

City of East Lansing Budget Priorities

Report on Findings

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INTRODUCTION

The City of East Lansing is beginning its budget process for the upcoming fiscal year and investigating ways to improve its long-term fiscal health. To that end, City staff and the East Lansing City Council are seeking community input on potential budget changes. In January 2018, the City retained Public Sector Consultants (PSC) to help design a community input process that demonstrated current budget constraints, showcased potential options for service reductions and additional revenue, and gathered input on residents' preferences.

This report documents the outcomes of that process, including data collected at two City of East Lansing Budget Priorities Community Engagement meetings, facilitated by PSC, as well as an online survey, also conducted by PSC.

The primary source of data for this report is surveys collected from residents and other concerned stakeholders. A total of 174 surveys were collected between the two community input meetings, and a total of 794 surveys were collected online.

This report describes our methodology for designing the community input process and the surveys and provides aggregated results from the community engagement meetings and the online survey. Finally, this report identifies observations of outside factors influencing this process as well as a brief analysis of what the survey results indicate about residents' desire from the City's future budget.

METHODOLOGY

As highlighted above, the City of East Lansing asked PSC to design a community input process that demonstrated current budget constraints, showcased potential options for service reductions and additional revenue, and gathered valuable input on residents' preferences.

To begin, PSC met with City staff to gather information on the overall goals of this community engagement process, current budget constraints, and options for potential cuts and/or additional revenue generation options. Grounded with a solid understanding of the various options being considered, PSC developed a meeting agenda designed for use in both community input sessions.

Given the gravity of decisions about the future of public services in the city of East Lansing, we utilized a three-phased approach to facilitation and data collection. First, we aimed to ground stakeholders with relevant, fact-based information on the status of the City's budget and on feasible service reductions and revenue options. This was accomplished through a presentation, given by the city manager, as well as an agenda that gave participants time to digest relevant information. Second, we wanted residents and other stakeholders to engage in a dialogue about this information with their neighbors. This was accomplished through small group discussions. Finally, we asked residents and stakeholders to combine their understanding of the facts with their own vision for the city's future and give thoughtful, meaningful input on East Lansing's priorities. This was accomplished by ending the community input sessions with a survey that allowed participants to express their individual priorities.

The community meeting agenda was intended to be engaging and participatory to ensure adequate public input. PSC was not responsible for creating any meeting content: We merely synthesized and edited content provided by City staff and the City Council. PSC then facilitated the two community input sessions—held on January 10 and January 18, 2018.

The last stage of this work was to gather the input from the two meetings; generate this final report of findings; and distribute the report to the City Council. Two data-collection instruments were developed to gather community input: The first was a paper-based survey (included in the appendix of this report) distributed to participants present at one of two January community meetings, and the second was an online survey made available on January 19, 2018, through January 28, 2018.

The survey instruments were designed to complement the facilitation approach outlined above. The surveys asked about general service priorities (vision); then, based on a grounding in East Lansing’s current budget constraints and potential reduction and/or revenue options, they asked respondents to identify specific cuts and items to be protected. Finally, they asked for general comments.

SURVEY RESULTS BY QUESTION

The following section details the results collected from both surveys mentioned above—organized by question. On the online survey, respondents were asked to indicate whether they attended one of the two community engagement meetings held in January.¹

RESIDENTIAL STATUS

Survey question: *Do you currently reside in the city of East Lansing?*

The first question asked participants whether they are a current resident of the city of East Lansing. The majority, 88.8 percent, were residents. Additionally, a small percentage (3.6 percent) of respondents chose to not answer this question, and 7.5 percent identified themselves as nonresidents. To ensure that the findings in this report reflect the values of East Lansing taxpayers, the responses from individuals who responded as nonresidents, or who did not answer this question, were omitted from the data analysis.

FIGURE 1. Respondents’ Residency Results—All Surveys

Response	Meeting One	Meeting Two	Online Survey	Total
Resident	71 (89.9%)	88 (92.6%)	701 (88.3%)	860 (88.8%)
Nonresident	7 (8.7%)	7 (7.4%)	59 (7.4%)	73 (7.5%)
No response	1 (1.3%)	--	34 (4.3%)	35 (3.6%)
Total	79	95	794	968

PRIORITIZING CITY SERVICES

Survey question: *Please rank the following City of East Lansing services and amenities according to their value to you. Rank items 1 through 6, with 1 being the most valuable and 6 indicating the least value.*

¹Note: A total of 50 respondents indicated that they attended one of these sessions. While PSC did not collect paper surveys from all attendees, it is likely that some individuals completed both the paper and online surveys. Therefore, a small amount of double counting may have occurred in the following results.

The next question asked participants to rank a general list of city services and amenities according to their value. In the interest of consistency and comparability, the list of services and amenities mirrored a list used in previous City of East Lansing telephone opinion surveys, conducted in the past by EPIC-MRA. To analyze the aggregate rankings, we assigned a point score to each ranked item—a first-place ranking was assigned five points, and a sixth-place ranking was assigned zero points.

The following table shows the total score for each item by session. Overall, public safety received the highest ranking, the library received the second-to-last ranking, and festivals and events received the lowest total score.

FIGURE 2. Ranking of Services According to Personal Value, Scored

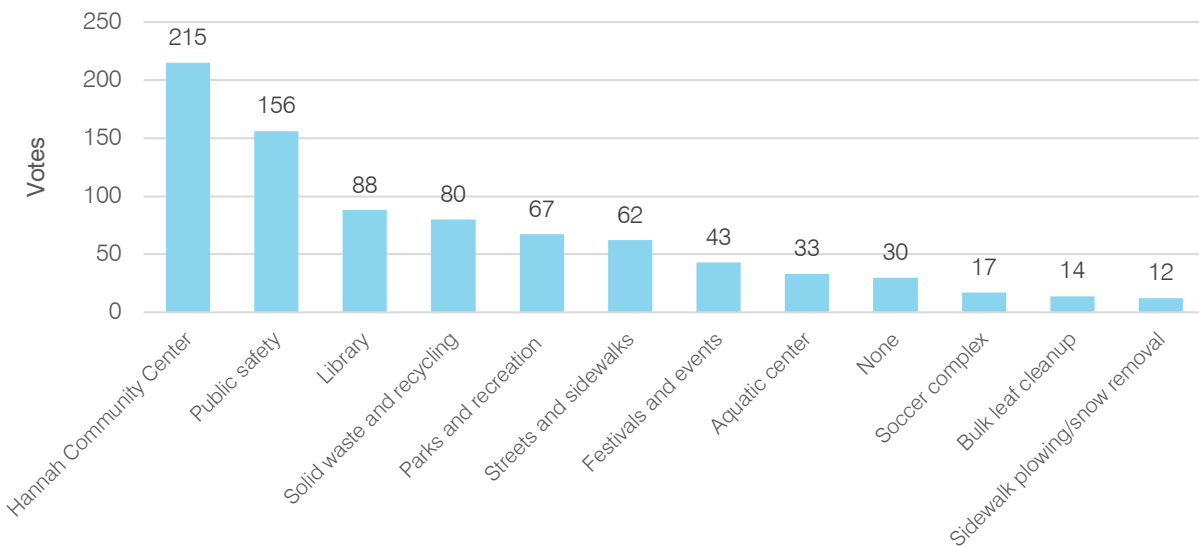
Program	Score
Public safety	3153
Streets and sidewalks	2449
Solid waste and recycling	2189
Parks and recreation	2097
Library	1794
Festivals and events	738

PRIORITY PROGRAMS, REGARDLESS OF CUTS

Survey question: *Are there specific services and amenities that you would support receiving continued full funding, despite potential reductions?*

Responses to the next question were open ended, but PSC categorized and aggregated similar responses. Across all three opportunities for data collection, the Hannah Community Center and public safety were consistently top priorities for East Lansing residents.

FIGURE 3. Chart of Recommended Services and Amenities to Keep



RECOMMENDED BUDGET RECONCILIATION STRATEGY

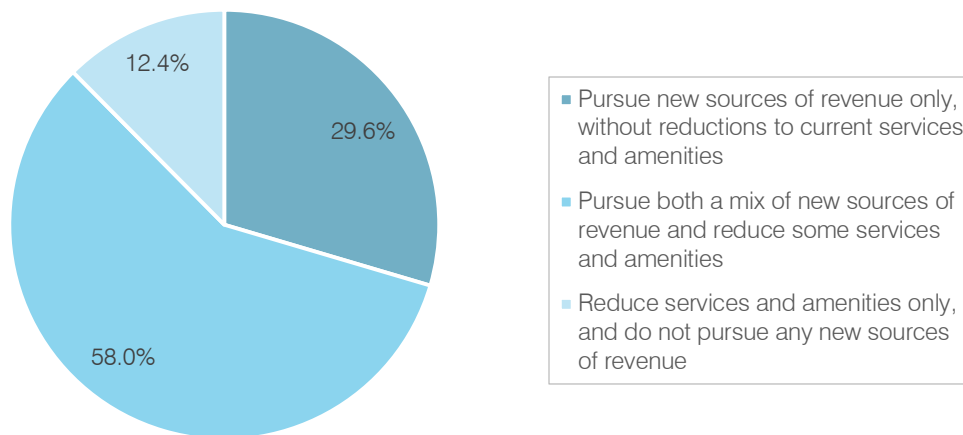
Survey question: Based on the information presented (tonight), which of the following options do you most support?

The next survey question asked respondents to indicate their general preference for new revenue and/or reductions to services and amenities for East Lansing. To determine the strategy preference of residents, this was a multiple-choice question with three options, each displayed below.

Out of 700 resident responses, the majority supported pursuing a mix of service reductions and new revenue. The percentages of votes for each option are provided below.

- a. Pursue new sources of revenue only, without reductions to current services and amenities (29.6 percent)
- b. Pursue both a mix of new sources of revenue, and reduce some services and amenities (58 percent)
- c. Reduce services and amenities only, and do not pursue any new sources of revenue (12.4 percent)

FIGURE 4. Respondents' Views on the Appropriate Strategy for the City of East Lansing

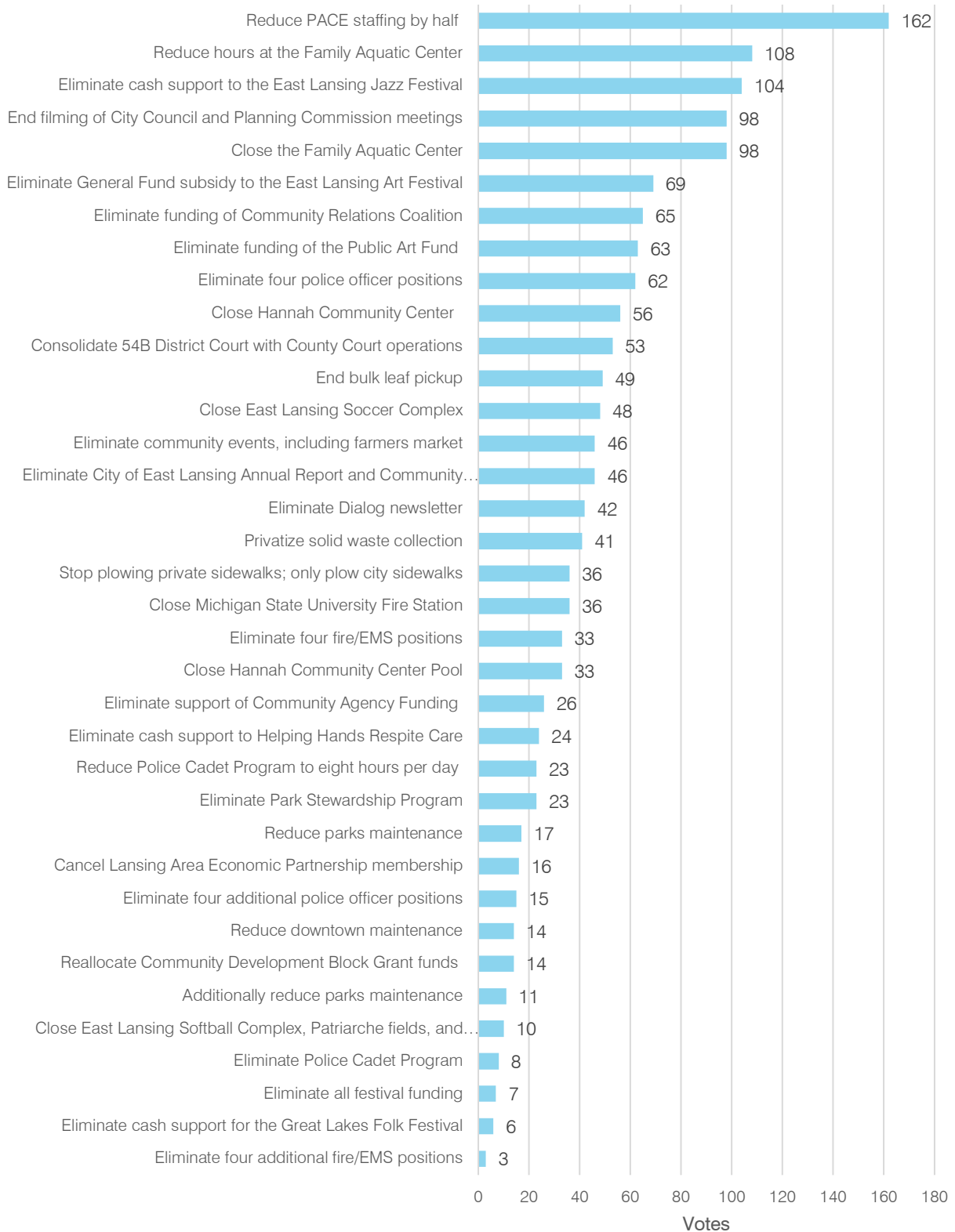


RECOMMENDED CUTS

Survey question: If the City of East Lansing is forced to make reductions to any of the services and amenities included in the Reductions List provided tonight, please indicate three specific items you would cut or reduce.

This question directed respondents to indicate three specific items to reduce from the Reduction List. This list was provided via paper at the meeting and via hyperlink through the online survey. Overall, the most popular response was to reduce Parking and Code Enforcement (PACE) staffing.

FIGURE 5. Recommended Cuts and Reductions



ANALYSIS AND SPECIAL CONSIDERATIONS

Based on the results presented above, PSC offers the following observations about potential budget priorities:

- Based on the two questions about what services to preserve or prioritize, there is strong support for avoiding cuts to public safety services and the Hannah Community Center.
- The results expose a lack of consensus among residents about what services and amenities to reduce.
- The service and amenities that did receive modest support for reductions do not yield significant savings for East Lansing.
- There is a strong implicit and explicit support for new revenue. The implicit support is demonstrated through the combination of a lack of consensus about what to cut, and the identification of reductions that do not yield significant savings. The explicit support is demonstrated by the fact that 87.6 percent of respondents backed some form of new revenue.

We want to call attention to two separate events that may have significantly impacted the results of the online survey. First, on January 23, 2018, while the survey was still in the field, the City of East Lansing released an agenda for an upcoming City Council meeting. Included in this meeting agenda was the discussion of four potential revenue-generating ballot questions, including a second attempt at establishing an income tax in East Lansing. The question of whether East Lansing should increase revenues or cut programs to remedy its budget shortfall was central to this project, and this agenda may have influenced some resident opinions on the best path forward.

PSC was concerned that the appearance of a decision to favor revenue generation over cuts, or even a mixed strategy, may have impacted how respondents answered the survey. To account for this, PSC analyzed the online survey data in two parts, both before and after the release of the City Council meeting agenda. Through this analysis, it was evident that the responses remained relatively consistent before and after the agenda's release. Therefore, in this report, the online survey results are presented in whole.

Second, a key topic of the city manager's budget presentation during the community meetings was the willingness and ability of Michigan State University (MSU) to negotiate payments in lieu of taxes (PILOT) with the City of East Lansing. This was also a common topic of conversation observed at the community input sessions. Given that MSU president Lou Anna Simon resigned from her post on January 31, 2018, a development that garnered national media attention, we want to highlight that resident opinions about MSU's ability and/or willingness to negotiate with the City may be in flux. Given the profile of these developments and their implications on MSU's fiscal stability over the next several years, we recognize that survey results may reflect shifting attitudes about the university's ability to negotiate PILOT with the City of East Lansing.

APPENDIX: SURVEY RESULTS BY SESSION

The following presents the survey results by each instance of data collection, including both sessions of community engagement meetings and the online survey.

RESIDENTIAL STATUS

Survey question: *Do you currently reside in the city of East Lansing?*

FIGURE 6. Respondents' Residency Results—All Surveys

Response	Meeting One	Meeting Two	Online Survey	Total
Resident	71 (89.9%)	88 (92.6%)	701 (88.3%)	860 (88.8%)
Nonresident	7 (8.7%)	7 (7.4%)	59 (7.4%)	73 (7.5%)
No response	1 (1.3%)	--	34 (4.3%)	35 (3.6%)
Total	79	95	794	968

PRIORITIZING SERVICES

Survey question: *Please rank the following City of East Lansing services and amenities according to their value to you. Rank items 1 through 6, with 1 being the most valuable and 6 indicating the least value.*

Session One

FIGURE 7. Ranking of Services According to Personal Value—Session One, Scored

Program	Total Score
Public safety	305
Streets and sidewalks	192
Parks and recreation	178
Solid waste and recycling	155
Library	130
Festivals and events	73

Session Two

FIGURE 8. Ranking of Services According to Personal Value—Session Two, Scored

Program	Total Score
Public safety	345
Solid waste and recycling	211
Parks and recreation	201
Streets and sidewalks	189
Library	142
Festivals and events	97

Online Survey

FIGURE 9. Ranking of Services According to Personal Value—Online Survey, Scored

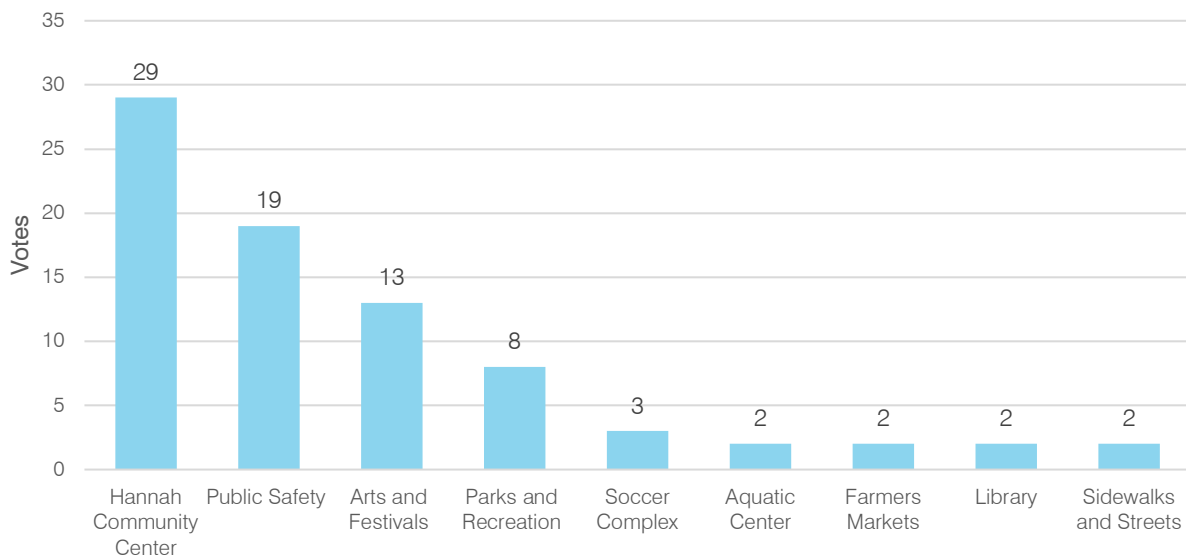
Program	Total Score
Public safety	2503
Streets and sidewalks	2068
Solid waste and recycling	1823
Parks and recreation	1718
Library	1522
Festivals and events	568

PROGRAMS THAT SHOULD BE PRESERVED

Survey question: *Are there specific services and amenities that you would support receiving continued full funding, despite potential reductions?*

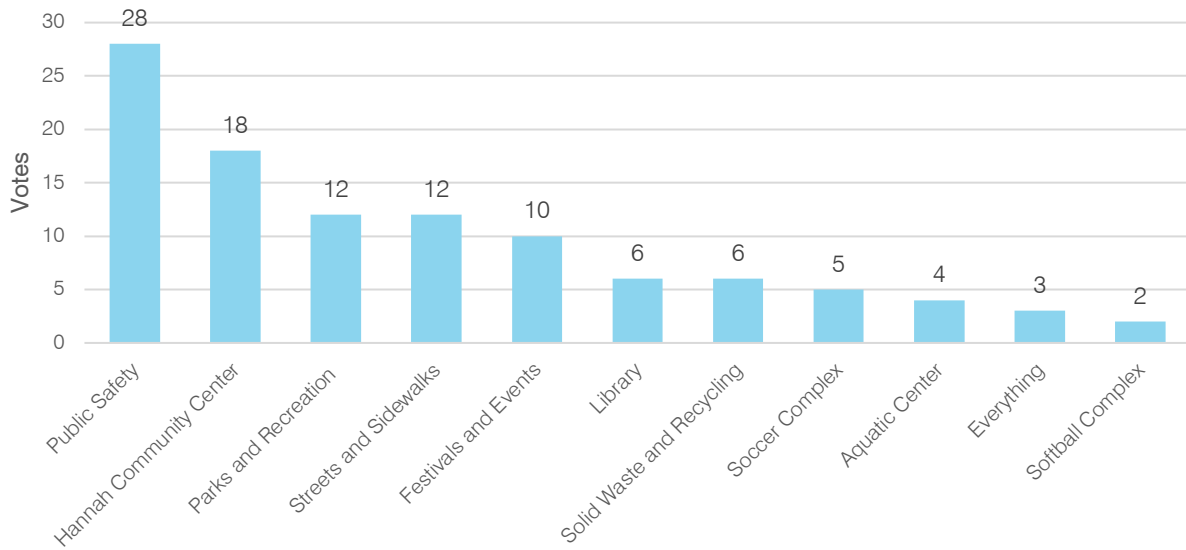
Session One

FIGURE 10. Chart of Recommended Services and Amenities to Keep—Session One



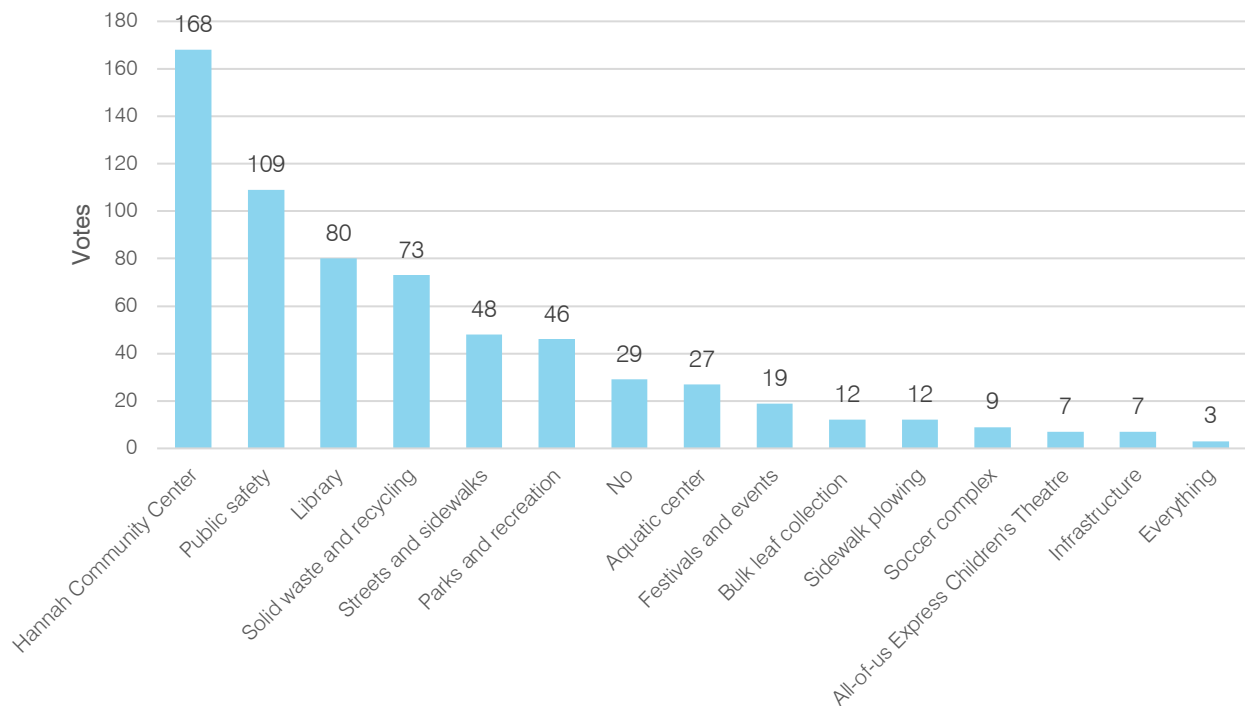
Session Two

FIGURE 11. Chart of Recommended Services and Amenities to Keep—Session Two



Online Survey

FIGURE 12. Chart of Recommended Programs to Keep—Online Survey



RECOMMENDED BUDGET RECONCILIATION STRATEGY

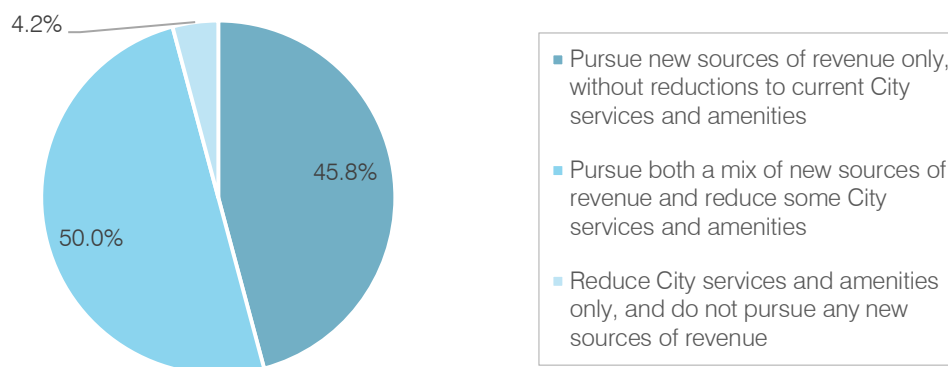
Survey question: Based on the information presented (tonight), which of the following options do you most support?

The next survey question asked respondents to indicate the general path forward for East Lansing. To determine the strategy preference of citizens, this was a multiple-choice question with three options, each displayed below.

Session One: Out of 72 responses, the majority supported a mix of cuts and new revenue. The percentages of votes for each option are provided below.

- a. Pursue new sources of revenue only, without reductions to current services and amenities (45.8 percent)
- b. Pursue both a mix of new sources of revenue and reduce some services and amenities (50 percent)
- c. Reduce services and amenities only, and do not pursue any new sources of revenue (4.2 percent)

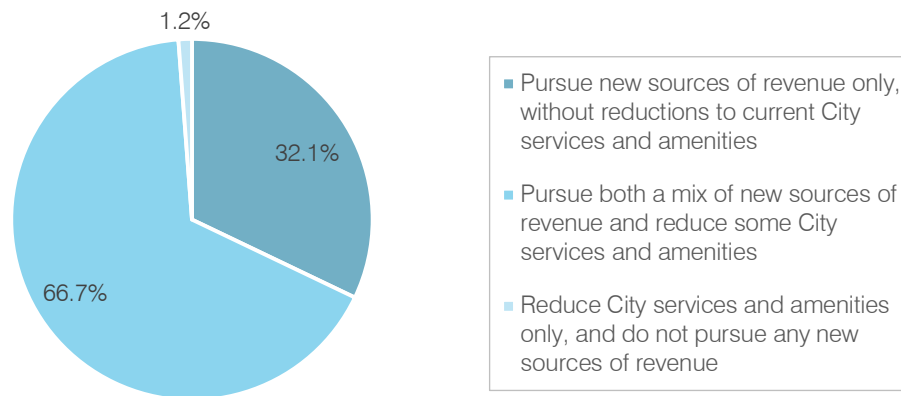
FIGURE 13. Respondents' Views on the Appropriate Strategy for the City of East Lansing—Session One



Session Two: Out of 81 responses to this specific question, the majority supported a mix of cuts and new revenue. The percentages of votes for each option are provided below.

- a. Pursue new sources of revenue only, without reductions to current services and amenities (32.1 percent)
- b. Pursue both a mix of new sources of revenue and reduce some services and amenities (66.7 percent)
- c. Reduce services and amenities only, and do not pursue any new sources of revenue (1.2 percent)

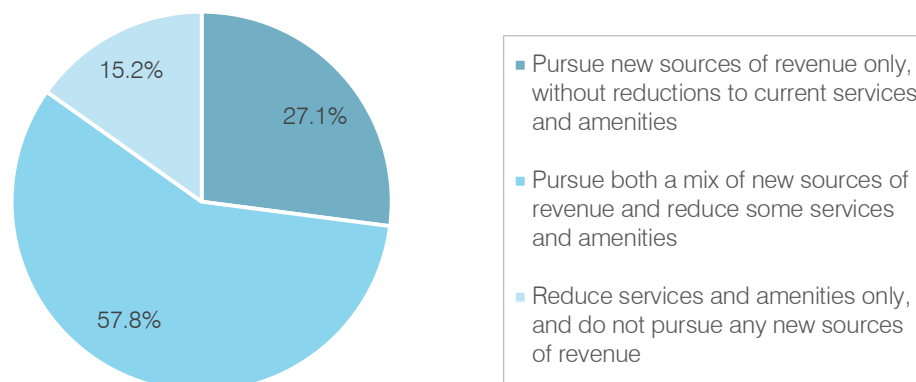
FIGURE 14. Respondents' Views on the Appropriate Strategy for the City of East Lansing—Session Two



Online Survey: Out of 701 responses to the online survey, the majority of residents supported a mix of cuts and new revenue. However, 15.17 percent of respondents favored a strategy of only making reductions to services and amenities. This is significantly higher than the percentages reported from individuals who attended the two in-person sessions in which only 4.2 and 1.2 percent of respondents favored cuts only. The percentages of votes for each option are provided below.

- Pursue new sources of revenue only, without reductions to current services and amenities (27.1 percent)
- Pursue both a mix of new sources of revenue and reduce some services and amenities (57.8 percent)
- Reduce services and amenities only, and do not pursue any new sources of revenue (15.2 percent)

FIGURE 15. Respondents' Views on the Appropriate Strategy for the City of East Lansing—Online Survey

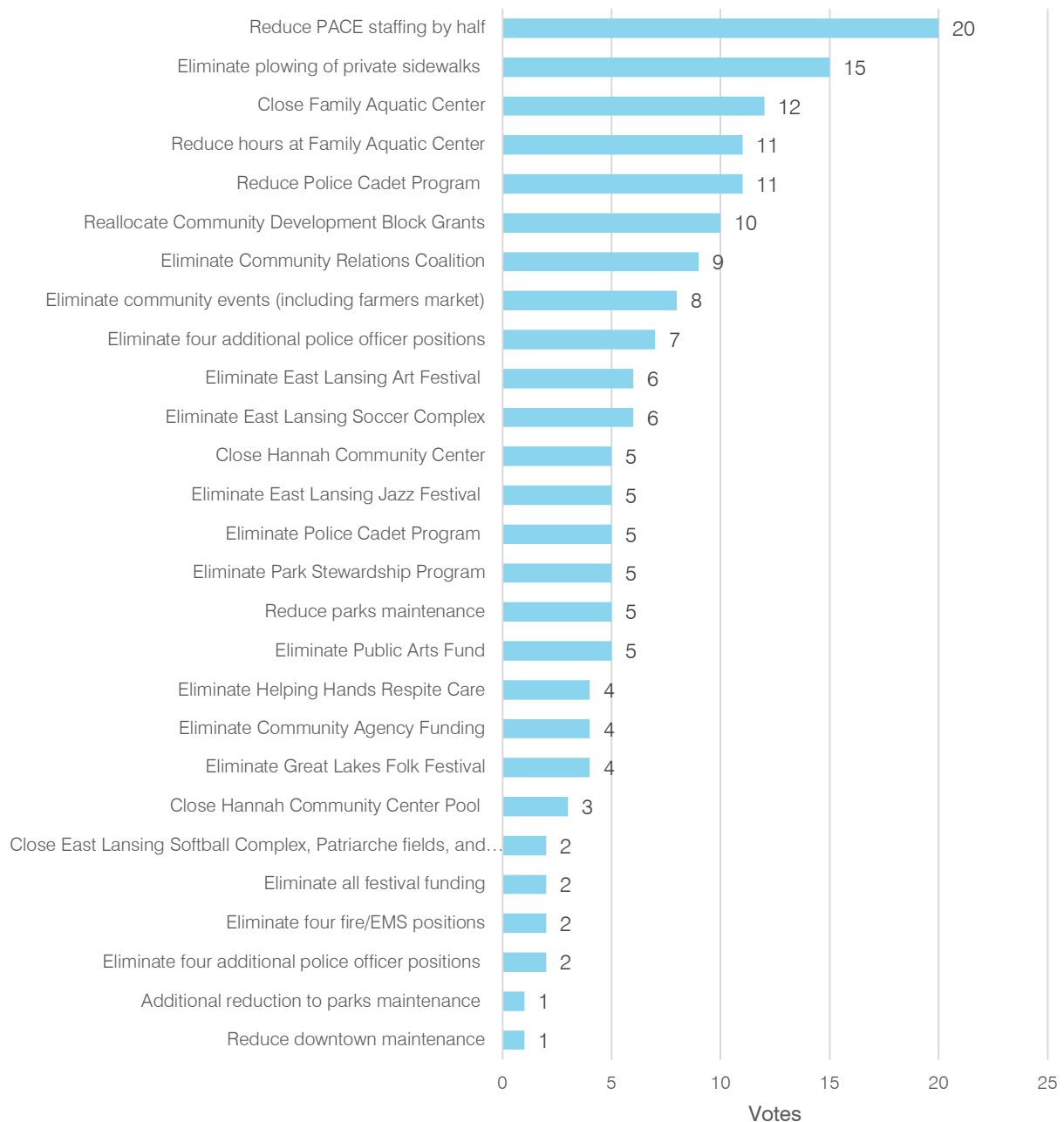


RECOMMENDED CUTS

Survey question: *If the City of East Lansing is forced to make reductions to any of the services and amenities included in the Reductions List provided tonight, please indicate three specific items you would cut or reduce.*

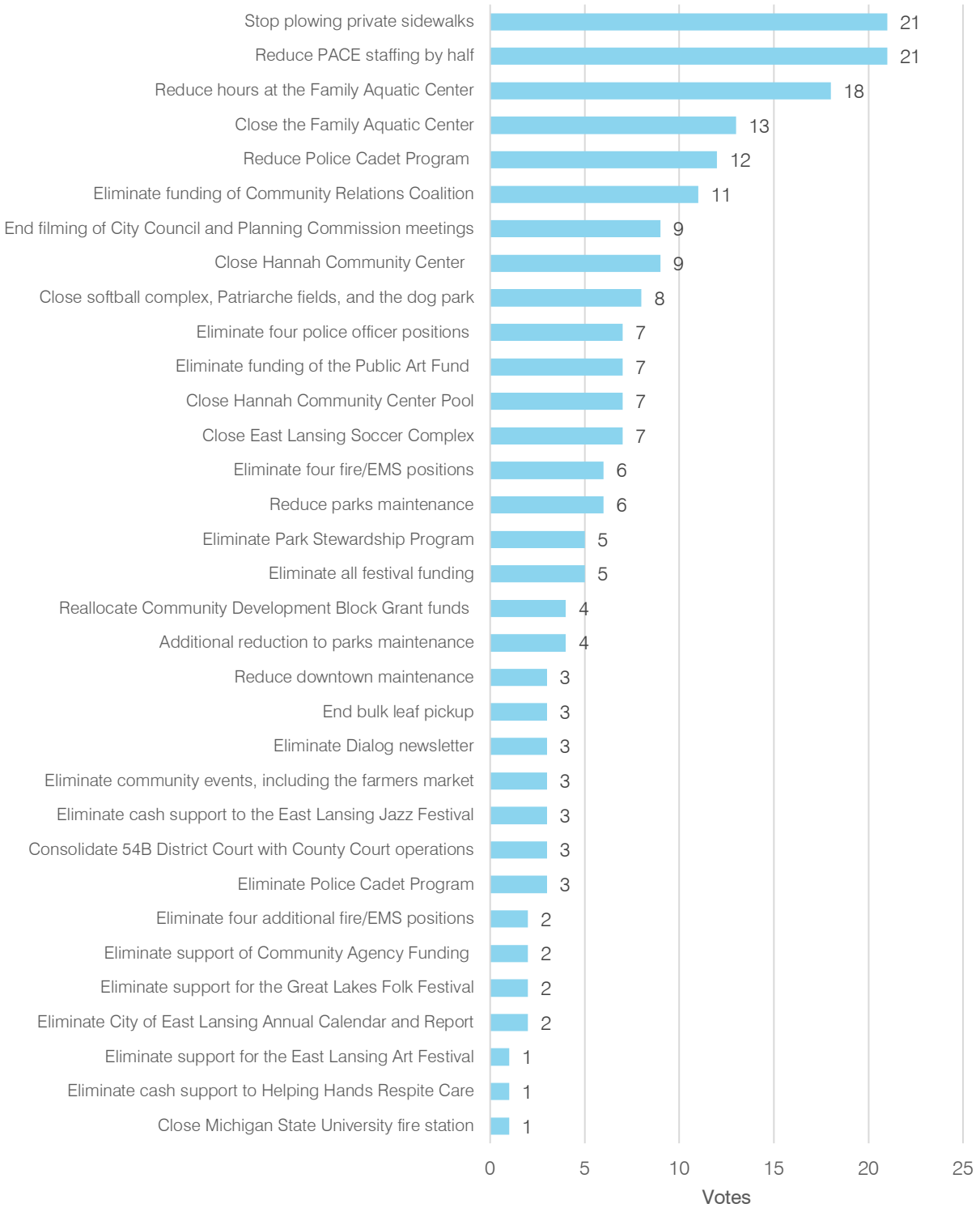
Session One

FIGURE 16. Recommended Cuts and Reductions—Session One



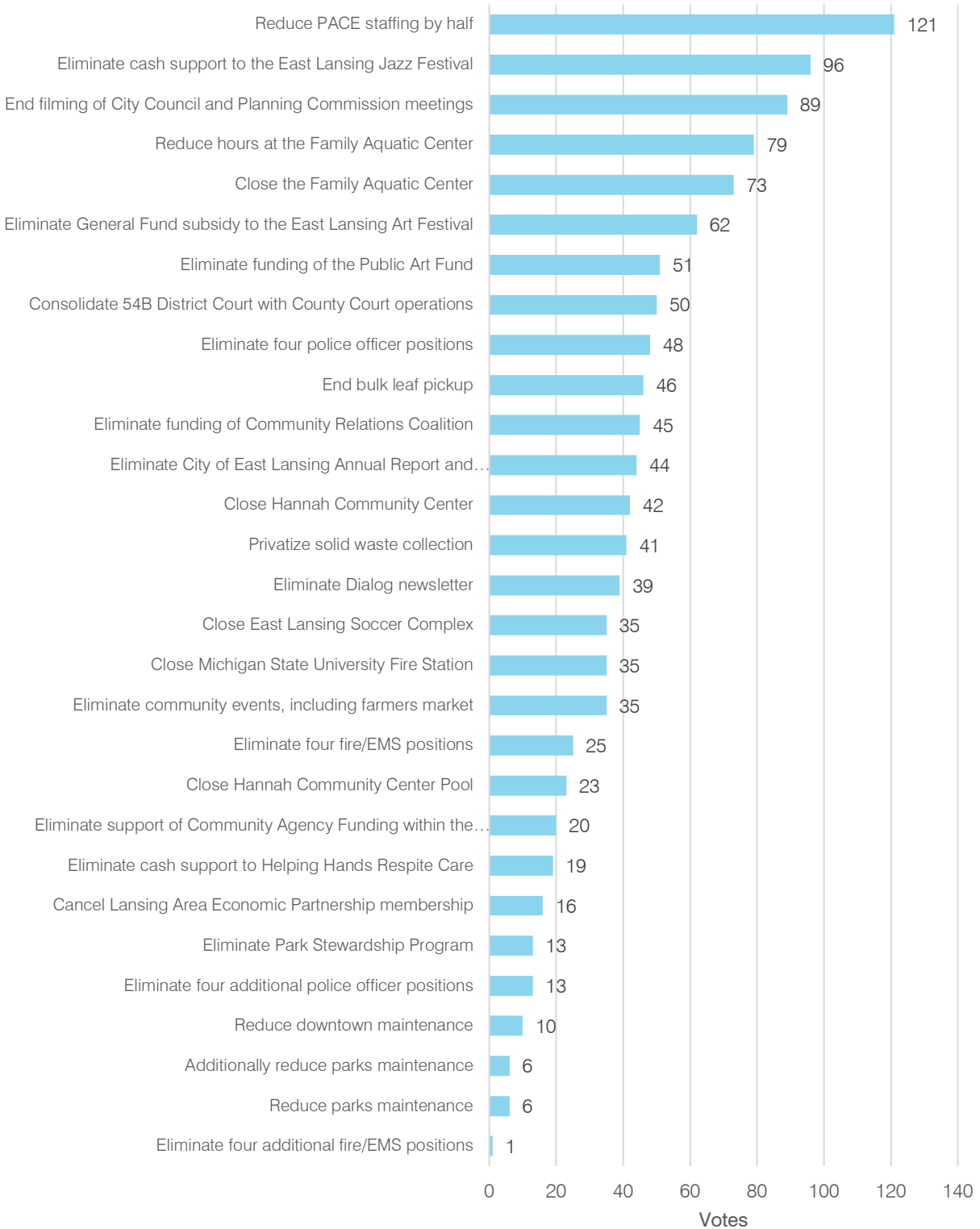
Session Two

FIGURE 17. Recommended Cuts and Reductions—Session Two



Online Survey

FIGURE 18. Recommended Cuts and Reductions—Online Survey



CITY OF EAST LANSING BUDGET PRIORITIES SURVEY

1. Do you currently reside in the city of East Lansing?

____ Yes ____ No

2. Please rank the following City of East Lansing services and amenities according to their value to you. Rank items 1 through 6, with 1 being the most valuable and 6 indicating the least value.

____ Public safety

____ Festivals and events

____ Streets and sidewalk maintenance

____ Solid waste and recycling

____ Park and recreation facilities

____ Library

3. Are there specific services and amenities that you would support receiving continued full funding, despite potential reductions?

4. Based on the information presented tonight, which of the following options do you *most support*?

- a. Pursue new sources of revenue only, without reductions to current services and amenities
- b. Pursue both a mix of new sources of revenue and reduce some services and amenities
- c. Reduce services and amenities only, and do not pursue any new sources of revenue

5. If the City of East Lansing is forced to make reductions to any of the services and amenities included in the Reductions List provided tonight, please indicate three specific items you would cut or reduce. *Please refer to the handout to guide your decision.*

1. Item # _____

2. Item # _____

3. Item # _____

6. Are there *other* services and amenities not on the Reductions List provided tonight that you recommend cutting and/or reducing funding to?

7. Do you have any other comments or suggestions to share with the City about its budget priorities?

8. Optional: Please provide your name and address. The City or City Council may choose to follow up with you based on comments or answers provided above.



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