolis region have a long history that includes a variety of ownership, management, and governance models, including partnerships with the private sector. In 2002, the city purchased ownership of the area's water system from a private company and hired another entity to operate and manage the water system assets. Meanwhile, the city maintained an agreement with a different private operator to manage their wastewater system. Each service fell under different regulatory and governance models. The water system was governed by the city's Board of Water Works and regulated by the Indiana Utility Regulatory Commission (IURC). The city's wastewater system was governed by a sanitary district associated with the Indianapolis Department of Public Works.

In 2009, the city solicited ideas for transforming its water and wastewater system to better meet the costs of regulatory compliance and alleviate high debt. Indianapolis received 23 separate proposals, and ultimately selected the region's nonprofit energy service provider, Citizens Energy.¹⁶ Citizens Energy's structure was appealing because it had separate divisions sharing costs and providing services in an integrated manner throughout the entire Indianapolis region. The city and Citizens Energy spelled out the initial framework in a memorandum of understanding (MOU).

Today, Citizens Energy provides water and wastewater services to hundreds of thousands of homes and businesses in Marion, Johnson, Morgan, Hendricks, Boone, Hamilton, Hancock, and Shelby counties. Drinking water comes from 10 treatment plants and sources including the White River, several reservoirs, and the Indiana Central Canal. Citizens Energy also owns and operates two wastewater treatment facilities that treat over 70 billion gallons of wastewater per year. The service area is more than 200 square miles. Citizens Energy also has inter-jurisdictional agreements in place to provide wastewater services for several nearby cities and districts.

Prior to consolidating its water and wastewater systems under Citizens Energy, the city faced an estimated \$4 billion in necessary infrastructure improvements, as well as significant costs for other city infrastructure needs including roads, sidewalks, and bridges. The city, the State of Indiana, and the US Environmental Protection Agency entered into a consent decree in 2006 and agreed to develop a long-term plan to meet the requirements to reduce sewage overflow during storms¹⁷. The long-term plan was approved in 2007. One report estimated the total cost of the plan alone at \$1.8 billion dollars over 20 years. The city projected water rates would need to increase by over 100 percent and wastewater rates by over 400 percent by 2025 to cover such substantial infrastructure costs.

Citizens Energy, however, would be able to implement the improvement plans using lower rate increases, providing strong incentive for the city. Nevertheless, the transaction required addressing a range of important financial arrangements and details.

Before the city consolidated systems under Citizens Energy, it terminated its water system management contract with Veolia Water in advance of its 2021 contract end date. The IURC reviewed and accepted a termination payment of \$29 million dollars as part of the transfer order. At the same time, consumer advocacy groups were pushing back against the idea of selling the utilities to a non-municipal governed entity. Some were concerned the water and wastewater utilities were valuable commodities owned by the city with the potential to generate income, whereas a one-time influx of cash from the sale created only short-term economic benefits. Others expressed concern that Citizens Energy would not be as accountable to residents as the city's elected officials.

Case Overview and Financial Outcomes

Despite these various challenges, Citizens Energy finalized the acquisition of the city's water and wastewater systems in 2011 and added the water and wastewater systems of the neighboring City of Westfield in 2014 under a separate corporate identity, Citizens Westfield.

The city was motivated to support the consolidation for financial reasons. Through the acquisition, Citizens Energy assumed debt liabilities from the city for both the water and wastewater systems. Citizens Energy paid the city \$262.6 million for the wastewater system. Citizens Energy also agreed to take on approximately \$1.4 billion of outstanding water and wastewater debt and the responsibility for complying with regulations. Indianapolis's consent decree cost an estimated additional \$1.8 billion at that time.

Citizens Energy generated savings by streamlining water, wastewater, and energy services together. Operational and capital savings were an essential element of the arrangement as described in the MOU and as presented to the IURC for approval. The IURC order approving the acquisition cited testimony about expected savings and required Citizens Energy to report on their progress toward achieving these savings (referred to as synergies). Citizens Energy saved money on many projects by reevaluating the best and most cost-effective way to undertake the project, utilizing a competitive bidding process, and canceling other projects after reconsidering their costs and benefits. The city benefited from this integration of utility services and the sale's proceeds.

The savings in the first three years were reported as more than twice what was projected at the time of the transfer (see Tables below). Net "synergies," or savings, projected at the time of the acquisition were \$24.6 million for Year 1, \$48.5 million for Year 2, and \$59.3 million for Year 3. The cumulative savings by Year 3 are documented as \$329.15 billion.

Table 2

Projected savings as presented in each *Semi-Annual Report Regarding Savings and Other Matters*

Synergy Category	Year 1	Year 2	Year 3
Operations & Maintenance Expense	\$16.5 M	\$24.6 M	\$33.5 M
Capital Expenditures	\$18 M	\$26.4 M	\$27.3 M
Total Synergies	\$34.5 M	\$51 M	\$60.8 M
Costs-to-Achieve	\$9.8 M	\$2.4 M	\$1.4 M
Net Synergies	\$24.6 M	\$48.5 M	\$59.3 M

Table 3

Savings in Year 3 as presented in the sixth *Semi-Annual Report Regarding Savings and Other Matters* (Savings in thousands)

	Year Three Savings	Cumulative Savings	Average Savings
Operations & Maintenance	20,787	34,310	11,437
Capital	127,732	251,316	83,772
One-Time Healthcare/Pension Adjustments	0	49,629	16,543
Costs-to-Achieve Prior to Acquisition	0	6,106	6,106
Net Savings	148,519	329,149	105,646

Citizens Energy paid significant transaction costs to complete the acquisition in addition to taking responsibility for the city's existing water and wastewater debt. To reduce the burden of these costs, the IURC settlement agreement allows for Citizens Energy to add up to \$14 million to the utility debt to cover the transaction costs.

The decision to consolidate services under Citizens Energy impacted the city as well. Local governments often enjoy indirect financial benefits when they own their own water and wastewater systems, and the loss of these benefits can hinder regionalization efforts. These benefits can include the ability to share general government management and administrative costs (e.g. human resources, general management, fleet management, etc.) with departments and units within the local government. Local government asset owners may also receive significant financial benefits in the form of payments in lieu of taxes (PILOT), dividends, and other transfers between utilities and general government. To compensate for these lost benefits, the acquisition terms agreed to by Citizens Energy, the city, and the IURC include a schedule of PILOT payments that the city used to securitize a \$145 million debt issuance to support general government assets and services. The payments are set for 2010 through 2039. They started at about \$11 million per year in 2010 and will rise to almost \$28 million per year by 2039. Proceeds from the sale and the issuance of the PILOT-backed bonds were a positive outcome for the city and incentivized the arrangement.

Conclusion

The Citizens Energy consolidation model provides an interesting example of the operational efficiencies available when different utility services within the same region are consolidated. The case also highlights an approach used to monetize and compensate the city for its historic investments in the water and wastewater systems. The payments the city received from the agreement were one of the major benefits cited by the city and were essential drivers of the consolidation. Without the deal being structured to reward the city, the consolidation may not have occurred.

City of Colusa

Small privately-owned water district consolidates with city to address contaminated drinking water supplies

Date of established agreement	2017
Services involved	Treatment and distribution of drinking water
Governance model	A municipal utility annexed and consolidated an unincorporated subdivision with a separate water system
Communities involved	<ul style="list-style-type: none"> • City of Colusa • Walnut Ranch subdivision (system previously owned by Del Oro Water Company)
Population served	<ul style="list-style-type: none"> • City of Colusa after consolidation: 2,175 accounts • Walnut Ranch prior to consolidation: 182 people/79 connections
System capacity/demands	Consolidated Colusa System <ul style="list-style-type: none"> • Five wells • Two storage tanks • Distribution system
External policy drivers and incentives	<ul style="list-style-type: none"> • State order to comply with the maximum contaminant level for arsenic • California Law (Senate Bill 88) that encourages and, in some cases, requires system consolidation • Low-interest Colusa County Loan • State Revolving Fund program (\$500,000 planning grant) • Pending loans from the State Water Resources Control Board's Division of Financial Assistance
Financial and economic impacts	<ul style="list-style-type: none"> • The costs of providing water in a small community now shared among much larger customer base • Eliminated need to build facilities for new water supply for less than 200 people • Significant reduction in customer water bills projected over time
Revenue flows	Walnut Ranch customers will pay temporary surcharges to cover cost of consolidation and then will eventually pay same rates as other Colusa customers

Summary

The consolidation of the Walnut Ranch District with the City of Colusa provides a snapshot of how a community served by a small private water company overcame contaminated drinking water supply problems through annexation to a nearby town. The Del Oro Water Company (DOWC) originally provided water service in Walnut Ranch, a small subdivision on the outskirts of the City of Colusa. Low water quality caused DOWC and Walnut Ranch residents to pursue alternative sources of water which eventually resulted in DOWC selling the system and Walnut Ranch becoming part of Colusa and their water system. The project was made possible through the support of state agencies and the enactment of state level policies that promote and support consolidation.

Context

The Del Oro Water Company (DOWC) owns and operates water supply systems in several districts in Butte, Colusa, Glenn, Humboldt, Kern, Shasta, Tulare, and Tuolumne counties in central California. DOWC provides service to approximately 20,500 people throughout California. However, under California's regulatory regime, each system is treated separately for rate setting. If a single system requires significant investments, those costs must be borne by the individual system and cannot be shared among customers served by systems in other parts of the state.

Walnut Ranch is a small subdivision community south of the City of Colusa in Northern California. Up until 2017, the community was unincorporated and was served by a small water system that was owned by the Del Oro Water Company. The Del Oro Water Company Walnut Ranch District (DOWC-WR) water system had two wells and a 5,000-gallon tank to serve 182 people.

DOWC-WR faced numerous water quality challenges. The water had high levels of arsenic, manganese, and iron with one well exceeding the drinking water standard maximum contaminant level for arsenic. Because of these exceedances, the California State Water Resources Control Board sent Walnut Ranch an order to comply with the maximum contaminant level for arsenic in July 2010. Around that time, the local newspaper reported that low water quality caused “almost every resident” to buy bottled water, and the metals were affecting residents’ plants, water heaters, and sidewalks.

DOWC searched for alternative sources to provide their Walnut Ranch District customers with potable water at a reasonable cost. Eventually Walnut Ranch residents and DOWC-WR focused on pursuing a connection to the Colusa municipal system. After one of the wells owned by DOWC-WR physically collapsed in 2012, the City of Colusa constructed an Emergency Transmission Interconnection to supply water to the residents of the Walnut Ranch subdivision. The estimated total cost of the interconnection project, including engineering and legal costs, was \$93,845. The Public Utilities Commission approved DOWC-WR to collect a surcharge of \$20.58 per customer per month for 60 months to recover the costs from the project. Although some residents of Walnut Ranch hoped the Emergency Transmission Interconnection could supply their water on an ongoing basis, the city’s position was that the interconnection should only be used on an emergency basis, rather than a permanent solution.

After years of trying to resolve water quality issues, Walnut Ranch subdivision residents coalesced around consolidation in the form of annexation to the City of Colusa as a solution to their poor water quality and septic issues. Their efforts to drive consolidation were nudged along when the California legislature passed Senate Bill 88 in 2015, which authorized the State Water Resources Control Board to mandate failing water systems to receive extension service from or to consolidate with other water systems.

Case Overview and Financial Outcomes

Planning for the city to annex Walnut Ranch began in 2010. Walnut Ranch residents agreed to pursue a special assessment to cover the \$107,261 needed to pay pre-annexation costs. In January 2011, the Board of Supervisors of Colusa County voted to put a measure to levy the parcel tax on the ballot. Later that year, 92 percent of voters approved the measure. The tax amount was \$687.57 per year, paid in two installments, on each parcel in the unincorporated area for two years.¹⁸

The annexation process moved forward quickly after voters approved the assessment. In April 2014, the City Council authorized the staff to submit a State Revolving Fund planning grant application to formally consolidate with the Walnut Ranch District water system. The application for \$500,000 was approved in 2015. The City Council awarded the contract to CEC Engineering to provide engineering services to prepare for annexation, to value the current system, and to develop technical specifications for some of the upgrades needed to consolidate the Walnut Ranch system with the city system.

DOWC agreed to sell the assets of the Walnut Ranch District, which the city acquired in April 2017. The City of Colusa purchased the wells, transmission and distribution mains, plant and pumping equipment, and property used in its operation for \$280,000. The purchase was funded with one percent annual interest from the city’s Water Enterprise Fund. Residents of Walnut Ranch will repay the city for the purchase of the water system through a loan surcharge (\$65.00 per month) that will last approximately four and half years. After the consolidation, many of the facilities previously used by the District, including the well, sand separation, and pressure tank equipment were no longer required and were decommissioned.

Prior to the consolidation, Walnut Ranch customers paid a flat rate of \$106.85 per month, not including the surcharge related to the emergency interconnection described above. After becoming customers of the City of Colusa, they began paying published City of Colusa rates. A typical residential customer pays approximately \$60 to \$80 total depending on what they use each month.

The City of Colusa intends to upgrade the existing system and replace distribution pipelines in Walnut Ranch. The construction will include upgrading the existing 6” water main in Walnut Ranch to the city standard of 8” to provide adequate water pressure for service. The city has applied to the State Water Resources Control Board’s Division of Financial Assistance for project funding. Table 3 below summarizes the main costs associated with the consolidation and how those costs were covered.

Table 4
Consolidation Costs and Cost Recovery

Activity	Amount	Cost Recovery	Rate Impact
Emergency Interconnection	\$93,845	DOWC investment retired through temporary surcharge	\$20.58 per month for 60 months
Pre-annexation planning (2011)	\$107,261	County special assessment tax	Equivalent to \$57.30 per month for 2 years
Annexation related costs	\$500,000	Planning grant—no repayment required	None
Purchase of DOWC Assets	\$280,000	Colusa “Loan” retired by temporary loan surcharge	\$65.00 per month for approximately 4 ½ years
Planned Distribution System Improvements	\$2,022,258 (estimated)	State Water Resources Control Board’s Division of Financial Assistance Loan or Grant	To be determined
Total	\$3,003,364		

Conclusion

The Del Oro Water Company-Walnut Ranch case offers insight into the role higher levels of government such as state administrators of SRF funds, and others, can play in consolidation—particularly when it comes to overcoming some of the high costs of planning and implementing a consolidation. The case also shows the financial benefits of moving from a fragmented utility with an extremely small customer base to a larger customer base able to spread costs more evenly.

City of Raleigh Public Utilities Department

Seven local utilities merge into a full-service regional water and wastewater provider

Date of established agreement	<ul style="list-style-type: none"> • 1990s: Discussion and planning began • 2000: First consolidation agreement approved • 2006: Last agreement executed
Services involved	All aspects of water and wastewater provision including asset ownership and customer service
Governance model	A large municipal utility incorporated the assets and customers of six surrounding medium-sized municipal utilities through planned asset transfer and capacity purchase. City managers from affected utilities sit on the Utility Advisory Committee with Raleigh management and consult with Raleigh on key issues.
Communities involved	<ul style="list-style-type: none"> • City of Raleigh • Garner (July 18, 2000) • Rolesville (August 7, 2001) • Wake Forest (June 6, 2005) • Zebulon (August 2, 2006) • Wendell (June 26, 2006) • Knightdale (April 28, 2006)
Population served	195,000 customer accounts, 570,000 people over a 299-square mile service area
Consolidated system capacity/demands	50 MGD of average daily water supply demand, a capacity of 102 MGD, and 48 MGD of average daily wastewater treatment demand with a capacity of 65.2 MGD
External policy drivers and incentives	<ul style="list-style-type: none"> • Wake County, the region's county government and not a direct service provider, provided leadership and guided the consolidation through planning efforts culminating in the preparation of the Wake County Water and Sewer Plan, the blueprint for the consolidation • Informal state environmental agency agreement to expedite and streamline regulatory approvals if utilities regionalized
Financial and economic impacts	<ul style="list-style-type: none"> • Reduced duplication in water and wastewater asset investment • Larger customer base • Created regional uniform rates projected to be lower than what communities would have paid without consolidation • Reduced operation and maintenance costs • Access to lower cost capital
Revenue	Consolidated communities paid Raleigh back for improvements to complete consolidation and purchased capacity through negotiated payments over time. During consolidation transition period, revenue came from development fees and the difference between consolidated utility rates and Raleigh rates. After consolidation transition period, Raleigh imposed uniform rate structure and collects rates directly from all customers.

Summary

The City of Raleigh's water and wastewater utility transformed from a single, city-focused utilities department into a regional full-service provider. This model highlights the positive financial impacts and efficiencies that can arise when a high capacity urban utility takes on ownership and operations of the water and wastewater services of its small to medium-sized neighbors. In this rapidly growing area of the country, utilities consolidated to provide services in a more cost-effective and unified manner. The communities that consolidated with Raleigh realized cost savings, lower rates, and increased water security. The larger community gained regional support for future water and sewer permitting activities and reduced competition for limited new water resources.

Context

Raleigh and the surrounding areas of Wake County have experienced some of the highest growth rates in the country. In 2000, the city had 276,000 residents, but by 2010, that number had increased to 383,000. This pressured many public services, including the provision of water and wastewater services. Growth had many financial implications for Raleigh and its neighboring communities who had to increase their capacity to meet increasing demand. Many of the region's water and wastewater systems already faced high capital expenditures due to an increasingly strict environmental regulatory climate. Within a relatively small region, multiple water and wastewater providers were working independently to provide safe and environmentally sound services to their populations. Competing for regional resources, at times, delayed mutual solutions and imposed unnecessary costs on customers.

One of Raleigh's neighbors, the Town of Garner, was considering building a major facility for hundreds of millions of dollars. The State Department of Health and Environmental Resources (which has since re-organized into the Department of Environmental Quality, or DEQ) was charged with reviewing and approving water system permits and urged communities in the region to consider consolidating. DEQ entered into an informal MOU with Raleigh and Garner suggesting they could benefit from a more streamlined regulatory approval process if they consolidated systems.

Around this time, the leaders of Wake County were instrumental in organizing funding for a major regional water and wastewater planning effort. While uninvolved with direct service provision, the county was involved in a range of land use planning and economic development efforts. A taskforce of stakeholders from throughout the county, including many leaders from towns that provided their own water and wastewater service, led the planning effort. The resulting Water and Sewer Plan was finalized in 1998 and analyzed a range of regionalization scenarios. At the time, leaders saw increased regionalization as a means of providing economic benefits to the region while reducing fragmentation and customer cost variations. At the time, customers in the same region being served by different utilities were paying between \$9.91 and \$25.86 on their monthly water bill.¹⁹

The political and financial environment was also conducive to moving forward with regionalization. Some communities, like Roseville, also had capacity needs that drove them to consolidate.

Several years after the development of the plan, the Town of Garner was the first to execute an agreement with Raleigh to transfer their assets and customers. Over the next six years, five other towns entered into similar agreements with Raleigh transforming how utility services were provided in the western part of the county.

Case Overview and Financial Outcomes

Raleigh used identical agreement frameworks with each community that transferred in; each utility essentially bought, or reserved, an amount of treatment/supply capacity from Raleigh. Utilities also paid for some of the added costs of carrying out the physical connections and improvements needed for Raleigh to serve their customers. Prior to the consolidation, some of the area utilities already had agreements and relationships with Raleigh that impacted their assessed consolidation cost. For example, Garner purchased capacity from Raleigh prior to the full consolidation and was being served as a wholesale customer.²⁰ The total cost of carrying out consolidations, well over \$150 million, was ultimately paid by the customers and tax payers of the consolidated utilities.^{21, 22} Raleigh facilitated the transfer by crafting these payments in the form of low-cost debt that the municipalities could pay back over time. One of the primary financial benefits of this arrangement, if not the major driver, was reducing overall customer cost.

Each town was given the freedom to decide how to pay for the associated costs of the consolidation. At the time of the consolidation, the retail rates of the consolidated utilities were higher than rates paid by Raleigh's existing customer base. The utilities chose to have their customers continue to pay those higher rates so the difference could help pay for the cost of the consolidation. Some of the systems also used development and impact fees to shorten the length of time needed to pay off their balances. The length of time it took for utilities to repay Raleigh differed for each utility. Once the costs of the consolidation and the costs associated with capacity acquisition and other necessary projects were fully paid, customers within each consolidated town would pay the same rate as customers in Raleigh. In all cases, future rates were lower than what customer paid prior to the consolidation.

Raleigh’s financial accounting system tracks the balance due over time from each of the systems compared to the projections. As of 2018, four of the six towns had paid off their cost obligations and had rates equal to Raleigh. Many of the consolidated towns expected to lower rates for customers sooner. In reality, a number of factors led to discrepancies between the financial predictions and the actual payback timeframe. First, the financial crisis post-2007 caused development to significantly slow down in the consolidated communities. Less development meant fewer accounts than expected and a reevaluation of future capacity needs from Raleigh. Around the same time, the region experienced a drought so severe that residents in Raleigh debated putting a moratorium on new growth. While necessary for future water security, decreased water consumption drove down revenues from the consolidated communities. The drought caused a 25 percent drop in demand per account system-wide. Figure 3 shows the impact some of these trends had on the cost recovery projections for the Town of Zebulon.

Figure 3
Actual Revenue Compared to Estimated Revenue for Zebulon



At the time of the consolidation, the Town of Zebulon was projected to accumulate enough revenue to pay the City of Raleigh back for capital improvements and capacity by 2021. This date has since been shifted back several times. The table below summarizes the rate trends for the communities involved in the consolidation.

Table 5
Customer bills for water and wastewater in Raleigh and Surrounding Towns

Municipality	Date Consolidation Payments Completed (or Projected to be Completed)	1998 (6,000 gpm) (Water/Sewer Plan)	2010 (4,500 gpm) (Brown and Caldwell)	2017 (EFC) (4,500 gpm/6 CCF)
City of Raleigh	NA	\$9.91	\$35.50	\$65.03
Town of Wake Forest	2014	\$23.14	\$58.00	\$65.03
Town of Garner	2010	\$19.34	\$35.50	\$65.03
Town of Knightdale	2018	\$18.80	\$50.00	\$95.43
Town of Wendell	2021	\$18.30	\$56.00	\$100.33
Town of Rolesville	2015	\$25.86	\$55.00	\$65.03
Town of Zebulon	2023	\$26.00	\$74.00	\$123.00

The lower sales and slower economy delayed some of the expected rate benefits, but these factors would have been a financial issue regardless of whether the consolidation occurred.

Consolidation helped increase Raleigh's Moody's credit rating to AAA, the highest rating on the scale indicating a debtor's ability to pay back debt. Raleigh's neighbors, while financially healthy compared to many local governments, are not able to match Raleigh's credit. If one of the smaller communities, like Knightdale which has a lower A2 Moody's rating, were responsible for borrowing funds to support water assets in its community, the cost of capital would be higher than what Raleigh would pay.

The consolidation was designed and promoted primarily to achieve rate equality. Participating systems have yet to calculate the actual net savings from consolidation compared to what they would have spent under the status quo. However, a 1998 study estimated the aggregate savings potential of consolidation for all 12 Wake County water utilities operating at the time including the seven that consolidated into the Raleigh system. According to the study, a consolidated approach could save the region an aggregate of approximately \$350 million, 8 percent lower than the cost if the systems remained fragmented.²³ Many of the consolidated utilities operated small inefficient facilities that at the time of the consolidation would have required significant investments to maintain and accommodate the utilities' growth. In the case of Wake Forest, estimates suggested improving their assets would have cost over \$50 million compared to a cost of approximately half that for consolidating with Raleigh.

Conclusion

Raleigh has become the primary water and wastewater service provider in the eastern part of the county through agreements with six eastern municipalities. Overall, Raleigh's consolidation had positive financial impacts on rate equalization and reduced duplicative water and sewer facilities in the region. However, the impacts were not immediate for most communities and required careful planning and patience. The influence of Wake County and the State in supporting the communities, serving as neutral advocates, was instrumental in creating the momentum to complete this ambitious initiative.

Hampton Roads Sanitation District

Regional wet weather program saves money, protects the Chesapeake Bay

Date of established agreement	<ul style="list-style-type: none"> • 1940: Original establishment of consolidated treatment utility • 2014: MOU to consolidate Regional Wet Weather Management Program (RWWMP) Implementation
Services involved	<ul style="list-style-type: none"> • Ownership and management of regional wastewater transmission and treatment assets • Planning, financing, and project management of RWWMP initiatives
Governance model	Political subdivision of Virginia with MOU and interlocal agreements with local governments
Communities involved	14 incorporated local governments: <ul style="list-style-type: none"> • City of Chesapeake • City of Hampton • City of Newport News • City of Norfolk • City of Poquoson • City of Portsmouth • City of Suffolk • City of Virginia Beach • City of Williamsburg • Town of Smithfield • Gloucester County • Isle of Wight County • York County • James City Service Authority
Population served	1.6 million people, 460,000 accounts
System capacity/demands	<ul style="list-style-type: none"> • 154 MGD Average Daily Wastewater Flow • 250 MGD aggregate plant capacity • Over 3,000 square mile service area
External policy drivers and incentives	<ul style="list-style-type: none"> • 2010 Federal Consent Decree • 2007/2014 State Special Order by Consent
Financial and economic impacts	<ul style="list-style-type: none"> • Estimated \$1.1 billion (in 2013 dollars) reduction in the overall cost of major water quality improvement program • Reduction of future rate increases • More equitable distribution of regional water quality improvement costs, potential restructuring of utility debt (not fully realized)
Revenue flows	Cost of large regional water quality initiative are passed on to customers of different utilities equally

Summary

Hampton Roads Sanitation District (HRSD) offers insight into the financial benefits of consolidation and collaboration when communities are faced with the high cost of regulatory compliance. HRSD and the localities it serves were compelled to make significant upgrades to their shared network of wastewater assets to improve environmental outcomes. To address these regulatory requirements, HRSD and the localities pursued a collaborative strategy. HRSD led the crafting and implementation of a regional solution. Through this arrangement, HRSD made improvements to local assets that otherwise would have been the responsibility of individual localities. Although a more comprehensive consolidation model in which all the utilities fully merged likely would have presented an opportunity for greater cost savings, the localities opted for an incremental consolidated approach that balanced some savings with maintaining local service and control.

Context

HRSD was created by the State of Virginia in 1940 as a regional mechanism to prevent pollution in the Chesapeake Bay. Oyster harvests had long suffered. Tourists and residents complained of the declining quality of the area's water. Forming HRSD was the region's first attempt at solving its water pollution problems. HRSD's history has since been defined by efforts to regionalize and further manage increasing wastewater pollution.

By the early 2000s, HRSD provided wastewater transmission and treatment services to a population of 1.6 million with 1,600 pumping stations and nine wastewater treatment plants designed to treat up to 249 million gallons per day. HRSD owns and operates this wastewater infrastructure and provides wholesale treatment services to 14 other "retail" utilities that own the assets and interface with customers. The localities maintain their wastewater collection systems and are responsible for all aspects of customer service and billing.

Poor water quality linked to the existing wastewater and stormwater management systems caused the US Environmental Protection Agency (EPA) and the Virginia State Water Control Board (SWCB) to issue several consent decrees to HRSD and the 14 localities in its service jurisdiction. The consent orders addressed the persistent issue of recurrent, unpermitted sewer system discharges into the area's water resources, including the Chesapeake Bay, which threatened public health and the surrounding environment. The consent orders required HRSD to use new modeling techniques and monitor the sewer system, assess their condition and capacity, and create a Regional Wet Weather Management Plan (RWWMP). This plan describes how the region could increase stormwater management capacity and retrofit and upgrade aging infrastructure to minimize unpermitted discharges.

The localities subject to the consent orders agreed to cooperate in a regionalization study to support the RWWMP. The Hampton Roads Regionalization Report, completed by HDR and McGuire Woods in August of 2013, modeled the costs of several scenarios for infrastructure upgrades that would fulfill the EPA and Virginia Department of Environmental Quality's (DEQ) requirements. In one option, HRSD would fully consolidate with the localities, managing all regional wastewater customer service, collection, and treatment, including the RWWMP investments. The study estimated the net present value of this option cost \$948 million less than if all the utilities proceeded independently. Of this, operation and maintenance cost savings were valued at \$386 million, with an additional \$562 million savings due to RWWMP capital investments.²⁴ The study recommended this full consolidation, based not only on the economy of scale cost savings provided but also because making system upgrade decisions would be more efficient.

However, the fully consolidated model was not adopted due to challenges with implementation. Consolidating the assets and operations of 15 utilities into a single utility required overcoming numerous legal, financial, technical, and political issues and dozens of complex decisions. The 2013 regionalization study analyzed a number of these. For example, the consultant team reviewed the legality of consolidating HRSD and the localities into a single entity with regional authority. The scope of the review included HRSD's enabling legislation, the authorizing legislation of the assets of the localities, federal and state law, the contracts of debt carried by the entities, and any contracts that governed the ownership or operation of the wastewater collection system. The review concluded that there was no existing legal impediment to regionalization of assets.

A full consolidation also required significant asset transfers, which could impact customers differently depending on where they are located. Communities could choose to freely give their wastewater assets to HRSD for an agreed-upon reimbursement, or to lease their assets to HRSD. Regardless, localities would want to ensure they did not "pay twice" for assets. This could be a concern if a locality previously paid off an asset that was then sold to the consolidated utility at a cost passed on to all the consolidated system's ratepayers, including those from the original locality.

The regionalization study also examined how consolidation would affect rates. Figure 4 shows that, on an aggregated regional basis, the costs of wastewater management would be lower under a full consolidation than the non-consolidated approach. On an individual utility basis, however, the situation is much more complex. Most of the localities' ratepayers served by HRSD stood to benefit from regionalization in the medium to long term compared to what they would spend if they acted independently. In fact, eleven of the localities would have lower rate increases.²⁵ Specifically, the average ratepayer in Gloucester, Isle of Wight, and Suffolk would see rates cut in half for some period of time after the consolidation occurred (Figure 5). However, some utility customers would pay more under a merged utility.

Notably, full consolidation would yield no short-term benefits nor lower rates for some communities, such as the City of Newport News and the City of Virginia Beach. Other communities could have higher rates. The City of Williamsburg, for instance, could see higher rates (\$2 to \$3 per month) even before full implementation of the RWWMP began (Figure 6).

Figure 4
Aggregate rate projections across service areas studied (\$/ccf)

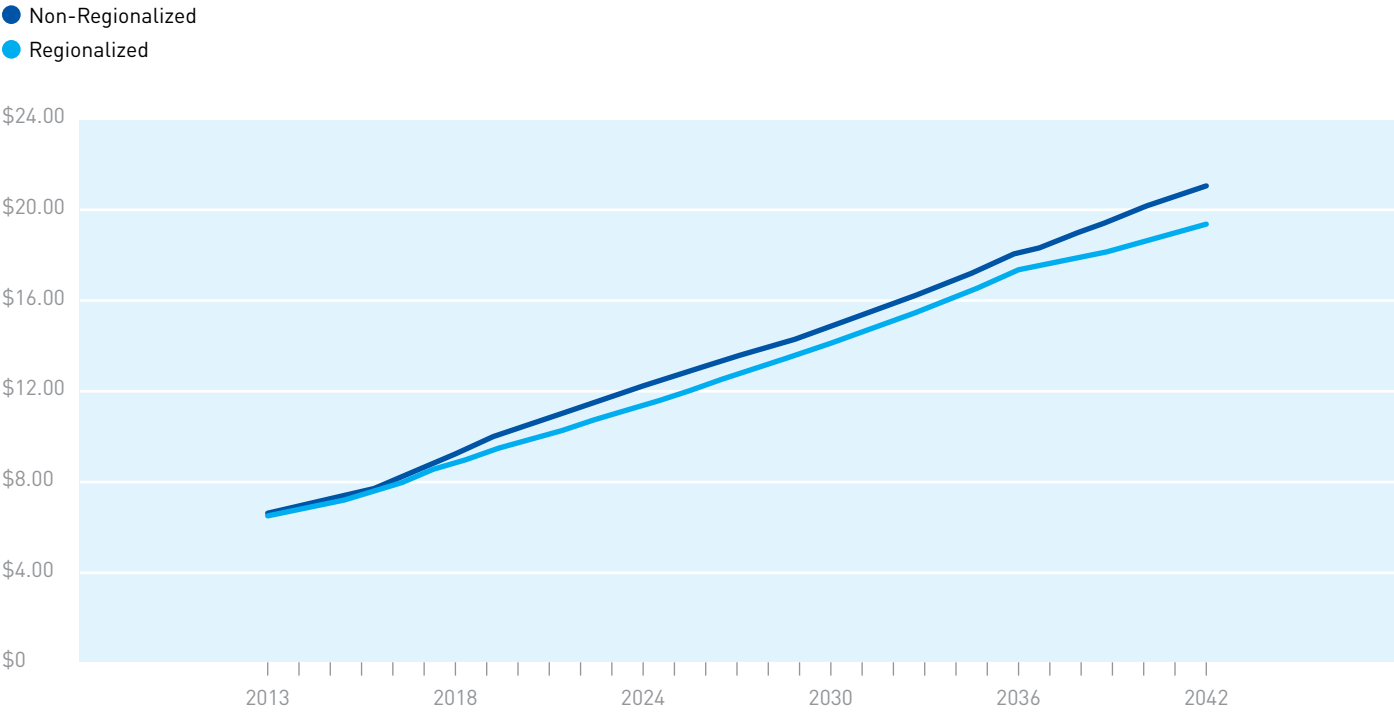


Figure 5
Rate projections for Gloucester (\$/ccf)

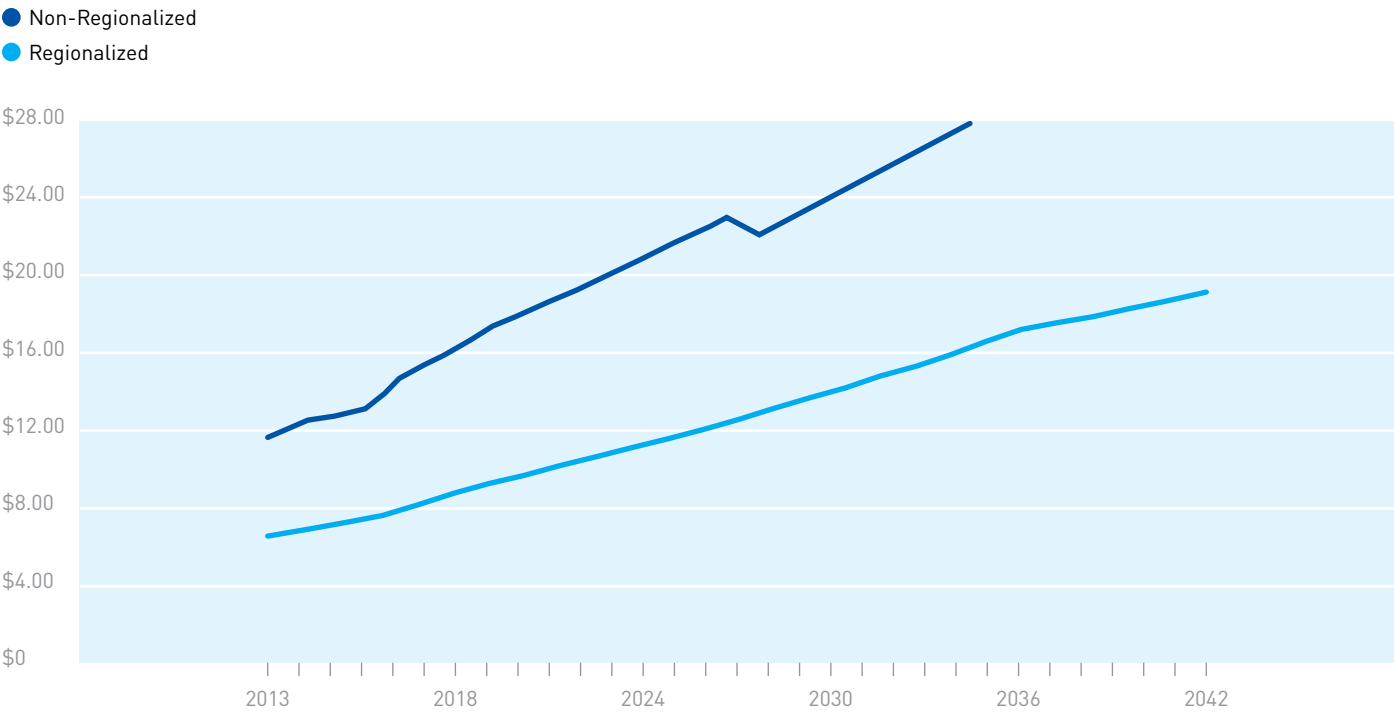
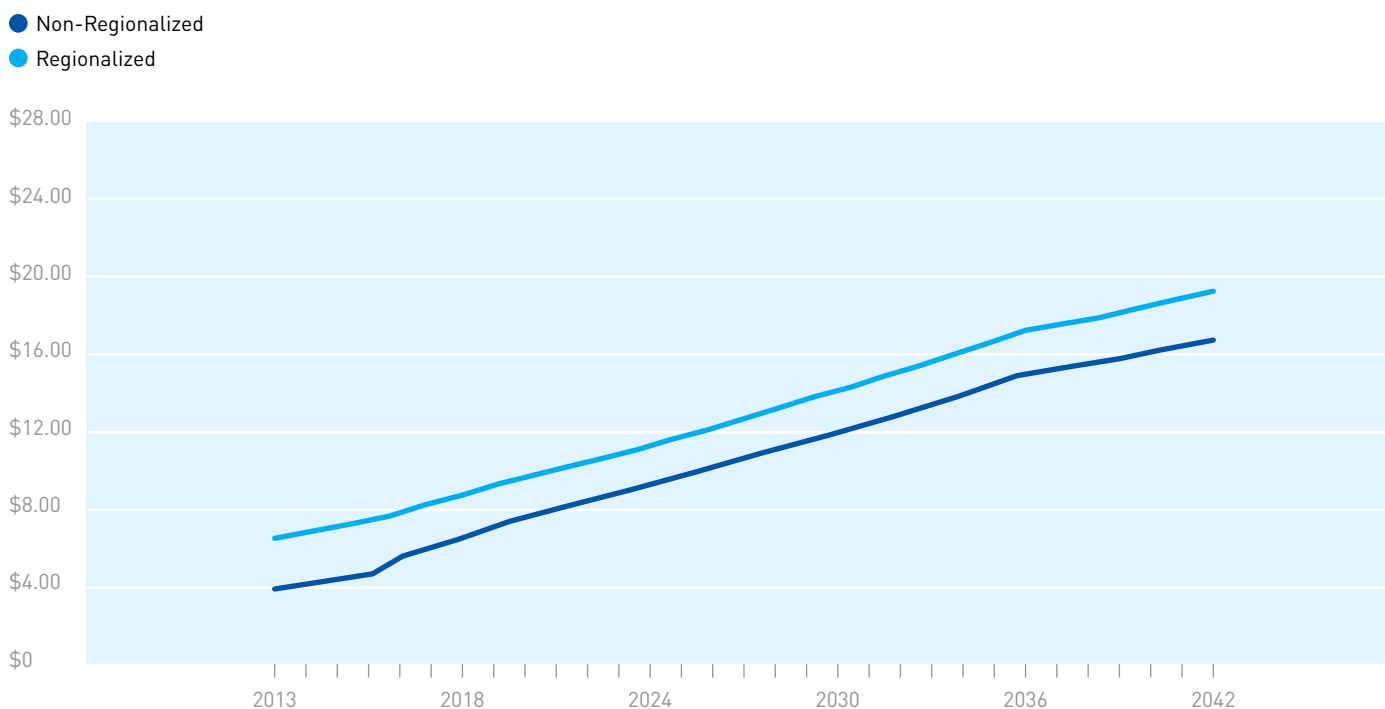


Figure 6
Rate projections for Williamsburg (\$/ccf)



Regardless of the regional model the localities chose, rates had to increase. However, the full consolidation model including all communities presented a lower and slower rate increase than a model without full consolidation.

The study also found that a full consolidation would have no impact on HRSD's credit rating. Although HRSD would take on more debt, an increase in the collection of rate payments was sufficient to cover the debt. One challenge, however, would be deciding how to blend the debt of multiple agencies together in a way that would have the least impact on the ratepayers.

Case Overview and Financial Outcomes

Ultimately, the full consolidation model was unable to garner sufficient support to take place. Concerns related to local control and the specifics of how the full merger would occur. However, the communities involved developed and presented an alternative model that significantly increased consolidated responsibilities under HRSD. This alternative option captured many, but not all, of the financial benefits in the full consolidation option. Under this new model, HRSD is responsible for improvements that otherwise would have fallen to the other utilities, yet they maintained control of all other aspects of their systems. In March 2014, a Memorandum of Agreement (MOA) was signed by representatives of HRSD and the local utilities in favor of this hybrid compromise arrangement. Under this agreement, communities continue to own wastewater infrastructure, offer local service and maintenance, and manage customer accounts. HRSD funded and implemented RWWMP improvements across all the region's wastewater systems, paid for by standard regional rate increases across their service area.

Hampton Roads Sanitation District's approach will lead to a fully coordinated investment of billions of dollars and spread responsibility costs evenly across customers in the region. The resulting MOA avoided the fractured, uncoordinated approach communities would have taken to address a major pollution problem. Each utility would have passed cost burdens on to local customers, likely with variations in costs for the protection of a shared regional resource. Implementing projects with low cost efficiencies was also more likely if utilities remained separate. The transfer of the RWWMP responsibilities to HRSD allowed the regional entity to embrace larger, potentially more innovative, efficient, and cost-effective projects.

HRSD is quantifying financial benefits from regionalization. Over time this will provide more insight on this kind of alternative strategy for regulators and communities facing similar large-scale challenges.

Conclusion

The HRSD case demonstrates positive financial impacts of increased collaboration while highlighting the practical obstacles that make it difficult to fully take advantage of the benefits of consolidation. The example shows how financial impacts can be uneven and, in some cases, individual communities and ratepayers may even be worse-off financially with full consolidation even if the region as a whole is better off. In the end, decision makers chose an option that eased the burden of financing the wet weather program while maintaining aspects of local control rather than an option that would have provided more financial benefits to the region as a whole.

Iowa Regional Utilities Association

Rural water systems consolidate to provide reliable, higher quality water supply

Date of established agreement	<ul style="list-style-type: none"> • 1977: Jasper County Water Association established and recruited member-customers from multiple communities, predominantly within Jasper County boundaries • 1988: Name changed to Central Iowa Water Association as service continued to expand outside of Jasper County boundaries • 2000: Name changed to Iowa Regional Utilities Association (IRUA), addition of rural wastewater services
Services involved	Management, and provision of drinking water and wastewater services
Governance model	Private, nonprofit, member-owned association governed by a nine-member Board of Directors with representatives from different geographical regions throughout the system
Communities involved	<ul style="list-style-type: none"> • Originally involved Jasper County, and small portions of Marion, Polk, and Marshall Counties • Currently involves 18 counties in central and northeast Iowa
Population served	<ul style="list-style-type: none"> • Water supply distribution to 18 counties, within which 77 small communities are served • Wastewater services to 23 small communities or neighborhoods • Serving approximately 55,000 people through 14,635 retail customer accounts plus 25 wholesale community agreements
System capacity/demands	<ul style="list-style-type: none"> • 4,625 miles of pipeline • 27 water towers with a total storage capacity of 12,300,000 gallons • Average treated drinking water demand is 130 million gallons per month
External policy drivers and incentives	<ul style="list-style-type: none"> • Originally, southern and western Iowa communities and rural areas were suffering from lack of adequate water supply, with wells drying up during dry weather • The Farmers Home Administration (predecessor to USDA Rural Development) heavily promoted regional water systems with the state; IRUA is one of 19 planned regional water systems in Iowa
Financial and economic impacts	<ul style="list-style-type: none"> • Shared administrative, operational, and debt service costs over a larger revenue base • Expanded water sources and supply capacity • Enhanced economic development in rural communities
Revenue flows	Customers from multiple communities (including wholesale, residential, business) pay fees to the central utility

Summary

The Iowa Regional Utilities Association (IRUA) epitomizes how a regional, consolidated utility can partner with numerous rural communities using different levels of consolidated services to provide better water quality and a more reliable water supply and wastewater service for a large region. What started as a modest effort involving a few communities became a sizeable regional utility spread across 18 counties with more than 15,000 water and wastewater customers and almost 5,000 miles of pipeline. IRUA draws water from three municipal sources and owns a three million gallon per day wastewater treatment plant. Expanding the regional system continues to spread costs and debt across a larger base of customers and stabilizes water quality and supply for many rural communities. The variety of water sources provides more reliability for customers, and the larger revenue base generated funding for more skilled staff. The consistency of water quality and supply had the secondary benefit of enhancing the economic development in the rural communities IRUA serves.

Context

In the 1970s, Iowa began its regional water supply efforts with the creation of the Rathbun Regional Water Association. Rathbun continues to be the largest regional water system in Iowa. Representatives of the Farmers Home Administration, the predecessor to the current USDA Rural Utilities Service, supported a local effort to make use of the Rathbun reservoir as a regional water source. Seeing how the Rathbun system increased financing efficiencies and attracted funding agencies inspired the creation of other regional systems across the state.

In 1977, residents of Jasper County formed a steering committee which led to the creation of the Jasper County Water Association. The initial regional system covered the Town of Newton, within the boundaries of Jasper County, and slightly extended into three other surrounding counties. The system started with 950 miles of pipeline and served 2,000 customers. Although the Jasper County Water Association saw regional benefits and efficiencies arising from the original collaboration, the Board of Directors of the Association, as well as the funding agency (Farmers Home Administration), supported the goal of continuous growth and expansion to regionalize with other rural water systems.

With this expanded service area, the Jasper County Water Association became the Central Iowa Water Association in the late 1980s. Regional efforts continued to grow and began including rural wastewater systems in 2000. The entity added wastewater services and changed its name to the Iowa Regional Utilities Association. Today, the IRUA has almost 5,000 miles of pipeline and provides services to more than 55,000 people across 18 counties.

Case Overview and Financial Outcomes

The success of the continuous expansion of IRUA is based largely on its ability to consolidate with rural water and wastewater systems using different consolidation models. While many of the communities they serve have been fully consolidated through complete acquisition of assets and customers, IRUA has taken steps to respect the unique identities of the communities they serve. For instance, IRUA's system relies on over 25 water towers located in or near many towns in their service area. In many cases, IRUA opted to retain name of the community they serve on the water tower rather than promoting their own name. In other cases, IRUA re-painted water towers, but added an important community symbol or name such as the local high school name or mascot. These water towers promote partnerships among the regional entities that maintain a sense of community presence and ownership through the proud display of a town name.

The IRUA model has been successful in Iowa because, like other regional systems in the state, it meets the needs of a large region with a diverse base of rural water users. IRUA provides customers with a reliable water supply as well as wastewater services to a variety of customers including farms, rural residents and communities, small municipalities, and businesses. IRUA acts as both a customer—through its purchase agreements with three municipalities for its water supply—and as a service provider, by serving 14,635 customers.

In its early development phases, Jasper County Water Association considered building its own water treatment plant. One study showed that buying water from the City of Newton would result in benefits for both Newton and Jasper County. Instead of a treatment facility, the utility focused its investments on distribution lines and water tanks.

The total construction cost of IRUA assets, including the main office, pump stations, towers, water lines, etc., was approximately \$202,451,774. To finance the construction, IRUA received numerous USDA-RD/CoBank loans and \$24,902,462 in grants from USDA and the Community Development Block Grant (CDBG) program.

IRUA brought positive financial impacts to the region, particularly the relatively stable rates over the entirety of IRUA's existence. Beginning in 1977 and extending for the next 36 years, the average annual rate increase for IRUA was a mere 1.33 percent, significantly lower than the Consumer Price Index (3.85 percent).

Communities that opted to remain independent from IRUA did so often with significant cost to their customers. For example, the community of State Center chose to proceed with the construction of their own small treatment facility rather than purchase wholesale water from IRUA or become an IRUA retail customers. A State Center water customer that uses 4,000 gallons a month will be charged \$73 per month compared to the IRUA retail rate of \$55.²⁶

In addition to rates, understanding the full economic benefits of consolidation requires considering the value of improved water quality that higher capacity systems, large and small, can produce. For example, IRUA now provides wholesale water to the City of Janesville. Prior to deciding to purchase water from IRUA, Janesville relied on water from their own wells that was much harder than IRUA's treated water (286 mg/L compared to 125 mg/L). The costs of harder water can be significant, such as reduced appliance energy efficiency or the need for home water softening. Taking these into consideration, remaining independent could have cost Janesville customers an additional estimated \$3 to \$4, about 15 to 20 percent more, for every thousand gallons of water they purchased.²⁷

Although the rates have risen slowly over the past 40 years, rural systems overall have far fewer customers per mile of pipe than large, urban systems. This creates a much higher debt load per customer, resulting in higher rates. Still, IRUA has rates comparable to the larger municipalities located in the region and has some of the lowest rates of all the regional systems in the state.

Conclusion

The IRUA model highlights the benefit of pooling community resources together in a comprehensive, regional water supply and service plan. This model replaced a highly fragmented patchwork of water systems with a large centralized operation and capital management system. The consolidation provided rural customers with improved expertise and assets that are typically found in larger, more urban settings.

Logan Todd Regional Water Commission

Twelve systems create treatment facility to provide a reliable regional water supply and drive economic development

Date of established agreement	<ul style="list-style-type: none"> • 1995: Formed by the Logan County fiscal court • 2003: Began serving treated water to its constituent distribution systems
Services involved	Wholesale drinking water supplier
Governance model	Twelve water systems joined together to create a Joint Powers Agency, a new nonprofit entity. The twelve utilities continue to exist as independent entities, and the agency has a 12-member board made up of one representative from each.
Communities involved	12 autonomous water systems: <ul style="list-style-type: none"> • Four water systems in Todd County: Elkton, Guthrie, Trenton, Todd County Water District • Seven water systems in Logan County: Lewisburg, Russellville, Auburn, Adairville, South Logan Water Association, North Logan Water District, East Logan Water District • One water system in Christian County: City of Oak Grove (joined in 1999)
Population served	52,000 people with the potential to expand to serve over 100,000 people
System capacity/demands	The central treatment facility provides drinking water supply to the 12 individual small systems, which each serve between 390–3300 customers each. Seven of the 12 systems serve less than 1,000 customers. After it was created, the Logan Todd Regional Water Commission (LTRWC) installed an 85-mile transmission line to distribute its water to the 12 small systems.
External policy drivers and incentives	<ul style="list-style-type: none"> • Local Chamber of Commerce advocated for the arrangement due to water's impact on regional economic development • Infrastructure funders showed preferences for regional solutions
Financial and economic impacts	<ul style="list-style-type: none"> • Partnership helped attract very favorable financing terms • Created economic benefits for the region that otherwise would not have been possible, including \$800 million of economic activity resulting from two new aluminum manufacturing facilities • Increased efficiency and reduced duplication related to water supply investment needs • Equalized wholesale treated water rates for all 12 customers regardless of the size or location
Revenue flows	Individual utility bill customers, revenues pay for wholesale water provision

Summary

The development of the Logan Todd Regional Water Commission's (LTRWC) demonstrates the positive financial impact of regionalization in creating a more cost effective, reliable drinking water supply and bolstering the local and regional economy. Prior to the creation of the LTRWC, the 12-member utilities of the agency faced significant water quality concerns and water shortages. In 1988, water shortages tangible negatively impacted economic growth in the region. The City of Russellville lost a bid for a new poultry processing plant that would have brought local jobs and boosted the local economy due to insufficient potable water supply. The formation of a regional water system secured water supplies and was able to attract very favorable capital financing. In creating the LTRWC, a Joint Powers Agency, twelve systems retained their individual distribution systems while purchasing water wholesale from a central treatment facility. The central treatment facility obtains water from a reliable water source. Since then, the region has supported existing and attracted new businesses and industries through a reliable water supply.

Context

The region's water shortage crisis began with a drought in 1998. Many of the region's water systems were suffering from water quantity and quality issues, however, water shortages in the City of Russellville in Logan County were especially prominent. The city needed a reliable water source, especially because they were responsible for selling water to three other utilities. Because Russellville was unable to provide ample potable water, a poultry plant was unwilling to locate to the region. In 1990, the Logan County Chamber of Commerce recognized the harmful impact water shortages were having on the economy and formed the Logan County Water Advisory Group to study water supply needs in the region.

In 1995, the Logan County fiscal court established the LTRWC. Many of the utilities involved relied on undependable springs or water sources contaminated by nematodes or *Cryptosporidium*. Treatment facilities were aging, and the reservoir used by one of the larger systems had a severe leak. In 1996, an engineering study determined the region needed a new raw water source. Although the study included recommendations for intermediate solutions, the LTRWC was denied funding for those options from several sources which forced them to build a completely new treatment plant. The LTRWC identified the Cumberland River in Clarksville, Tennessee as its best available source of water and worked to obtain permits across the state line to proceed.

Kentucky statutes are amenable to interlocal cooperation and regional solutions, helping to move the project forward. Over the last two decades, Kentucky implemented a variety of policies and incentives to promote regionalization, which further motivated the LTRWC coalition to work together.²⁸ The 12 communities involved in the regional effort included municipally-owned systems with their own treatment plants, water districts that purchased finished water, and a privately-owned system that also purchased finished water. Differences in available financial resources or the individual challenges communities faced left some disinclined to give up local control or to cooperate with neighboring communities. Several felt they would not benefit from a regionalization effort as much as others. Systems with more financial strength saw regionalization as a way to improve future planning.

Case Overview and Financial Outcomes

Eventually, all the communities got on board and secured funding to develop the new raw water source and treatment plant. By the end of 1998, 11 of the member communities agreed to purchase water contracts from the LTRWC. In 1999, Oak Grove became the twelfth member of the regional entity.

Construction for the project cost over \$70 million, and funding sources included:

- \$49.8 million from USDA loan (one of the largest in USDA history)
- \$10.4 million from Kentucky Drinking Water State Revolving Fund loan (the first ever in the state)
- \$5 million from Kentucky Infrastructure Authority 20/20 Grant
- \$1 million from Community Development Block Grant
- \$5,000 from Area Development Grant Fund
- \$3.5 million from state funds and \$3.3 million from appropriation/earmarks
- \$19,000 from system contributions
- \$4 million from other funding sources

With this funding, the George W. Arnold Water Treatment Plant was built in Guthrie, Kentucky, attracting new businesses and economic development to the area. Two aluminum manufacturing facilities, one currently operating and one slated to open in 2020, will bring \$800 million to the region's economy. These industries alone have contributed greater benefits to the region than the cost to build the plant. Aluminum manufacturing facilities require a reliable water source and could not have located in the area without the new source and treatment plant. Other businesses and services have also come to the area, including restaurants, retail, and medical facilities.

With respect to further regionalization, the LTRWC has signed a contract with the city of Springfield, Tennessee to join the JPA and purchase wholesale water for 40 years. On top of those purchases, the JPA secured funding from USDA Rural Development, Kentucky Infrastructure Authority, as well as a bond issuance to extend service lines to Springfield. According to staff from LTRWC, the bids were awarded for the Springfield project, coming in \$3.5 million under budget. Construction began in August of 2018 and includes twenty miles of Ductile Iron, a two-million-gallon tank, a generator, and pumps at a cost of approximately \$22 million.

Conclusion

This example shows how economic benefits of water regionalization have as much to do with general regional economic benefits as specific water system financial savings. The Logan Todd Regional Water Commission attracted new businesses and industry to the area which could not have existed without the regional water system providing a reliable supply. The direct and indirect economic benefits to the region far outweighed the costs of building the water treatment plant and developing a new water source. The communities involved invested in the regional water system, but their ability to earn grants and favorably-termed loans meant they did not have to spend anything near the true cost of the regional system. The LTRWC provides a strong example of how multiple small water systems can form a partnership to share costs, improve water quality, and ensure the long-term supply of drinking water for a region while improving the economic prospects of their individual citizens and communities.

New Jersey American Water

Borough-owned water systems consolidate with statewide investor-owned utility to tackle needed, costly capital improvements

Date of established agreement	<ul style="list-style-type: none"> 1886: American Water (formerly known as American Waterworks and Guarantee) was founded. It is now the largest publicly-traded US water and wastewater utility company 2015: New Jersey Board of Public Utilities approved the acquisition of the Haddonfield water and wastewater system by New Jersey American Water
Services involved	Ownership, management, and provision of drinking water and wastewater services
Governance model	<ul style="list-style-type: none"> Investor-owned water and wastewater utility company American Water itself includes regulated utilities in approximately 1600 communities in 16 US states Each utility is managed at a regional or state level and regulated by the State within which it is located New Jersey American Water is regulated by the New Jersey Board of Public Utilities
Communities involved	<ul style="list-style-type: none"> Haddonfield, New Jersey New Jersey American Water
Population served	<ul style="list-style-type: none"> New Jersey American Water: 2.7 million residents in 191 communities Haddonfield Borough: 4,500 water and wastewater customer accounts
System capacity/demands	<ul style="list-style-type: none"> New Jersey American Water: Water and wastewater services to 191 communities in 18 counties Seven surface water treatment plants and 247 wells with a combined total capacity of 460 MGD 8,500 miles of water main pipes and 400 miles of sewer main pipes Haddonfield Borough system: 51 miles of water main pipes, and 55 miles of sewer main pipes
External policy drivers and incentives	New Jersey legal framework and policies (e.g. allowing single tariff pricing) for regulating multi-system utilities is favorable to consolidation by allowing the assets and rate base of acquired systems to eventually be fully integrated with other systems throughout a utility
Financial and economic impacts	<ul style="list-style-type: none"> Stable and predictable rates because of New Jersey American Water's ability to spread costs over a broad customer base, 650,000 accounts as opposed to Haddonfield's 4,500 Access to a significant capital improvement budget Safeguard against unreasonable rate increases due to regulation by the state utility commission
Revenue flows	Customer fees from small community now added to the broad base of existing fees paid to the central utility

Summary

The Borough of Haddonfield water and wastewater systems consolidated with New Jersey American Water. This case provides a snapshot of the types of economic and financial impacts communities can gain when a low capacity system consolidates with a large private water and wastewater utility company.

In the case of Haddonfield, the borough postponed and flattened the rate increases needed to fund millions of dollars of upgrades and repairs to its aging water and wastewater systems. New Jersey American Water's much broader revenue base covered the costs of those upgrades and smoothed out (and potentially minimized) rate increases. This spread out the anticipated local upgrade and repair costs for Haddonfield over the 650,000 accounts of New Jersey American Water instead of the 4,500 accounts of the borough. Immediately after buying Haddonfield's utilities, New Jersey American Water invested in updating the system. Originally, the company planned to invest approximately \$16 million over the first five years to modernize the Haddonfield system; ultimately, they surpassed this commitment and invested over \$18 million.

An analysis conducted by the borough showed a lower projected rate increase for the Haddonfield customers after consolidation than would occur if the borough continued to operate on its own. Haddonfield now benefits from the economies of scale that accompany being part of such a large utility, has access to a larger capital improvement budget, and is has more expertise on staff for regulatory. Haddonfield further recovered a portion of the historic investment it made in its system through a cash payment from American Water. The payment was large enough to retire existing water and wastewater debt and leave approximately \$12.5 million available for other essential governmental services.

Context

American Water was founded in 1886 and is now the largest investor-owned water and wastewater utility in the United States. American Water has 15 state-regulated subsidiaries which provide water and wastewater services to 15 million people in 46 states and Canada. One of the company's subsidiaries is New Jersey American Water, which provides services to 2.7 million people throughout the state.

The Borough of Haddonfield, New Jersey owned and operated its water and wastewater utility for almost 130 years. During that time, the borough funded all the system costs through a quarterly water and wastewater bill to its residents. The borough did not use property tax revenues for any water or wastewater costs. In fact, according to Commissioner John Moscatelli, the borough took excess revenue from the water and wastewater utility and used it to offset property taxes for a long period of time.²⁹ That meant when the borough decided to invest in infrastructure starting in 2003, the current rates could not keep up with the significant investments needed. Between 2003 and 2008, the borough spent almost \$16 million in repairs, and in 2013, a community advisory committee determined rates would need to be raised by 25 percent to cover the debt service. The Commissioners approved and implemented the rate increase in 2014. Around the same time, an engineering study estimated an additional \$50 million of improvements would be needed over the following 30 years.

Given an already steep rate increase to cover the previous capital debt and anticipated rate increases to meet future obligations, the borough proposed several options. Most options involved some level of consolidation. The borough considered partnering with another utility for purchasing power and shared staffing, outsourcing utility management, or leasing the utility. In the end, the borough decided the best option would be to sell the water and wastewater systems and advertised a bid for the sale.

New Jersey American Water came in with the highest bid. The borough projected full consolidation provided the best financial scenario. In November 2014, the Commissioners of Haddonfield put the sale of the borough utilities to the company on the ballot through a referendum. Voters approved the sale by an almost two to one vote. The New Jersey Board of Public Utilities (BPU) approved the sale and finalized the purchase the following May 2015. New Jersey American Water commenced ownership, management, and operation of the utilities immediately.

Case Overview and Financial Outcomes

The contract required New Jersey American Water to invest \$6.5 million in the Haddonfield systems for repairs and upgrades in the first year after the purchase. The company surpassed this level of investment in the first three years. New Jersey American Water invested an additional \$9.5 million spread out over the following four years. Within the first five years following consolidation, investment in the borough's systems totaled \$16 million.

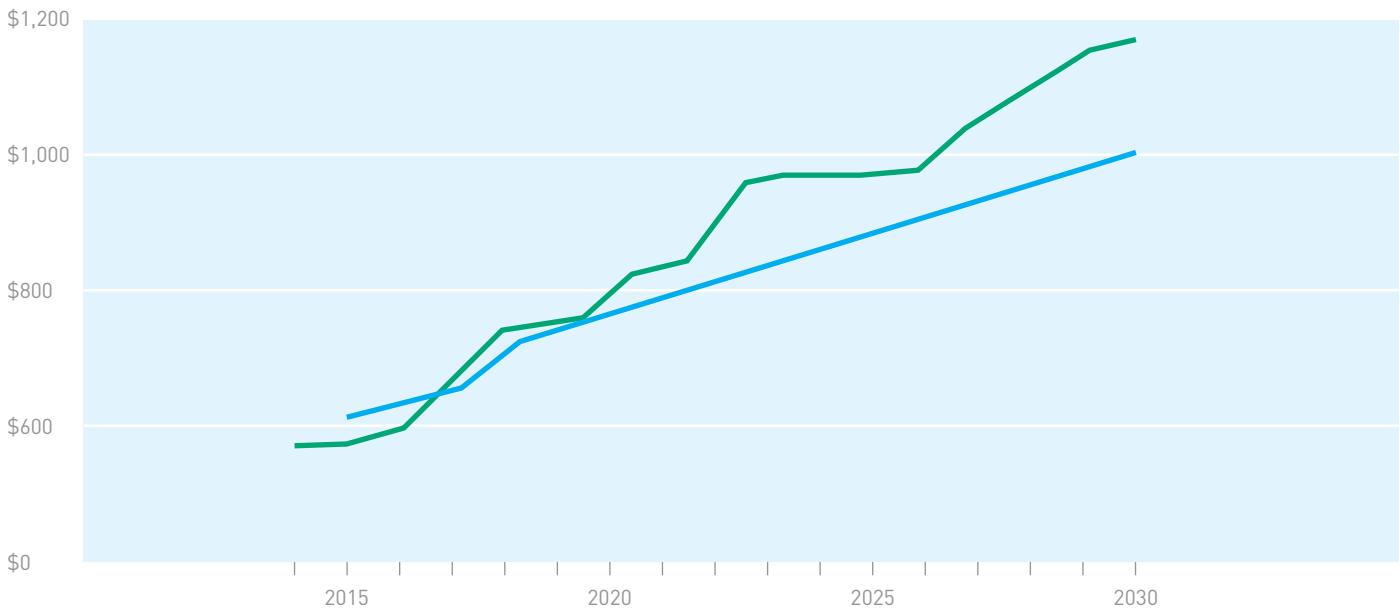
Borough residents finance the cost of these investments over time as customers of New Jersey American Water. The terms of the agreement postpone impacts on water rates for at least three years. After this period, Haddonfield customers will pay the same rates as other American Water's users. The borough's drinking water rates at the time of consolidation were relatively close to the rates in New Jersey American Water's larger service area—approximately \$550 per quarter for the borough's average user compared to \$650 for the company's average user. Despite these slightly higher rates, though the overall savings and benefits from consolidation will keep rates lower than if Haddonfield had to upgrade and repair systems on its own. While Haddonfield customers' water rates would be subject to a rate freeze, the proposal did not specifically provide for a wastewater rate freeze. Haddonfield's wastewater rates, including fees for treatment, were about \$575 compared to New Jersey American Water's average of \$700. Residents saw a noticeable increase in their wastewater rates of 12.5 percent in the first year, and then 3.5 percent afterwards.

Figure 7

Projected Annual Water Bills³⁰

(Based on an average household use of 58,000 gallons/year)

- Haddonfield Municipal Water
- New Jersey American Water



Original chart created by and based on analysis by the Borough of Haddonfield.

Prior to the sale, the borough completed a rate projection for 35 years to compare how rates would be affected if the entity consolidated with New Jersey American Water versus if the borough remained independent. Those projections estimated that New Jersey American Water plans for rates to either be lower or at least comparable to the borough's rates for the next 30 years. Furthermore, the borough's rates will remain considerably lower than rates in other areas of New Jersey.

New Jersey American Water proposed to incorporate the costs associated with acquiring and upgrading Haddonfield's water and wastewater facilities into its larger utility asset portfolio, or rate base, in its currently pending general rate case. If approved, the cost of providing service to Haddonfield will be intermingled and shared with costs of providing service to the New Jersey American Water statewide customer base.

New Jersey is one of many states which allow investor owned utilities to implement single tariff pricing where noncontiguous water and wastewater systems in different parts of the state share a single rate structure. In effect this pools resources ultimately spreads costs over a large customer base. In some cases, customers from acquired systems join the large rate pool immediately. In other cases, like Haddonfield, rate integration is phased in. This phasing works to Haddonfield's advantage because their current rates are lower than New Jersey American Water rates. However, the consolidation also impacted the economic regulation of rate setting for the borough. As part of New Jersey American Water, Haddonfield customer rates are now under the jurisdiction of the New Jersey Board of Public Utilities (BPU), and the BPU has to vet and approve all future rate increases. If the borough had transferred their water systems to another governmental water utility, rates may not have been subject to the same level of oversight.

Haddonfield also benefited financially from the consolidation through the sale of the utility. New Jersey American Water bid \$28.5 million, the highest of the three bids the borough received. The borough paid off the nearly \$16 million in existing debt for the water and wastewater systems that it had accrued between 2003 and 2008. It also put the remaining \$12.5 million dollars toward the borough's general obligation debt. According to the Commissioners, the proceeds from the sale eliminated most of the borough's debt and freed up roughly \$1.3 million dollars in taxes per year. Some of that tax money has already been invested in road improvements in the community.³¹

Aside from debt service and related savings, the consolidation led to additional financial impacts that had both positive and negative cash flow implications. First, the borough was allowed to keep rent received from its cellular antennae contracts for ten years at a total value of about \$600,000. Second, although not contractually required, New Jersey American Water made offers of employment to every Haddonfield employee affected by the sale of the utilities. Entities like New Jersey American Water do not have to pay certain union wage contracts, which can make projects more expensive for local governments.

Before consolidation, the city paid some other government employees using utility revenues and had to find other funding sources for these positions after the consolidation. The borough estimated this cost at \$340,000 per year. Additionally, the borough would have to pay New Jersey American Water a total sum of \$169,000 per year for its 315 fire hydrants and needed to contract out for snow plowing, which could cost up to \$57,000 per year. Prior to consolidation, Haddonfield staffed utility workers to plow snow.

Finally, New Jersey American Water agreed to continue the borough's senior discount program for 10 years for senior customers who were already enrolled in the program. Haddonfield customers are now eligible to participate in the company's low-income customer assistance program, Help to Others, which assists customers with grants as well as service charge discounts for those who qualify.

Conclusion

Transitioning from a small independent system to a larger consolidated system or transitioning from a government-owned system to a privatized system can be challenging and have significant financial impacts. The Borough of Haddonfield did both simultaneously. The resulting transition is likely to lead to financial tradeoffs. As outlined above, Haddonfield gets clear economy of scale benefits from joining New Jersey American Water that carry real and significant financial benefits. However, this consolidation did have financial downsides. The non-risk adjusted cost of capital for New Jersey American Water's capital investments is higher than what a government owned utility typically incurs, and private utilities typically have less access to short and long-term tax-exempt debt which are available to communities like Haddonfield. In the case of Haddonfield, the borough's leaders and ultimately their citizens accepted the financial impacts, deciding that the positive impacts from consolidation outweighed the negative ones. Haddonfield found itself in a situation similar to what many communities are facing—they needed to quickly and efficiently invest in their water and wastewater systems to protect the public and environmental health of the community. The long-term impacts of the transition will take years to determine. Ultimately, the transition may be evaluated not on the ability of the new system to catch up, but rather on its ability to not fall behind again in the future.

About the US Water Alliance

The US Water Alliance advances policies and programs to secure a sustainable water future for all. Our membership includes water providers, public officials, business leaders, environmental organizations, community leaders, policy organizations, and more. A nationally recognized nonprofit organization, the US Water Alliance brings together diverse interests to identify and advance common ground, achievable solutions to our nation's most pressing water challenges. We:

Educate the nation about the true value of water and the need for investment in water systems. Our innovative education and advocacy campaigns, best-in-class communications and media activities, high-impact events, and publications are educating and inspiring the nation about how water is essential and in need of investment.

Accelerate the adoption of One Water policies and programs that manage water resources to advance a better quality of life for all. As an honest broker, we convene diverse interests to identify and advance practical, achievable solutions to our nation's most pressing water challenges. We do this through national dialogues, knowledge building and peer exchange, the development of forward-looking and inclusive water policies and programs, and coalition building.

Celebrate what works and spread innovation in water management. We shine a light on those who engage in groundbreaking work through storytelling, cataloguing and disseminating best practices, and spearheading special recognition programs that focus attention on how water leaders are building stronger communities and a stronger America.

About the UNC Environmental Finance Center

The Environmental Finance Center is dedicated to enhancing the ability of governments and other organizations to provide environmental programs and services in fair, effective, and financially sustainable ways. We reach local communities through the delivery of applied research, interactive training programs, and technical assistance. We see one of our major roles as increasing the capacity of other organizations to address the financial aspects of environmental protection and service delivery. In addition to direct community outreach, we work with decision makers to assess the effectiveness of environmental finance policies at a regional or state level, and to improve those policies as a way of supporting local efforts.

Notes

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Flock Safety Technologies in Law Enforcement: An Initial Evaluation of Effectiveness in Aiding Police in Real-World Crime Clearance

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Abstract. A growing number of law enforcement organizations are using and integrating Flock Safety technologies, specifically automated license plate readers (ALPRs), to enhance their crime control functions. While these technologies have significantly improved through development, their effectiveness in real-world usage requires evaluation. This study analyzes data collected by a representative sample of small, medium, and large agencies that use Flock technologies to measure the impact of Flock ALPR using regression analysis that measures product variables with public Uniform Crime Report data. Initial findings suggest a positive impact of Flock technologies on clearance rates. This warrants further examination of the impact of Flock technologies on specific crime types and statistical comparisons before and after these technologies were implemented.

Acknowledgments

This white paper was created with the consultation of Johnny Nhan, Ph.D. (Texas Christian University) and Richard C. Helfers, Ph.D. (University of Texas at Tyler).

Introduction

This paper attempts to quantify and fill an existent knowledge gap surrounding the efficacy of automated license plate reader (ALPR) cameras for law enforcement. In recent years, the conversation surrounding ALPR has shifted from “Do they help solve crime?” to “How do they solve crime, and how much?” This trend largely parallels ALPRs’ product maturation and greater real-world usage by law enforcement agencies. Whereas older studies noted prohibitive cost (Dobbs 2014), recurrent technical issues (Lum et al 2010 65), and small deployment sizes (Koper et al 2012 41) as blockers to effective ALPR performance, studies conducted after ALPR cameras rapidly became more performant, more cost-effective, and more seamlessly embedded in law enforcement workflows have demonstrated statistically significant law enforcement outcomes. More recent studies have found that the use of ALPR can be attributed to increases in follow-up arrests (Ozer 2016 124), to identifying more stolen vehicles and making more arrests as a result (Potts 2018 15), to improvements in case closure rates for both auto theft and robbery in areas of high-density ALPR deployment (Koper and Lum 2019 320), and towards generally improved traffic safety (Zmud et al 2021 33).

Nonetheless, existent research on ALPR effectiveness typically does not attribute crime clearances to ALPRs directly, with case studies relying upon retrospective attribution based on case clearances over time or comparing ALPR-equipped groups with non-ALPR-equipped groups. Further, existing research relies either upon handfuls of anecdotal interviews with ALPR-equipped law enforcement agencies or deep dives into the ALPR use data of a single city, agency, or even a subset of officers within an agency at a time.

Methods of Inquiry

In this paper, we consider the most expansive and tightly attributed survey of ALPR crime clearance data to date in order to deepen our understanding of what leads a law enforcement agency to solve more or less crime with ALPRs. This dataset was sourced from a survey of Flock Safety ALPR customers conducted from April to June of 2023. Though this data must be presented in an aggregated form as a condition of its collection,¹ we explain the collection process and data validation in detail.

From there, we combine agency-attributed ALPR crime clearances with historical FBI-reported crime data to calculate the portion of crime solved within each of the law enforcement jurisdictions with data of sufficient quality for inclusion. We then use those clearance rates as the dependent variable in a statistical model that finds a line of best fit for how much crime a theoretical “typical” agency would solve with Flock Safety ALPR cameras given their use of Flock Safety’s cameras and software products, the agency’s resources independent of their ALPR cameras, and relevant socioeconomic factors for the agency’s jurisdiction based on the real data for the reporting agencies. The factors extrinsic to the ALPR data were selected following the FBI’s best practices for comparing law enforcement agency outcomes. We explored several appropriate modeling techniques, searching for the framework that produced the highest combined correlation coefficient to our dataset.

In our analysis, we isolate the relative impact of ALPR-centric, agency-centric, and jurisdiction-centric factors upon ALPR-assisted crime clearances. Acknowledging the broad, general conclusions of this preliminary, exploratory study, we conclude by noting the additional

¹ Law enforcement agencies were understandably concerned about potential subsequent disseminations of line-by-line, case-by-case information from their jurisdictions. Because this study was always intended to be a broad survey of Flock-assisted closures that would not require delving more deeply into crime types or seasonality, we made the concession only to present aggregated data early on to maximize our response rate.

avenues for more targeted research via statistical tests coupled with in-depth qualitative data that this general model suggests.

Data Collection and Validation

Part one: Raw numbers of crimes solved

Respecting how complicated it is to attribute crime clearances to a single technology amidst so many potential factors, the request was simple: “How many arrests have you made that can directly be attributed to the use of a Flock Safety camera?” Respondents were asked for the corresponding case records, which we then audited individually to ensure that attributions were clear and that they were only for offenses reported to the FBI, filtering out reports of clearances for minor traffic offenses, stolen vehicles recovered without an arrest, and instances where it was otherwise unclear what the referent of a report was.

As a whole, the survey responses faced the same challenges noted by Zmud et al in 2021 talking with individual agencies: consistently capturing this kind of data is very difficult, and practices are in no way standardized across different ALPR-equipped agencies. Some records came from records management systems (RMS); some from Flock Safety’s reporting tool that allows agencies to track ALPR outcomes; some were tracked manually in Microsoft Excel or Google Sheets. While some agencies using an RMS had clear, easily identifiable designations for ALPR-assisted clearances, it was often the case that ALPR assistance was identified only in unstructured text in the “Notes” section of an RMS, necessitating careful searches by analysts to identify exhaustively the ALPR-assisted clearances. The opposite problem was the case with records kept by hand in a spreadsheet tool—though it was clear in this case that Flock assisted

with the crime in question, it often required very careful auditing to ensure that the clearance was for a crime reported to the FBI and not for a minor traffic offense.

We controlled for the imperfect data records by requesting records from a very high number of law enforcement agencies. Of the customers surveyed, we received 477 replies; of those replies, 246 replies provided data; of those 246 data points, 195 provided sufficient granularity surrounding clearance data to warrant further investigation.

Part two: Overall percentage of crimes cleared

The reporting agencies varied widely in the overall crime rate within their jurisdictions. With this in mind, we sought next to standardize the raw number of reported crimes solved with Flock Safety ALPRs. Determining how much of the overall crime in an agency's jurisdiction those clearances represented, we then approximated a "Flock-assisted clearance rate".

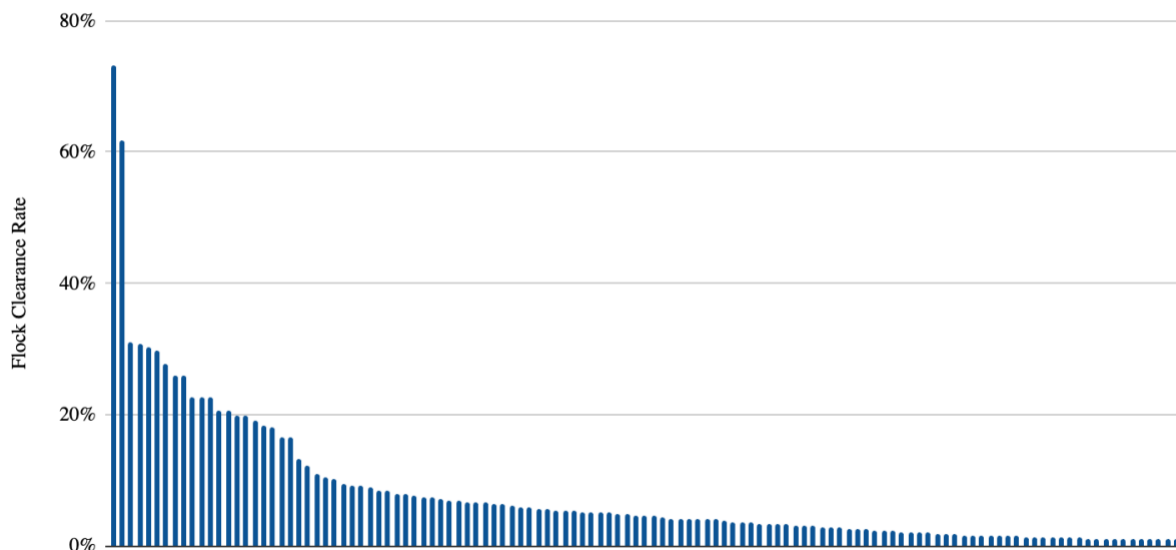
To ensure a consistent reporting framework for overall crime, we opted to use the overall crime data reported by survey respondents to the FBI's Uniform Crime Reporting (UCR) program. To use the latest data while accounting for the unusual 2020-2021 period in crime statistics, we used the average number of crimes for each year the agency reported to the FBI since 2016 as our denominator. Not every agency uses the FBI UCR system, and non-reporting agencies were thus excluded from subsequent analysis.

Implausible outliers on both the low and high ends emerged from dividing this numerator—the number of Flock-attributed arrests in the survey—and this denominator—the average crimes reported to the FBI from 2016-2021. On the low end, it emerged via follow-up conversations with respondents that exceptionally large jurisdictions often simply were not equipped to report comprehensively on Flock-assisted clearances. On the high end, additional scrutiny of the FBI-reported crime statistics revealed wide fluctuations in the reporting years that

led to artificially low averages. Both classes of outliers were excluded from subsequent analysis.

Below is a distribution of Flock ALPR-assisted clearance rates.

Agency Reported Clearance Rates



Data Analysis

Part one: Flock-internal and Flock-external factors considered

Two additional data sets were used beyond the survey responses and the UCR data: the reporting agency's internal data with Flock Safety, and the most recent census data for their jurisdiction.

The former consisted of the following metrics throughout the reporting period: how many cameras the agency owned; the median ALPR cloud data upload speeds; how often cameras experienced high, medium, and low impact service issues; how often officers at the reporting agency used Flock Safety's software tools; how many additional ALPR cameras the agency had access to via inter-agency sharing and community-owned cameras; and how many other Flock

Safety customers were within 50 kilometers of the agency's jurisdiction. This data was sourced from Flock Safety's cloud data warehouse for the time period corresponding to the survey respondent's reporting period.

Census data was acquired via the application programming interface on the census website using Flock Safety's internal mappings of law enforcement agency jurisdictions to census subdivisions. Factors to consider were drawn from the FBI's cautionary best practices on ranking law enforcement agency effectiveness (<https://ucr.fbi.gov/ucr-statistics-their-proper-use>) and included the following categories and specific metrics: population density; economic prosperity (percentage of persons in poverty, median household income); urbanization (commuter statistics, population delta between 2010 and 2020, number of traffic intersections, and, again, population density); youth concentration and family makeup (persons per household, median age). Population statistics were also collated with the reported number of sworn officers for each jurisdiction's originating agency identifier to determine relative law enforcement resources for each responding organization.

The table below describes the individual metrics in greater detail.

Independent Variable	Definition
Device Penetration	
Number of Flock Devices	Number of Flock devices owned by customer
Active Device Days	The sum of the number of days each customer-owned device was active
Devices per Sworn Officer	The number of devices normalized by the number of sworn officers recorded by the FBI based on the agency ORI number
Devices per Population Served	Number of devices normalized by the size of the population served. Collated with US Census data based on the county subdivision associated with the agency ORI
Product Performance	
Median ALPR cloud data upload speed	Median time in seconds between an image being captured by a Flock Safety ALPR camera and an alert being sent to end users
90th Percentile ALPR cloud upload speed	90th percentile time in seconds between an image being captured by a Flock Safety ALPR camera and an alert being sent to end users
Percentage of days with service issues	Separated into days with only high-impact issues, days with high and medium-impact issues, and days with any (high, medium, or low) impact issues.
Product Adoption	
Agency Monthly Product Adoption	Percentage of registered users at the reporting agency who logged into any part of Flock Safety's software

Agency Monthly Hot List Adoption	Percentage of registered users at the reporting agency who logged into the Hot List (i.e. alerting) component of Flock Safety's software
Agency Monthly Search Adoption	Percentage of registered users at the reporting agency who logged into the Search (i.e. investigations) component of Flock Safety's software
Network Effects	
Percentage of cameras in state accessible	Total number of Flock Safety cameras customer has access to within the state via network sharing divided by the total number of Flock Safety cameras within the state.
Shared Devices per Sworn Officer	The number of Flock Safety cameras customer has access to normalized by the number of sworn officers recorded by the FBI based on the agency ORI number
Number of Nearby Flock Customers	Number of Flock Safety customers within a 50 km radius of that customer
External Factors	
Population Change Percentage	Percentage change in population served by the agency as measured by the change in population from the 2010 US Census to the 2020 US Census
Median Income	Median income of the population served by the agency as reported by the US Census
Poverty Rate	Percentage of families within the agency's jurisdiction below census-determined income thresholds as reported by the US Census
Persons per Sworn Officer	Size of the population served by the agency as reported by the US census normalized by the number of sworn officers reported by the FBI
Persons per Household	The average number of persons per household of the population served by the agency as reported by the US Census
Persons per Square Mile	Population density of the population served by the agency as reported by the US Census
Median Age	Median age of the population served by the agency as reported by the US Census

Because of the number of factors under consideration and the size of the dataset, there were instances where individual metrics were missing for some respondents. As one example, because of the novel mapping between respondents and census subdivisions, there were instances where it was impossible to acquire the 2010 population of shifting census subdivisions, and it was thus impossible to determine the population delta between 2010 and 2020 for a reporting agency's jurisdiction. As another, certain reporting periods occurred during periods of transition for Flock Safety's internal reporting of platform use and device sharing. In such instances where a data point was missing only an internal metric or an external metric, either the mean or median value for the metric was used as an imputed value as statistically appropriate. Instances where multiple internal or multiple external metrics were unavailable or both an internal metric and an external metric were unavailable were excluded from the analysis.

This left a final total of 123 values under consideration; the next section details how we subsequently pared down the factors described in this section to an appropriate number of independent variables for this sample size. The agencies included in the data represented a wide range of agency types and jurisdictions served. Below are some details on the demographics of the agencies included in the analysis.

Table 1

<i>Distribution of Agency by Size</i>	
Sworn Officers	# of Agencies
1-25	15
26-50	24
51-75	14
76-100	15
101-250	36
251-500	9
501-1,000	6
>1,000	3

Table 2*Distribution of Agencies by Population Served*

Population	# of Agencies
<25,000	33
25,001 – 50,000	17
50,001 – 100,000	18
100,001 – 250,000	25
250,001 – 500,000	15
500,001 – 750,000	4
750,000 – 1,000,000	2
>1,000,000	8

Table 3*Distribution of Agencies by Population Median Income*

Median	# of Agencies
<\$40,000	7
\$40,001 - \$50,000	17
\$50,001 – \$60,000	18
\$60,001 – \$70,000	28
\$70,001 – \$80,000	14
\$80,001 – \$90,000	10
\$90,001 – \$100,000	12
>\$100,000	16

Part two: Regression Analysis

With a refined dataset of ALPR-centric factors and agency demographic factors, we sought to determine which set of factors were most associated with agency clearance rates. We pursued several methods of regression analysis to determine the best independent variables.

Single Regression Analysis

First, to determine the individual variables that had the greatest correlation with ALPR-assisted clearance rate, we began our analysis by running individual linear regressions with the

percentage of crime cleared with ALPR cameras as the dependent variable for each independent factor described above. This was performed as an intermediary step toward our desired holistic model by identifying the most significant individual variables before working to understand how those variables interrelate.

Broadly and unsurprisingly, the ALPR-centric factors had greater correlations with crime cleared via ALPR cameras than demographic or jurisdictional factors. Notable exceptions were population density and persons per sworn officer. These factors were correlated with ALPR-assisted clearance rate more strongly than external factors more intuitively relevant to ALPR cameras—particularly the number of traffic intersections within jurisdiction—as well as hardware device performance metrics surrounding cloud upload latency and percentage of days with service issues.

We speculate these external factors were especially predictive because of how fundamental and multifarious they are. Population density is a proxy for, among other things, urbanization, economic conditions, and modes of transportation within an area. Persons per sworn officer is a measure not only of the relative resources of the agencies themselves but also the cultural and economic factors that lead an agency to have greater or fewer resources. Regarding the lack of explanatory power for cloud upload latency and days with service issues, it is worth noting that the datasets surrounding these metrics had relatively low cardinality, perhaps creating outsized noise relative to the diversity of the reported clearance rates.

Multivariable Regression Analysis and Optimization

Pruning the low-correlation independent variables, we iterated through a multivariable regression of every permutation of remaining variables to identify the model that best explained the variance amongst clearance rates while keeping to two constraints: that only six factors be

chosen, and that the factors be as conceptually distinct as possible. The former was done out of necessity based on the size of our dataset. There were simply too many potential factors to model holistically without generating an over-fitted model for our multilinear regression, as best practices of only including a feature for roughly every twenty inputs for this type of model would restrict us to six features.

Towards the latter, we partitioned the remaining individual Flock-internal factors into four categories (with two of our six dependent variables devoted to population density and population per sworn officer): Flock Safety software adoption rate, the density of Flock Safety hardware products in jurisdiction, Flock Safety camera network sharing participation rate, and Flock Safety market maturity. Running through the permutations, the most significant variables for each category were the peak number of cameras owned during the reporting period per sworn officer, the adoption of the Flock Safety hotlist tool throughout the reporting period,² the number of Flock Safety cameras owned by other law enforcement agencies and private entities shared with the jurisdiction during the reporting period, and the number of Flock Safety customers within 50 kilometers of the reporting jurisdiction.³

² This portion of the Flock Safety platform automatically collates ALPR reads with official databases of plates associated with criminal activity, as well as an agency's custom lists of plates with known investigative relevance, to deliver real-time alerts for when suspect vehicles pass an ALPR camera.

That this was the single portion of the Flock Safety platform whose adoption correlated most strongly with increased ALPR-assisted clearance rates is continuous with Zmud et al 2021, 3, where "linking the ALPR system to the State's crime information computer" and "having close coordination with the external steward of the hot lists" are two of the four recommendations by ALPR-equipped law enforcement personnel for success with ALPR technology.

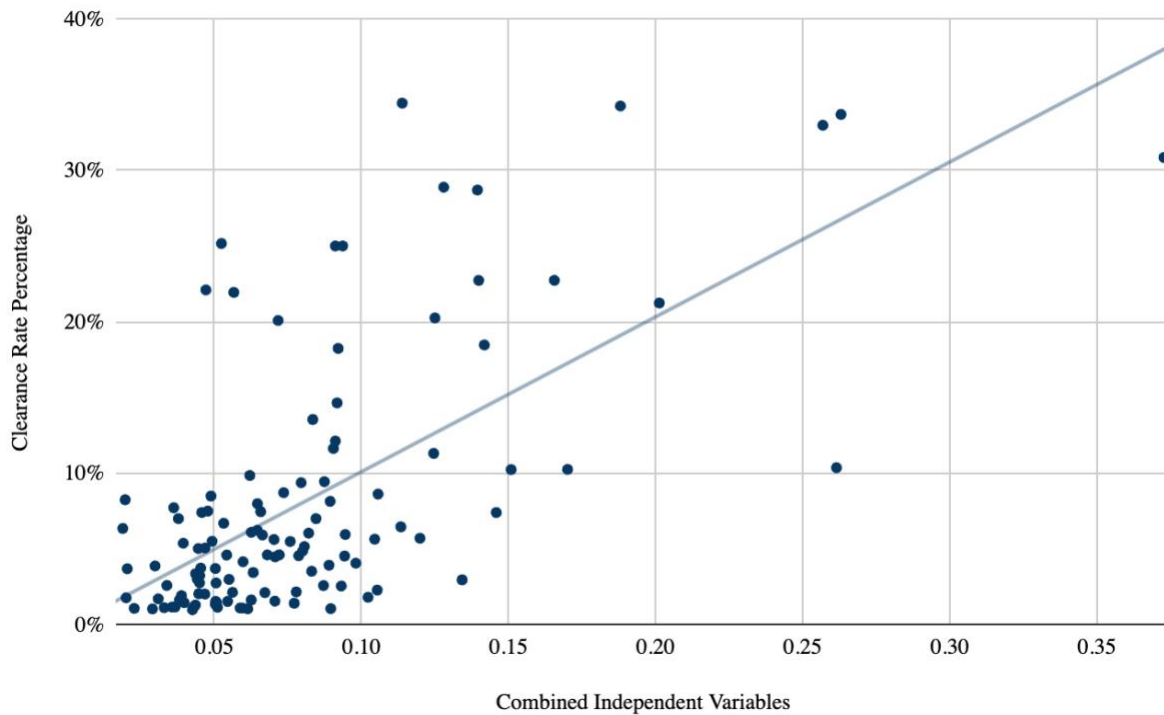
³ One assumption of this model grounded in empirical reality rather than pure statistics should be noted. Because a theoretical jurisdiction not only with no ALPR camera use, no ALPR camera-related software use, and no other nearby ALPR customers, but also no law enforcement officers and no population for those zero officers to serve would not only solve no crime with ALPR cameras, but have no crime at all—because it would not exist—we enforced that our multilinear regression model pass through the origin, with a confluence of zero for all the independent variables reasonably translating to a zero ALPR-assisted crime clearance rate. We note as well the dismissal of one exceptional submission—an agency that still appeared to clear nearly 80% of the crime in its jurisdiction with ALPR assistance after all further scrutiny—from the final data set due to the model otherwise overfitting to it.

In addition to considering different independent variables, we also considered different regression techniques. In each permutation of variables, we analyzed the data using a Multivariate Ordinary Least Squares (OLS) regression, Least Angle Regression (LARS), Ridge Regression, and Random Forest Regressor. With our constraints in mind, we selected the independent variables and modeling technique that had the highest correlation coefficient to our dataset.

Results and Findings

We found that a multivariate OLS regression had the highest correlation to our data set with an R-squared of 0.69. The six independent variables were Flock Devices per Sworn Officer, Agency Monthly Hotlist Adoption, Shared Flock Devices per Sworn, Number of Nearby Flock Customers, Persons per Square Mile, and Persons per Sworn Officer. Summing all of the independent variables and their coefficients, we can plot the relationship between these six factors and agency clearance rate based on the data submitted by agencies.

Multilinear Regression



$$\begin{aligned} \text{Clearance Rate \%} = & 9.1 \times \text{Flock Devices per Sworn} \\ & + 5.3 \times \text{Agency Monthly Hotlist Adoption} \\ & + 0.0083 \times \text{Shared Flock Devices per Sworn} \\ & + 0.050 \times \text{Number of Nearby Flock Customers} \\ & + 0.00013 \times \text{Persons per Sworn} \\ & - .00025 \times \text{Persons per Square Mile} \end{aligned}$$

This analysis shows a clear relationship between how an agency uses Flock technology and the results they achieve. There are four themes that emerge.

Access to Evidence

Intuitively, both Flock Devices per Sworn and Shared Flock Devices per Sworn have positive coefficients with clearance rate. This indicates that an agency of a given size can increase their likelihood of solving crime with access to additional devices that capture evidence, whether that be by purchasing additional devices or requesting access to additional devices owned by other agencies and private entities.

We can explain the Shared Devices per Sworn coefficient being relatively low via the fact that a typical agency that works with Flock will have access to more than 200 times the number of cameras that they own via sharing. Simply, it takes significantly more cameras being shared with the agency to have the same impact as the agency owning more cameras. Quantifying the impact of the latter using this framework, a typical agency that acquires an additional owned Flock Device per Sworn Officer may expect a 9.1% increase in ALPR-assisted clearance rate.

Agency Behavior

While some agencies constrain access to ALPR technology to select officers, the positive coefficient between Flock hotlist software use and crime clearance suggests that an agency that provides access more broadly to ALPR-related software will be more successful in solving crime. Much of an agency's success in locating and apprehending suspects is done by officers in the field, and Flock's software is accessible to field officers via a mobile data terminal (MDT) or the Flock mobile app. We believe widespread agency use of Flock should be paired with a high degree of control over user-level permissions and auditing to ensure proper use, both of which are a core piece of Flock's technology.

Collaboration with Other Flock Users

There appears to be an additional positive correlation at the local level for collaboration between Flock customers beyond what is explained by the nationwide ability for customers to share with each other. The median number of cameras granted access to in a given camera-sharing interaction is ten, and the median sworn officer count amongst respondents was 34, meaning that an agency will need to gain access to roughly 3.5 additional typical Flock customers' cameras to drive their Flock-assisted clearance rate up by .0083%.

This is markedly lower than the additional .05% increase in clearance an agency can expect simply for having another Flock customer—regardless of market segment—within 50 kilometers of them. Considering the coefficient for Nearby Customers, if 20 additional customers begin working with Flock in a community, Law Enforcement can expect a 1% higher Flock-assisted clearance rate.

Data Collection for Large Agencies Remains a Challenge

It is striking that the model predicts a higher clearance rate for agencies with fewer sworn officers relative to the size of their population as well as for agencies that have a population distributed over a larger area. These findings may make sense when considering how ALPR technology can augment the effectiveness of Law Enforcement human efforts. An agency that is tasked with protecting a large area with fewer resources will be more likely to rely on Flock devices that are active 24/7, regardless of when officers are on patrol.

It is also possible that these findings are a product of agencies from very large jurisdictions disproportionately being filtered out due to data quality issues. It may be the case that our model biases towards smaller jurisdictions with more persons per sworn officer not because large agencies solve less crime with ALPR cameras, but because it is much more

difficult for large agencies to track their results comprehensively. This gap in our model invites subsequent research targeted at larger agencies.

Avenues for further research

This study was intended as an initial exploration into a gap in our current understanding of ALPR technology's use by and efficacy for law enforcement. By using an unprecedentedly broad survey of ALPR-equipped law enforcement practitioners that clearly attributes crime clearances to ALPR devices, we have identified general potential root causes associated with higher rates of ALPR-assisted crime clearances. As a general survey of crime clearances post-installation, there are several future studies that suggest themselves immediately.

For one, it would be worthwhile to measure the relative effectiveness of ALPRs in solving different types of crime. It makes intuitive sense that ALPR cameras would likely be more effective at solving crimes directly related to motor vehicles or where motor vehicles are disproportionately likely to be involved. The most obvious category would be motor vehicle theft itself.

However, delving into individual crime types requires methodological considerations particular to the type of crime considered. A study on motor vehicle theft and ALPR-assisted law enforcement outcomes would need to be attentive to the exceptionally low clearance rate for motor vehicle thefts owing to the fact that a motor vehicle theft is only considered cleared for ORI reporting purposes if an arrest is made—a criterion that is inattentive to the common scenario in which a stolen vehicle is spotted on an ALPR camera and then recovered unattended shortly afterward.

There is also a significant underlying causal inference to be tested in light of our findings: having established how much crime has been solved with the assistance of ALPR devices at

these agencies, it must be established that these are crimes that otherwise would have remained unsolved in the first place. Given the state of data collection on this issue, it is unlikely to be solved at scale via quantitative analysis. A mixed-methods study that considers both the qualitative change in practice, workflow, and results at a handful of agencies known to have adopted ALPR technologies and the quantitative, before-and-after impacts of those changes would better capture the day-to-day efficacy of this technology not reflected in the top level metrics considered here. Such a study is presently underway as part of a joint research project by Texas Christian University and the University of Texas at Tyler.

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