OCMA

August 2012

Ohio Legislature Exploring Municipal Income Tax Uniformity

Submitted by the Greater Dayton Mayors and Managers Association & Dayton Area Tax Administrators

Virtually all Ohio municipalities levy an income tax as their primary source of revenue and as a way to offset the costs of police enforcement, fire suppression, emergency medical response, parks, recreation, public health, and other vital services. Of the 33 members of the Greater Dayton Mayors and Managers Association, 31 (94%) of them collect an income tax. So, it should be no surprise that any proposed changes to what is collected, who collects it, and the rules by which it is collected are of great interest and concern to all of us.

Since 1946, when Toledo enacted the first municipal income tax, local ordinances have been passed to meet the unique requirements of each individual municipality, its culture, tolerances, and unique circumstances. As a result, differences in taxable compensation, deductions and administration have evolved to create a reporting structure that can be perceived as complex and burdensome, particularly by businesses which operate in multiple Ohio municipalities. Ohio Revised Code Section 718, imposed in the mid 1950's and updated most recently in 2003, has provided for more uniform provisions regarding the basic aspects of municipal income tax but has left many areas to the discretion of municipalities to legislate and codify.

It should not be any revelation to any of us that having different rules, regulations, and practices for each taxing community complicates our ability to attract economic development opportunities, especially since Ohio is one of only a handful of states that allows municipalities to levy an income tax. Throughout the years, business special interest groups, such as the Ohio Society of Certified Public Accountants (OSCPA) and the Ohio Chamber of Commerce, have lobbied to simplify its makeup, administration and collection.

The latest effort, again led by the OSCPA and a coalition of business interests, began as an attempt to have the State assume control over collections of all municipal income tax by utilizing the existing structure of the State Department of Taxation. Only through very aggressive action on the part of all municipalities across Ohio were we able to remove that option from consideration. However, once centralization was removed from the discussion, concentrated efforts to make all aspects of municipal income tax law uniform began anew.

The Ohio Legislature and OSCPA have remained focused on exploring the issue, holding meetings in the form of informal talks and committee hearings to discuss which areas are not uniform, why they make Ohio less competitive for businesses, how they can become more uniform, and what the financial impact would be of various proposed solutions. It should be no surprise that of the roughly two dozen areas that are not uniform, the solutions offered by the OSCPA coalition would severely impact the revenues of most if not all affected municipalities.

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One of those areas most impacted by a change in the law relates to the deductibility by businesses of prior year net operating losses or NOL. Communities statewide treat NOL very differently: Troy, Dayton, and Centerville, for example, provide no deductibility of prior year losses against current year profits, while Kettering allows a business to deduct losses three years prior to its current year tax liability. Other municipalities allow different timeframes, ranging from one to ten years. Attempting to make NOL uniform across the state would have devastating effects on those cities with low or no deductibility.

The legislative meetings have been very well attended by various municipalities across the state, including members of the Greater Dayton Mayors and Managers Association and the Dayton Area Tax Administrators, as well as by our representatives from the Ohio Municipal League. The common talking points presented by our side include: 1) our revenue streams have been severely hit by Ohio's confiscation of 50% of our Local Government Fund reimbursements, the elimination of the Estate Tax, and accelerated elimination of various property taxes; 2) rational uniformity can only help and not hurt our efforts to retain our businesses and attract new industry; 3) uniformity without revenue neutrality, on the other hand, will hurt and not help those economic development efforts, as communities are forced to either raise local taxes or cut services; and, 4) substantial rational uniformity can be achieved in many areas of municipal income tax codes without negatively affecting our local revenues.

To demonstrate our commitment to that effort, the Greater Dayton Mayors and Managers Association and the Dayton Area Tax Administrators wrote a "Proposal for Municipal Tax Uniformity" utilizing recommendations from the Ohio Municipal League's paper entitled "Suggestions to Address Areas of Uniformity." This document not only outlines the areas of non-uniformity in local tax codes, but proposes revenue neutral solutions and related necessary legal language changes. The "Proposal" was submitted to Representative Peter Beck (R-Mason), Chairman of the House Ways & Means Committee, during committee testimony by Dayton City Manager Tim Riordan on June 13th in Columbus.

During his testimony, Mr. Riordan indicated the willingness of the southwest Ohio region to commit to making the appropriate changes to local codes, provided that the State of Ohio updates Ohio Revised Code Section 718 where appropriate. Communities across southwestern Ohio have or are in the process of passing a commitment resolution. A copy of the City of Troy's resolution, with the full text of the Proposal, can be found at www.troyohio.gov.

Bill Covell Memorial Golf Outing

A local memorial function will honor Bill Covell, former Director of Economic Development for the city of West Carrollton who passed away in early May. The tribute will involve three things that Bill loved… good food, good friends and bad golf.

The Bill Covell Memorial Golf Outing and Dinner will be held Friday, September 21, 2012 at Heatherwoode Golf Club in Springboro. Co-hosts for this event are Chris Thompson, Sherry Callahan and Jennifer Heft. Please help spread the word on this event, as it will also be a fund raiser for Bill and Gay's favorite charity - SHELTERED PAWS DOG RESCUE. For non-golfers, a dinner only option is available at $25 per person. For sponsorship information, donations, or questions call Brad Townsend at 937-776-8944 or Chris Thompson at 937-748-4355.

"City Manager scoring rules apply" – B.Covell

Welcome New Members!

Michael Spafford. Management Intern. City of Centerville. 937-428-4716. mspafford@centervilleohio.gov.
Kevin Knutson. Regional Vice President. Management Partners. 513-861-5400.
Laura Howell. Administrator/Operations Manager. Defiance County. coadmin@defiance-county.com

Who's Who -- Who's Where

In Transition: Bruce Evilsizor

"Serving at the pleasure"-- well, I knew what I was getting into when I chose a second career as a local government manager, but I was hoping to never experience it. With a new Mayor being elected and the new Mayor wanting to bring-in his own person with a business background and not a government background, I unfortunately experienced the fate of "serving at the pleasure" with the start of 2012.

Before I finished my 25-year police career in my hometown of Urbana, I had gone back to school and received an MPA degree with the hopes of landing a position as a local government administrator. It took about 6 months after I finished my first career before I took my first local government administrator's position which also happened to be in Urbana. Aside from the short break after my police career and now my manager-in-transition break, I have always worked since the early days of delivering newspapers so it is turning out to be another life challenge being off work.

As many of you know, this profession attracts people who like to stay busy, who like challenges, and who enjoy getting things done and I am no exception. I am starting my eighth month as a manager-in-transition and thanks to some very good support from the OCMA/ICMA group, my family, and a hobby, the transition period has been manageable so far. Along with learning early on to work hard and to be dedicated, I also learned (not sure from whom) the importance of having some hobbies and in my case, I enjoy do-it-yourself projects around the house.

For about the last seven years, my wife and I have rented a vacation house in various states to get the kids, and now grandkids, together and spend about a week together each year. After looking around for several years, we purchased a log cabin last year at Lake Keowee which is in the foothills of the Blue Ridge Mountains in South Carolina. The log cabin had many unfinished projects which helped make it affordable. The log cabin has been a godsend since I have been able to use my do-it-yourself skills during my extra time in transition to finish many of the projects. I am hoping this is a part of a master plan to let me have time off to finish the cabin before getting back into the challenges of a local government manager! If everything works right in the future, my wife can take care of managing a vacation rental in her spare time while I work the long hours of a local government manager.

For those who have provided support and encouragement, I appreciate every bit of it. As a profession, keep up the good work and as you go along, remember to maintain a few hobbies along the way. Regardless of your position in local government, the hobbies will always serve you well.

Indian Hill Seeks City Manager

The City of Indian Hill seeks a highly professional, effective leader to manage the City organization, deliver high quality services to its residents and help the Council maintain the community's style and character. The current Manager, Mike Burns, is retiring after 23 years of service to the City. Indian Hill is in Hamilton County, just northeast of Cincinnati. It is widely recognized as the premier place to live in the region, and has a median home value of $1 million. Indian Hill takes great pride in its rural character and the exceptionally high level of city services. A bachelor's degree in public administration or related field and ten years progressive managerial experience are required. A Masters Degree and ICMA Credentials are preferred but not required. Other critical qualifications include a strong background in local government finance and budgeting, substantial experience in zoning and land use regulations and experience with labor unions. Background in a city with a water utility is a plus. For more information concerning this position, please see our website at www.managementpartners.com. If interested in the position, please send your resume to:

Cecil Osborn, Senior Manager - Management Partners, Inc.
cosborn@managementpartners.com

Local Government Innovation Funds: A Great Incentive to Innovate

By: Jerry Newfarmer, President, Management Partners

Pressure to continue delivering high quality services while revenues fall has become a defining feature of local government management over the past four years. As cities, counties, and school districts have reduced staffing, deferred maintenance, and depleted reserves, it has become clear that the usual methods for weathering downturns in the economic cycle are just not enough.

One strategy many agencies are considering is collaboration with other local agencies to leverage economies of scale and reduce cost to individual organizations through shared services. Finding the resources to study and implement potential shared services is a significant barrier, which the state of Ohio has addressed by creating the Local Government Innovation Fund.

Recently, the Local Government Innovation Council announced the first round of awards to governments seeking to reduce cost through shared service projects. In June, the Council awarded $3.9 million in grants and $2.9 million in loans to 51 governments seeking to share services and provide improved services through collaboration, aimed at reducing overall costs. Grants are available up to $100,000 and loans are available per collaborative partner up $100,000, limited to $500,000 per partnership.

The grants are used to provide financial assistance to conduct feasibility studies for merging services with other governments. For instance, the City of Dayton was awarded a grant to collaborate with Dayton Public Schools to develop a partnership to share existing fuel facilities and leverage new procurement practices, such as hedging and fixed fuel pricing. Another grant recipient, Educational Service Center of Cuyahoga County, has created a partnership with school districts in the region to conduct a feasibility study for shared pupil transportation services.

The loans can be used for the implementation costs of shared service plans that result from the feasibility studies. Union County, City of Marysville, and Marysville School District have created a partnership and are using a LGIF loan to improve technology. Specifically, they will be consolidating, upgrading, and expanding the fiber network to connect the City, County, and District. The loan will enable the partnership to share technological resources, reduce costs, and improve disaster recovery efforts. In another case, a partnership in Marion County has secured a loan to implement a countywide 911 dispatch and emergency operations center.

This program has provided much-needed financial assistance to make it possible to explore options that cash-strapped local government otherwise couldn't examine. The next round is coming up shortly —the deadlines are August 17th for loan planning studies and September 4th for the grant and loan applications.

We congratulate all awarded and wish them the best on implementation of better—and more efficient—government services.

City of Loveland Receives ICMA Award for Performance Measurement

The City of Loveland has been awarded the 2012 Certificate of Excellence from the International City/County Management Association (ICMA) for its efforts to measure and improve local government performance, as well as Loveland's commitment to integrating performance measurement into city services.

This is Loveland's first Certificate of Excellence and its fourth performance measurement award from ICMA. The City was recognized for performance measurement and management efforts in 2009 with a Certificate of Achievement, and again in 2010 and 2011 with a Certificate of Distinction. Loveland is among 26 jurisdictions across the country receiving the highest level of recognition in 2012.

ICMA, the organization recognizing the City for the fourth consecutive year, is an organization committed to professional local government management and advancing professional local government worldwide. ICMA is the professional organization for 9,000 local government managers who work in communities with a combined population of 185 million people.

The Center for Performance Measurement (CPM) is a service of ICMA that is dedicated to helping local governments improve the effectiveness and efficiency of public services through the collection, analysis, and application of performance information. CPM currently assists over 200 towns, cities, counties, and other local government entities in the United States and Canada with the collection, analysis, and application of performance information.

The City of Loveland will be presented this award at the ICMA Annual Conference in Phoenix in October. Loveland is one of only sixteen local governments in Ohio participating in ICMA CPM and the only community

2012 ICMA Conference: October 8th OCMA Dinner

Mark your calendars for 5:30 PM, Monday, October 8th to enjoy a Southwestern/Mexican dinner with your Ohio OCMA colleagues in Phoenix. The dinner will take place at:

Sam's Café, A Southwestern Grill @ The Arizona Center
455 NORTH 3RD STREET, SUITE #114
PHOENIX, AZ 85004
Contact Email: scazcenter@canyoncafe.com
Restaurant Phone: 602-252-3545

If you plan to attend, please email the OCMA Secretariat at Holodnak.1@osu.edu.

For ICMA Conference registration please visit: http://icma.org/en/conference/welcome

Register Today: New Trends in Economic Development Sept. 13th Workshop

What can you do to improve your community's economics? New trends in business, government and technology are changing how we compete and what we are competing for, and you and your community need to make sure you can ride the wave.

Join us for a fast-paced, hands-on morning examining key trends affecting Ohio cities and evaluating how we should respond. You will receive handouts and worksheets that will help guide you as you prepare for success in the new economy.

The workshop will be held at the Ohio State University John Glenn School of Public Affairs, 130 Page Hall,1810 S. College Road, Columbus OH 43210. The session is the first of four to be presented to OCMA membership in Fall 2012. Cost for the workshop, including presentation materials and workbook, is $125 per participant, payable via credit card or check. To register visit: http://wiseeconomy.com/speaking-and-training/register-ocma/

For more information on this and future sessions, visit http://wiseeconomy.com/speaking-and-training/register-ocma/. Questions? Email della.rucker@wiseeconomy.com or call 513-288-6613.

BGSU Master of Public Administration Program

The Bowling Green State University Master of Public Administration (MPA) program, based in the Department of Political Science, has been training students and professionals in government and the non-profit sector since 1990, but recent changes have created a brand new and exciting program that meets the needs of public administrators in the new economy. In the last three years the Department has hired five new faculty members, developed new specializations, redesigned the curriculum and placed an emphasis on applied experiences in our courses. Award winning faculty, small class sizes and an emphasis on student success have been the hallmarks of the strategic planning process that have lead to these changes.

The MPA program requires twelve courses and can be completed part-time, in the evenings or full-time depending on student needs. Specializations are now offered in Management and Leadership, Politics and Policy, Environmental Management and International Development Administration. Students also have the option to develop a "planned program specialization" that reflects their own unique interests.

Many of the courses now include projects for community clients. For example, as part of their coursework students have designed education programs for the National Park Service, studied downtown business retention for Bowling Green, tested levy messages for the Wood County library through a community telephone survey, written grants for local community organizations and developed policy recommendations on fire safety for a provincial government in South Africa. Students graduate from the program with a strong background in both the theories and methods of public administration, complemented by real world experiences gained through working with community clients.

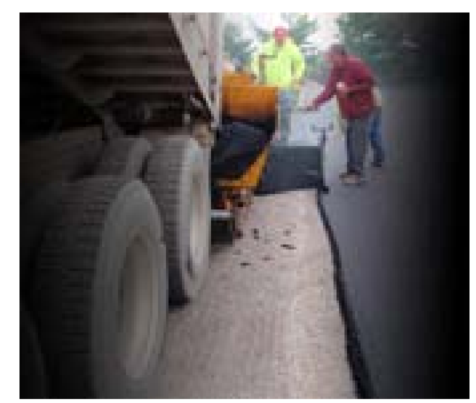
If you are interested in more information about the program, or are interested in partnering with the program as a community client please contact Dr. Shannon Orr Graduate Coordinator at skorr@bgsu.edu or by phone 419-372-7593.

New Cost Effective Product Available for Paving Projects: Fiber-Reinforcement for Asphalt

"If fibers work so well as a crack preventative in concrete applications, why can't I put fibers in asphalt to help with premature cracking problems?" This question has been posed many times to us since FORTA Corporation began producing synthetic fibers in 1978, and you might be surprised to learn that this Grove City, PA company patented its first *asphalt* fiber product in 1982. FORTA's second-generation asphalt fiber product is named FORTA-FI, and it is specially formulated to be added at the asphalt production plant to three-dimensionally reinforce pavement material. Testing has shown that FORTA-FI's patented blend of polyolefin and aramid fibers can help reduce reflective, thermal, and fatigue cracking as well as rutting in asphalt roadway, airfield, and parking lot projects. The answer to the previous question is "You *can* put fibers in your asphalt placements for reinforcement, *and* it is an affordable way to stretch your valuable infrastructure dollars!"

Current economic conditions mean paving budgets are strained, and every state, county, city, and township responsible for road maintenance is being asked to do more under increasingly difficult circumstances. Recognizing the need to consider innovative solutions to tough transportation issues, in November 2011 the Federal Highway Administration revised its regulations concerning the use of patented and proprietary products. The updated guidance is posted on the FHWA website at http://www.fhwa.dot.gov/programadmin/contracts/011106qa.cfm. The older FHWA regulation

(23 CFR 635.411) was viewed by some as prohibiting the specification of better-performing innovative products on federal-aid projects simply because the products were patented or proprietary. This clarification should assist transportation engineers as they consider options for improving design-life and maintenance requirements on future highway and street projects.



City managers, county and city engineers, and street department supervisors are tasked with prioritizing and selecting 'essential' paving projects each year. Testing shows that fiber-reinforcing these placements with FORTA-FI can extend the usable life of asphalt roadways and parking areas by 50% or more. Engineers may also elect to use up to 35% less asphalt material in the project and still achieve similar design-life goals. Going stronger… going longer with FORTA-FI fiber-reinforced asphalt means transportation engineers have an affordable, easy to use alternative to traditional pavement additives and surface treatments.

Since its introduction in 2009, patented FORTA-FI fiber has been used by several state DOTs in trial placements. An ODOT project using FORTA-FI on four lane miles of a state route was placed in August of 2011 in Richland County, and it is being evaluated using the state's Pavement Condition Rating (PCR) system. Furthermore, several cities and towns in the Buckeye State have specified the use of FORTA-FI fiber-reinforced asphalt in their street resurfacing work, and the list continues to grow each paving season. FORTA Corporation is a proud supporter of the Ohio City/County Management Association, and we are excited to offer our innovative fiber products to Ohio municipalities seeking additional value from each dollar invested in their critical asphalt infrastructure projects.

Please contact FORTA Corporation at (800) 245-0306 for information on FORTA-FI, or learn more about three-dimensional fiber reinforcement at www.FORTA-FI.com, where you can view project profiles, use the fiber cost calculator, or watch our "Street Talk" video series.

Career Compass No. 26: The Art of the Interview

by Dr. Frank Benest

In this issue of Career Compass, Dr. Benest offers his sage advice on being your best in the job interview.

I am looking to advance in my local government career and have been applying for mid-manager positions for which I qualify in other local government agencies in my state. I have seven years of solid experience and my resume has gotten me screened into several interviews. However, I have not done well in the initial interviews and therefore have not been called back for any final interviews with the manager doing the hiring. Do you have some suggestions on how I can improve my interview skills?

Many professionals do not perform well in an interview. Some common mistakes include:

- A lack of apparent knowledge about the requirements or demands of the position
- Talking on and on
- Not providing concrete examples
- Nervousness
- Telling jokes
- Appearing "cold"

The good news is that you seem to have the appropriate experience, your resume adequately reflects your background, and you have been selected for the initial interviews. Resume writing is an art (see Career Compass No. 11: Frank's Rules for Resume Writing) and so is interviewing.

13 TIPS

Here are some tips to enhance your interview skills:

1. Practice, practice, practice

Interviewing is like any other skill—you get better with practice. While you do not want to apply for positions that don't interest you (wasting your time and the time of the agency), you do want to get some real-world practice. The more interviews and therefore the more practice, the better you will become.

2. Prepare—but not too much

The purpose of conducting research prior to the interview is four-fold:

- To identify if there is a "fit" between your skills, capabilities, and interests and the specific demands of the position as well as the culture of the organization
- To craft your responses so they correspond to the requirements and challenges of the position and therefore resonate with the interview panel or the hiring manager
- To formulate questions to ask of the hiring authority that will determine if you want the position
- To demonstrate to the interviewers that you have in fact researched the position and the agency, thus indicating that you truly care about the opportunity

To adequately prepare for the interview, you should research the following: the position, its duties and demands; the local government organization; the person to whom you will report; and the key challenges facing the department, the organization and the community. The initial source of information is the job announcement which typically includes the "ideal candidate" profile.

3. Identify your competitive advantages

To help you prepare, it is a good idea to develop and keep updated a list of accomplishments. You can then weave the achievements into your responses to the interview questions. However, it is not sufficient to simply promote your achievements. You need to also highlight your competitive advantages. After you do your research, you should be able to identify what you have to offer the agency, the department as well as the larger organization. In other words, what are your competitive advantages?

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Given the needs of the agency, you want to select no more than three advantages. For example, do you offer:

- A wide array of technical or administrative skills or project experiences
- A diverse background in public, private and/or non-profit sectors
- Experience in managing different kinds of people
- Budget skills
- Ability to build an effective team
- Learning agility
- Leadership capabilities even if you do not have formal authority

During the interview you want to respond to the interview questions in such a way to assert these competitive advantages. At the very end of the interview, you may want to summarize by briefly listing what you uniquely offer.

4. Prepare responses for the classic questions

During my numerous interviews to become a first-time city manager, I got good in anticipating some of the classic questions. In advance of the interview, you too should identify any number of traditional questions and prepare bullet point responses. Then practice your responses.
Some classic interview questions can be found at: http://jobsearch.about.com/od/interviewquestionsanswers or http://www.jobinterviewquestions.org

Here is my list of traditional questions:
1. Could you tell us about yourself?
2. Could you give us a quick overview of your professional experience?
3. Could you describe a particularly difficult personnel or discipline situation that you had to address as a supervisor?
4. Have you led a diverse team? What were the circumstances and results?
5. What is your budgeting experience?
6. What is your experience in engaging the community in a difficult or controversial issue? How did you go about it? What were the outcomes?
7. How would a subordinate or peer describe your leadership or management style?
8. Could you tell us about a situation in which you engaged members of another department in solving a difficult problem?
9. Could you give us a specific example of a failure and how you dealt with it? What were the lessons that you learned?
10. Can you give us a specific example of how you have tried to improve your communication and interaction with a difficult supervisor or peer?

After an interview or two, you can revise your own list of key interview questions and fine-tune your responses.

5. Give concise responses yet fully respond

In responding to a question, you should not ramble on and on (a common mistake especially if you are nervous). Give a general response to the question but also provide one specific example from your experience that supports your general response. The specific example or experience should showcase how you produced or helped produce a positive result.

6. Convey a professional yet friendly demeanor

You want to portray a professional demeanor yet come off in a friendly and personable way. A little humor is acceptable but stay away from any jokes.

Your goal is not only to demonstrate your professional knowledge and skills, but to also create a connection with the interviewers. Try to connect with people by firmly shaking hands (don't break any fingers), looking from one person to another as you answer questions, and smiling as appropriate. Connecting on a personal level is even more important when you get a second interview with the hiring manager.

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7. Be truthful and authentic
Do not try to be someone you are not. For example, if you do not have direct supervisory experience, you need to acknowledge it when asked. However, you can also provide an example of leading a group over whom you did not have formal authority or provide a situation in which you exerted a volunteer leadership role in your non-work life.

While the focus is on your professional qualifications, you want to convey who you are as a person. Let the interview panel get a glimpse of your human side. If the questions allow, you can briefly mention to the panel something about your family or key interests. Sharing some personal information may be more appropriate in a second or final interview.

8. Practice with a coach or colleague
To practice your responses and get feedback in order to enhance your performance, you may wish to schedule a mock interview with a coach, colleague or friend who acts as an interviewer. Or you can videotape your responses and a coach or colleague can critique your answers as well as general demeanor.

9. Debrief immediately after the interview
Immediately following an interview, you should jot down the questions asked and outline how you responded. Then critique your responses and note perhaps a better way to respond or a different example. A coach or colleague may help you craft a better answer to a troublesome or difficult question.
Oftentimes, the same basic questions asked in a different way will be posed to you in a follow-up interview. You want to be ready to respond in the best way possible.

10. Get feedback from the interviewer or the executive recruiter
To enhance your performance in future interviews, it is very helpful to get feedback from someone on the interview panel or from either an HR representative or the executive recruiter who sat in but did not participate in the interview. Phrase your request for feedback in the following manner—“So that I can do better in future interviews, could you give me any specific feedback on how I could improve my interview skills or better respond to the questions posed by the interview panel?” Or, “I felt that I rambled on too much. What did you perceive?”

11. Always thank the hiring manager
If you get to meet the hiring manager, always send a personal note thanking the person for the opportunity to interview for the position. In this electronic age, a personal hand-written note will help you make an impression and perhaps be a way to connect in the future even if you did not get the position.

12. Ask a few questions yourself
Based on your research, you may wish to ask—if time permits—one or two selected questions at the end of the interview. Sometimes, the interview panel will ask you if you have any questions. If there is not an opportunity to do so in the first interview, your questions are certainly appropriate in the second or final interview. Therefore, take some care in selecting one or two questions in order to demonstrate that you have done your homework. For example, you may ask:

1. “The county has a structural deficit of $35 million. How will budget reductions affect your department and how do you plan to redesign your services?”
2. “Some members of the development community seem to have complaints about the development review process. How will this position be involved in resolving any valid concerns?”
3. There apparently has been discussion about consolidating Finance and Human Resources into a single Administrative Services Department. How likely is a merger and what are some opportunities posed by such a restructuring?”

Some of these questions may be more appropriate for a second interview.

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13. Create a closing statement
Always end with a brief closing statement. In the closing statement, you can underscore your interest in the position and why, succinctly identify your competitive advantages, and thank the panel.

NEGOTIATING ANY KEY DEAL POINTS
If you have any critical issues or deal points, you should pose them in the final interview (not before). Some typical issues may include a minimal starting salary; some flexibility in your schedule so you can complete your masters program or attend to an important family responsibility; or a commitment from the manager that you can finish a committee or officer assignment with your professional association.

Let’s say that you want a minimal starting salary. In asking the hiring manager to help resolve your concern, you can try the following sequence. First, you should reiterate that you are excited about the position and energized about the challenges. Second, you should state that you need to identify a key issue (in this case, starting salary) that must be resolved if you are to accept any offer. Third, you should indicate that you want to work with the hiring manager (typically the division head or department director) in order to resolve the issue. Finally, if the hiring manager cannot seem to say “yes” or solve the problem, you may wish to suggest a “Plan B” that provides another way to address your issue. For instance, in this case, you may suggest an added week of vacation upon starting the position or the opportunity to receive a 5% increase after you pass your probationary period in 6 months.

PRACTICE MAKES PERFECT
To get selected for my first city manager job, I went through 75 different recruitments. . .until I finally found a city that did not know how to do a background check. By that time, I could anticipate approximately three-quarters of the questions that any interview panel would ask. And I had honed my responses. Practice does make perfect.

Career Compass is a monthly column from ICMA focused on career issues for local government professional staff. Dr. Frank Benest is ICMA's senior advisor for Next Generation Initiatives and resides in Palo Alto, California. If you have a career question you would like addressed in a future Career Compass, e-mail careers@icma.org or contact Frank directly at frank@frankbenest.com.

ICMA Resources

• Did You Know that internships can be posted for free at the ICMA Job Center? Visit the ICMA web site for more information about leveraging the ICMA Job Center to find the candidates you seek. Also, you can now check out ICMA Job Center opportunities at www.Twitter.com/ICMAjobcenter.

• Knowledge Network Update: Recently the Knowledge Network had new questions on citizen advisory groups and compensation studies, and added resources on council protocol and e-billing for utilities. See more highlights, and browse thousands more resources and connect with your
colleagues at icma.org/kn.

Cincinnati's Priority-Driven Budgeting Initiative

As we adjust to the "new normal" of limited resources, Cincinnati, like cities across Ohio, has been faced with the dilemma of how to maximize the efficiency of its funding allocations. As part of the solution to that dilemma, the City of Cincinnati has undertaken a Priority-Driven Budgeting initiative with the assistance of the Center for Priority Based Budgeting.

PRIORITY-DRIVEN BUDGETING

Priority-Driven Budgeting is a structured process that will help our City Council make funding allocation decisions based on analytical data about how programs and services help achieve results. In the past, we established targeted departmental budget cuts while preparing their biennial budgets.

For 2013, we have a projected $34.0 million budget deficit for the General Fund Operating Budget and will need to cut spending and increase revenues to fill this need. To provide context, if the $34.0 million was solely addressed through departmental reductions, a cut of 10% would be required for each department.

The first stage in the process was to identify strategic priorities for the City government. Cincinnati engaged the public in this process using focus groups, open public meetings, and Facebook and Wiki pages to find out what programs and services citizens feel are most important for government to provide. As a result of these sessions, seven priorities were identified -- five community-oriented priorities and two that are government-oriented.

The second stage was to define "strategy maps" to show the cause and effect between programs and strategic priority Results. Using words and/or images, these maps help viewers understand the cause-effect connection between activities, strategies, factors and the outcome. For example, in order to achieve a Safe Community, the City should (1) Proactively work to prevent crime through holistic, proactive community policing and establish a visible and responsive presence; (2) Offer protection to the community, enforce the law, and respond to emergencies with professional, well prepared, and well equipped resources; (3) Ensure regulatory compliance and enforcement in order to abate nuisances and protect the property and lives of its residents; etc. The maps help to visually relate policing and property and nuisance enforcement in order to achieve the priority of "safe Community."

The third stage was to identify programs and services within each department. Differentiating programs and services across the entire city organization, as opposed to comparing the departments which provide those services, allowed for better prioritization. We identified all programs and services the City offers and defined discrete decision units for evaluation. Department staff played a key role in creating this list, describing the programs, and estimating the current cost to provide each of these programs and services.

In the fourth stage, departments scored the programs based on several factors, including the effectiveness in achieving each of the strategic priorities, as well as the program's basic attributes: the degree to which it impacts the strategic priorities, whether or not the City is mandated to provide the service/program; any changes in the demand for the service/program; the level of cost recovery for the service/program; and whether or not other options exist to provide the service/program.

Once each department had completed its self-measurement process, a peer-review Team reviewed each department's programs to confirm the rankings and correct any discrepancies that may have occurred. Members of the peer-review team could not review their own department, ensuring objectiveness and "quality control" throughout the process.

The fifth stage of the process involved assigned weights to each of the Strategic Priorities. We included a second round of public engagement through a web-based survey, in-person survey, and statistically valid mail survey to find out what is most important to Cincinnati residents and businesses.

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In this step, citizens were also asked to rank the community-oriented Strategic Priorities. In the survey, each resident was given a total of $100 to spend on city services. The respondent could spend the $100 on any combination of five categories, with more money representing a higher priority.

The consultants then measured the number of respondents who spent money towards a service and how much money was spent. This allowed Cincinnati to quantify public sentiment and move forward on a budget process that was representative of the wants of the population. All surveys validated the Strategic Priorities and ranked them in the same order of importance.

The scored and weighted programs were compiled and separated into quartiles in order to compare the programs. This will evaluate how the services/programs achieve the Strategic Priority Results, and to what degree this occurs.

In the sixth stage, we received the Center for Priority Based Budgeting's Resource Allocation Diagnostic Tool to provide City leaders a way to analyze the quantifiable information about our programs. We can filter by the Basic Attributes, by Fund, by Department, by Strategic Priority area, etc., and see the program rankings in quartiles one through four. Those programs that are most relevant to achieving results are in the higher quartiles. The tool presented a visual representation of the results of the Priority-Driven process and allowed officials to more easily compare priorities and allocations.

The Diagnostic Tool provides data to start discussions about the programs and services we provide. The Tool is critical as we develop our 2013/2014 Budget and will help us analyze programs and services for cost savings, revenue enhancements and budget reductions. It will allow us to more strategically allocate resources, and provide citizens more transparency, as well as a clearer understanding of the budget decision as we move forward.

While it is the first year Cincinnati has engaged in priority-driven budgeting to this extent, it provides a foundation for examining the services and programs we provide that are important to the people we serve.

Honeywell

Water and Electricity Do Mix!

By Dave Robinson, Honeywell Building Solutions

There really is no such thing as a typical city manager, in regards to educational background or work experience. While many are comfortable in dealing with the more technical aspects of the position, others are not. Regardless of education or expertise, though, all city managers are looking for ways to improve operational efficiency and reduce expenses, especially when it comes to a significant line item on the annual budget — energy costs tied to operating water and wastewater plants, and the accompanying distribution and collection systems. By providing some basic information on water and wastewater operations, this article (focusing on water) and the one to follow (focusing on wastewater) will help point city managers down a path to lower electricity bills.

The primary goal of a water utility is to meet or exceed documented quality standards, while maintaining pressure in the distribution system so homeowners, businesses and public-safety personnel always have the water they need. Each of these items can be measured, captured and compared to baselines for a quick assessment of performance. There are probably months if not years of such reports available, and given that utilities must report water quality to consumers once a year (in the uniquely named "consumer confidence report"), these metrics are well known and understood.

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One ancillary performance measure that cities are starting to scrutinize, however, is unaccounted-for water, which is also similarly referred to as non-revenue water (NRW). NRW is a measure of the amount of water treated and pumped out of the plant compared to the amount of water that is metered and billed to consumers, or otherwise documented as used.

Given the miles of pipe and other infrastructure required to provide water and measure consumption, and regular operational practices such as hydrant flushing, it is practically impossible (and frankly cost-prohibitive) to reduce NRW to zero. As the number climbs above 15 or 20 percent, though, it is usually an indication that there is room for cost-justified improvement.

Another performance measure that can provide a quick, high-level assessment of energy and operational efficiency is a benchmark that compares electricity used to source, treat and distribute water to the amount of water that passes through the system. The resultant measure, expressed in terms of kilowatt-hours per million gallons, can be compared to industry averages, as well as historical performance, to help quantify overall efficiency and identify trends

Once it becomes apparent there is room for improvement, the trick is how to pinpoint and address potential upgrades. One common means of dealing with NRW is to update the metering system. Without the data necessary to better analyze water use at different times of the day, it is very difficult to uncover leaks or metering inaccuracies.

These updates might also include replacing all or some of the actual meters, or modifying the meter reading dials (or "register") with one that can be read with either a mobile (think: drive-by) wireless system or a fixed wireless system. Mobile technology is usually referred to as AMR, for automated meter reading, while fixed technology is referred to as AMI, for advanced metering infrastructure. In either case, the result is the data necessary to enable rich, productive analysis.

Either AMR or AMI is most effective when coupled with efforts and equipment to break the entire system down into subsections or districts, which then provide more data points and baselines for comparison. Rather than having to assess the system in its entirety, cities can calculate NRW for each district. And, from there, managers can isolate the worst performing districts and deploy additional technology.

For example, by placing acoustic sensors at regular intervals along the water distribution system, the data that results from "listening" to the system can identify leaks as small as a pinhole down to a few feet. Considering that this seemingly tiny leak is wasting water and energy every hour of the day, every day of the year, fixing it has a rather quick payback.

Once the benchmarks are calculated and initial opportunities identified, a useful next step is to build a diagram of the water network, from source to meter, showing all pertinent wells, controllable valves and elevations. On top of this diagram, city personnel can apply operational and performance data. It is amazing how much these simple tools can ease the arduous task of data analysis.

Despite the time and effort it can take to detect issues, the fixes are often low- or no-cost repairs that are easy to implement. Changes might be as simple as specifying different water pumps, or scheduling when they start and stop. In one recent case, this approach quickly identified more than 40 percent electricity savings without the need for any capital-intensive equipment changes.

Are these improvements possible for your municipality? The best place to start answering this question is to work with your water utility leadership to let them know you're focused on understanding water treatment and distribution performance. Positive consumer confidence reports are a given, but tracking additional, including those around UAW and energy efficiency, should be routine as well.

Involve these same people in developing solutions to address areas of concern because they are the system experts. Perhaps you will need outside help, from the likes of an engineering consultant or energy services company, but make sure your team is involved as well. They live with the system every day, and they truly are the ones who have to make sure that water and electricity do mix in a safe, responsible manner.

Requesting solutions: How to improve your RFP process

When done correctly, an RFP is an effective tool that improves your organization and its services. When done incorrectly, it's a counterproductive and inefficient waste of time, money and resources.

And when it comes to billing and payment, more often than not, RFPs could be done more effectively and save more money.

In the ever-evolving world of billing and payments, the RFP process of many organizations is outdated. And if your RFP process is outdated, you're likely to receive outdated proposals and outdated services from out-dated companies.

The smartest and most efficient organizations are smart and efficient with their RFPs. For instance, they …

- Produce one request for both billing and payment services, not too separate RFPs.
- Make customer service – to both your organization and your residents – a priority.
- Seek the lowest credit card transaction cost for both their organization and their residents.
- Make sure their provider can integrate with your current systems.
- Make sure they'll be provided with a multi-platform solution for users that includes mobile devices, tablets, PCs and land lines.

"By doing an RFP, you're looking to get the best possible goods, the highest quality service and the lowest possible price," said First Billing CEO Patrick Dorsey. "If you're not asking the right questions and you're seek-ing multiple vendors to do the job, you have the process backward."

Modern billing and payment companies should be able to handle the entire process – from producing state-ments to collecting to providing customer service and support. They should do it all while employing cost- and time-saving technologies that appeal to residents of all ages. And they should do it without tacking on hidden fees.

All you have to do is make the right request.

About First Billing Services
Headquartered in Dayton, Ohio, First Billing Services provides cutting-edge billing solutions to the utilities, multi-family, healthcare, government and service industries For more information, please visit www.firstbillingservices.com.

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