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

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History of Consolidation in the United States

In the past 40 years there has been a net decrease of approximately 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 approximately 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 approximately 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 37 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 13 more consolidated governments have been formed.

Today there are 3,069 county governments in the United States. 38 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 38 governments mentioned above, only 26 (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 Rouge 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  
City and Borough of Yukatat, Alaska - 1992  
Augusta-Richmond County, Georgia - 1995  
Kansas City-Wyandotte County, Kansas – 1997  
Louisville-Jefferson County, Kentucky – 2000  

**Hartsville-Trousdale County, Tennessee – 2001**  
Haines-Haines Borough, Alaska – 2002  
Cusseta-Chattahoochee County, Georgia - 2003  
Georgetown-Quitman County, Georgia - 2006  
Macon-Bibb County, Georgia – 2012

Please note that three of these consolidations have occurred in Tennessee. The first in one of our larger jurisdictions (Nashville/Davidson County, population 626,144), the second in one of our smaller jurisdictions (Lynchburg/Moore County, population 6,195), and the third also in one of our smaller jurisdictions (Hartsville/Trousdale County, population 7,822).

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 Metter/Candler County, Ga.
1995 Wilmington/New Hanover County, N.C.
1997 Spokane/Spokane County, Wash.
1997 Griffin/Spalding County, Ga.

In Tennessee, between 1958 and 2012 there have been 21 consolidation votes, with only three successes (Nashville-Davidson County, Lynchburg-Moore County, and Hartsville-Trousdale County). Here is the data:

<table>
<thead>
<tr>
<th>Year</th>
<th>City</th>
<th>County</th>
<th>% Support Passing</th>
<th>% Support Failing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958</td>
<td>Nashville</td>
<td>Davidson</td>
<td>47.3%</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>Knoxville</td>
<td>Knox</td>
<td>16.7%</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>Memphis</td>
<td>Shelby</td>
<td>36.8%</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>Nashville</td>
<td>Davidson</td>
<td>56.8%</td>
<td></td>
</tr>
<tr>
<td>1964</td>
<td>Chattanooga</td>
<td>Hamilton</td>
<td>19.2%</td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>Chattanooga</td>
<td>Hamilton</td>
<td>48%</td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td>Memphis</td>
<td>Shelby</td>
<td>47.6%</td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td>Knoxville</td>
<td>Knox</td>
<td>48%</td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>Clarksville</td>
<td>Montgomery</td>
<td>16.3%</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>Bristol</td>
<td>Sullivan</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>Knoxville</td>
<td>Knox</td>
<td>47.6%</td>
<td></td>
</tr>
<tr>
<td>1987</td>
<td>Jackson</td>
<td>Madison</td>
<td>47.3%</td>
<td></td>
</tr>
<tr>
<td>1987</td>
<td>Lynchburg</td>
<td>Moore</td>
<td>93.1%</td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>Sparta</td>
<td>White</td>
<td>39.4%</td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>Bristol</td>
<td>Sullivan</td>
<td>31.2%</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>Hartsville</td>
<td>Trousdale</td>
<td>51.9%</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>Fayetteville</td>
<td>Lincoln</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Fayetteville</td>
<td>Lincoln</td>
<td></td>
<td>21%</td>
</tr>
<tr>
<td>2010</td>
<td>Memphis</td>
<td>Shelby</td>
<td>36.4%</td>
<td></td>
</tr>
</tbody>
</table>
Though there have been many failures 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 turn out.

**Consolidated Government Research**

**Services-Related 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

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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 as “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 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

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performing well.³

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

- 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

Other data, much of which is anecdotal, supports the view that smaller, non-consolidated jurisdictions are more responsive than consolidated jurisdictions. Stephen Forman summarizes this view as follows:⁶

> 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

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if consolidation would result in a substantially larger new jurisdiction. In general this research shows:

- 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.

The Economics of Consolidation

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 some of its advocates would have us believe. On the 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.”

In contrast, an article in the Wall Street Journal points out, “A number of studies – and evidence from past consolidations – suggest mergers rarely save money, and in many cases, they end up raising costs.” Among the reasons cited for this are: first, small jurisdictions tend to have fewer professionals, who are generally higher paid, and they also tend to rely on more part-time workers, who tend to be less expensive. Pineda adds that as jurisdictional size increases bureaucrats and politicians become more removed from daily contact with residents, resulting in an “out-of-touch” dynamic which removes the incentive to cut costs or to stop increased expenditures.

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7 Elinor 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.


10 Ibid.
spending. Another analysis offers the following reasons for the tendency of costs to rise with jurisdictional size:

- Consolidated city services that are labor-intensive and must be replicated from one neighborhood to the next often do not achieve economies of scale and may end up costing the same or even more.

- When local governments consolidate, the wages of the consolidated government’s employees usually increase to the level of the highest-paid comparable employees.

- A similar “averaging up” phenomenon occurs with service levels and standards for equipment and facilities, which also tend to rise to the highest level among the consolidating organizations.

Katsuyama, concludes by stating, “As a result, many of the cost savings that may be achieved by streamlining services and staff are often offset by the absence of scale economies and the averaging up of wages and service standards.” Eva Galambos has found that “…expenditures for fire services are lower with several smaller governments offering various levels of service than when all are merged to the highest level. Consolidation and centralization lead to uniformity at the most expensive level, thereby negating promises of savings presented in justification of consolidation.” Galambos confirms findings related to the “averaging-up” of wages by noting that the consolidation of Athens and Clarke County resulted in an immediate six percent increase in total payroll.

An in-depth study of the consolidations of Louisville-Jefferson County, Kansas City-Wyandotte County, Athens-Clarke County, and the City and County of Broomfield concluded the following regarding the cost-savings aspect of consolidation:

The review and analysis of financial data for these four city-county consolidations supports earlier research, which concluded that the consolidation of local

11 Pineda, Chris. “City-County Consolidation and Diseconomies of Scale.” Government Innovators Network. No date provided, 1.

12 Katsuyama, 3.

13 Ibid.


15 Ibid.

governments does not lead to cost savings. This analysis also supports findings regarding the diseconomies of scale that result when labor-intensive services must be provided to populations made larger through consolidation. In each of these four consolidations, expenditures for labor-intensive public services such as public safety and public works increased, often significantly, after consolidation. In contrast to the findings of Selden and Campbell, who suggested that consolidation might be beneficial in small counties, the City and County of Broomfield, CO, the smallest consolidated government in this study, experienced the largest increases in costs as a results of consolidation.

Cost-savings were realized only when consolidated government made decisions to reduce staff, outsource certain functions, and reorganize operations. This occurred in some extent in Louisville-Jefferson County and Wyandotte County-Kansas City. It can be argued that these governments could have implemented these actions and achieved cost-savings without consolidating. In fact, research by Allen Brierly, Jered Carr, and others, supports this argument. Moreover, in the four consolidations examined in this paper, transaction costs increased, sometimes significantly, for most public services once consolidation took place. Research also indicates that the costs associated with consolidation can be very high and the transition can be difficult, in some cases taking years longer than anticipated. It appears then that city-county consolidation is not a viable option for local governments seeking to reduce costs.

The Iowa State Association of Counties has reviewed the available cost-related research and concludes as follows:17

- 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.”

Other economic-related findings are as follows:18

- Many proponents of consolidation point to the economies of scale (i.e. when average costs are distributed over a wider set of users) which can be realized through

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

18 Staley.
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. Other studies have verified this analysis, adding that economy of scale limits may be closer to populations of 20,000.  

- 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.

Sammis has found that the Indianapolis-Marion County experience resulted in increased taxes since their 1969 consolidation, as has the Miami-Dade County consolidation.  


21 Campbell and Selden, 2.
It should also be noted that some evidence suggests cost savings can be achieved in certain cases, usually due to a reduction in the number of employees, particularly in cases where the city and county previously provided duplicative services.22

**Economic Development and Consolidation**

Regarding the economic development effect of consolidation, a 1997 study by Florida State University examined the 30 year track record of the Jacksonville Florida/Duvall 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.”23

*Rand Corporation* study conducted in 2008 stated, “… we could not find unequivocal evidence that city-county consolidation does improve economic development. Neither did we find any strong analysis refuting the notion that consolidation can improve it. The empirical work we reviewed does not show statistically significant evidence that consolidation will enhance economic development when measured against a variety of measurements, such as firm or payroll growth.”24

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.”25 However, it should be noted that no empirical evidence has been presented supporting this assertion.

**Divisiveness Considerations**

Consolidation elections can be divisive. Regarding the Macon-Bibb County, Georgia consolidation, Mayor Robert Reichert stated, “This has been a tough election, and this has been a very divisive election. And it has divided households, it has divided families, it has divided friends.”26 Further, the Macon-Bibb County consolidation also had racial overtones. As Stucka notes, “Among elected officials, most whites supported consolidation and most blacks opposed

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23 Ibid.


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

it.” Legislative dynamics along racial lines have also been seen on the Augusta-Richmond County Commission, as the following observation details:

…the merger six years ago of the city and county governments has created a new sort of division along racial lines, with the five white commissioners and the five black commissioners deadlocking over everything from renaming streets to hiring a new fire chief. …. Many locals think the government is broken… ‘Consolidation has been a giant backward step for Augusta’.”

Factors Affecting Consolidation Votes

Extensive research in 2006 by Leland and Thurmaier examined factors related to successful and failed consolidation votes. In summary they found:

- The impetus behind most consolidation attempts is “economic development.” This focus is mostly pushed by “civic elites” such as elected officials, business leaders, Chambers of Commerce, etc.

- If voters perceive that minority representation will not be preserved, then substantial opposition will likely be generated against consolidation.

- Efficiency-related or economy of scale arguments are generally not enough to generate support for passage of consolidation.

- The size of the proposed new jurisdiction will not increase or decrease the odds of successful passage.

- “Overwhelming support of elected officials is essential to any pro-consolidation campaign.”

Conclusion

City decision-makers should carefully study consolidation before committing to a position on the subject. Taken as a whole, there is very little evidence supporting a range of positive outcomes for most consolidated jurisdictions. This is not to say such outcomes can’t be achieved, but to do so will likely require a long-term, sustained and strong managerial and policy-making effort. Even then, based on the evidence examined in this paper, an increase in

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27 Ibid.


either the efficiency or effectiveness of services is probably unlikely. In addition, increased costs of services and/or decreased citizen satisfaction with services are potential negative outcomes which are possible and which must be avoided.