

The Consolidation of City and County Governments: A Look At the History and Outcome-Based Research of These Efforts

by Pat Hardy, MTAS, 2005

History of Consolidation in the United States

In the past 40 years there has been a net decrease of 31,801 units of local government in the United States. This decrease has not, for the most part, resulted from the consolidation of cities and counties. Instead this loss has been largely confined to a reduction in the number of school districts. In fact, during this period of time the number of school districts declined 79%, mostly due to the consolidation of one district with another. But also during this time the number of "general purpose" governments (usually cities) increased by 2,472, thus reflecting the continuing suburbanization of the nation and the desire for local control which accompanies it.

Thus over time the consolidation of cities and counties has not been a significant trend affecting how our local governments operate, and in fact the opposite has occurred with continued fragmentation from emerging suburbs. But let's take a look at the few consolidations that have occurred.

In 1805, New Orleans and New Orleans Parish, La., became the first city-county consolidated government. In the 200 years that have followed, 32 more city and county governments have merged. The period from the early 1960's through 1976 was the most active merger period, with 14 consolidations occurring during this time. Since then only 8 more consolidated governments have been formed.

Today there are 3,069 county governments in the United States. 33 of these are consolidated (about 1%). Here is a list of these, including the dates of their consolidations (note: When reviewing the literature, many disputes arise concerning the definition of "consolidated government", and thus the number of these governments is also in dispute. In fact, of the 33 governments mentioned above, only 24 (about 3/4 of 1% of the total) are true consolidations, the others are de-facto consolidations, having arrived at this status through the elimination of one or more cities, through the original establishment of the jurisdiction as a city/county entity, or for other reasons):

New Orleans-Orleans Parish, Louisiana - 1805
Nantucket Town-Nantucket County, Massachusetts - 1821
Boston-Suffolk, Massachusetts - 1821
Philadelphia-Philadelphia, Pennsylvania - 1854
San Francisco-San Francisco County, California - 1856
New York (5 Boroughs), New York - 1890's
Denver-Denver County, Colorado - 1902
Honolulu-Honolulu County, Hawaii -1907

Baton Rouge-East Baton Rough Parish, Louisiana - 1947
 Hampton-Elizabeth City County, Virginia - 1952
 Newport News-Warwick County, Virginia - 1957
 Chesapeake-South Norfolk-Norfolk County, Virginia - 1962
 Virginia Beach-Princess Anne County, Virginia -1962
Nashville-Davidson County, Tennessee - 1962
 Jacksonville-Duval County, Florida - 1967
 Juneau-Greater Juneau County, Alaska - 1969
 Carson City-Ormsby County, Nevada - 1969
 Indianapolis-Marion County, Indiana - 1969
 Columbus-Muscogee County, Georgia - 1970
 Sitka-Greater Sitka County, Alaska - 1971
 Lexington-Fayette County, Kentucky - 1972
 Suffolk-Nansemond County, Virginia - 1972
 Anchorage-Greater Anchorage County, Alaska - 1975
 Anaconda-Deer Lodge County, Montana - 1976
 Butte-Silver Bow County, Montana - 1976
 Houma-Terrebonne Parish, Louisiana - 1984
Lynchburg City-Moore County, Tennessee - 1988
 Athens-Clarke County, Georgia - 1990
 Lafayette/Lafayette Parish, Louisiana - 1992
 Augusta/Richmond County, Georgia - 1995
 Kansas City/Wyandotte County, Kansas - 1997
Hartsville/Trousdale County, Tennessee - 2001
 Louisville/Jefferson County, Kentucky - 2003

Please note that three of these consolidations have occurred in Tennessee. The first in one of our larger jurisdictions (Nashville/Davidson County, population 569,891), the second in one of our smaller jurisdictions (Lynchburg/Moore County, population 5,740), and the third also in one of our smaller jurisdictions (Hartsville/Trousdale County, population 7,259).

The successes listed above represent but a few of the formal attempts at consolidation. In fact, from the period between 1921 and 1996 there were 132 formal consolidation attempts but only 22 successes. This represents a success rate of 16%. Of these 132 attempts, 102 (77%) have been in southeastern states. Here is a partial list of jurisdictions attempting (that is, actually having a consolidation vote) but failing at consolidation in the 1990's:

1990	Gainesville/Alachua County, Fla.
1990	Sacramento/Sacramento County, Calif.
1990	Roanoke/Roanoke County, Va.
1990	Owensboro/Davis County, Ky.
1990	Bowling Green/Warren County, Ky.
1991	Griffin/Spalding County, Ga.
1992	Ashland & Catlettsburg/Boyd County, Ky.

- 1994 Des Moines/Polk County, Iowa
- 1994 Douglasville/Douglas County, Ga.
- 1994 Metter/Candler County, Ga.
- 1995 Wilmington/New Hanover County, N.C.
- 1995 Spokane/Spokane County, Wash.
- 1997 Griffin/Spalding County, Ga.

In Tennessee, between 1958 and 1991 there have been 15 consolidation votes, with only two successes (Nashville-Davidson County and Lynchburg-Moore County). Here is the data:

<u>Year</u>	<u>City</u>	<u>County</u>	<u>% Support Passing</u>	<u>% Support Failing</u>
1958	Nashville	Davidson		47.3%
1959	Knoxville	Knox		16.7%
1962	Memphis	Shelby		36.8%
1962	Nashville	Davidson	56.8%	
1964	Chattanooga	Hamilton		19.2%
1970	Chattanooga	Hamilton		48%
1971	Memphis	Shelby		47.6%
1978	Knoxville	Knox		48%
1981	Clarksville	Montgomery		16.3%
1982	Bristol	Sullivan		11%
1983	Knoxville	Knox		47.6%
1987	Jackson	Madison		47.3%
1987	Lynchburg	Moore	93.1%	
1988	Sparta	White		39.4%
1988	Bristol	Sullivan		31.2%

Though there have been many failures at attempts to consolidate, there is a tendency by voters to support an initial examination of consolidation. One study has shown that the average voter support for establishing a consolidation group or consolidation charter commission is 73%. But the average voter support for actual establishment of a consolidated jurisdiction is only 47%. Thus most voters who initially support an examination of consolidation do not later support consolidation itself.

It should also be noted that voter turnout for consolidation elections is normally low. A 1961 study by the *Advisory Commission on Intergovernmental Relations* (ACIR) shows that typically only one in four (25%) of eligible voters turnout.

Consolidated Government Research

Much research has been conducted on the subject of consolidated governments.

However, a strong word of caution is in order. Much of this comes in the form of “opinion” only, and “hard” empirical research on consolidated governments is limited. That is because it’s difficult to isolate “consolidation” as the independent variable which could cause a certain outcome (such as “citizen satisfaction with services” or “governmental efficiency”). But there have been a few of these studies and we will look at them below.

The first study we will look at was conducted in 1974 and it examined Metropolitan Nashville/Davidson County.¹ By the time this study was undertaken the new consolidated jurisdiction had been in existence for a little more than 10 years. The study examined citizen satisfaction with services. In order to do so the study used a “similar systems” approach. That is, it isolated two adjacent areas which were similar in terms of variables such as income, race, population, etc. One area was within the consolidated jurisdiction, receiving services from it, and the other was a city outside but adjacent to the consolidated jurisdiction, receiving its own city services. Here are the results of the study:

- The first hypothesis, that citizens who are served by a large metropolitan government will be more satisfied with services than will citizens who are served by a small municipality, was not supported by the data.
 - In fact, the opposite was found, with the notable exception of fire protection services and garbage collection. The study looked at police services, fire services, garbage collection, street repair and parks/recreation. For each of these except fire protection services and garbage collection, the residents of the smaller municipality were much more satisfied with their services than were those in the metropolitan jurisdiction
- For example, when asked to rate police services, 86% of those in the smaller city rated these services a “good”, compared with 52% in Metropolitan Nashville/Davidson County. 0% of the small city residents said their police services were “poor”, compared with 23% of those in the metropolitan area.
- When asked about garbage collection the ratings in both jurisdictions were approximately equal.
 - When looking at fire protection services, 80% of those in the consolidated jurisdiction rated the services as “good”, compared with 58% in the small city jurisdiction.
- Citizens were also asked if their “local government was concerned about their neighborhood”. 85% of the small city residents agreed with this statement while only

¹ see Lipsey and Rogers, “Metropolitan Reform: Citizen Evaluations of Performance in Nashville-Davidson County, Tennessee”. *Publius*, Vol. 4, No. 4, Fall 1974.

55% of the metropolitan residents did likewise.

- Citizens were also asked if they agreed with the statement, “A person can’t get any satisfaction out of talking to the public officials in my neighborhood”. The small city residents generally disagreed with this statement (78%), while only 53% of the metropolitan residents did likewise.
- Other results from this study showed that small city residents knew which official to complain to more often than the metropolitan residents. These same city residents did complain more often when they wanted to and were satisfied with responses to their complaints more than the metropolitan residents were.

Many of the results of this research can probably be attributed to the type of service provided. Labor intensive services which rely more on interpersonal relationships (such as police services and the tendency to actually complain and receive a response when a resident wants to complain) are sensitive to jurisdictional size, since residents in a smaller jurisdiction have a greater opportunity to know those who provide these services.²

Another survey was conducted only a year after the consolidation of Nashville and Davidson County. That survey asked if residents were “...generally satisfied with the way Metropolitan Nashville/Davidson County has worked in its first year in operation?”. The results indicated that a majority of citizens who were questioned believed that the new government was performing well.³

Other research has also been conducted on the subject of consolidation. Below is a summary of these findings:⁴

- Studies which have looked at the distribution of taxes following consolidation are mixed. For example, an analysis of tax revenue patterns in Dade County, Florida indicated that the net gainer in their 1957 consolidation was the City of Miami (at the expense of surrounding areas). But in contrast are the findings of a number of other studies, most of which have shown that “suburbanites” pay their proportionate share of the costs of services.
- Many proponents of consolidation point to the economies of scale which can be realized

² Elinor Ostrom, “Metropolitan Reform: Propositions Derived From Two Traditions.” *Social Science Quarterly*. Vol. 93, December, 1972.

³ Daniel Grant. “A Comparison of Predictions and Experience with Nashville ‘Metro’.” *Urban Affairs Quarterly*. Vol. 1, September, 1965.

⁴ Sam Staley. “Bigger is Not Better: The Virtues of Decentralized Local Government.” *Urban Policy Research Institute*. 2000, Dayton, Ohio.

through consolidated jurisdictions. But empirical studies have consistently failed to find such an economy of scale. This is largely because most city or county services experience a U-shaped cost curve. Average costs fall over a range, flatten, and then begin to rise. According to one estimate, economies of scale may exist for communities with populations of up to about 15,000, but beyond that point, costs either are constant or tend to rise as additional services are provided.

- One study has shown that when asked, “How much of the time do you believe local governments perform efficiently and at least cost”, close to equal numbers of both central city and fringe area residents said either “Most of the time” or “Some of the time”.⁵
- A number of studies have shown that expenditures tend to rise under consolidated jurisdictions at rates higher than in decentralized government structures. However, this has been shown to be the case largely because additional services are being provided (the ACIR study noted that “consolidated governments have expanded public services considerably”).
- In an analysis of 164 counties in 16 southern states, Richard Wagner and Warren Weber found that consolidation and centralization led to higher expenditures.
- David Sjoquist analyzed 48 southern urban areas and found that central cities that compete with several other local governments spend less. He concluded that the “level of expenditures will fall as the number of jurisdictions increase”.
- An analysis of Miami/Dade County found that expenditure levels rose after consolidation.
- A number of other studies have examined the potential “efficiency” (greatest output for least dollar) of consolidated jurisdictions. The results are mixed. Thus the efficiency of consolidated governments has not been established empirically (which does not necessarily mean that it can’t be realized, instead it simply means that studies conducted thus far have not shown it).

It should be noted that nearly all of this research involved jurisdictions which are fairly large. And thus, findings related to economies of scale, satisfaction with services, and taxation or expenditure levels may or may not apply in other cases.

Regarding the cost of consolidation, very little quality research has been done. One study has shown that for certain functions such as finance, savings can be incurred. But after examining other services the same study concludes, “The act of consolidating will not guarantee more efficient operations, despite what come of its advocates would have us believe. On the

⁵ ACIR. “Changing Attitudes on Government and Taxes: 1988. “

other hand, consolidating governments will not necessarily cause expenditures to increase as some opponents suggest. Each consolidation must be considered case by case and its fiscal impacts forecast based on the local context.”⁶

However, The Iowa State Association of Counties has reviewed the available cost-related research. It is as follows:⁷

- Purdue University conducted research which has shown that larger units of government are more expensive to operate, not less, than smaller units.
- The Purdue study also says that “the bulk of the evidence indicates that consolidation increases taxes and spending.”
- In 2000 the University of Georgia conducted a study which concluded, “Very few studies have examined the impact of city-county consolidation, and what little evidence does exist suggests that costs will actually increase in the short term.”

Regarding the economic development effect of consolidation, a 1997 study by Florida State University examined the 30 year track record of the Jacksonville Florida/Duval County consolidation, and “failed to find evidence of a link between consolidation and economic development.” The study concluded that consolidation “has not enhanced the local economy.”⁸

In contrast to these findings is a study conducted by William Blomquist and Roger Parks. It found that the Indianapolis consolidated government “... has enhanced the effectiveness of economic development strategy - there has been substantial economic development in the downtown that would have not occurred without Uni-Gov.”⁹

Other data, much of which is anecdotal, supports the view that smaller, non-consolidated jurisdictions are more responsive than consolidated jurisdictions. Stephen Forman summarizes

⁶ Richard Campbell and Sally Coleman Selden. “Does City-County Consolidation Save Money?” *Public Policy Research Series* (Carl Vinson Institute of Government, The University of Georgia, March 2000).

⁷ “Consolidation: The Pros and Cons.” *Iowa State Association of Counties*. Author and date unknown.

⁸ Ibid.

⁹ Noe, Lance J. “Four Approaches To Regional Governance.” (Drake University, Feb. 2003), 5.

this view as follows: ¹⁰

There is overwhelming evidence that citizens do not want to relinquish control of important local powers to a large consolidated government entity. Consolidated local government means, fundamentally, that fewer people will be making decisions for a larger number of people. Many more individuals will lose more power or control than they gain.

This view is supported by data from the Nashville-Davidson County study. It showed that citizens believe their local officials were more concerned about their neighborhood in the smaller jurisdictions than in the consolidated jurisdiction. They also indicated significantly higher levels of satisfaction when requesting action from public officials in the neighborhoods of the smaller jurisdictions than in the consolidated jurisdiction.

Additional research has also been done comparing police services of small jurisdictions with those of larger jurisdictions. These results may be extrapolated to consolidated jurisdictions if consolidation would result in a substantially larger new jurisdiction. In general this research shows: ¹¹

- Small police departments in independent communities produced at a higher level than large departments (citizens receive higher levels of police follow-up, call upon police for assistance more often, receive more satisfactory levels of police assistance, etc.).
- Studies differ on the cost of providing similar levels of police services - one found costs to be lower in smaller jurisdictions and another found costs to be lower in larger jurisdictions. An additional study found the cost of providing police services in metropolitan areas to be significantly greater than the cost to provide similar services in smaller neighboring jurisdictions.
- Findings of multiple studies show that larger departments do not provide higher levels of police services as measured by citizens' experiences and evaluations of services.

¹⁰ Foreman, Stephen. Quoted in Sam Staley. "Bigger is Not Better: The Virtues of Decentralized Local Government." *Urban Policy Research Institute*. 2000, Dayton, Ohio.

¹¹Elinor Ostrom. "Scale of Production and the Problems of Service Delivery in a Federal System" in Bruce Rogers and Barbara Greene, Metropolitan City-County Service Delivery: A Design For Evaluation (Knoxville, Tennessee. The University of Tennessee Bureau of Public Administration, 1975), 30-34.