

5

Intermunicipal Cooperation: The Growing Reform

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Local governments have been under increased stress since the Great Recession of 2008. Declining revenues have created intense fiscal pressures while the need for public services has risen. In the face of this challenge, we were especially curious to see if ICMA's 2012 alternative service delivery (ASD) survey would show any increases in outsourcing.

ICMA has measured local government use of ASD mechanisms since 1982. This ongoing survey allows us to track experimentation and innovation at the local level. Service delivery strategies vary widely as managers must respond to citizen preferences, local capacity and needs, and differences in local market conditions. In the last decade, privatization has dropped slightly (from 18% of all service delivery in 2002 to 16% in 2012),¹ while intermunicipal cooperation has grown (from 17% of all service delivery in 2002 to almost 24% in 2012). Intermunicipal contracting is now the most common delivery alternative—more common than for-profit contracting.

This *Year Book* article explores some of the factors explaining this trend. It also discusses motivators and obstacles to ASD, and it presents a disturbing fact about local government evaluation of ASD mechanisms: the data show that monitoring and evaluation of contracted services continue to be low.

SELECTED FINDINGS



Intermunicipal cooperation is the only alternative service delivery strategy that continues to grow among local governments, having increased from 17% in 2002 to almost 24% in 2012.

Contracting out service provision to for-profit companies dropped slightly in 2012, even in the face of fiscal stress caused by the 2008 recession.

Eighty-two percent of jurisdictions participate in a regional organization of some sort. While most of this cooperation (68%) involves roads and highways, nearly two-thirds (62%) of it is focused on economic development.

Evaluation of private contracts is inadequate. More attention needs to be given to the evaluation of private contracts and intermunicipal agreements.

Survey Response and Methodology

ICMA's *Profile of Local Government Service Delivery Choices, 2012* survey was mailed to the chief administrative officers in all municipalities with city-type

governments and a population over 2,500 as well as to all functioning counties—a total of 10,552 jurisdictions across the United States. In prior years, only one in four municipalities under 10,000 in population and all counties under 25,000 in population were included in the sample. In 2012, however, the U.S. Department of Agriculture funded the survey, so ICMA made a special effort to reach small and rural municipalities.² Although expansion of the sample frame resulted in a drop in the response rate from 26% to 21%, the 2012 survey had responses from 471 more municipalities and 114 more counties than did the 2007 survey (Table 5-1). These extra governments are primarily in the under-10,000 population category.

As in the past, the response rate from municipalities is higher than that from counties. Apart from the smallest jurisdictions, the distribution of survey response by population group is relatively consistent, ranging from 20% to 25%, with the rates being slightly higher in the bigger cities (above 100,000). Geographically, the response rates are highest in the Pacific Coast, South Atlantic, and Mountain geographic divisions and lowest in the East South-Central, Mid-Atlantic, New England, and West South-Central divisions. While in the past ICMA reported responses by metro status using U.S. Census-bureau designations (metro core, suburban, independent), in this survey ICMA reports responses by metro status using U.S. Office of Management and Budget designations.³ Municipalities are assigned to categories based on the designation of the county in which they sit. Within metropolitan areas, principal cities and counties are designated using Census Bureau definitions. For this survey, the highest response rate (29%) is from principal cities or counties in a metropolitan statistical area; the lowest (17%) is from local governments in non-core-based statistical areas (non-CBSAs), which represent the most rural places in the country.

The 2012 survey lists 76 services and asks local managers to describe which of those services they provide and the manner in which each is delivered (i.e., by public employees entirely, by public employees in part, in partnership with another government or agency, contracted out to a for-profit company, contracted out to a nonprofit organization, by franchise, with subsidies, or by volunteers).⁴ This survey presents 13 services that were not listed in 2007 (while merging 7 of the 67 services shown in 2007 into three broader categories). The new services, which are marked with an asterisk in Table 5-2, include additional social services for children and seniors as well as important local government planning functions, such as land use review, economic development, affordable housing, and comprehensive planning.

Table 5-1 Survey Response Rate

Classification	No. of municipalities/ counties ^a surveyed (A)	Respondents	
		No.	% of (A)
All	10,552	2,184	21
Municipalities	7,515	1,715	23
Counties	3,037	469	15
Population group			
Over 1,000,000	42	10	24
500,000-1,000,000	99	23	23
250,000-499,999	166	37	22
100,000-249,999	504	125	25
50,000-99,999	875	186	21
25,000-49,999	1,499	305	20
10,000-24,999	2,760	554	20
5,000-9,999	2,300	466	20
2,500-4,999	2,045	447	22
Under 2,500	262	31	12
Geographic division			
New England	797	132	17
Mid-Atlantic	1,415	208	15
East North-Central	1,901	437	23
West North-Central	1,339	298	22
South Atlantic	1,484	377	25
East South-Central	827	112	14
West South-Central	1,246	213	17
Mountain	687	167	24
Pacific Coast	856	240	28
Metro status			
Metropolitan (principal city or county)	641	185	29
Metropolitan (other)	5,955	1,299	22
Micropolitan (rural)	1,707	327	19
Other rural (non-CBSA)	2,249	373	17

a For a definition of terms, please see "Inside the Year Book," xi.

The survey also explores different aspects of service delivery, including motivators for and obstacles to implementing private service delivery and inter-governmental contracting. Finally, two new questions are on the 2012 survey: one asks about participation in regional government organizations and the service delivery areas encompassed by those arrangements; the other inquires about methods of raising revenue beyond the property tax.

Table 5-2 Use of Public Service Delivery Strategies, 2012

	No. reporting	Public services provided by				
		Public employees entirely, %	Public employees in part, %	Another government or entity, %	Private for-profit company, %	Private nonprofit organization, %
Average		44.6	16.3	23.6	15.5	9.9
Public works/transportation						
Residential solid-waste collection	1,213	28.3	5.4	5.7	50.9	0.9
Commercial solid-waste collection	947	19.0	8.4	5.8	59.5	0.7
Recycling*	748	32.1	18.2	6.8	40.1	3.2
Solid-waste disposal	652	38.5	11.3	15.2	32.8	1.2
Street repair	1,454	42.0	48.4	6.1	28.9	0.4
Street/parking lot cleaning	1,040	75.4	15.4	2.3	14.3	0.4
Snow plowing/sanding	1,163	75.2	20.0	5.9	10.0	0.3
Traffic sign/signal installation/maintenance	1,240	49.0	32.3	17.6	18.5	0.2
Parking meter maintenance and collection	235	74.0	17.9	3.8	13.2	0.9
Street tree trimming and planting	1,205	43.4	43.7	3.6	30.0	2.1
Maintenance/administration of cemeteries	634	66.9	15.5	4.6	10.1	7.9
Inspection/code enforcement	1,384	75.0	17.0	7.1	9.2	0.4
Operation of parking lots and garages	410	69.8	12.9	8.0	15.1	1.0
Operation/maintenance of bus transit system	390	25.6	9.0	46.9	15.4	9.0
Operation/maintenance of paratransit system	343	23.6	9.9	40.2	16.9	13.1
Operation of airports	395	45.8	19.0	27.8	16.5	0.8
Water distribution	1,082	73.3	9.8	15.2	6.1	0.8
Water treatment	1,027	68.4	8.2	22.0	5.5	0.6
Sewage collection and treatment	1,124	59.9	15.7	27.1	6.0	1.2
Disposal of sludge	908	35.9	13.3	25.0	30.1	2.1
Disposal of hazardous materials	639	19.1	19.7	36.2	32.4	2.8
Public utilities						
Electric/gas utility operation and management	429	32.4	5.8	13.5	42.2	5.6
Utility meter reading and billing	716	81.8	11.2	3.5	7.8	0.8
Public safety						
Crime prevention/patrol	1,296	87.0	6.9	8.6	0.4	0.5
Police/fire communications	1,011	67.1	15.7	23.9	0.6	0.8
Fire prevention/suppression	1,276	58.9	9.3	20.5	1.3	2.8
Emergency medical service	1,170	39.8	15.1	26.4	13.3	8.9
Ambulance service	1,097	29.7	9.0	27.6	23.1	11.3
Traffic control/parking enforcement	1,156	82.9	8.0	9.8	2.2	0.3
Vehicle towing and storage	764	11.6	9.0	7.1	69.0	5.1
Health and human services						
Prisons/jails	975	35.2	9.2	57.5	2.3	0.8
Sanitary inspection	886	37.5	11.1	50.9	4.4	0.8
Insect/rodent control	657	21.3	12.8	44.9	25.6	2.1
Animal control	1,125	55.0	13.6	26.3	5.8	6.7

continued

Table 5-2 Use of Public Service Delivery Strategies, 2012

	No. reporting	Public services provided by				
		Public employees entirely, %	Public employees in part, %	Another government or entity, %	Private for-profit company, %	Private nonprofit organization, %
Operation of animal shelters	735	32.1	9.5	34.6	8.0	20.3
Operation of day care facilities	288	13.2	6.3	22.9	48.6	26.0
Child welfare programs	423	16.5	15.6	58.9	6.4	12.3
Programs for the elderly	744	24.5	31.2	37.9	7.7	23.0
In-home safety improvements for seniors*	397	13.1	18.1	45.3	14.4	24.9
Home health care/visiting nurse*	381	12.6	12.1	40.9	28.1	24.4
Programs to address hunger*	467	4.7	21.6	38.3	5.6	48.4
Elder nutrition programs (e.g., Meals on Wheels)*	625	8.5	18.4	37.0	5.1	41.4
Operation/management of hospitals	488	3.1	1.0	36.7	36.9	36.3
Public health programs	263	39.9	29.7	29.7	5.3	13.7
Drug and alcohol treatment programs	443	8.8	12.2	50.8	18.5	34.1
Operation of mental health/mental retardation programs and facilities	397	7.3	10.6	57.9	16.9	30.0
Operation of homeless shelters	307	3.3	4.6	45.6	7.5	52.1
Workforce development/job training programs	417	8.9	15.3	65.7	8.6	23.3
Youth employment programs*	389	11.8	18.8	55.0	7.2	23.7
Intake/eligibility determination for welfare programs	426	26.5	10.1	58.5	3.8	9.6
Parks and recreation						
Operation/maintenance of recreation facilities	1,357	72.0	20.4	9.3	6.4	5.1
Parks landscaping/maintenance	1,357	67.8	23.7	5.7	14.2	1.5
Operation of convention centers and auditoriums	417	51.1	15.6	19.9	13.2	7.9
Before-/after-school programs or summer camps*	777	47.1	21.8	20.6	8.4	20.3
Youth recreation programs*	1,027	48.8	27.0	14.7	6.2	18.9
Senior recreation programs*	859	44.7	27.4	19.2	5.0	19.3
Cultural and arts programs						
Operation of cultural and arts programs	574	21.8	32.9	16.7	9.2	37.8
Operation of libraries	903	46.6	10.2	35.7	1.3	8.6
Operation of museums	476	18.5	16.4	22.7	4.6	39.7
Land use and economic development						
Comprehensive land use planning*	1,350	67.3	22.3	9.9	11.0	1.6
Land use review and permitting*	1,394	77.8	15.8	6.6	7.6	0.6
Affordable housing*	707	27.4	30.3	41.2	9.9	20.9
Economic development*	1,253	42.1	35.0	23.1	6.4	16.5
Support functions						
Buildings and grounds maintenance	1,464	68.0	27.5	1.2	19.3	1.1
Building security	1,079	72.6	14.9	2.1	18.3	0.4
Fleet management/vehicle maintenance	1,398	57.7	32.6	2.4	25.1	1.0

continued

Table 5-2 Use of Public Service Delivery Strategies, 2012

	No. reporting	Public services provided by				
		Public employees entirely, %	Public employees in part, %	Another government or entity, %	Private for-profit company, %	Private nonprofit organization, %
Payroll	1,492	87.6	7.0	1.1	8.6	0.3
Tax bill processing	1,109	57.4	13.3	30.2	6.3	0.5
Tax assessing	995	44.0	10.6	42.1	8.9	0.4
Data processing	1,279	71.4	18.9	7.8	12.2	0.6
Collection of delinquent taxes	1,080	47.5	16.7	35.2	11.6	1.1
Title records/plat map maintenance	954	45.9	17.3	40.0	8.4	0.4
Legal services	1,158	33.3	18.3	4.8	51.4	2.7
Secretarial services	1,277	93.2	5.2	0.9	2.1	0.0
Personnel services	1,324	89.0	8.9	1.4	5.3	0.5
Public relations/public information	1,127	88.6	10.1	1.3	4.5	1.3

* Denotes new service added to survey in 2012.

As in all ICMA *Year Book* reports, percentages for specific answers throughout the survey are based on the number of respondents to that particular question and not on the entire sample. Comparisons between questions, as well as between years, should therefore be treated carefully because of the different base numbers of respondents in each particular instance.

The Continuing Rise of Intermunicipal Cooperation

Direct public delivery continues to be the dominant form of local government service provision, accounting for 45% of delivery on average across all services (Table 5-2). The majority of services continue to be provided entirely by public employees, a delivery strategy most commonly found in support functions, followed by public safety. For example, the top six services provided directly by local government employees are, in order, secretarial (93%), personnel (89%), public relations (89%), payroll (88%), crime prevention/patrol (87%), and traffic control/parking enforcement (83%). Twenty-nine services have public delivery rates over 50%. Police, fire, roads, parks and buildings maintenance, and land use planning are all core services that the majority of governments do not contract out. The lowest use of public employees is in the social services area, where intermunicipal cooperation and nonprofit delivery are more common.

Along with the prevalence of direct public delivery, the 2012 survey found that intermunicipal cooperation is the only service delivery strategy to increase in usage among local governments since 2007 (from 20% to 24%). Intermunicipal cooperation typically occurs

between neighboring cities and towns or between municipalities and the county in which they sit. Municipalities that are not adjacent may form partnerships if they share similar social factors and concerns. Sometimes the collaboration is with a single-purpose governmental organization, such as a transit authority or an economic development agency. Contracting with another government or governmental authority represents an effort on the part of local leaders to find economic efficiencies by working across multiple jurisdictions while keeping service delivery in the public sector. Research has demonstrated that intermunicipal contracting yields similar fiscal gains as privatization but produces better results in terms of equity and citizen responsiveness.⁵

Responses to the 2012 survey show that the most common services provided in collaboration with another government entity are social programs (see Table 5-2), for which economies of scale and regional coordination are important. Respondents reported that workforce development/job training is the most commonly shared service (66%), followed by child welfare programs (59%), welfare administration (59%), operation of mental health facilities (58%), and operation of prisons/jails (58%). Some of these may be collaborations between cities and counties. Other commonly shared services include tax assessing and collection, affordable housing, economic development, and transit services. Forty services have sharing rates over 20%.

By contrast, only 17 services have for-profit delivery rates over 20%, and only 4 of them—vehicle towing, legal services, and commercial and residential solid waste—show private for-profit contracting in

the majority of responding jurisdictions (Table 5–2). These are services in which private markets are well established, and as might be expected, most of them have low levels (20% or less) of intermunicipal sharing. For example, only 5% of legal services are shared among municipalities, but more than half (51%) of respondents contract with private law firms. Similarly, solid-waste collection has a low rate of sharing (6% for both residential and commercial collection) but a high rate of privatization (51% for residential and 60% for commercial), and vehicle towing has a 7% rate of sharing compared to a 69% rate of privatization. Critical differences between these services and the ones that rank high in cooperation are that these services tend to be easier to specify in a contract and do not require close regional coordination.

Typically, services with high citizen contact show lower rates of for-profit delivery. Such services are more likely to be provided by intermunicipal cooperative agreements or contracts with nonprofits. Surprisingly, only 9% of respondents reported contracting out payroll, a service that computer technology should make easily scalable. Some large cities have sufficient scale to perform this efficiently in-house, but smaller municipalities might benefit from outsourcing. Growth in privatization might be anticipated in this area.

Nonprofit delivery is the third most common alternative. Seventeen services have nonprofit delivery rates over 20%; these include nutrition and homeless services, culture and art, day care facilities and senior services, affordable housing, and workforce development (Table 5–2). As with intermunicipal contracting, nonprofit delivery is more common for services that involve high human interaction and require some level of community coordination.

Motivators for and Obstacles to Alternative Service Delivery

The most common motivators for intermunicipal cooperation are to save money (81%) and to achieve economies of scale (70%) (Figure 5–1). This drive for fiscal benefit coincides with the number one reason that local government leaders study options for privatization (Figure 5–1). However, the other important motivators for cooperation and privatization indicate that these leaders have very different perspectives on the two approaches. The next most important motivators for intermunicipal cooperation are the desire to strengthen intergovernmental relations (62%), to promote higher-quality/more effective service delivery (60%), and to promote regional service integration (54%). These are more community-oriented goals and are markedly different from those for privatiza-

tion, which remain driven by fiscal gain and, to a lesser extent, antigovernment ideology.

Significantly fewer respondents indicated obstacles to contracting with a private provider than to contracting with another local government (Figure 5–2). Moreover, the most important obstacles to the two service delivery strategies are different. Leaders reported that the biggest barriers to sharing service delivery with other governments are a concern for loss of community (69%), lack of a common vision/mission with potential partners (46%), and lack of trust (43%). By contrast, the most common obstacles encountered by governments studying privatization are related to labor: opposition from employees (56%), opposition from elected officials (43%), and restrictive labor contracts (36%). Intermunicipal cooperation may be seen as less threatening to jobs than privatization.

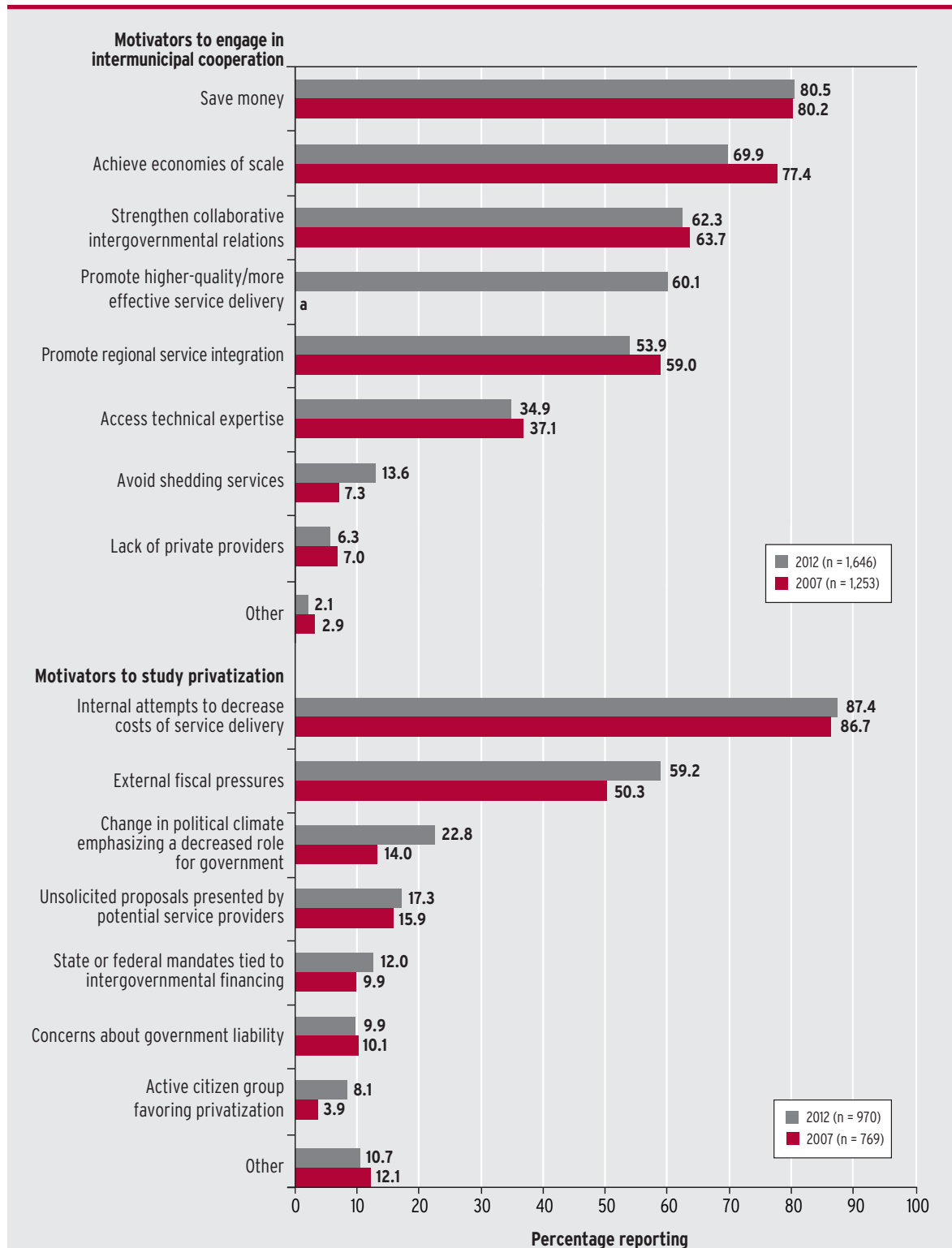
Another component of intergovernmental cooperation is local government participation in a regional organization. In many cases, such an entity can organize public service delivery across numerous municipalities and offer greater economies of scale and expertise than can individual local governments. In a new question on the 2012 survey, local leaders were asked if they participate in a regional council of governments, metropolitan planning organization, or regional planning agency. A large majority of municipalities and counties (82%) indicated that they do participate in such a regional entity (Figure 5–3). As expected, most of this cooperation involves roads and highways (68%). Nearly two-thirds (62%) of the regional agencies focus on economic development, an endeavor that research indicates is more successful when it is coordinated across a region.⁶ Public transit is the focus for 54% of respondents, while nearly half of all local governments (46%) collaborate with regional organizations for disaster planning.

The Maturation of Privatization

Contracting with private for-profit companies for public service delivery dipped slightly from 2007 (from 18% to 16%) after having basically been flat since 2002. Outsourcing to private nonprofit organizations has remained steady. While privatization has increased in some service areas (e.g., a majority of respondents now report for-profit delivery in waste collection), most local leaders have enough experience to understand which services are best privatized in their communities and which are not. Even the fiscal stress of the 2008 recession did not lead to more privatization.

Despite the stable usage of private contracting, the motivations for engaging a for-profit company to provide public services have changed since 2007

Figure 5-1 Drivers of Alternative Service Delivery Strategies, 2007 and 2012

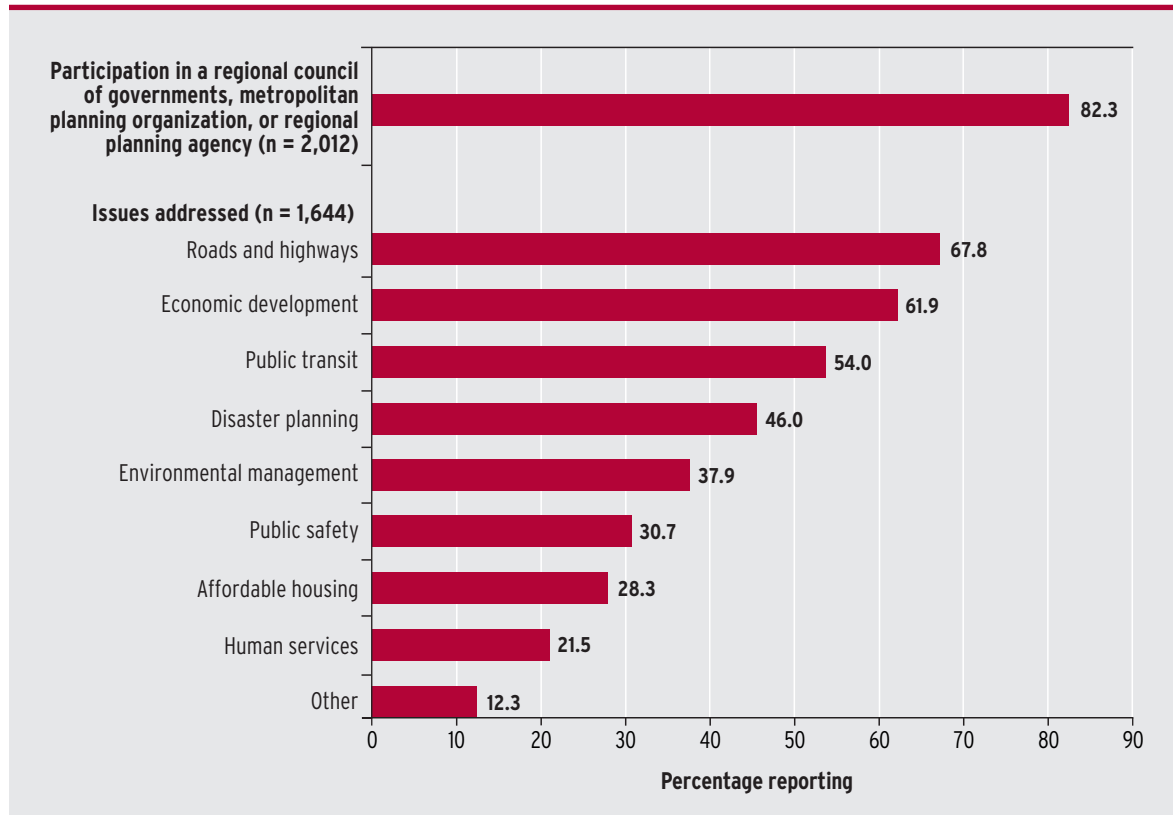


Source for 2007 figures: Mildred E. Warner and Amir Hefetz, "Cooperative Competition: Alternative Service Delivery, 2002-2007," in *The Municipal Year Book 2009* (Washington, D.C.: ICMA Press, 2009), 11-20, Figure 2-1 and Table 2-6.

a Not included in the 2007 survey.

Figure 5-2 Obstacles to Alternative Service Delivery Strategies, 2012



Figure 5-3 Participation in Regional Organizations, 2012

(Figure 5-1). While the number one motivation to privatize—the drive to decrease the cost of service delivery (87%)—remains unchanged, shifts in the other drivers are worth noting. The percentage of jurisdictions reporting external fiscal pressures (e.g., restrictions on raising taxes) as a driver jumped from 50% in 2007 to 59% in 2012, likely as a result of the recession. Similarly, the number of places indicating ideology as a motivator (i.e., “change in political climate emphasizing a decreased role for government”) grew from 14% in 2007 to 23% in 2012.

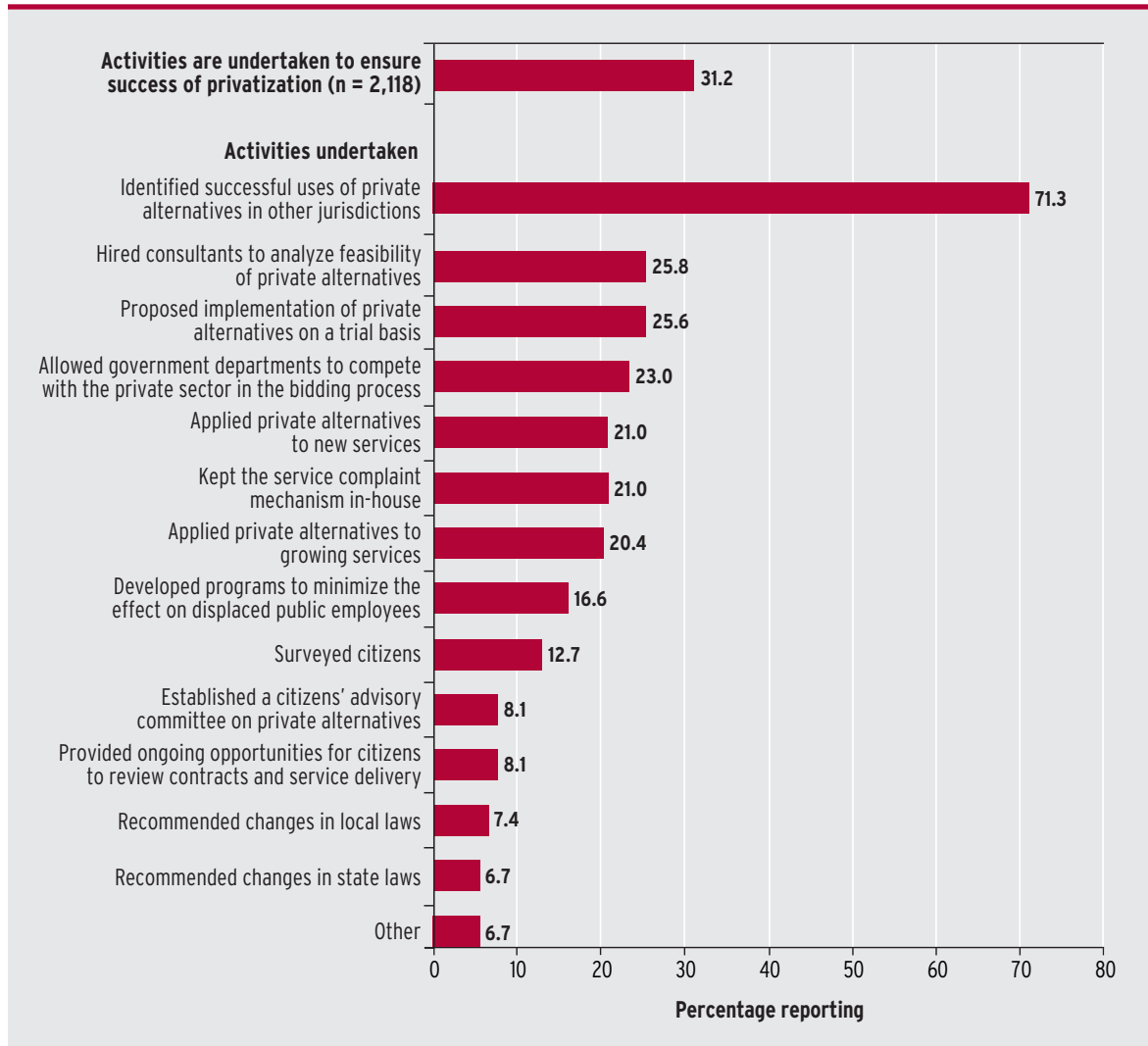
In 2012, only 31% of jurisdictions reported engaging in any activities to ensure the success of privatization (Figure 5-4); that rate is down from 38% in 2007 and from 44% in 2002 (not shown). This may be another sign of maturity, with local leaders better able to grasp which services are appropriate for contracting to private firms and which are not. In those jurisdictions that do engage in activities to ensure the success of privatization, the number one activity is identifying successful efforts in other jurisdictions (71%). Such learning can take place informally among neighbors; through associations of local government officials, which present case studies at conferences;

and through professional publications. Activities used much less frequently include hiring consultants to do feasibility studies (26%), proposing privatization on a trial basis (26%), and allowing government departments to compete in the bidding process (23%).

Monitoring of Service Agreements

Once private sector agreements are in place, the 2012 survey reveals that only about one-third of local governments (37%) monitor their service delivery contracts (Figure 5-5). This is down from just under half (45%) in 2007 (not shown). Among those municipalities that do conduct evaluations, cost is the most frequently monitored factor, considered by 87% of municipalities. Contract compliance is next (79%), followed by measurement of citizen satisfaction (58%). The low evaluation levels raise concerns about the maintenance of service quality.

In those places that evaluate private sector contracts, most (71%) monitor citizen complaints as part of the process (Figure 5-5). Data and records analysis and observations in the field are each used by 69% of local governments; only one-quarter use citizen

Figure 5-4 Ensuring the Success of Privatization, 2012

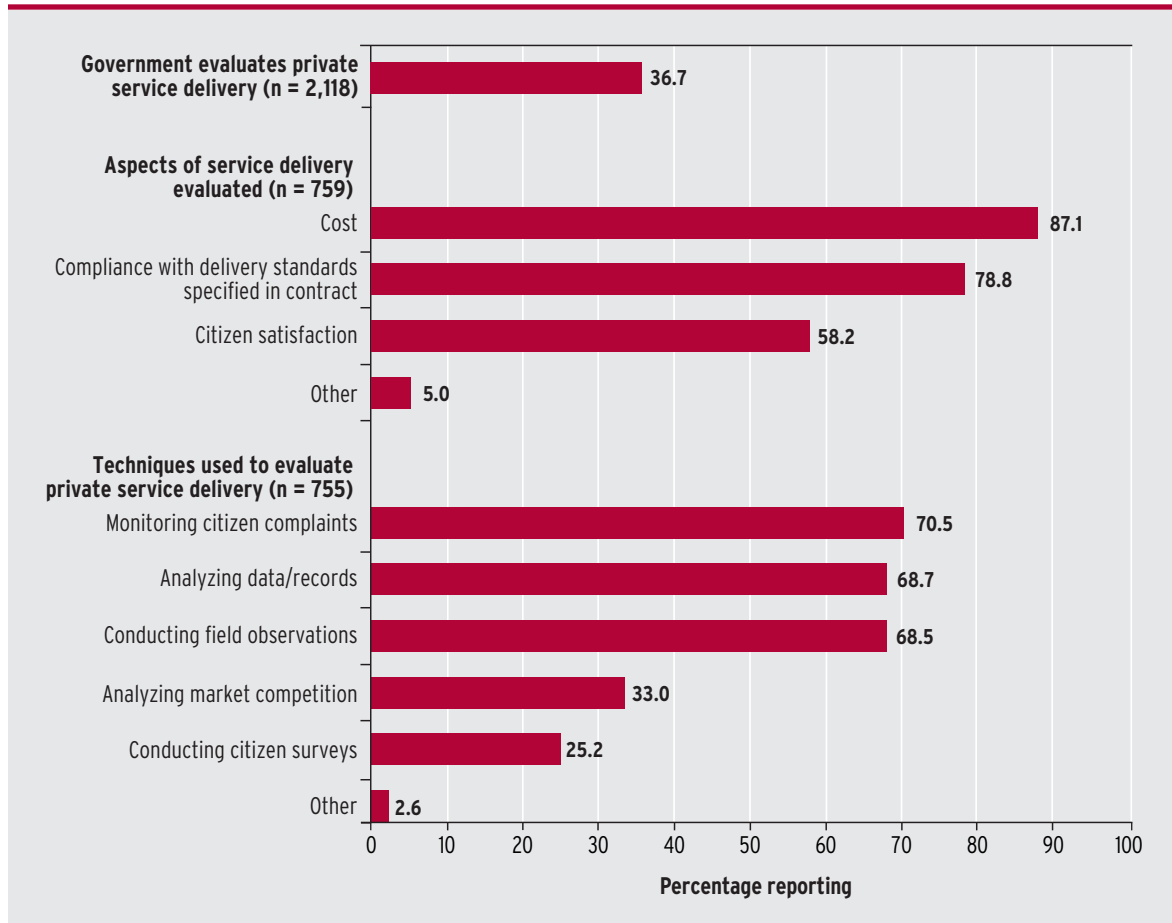
surveys to monitor private service delivery—a drop from 31% in 2007 (not shown). This drop is surprising given the increased attention paid to citizen interaction and feedback in the best practice literature. Service quality and access can be harder to evaluate than cost and contract compliance, so local officials may need to increase attention to this area.

While the 2012 survey does not directly ask about evaluation of intergovernmental contracts, the ranking of obstacles (Figure 5-2) provides a clue that evaluation of service delivery agreements may face similar problems. When respondents were asked to describe obstacles to entering into partnerships with other governments for service provision, only 11% checked the “need to create new accountability structures.” This could mean that such structures are easy to implement or are already in place, or that partnering jurisdictions

do not feel the need to monitor each other. Indeed, some research indicates that interjurisdictional agreements are built on a foundation of trust developed by local leaders in a regional social network.⁷ The past three surveys have consistently found that “lack of adequate contract monitoring system” is also the lowest ranked challenge to privatization reported, and little monitoring of private service delivery contracts occurs. However, research shows that monitoring and evaluation are major challenges in contracting out to for-profit, nonprofit, and other government actors.⁸ Costs of monitoring are high, and with intermunicipal contracting, weak sanctions make accountability difficult to ensure.⁹ Thus, the continued low attention given to monitoring is cause for concern.

One mechanism that local governments use to address contract failure is insourcing—that is, con-

Figure 5-5 Evaluating Private Service Delivery, 2012



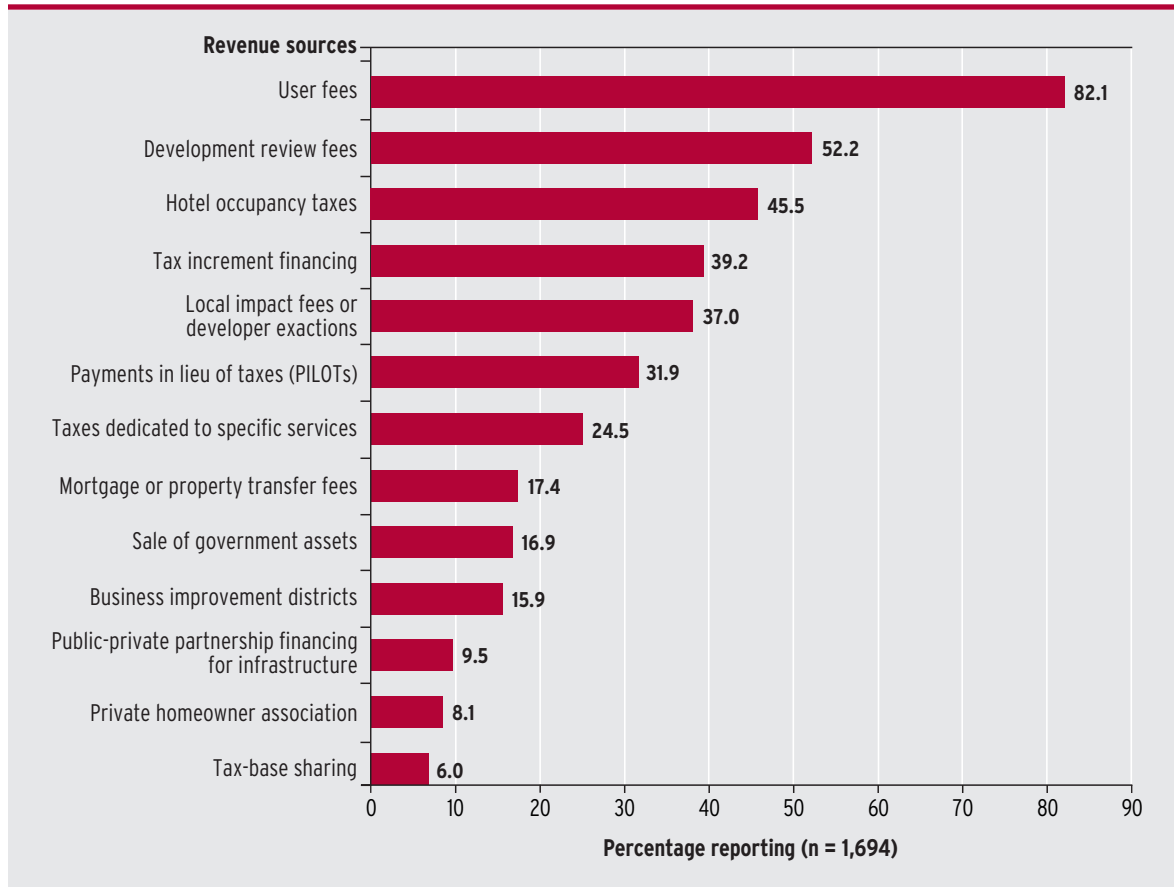
tracting back in-house those services that were previously contracted out. Insourcing is as common as outsourcing.¹⁰ It gives government leaders a way to manage markets and maintain competition and benchmarking in the market over time. Eighteen percent of respondents to the 2012 survey reported insourcing; the reasons given were insufficient cost savings (53%), unsatisfactory service quality (51%), improvements in local government efficiency (30%), successful proposal by in-house staff (23%), and political support to bring the work back in-house (15%) (not shown). Problems with contract specification (10%), monitoring (13%), and lack of competitive bidders (7%), however, are the lowest-ranked reasons for reversals.

Alternative Sources of Revenue

As has been noted, one of the motivators for ASD is to save money. However, academic research does not find lower costs with private delivery.¹¹ The emerging literature on intermunicipal cooperation raises a similar concern. Economies of scale are exhausted for many public services by the time a community

reaches 25,000 in population.¹² Clearly, the motivations for cooperation extend beyond cost savings to regional coordination, an important issue in service delivery. However, these findings raise further questions about what local governments can do to balance their budgets and still meet citizen demands for services.

The second new question on the 2012 survey asked whether local governments finance service delivery through various alternative funding mechanisms, and it provided a list of 13 options. (Because property taxes are the primary source of local government revenue, they were left off the list.) Not surprisingly, user fees are the most common alternative source of revenue for jurisdictions (82%), while development projects fees—development review fees (52%), local impact fees/developer exactions (37%), and payments in lieu of taxes (32%)—are used to varying degrees (Figure 5-6). Nearly half the respondents reported levying hotel occupancy taxes (46%). Despite the pressures of the Great Recession, only 17% of respondents reported selling off public

Figure 5-6 Alternative Sources of Revenue

assets to raise money, and just 16% reported new efforts to promote additional voluntary taxation, such as business improvement districts.

Conclusion

ICMA's 2012 ASD survey reconfirms the important role of intermunicipal cooperation as an ASD strategy. As local government leaders have grown comfortable with privatization and understand the instances in which it can or cannot be useful, they are now looking for new places for reform, and intermunicipal contracting is gaining attention. Intermunicipal contracting allows local leaders to achieve economies of scale and promote service coordination across the metropolitan region but retain public sector control over service delivery. As a result, cooperation faces less opposition from local government employees, elected officials, labor unions, and citizens than does privatization.

Intermunicipal cooperation holds many advantages over privatization, but it shares a major concern. Just as the vast majority of private service delivery contracts go unmonitored by local governments, responses on the survey indicate that the same may hold true for intergovernmental partnerships. This general lack of oversight, on both private contracts and interjurisdictional ones, is cause for concern.

Local government leaders remain creative as they seek to find efficiencies in service provision and additional ways to raise revenue. Some of this innovation is likely in response to increased pressure on municipalities and counties since the recession. The 2009 *Municipal Year Book* article about the 2007 ASD survey described the increased emphasis on cooperation as a new form of "cooperative competition."¹³ With the 2012 survey we see even more emphasis on the importance of cooperation in local government reform.

Notes

- 1 For comparisons with prior years, see Mildred E. Warner and Amir Hefetz, "Cooperative Competition: Alternative Service Delivery, 2002—2007," in *The Municipal Year Book 2009* (Washington, D.C.: ICMA Press, 2009), 11–20.
- 2 The 2012 ASD survey was funded by the U.S. Department of Agriculture National Institute for Food and Agriculture Grant #2011-68006-30793.
- 3 A metropolitan area contains a core urban area of 50,000 or more in population, and a micropolitan area contains an urban core of at least 10,000 (but less than 50,000) in population. Each metro or micro area consists of one or more counties, and includes the counties containing the core urban area as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core. Nonmetropolitan areas include both micropolitan and non-core-based statistical areas (non-CBSAs) (classified here as "other"); see Office of Management and Budget (2013), census.gov/population/metro/. The U.S. Census Bureau list of principal cities can be found at census.gov/population/metro/files/lists/2013/List2.xls.
- 4 The ASD strategies of franchises, concessions, and volunteers received so few responses that they are not included in the analysis for this article.
- 5 Amir Hefetz, Mildred E. Warner, and Eran Vigoda-Gadot, "Privatization and Inter-Municipal Contracting: US Local Government Experience 1992—2007," *Environment and Planning C: Government and Policy* 30, no. 4 (2012): 675–692.
- 6 Mildred E. Warner and Lingwen Zheng, "Economic Development Strategies for Recessionary Times: 2009 Survey Results," in *The Municipal Year Book 2011* (Washington, D.C.: ICMA Press, 2011), 33–42.
- 7 Kurt Thurmaier and Curtis Wood, "Interlocal Agreements as Overlapping Social Networks: Picket-Fence Regionalism in Metropolitan Kansas City," *Public Administration Review* 62, no. 5 (2002): 585–598.
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- 11 Germà Bel, Xavier Fageda, and Mildred E. Warner, "Is Private Production of Public Services Cheaper Than Public Production? A Meta-Regression Analysis of Solid Waste and Water Services," *Journal of Policy Analysis and Management* 29, no. 3 (2010): 553–577.
- 12 Marc Holzer and John C. Fry, *Shared Services and Municipal Consolidation: A Critical Analysis* (Alexandria, Va.: Public Technology Institute, 2011).
- 13 Warner and Hefetz, "Cooperative Competition."